STATE OF NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCESOIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

APPLICATIONS OF FLAT CREEK RESOURCES, LLCFOR A HORIZONTAL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 21560 & 21747

APPLICATIONS OF MATADOR PRODUCTIONCOMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 21543 & 21630

WITHDRAWAL OF MOTION FOR CONTINUANCE

Flat Creek Resources, LLC ("Flat Creek"), OGRID No. 374034, hereby withdraws its Motion for Continuance filed on May 3, 2021.

- 1. The basis of Flat Creek's request for a continuance was the uncertainty of the status of Communitization Agreement NMNM139002 ("CA") which covered the S/2 of Section 23. Flat Creek filed a Request for Administrative Review by the State Direct and an Immediate Stay of the Communitization Agreement with the BLM's State Office of April 28, 2021.
- 2. By email dated May 4, 2021, Melissa L. Luksa, of the BLM, informed Matador Resources, LLC that it was rescinding the Communitization Agreement. *See* Attachment 2 to Matador Production Company's Response to Flat Creek's Motion for Continuance filed earlier this afternoon.

3. Ms. Luksa noted that "[t]here are several errors with the CA" and stated that the BLM will issue a new communitization agreement after the Division decides the spacing and pooling for "this area," *i.e.*, the 160 acres subject to Federal Lease NMNM 139351 located in the N/2S/2 and in the N/2 of Section 23.

4. Therefore, because there is no communitization agreement covering any of the lands subject to Federal Lease NMNM 139351 and since the BLM will issue a communitization agreement after the Division decides the spacing and pooling for the lands subject to the competing applications, the Division has full discretion to determine the best development plan for Section 23 and there is no reason to continue the hearing scheduled for tomorrow, May 6, 2021.

Respectfully submitted,

ABADIE & SCHILL, P.C.

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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed with the New Mexico Oil Conservation Division and was served on counsel of record via electronic mail on May 5, 2021:

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