

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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: _____ OGRID Number: _____
 Well Name: _____ API: _____
 Pool: _____ Pool Code: _____

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

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.

Print or Type Name

Patricia M. [Signature]

Signature

Date

Phone Number

e-mail Address



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

March 24, 2022

VIA ONLINE FILING

Dylan Fuge
Acting Director, Oil Conservation Division
New Mexico Department of Energy, Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Matador Production Company to amend NMOCD Order CTB-1071 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising all of Section 16, the W/2 of Section 15 and the W/2 SE/4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Lands")

Dear Mr. Fuge:

Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order CTB-1071 ("Order CTB-1071"), attached as **Exhibit 1**. Order CTB-1071 authorizes lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the **Michael Ryan Tank Battery** of production from the Culebra Bluff; Bone Spring, South (15011) pool from *all existing and future wells drilled in the following "spacing units"*:

(a) The 240-acre, more or less, spacing unit underlying the N/2 NW/4 of Section 15 and the N/2 N/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the **Barry Miller State Com #121H well** (API No. 30-015-49803);

(b) The 240-acre, more or less, spacing unit underlying the S/2 NW/4 of Section 15 and the S/2 N/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the **Barry Miller State Com #122H well** (API No. 30-015-49801);

(c) The 280-acre, more or less, spacing unit underlying the NW/4 SE/4 of Section 15, the N/2 SW/4 of Section 15 and the N/2 S/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the **Michael Ryan State Com #123H well** (API No. 30-015-49822);

(d) The 280-acre, more or less, spacing unit underlying the SW/4 SE/4 of Section 15, the S/2 SW/4 of Section 15 and the S/2 S/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the **Michael Ryan State Com #128H well** (API No. 30-015-49984); and



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(e) Pursuant to 19.15.12.10.C(4)(g), *future spacing units connected to this central tank battery* with notice provided only to the interest owners within these future “spacing units.”

Pursuant to 19.15.12.7, Matador seeks to amend the terms of Order CTB-1071 to add to the terms of the order the production from the Purple Sage; Wolfcamp (gas) (98220) pool in all existing and future infill wells drilled in the following spacing units:

(a) The 480-acre, more or less, spacing unit underlying the NW/4 of Section 15 and the N/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the **Barry Miller State Com #201H well** (API No. 30-015-53356) and the **Barry Miller State Com #202H well** (API No. 30-015-53365); and

(b) The 560-acre, more or less, spacing unit underlying W/2 SE/4 of Section 15, the SW/4 of Section 15 and the S/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the **Michael Ryan Fed Com #203H well** (API No. 30-015-53366) and the **Michael Ryan Fed Com #204H well** (API No. 30-015-PENDING).

Oil and gas production from these spacing units will be commingled and sold at the **Michael Ryan Tank Battery** located between the SW/4 NW/4 (Unit E) and NW/4 SW/4 (Unit L) of Section 16. Gas production from the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using turbine meters.

Exhibit 2 is a land plat showing Matador’s current development plan, flow lines, well pads, and central tank battery (“Facility Pad”) in the subject area. The plat also identifies the wellbores (including surface/bottomhole locations) and lease/spacing unit boundaries.

Exhibit 3 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Omar Enriquez, Senior Production Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement) and a referenced gas sample (Exhibit B to the statement).

Exhibit 4 is a C-102 for each of the wells currently permitted or drilled within the existing spacing units and those to be added to Order CTB-1071.

Exhibit 5 are the draft or approved communitization agreements for the acreage subject to this application.

Ownership is diverse between the above-described spacing units, each of which are either subject to a pooling agreement or a pooling order and are therefore considered “leases” as defined



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by 19.15.12.7(C) NMAC. **Exhibit 6** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the New Mexico State Land Office and Bureau of Land Management since state and federal lands are involved.

Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance", written over a horizontal line.

Paula M. Vance
**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

APPLICATION FOR SURFACE COMMINGLING

SUBMITTED BY MATADOR PRODUCTION COMPANY

ORDER NO. CTB-1071

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
6. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later

than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

9. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
10. If a well is not included in Exhibit A but produces from a pool and lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
12. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
13. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M. FUGE
DIRECTOR (ACTING)

DATE: 2/6/2023

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-1071**

Operator: **Matador Production Company (228937)**

Central Tank Battery: **Michael Ryan Tank Battery**

Central Tank Battery Location: **UL E L, Section 16, Township 22 South, Range 28 East**

Gas Title Transfer Meter Location: **UL E L, Section 16, Township 22 South, Range 28 East**

Pools

Pool Name	Pool Code
CULEBRA BLUFF;BONE SPRING, SOUTH	15011

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
LG 0018 0003	W/2	16-22S-28E
L0 7012 0004	NE/4	16-22S-28E
L0 7012 0006	SE/4	16-22S-28E
NMNM 105369561 (019186)	O	15-22S-28E
Fee	N/2 NW/4	15-22S-28E
Fee	S/2 NW/4	15-22S-28E
Fee	J K L	15-22S-28E
Fee	S/2 SW/4	15-22S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-49803	Barry Miller State Com #121H	N/2 NW/4	15-22S-28E	15011
		N/2 N/2	16-22S-28E	
30-015-49801	Barry Miller State Com #122H	S/2 NW/4	15-22S-28E	15011
		S/2 N/2	16-22S-28E	
30-015-49822	Michael Ryan State Com #123H	J K L	15-22S-28E	15011
		N/2 S/2	16-22S-28E	
30-015-49984	Michael Ryan Federal Com #128H	M N O	15-22S-28E	15011
		S/2 S/2	16-22S-28E	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **CTB-1071**
Operator: **Matador Production Company (228937)**

Pooled Areas

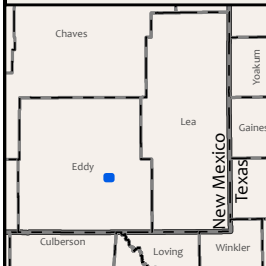
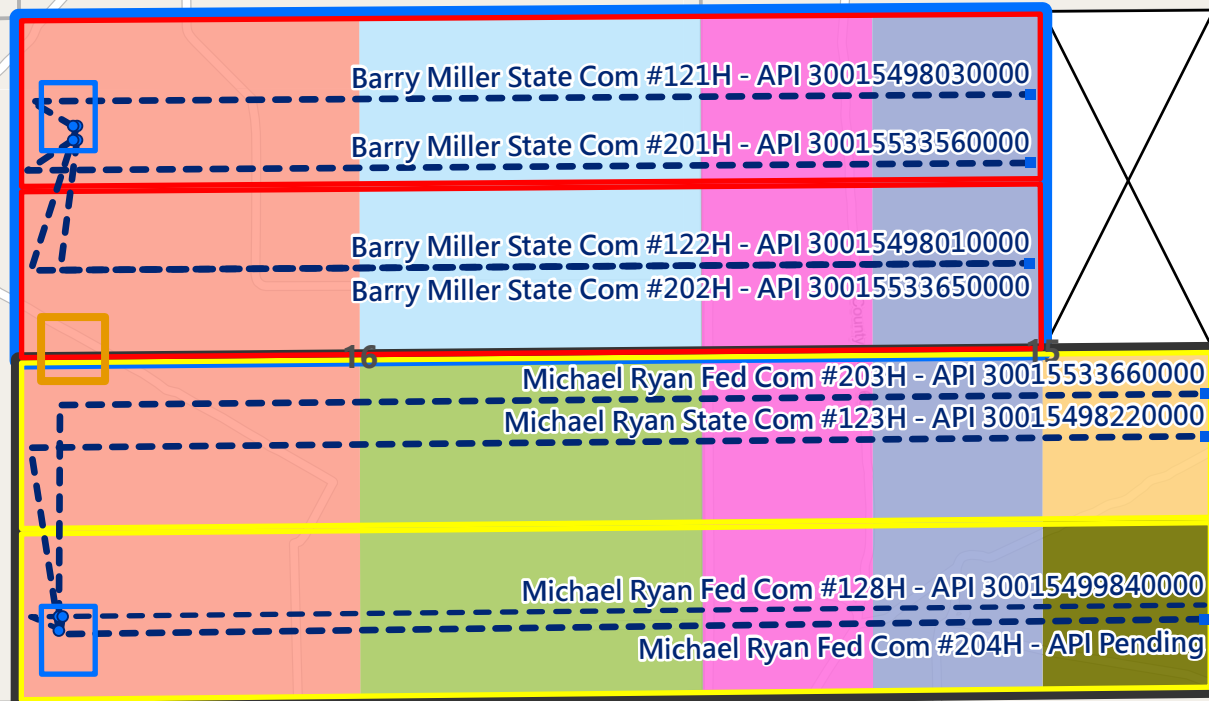
Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring NMSLO	N/2 NW/4 N/2 N/2	15-22S-28E 16-22S-28E	240	A
CA Bone Spring NMSLO	S/2 NW/4 S/2 N/2	15-22S-28E 16-22S-28E	240	B
CA Bone Spring NMSLO	J K L N/2 S/2	15-22S-28E 16-22S-28E	280	C
CA Bone Spring BLM	M N O S/2 S/2	15-22S-28E 16-22S-28E	280	D

Leases Comprising Pooled Areas

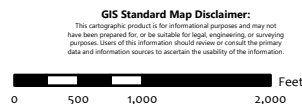
Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
LG 0018 0003	N/2 NW/4	16-22S-28E	80	A
L0 7012 0004	N/2 NE/4	16-22S-28E	80	A
Fee	N/2 NW/4	15-22S-28E	80	A
LG 0018 0003	S/2 NW/4	16-22S-28E	80	B
L0 7012 0004	S/2 NE/4	16-22S-28E	80	B
Fee	S/2 NW/4	15-22S-28E	80	B
LG 0018 0003	N/2 SW/4	16-22S-28E	80	C
L0 7012 0006	N/2 SE/4	16-22S-28E	80	C
Fee	J K L	15-22S-28E	120	C
LG 0018 0003	S/2 SW/4	16-22S-28E	80	D
L0 7012 0006	S/2 SE/4	16-22S-28E	80	D
Fee	S/2 SW/4	15-22S-28E	80	D
NMNM 105369561 (019186)	O	15-22S-28E	40	D

Michael Ryan Commingling Map

Date Published:
3/22/2023



- | | | | | |
|---------------------------|--------------|--------------------|--------------------|------------------------|
| ● Well Surface | Well Pad | Fee Acreage | State L0-7012-0004 | ~480 Acre Spacing Unit |
| ■ Well Bottom | Facility Pad | Fee Acreage | State L0-7012-0006 | ~560 Acre Spacing Unit |
| - - - Horizontal Wellbore | Fee Acreage | State LG-0018-0003 | Fed NMNM 019186 | ~240 Acre Spacing Unit |
| | | | | ~280 Acre Spacing Unit |



1:18,000
1 inch equals 1,500 feet

Project: \\gis\UserData\agamarra\~temp\20221025 Michael Ryan Commingling
Spatial Reference: NAD 1983
Sources: IHS; ESRI; US DOI BLM
Texas Cooperative

Map Prepared by: amercio.gamarra

EXHIBIT
2

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. CTB-1071

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	Value of Non-Commingled Production	Calculated Value of Commingled Production	Volumes
CULEBRA BLUFF; BONE SPRING, SOUTH 15011	39°/1231	42.2°/1,241	\$76.65/bbl - \$6.54/Mcf	\$76.65bbl \$6.59/Mcf	3,000 Bopd/4,000 Mcfd
PURPLE SAGE; WOLFCAMP (GAS) 98220	47°/1250		\$76.65/bbl - \$6.64/Mcf		2,000 bopd/5,000 Mcdf

- (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: Omar Enriquez TITLE: Sr. Production Engineer DATE: 02/27/2023

TYPE OR PRINT NAME Omar Enriquez TELEPHONE NO.: (972) 587-4638

E-MAIL ADDRESS: oenriquez@matadorresources.com

EXHIBIT

3

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.587.4638 • Fax 972.371.5201

oenriquez@matadorresources.com

Omar Enriquez
Senior Production Engineer

February 27, 2023

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

Re: Application of Matador Production Company for Administrative Approval to Amend Administrative Order CTB-1071 to surface commingle (pool and lease commingle) gas and oil production from the spacing units comprising of Section 16, W2 of Section 15 and the W2 SE4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico (the “Lands”)

To Whom This May Concern,

Under NMOCD Order No. CTB-1071, Matador Production Company (“Matador”), OGRID: 228937, was authorized to surface commingle (lease) production from the Culebra Bluff; Bone Spring, South (15011) from production in Section 16, W2 of Section 15 and the W2 SE4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico. Pursuant to this application, Matador seeks to amend order No. CTB-1071 to add lease and pool commingling between the Culebra Bluff; Bone Spring, South (15011) and the Purple Sage; Wolfcamp (Gas) (98220) from the same acreage.

Specifically, Matador requests to surface commingle current and upcoming production from eight (8) wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the Longwood Gathering line. 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 SPL attached as **Exhibit B** hereto.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. This PFD shows that the water, oil, and gas exit the wellbore and flow into a wellhead three-phase separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically in accordance with industry specifications 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 Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is commingled with each of the other wells' metered gas, as shown on **Exhibit A**. The gathering line gas is then 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. Longwood Midstream 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.

