

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

**APPLICATION OF MATADOR PRODUCTION
COMPANY TO AMEND ORDER NO. R-21544,
LEA COUNTY, NEW MEXICO.**

Case No. _____

APPLICATION

Matador Production Company ("Matador") applies for an order amending Order No. R-21544, and in support thereof states:

1. Ascent Energy, LLC ("Ascent") was granted Order No. R-21544, pooling mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2W/2 of Section 16 and the E/2W/2 of Section 21, Township 20 South, Range 33 East, N.M.P.M., Lea County, New Mexico.

2. Ascent proposed to drill the Pony Express Fed. Com. Well Nos. 503H and 602H to depths sufficient to test the Bone Spring formation. The order designated Ascent as operator of the wells.

3. The case was heard on November 5, 2020, and Order No. R-21544 was entered on November 13, 2020.

4. Paragraph 19 of Order No. R-21544 requires the operator to commence the wells within one year of the date of issuance. Paragraph 20 of the order provides that the order will terminate if the wells are not timely commenced, unless the operator "obtains an extension by an amendment of this Order for good cause shown."

5. Ascent recently conveyed its working interest in the well unit to MRC Permian Company ("MRC"). Matador is the operator for MRC.

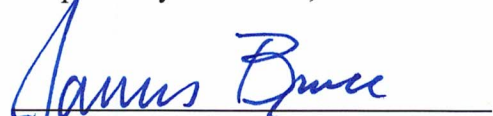
6. Matador requests an extension of the drilling deadline due to market conditions which have altered drilling schedules, and the coronavirus situation. In addition, the federal APDs for the wells took a substantial amount of time to be approved, not leaving enough time to timely commence the wells. Also, the change in operators has slowed the drilling timeline. Matador intends to drill the subject wells. Thus good cause exists for Matador's request for an extension.

7. Matador requests an extension of the well commencement deadline to November 13, 2022.

8. Ascent filed an application to extend the drilling commencement deadline on November 12, 2021, which was designated Case No. 22361. This case is still pending. Matador requests that the filing of this application relate back to the date Ascent's application was filed.

WHEREFORE, Matador requests that, after notice and hearing, the Division enter its order amending Order No. R-21544 to extend the well commencement deadline to November 13, 2022, and relating back the filing date of this case to November 12, 2021.

Respectfully submitted,



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