

State of New Mexico  
Energy, Minerals and Natural Resources Department

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Michelle Lujan Grisham  
Governor

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Cabinet Secretary

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Deputy Secretary

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Oil Conservation Division



November 25, 2019

**POOL/LEASE COMMINGLING**

**Administrative Order PLC-618**

Matador Production Company  
Attention: Ben Peterson  
5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240

Pursuant to your application received on October 16, 2019, Matador Production Company ("Operator") is hereby authorized to surface commingle oil and gas production from the pools, wells, and associated leases as determined within this order. The pools, wells, and associated leases are identified in Exhibit A and incorporated by reference into this Order. The wells are located in Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico.

Oil Production from Heyco State 121H (30-015-44083) and Heyco State 122H (30-015-44099) may be commingled after the production has been measured, but must remain segregated from the oil produced from Heyco State 001H (30-015-21078)

Gas Production from all three wells may be commingled after the production has been measured.

Production from the wells shall be determined as follows:

The oil and gas production from each well shall flow into its own dedicated three-phase separator. The production stream shall be separated into three independent streams and each stream shall be measured individually before commingling. Additional gas gathered from process equipment after commingling shall be measured and allocated to each well based on the individual well's production.

The commingled oil production from the wells shall either be measured by a lease automatic custody transfer ("LACT") meter or by manual gauging and sold at the respective central tank battery ("CTB") described in Exhibit A.

The commingled gas production from the wells shall be measured at the CTB using a custody transfer meter except when the gas pipeline is experiencing problems at which time the commingled gas production from the wells shall be measured using the appropriate meters.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

Operator may add subsequently drilled wells that produce from the approved pools within the project areas by submitting a Sundry Notice C-103 to the Engineering Bureau in Santa Fe.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This approval is subject to like approval from the New Mexico State Land Office before commencing commingling operations.

Operator shall notify the Artesia District Office before commingling oil and gas production.

Operator shall comply with all Division Rules and Regulations.



Adrienne Sandoval  
Director

AS/dm

cc:   OCD – Engineering Bureau  
      OCD – Artesia District Office  
      New Mexico State Land Office

State of New Mexico  
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**Exhibit A**

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Administrative Order: **PLC-618**

Date: **11/25/19**

Operator: **Matador Production Company**

Central Tank Battery: **Heyco State Tank Battery**

Central Tank Battery Location: **Section 32, Township 20 South, Range 30 East**

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**Pools**

Pool Name	Pool Code	Pool Name	Pool Code
<b>WC-015 G-04 S203032P; BONE SPRING</b>	<b>98008</b>		
<b>GOLDEN LANE; STRAWN (GAS)</b>	<b>77600</b>		

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**Lease**

**V09124**

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**Wells**

Well API	Well Name	Pool Code	Location	Train
<b>30-015-44083</b>	<b>Heyco State 121H</b>	<b>98008</b>	<b>Sec32-T20S-R30E</b>	
<b>30-015-44099</b>	<b>Heyco State 122H</b>	<b>98008</b>	<b>Sec32-T20S-R30E</b>	
<b>30-015-21078</b>	<b>Heyco State 001H</b>	<b>77600</b>	<b>Sec32-T20S-R30E</b>	