

State of New Mexico  
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary Designate

Gabriel Wade, Acting Director  
Oil Conservation Division



January 8, 2019

Surface Commingling Order PLC-547

MATADOR PRODUCTION COMPANY  
Attention: Ms. Jordan Kessler

Pursuant to your application received on December 18, 2018, Matador Production Company (OGRID 228937) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico;

RED HILLS; BONE SPRING, NORTH                      OIL (96434)  
WILDCAT; WOLFCAMP (OIL)                              OIL (98135)

and from the following diversely owned federal wells and leases in said Section, Township, and Range in Lea County, New Mexico.

Lease: Charles Ling Federal Com Well No. 131H Lease; Hearing R-Pending, Case No. 16252

Description: W/2 W/2 of Section 11

Well: Charles Ling Federal Com Well No. 131H                      API 30-025-45301

Pool: Red Hills; Bone Spring, North (3<sup>rd</sup> Bone Spring Sand only)

Lease: Charles Ling Federal Com Well No. 211H Lease; Hearing R-14568

Description: W/2 W/2 of Section 11

Well: Charles Ling Federal Com Well No. 211H                      API 30-025-45080

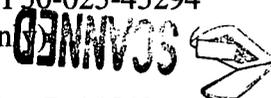
Pool: Wildcat; Wolfcamp (Oil)

Lease: Charles Ling Federal Com Well No. 132H Lease; Hearing R-Pending, Case No. 16253

Description: E/2 W/2 of Section 11

Well: Charles Ling Federal Com Well No. 131H                      API 30-025-45294

Pool: Red Hills; Bone Spring, North (3<sup>rd</sup> Bone Spring Sand on



Lease: Charles Ling Federal Com Well No. 212H Lease; Hearing R-14569

Description: E/2 W/2 of Section 11

Well: Charles Ling Federal Com Well No. 212H                      API 30-025-45081

Pool: Wildcat; Wolfcamp (Oil)

The commingled oil and gas production from the wells shall be measured and sold at the Charles Ling Federal West Central Tank Battery (CTB), located in Unit C of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

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

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.

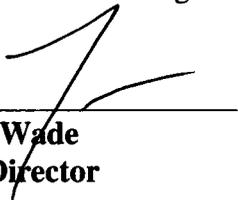
Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Also, if depth severances exist within leases, Applicant shall be mindful of these limitations if additional wells are requested.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

  
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**Gabriel Wade**  
**Acting Director**

GW/mam

cc: Oil Conservation Division District Office – Hobbs  
Bureau of Land Management – Carlsbad