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-838 Administrative Application Reference No. pMAM1730353455

November 21, 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 federal leases in the form of a communitization agreement and Compulsory Pooling Order located in Section 18, Township 24 South, Range 28 East, Eddy County, New Mexico:

Lease:

Zach McCormick Federal Com Well No. 226H Lease; Order R-14283

Description:

Lot 1, Lot 2, NE/4 and E/2 NW/4 (N/2 equivalent) of Section 18, Township 24

South, Range 29 East, NMPM

Well:

Zach McCormick Federal Com Well No. 226H

API 30-015-44251

Lease:

Zach McCormick Federal Com Well No. 206H Lease; Infill well for Order R-14283

Description:

Lot 1, Lot 2, NE/4 and E/2 NW/4 (N/2 equivalent) of Section 18, Township 24

South, Range 29 East, NMPM

Well:

Zach McCormick Federal Com Well No. 206H

API 30-015-44246

Lease:

Zach McCormick Federal Com Well No. 202H Lease; Infill well for Order R-14283

Description:

Lot 1, Lot 2, NE/4 and E/2 NW/4 (N/2 equivalent) of Section 18, Township 24

South, Range 29 East, NMPM

Well:

Zach McCormick Federal Com Well No. 202H

API 30-015-44254

Lease:

Description:

Zach McCormick Federal Com Well No. 222H Lease; Infill well for Order R-14283 Lot 1, Lot 2, NE/4 and E/2 NW/4 (N/2 equivalent) of Section 18, Township 24

South, Range 29 East, NMPM

Well:

Zach McCormick Federal Com Well No. 222H

API 30-015-44243

The combined project area for these wells includes the N/2 of Section 18, Township 24 South, Range 29, East, NMPM, Eddy County, New Mexico.

The commingled oil and gas production from the wells detailed above shall be measured and sold at the Zach McCormick Federal Slot 2 Central Tank Battery (CTB), located in the Unit H of Section 13, Township 23 South, Range 28 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 November 21, 2017.

DAVID R. CATANACH

Director

DRC/mam

cc: Oil Conservation Division - Artesia

Bureau of Land Management - Carlsbad