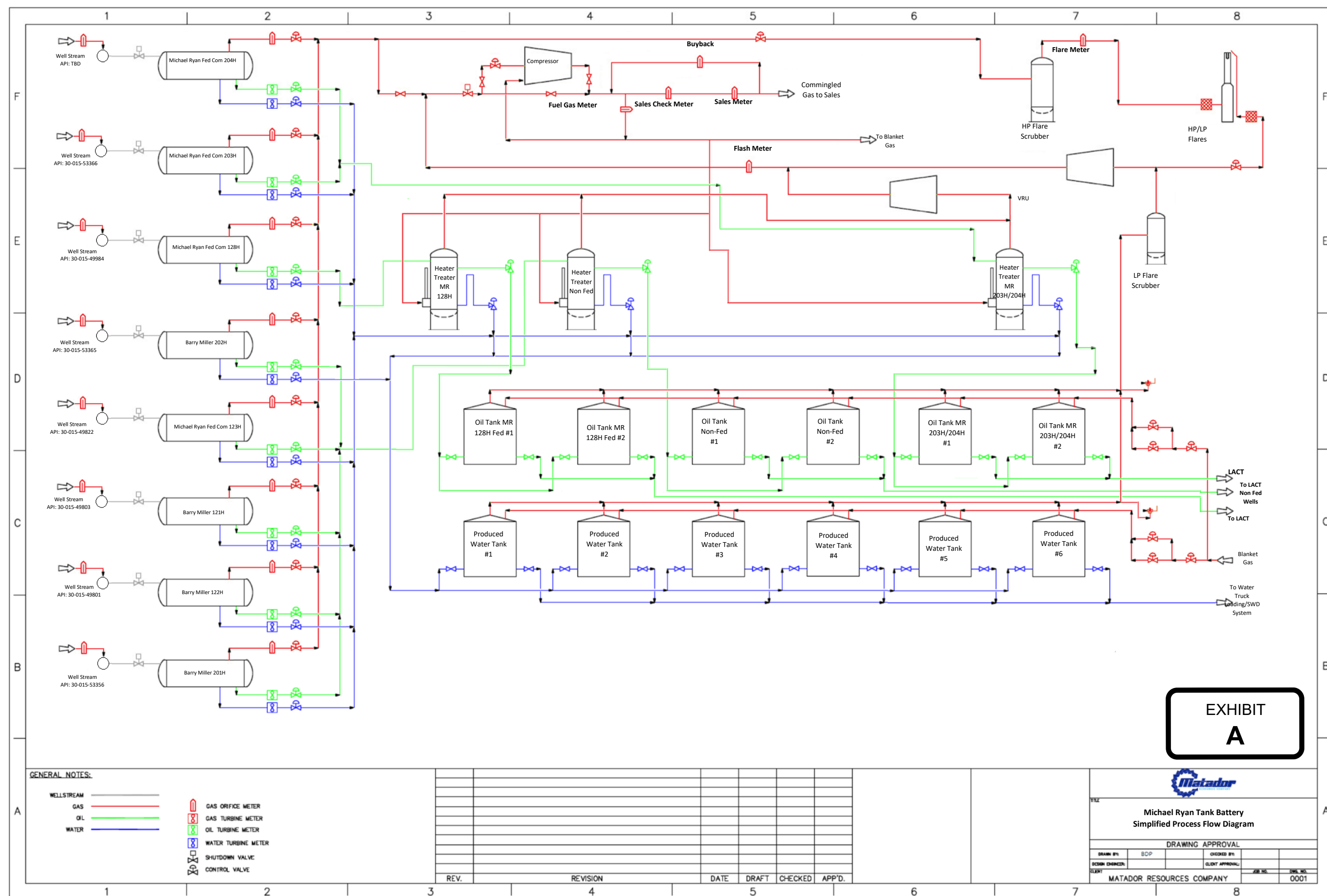
Very truly yours,

MATADOR PRODUCTION COMPANY

Omar
Enriquez

Digitally signed by Omar Enriquez
DN: cn=Omar Enriquez, o, ou,
email=oenriquez@matadorresources
.com, c=US
Date: 2023.02.27 16:35:54 -06'00'

Omar Enriquez
Sr. Production Engineer





Certificate of Analysis

Number: 5030-22120156-006A

Midland Laboratory

2200 East I-20

Midland, TX 79706

Phone 432-689-7252

John Renfrow
Matador Resources
5400 LBJ Freeway
Suite 1500
Dallas, TX 75240

Dec. 07, 2022

Station Name: Ace Stern Vegas Check
Station Number: 40-30098
Station Location: Matador
Sample Point: Downstream
Instrument: 5030_GC11 (Varian 450)
Last Inst. Cal.: 11/13/2022 12:19 PM
Analyzed: 12/06/2022 11:00:36 by JAS

Sampled By: M POOLE
Sample Of: Gas Spot
Sample Date: 11/23/2022 13:00
Sample Conditions: 1052 psig, @ 109 °F
Effective Date: 11/23/2022 13:00
Method: GPA-2261
Cylinder No: 5030-02447

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	0.0004	0.001		GPM TOTAL C2+	6.532
Nitrogen	1.560	1.5777	2.018		GPM TOTAL C3+	3.223
Methane	74.458	75.3011	55.168		GPM TOTAL iC5+	0.544
Carbon Dioxide	0.175	0.1770	0.356			
Ethane	12.191	12.3290	16.931	3.309		
Propane	6.186	6.2560	12.599	1.730		
Iso-butane	0.908	0.9183	2.438	0.302		
n-Butane	2.023	2.0459	5.431	0.647		
Iso-pentane	0.443	0.4480	1.476	0.164		
n-Pentane	0.460	0.4652	1.533	0.169		
Hexanes Plus	0.476	0.4814	2.049	0.211		
	98.880	100.0000	100.000	6.532		

Calculated Physical Properties

	Total	C6+
Relative Density Real Gas	0.7587	3.2176
Calculated Molecular Weight	21.90	93.19
Compressibility Factor	0.9961	

GPA 2172 Calculation:

Calculated Gross BTU per ft³ @ 14.73 psia & 60°F

Real Gas Dry BTU	1302	5141
Water Sat. Gas Base BTU	1280	5052
Ideal, Gross HV - Dry at 14.73 psia	1297.0	5141.1
Ideal, Gross HV - Wet	1274.4	5051.6

Comments: H2S Field Content 3.5 ppm

Data reviewed by: Marco Barrientos

Quality Assurance:

The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.

EXHIBIT

B

District I
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District II
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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 30-015-49803	² Pool Code 15011	³ Pool Name Clebra Bluff; Bone Spring South
⁴ Property Code 333122	⁵ Property Name BARRY MILLER STATE COM	
⁶ OGRID No. 228937	⁷ Operator Name MATADOR PRODUCTION COMPANY	⁸ Well Number 121H
		⁹ Elevation 3084'

¹⁰Surface Location

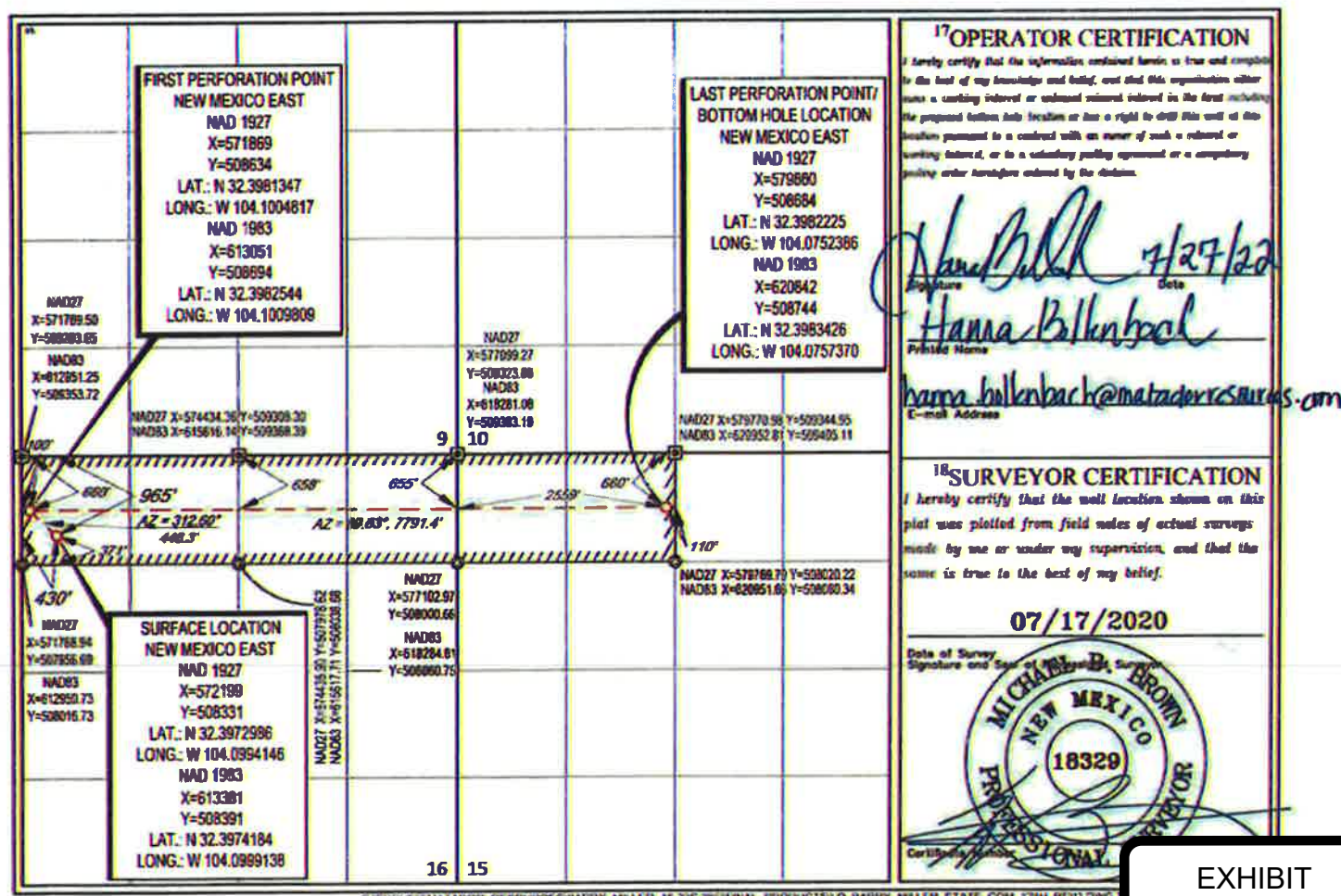
U/L or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	22-S	28-E	-	965'	NORTH	430'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
C	15	22-S	28-E	-	660'	NORTH	2559'	WEST	EDDY

¹² Dedicated Acres 240	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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.



EXHIBIT

4

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☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-015-49801	² Pool Code 15011	³ Pool Name Culebra Bluff; Bone Spring, South
⁴ Property Code 333122	⁵ Property Name BARRY MILLER STATE COM	⁶ Well Number 122H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3084'

¹⁰Surface Location

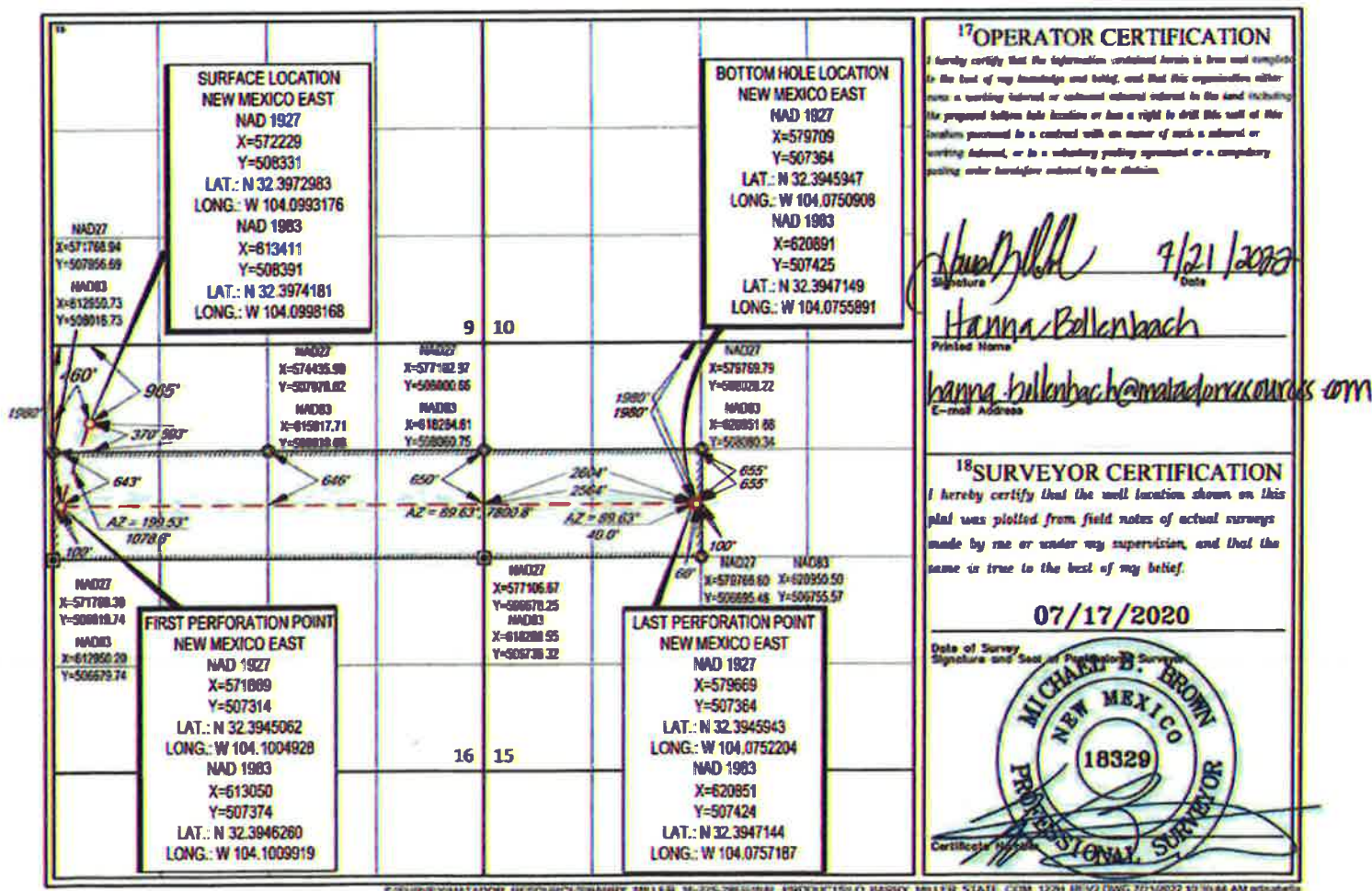
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	22-S	28-E	-	985'	NORTH	460'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	15	22-S	28-E	-	1980'	NORTH	2604'	WEST	EDDY

¹² Dedicated Acres 240	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-49822	² Pool Code 15011	³ Pool Name Culebra Bluff; Bone Springs, Santa Fe
⁴ Property Code 321387	⁵ Property Name MICHAEL RYAN STATE COM	⁶ Well Number 123H
⁷ GRID No. 228137	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3078'

