

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

Date

Phone Number

Signature

e-mail Address



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

June 7, 2024

VIA ONLINE FILING

Dylan Fuge, Division Director (Acting)
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 PLC-849 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising Sections 28 and 33, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands")

Dear Mr. Fuge:

Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-849 ("Order PLC-849"), attached as **Exhibit 1**. Order PLC-849 authorizes pool and lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the **Gavilon Tank Battery** of production from *all existing and future wells drilled in the following spacing units*:

(a) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 28 and 33 in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #602H** (API No. 30-025-46586);

(b) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 28 and 33, in the Hat Mesa; Wolfcamp [96438] – currently dedicated to the **Gavilon Fed Com #704H** (API No. 30-025-46588);

(c) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #603H** (API No. 30-025-47862);

(d) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #604H** (API No. 30-025-50167);

(e) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 28 and 33, in the Hat Mesa; Wolfcamp [96438] – currently dedicated to the **Gavilon Fed Com #708H** (API No. 30-025-47863); and



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(f) Pursuant to 19.15.12.10.C(4)(g), *future leases, pools, or leases and pools connected to the Gavilon Tank Battery* with notice provided only to the owners of interests to be added.

Pursuant to 19.15.12.7, Matador seeks to amend the terms of Order PLC-849 to add to the terms of the order the production from the following infill wells:

(a) The **Gavilon Fed Com #306H** (API No. 30-025-48629) and **Gavilon Fed Com #706H** (API No. 30-025-48527) in the W/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213];

(b) The **Gavilon Fed Com #305H** (API No. 30-025-48867) and **Gavilon Fed Com 505H** (API No. 30-025-47860) in the E/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213]; and

(c) The **Gavilon Fed Com #403H** (API No. 30-025-47857) and **Gavilon Fed Com 501H** (API No. 30-025-47858) in the E/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213].

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order PLC-849 to add to the terms of the order the production from all existing and future infill wells drilled in the following spacing units:

(a) The 320-acre spacing unit comprised of the E/2 E/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #104H** (API No. 30-025-52667), **Gavilon Fed Com #114H** (API No. 30-025-52668), **Gavilon Fed Com #124H** (API No. 30-025-52669), and **Gavilon Fed Com #134H** (API No. 30-025-52670).

Oil and gas production from these spacing units will be commingled and sold at the **Gavilon Tank Battery** located in the SE/4 SW/4 (Unit N) of Section 33, Township 20 South, Range 33 East. Production from the wellbores will flow into a wellhead test separator, which will separate the oil, gas, and water. Gas production from the separators 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 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



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C-107-B, that includes a statement from Mark Gonzales, Operations 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 the wells to be added to Order PLC-849.

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 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 Bureau of Land Management since 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. PLC-849

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 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.
7. 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.
8. 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.
9. 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

10. 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.
11. 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.
12. 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.
13. 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.
14. 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.
15. 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.
16. 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**



**ADRIENNE E. SANDOVAL
DIRECTOR**

DATE: 8/29/2022

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **PLC-849**

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

Central Tank Battery: **Gavilon Tank Battery**

Central Tank Battery Location: **UL N, Section 33, Township 20 South, Range 33 East**

Gas Title Transfer Meter Location: **UL N, Section 33, Township 20 South, Range 33 East**

Pools

Pool Name	Pool Code
HAT MESA; BONE SPRING	30213
HAT MESA; WOLFCAMP	96438

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
NMNM 089889	C D E F K	28-20S-33E
NMNM 111243	L	28-20S-33E
NMNM 134878	B	28-20S-33E
NMNM 138875	G	28-20S-33E
NMNM 134878	J	28-20S-33E
NMNM 136218	M N O	28-20S-33E
NMNM 057683	W/2, W/2 E/2	33-20S-33E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-46586	Gavilon Federal Com #602H	W/2 W/2	28-20S-33E	30213
		W/2 W/2	33-20S-33E	
30-025-46588	Gavilon Federal Com #704H	W/2 W/2	28-20S-33E	96438
		W/2 W/2	33-20S-33E	
30-025-47862	Gavilon Federal Com #603H	E/2 W/2	28-20S-33E	30213
		E/2 W/2	33-20S-33E	
30-025-47863	Gavilon Federal Com #708H	W/2 E/2	28-20S-33E	96438
		W/2 E/2	33-20S-33E	
30-025-50167	Gavilon Federal Com #604H	W/2 E/2	28-20S-33E	30213
		W/2 E/2	33-20S-33E	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

