

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



November 25, 2019

POOL/LEASE COMMINGLING

Administrative Order PLC-622

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

Pursuant to your application received on October 29, 2019, Matador Production Company ("Operator") is hereby authorized to surface commingle oil and gas production and off-lease measure from the pools, wells, and associated leases identified in Exhibit A and incorporated by reference into this Order. The wells are located in Sections 13 and 14, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

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 be measured by a lease automatic custody transfer ("LACT") meter 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 administrative order supersedes Administrative Order CTB-854, issued April 12, 2018. This order associates additional wells and an additional pool in this commingling operation.

Operator shall notify the Hobbs 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 – Hobbs District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Administrative Order: **PLC-622**

Date: **11/25/19**

Operator: **Matador Production Company**

Central Tank Battery: **Leo Thorsness Tank Battery**

Central Tank Battery Location: **Section 13, Township 24 South, Range 33 East**

Pools

Pool Name	Pool Code	Pool Name	Pool Code
RED HILLS; BONE SPRING, NORTH	96434		
WC-025 G-09 S243310P; UPPER WOLFCAMP	98135		

Leases

Fee (W/2 W/2 Sec 13-T24S-R33E)

Fee (E/2 E/2 Sec 14-T24S-R33E)

Wells

Well API	Well Name	Pool Code	Location	Train
30-025-46282	Leo Thorsness 13-24-33 AR 135H	96434	Sec 14-T24S-R33E	
30-025-43532	Leo Thorsness 13-24-33 AR 211H	98135	Sec 13-T24S-R33E	
30-025-44442	Strong 14-24-33 AR 214H	98135	Sec 14-T24S-R33E	
30-025-46154	Leo Thorsness 13-24-33 AR 221H	98135	Sec 14-T24S-R33E	