State of New Mexico Energy, Minerals and Natural Resources Department

Susana Martinez

Governor

Ken McQueen Cabinet Secretary

Matthias Sayer Deputy Cabinet Secretary **David R. Catanach, Division Director**Oil Conservation Division



ADMINISTRATIVE CENTRAL TANK BATTERY ORDER

Administrative Order CTB-812 Administrative Application Reference No. pMAM1701358796

February 03, 2017

MATADOR PRODUCTION COMPANY

Attention: Ms. Jordan Kessler

Matador Production Company (OGRID 228937) is hereby authorized to surface commingle oil and gas production from the Purple Sage; Wolfcamp (Gas) Pool (Pool code: 98220) from the following diversely owned fee leases located in Township 24 South, Range 27 East, Eddy County, New Mexico:

Lease:

Rustler Breaks 12 24 27 Well No. 1H Lease: Division Order R-13763

Description:

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

Well:

Rustler Breaks 12 24 27 Well No. 1H

API 30-015-41775

Lease:

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

14229

Description:

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

Wells:

Brantley State Com. 13 24 27 RB Well 221H

API 30-015-43774

The combined project area for these wells includes the S/2 of Section 12, and the N/2 of Section 13, all in Township 24 South, Range 27, East, NMPM, Eddy County, New Mexico.

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), located in the Unit P of Section 12, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each of the diversely-owned leases shall be measured with allocation meters.

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 Rule 19.15.12.10.C (2) 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.

This installation shall be installed and operated in accordance with the applicable Division Rules. It is the responsibility of the producer to notify the transporter of this commingling authority.

The operator shall notify the Artesia District office of the Division prior to implementation of the commingling operations.

Done at Santa Fe, New Mexico, on February 3, 2017.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division – Artesia