Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Secretary Adrienne Sandoval, Director Oil Conservation Division



December 16, 2019

POOL/LEASE COMMINGLING

Administrative Order PLC-628

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

Pursuant to your application received on November 14, 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 Section 6, Township 23 South, Range 33 East, NMPM, Lea County, New Mexico.

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 either by a lease automatic custody transfer ("LACT") meter or by a run ticket mutually agreed upon by Operator and the oil transporter. The measurement and sell of the commingled oil production shall occur 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 at OCD.engineer@state.nm.us.

Administrative Order PLC-628 Matador Production Company December 16, 2019 Page 2 of 2

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

This approval is subject to like approval from the Bureau of Land Management.

Adrienne Sandoval Director

AS/dm

cc: OCD – Engineering Bureau OCD – Hobbs District Office Bureau of Land Management

State of New Mexico Energy, Minerals and Natural Resources Department Exhibit A Administative Order: PLC-628 Date: 12/16/19 **Operator: Matador Production Company** Central Tank Battery: Rodney Robinson North Tank Battery Central Tank Battery Location: Section 6, Township 23 South, Range 33 East Pools **Pool Name Pool Code** Pool Name Pool Code **PRONGHORN; BONE SPRING** 96228 WC-025 G-09 S223332A; UPR WOLFCAMP 98177 Leases NMNM 138876 Wells Well API Well Name Pool Code Location Train **Rodney Robinson Federal 101H** 30-025-46278 96228 Sec 6-T23S-R33E 30-025-46279 **Rodney Robinson Federal 102H** 96228 Sec 6-T23S-R33E 30-025-46371 **Rodney Robinson Federal 121H** 96228 Sec 6-T23S-R33E 30-025-46335 **Rodney Robinson Federal 122H** 96228 Sec 6-T23S-R33E 30-025-46372 **Rodney Robinson Federal 201H** 98177 Sec 6-T23S-R33E **Rodney Robinson Federal 202H** 30-025-46373 98177 Sec 6-T23S-R33E