

RECEIVED: 11/22/2017	REVIEWER: MFM	TYPE: OLM	APP NO: DMAMI T33/29243
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

Hearing order
2-14378

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Matador Production Company **OGRID Number:** 228937
Well Name: Airstrip 31-18S-35E RN State Com No. 132H Well **API:** 30-025-43816
Pool: One Spring Pool **Pool Code:** 960

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

OLM-123

RECEIVED OCD
2017 NOV 22 P 3:05

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD
 B. Check one only for [I] or [II]
 [I] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☒ OLS ☒ OLM
 [II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☒ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☐ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jordan L. Kessler

Print or Type Name

J. L. Kessler
 Signature

November 22, 2017

Date

505-988-4421

Phone Number

jlkessler@hollandhart.com

e-mail Address

HOLLAND & HART LLP



Jordan L. Kessler

Associate

Phone (505) 988-4421

Fax (505) 983-6043

jlkessler@hollandhart.com

November 22, 2017

VIA HAND DELIVERY

David Catanach
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

RECEIVED OCD
2017 NOV 22 P 3:00

Re: Application of Matador Production Company for administrative approval for off-lease measurement and storage for the spacing unit comprised of the E/2 W/2 of Section 31, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

Dear Mr. Catanach:

Matador Production Company (OGRID No. 228937) seeks administrative approval for off-lease measurement and storage pursuant to 19.15.23.9(A) for *all existing and future wells* drilled in the following area in Township 18 South, Range 35 East, NMPM, in Lea County, New Mexico:

(a) The 160-acre standard spacing unit comprised of the E/2 W/2 of Section 31. The spacing unit is currently dedicated to the Airstrip 31-18S-35E RN State Com No. 132H Well (API No. 30-025-43816). This well produces from the Airstrip, Bone Spring Pool (960)). Gas production from the well will be separately metered using an individual test separator with calibrated orifice meter that is manufactured to AGA specifications. Oil production from this well will also be separately metered using a turbine meter.

Exhibit 1 is a land plat showing Matador's current development, sales point, and gathering system in the subject area. The plat identifies the wellbores, the spacing unit, and the off-lease surface facility located in the SW/4 SW/4 (Unit M) of Section 31. The lands in the E/2 W/2 of Section 31 are fee lands.

Exhibit 2 is a completed Application for Off-Lease Measurement Form C-107-B with attachments.

Exhibit 3 is a C-102 for the well with attached production data.

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐

HOLLAND & HART^{LLP}



Exhibit 4 is an affidavit of publication directed to interest owners without known addresses.

Exhibit 5 is a list of the interest owners affected by this request for approval of off-lease measurement and storage. A copy of this application with all attachments has been sent by certified mail to all affected parties advising them that if they have an objection they must file it in writing with the division within 20 days from the date the Division receives Matador's application.

Your attention to this matter is appreciated.