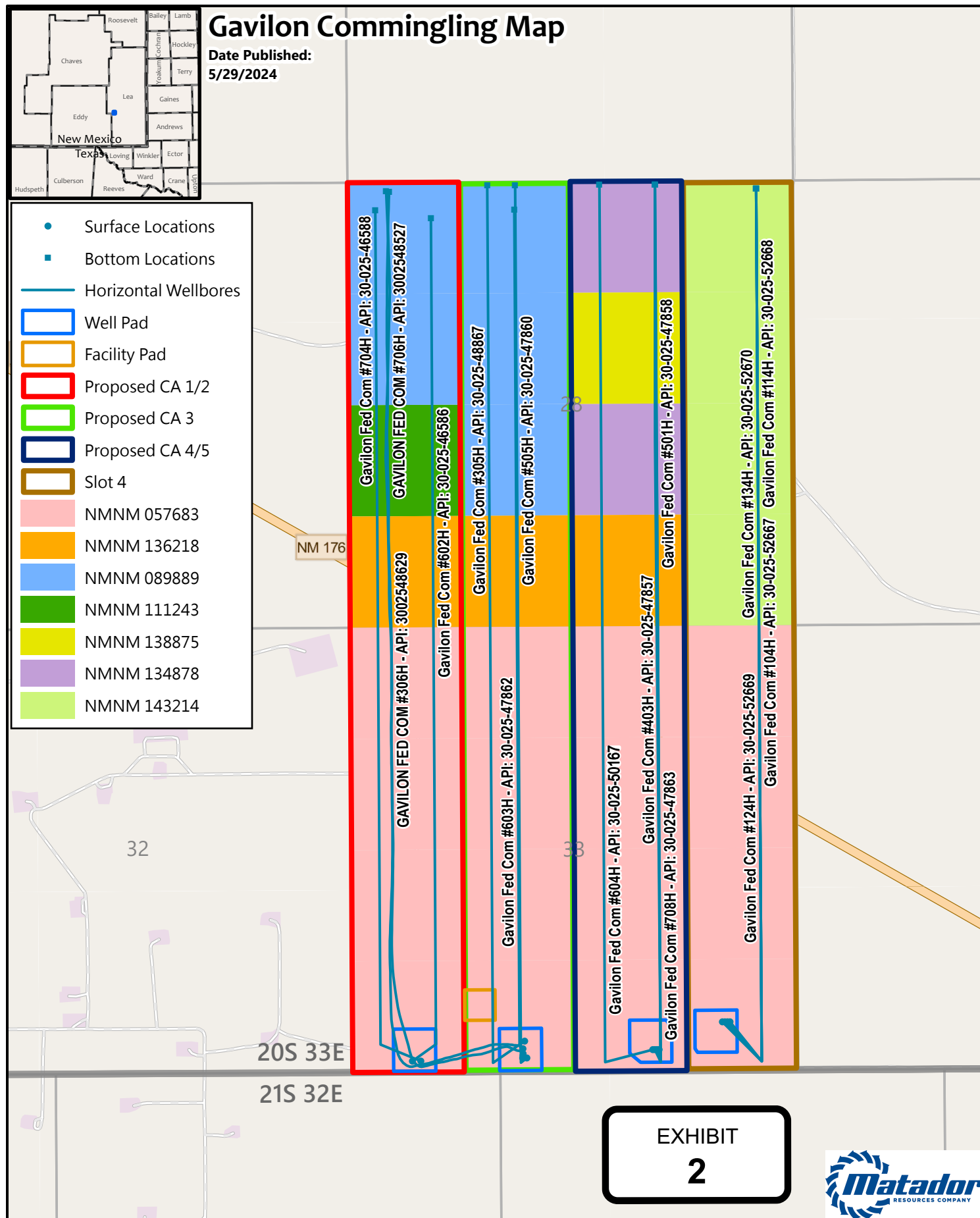
Order: **PLC-849**
Operator: **Matador Production Company (228937)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring BLM	W/2 W/2 W/2 W/2	28-20S-33E 33-20S-33E	320	A
CA Wolfcamp BLM	W/2 W/2 W/2 W/2	28-20S-33E 33-20S-33E	320	B
CA Bone Spring BLM	E/2 W/2 E/2 W/2	28-20S-33E 33-20S-33E	320	C
CA Bone Spring BLM	W/2 E/2 W/2 E/2	28-20S-33E 33-20S-33E	320	D
CA Wolfcamp BLM	W/2 E/2 W/2 E/2	28-20S-33E 33-20S-33E	320	E