¹⁰Surface Location

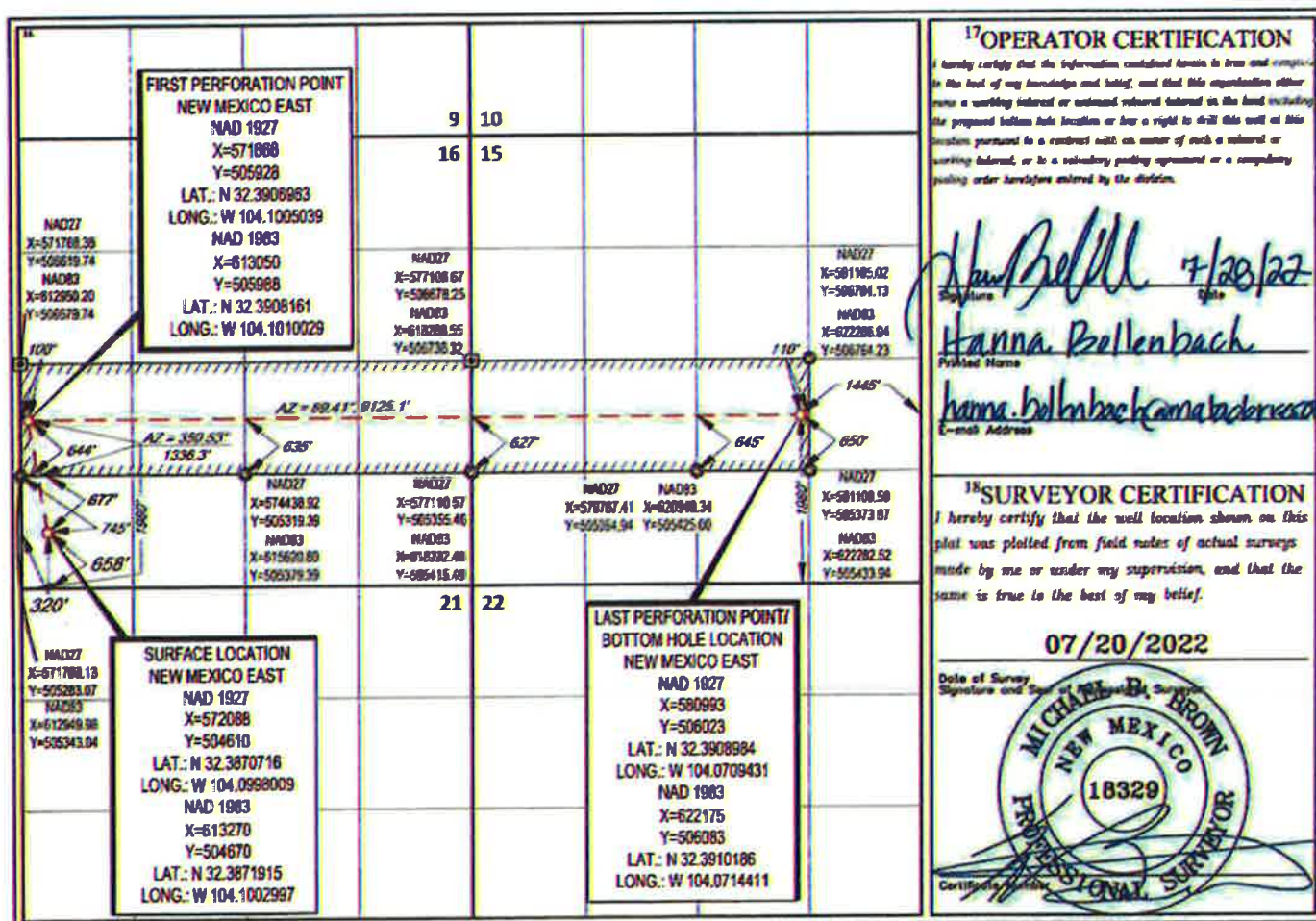
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	22-S	28-E	-	658'	SOUTH	320'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	15	22-S	28-E	-	1980'	SOUTH	1445'	EAST	EDDY

¹² Dedicated Acres 280	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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\MICHAEL_RYAN_16-225-28\FINAL_PRODUCT\SILO_MICHAEL_RYAN_STATE_COM_123H_REV5_A11.DWG 7/28/2022 3:57:05 PM adambella

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-49984		² Pool Code 15011	³ Pool Name CULEBRA BLUFF; BONE SPRING, SOUTH
⁴ Property Code 333281	⁵ Property Name MICHAEL RYAN FED COM		⁶ Well Number 128H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 3078'

¹⁰Surface Location

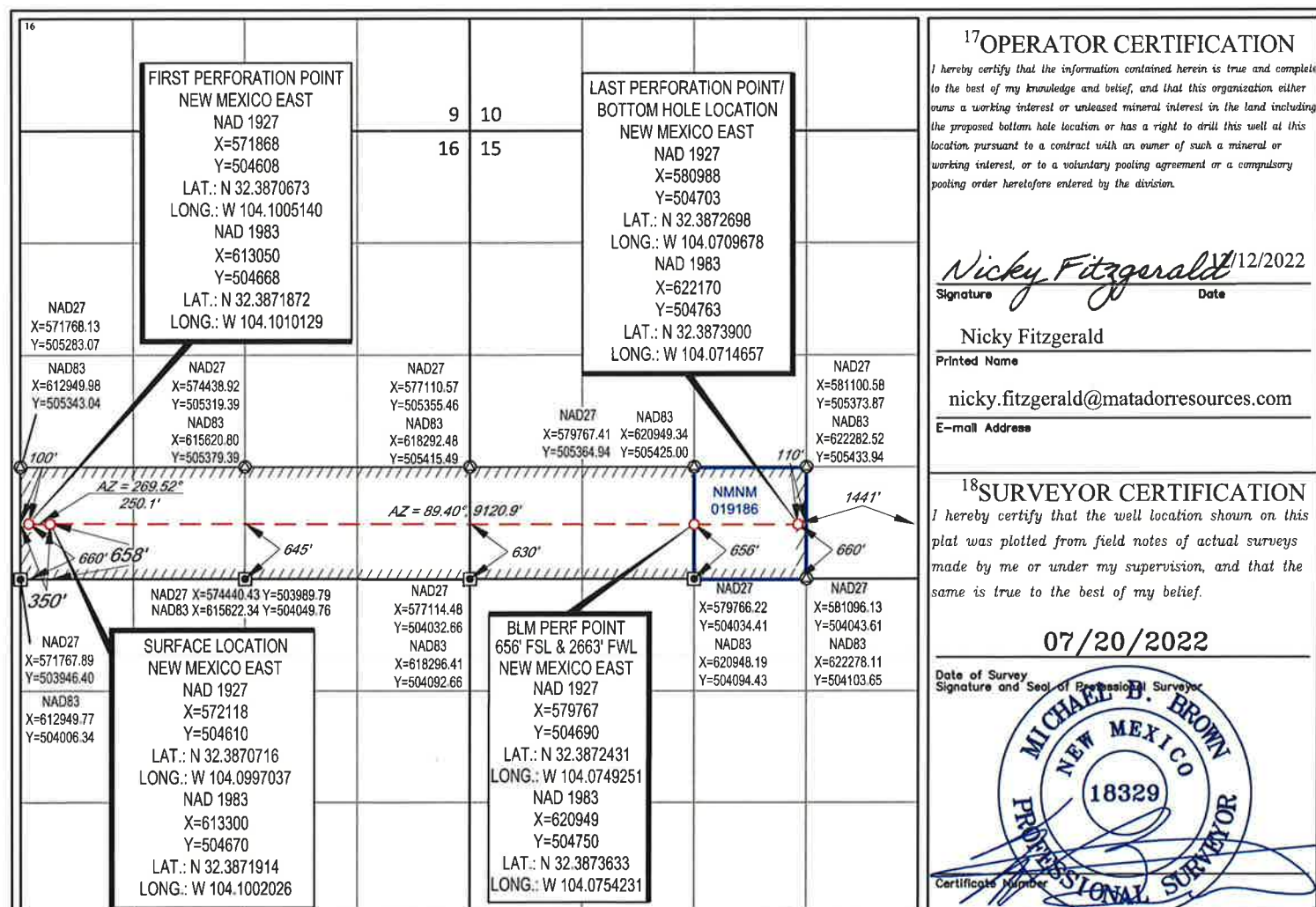
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	22-S	28-E	-	658'	SOUTH	350'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	15	22-S	28-E	-	660'	SOUTH	1441'	EAST	EDDY

¹² Dedicated Acres 280	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-015-53356	² Pool Code 98220	³ Pool Name Purple Sage, Wolfcamp (gas)
⁴ Property Code 333122	⁵ Property Name BARRY MILLER STATE COM	⁶ Well Number 201H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3084'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	22-S	28-E	-	935'	NORTH	430'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	15	22-S	28-E	-	334'	NORTH	2331'	WEST	EDDY

¹² Dedicated Acres 480	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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.

<p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=572099 Y=508961 LAT.: N 32.3990322 LONG.: W 104.0997337 NAD 1983 X=613281 Y=509021 LAT.: N 32.3991520 LONG.: W 104.1002330</p> <p>NAD27 X=571769.50 Y=509293.65 NAD83 X=612951.25 Y=509353.72</p> <p>NAD27 X=574434.36 Y=509308.30 NAD83 X=615616.14 Y=509368.39</p>	<p>LAST PERFORATION POINT/ BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=579431 Y=509008 LAT.: N 32.3991143 LONG.: W 104.0759803 NAD 1983 X=620613 Y=509068 LAT.: N 32.3992344 LONG.: W 104.0764788</p> <p>NAD27 X=577088.27 Y=509323.06 NAD83 X=618281.08 Y=509383.19</p> <p>NAD27 X=579770.95 Y=509344.95 NAD83 X=620952.61 Y=509405.11</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided interest in the land underlying the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such an interest or working interest or to a secondary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Hanna Bollenbach</i> 12/8/22 Signature Date Hanna Bollenbach Printed Name hanna.bollenbach@matadorresources.com E-mail Address</p>
<p>9</p> <p>935' AZ = 350.56° 608.7'</p> <p>430'</p> <p>2331'</p> <p>340'</p> <p>330' 7331.5'</p>	<p>10</p> <p>330' 7331.5'</p> <p>2331'</p> <p>340'</p>	<p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>10/08/2022 Date of Survey Signature and Seal of Surveyor MICHAEL E. BROWN NEW MEXICO 18329 PROFESSIONAL SURVEYOR Certificate Number</p>
<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=572199 Y=508361 LAT.: N 32.3973811 LONG.: W 104.0994145 NAD 1983 X=613381 Y=508421 LAT.: N 32.3975008 LONG.: W 104.0999137</p> <p>NAD27 X=571768.30 Y=506619.74 NAD83 X=612950.20 Y=508679.74</p> <p>NAD27 X=577106.67 Y=506578.25 NAD83 X=618288.55 Y=506738.32</p> <p>NAD27 X=579768.80 Y=506685.48 NAD83 X=620950.50 Y=506755.57</p>	<p>16</p> <p>15</p> <p>21</p> <p>22</p>	

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Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

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District Office

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

¹ API Number 30-015-53365	² Pool Code 98220	³ Pool Name Purple Sage; Wolfcamp (Gas)
⁴ Property Code 333122	⁵ Property Name BARRY MILLER STATE COM	⁶ Well Number 202H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3084'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	22-S	28-E	-	935'	NORTH	460'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	15	22-S	28-E	-	1650'	NORTH	2326'	WEST	EDDY

¹² Dedicated Acres 480	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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.

<p>16 SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=572229 Y=508361 LAT.: N 32.3973809 LONG.: W 104.0993173 NAD 1983 X=613411 Y=508421 LAT.: N 32.3975006 LONG.: W 104.0998165 NAD27 X=574434.36 Y=509308.30 NAD83 X=615616.14 Y=509366.39</p> <p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Hanna Bollenbach</i> 12/6/22 Signature Date Hanna Bollenbach Printed Name hanna.bollenbach@matadorresources.com E-mail Address</p> <p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>10/08/2022 Date of Survey Signature and Seal of Michael B. Brown MICHAEL B. BROWN NEW MEXICO 18329 PROFESSIONAL SURVEYOR Certificate Number</p>	<p>19 LAST PERFORATION POINT/ BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=579430 Y=507692 LAT.: N 32.3954974 LONG.: W 104.0759944 NAD 1983 X=620611 Y=507752 LAT.: N 32.3956175 LONG.: W 104.0764927 NAD27 X=579770.99 Y=506344.55 NAD83 X=620952.81 Y=509405.11</p> <p>20 FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=572099 Y=507645 LAT.: N 32.3954154 LONG.: W 104.0997448 NAD 1983 X=613281 Y=507706 LAT.: N 32.3955352 LONG.: W 104.1002440 NAD27 X=577106.67 Y=506678.25 NAD83 X=618288.55 Y=506738.32 NAD27 X=579768.60 Y=506695.48 NAD83 X=620950.50 Y=506755.57</p>	<p>21</p>
--	--	------------------

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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-53366		² Pool Code 98220	³ Pool Name Purple Sage; Wolfcamp (Gas)
⁴ Property Code 333281	⁵ Property Name MICHAEL RYAN FED COM		⁶ Well Number 203H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 3078'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	22-S	28-E	-	629'	SOUTH	320'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	15	22-S	28-E	-	2310'	SOUTH	1675'	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
560			

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.

¹⁶ FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=572098 Y=506262 LAT.: N 32.3916124 LONG.: W 104.0997562 NAD 1983 X=613280 Y=506322 LAT.: N 32.3917322 LONG.: W 104.1002552		¹⁷ LAST PERFORATION POINT/ BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=580764 Y=506351 LAT.: N 32.3918027 LONG.: W 104.0716820 NAD 1983 X=621946 Y=506411 LAT.: N 32.3919229 LONG.: W 104.0721801		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or has been granted an interest in the land including the proposed bottom hole location or has a right to drill this well of this location pursuant to a contract with an owner of such a mineral or working interest, or to a subsidiary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <i>Hanna Bollenbach</i> Date: <i>12/01/22</i> Printed Name: <i>Hanna Bollenbach</i> E-mail Address: <i>hanna.bollenbach@matadorresources.com</i>	
SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=572088 Y=504580 LAT.: N 32.3869893 LONG.: W 104.0998013 NAD 1983 X=613270 Y=504640 LAT.: N 32.3871091 LONG.: W 104.1003001		NAD 27 X=574440.43 Y=503989.79 NAD 83 X=615622.34 Y=504049.76 NAD 27 21 X=577114.48 Y=504032.66 NAD 83 X=618296.41 Y=504092.66		NAD 27 X=579765.22 Y=504034.41 NAD 83 X=620948.19 Y=504094.43 NAD 27 X=581096.13 Y=504043.61 NAD 83 X=622276.11 Y=504103.85	

¹⁸**SURVEYOR CERTIFICATION**
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

10/08/2022

Date of Survey
Signature and Seal of Surveyor

 Certificate Number

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) 746-3460 Fax: (505) 746-3462

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	² Pool Code	³ Pool Name
	98220	Purple Sage; Wolfcamp (Gas)
⁴ Property Code	⁵ Property Name	⁶ Well Number
	MICHAEL RYAN FED COM	204H
⁷ OGRID No.	⁸ Operator Name	⁹ Elevation
228937	MATADOR PRODUCTION COMPANY	3078'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	16	22-S	28-E	-	628'	SOUTH	350'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	15	22-S	28-E	-	990'	SOUTH	1672'	EAST	EDDY

¹² Dedicated Acres 560	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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.