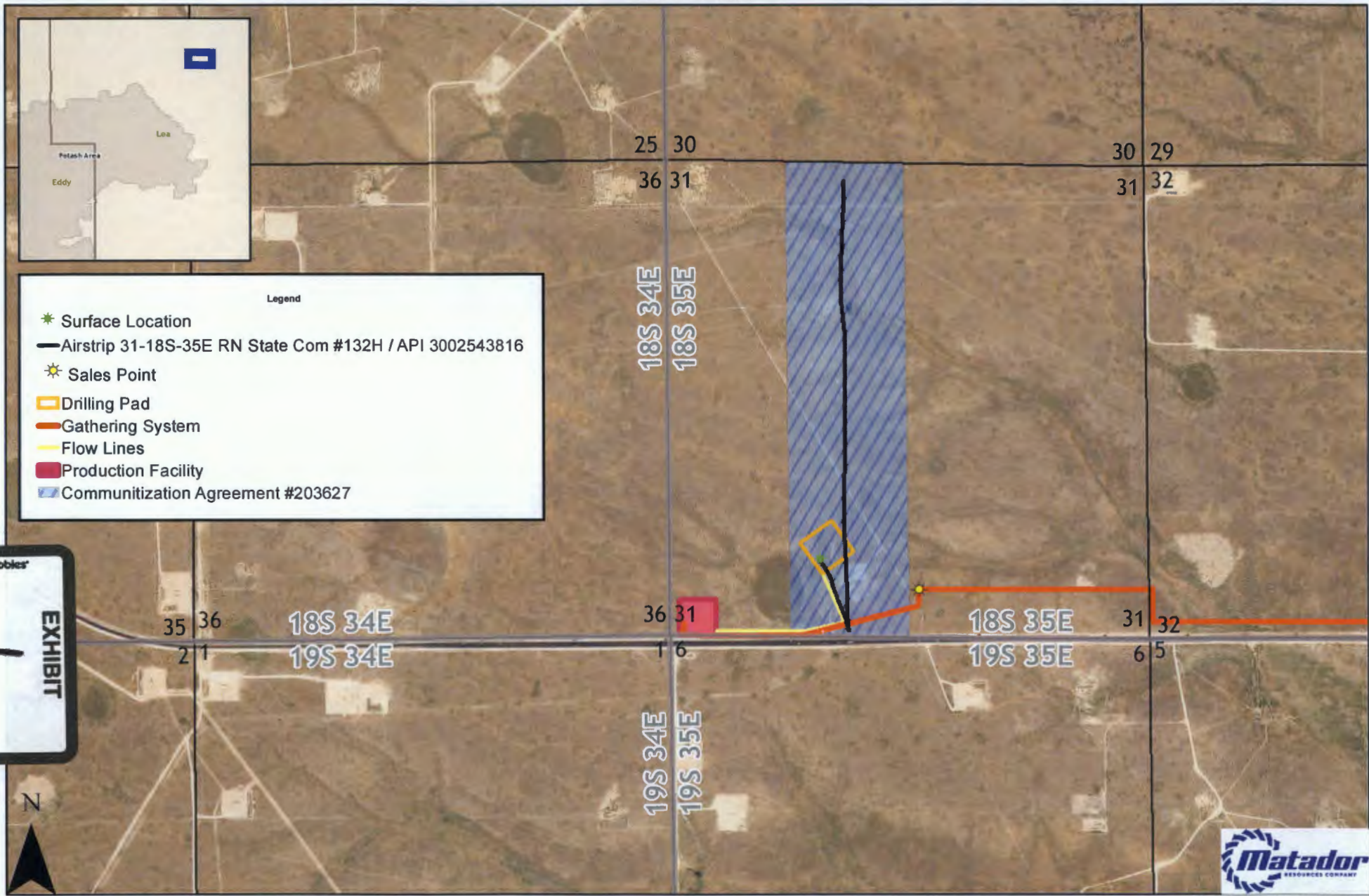
Sincerely,

A handwritten signature in black ink, appearing to read 'J. L. Kessler', written in a cursive style.

Jordan L. Kessler

**ATTORNEY FOR
MATADOR PRODUCTION COMPANY**

Airstrip Land Plat



Southeast New Mexico

0 750 1,500 3,000 Feet

Date: November 14, 2017
Filename: Airstrip_OffsiteMeas
Projection: NAD27 State Plane New Mexico East FIPS 3001
Sources: IHS; ESRI;

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Matador Production Company

OPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☒ Fee ☐ State ☐ Federal

Is this an Amendment to existing Order? ☐ Yes ☐ No If "Yes", please include the appropriate Order No. _____

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling

☐ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

(2) Are any wells producing at top allowables? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

(1) Pool Name and Code-

(2) Is all production from same source of supply? ☐ Yes ☐ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No

(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

(1) Is all production from same source of supply? ☒ Yes ☐ No

(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Ben Peterson

TITLE: Senior Production Engineer

DATE: 11-16-17

TYPE OR PRINT NAME Ben Peterson

TELEPHONE NO.: (972) 371-54

E-MAIL ADDRESS: bpeterson@matadorresources.com

EXHIBIT

2

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5427 • Fax 972.371.5201
bpeterson@matadorresources.com

Benjamin D. Peterson, P.E.
Senior Production Engineer

November 15, 2017

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Re: Application of Matador Production Company for administrative approval for off-lease measurement from the spacing unit comprised of the E/2 W/2 of Section 31, Township 18 South, Range 35 East, NMPM, Eddy County, New Mexico (the “Lands”)

