State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

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April 12, 2018

Heather Riley, Division Director Oil Conservation Division



MATADOR PRODUCTION COMPANY

Attention: Mr. Michael Feldewert

CENTRAL TANK BATTERY

Amended Administrative Order CTB-812-A Administrative Application Reference No. pMAM1806056514

Reference your application received February 28, 2018

The Oil Conservation Division (Division) authorizes Matador Production Company (OGRID 228937) (Matador) to surface commingle oil and gas production from the Purple Sage; Wolfcamp (Gas) pool (pool code 98220) from the following diversely-owned fee and state leases located in Township 24 South, Range 27 East, Eddy County, New Mexico.

Lease: Rustler Breaks 12 24 27 Well No. 001H Lease: Division Order R-13763

Description: S/2 of Section 12, Township 24 South, Range 27 East, NMPM

Wells: Rustler Breaks 12 24 27 Well No. 001H API No. 30-015-41775

Rustler Breaks 12 24 27 Well No. 204H API No. 30-015-43194 Rustler Breaks 12 24 27 RB Well No. 207H API No. 30-015-43264

Lease: Brantley State Com. 13 24 27 RB State Well No. 221H Lease: Division Order R-

14229-A

Description: N/2 of Section 13, Township 24 South, Range 27 East, NMPM

Wells: Brantley State Com 13 24 27 RB Well No. 221H API No. 30-015-43774

Brantley State Com 13 24 27 RB Well No. 206H API No. 30-015-44597

Lease: David Edelstein State Com Well No. 203H Lease: Division Order R-14576
Description: N/2 S/2 of Sections 11 and 2, Township 24 South, Range 27 East, NMPM
Well: David Edelstein State Com Well No. 203H API No. 30-015-44682

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Rustler Breaks 1H Central Tank Battery (CTB), in P-12-24S-27E

Production from the subject wells shall be determined as follows.

- 1. The oil and gas production from each of the diversely-owned leases shall be measured with allocation meters.
- 2. The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into three independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.
- 3. The allocation meters shall be calibrated quarterly in accordance with Paragraph (2) of Subsection C of 19.15.12.10 NMAC.

Matador may add future wells that produce from the subject pool within the project areas approved by this order to this commingling authority by submitting a Sundry Notice to the Engineering Bureau of the Division in Santa Fe.

This amended order adds the N/2 S/2 of Sections 11 and 12 to the project area.

Matador shall install and operate these facilities per Division rules. Matador shall notify the transporter of this commingling authority.

Matador shall notify the Artesia District Office of the Division prior to starting commingling operations.

HEATHER ŘÍLĖY

Director

HR/mam/rbb

cc: Oil Conservation Division – Artesia

New Mexico State Land Office – Oil, Gas, and Minerals