16. FIRST PERFORATION POINT
 NEW MEXICO EAST
 NAD 1927
 X=572098
 Y=504942
 LAT.: N 32.3879835
 LONG.: W 104.0997664
 NAD 1983
 X=613280
 Y=505002
 LAT.: N 32.3881033
 LONG.: W 104.1002652

17. LAST PERFORATION POINT/ BOTTOM HOLE LOCATION
 NEW MEXICO EAST
 NAD 1927
 X=580759
 Y=505031
 LAT.: N 32.3881741
 LONG.: W 104.0717068
 NAD 1983
 X=621941
 Y=505091
 LAT.: N 32.3882943
 LONG.: W 104.0722047

18. SURFACE LOCATION
 NEW MEXICO EAST
 NAD 1927
 X=572118
 Y=504580
 LAT.: N 32.3869891
 LONG.: W 104.0997041
 NAD 1983
 X=613300
 Y=504640
 LAT.: N 32.3871089
 LONG.: W 104.1002030

BLM PERF POINT
 987' FSL & 2656' FWL
 NEW MEXICO EAST
 NAD 1927
 X=579767
 Y=505021
 LAT.: N 32.3881526
 LONG.: W 104.0749216
 NAD 1983
 X=620949
 Y=505081
 LAT.: N 32.3882728
 LONG.: W 104.0754196

Survey Data:

Point	NAD27 X	NAD27 Y	NAD83 X	NAD83 Y
First Perforation Point	572098	504942	613280	505002
Last Perforation Point	580759	505031	621941	505091
Surface Location	572118	504580	613300	504640
BLM Perf Point	579767	505021	620949	505081

Survey Measurements:

- AZ = 89.41°, 8661.9'
- AZ = 356.83°, 362.3'
- 990', 628', 330', 350', 976', 961', 987', 346', 1672', 990'

19. OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

20. SURVEYOR CERTIFICATION
 I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

10/08/2022

Date of Survey _____
 Signature and Seal of Professional Surveyor _____

Professional Surveyor Seal:
 MICHAEL B. BROWN
 NEW MEXICO
 18329
 PROFESSIONAL SURVEYOR

Certificate Number _____

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/STATE OR
STATE/FEE**

Revised December 2021

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-015- 49803

STATE OF NEW MEXICO) Well Name: Barry Miller State Com #121H
SS)
COUNTY OF)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1st production) August 1, 2022, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

ONLINE
version
December 9, 2021

State/State

1

EXHIBIT

5

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: N2N2 of Section 16 and the N/2NW/4 of Section 15

Of Sect(s): 16 & 15 Twp: 22S Rng: 28E NMPM Eddy County, NM

Containing 240 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Matador Production Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Matador Production Company.
5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: **(a)** a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or **(b)** each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

Signature

Name (Print)
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Print Name

Date: _____

Acknowledgment in a Representative Capacity

STATE OF TEXAS

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

Signature

Name (Print)

My commission expires _____

EXHIBIT A

To Communitization Agreement dated August 1, 2022.

Plat of communitized area covering the N2N2 of Section 16 and the N/2NW/4 of Section 15, T 22S,
R 28E, NMPM, Eddy County, NM.

Tract 1 State Lease LG-0018-0003 80.00 acres	Tract 2 State Lease L0-7012-004 80.00 acres	Tract 3 Fee Acreage 80.00	
Section 16		Section 15	

EXHIBIT B

To Communitization Agreement dated August 1, 2022, embracing the Subdivisions N2N2 of Section 16 and the N/2NW/4 of Section 15, T 22S, R 28E, NMPM, Eddy County, NM.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	LG-0018-0003
Lease Date:	4/1/1972
Lease Term:	10 Years
Lessor:	State of New Mexico
Present Lessee:	Ridge Runner Resources Operating, LLC
Description of Land Committed:	Township 22 South, Range 28 East, Section 16: N/2NW/4
Subdivisions:	
Number of Acres:	80.00
Royalty Rate:	1/8 TH
Name and WI Owners:	Durham, Inc. Foran Oil Company Gloria Judine Hardy Hope Royalties, LLC Maverick Oil & Gas, Corp. MRC Permian Company Performance Oil and Gas Company Quanah Exploration, LLC RKC, Inc. TTCZ Properties, LLC Xplor Resources, LLC

TRACT NO. 2

Lease Serial No.: L0-7012-0004

Lease Date: 2/15/1972

Lease Term: 10 Years

Lessor: State of New Mexico

Present Lessee: Chi Energy Inc

Description of Land Committed: Township 22 South, Range 28 East,
Section 16: N/2NE/4

Subdivisions:

Number of Acres: 80.00

Royalty Rate: 1/8TH

Name and WI Owners: Durham, Inc.
Foran Oil Company
Gloria Judine Hardy
Hope Royalties, LLC
Maverick Oil & Gas, Corp.
MRC Permian Company
Performance Oil and Gas Company
Quanah Exploration, LLC
RKC, Inc.
TTCZ Properties, LLC
Xplor Resources, LLC

TRACT NO. 3

Lease Serial No.: Fee Lease

Description of Land Committed: Township 22 South, Range 28 East,
Section 15: N/2NW/4

Subdivisions:

Number of Acres: 80.00

WI Owners: Durham, Inc.
Foran Oil Company
Gloria Judine Hardy
Hope Royalties, LLC
Maverick Oil & Gas, Corp.
MRC Permian Company
Performance Oil and Gas Company
Quanah Exploration, LLC
RKC, Inc.
TTCZ Properties, LLC
Xplor Resources, LLC

RECAPITULATION

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	80.00	33.33%
Tract 2	80.00	33.33%
Tract 3	80.00	33.33%
Total Acreage	240.00	100%

STATE/STATE OR
STATE/FEE

COMMUNITIZATION AGREEMENT

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-015- 49801

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1st production) August 1, 2022, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: S2N2 of Section 16 and the S/2NW/4 of Section 15

Of Sect(s): 16 & 15 Twp: 22S Rng: 28E NMPM Eddy County, NM

Containing 240 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Matador Production Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Matador Production Company.
5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: **(a)** a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or **(b)** each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

Signature

Name (Print)

My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Print Name

Date: _____

Acknowledgment in a Representative Capacity

STATE OF TEXAS

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

Signature

Name (Print)

My commission expires _____

EXHIBIT A

To Communitization Agreement dated August 1, 2022.

Plat of communitized area covering the S2N2 of Section 16 and the S/2NW/4 of Section 15, T 22S,
R 28E, NMPM, Eddy County, NM.

<u>Tract 1</u> State Lease LG-0018-0003 80.00 acres	<u>Tract 2</u> State Lease L0-7012-004 80.00 acres	<u>Tract 3</u> Fee Acreage 80.00	
Section 16		Section 15	

EXHIBIT B

To Communitization Agreement dated August 1, 2022, embracing the Subdivisions S2N2 of Section 16 and the S/2NW/4 of Section 15, T 22S, R 28E, NMPM, Eddy County, NM.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	LG-0018-0003
Lease Date:	4/1/1972
Lease Term:	10 Years
Lessor:	State of New Mexico
Present Lessee:	Ridge Runner Resources Operating, LLC
Description of Land Committed: Subdivisions:	Township 22 South, Range 28 East, Section 16: S/2NW/4
Number of Acres:	80.00
Royalty Rate:	1/8 TH
Name and WI Owners:	Durham, Inc. Foran Oil Company Gloria Judine Hardy Hope Royalties, LLC Maverick Oil & Gas, Corp. MRC Permian Company Performance Oil and Gas Company Quanah Exploration, LLC RKC, Inc. TTCZ Properties, LLC Xplor Resources, LLC

TRACT NO. 2

Lease Serial No.:	L0-7012-0004
Lease Date:	2/15/1972
Lease Term:	10 Years
Lessor:	State of New Mexico
Present Lessee:	Chi Energy Inc
Description of Land Committed: Subdivisions:	Township 22 South, Range 28 East, Section 16: S/2NE/4
Number of Acres:	80.00
Royalty Rate:	1/8 TH
Name and WIOwners:	Durham, Inc. Foran Oil Company Gloria Judine Hardy Hope Royalties, LLC Maverick Oil & Gas, Corp. MRC Permian Company Performance Oil and Gas Company Quanah Exploration, LLC RKC, Inc. TTCZ Properties, LLC Xplor Resources, LLC

TRACT NO. 3

Lease Serial No.: Fee Lease

Description of Land Committed: Township 22 South, Range 28 East,
Section 15: S/2NW/4

Subdivisions:

Number of Acres: 80.00

WI Owners: Durham, Inc.
Foran Oil Company
Gloria Judine Hardy
Hope Royalties, LLC
Maverick Oil & Gas, Corp.
MRC Permian Company
Performance Oil and Gas Company
Quanah Exploration, LLC
RKC, Inc.
TTCZ Properties, LLC
Xplor Resources, LLC

RECAPITULATION

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	80.00	33.33%
Tract 2	80.00	33.33%
Tract 3	80.00	33.33%
Total Acreage	240.00	100%

STATE/STATE OR
STATE/FEE

COMMUNITIZATION AGREEMENT

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-015-49822

Well Name: Michael Ryan Fed Com #123H

COUNTY OF EDDY)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1st production) September 1, 2022, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

State/State

1

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: N2S2 of Section 16, the N2SW/4 & NW/4SE/4 of Section 15, Twp: 22S Rng: 28,
NMPM Eddy County, NM

Containing 280.00 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Matador Production Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Matador Production Company.
5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: **(a)** a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or **(b)** each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

Signature

Name (Print)

My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Print Name

Date: _____

Acknowledgment in a Representative Capacity

STATE OF TEXAS

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

Signature

Name (Print)

My commission expires _____

EXHIBIT A

To Communitization Agreement dated September 1, 2022.

Plat of communitized area covering the N2S2 of Section 16, the N2SW/4 & NW/4SE/4 of Section 15, 22 South, 28 East , NMPM Eddy County, NM.

Section 16		Section 15	
<u>Tract 1</u> LG-0018-0003 80 Acres	<u>Tract 2</u> L0-7012-0006 80 Acres	<u>Tract 3</u> Fee 120 acres	

EXHIBIT B

To Communitization Agreement dated September 1, 2022, embracing the Subdivisions N2S2 of Section 16, the N2SW/4 & NW/4SE/4 of Section 15, Twp: 22S, Rng: 28, NMPM Eddy County, NM

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	L0-7012-0006
Lease Date:	2/15/1972
Lease Term:	10 Years
Lessor:	State of New Mexico
Present Lessee:	Ridge Runner Resources Operating, LLC
Description of Land Committed:	Township 22 South, Range 28 East, Section 16: N2SW/4
Subdivisions:	
Number of Acres:	80.00
Royalty Rate:	1/8 th
Name and WI Owners:	Eastland Exploration, Inc. Foran Oil Company Gloria Judine Hardy Hope Royalties, LLC Littlepage Oil Properties MRC Permian Company Performance Oil and Gas Company Quanah Exploration, LLC RKC, Inc. TTCZ Properties, LLC Xplor Resources, LLC

TRACT NO. 2

Lease Serial No.: LG-0018-0003

Lease Date: 4/1/1972

Lease Term: 10 Years

Lessor: State of New Mexico

Present Lessee: Ridge Runner Resources Operating, LLC

Description of Land Committed: Township 22 South, Range 28 East,
Section 16: N/2SE/4

Subdivisions:

Number of Acres: 80.00

Royalty Rate: 1/8th

Name and WI Owners: Eastland Exploration, Inc.
Foran Oil Company
Gloria Judine Hardy
Hope Royalties, LLC
Littlepage Oil Properties
MRC Permian Company
Performance Oil and Gas Company
Quanah Exploration, LLC
RKC, Inc.
TTCZ Properties, LLC
Xplor Resources, LLC

TRACT NO. 3

Lessor: Fee Leases

Present Lessee:

Description of Land Committed: Township 22 South, Range 28 East,
Section 15: N2SW/4 & NW/4SE/4

Subdivisions:

Number of Acres: 120.00

Name of WI Owners: Eastland Exploration, Inc.
Foran Oil Company
Gloria Judine Hardy
Hope Royalties, LLC
Littlepage Oil Properties
MRC Permian Company
Performance Oil and Gas Company
Quanah Exploration, LLC
RKC, Inc.
TTCZ Properties, LLC
Xplor Resources, LLC

RECAPITULATION

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	80.00	28.57%
Tract 2	80.00	28.57%
Tract 3	120.00	42.86%
Total Acreage	280.00	100%

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/FEDERAL OR
STATE/FEDERAL/FEE**

Revised August, 2021

**ONLINE Version
COMMUNITIZATION AGREEMENT**

API Initial Well: 30-0_____ - _____

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

W I T N E S S E T H:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Subdivisions S2S2 of Section 16, S2SW/4 & SW/4SE/4 of Section 15 ,

T 22S , R 28E , NMPM Eddy County, NM

containing 280 acres, more or less, and this agreement shall include only the Bone

Spring Formation or pool, underlying said lands and the Oil & Gas (hereinafter referred to as

"communitized substances") producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is September _____ Month 1 _____ Day, 2022 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

Signature

Name (Print)
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Print Name

Date: _____

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2022, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

Signature

Name (Print)

My commission expires _____

EXHIBIT A

To Communitization Agreement dated September 1, 2022

Plat of communitized area covering the S2S2 of Section 16, S2SW/4 & SW/4SE/4 of Section 15, T
22S, R 28E, NMPM, Eddy County, NM.

Section 16		Section 15		
Tract 1 LG-0018-0003 80 Acres	Tract 2 L0-7012-0006 80 Acres	Tract 3 Fee 80 Acres	Tract 4 NMNM- 19186 40 Acres	

EXHIBIT B

To Communitization Agreement dated September 1, 2022, embracing the Subdivisions S2S2 of Section 16, S2SW/4 & SW/4SE/4 of Section 15, T 22S, R 28E, NMPM, Eddy County, NM.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	LG-0018-0003
Lease Date:	4/1/1972
Lease Term:	10 Years
Lessor:	State of New Mexico
Present Lessee:	Ridge Runner Resources Operating, LLC
Description of Land Committed: Subdivisions:	Township 22 South, Range 28 East, Section 16: S/2SW/4
Number of Acres:	80.00
Royalty Rate:	1/8 th
Name and WI Owners:	Foran Oil Company Performance Oil and Gas Company Xplor Resources, LLC Hope Royalties, LLC MRC Permian Company TTCZ Properties, LLC Gloria Judine Hardy Quanah Exploration, LLC RKC, Inc. Eastland Exploration, Inc. Littlepage Oil Properties

TRACT NO. 2

Lease Serial No.: L0-7012-0006

Lease Date: 2/15/1972

Lease Term: 10 Years

Lessor: State of New Mexico

Present Lessee: Ridge Runner Resources Operating, LLC

Description of Land Committed: Subdivisions: Township 22 South, Range 28 East,
Section 16: S/2SE/4

Number of Acres: 80.00

Royalty Rate: 1/8th

Name and WIOwners: Foran Oil Company
Performance Oil and Gas Company
Xplor Resources, LLC
Hope Royalties, LLC
MRC Permian Company
TTCZ Properties, LLC
Gloria Judine Hardy
Quanah Exploration, LLC
RKC, Inc.
Eastland Exploration, Inc.
Littlepage Oil Properties

TRACT NO. 3

Lessor: Fee Leases

Present Lessee:

Description of Land Committed: Subdivisions: Township 22 South, Range 28 East,
Section 15: S/2SW/4

Number of Acres: 80.00

Name and WIOwners: Foran Oil Company
Performance Oil and Gas Company
Xplor Resources, LLC
Hope Royalties, LLC
MRC Permian Company
TTCZ Properties, LLC
Gloria Judine Hardy
Quanah Exploration, LLC
RKC, Inc.
Eastland Exploration, Inc.
Littlepage Oil Properties

TRACT NO. 4

Lease Serial No.: NMNM-19186

Lessor: Bureau of Land Management

Present Lessee: Eastland Resource Inc

Description of Land Committed: Subdivisions: Township 22 South, Range 28 East,
Section 15: SW/4SE/4

Number of Acres: 40.00

Name of WIOwners: Foran Oil Company
Performance Oil and Gas Company
Xplor Resources, LLC
Hope Royalties, LLC
MRC Permian Company
TTCZ Properties, LLC
Gloria Judine Hardy
Quanah Exploration, LLC
RKC, Inc.
Eastland Exploration, Inc.
Littlepage Oil Properties

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RECAPITULATION

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	80.00	28.57%
Tract 2	80.00	28.57%
Tract 3	80.00	28.57%
Tract 4	40.00	14.29%
Total Acreage	280.00	100%

STATE/STATE OR
STATE/FEE

COMMUNITIZATION AGREEMENT

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-015- 53356

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of date before 1st production) March 1, 2023, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Wolfcamp formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: N2 of Section 16 & the NW/4 of Section 15, Township 22 South, Range 28 East, NMPM Eddy County, NM

Containing 480 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Matador Production Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Matador Production Company.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: **(a)** a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or **(b)** each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Operator: **Matador Production Company**

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President for Matador Production Company, on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President, for MRC Permian Company on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

ONLINE
version
December 9, 2021

State/State

EXHIBIT A

To Communitization Agreement dated March 1, 2023

Plat of communitized area covering the N2 of Section 16 and the NW/4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, NM.