To Whom This May Concern,

Matador Production Company (“Matador”), OGRID: 228937, requests approval for off-lease measurement of oil and gas production from the Airstrip 31-18S-35E RN 132H located on the Lands. The well will be metered through a test separator with an oil turbine meter and gas orifice meter. Gas exiting the well test flows into a gathering line, as depicted on **Exhibit A**, that connects to Versado Gas Processing, LLC. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in natural gas measurement. The gas samples are obtained at the time of the meter testing/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute (API) specifications to ensure accurate volume and Energy (MMBTU) determinations. See example from Fesco Laboratory attached as **Exhibit B** hereto.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. The PFD shows that the water, oil, and gas leave the wellbore and flow into a wellhead test separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically by a third party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Institute (API) Chapter 21.1. The gas is then sent into a sales line where it is metered by another orifice meter at the tank battery check to show the total volume of gas leaving the Tank Battery. This meter is tested and calibrated in accordance

with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check it travels directly into a third party sales connect meter. Versado Gas Processing, LLC has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

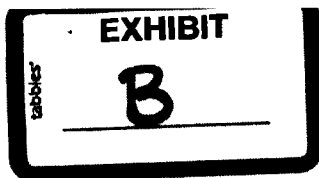
In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

MATADOR PRODUCTION COMPANY

A handwritten signature in black ink, appearing to read "Ben Peterson". The signature is fluid and cursive, with the first name "Ben" and last name "Peterson" clearly distinguishable.

Benjamin D. Peterson, P.E.
Sr. Production Engineer



September 19, 2017

FESCO, Ltd.
1100 Fesco Ave. - Alice, Texas 78332

For: Matador Production Company
One Lincoln Centre
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240

Sample: Airstrip 31 18 35 RN State Com No. 132H
First Stage Separator
Spot Gas Sample @ 119 psig & 108 °F

Date Sampled: 09/15/2017

Job Number: 73293.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	4.833	
Carbon Dioxide	0.221	
Methane	60.792	
Ethane	17.189	4.594
Propane	10.871	2.993
Isobutane	1.006	0.329
n-Butane	2.878	0.907
2-2 Dimethylpropane	0.010	0.004
Isopentane	0.560	0.205
n-Pentane	0.569	0.206
Hexanes	0.422	0.174
Heptanes Plus	<u>0.649</u>	<u>0.252</u>
Totals	100.000	9.664

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity ----- 3.262 (Air=1)
Molecular Weight ----- 93.99
Gross Heating Value ----- 4831 BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity ----- 0.875 (Air=1)
Compressibility (Z) ----- 0.9949
Molecular Weight ----- 25.21
Gross Heating Value
Dry Basis ----- 1418 BTU/CF
Saturated Basis ----- 1394 BTU/CF

*Hydrogen Sulfide tested on location b; Stain Tube Method (GPA 2377)
Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 14.650 PSI & 60 Deg F

Sampled By: (08) B.McCollum
Analyst: MR
Processor: NG
Cylinder ID: T-1773

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286
TOTAL REPORT

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	4.833		5.371
Carbon Dioxide	0.221		0.386
Methane	60.792		38.691
Ethane	17.189	4.594	20.505
Propane	10.871	2.993	19.018
Isobutane	1.006	0.329	2.320
n-Butane	2.878	0.907	6.636
2,2 Dimethylpropane	0.010	0.004	0.029
Isopentane	0.560	0.205	1.603
n-Pentane	0.569	0.206	1.629
2,2 Dimethylbutane	0.003	0.001	0.010
Cyclopentane	0.080	0.033	0.223
2,3 Dimethylbutane	0.000	0.000	0.000
2 Methylpentane	0.125	0.052	0.427
3 Methylpentane	0.078	0.032	0.267
n-Hexane	0.136	0.056	0.465
Methylcyclopentane	0.118	0.041	0.394
Benzene	0.082	0.023	0.254
Cyclohexane	0.084	0.029	0.280
2-Methylhexane	0.017	0.008	0.068
3-Methylhexane	0.023	0.010	0.091
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.085	0.037	0.335
n-Heptane	0.039	0.018	0.155
Methylcyclohexane	0.064	0.026	0.249
Toluene	0.032	0.011	0.117
Other C8's	0.058	0.027	0.254
n-Octane	0.014	0.007	0.063
Ethylbenzene	0.004	0.002	0.017
M & P Xylenes	0.004	0.002	0.017
O-Xylene	0.002	0.001	0.008
Other C9's	0.017	0.009	0.085
n-Nonane	0.003	0.002	0.015
Other C10's	0.001	0.001	0.006
n-Decane	0.001	0.001	0.006
Undecanes (11)	<u>0.001</u>	<u>0.001</u>	<u>0.006</u>
Totals	100.000	9.664	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.875	(Air=1)
Compressibility (Z) -----	0.9949	
Molecular Weight -----	25.21	
Gross Heating Value		
Dry Basis -----	1418	BTU/CF
Saturated Basis -----	1394	BTU/CF