Barry Miller State Com #201H & #202H

<u>Tract 1</u> State Lease LG-0018-003 160 Acres	<u>Tract 2</u> State Lease L0-7012-0004 160 Acres	<u>Tract 3</u> Fee Acreage 160 Acres	
Section 16		Section 15	

EXHIBIT B

To Communitization Agreement dated March 1, 2023, embracing the Subdivisions N2 of Section 16 and the NW/4 of Section 15, Township 22 South, Range 28 East N.M.P.M., Eddy County, NM

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.: LG-0018-003

Lease Date: 4/1/1972

Lease Term: 10 Years

Present Lessee: MRC Permian Company

Description of Land Committed: Subdivisions NW/4

Sect(s) 16, Twp 22S, Rng 28E NMPM, Eddy County, NM

Number of Acres: 160.00

Royalty Rate: 1/8th

Name of WI Owners: Durham, Inc, Foran Oil Company, Hope Royalties, LLC, Maverick Oil & Gas Company, Quannah Exploration, LLC, RKC, Inc., TTCZ Properties, LLC, and Xplor Resources, LLC

TRACT NO. 2

Lease Serial No.: L0-7012-0004

Lease Date: 2/15/1972

Lease Term: 10 Years

Lessor: State of New Mexico

Present Lessee: Chi Energy Inc

Description of Land Committed: Subdivisions NE/4

Sect(s) 16, Twp 22S, Rng 28E, NMPM, Eddy County, NM

Number of Acres: 160.00

Royalty Rate: 1/8th

Name of WI Owners: Durham, Inc, Foran Oil Company, Hope Royalties, LLC, Maverick Oil & Gas Company, Quannah Exploration, LLC, RKC, Inc., TTCZ Properties, LLC, and Xplor Resources, LLC

TRACT NO. 3Lease Serial No.: Fee LeaseDescription of Land Committed: Subdivisions NW/4Sect(s) 15, Twp 22S, Rng 28E, NMPM, Eddy County, NMNumber of Acres: 160.00Name of WIOwners: Durham, Inc, Foran Oil Company, Hope Royalties, LLC, Maverick Oil & Gas Company, Quannah Exploration, LLC, RKC, Inc., TTCZ Properties, LLC, and Xplor Resources, LLC**RECAPITULATION**

<u>Tract numbers</u>	<u>Number of Acres Committed</u>	Percentage of Interest in Communitized Area
Tract No. 1	160.00	33.33%
Tract No. 2	160.00	33.33%
Tract No. 3	160.00	33.33%
Total Acreage	480.00	100%

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/STATE OR
STATE/FEE**

Revised December 2021

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #:

STATE OF NEW MEXICO) Well Name: Barry Miller State Com #203H
SS)
COUNTY OF EDDY)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of date before 1st production) March 1, 2023, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Wolfcamp formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

NOW THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the undersigned as follows:

1. The lands covered by this agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: S2 of Section 16, the SW/4 & the W2SE/4 of Section 15, Township 22 South, Range 28 East, NMPM Eddy County, NM

Containing 560 acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Matador Production Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Matador Production Company.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: **(a)** a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or **(b)** each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Operator: **Matador Production Company**

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President for Matador Production Company, on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President, for MRC Permian Company on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

ONLINE
version
December 9, 2021

State/State

EXHIBIT A

To Communitization Agreement dated March 1, 2023
Plat of communitized area covering the S2 of Section 16, the SW/4 & the W2SE/4 of Section 15, Township 22
South, Range 28 East, NMPM, Eddy County, NM.

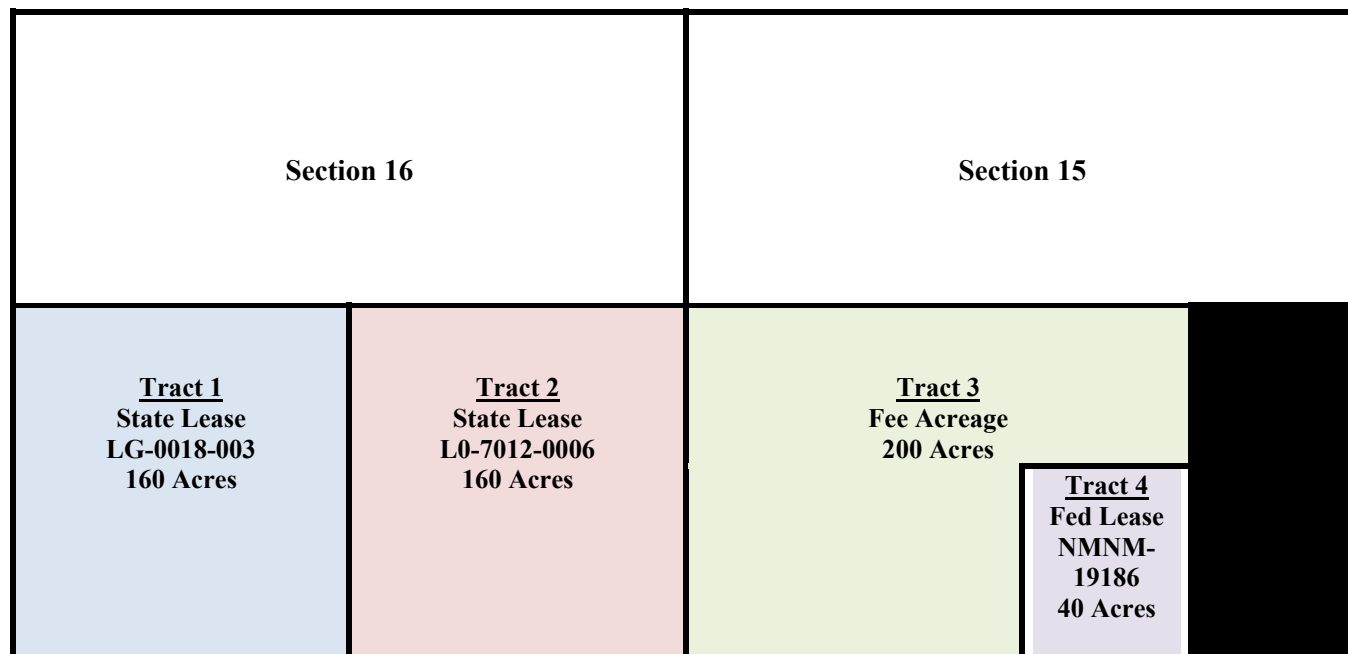
Michael Ryan Fed Com #203H & #204H

EXHIBIT B

To Communitization Agreement dated March 1, 2023, embracing the Subdivisions S2 of Section 16, the SW/4 & the W2SE/4 of Section 15, Township 22 South, Range 28 East N.M.P.M., Eddy County, NM

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.: LG-0018-003

Lease Date: 4/1/1972

Lease Term: 10 Years

Present Lessee: MRC Permian Company

Description of Land Committed: Subdivisions SW/4

Sect(s) 16, Twp 22S, Rng 28E NMPM, Eddy County, NM

Number of Acres: 160.00

Royalty Rate: 1/8th

Name of WI Owners: Foran Oil Company, Performance Oil and Gas Company, Xplor Resources, LLC, Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc, Littlepage Oil Properties

TRACT NO. 2

Lease Serial No.: L0-7012-0006

Lease Date: 2/15/1972

Lease Term: 10 Years

Lessor: State of New Mexico

Present Lessee: Chi Energy Inc

Description of Land Committed: Subdivisions SE/4

Sect(s) 16, Twp 22S, Rng 28E, NMPM, Eddy County, NM

Number of Acres: 160.00

Royalty Rate: 1/8th

Name of WI Owners: Foran Oil Company, Performance Oil and Gas Company, Xplor Resources, LLC, Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc, Littlepage Oil Properties

TRACT NO. 3Lease Serial No.: Fee LeaseDescription of Land Committed: Subdivisions SW/4 & NW/4SE/4Sect(s) 15, Twp 22S, Rng 28E, NMPM, Eddy County, NMNumber of Acres: 200.00

Name of WIOwners: Foran Oil Company, Performance Oil and Gas Company, Xplor Resources, LLC, Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc, Littlepage Oil Properties

TRACT NO. 4Lease Serial No.: NMNM-019186Lessor: United States of AmericaPresent Lessee: Eastland Resources IncDescription of Land Committed: Subdivisions SW/4SE/4Sect(s) 16, Twp 22S, Rng 28E, NMPM, Eddy County, NMNumber of Acres: 40.00Name of WIOwners: Foran Oil Company Performance Oil and Gas Company Xplor Resources, LLC

Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc., Littlepage Oil Properties

RECAPITULATION

<u>Tract numbers</u>	<u>Number of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
Tract No. 1	160.00	28.57%
Tract No. 2	160.00	28.57%
Tract No. 3	200.00	35.72%
Tract No. 3	40.00	7.14%
Total Acreage	560.00	100%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st** day of **March 2023**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

S2 of Section 16, the SW/4 & the W2SE/4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, NM.

Containing **560** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and

four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of $1/8^{\text{th}}$ or $12 \frac{1}{2}$ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production

from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **March 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

Signature of Authorized Agent

By: Craig N. Adams Executive Vice President
Name & Title of Authorized Agent

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ____ day of _____, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Craig N. Adams Executive Vice President
Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ____ day of _____, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

EXHIBIT A

To Communitization Agreement dated March 1, 2023

Plat of communitized area covering the S2 of Section 16, the SW/4 & the W2SE/4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, NM.

Michael Ryan Fed Com #203H & #204H

Section 16		Section 15	
<u>Tract 1</u> State Lease LG-0018-003 160 Acres	<u>Tract 2</u> State Lease L0-7012-0006 160 Acres	<u>Tract 3</u> Fee Acreage 200 Acres	<u>Tract 4</u> Fed Lease NMNM-19186 40 Acres

EXHIBIT B

To Communitization Agreement dated March 1, 2023, embracing the Subdivisions S2 of Section 16, the SW/4 & the W2SE/4 of Section 15, Township 22 South, Range 28 East N.M.P.M., Eddy County, NM

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.: LG-0018-003

Lease Date: 4/1/1972

Lease Term: 10 Years

Present Lessee: MRC Permian Company

Description of Land Committed: Subdivisions SW/4

Sect(s) 16, Twp 22S, Rng 28E NMPM, Eddy County, NM

Number of Acres: 160.00

Royalty Rate: 1/8th

Name of WI Owners: Foran Oil Company, Performance Oil and Gas Company, Xplor Resources, LLC, Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc, Littlepage Oil Properties

TRACT NO. 2

Lease Serial No.: L0-7012-0006

Lease Date: 2/15/1972

Lease Term: 10 Years

Lessor: State of New Mexico

Present Lessee: Chi Energy Inc

Description of Land Committed: Subdivisions SE/4

Sect(s) 16, Twp 22S, Rng 28E, NMPM, Eddy County, NM

Number of Acres: 160.00

Royalty Rate: 1/8th

Name of WI Owners: Foran Oil Company, Performance Oil and Gas Company, Xplor Resources, LLC, Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc, Littlepage Oil Properties

TRACT NO. 3Lease Serial No.: Fee LeaseDescription of Land Committed: Subdivisions SW/4 & NW/4SE/4Sect(s) 15, Twp 22S, Rng 28E, NMPM, Eddy County, NMNumber of Acres: 200.00

Name of WIOwners: Foran Oil Company, Performance Oil and Gas Company, Xplor Resources, LLC, Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc, Littlepage Oil Properties

TRACT NO. 4Lease Serial No.: NMNM-019186Lessor: United States of AmericaPresent Lessee: Eastland Resources IncDescription of Land Committed: Subdivisions SW/4SE/4Sect(s) 16, Twp 22S, Rng 28E, NMPM, Eddy County, NMNumber of Acres: 40.00Name of WIOwners: Foran Oil Company Performance Oil and Gas Company Xplor Resources, LLC

Hope Royalties, LLC, MRC Permian Company, TTCZ Properties, LLC, Quanah Exploration, LLC, RKC, Inc, Eastland Exploration, Inc., Littlepage Oil Properties

RECAPITULATION

<u>Tract numbers</u>	<u>Number of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
Tract No. 1	160.00	28.57%
Tract No. 2	160.00	28.57%
Tract No. 3	200.00	35.72%
Tract No. 3	40.00	7.14%
Total Acreage	560.00	100%

ADDR1	ADDR2	ADDR3	ADDR4	ADDR5
32 Mineral I BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
32 Mineral II BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
ACB BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
Allen C. Kincheloe Living Trust dated June 17, 2005	2313 Nantucket #C	Houston	TX	77057
America West Resources, LLC	P.O. Box 3383	Midland	TX	79702
Anthracite Energy Partners, LLC	P.O. Box 52370	Midland	TX	79710
Barnes Family Partnership	500 W. Wall	Midland	TX	79701
Basin Petroleum Company	P.O. Box 4028	Albuquerque	NM	87196
Bass Enterprises Production Co.	201 Main Street, Suite 2700	Fort Worth	TX	76102
BK Exploration Corporation	P.O. Box 52098	Tulsa	OK	74152
Black Shale Minerals, LLC	P.O. Box 2243	Longview	TX	75606
Broughton Petroleum, Inc.	P.O. Box 3189	Sealy	TX	77474
C. Free O&G, LLC, c/o Caroline Free Bagot	3310 Fairmount Street, Apt. 11A	Dallas	TX	75201
Capital Partnership II (CTAM) BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
Centurion Energy Corporation	500 West Ohio Avenue	Midland	TX	79701
Centurion Oil & Gas Corporation	P.O. Box 11144	Midland	TX	79702
CEP Minerals, LLC	P.O. Box 50820	Midland	TX	79710
Chi Energy, Inc.	212 North Main Street, Suite 200	Midland	TX	79701
Christy B. Motycka	P.O. Box 505	Midland	TX	79702
Clinton D. Pendelton	9522 FM 2920	Tomball	TX	77375
CMB BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
Conejos Energy, LLC	208 Peregrine Hill Circle	Midland	TX	79707
CTV-CTAM BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
CTV-LMB I BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
CTV-LMB II BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
CTV-SRB I BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
CTV-SRB II BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
CXA Oil & Gas Holdings, LP	6000 Legacy Drive	Plano	TX	75024
David Lee Power	3523 Stanolind Ave.	Midland	TX	79707
Devon Energy Production Company, LP	333 West Sheridan Avenue	Oklahoma City	OK	73102
Dorothy Dann Collins	10311 Gaywood Road	Dallas	TX	75229
Durham, Inc.	505 N. Big Spring, Suite 403	Midland	TX	79701
Eastland Exploration, Inc.	P.O. Drawer 3488	Midland	TX	79702-2488
Eastland Resources, Inc.	P.O. Box 3488	Midland	TX	79702

El Reno Producing, LLC	P.O. Box 80309	Midland	TX	79708
Estate of Dorothy Dann Collins Torbert C/O Elizabeth A. Howard	2200 Ross Avenue, Suite 2800	Dallas	TX	75201
Locke Lord LLP	2200 Ross Avenue, Suite 2800	Dallas	TX	75201
Michael James Collins	2200 Ross Avenue, Suite 2800	Dallas	TX	75201
Nancy Collins Fisher	2200 Ross Avenue, Suite 2800	Dallas	TX	75201
Stuart Maryman Bumpas	2200 Ross Avenue, Suite 2800	Dallas	TX	75201
Estate of Gordon W. Thomson, DDS (Died on October 12, 2004) Estate of Donna Lou Thomson (Died on January 7, 2007)	23209 West Heritage Oaks Drive	Porter	TX	77365
Susan K. Thomson Bianche	23209 West Heritage Oaks Drive	Porter	TX	77365
Terry L. Thomson Villoutreix	23209 West Heritage Oaks Drive	Porter	TX	77365
Estate of Jack W. Rustamier (Died on January 26, 1992) Estate of Mary Jo Rustamier (Died on May 14, 1991) C/O Judy Lee Rustamier Makowsky	1206 West Scharbauer Drive	Midland	TX	79705
Jo Ann Rustamier Stinson	1206 West Scharbauer Drive	Midland	TX	79705
Estate of Johnnie Boyd Brown (Died on February 10, 2015)	2014 Sinclair Avenue	Midland	TX	79705
Linda Evans Brown - Widow	2014 Sinclair Avenue	Midland	TX	79705
John Mark Brown - Son	2014 Sinclair Avenue	Midland	TX	79705
William Craig Brown - Son	2014 Sinclair Avenue	Midland	TX	79705
Estate of Wanda June Anderson Lawson C/O Katherine Chalfant	P.O. Box 3123	Midland	TX	79702
ExxonMobil Corporation	5959 Las Colinas Boulevard	Irving	TX	75039
Foran Oil Company	One Lincoln Centre 5400 LBJ Freeway Suite 1500	Dallas	TX	75240
Gloria Judine Hardy	1701 County Road 310	Cleburne	TX	76031-0713
Gloria Judine Hardy Marti	3601 South Highway 171	Cleburne	TX	76031
Goldeneye Energy, LLC	4742 Post Oak Timber Drive Unit 41	Houston	TX	77056
Gordon W. Thompson	700 Apple Orchard Ct.	Edgewood	MD	21040-2185
Gwendolyn Thomas McClure	173 Bridgewater Cir.	Midland	TX	79707
HDC Partners	4300 MacArthur Avenue	Dallas	TX	75209
Huckleberry Equipment Corporation	P.O. Box 60226	Midland	TX	79711
James A. Myhre	P.O. Box 801889	Dallas	TX	75380
James D. Lindemann	840 FM 2224	Holliday	TX	76366

Jane B. Ramsland Oil & Gas Partnership, Ltd.	P.O. Box 10505	Midland	TX	79702
John E. Casey and Annette I. Casey, as Co-Trustees of the Casey Trust C/O Law Office of A.M. Nunley, III, PLLC	2706 West Cuthbert Avenue Suite B-203	Midland	TX	79701
Kris Strothman	2706 West Cuthbert Avenue	Midland	TX	79701
John G. Drake	7013 Lattimore Drive	Dallas	TX	75252
Julie Ellen Barnes	P.O. Box 505	Midland	TX	79702
KCK Energy, LLC	5600 Fenway	Midland	TX	79707
Kimbell Royalty Holdings, LLC	777 Taylor Street	Fort Worth	TX	76102
Kirk Covington	921 Lauder Dr.	Spicewood	TX	78669
Marmie, LLC C/O Mary Margery Free	1300 Eldorado Parkway Apt. #301	McKinney	TX	75069
Maverick Oil & Gas Corp.	1001 W. Wall Street	Midland	TX	79701
McCombs Energy, Ltd.	5599 San Felipe, Suite 1200	Houston	TX	77056
MLB BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
Morgan Creek Properties, LLC	P.O. Box 37	Wolfforth	TX	79382
OGX Royalty Fund IV, LP	400 North Marienfeld	Midland	TX	79701
Pamela Power Burton	3807 Permian Court	Midland	TX	79703
Paul J. Zecchi	1791 Fairfield Beach Road	Fairfield	CT	6824
Penasco Petroleum LLC	P.O. Box 2992	Roswell	NM	88202
Performance Oil and Gas Company	One Lincoln Centre	Dallas	TX	75240
Petro-Crown Resources, LLC	P.O. Box 9289	Wichita Falls	TX	76308-9289
Phillip L. Lawson	4905 Island Drive	Midland	TX	79707
Quanah Exploration, LLC	200 North Loraine, Suite 555	Midland	TX	79701
RKC, Inc.	7500 E Arapahoe Road, Suite 380	Centennial	CO	80112
Rolla R. Hinkle III	P.O. Box 2992	Roswell	NM	88202
Roy Edward Guinnup	301 Commerce Street, Suite 1830	Fort Worth	TX	76102
Rusk Capital Management, LLC	7600 West Tidwell Road	Houston	TX	77040
Rutter and Wilbanks Corporation	P.O. Box 3186	Midland	TX	79702
Rutter Enterprises, LP	P.O. Box 3186	Midland	TX	79702
Sabre Exploration, Inc.	P.O. Box 4848	Wichita Falls	TX	76308
Silverton Petroleum, Inc.	P.O. Box 26	Graham	TX	76450
Spinnaker Oil & Gas, LP	P.O. Box 3488	Midland	TX	79702
SRBI I BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
SRBI II BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
State of New Mexico	1220 South St. Francis Drive	Santa Fe	NM	87505

Steven C. Barnes	P.O. Box 505	Midland	TX	79702
Susan Myhre Hayes	524 Clover Leaf Dr.	Minneapolis	MN	55422-5111
Susannah D. Adelson, as Trustee of the James Adelson & Family 2015 Trusts	1350 East 27th Place	Tulsa	OK	74114
Tailwag Resources, LLC	201 W. Wall St., Ste. 201	Midland	TX	79701
Tarpon Engineering Corp.	P.O. Box 60226	Midland	TX	79711
The United States of America Bureau of Land Management	1849 C Street NW	Washington	DC	20240
Thru Line BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
TRB BPEOR NM, LLC	201 Main Street	Fort Worth	TX	76102
TTCZ Properties, LLC c/o Wells Fargo Bank, N.A., as Agent	P.O. Box 40909	Austin	TX	78704
Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508
Viola Elaine Barnes	3109 Haynes Drive	Midland	TX	79705
Watusi Energy, LLC	P.O. Box 52210	Midland	TX	79710
William Sidney Lanier	P.O. Box 2291	Midland	TX	79702
XTO Delaware Basin, LLC, Attn: Land Department	22777 Springwoods Village Pkwy	Spring	TX	77389
Yalch Operating, LP	P.O. Box 10458	Midland	TX	79702
Zachariah J. Reid	27015 Hidden Grove Landing Drive	Spring	TX	77386
Zunis Energy, LLC	1350 East 27th Place	Tulsa	OK	74114
State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501
State Land Office	PO BOX 1148	Santa Fe	NM	87504



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

March 24, 2022

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company to amend NMOCD Order CTB-1071 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising all of Section 16, the W/2 of Section 15 and the W/2 SE/4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Lands")

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 the date this application is received by 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:

Kyle Perkins
Matador Production Company
(972) 371-5202
kperkins@matadorresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance", written over a horizontal line.

Paula M. Vance
**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	32 Mineral I BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000122	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 1
31309	03/24/2023	32 Mineral II BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000108	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 2
31309	03/24/2023	ACB BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000191	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 3
31309	03/24/2023	Allen C. Kincheloe Living Trust	2313 Nantucket Dr Unit C		Houston	TX	77057-2956	Certified with Return Receipt (Signature)	94148118 98765833 000184	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 4
31309	03/24/2023	America West Resources, LLC	PO Box 3383		Midland	TX	79702-3383	Certified with Return Receipt (Signature)	94148118 98765833 000139	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 5
31309	03/24/2023	Anthracite Energy Partners, LLC	PO Box 52370		Midland	TX	79710-2370	Certified with Return Receipt (Signature)	94148118 98765833 000177	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 6
31309	03/24/2023	Barnes Family Partnership	500 W Wall St Ste 304		Midland	TX	79701-5096	Certified with Return Receipt (Signature)	94148118 98765833 000313	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 7
31309	03/24/2023	Basin Petroleum Company	PO Box 4028		Albuquerque	NM	87196-4028	Certified with Return Receipt (Signature)	94148118 98765833 000351	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 8

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	Bass Enterprises Production Co.	201 Main St Ste 2700		Fort Worth	TX	76102-3131	Certified with Return Receipt (Signature)	94148118 98765833 000368	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 9
31309	03/24/2023	BK Exploration Corporation	PO Box 52098		Tulsa	OK	74152-0098	Certified with Return Receipt (Signature)	94148118 98765833 000320	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 10
31309	03/24/2023	Black Shale Minerals, LLC	PO Box 2243		Longview	TX	75606-2243	Certified with Return Receipt (Signature)	94148118 98765833 000399	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 11
31309	03/24/2023	Broughton Petroleum, Inc.	PO Box 3189		Sealy	TX	77474	Certified with Return Receipt (Signature)	94148118 98765833 000344	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 12
31309	03/24/2023	C. Free O&G, LLC, c/o Caroline Free Bagot	3310 Fairmount St Apt 11A		Dallas	TX	75201-1239	Certified with Return Receipt (Signature)	94148118 98765833 000382	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 13
31309	03/24/2023	Capital Partnership II CTAM BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000337	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 14
31309	03/24/2023	Centurion Energy Corporation	500 W Ohio Ave Ste 200		Midland	TX	79701-4361	Certified with Return Receipt (Signature)	94148118 98765833 000375	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 15
31309	03/24/2023	Centurion Oil & Gas Corporation	PO Box 11144		Midland	TX	79702-8144	Certified with Return Receipt (Signature)	94148118 98765833 000054	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 16

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	CEP Minerals, LLC	PO Box 50820		Midland	TX	79710-0820	Certified with Return Receipt (Signature)	94148118 98765833 000061	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 17
31309	03/24/2023	Chi Energy, Inc.	212 N Main St Ste 200		Midland	TX	79701-5231	Certified with Return Receipt (Signature)	94148118 98765833 000009	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 18
31309	03/24/2023	Christy B. Motycka	PO Box 505		Midland	TX	79702-0505	Certified with Return Receipt (Signature)	94148118 98765833 000092	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 19
31309	03/24/2023	Clinton D. Pendelton	9522 Fm 2920 Rd		Tomball	TX	77375-8914	Certified with Return Receipt (Signature)	94148118 98765833 000047	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 20
31309	03/24/2023	CMB BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000085	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 21
31309	03/24/2023	Conejos Energy, LLC	208 Peregrine Hill Cir		Midland	TX	79707-1726	Certified with Return Receipt (Signature)	94148118 98765833 000030	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 22
31309	03/24/2023	CTV-CTAM BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000078	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 23
31309	03/24/2023	CTV-LMB I BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000412	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 24

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	CTV-LMB II BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000450	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 25
31309	03/24/2023	CTV-SRB I BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000467	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 26
31309	03/24/2023	CTV-SRB II BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 000429	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 27
31309	03/24/2023	CXA Oil & Gas Holdings, LP	6000 Legacy Dr		Plano	TX	75024-3601	Certified with Return Receipt (Signature)	94148118 98765833 000405	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 28
31309	03/24/2023	David Lee Power	3523 Stanolind Ave		Midland	TX	79707-6625	Certified with Return Receipt (Signature)	94148118 98765833 000498	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 29
31309	03/24/2023	Devon Energy Production Company, LP	333 W Sheridan Ave		Oklahoma City	OK	73102-5010	Certified with Return Receipt (Signature)	94148118 98765833 000443	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 30
31309	03/24/2023	Dorothy Dann Collins	10311 Gaywood Rd		Dallas	TX	75229-6608	Certified with Return Receipt (Signature)	94148118 98765833 000436	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 31
31309	03/24/2023	Durham, Inc.	505 N Big Spring St Ste 403		Midland	TX	79701-4346	Certified with Return Receipt (Signature)	94148118 98765833 000474	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 32

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	Eastland Exploration, Inc.	PO Box 3488		Midland	TX	79702-3488	Certified with Return Receipt (Signature)	94148118 98765833 000511	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 33
31309	03/24/2023	Eastland Resources, Inc.	PO Box 3488		Midland	TX	79702-3488	Certified with Return Receipt (Signature)	94148118 98765833 000559	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 34
31309	03/24/2023	El Reno Producing, LLC	PO Box 80309		Midland	TX	79708-0309	Certified with Return Receipt (Signature)	94148118 98765833 000566	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 35
31309	03/24/2023	C/O Elizabeth A. Howard	2200 Ross Ave Ste 2800		Dallas	TX	75201-2750	Certified with Return Receipt (Signature)	94148118 98765833 000528	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 36
31309	03/24/2023	Locke Lord LLP	2200 Ross Ave Ste 2800		Dallas	TX	75201-2750	Certified with Return Receipt (Signature)	94148118 98765833 000542	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 37
31309	03/24/2023	Michael James Collins	2200 Ross Ave Ste 2800		Dallas	TX	75201-2750	Certified with Return Receipt (Signature)	94148118 98765833 000535	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 38
31309	03/24/2023	Nancy Collins Fisher	2200 Ross Ave Ste 2800		Dallas	TX	75201-2750	Certified with Return Receipt (Signature)	94148118 98765833 008258	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 39
31309	03/24/2023	Stuart Maryman Bumpas	2200 Ross Ave Ste 2800		Dallas	TX	75201-2750	Certified with Return Receipt (Signature)	94148118 98765833 008227	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 40