FESCO, Ltd.**1100 Fesco Ave. - Alice, Texas 78332****Sample:** Airstrip 31 18 35 RN State Com No. 132H

First Stage Separator

Spot Gas Sample @ 119 psig & 108 °F

Date Sampled: 09/15/2017

Job Number: 73293.001

GLYCALC FORMAT

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	0.221		0.386
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	4.833		5.371
Methane	60.792		38.691
Ethane	17.189	4.594	20.505
Propane	10.871	2.993	19.018
Isobutane	1.006	0.329	2.320
n-Butane	2.888	0.911	6.665
Isopentane	0.560	0.205	1.603
n-Pentane	0.569	0.206	1.629
Cyclopentane	0.080	0.033	0.223
n-Hexane	0.136	0.056	0.465
Cyclohexane	0.084	0.029	0.280
Other C6's	0.206	0.085	0.704
Heptanes	0.282	0.114	1.043
Methylcyclohexane	0.064	0.026	0.249
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.082	0.023	0.254
Toluene	0.032	0.011	0.117
Ethylbenzene	0.004	0.002	0.017
Xylenes	0.006	0.002	0.025
Octanes Plus	<u>0.095</u>	<u>0.046</u>	<u>0.435</u>
Totals	100.000	9.664	100.000

Real Characteristics Of Octanes Plus:

Specific Gravity ----- 4.001 (Air=1)
Molecular Weight ----- 115.30
Gross Heating Value ----- 5885 BTU/CF

Real Characteristics Of Total Sample:

Specific Gravity ----- 0.875 (Air=1)
Compressibility (Z) ----- 0.9949
Molecular Weight ----- 25.21
Gross Heating Value
Dry Basis ----- 1418 BTU/CF
Saturated Basis ----- 1394 BTU/CF

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-43816	² Pool Code 960	³ Pool Name AIRSTRIP; BONE SPRING
⁴ Property Code 314818	⁵ Property Name AIRSTRIP 31-18S-35E RN STATE COM	⁶ Well Number #132H
⁷ OGRID No. 22897	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3937'