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	Estate of Gordon W. Thomson, DDS Died on	23209 W Heritage Oaks Dr	Died on January 7, 2007	Porter	TX	77365-6604	Certified with Return Receipt (Signature)	94148118 98765833 008296	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 41
31309	03/24/2023	Susan K. Thomson Bianche	23209 W Heritage Oaks Dr		Porter	TX	77365-6604	Certified with Return Receipt (Signature)	94148118 98765833 008234	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 42
31309	03/24/2023	Terry L. Thomson Villoutreix	23209 W Heritage Oaks Dr		Porter	TX	77365-6604	Certified with Return Receipt (Signature)	94148118 98765833 008814	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 43
31309	03/24/2023	C/O Judy Lee Rustamier Makowsky	1206 W Scharbauer Dr	Estate of Mary Jo Rustamier	Midland	TX	79705-8733	Certified with Return Receipt (Signature)	94148118 98765833 008869	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 44
31309	03/24/2023	Jo Ann Rustamier Stinson	1206 W Scharbauer Dr		Midland	TX	79705-8733	Certified with Return Receipt (Signature)	94148118 98765833 008890	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 45
31309	03/24/2023	Estate of Johnnie Boyd Brown Died on	2014 Sinclair Ave		Midland	TX	79705-8647	Certified with Return Receipt (Signature)	94148118 98765833 008883	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 46
31309	03/24/2023	Linda Evans Brown - Widow	2014 Sinclair Ave		Midland	TX	79705-8647	Certified with Return Receipt (Signature)	94148118 98765833 008876	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 47
31309	03/24/2023	John Mark Brown - Son	2014 Sinclair Ave		Midland	TX	79705-8647	Certified with Return Receipt (Signature)	94148118 98765833 008753	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 48

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	William Craig Brown - Son	2014 Sinclair Ave		Midland	TX	79705-8647	Certified with Return Receipt (Signature)	94148118 98765833 008722	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 49
31309	03/24/2023	C/O Katherine Chalfant	PO Box 3123		Midland	TX	79702-3123	Certified with Return Receipt (Signature)	94148118 98765833 008791	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 50
31309	03/24/2023	ExxonMobil Corporation	5959 Las Colinas Blvd		Irving	TX	75039-4202	Certified with Return Receipt (Signature)	94148118 98765833 008739	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 51
31309	03/24/2023	Foran Oil Company	5400 Lbj Fwy Ste 1500 One Lincoln Centre		Dallas	TX	75240-1017	Certified with Return Receipt (Signature)	94148118 98765833 008913	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 52
31309	03/24/2023	Gloria Judine Hardy	1701 County Road 310		Cleburne	TX	76031-0713	Certified with Return Receipt (Signature)	94148118 98765833 008968	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 53
31309	03/24/2023	Gloria Judine Hardy Marti	3601 S Highway 171		Cleburne	TX	76031-0712	Certified with Return Receipt (Signature)	94148118 98765833 008906	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 54
31309	03/24/2023	Goldeneye Energy, LLC	4742 Post Oak Timber Dr Unit 41		Houston	TX	77056-2239	Certified with Return Receipt (Signature)	94148118 98765833 008944	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 55
31309	03/24/2023	Gordon W. Thompson	700 Apple Orchard Ct		Edgewood	MD	21040-2185	Certified with Return Receipt (Signature)	94148118 98765833 008937	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 56

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	Gwendolyn Thomas McClure	173 Bridgewater Cir		Midland	TX	79707-6112	Certified with Return Receipt (Signature)	94148118 98765833 008616	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 57
31309	03/24/2023	HDC Partners	4300 Macarthur Ave Ste 240 Lb-12		Dallas	TX	75209-6626	Certified with Return Receipt (Signature)	94148118 98765833 008661	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 58
31309	03/24/2023	Huckleberry Equipment Corporation	PO Box 60226		Midland	TX	79711-0226	Certified with Return Receipt (Signature)	94148118 98765833 008609	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 59
31309	03/24/2023	James A. Myhre	PO Box 801889		Dallas	TX	75380-1889	Certified with Return Receipt (Signature)	94148118 98765833 008647	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 60
31309	03/24/2023	James D. Lindemann	840 Fm 2224		Holliday	TX	76366-4050	Certified with Return Receipt (Signature)	94148118 98765833 008630	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 61
31309	03/24/2023	Jane B. Ramsland Oil & Gas Partnership, Ltd.	PO Box 10505		Midland	TX	79702-7505	Certified with Return Receipt (Signature)	94148118 98765833 008111	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 62
31309	03/24/2023	John E. Casey and Annette I. Casey, as	2706 W Cuthbert Ave Ste B-203	C/O Law Office of A.M. Nunley, III, PLLC	Midland	TX	79701-3885	Certified with Return Receipt (Signature)	94148118 98765833 008166	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 63
31309	03/24/2023	Kris Strothman	2706 W Cuthbert Ave Ste B-203		Midland	TX	79701-3885	Certified with Return Receipt (Signature)	94148118 98765833 008104	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 64

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	John G. Drake	7013 Lattimore Dr		Dallas	TX	75252-6115	Certified with Return Receipt (Signature)	94148118 98765833 008142	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 65
31309	03/24/2023	Julie Ellen Barnes	PO Box 505		Midland	TX	79702-0505	Certified with Return Receipt (Signature)	94148118 98765833 008173	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 66
31309	03/24/2023	KCK Energy, LLC	5600 Fenway		Midland	TX	79707-5023	Certified with Return Receipt (Signature)	94148118 98765833 008357	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 67
31309	03/24/2023	Kimbell Royalty Holdings, LLC	777 Taylor St Ste 810		Fort Worth	TX	76102-4936	Certified with Return Receipt (Signature)	94148118 98765833 008326	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 68
31309	03/24/2023	Kirk Covington	921 Lauder Dr		Spicewood	TX	78669-2493	Certified with Return Receipt (Signature)	94148118 98765833 008395	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 69
31309	03/24/2023	Marmie, LLC C/O Mary Margery Free	1300 Eldorado Pkwy Apt 301		McKinney	TX	75069-7988	Certified with Return Receipt (Signature)	94148118 98765833 008388	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 70
31309	03/24/2023	Maverick Oil & Gas Corp.	1001 W Wall St		Midland	TX	79701-6637	Certified with Return Receipt (Signature)	94148118 98765833 008371	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 71
31309	03/24/2023	McCombs Energy, Ltd.	5599 San Felipe St Ste 1200		Houston	TX	77056-2728	Certified with Return Receipt (Signature)	94148118 98765833 008050	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 72

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	MLB BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 008029	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 73
31309	03/24/2023	Morgan Creek Properties, LLC	PO Box 37		Wolfforth	TX	79382-0037	Certified with Return Receipt (Signature)	94148118 98765833 008098	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 74
31309	03/24/2023	OGX Royalty Fund IV, LP	400 N Marienfeld St Ste 200		Midland	TX	79701-4559	Certified with Return Receipt (Signature)	94148118 98765833 008081	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 75
31309	03/24/2023	Pamela Power Burton	3807 Permian Ct		Midland	TX	79703-4928	Certified with Return Receipt (Signature)	94148118 98765833 008418	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 76
31309	03/24/2023	Paul J. Zecchi	1791 Fairfield Beach Rd		Fairfield	CT	06824-6565	Certified with Return Receipt (Signature)	94148118 98765833 008463	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 77
31309	03/24/2023	Penasco Petroleum LLC	PO Box 2992		Roswell	NM	88202-2992	Certified with Return Receipt (Signature)	94148118 98765833 008401	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 78
31309	03/24/2023	Performance Oil and Gas Company	5400 Lbj Fwy Ste 1500 One Lincoln Centre		Dallas	TX	75240-1017	Certified with Return Receipt (Signature)	94148118 98765833 008449	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 79
31309	03/24/2023	Petro-Crown Resources, LLC	PO Box 9289		Wichita Falls	TX	76308-9289	Certified with Return Receipt (Signature)	94148118 98765833 008470	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 80

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	Phillip L. Lawson	4905 Island Dr		Midland	TX	79707-1411	Certified with Return Receipt (Signature)	94148118 98765833 008555	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 81
31309	03/24/2023	Quanah Exploration, LLC	200 N Loraine St Ste 555		Midland	TX	79701-4770	Certified with Return Receipt (Signature)	94148118 98765833 008562	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 82
31309	03/24/2023	RKC, Inc.	7500 E Arapahoe Rd Ste 380		Centennia I	CO	80112-6116	Certified with Return Receipt (Signature)	94148118 98765833 008524	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 83
31309	03/24/2023	Rolla R. Hinkle III	PO Box 2992		Roswell	NM	88202-2992	Certified with Return Receipt (Signature)	94148118 98765833 008500	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 84
31309	03/24/2023	Roy Edward Guinnup	301 Commerce St Ste 1830		Fort Worth	TX	76102-4189	Certified with Return Receipt (Signature)	94148118 98765833 008593	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 85
31309	03/24/2023	Rusk Capital Management, LLC	7600 W Tidwell Rd Ste 800		Houston	TX	77040-6718	Certified with Return Receipt (Signature)	94148118 98765833 008586	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 86
31309	03/24/2023	Rutter and Wilbanks Corporation	PO Box 3186		Midland	TX	79702-3186	Certified with Return Receipt (Signature)	94148118 98765833 008531	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 87
31309	03/24/2023	Rutter Enterprises, LP	PO Box 3186		Midland	TX	79702-3186	Certified with Return Receipt (Signature)	94148118 98765833 008579	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 88

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	Sabre Exploration, Inc.	PO Box 4848		Wichita Falls	TX	76308-0848	Certified with Return Receipt (Signature)	94148118 98765833 007213	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 89
31309	03/24/2023	Silverton Petroleum, Inc.	PO Box 26		Graham	TX	76450-0026	Certified with Return Receipt (Signature)	94148118 98765833 007268	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 90
31309	03/24/2023	Spinnaker Oil & Gas, LP	PO Box 3488		Midland	TX	79702-3488	Certified with Return Receipt (Signature)	94148118 98765833 007220	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 91
31309	03/24/2023	SRBI I BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 007206	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 92
31309	03/24/2023	SRBI II BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 007244	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 93
31309	03/24/2023	Steven C. Barnes	PO Box 505		Midland	TX	79702-0505	Certified with Return Receipt (Signature)	94148118 98765833 007282	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 94
31309	03/24/2023	Susan Myhre Hayes	524 Clover Leaf Dr		Minneapolis	MN	55422-5111	Certified with Return Receipt (Signature)	94148118 98765833 007237	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 95
31309	03/24/2023	Susannah D. Adelson, as Trustee of the	1350 E 27th Pl		Tulsa	OK	74114-4110	Certified with Return Receipt (Signature)	94148118 98765833 007275	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 96

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	Tailwag Resources, LLC	201 W Wall St Ste 201		Midland	TX	79701-4570	Certified with Return Receipt (Signature)	94148118 98765833 007817	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 97
31309	03/24/2023	Tarpon Engineering Corp.	PO Box 60226		Midland	TX	79711-0226	Certified with Return Receipt (Signature)	94148118 98765833 007855	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 98
31309	03/24/2023	Thru Line BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 007824	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 99
31309	03/24/2023	TRB BPEOR NM, LLC	201 Main St Ste 3100		Fort Worth	TX	76102-3115	Certified with Return Receipt (Signature)	94148118 98765833 007800	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 100
31309	03/24/2023	c/o Wells Fargo Bank, N.A., as Agent	PO Box 40909		Austin	TX	78704-0016	Certified with Return Receipt (Signature)	94148118 98765833 007893	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 101
31309	03/24/2023	Bureau of Land Management	301 Dinosaur Trl		Santa Fe	NM	87508-1560	Certified with Return Receipt (Signature)	94148118 98765833 007831	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 102
31309	03/24/2023	Viola Elaine Barnes	3109 Haynes Dr		Midland	TX	79705-4212	Certified with Return Receipt (Signature)	94148118 98765833 007879	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 103
31309	03/24/2023	Watusi Energy, LLC	PO Box 52210		Midland	TX	79710-2210	Certified with Return Receipt (Signature)	94148118 98765833 007718	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 104

MANIFEST - 74091 - MRC - Barry Miller Michael Ryan Comminglin

Parent ID	Mail Date	Name	Address_1	Address_2	City	ST	Zip	MailClass	Tracking	Well
31309	03/24/2023	William Sidney Lanier	PO Box 2291		Midland	TX	79702-2291	Certified with Return Receipt (Signature)	94148118 98765833 007756	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 105
31309	03/24/2023	XTO Delaware Basin, LLC, Attn Land Department	22777 Springwoods Village Pkwy		Spring	TX	77389-1425	Certified with Return Receipt (Signature)	94148118 98765833 007763	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 106
31309	03/24/2023	Yalch Operating, LP	PO Box 10458		Midland	TX	79702-7458	Certified with Return Receipt (Signature)	94148118 98765833 007725	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 107
31309	03/24/2023	Zachariah J. Reid	27015 Hidden Grove Landing Dr		Spring	TX	77386-4191	Certified with Return Receipt (Signature)	94148118 98765833 007701	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 108
31309	03/24/2023	Zunis Energy, LLC	1350 E 27th Pl		Tulsa	OK	74114-4110	Certified with Return Receipt (Signature)	94148118 98765833 007794	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 109
31309	03/24/2023	State Land Office	310 Old Santa Fe Trl		Santa Fe	NM	87501-2708	Certified with Return Receipt (Signature)	94148118 98765833 007749	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 110
31309	03/24/2023	State Land Office	PO Box 1148		Santa Fe	NM	87504-1148	Certified with Return Receipt (Signature)	94148118 98765833 007787	74091 - MRC - Barry Miller Michael Ryan Comminglin notice list - 111

From: [Paula M. Vance](#)
To: [McClure, Dean, EMNRD](#)
Subject: [EXTERNAL] RE: Action ID: 200728; PLC-906
Date: Monday, August 14, 2023 9:13:01 AM
Attachments: [Sundry #3.pdf](#)

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean,

The API for the Michael Ryan 204H is 30-015-53695. Attached is the sundry showing the name change from the 124H to the 204H. It doesn't appear this has been reflected yet on OCD website, but you can see it was approved by BLM.

Let me know if you need anything else on this one. Thanks.