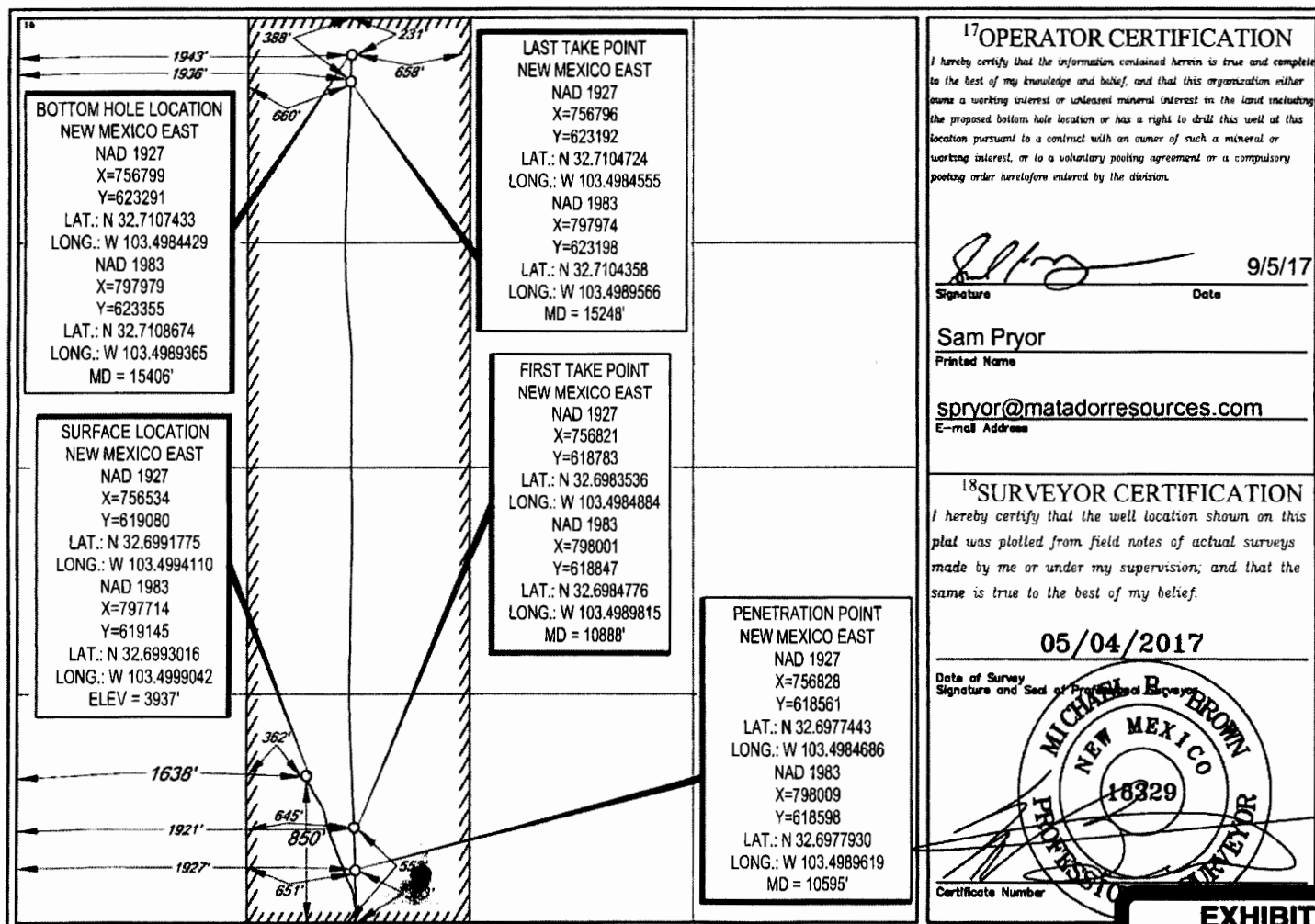
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	31	18-S	35-E	-	850'	SOUTH	1638'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	31	18-S	35-E	-	231'	NORTH	1943'	WEST	LEA

¹² Dedicated Acres 160.75	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



S:\SURVEY\MATADOR_RESOURCES\AIRSTRIP_31-18S-35E_RN_STATE_COM_132H\FINAL_PRODUCT\SIAD_AIRSTRIP_31-18S-35E_RN_STATE_COM_132H

EXHIBIT

3

API: 30-025-43816

AIRSTrip 31 18 35 RN STATE COM #132H

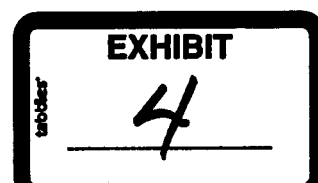
Printed On: Thursday, November 16 2017

		Production					Injection				
Year	Pool	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	Water(BBLS)	Co2(MCF)	Gas(MCF)	Other	Pressure
2017	[960] AIRSTRIP;BONE SPRING	Aug	4569	2279	24096	31	0	0	0	0	0
2017	[960] AIRSTRIP;BONE SPRING	Sep	23007	11871	24899	30	0	0	0	0	0

Legal Notice

To: MRC Delaware Resources, LLC, MRC Explorers Resources, LLC, MRC Spiral Resources, LLC, Jalapeno Corporation, Yates Energy Corporation, Louise Kadane and Michael L. Gustafson, Trustees of the 4-K Trust, Robert Kadane, his heirs and devisees, Occidental Permian Limited Partnership, Devon Energy Production Co., LP, Nadel and Gussman Capitan, LLC, Corbett Petroleum, Inc., Randolph C. Smith, his heirs and devisees, Charlotte A. Smith, her heirs and devisees, William A. Wilson, his heirs and devisees, Roden Associates, Ltd., Roden Exploration Co., Ltd., S&C Construction Company, Sherrfive, LP, Chris Ann Wills, heirs and devisees, PrimeEnergy Corporation, Jill D. Robertson, her heirs and devisees, Brent Ray Robertson, his heirs and devisees, Emily A. Kadane, her heirs and devisees, Billy Kirby, his heirs and devisees, Johanna K. Little, her heirs and devisees, Harlena K. Lowenstein, her heirs and devisees, Mary D. Hughs, her heirs and devisees, Judith K. Nix, her heirs and devisees, Mary Attaya, her heirs and devisees, Petroyates, Inc., and any other interest owners in the W/2 E/2 of Section 31, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

Application of Matador Production Company for administrative approval to off-lease measure and store production from the Airstrip; Bone Spring Pool (960)) in the W/2 E/2 of Section 31, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico, pursuant to 19.15.23.9(A). Any objection to this application must be filed in writing within twenty days from date of publication with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division. If you have any questions about this application, please contact Dana R. Arnold, 5400 LBJ Freeway, Suite 1500, Dallas, TX 75240, (972) 371-5284, darnold@matadorresources.com.



INTEREST OWNERS:

MRC Delaware Resources, LLC
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240
70171450000216969822

Jalapeño Corporation
PO Box 1608
Albuquerque, NM 87103
7017145016969815

Yates Energy Corporation
PO Box 2323
Roswell, NM 88202-2323
7017145016969808

Louise Kadane and Michael L. Gustafson, Trustees of the 4-K Trust
3878 Oak Lawn Avenue, Suite 575
Dallas, TX 75219-4478
70171450000216969792

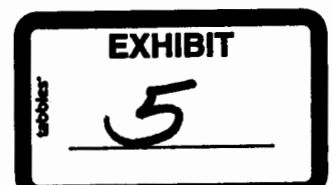
Robert Kadane
900 Eighth Street, Suite 620
Wichita Falls, TX 76301
70171450000216969778

Occidental Permian Limited Partnership, a/k/a Occidental Permian Ltd.
5 Greenway Plaza, Suite 110
Houston, TX 77046-0521
70171450000216969778

Commissioner of Public Lands
PO Box 1148
Santa Fe, NM 87504-1148
70171450000216969761

Devon Energy Production Co, LP
333 West Sheridan Avenue
Oklahoma City, OK 73102
70171450000216969754

Nadel and Gussman Capitan, LLC
15 East 5th Street, Suite 3300
Tulsa OK 74103-4340
70171450000216969747



Corbett Petroleum, Inc.
PO Box 11644
Spring, TX 77391-1644
70171450000216969730

Randolph C. Smith
4523 Julian Drive
Mesquite, TX 75150-8209
70171450000216973126

Charlotte A. Smith
PO Box 199
Torreon, NM 87061
70171450000216973133

William A. Wilson
6318 West Crocus Drive
Glendale, AZ 85304
70171450000216973140

Roden Associates, Ltd.
2603 Augusta, Suite 430
Houston, TX 77057
70171450000216973157

S & C Construction Company
PO Box 1509
Whitefish, MT 59937
70171450000216973164

Sherrfive, LP
812 Eagle Pointe
Montgomery, TX 77316
70171450000216973171

Chris Ann Wills
15955 Freemanville Road
Alpharetta, GA 30004
70171450000216973188

PrimeEnergy Corporation
9821 Katy Freeway, Suite 1050
Houston, TX 77024-6009
70171450000216973195

Jill D. Robertson
#9 Copper Kettle
Wichita Falls, TX 76308
70171450000216973201

Brent Ray Robertson
8 Sleepy Hollow
Wichita Falls, TX 76308
70171450000216973218

Emily A. Kadane
4201 Picasso
Wichita Falls, TX 76308
70171450000216972846

Billy Kirby
#9 Woodland Creek Circle
Wichita Falls, TX 76302
70171450000216972853

Johanna K. Little
825 Glenchester
Houston, TX 77079
70171450000216972860

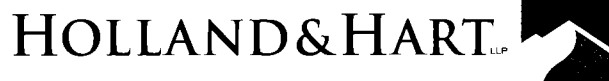
Harlena K. Lowenstein
201 Main Street, Suite 400
Ft Worth, TX 76102
70171450000216972747

Mary D. Hughes
c/o Taylor Hughes Mason
5503 Mercedes Avenue
Dallas, TX 75206
70171450000216972730

Judith K. Nix
103 Catron Street, Unit 4
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Jordan L. Kessler
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November 22, 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval for off-lease measurement and storage for the spacing unit comprised of the E/2 W/2 of Section 31, Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Dana Arnold
Matador Production Company
972-371-5242
darnold@matadorresources.com

Sincerely,

A handwritten signature in dark ink, appearing to read "J. L. Kessler", written over a light blue horizontal line.

Jordan L. Kessler
ATTORNEY FOR
MATADOR PRODUCTION COMPANY