Paula Vance
Associate, Holland & Hart LLP

pmvance@hollandhart.com | T: (505) 954-7286 | M: (337) 280-9055

CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Sunday, August 13, 2023 11:01 AM
To: Paula M. Vance <PMVance@hollandhart.com>
Subject: Action ID: 200728; PLC-906

To whom it may concern (c/o Paula Vance for Matador Production Company),

The Division is reviewing the following application:

Action ID	200728
Admin No.	PLC-906
Applicant	Matador Production Company (228937)
Title	Michael Ryan Tank Battery
Sub. Date	03/24/2023

Please provide the following additional supplemental documents:

-

Please provide additional information regarding the following:

- This project may not have a permit issued for it until either: (a) the following well has had an APD approved; or (b) it is withdrawn from the application. Presumably with the consideration that the "lease" to which it is proposed to produce would be included regardless of this well's inclusion, and further that infill well approval is being requested, Matador will wish to withdraw the well from the application at this time and then add it in later as an infill well. Please confirm how Matador wishes to proceed.

Michael Ryan State Com

W/2 SE/4, SE/4

15-22S-28E

30-015-PEND

#204H

S/2

16-22S-28E

98220

Additional notes:

-

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Paula M. Vance](#)
Cc: [McClure, Dean, EMNRD](#); [Rikala, Ward, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle O; Walls, Christopher](#); [Lamkin, Baylen L.](#); [Dawson, Scott](#)
Subject: Approved Administrative Order PLC-906
Date: Friday, August 18, 2023 8:22:57 AM
Attachments: [PLC906 Order.pdf](#)

NMOCD has issued Administrative Order PLC-906 which authorizes Matador Production Company (228937) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-49803	Barry Miller State Com #121H	N/2 NW/4	15-22S-28E	15011
		N/2 N/2	16-22S-28E	
30-015-49801	Barry Miller State Com #122H	S/2 NW/4	15-22S-28E	15011
		S/2 N/2	16-22S-28E	
30-015-49822	Michael Ryan State Com #123H	J K L	15-22S-28E	15011
		N/2 S/2	16-22S-28E	
30-015-49984	Michael Ryan Federal Com #128H	M N O	15-22S-28E	15011
		S/2 S/2	16-22S-28E	
30-015-53356	Barry Miller State Com #201H	NW/4	15-22S-28E	98220
		N/2	16-22S-28E	
30-015-53365	Barry Miller State Com #202H	NW/4	15-22S-28E	98220
		N/2	16-22S-28E	
30-015-53366	Michael Ryan Federal Com #203H	W/2 SE/4, SW/4	15-22S-28E	98220
		S/2	16-22S-28E	
30-015-53695	Michael Ryan Federal Com #204H	W/2 SE/4, SW/4	15-22S-28E	98220
		S/2	16-22S-28E	

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
 Petroleum Engineer, Oil Conservation Division
 New Mexico Energy, Minerals and Natural Resources Department
 (505) 469-8211

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005644196

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HOLLAND & HART

POBOX 2208

SANTA FE, NM 87504

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

03/28/2023




Legal Clerk

Subscribed and sworn before me this March 28, 2023:



State of WI, County of Brown
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005644196

PO #: 0005644196

of Affidavits 1

This is not an invoice

Legal Notice (Publication)

To: All affected parties, including: 32 Mineral I BPEOR NM, LLC; 32 Mineral II BPEOR NM, LLC; ACB BPEOR NM, LLC; Allen C. Kincheloe Living Trust dated June 17, 2005; America West Resources, LLC; Anthracite Energy Partners, LLC; Barnes Family Partnership; Basin Petroleum Company; Bass Enterprises Production Co.; BK Exploration Corporation; Black Shale Minerals, LLC; Broughton Petroleum, Inc.; C. Free O&G, LLC C/O Caroline Free Bagot; Capital Partnership II (CTAM) BPEOR NM, LLC; Centurion Energy Corporation; Centurion Oil & Gas Corporation; CEP Minerals, LLC; Chi Energy, Inc.; Christy B. Motycka, her heirs and devisees; Clinton D. Pendelton, his heirs and devisees; CMB BPEOR NM, LLC; Conejos Energy, LLC; CTV-CTAM BPEOR NM, LLC; CTV-LMB I BPEOR NM, LLC; CTV-LMB II BPEOR NM, LLC; CTV-SRB I BPEOR NM, LLC; CTV-SRB II BPEOR NM, LLC; CXA Oil & Gas Holdings, LP; David Lee Power, his heirs and devisees; Devon Energy Production Company, LP; Dorothy Dann Collins, her heirs and devisees; Durham, Inc.; Eastland Exploration, Inc.; Eastland Resources, Inc.; El Reno Producing, LLC; Estate of Dorothy Dann Collins Torbert, her heirs and devisees, C/O Elizabeth A. Howard; Lock Lord LLP; Michael James Collins, his heirs and devisees; Nancy Collins Fisher, her heirs and devisees; Stuart Maryman Bumpas, his heirs and devisees; Estate of Gordon W. Thomson, DDS (Died on October 12, 2004), his heirs and devisees; Estate of Donna Lou Thomson (Died on January 7, 2007), her heirs and devisees; Susan K. Thomson Bianche, her heirs and devisees; Terry L. Thomson Villoutreix, his or her heirs and devisees; Estate of Jack W. Rustamier (Died on January 26, 1992), his heirs and devisees; Estate of Mary Jo Rustamier (Died on May 14, 1991), her heirs and devisees C/O Judy Lee Rustamier Makowsky; Jo Ann Rustamier Stinson, her heirs and devisees; Estate of Johnnie Boyd Brown (Died on February 10, 2015), his heirs and devisees; Linda Evans Brown - Widow, her heirs and devisees; John Mark Brown - Son, his heirs and devisees; William Craig Brown - Son, his heirs and devisees; Estate of Wanda June Anderson Lawson, her heirs and devisees C/O Katherine Chalfant; ExxonMobil Corporation; Foran Oil Company; Gloria Judine Hardy, her heirs and devisees; Gloria Judine Hardy Marti, her heirs and devisees; Goldeneye Energy, LLC; Gordon W. Thompson, his heirs and devisees; Gwendolyn Thomas McClure, her heirs and devisees; HDC Partners; Huckleberry Equipment Corporation; James A. Myhre, his heirs and devisees; James D. Lindemann, his heirs and devisees; Jane B. Ramsland Oil & Gas Partnership, Ltd.; John E. Casey and Annette I. Casey, as Co-Trustees of the Casey Trust C/O Law Office of A.M. Nunley, III, PLLC; Kris Strothman, his or her heirs and devisees; John G. Drake, his heirs and devisees; Julie Ellen Barnes, her heirs and devisees; KCK Energy, LLC; Kimbell Royalty Holdings, LLC; Kirk Covington, his heirs and devisees; Marmie, LLC C/O Mary Margery Free; Maverick Oil & Gas Corp.; McCombs Energy, Ltd.; MLB BPEOR NM, LLC; Morgan Creek Properties, LLC; OGX Royalty Fund IV, LP; Pamela Power Burton, her heirs and devisees; Paul J. Zecchi, his heirs and devisees; Penasco Petroleum LLC; Performance Oil and Gas Company; Petro-Crown Resources, LLC; Phillip L. Lawson, his heirs and devisees; Quannah Exploration, LLC; RKC, Inc.; Rolla R. Hinkle III, his heirs and devisees; Roy Edward Guinnup, his heirs and devisees; Rusk Capital Management, LLC; Rutter and Wilbanks Corporation; Rutter Enterprises, LP; Sabre Exploration, Inc.; Silverton Petroleum, Inc.; Spinnaker Oil & Gas, LP; SRBI I BPEOR NM, LLC; SRBI II BPEOR NM, LLC; New Mexico State Land Office; Steven C. Barnes, his heirs and devisees; Susan Myhre Hayes, her heirs and devisees; Susannah D. Adelson, as Trustee of the James Adelson & Family 2015 Trusts; Tailway Resources, LLC; Tarpon Engineering Corp.; The United States of America Bureau of Land Management; Thru Line BPEOR NM, LLC; TRB BPEOR NM, LLC; TTCZ Properties, LLC C/O Wells Fargo Bank, N.A., as agent; Viola Elaine Barnes, her heirs and devisees; Watusi Energy, LLC; William Sidney Lanier, his heirs and devisees; XTO Delaware Basin, LLC; Yalch Operating, LP; Zachariah J. Reid, his heirs and devisees; and Zunis Energy, LLC.

Application of Matador Production Company to amend NMOCD Order CTB-1071 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising all of Section 16, the W/2 of Section 15 and the W/2 SE/4 of Section 15, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order CTB-1071 ("Order CTB-1071"). Order CTB-1071 authorizes lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the Michael Ryan Tank Battery of production from the Culebra Bluff; Bone Spring, South (15011) pool from all existing and future wells drilled in the following "spacing units":

- (a) The 240-acre, more or less, spacing unit underlying the N/2 NW/4 of Section 15 and the N/2 N/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the Barry Miller State Com #121H well (API No. 30-015-49803);
- (b) The 240-acre, more or less, spacing unit underlying the S/2 NW/4 of Section 15 and the S/2 N/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the Barry Miller State Com #122H well (API No. 30-015-49801);
- (c) The 280-acre, more or less, spacing unit underlying the NW/4 SE/4 of Section 15, the N/2 SW/4 of Section 15 and the N/2 S/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the Michael Ryan State Com #123H well (API No. 30-

015-49822);

(d) The 280-acre, more or less, spacing unit underlying the SW/4 SE/4 of Section 15, the S/2 SW/4 of Section 15 and the S/2 S/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the Michael Ryan State Com #128H well (API No. 30-015-49984); and

(e) Pursuant to 19.15.12.10.C(4)(g), *future spacing units connected to this central tank battery* with notice provided only to the interest owners within these future "spacing units."

Pursuant to 19.15.12.7, Matador seeks to amend the terms of Order CTB-1071 to add to the terms of the order the production from the Purple Sage; Wolfcamp (gas) (98220) pool in all existing and future infill wells drilled in the following spacing units:

(a) The 480-acre, more or less, spacing unit underlying the NW/4 of Section 15 and the N/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the Barry Miller State Com #201H well (API No. 30-015-53356) and the Barry Miller State Com #202H well (API No. 30-015-53365); and

(b) The 560-acre, more or less, spacing unit underlying W/2 SE/4 of Section 15, the SW/4 of Section 15 and the S/2 of Section 16, Township 22 South, Range 28 East. The spacing unit is currently dedicated to the Michael Ryan Fed Com #203H well (API No. 30-015-53366) and the Michael Ryan Fed Com #204H well (API No. 30-015-PENDING).

Any objection to this application must be filed in writing within twenty days from date of publication with 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 Kyle Perkins, Matador Production Company, (972) 371-5202 or KPerkins@matadorresources.com.

#0005644196, Current Argus, March 28, 2023

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MATADOR PRODUCTION COMPANY**

ORDER NO. PLC-906

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

2. This Order supersedes Order CTB-1071.
3. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

4. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
5. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
7. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
9. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later

than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

10. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
11. If a well is not included in Exhibit A but produces from a pool and lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
12. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
13. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
14. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M. FUGE
DIRECTOR

DATE: 8/17/2023

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **PLC-906**

Operator: **Matador Production Company (228937)**

Central Tank Battery: **Michael Ryan Tank Battery**

Central Tank Battery Location: **UL E L, Section 16, Township 22 South, Range 28 East**

Gas Title Transfer Meter Location: **UL E L, Section 16, Township 22 South, Range 28 East**

Pools

Pool Name	Pool Code
CULEBRA BLUFF;BONE SPRING, SOUTH	15011
PURPLE SAGE; WOLFCAMP (GAS)	98220

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
LG 0018 0003	W/2	16-22S-28E
L0 7012 0004	NE/4	16-22S-28E
L0 7012 0006	SE/4	16-22S-28E
NMNM 105369561 (019186)	O	15-22S-28E
Fee	N/2 NW/4	15-22S-28E
Fee	S/2 NW/4	15-22S-28E
Fee	J K L	15-22S-28E
Fee	S/2 SW/4	15-22S-28E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-49803	Barry Miller State Com #121H	N/2 NW/4	15-22S-28E	15011
		N/2 N/2	16-22S-28E	
30-015-49801	Barry Miller State Com #122H	S/2 NW/4	15-22S-28E	15011
		S/2 N/2	16-22S-28E	
30-015-49822	Michael Ryan State Com #123H	J K L	15-22S-28E	15011
		N/2 S/2	16-22S-28E	
30-015-49984	Michael Ryan Federal Com #128H	M N O	15-22S-28E	15011
		S/2 S/2	16-22S-28E	
30-015-53356	Barry Miller State Com #201H	NW/4	15-22S-28E	98220
		N/2	16-22S-28E	
30-015-53365	Barry Miller State Com #202H	NW/4	15-22S-28E	98220
		N/2	16-22S-28E	
30-015-53366	Michael Ryan Federal Com #203H	W/2 SE/4, SW/4	15-22S-28E	98220
		S/2	16-22S-28E	
30-015-53695	Michael Ryan Federal Com #204H	W/2 SE/4, SW/4	15-22S-28E	98220
		S/2	16-22S-28E	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **PLC-906**
Operator: **Matador Production Company (228937)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring NMSLO	N/2 NW/4 N/2 N/2	15-22S-28E 16-22S-28E	240	A
CA Bone Spring NMSLO	S/2 NW/4 S/2 N/2	15-22S-28E 16-22S-28E	240	B
CA Bone Spring NMSLO	J K L N/2 S/2	15-22S-28E 16-22S-28E	280	C
CA Bone Spring NMNM 105825359	M N O S/2 S/2	15-22S-28E 16-22S-28E	280	D
CA Wolfcamp NMSLO	NW/4 N/2	15-22S-28E 16-22S-28E	480	E
CA Wolfcamp BLM	W/2 SE/4, SW/4 S/2	15-22S-28E 16-22S-28E	560	F

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
LG 0018 0003	N/2 NW/4	16-22S-28E	80	A
L0 7012 0004	N/2 NE/4	16-22S-28E	80	A
Fee	N/2 NW/4	15-22S-28E	80	A
LG 0018 0003	S/2 NW/4	16-22S-28E	80	B
L0 7012 0004	S/2 NE/4	16-22S-28E	80	B
Fee	S/2 NW/4	15-22S-28E	80	B
LG 0018 0003	N/2 SW/4	16-22S-28E	80	C
L0 7012 0006	N/2 SE/4	16-22S-28E	80	C
Fee	J K L	15-22S-28E	120	C
LG 0018 0003	S/2 SW/4	16-22S-28E	80	D
L0 7012 0006	S/2 SE/4	16-22S-28E	80	D
Fee	S/2 SW/4	15-22S-28E	80	D
NMNM 105369561 (019186)	O	15-22S-28E	40	D
LG 0018 0003	NW/4	16-22S-28E	160	E
L0 7012 0004	NE/4	16-22S-28E	160	E
Fee	NW/4	15-22S-28E	160	E
LG 0018 0003	SW/4	16-22S-28E	160	F
L0 7012 0006	SE/4	16-22S-28E	160	F
Fee	J K L M N	15-22S-28E	200	F
NMNM 105369561 (019186)	O	15-22S-28E	40	F

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 200728

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 200728
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	8/18/2023