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 089889	D E	28-20S-33E	80	A
NMNM 111243	L	28-20S-33E	40	A
NMNM 136218	M	28-20S-33E	40	A
NMNM 057683	W/2 W/2	33-20S-33E	160	A
NMNM 089889	D E	28-20S-33E	80	B
NMNM 111243	L	28-20S-33E	40	B
NMNM 136218	M	28-20S-33E	40	B
NMNM 057683	W/2 W/2	33-20S-33E	160	B
NMNM 089889	C F K	28-20S-33E	120	C
NMNM 136218	N	28-20S-33E	40	C
NMNM 057683	E/2 W/2	33-20S-33E	160	C
NMNM 134878	B	28-20S-33E	40	D
NMNM 138875	G	28-20S-33E	40	D
NMNM 134878	J	28-20S-33E	40	D
NMNM 136218	O	28-20S-33E	40	D
NMNM 057683	W/2 E/2	33-20S-33E	160	D
NMNM 134878	B	28-20S-33E	40	E
NMNM 138875	G	28-20S-33E	40	E
NMNM 134878	J	28-20S-33E	40	E
NMNM 136218	O	28-20S-33E	40	E
NMNM 057683	W/2 E/2	33-20S-33E	160	E



GIS Standard Map Disclaimer:

This cartographic product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

0 500 1,000 2,000 Feet

1:18,000

1 inch equals 1,500 feet

Map Prepared by: americo.gamarral

Date: May 29, 2024

Project: \\gis\UserData\agamarra\temp\20240418 Gavilon Commingling\Gavilon Commingling.aprx

Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet

Sources: IHS; ESR; US DOI BLM Carlsbad, NM Field Office, GIS Department;

Texas Cooperative Wildlife Collection, Texas A&M University;

United States Census Bureau (TIGER);

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. PLC-849
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
[30213] HAT MESA; BONE SPRING	42.75°	42.73° oil 1284 BTU/CF	\$73.09/bbl oil Deemed 40% Sweet (Dec '23 realized price) \$3.09/mcf (Dec '23 realized price)	8325 bopd
[30213] HAT MESA; BONE SPRING	1284 BTU/CF			14850 mcf
[96438] HAT MESA; WOLFCAMP	42.45°			750 bopd
[96438] HAT MESA; WOLFCAMP	1435 BTU/CF			1150 mcf

- (2) Are any wells producing at top allowables? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code-
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attach 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:  TITLE: Operations Engineer DATE: 4/8/2024

TYPE OR PRINT NAME Mark Gonzales TELEPHONE NO.: 915-240-3468

E-MAIL ADDRESS: mark.gonzales@matadorresources.com

EXHIBIT

3

Matador Production Company

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

Voice 972.371.5427 • Fax 972.371.5201

rhernandez@matadorresources.com

Mark Gonzales
Operations Engineer

April 8, 2024

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

Re: Application of Matador Production Company for administrative approval to surface commingle (lease and pool) gas and oil production from the spacing units comprised of Sections 33 & 28, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands").

To Whom This May Concern,

Under NMOCD Order No. PLC-849, Matador Production Company ("Matador"), OGRID: 228937, was authorized to surface commingle production from the Bone Spring formations comprised of the W/2 of Section 33 & 28 and W/2 E/2 of Section 33 and 28, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico, as well as from the Wolfcamp formation in the W/2 W/2 and W/2 E/2 of such Sections. Matador now requests to amend its existing commingling authority to pool and commingle additional Bone Spring wells in the spacing units comprised of the E/2 E/2 of Section 33 & 28, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico.

Specifically, Matador requests to commingle current oil and gas production from fifteen (15) distinct 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 Delek or Pronto Midstream 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. Delek or Pronto Midstream has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

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

Very truly yours,

MATADOR PRODUCTION COMPANY

A handwritten signature in black ink, appearing to read 'Mark Gonzales', is positioned above the printed name and title.

Mark Gonzales
Operations Engineer







Certificate of Analysis

Number: 5030-23010645-005A

EXHIBIT

B

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

Jan. 30, 2023

Station Name: DEE OSBORNE 122H
Station Number: 40-10446
Cylinder No: 5030-08115
Instrument: 5030_GC11 (Varian 450)
Last Inst. Cal.: 11/13/2022 12:19 PM
Analyzed: 01/30/2023 13:57:04 by DMA

Sampled By: M POOLE
Sample Of: Gas Spot
Sample Date: 01/17/2023 12:30
Sample Conditions: 96 psig, @ 80 °F Ambient: 60 °F
Effective Date: 01/17/2023 12:30
Method: GPA-2261

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	0.0150	0.022		GPM TOTAL C2+	7.359
Nitrogen	1.618	1.6223	1.937		GPM TOTAL C3+	3.773
Methane	69.780	69.9654	47.842		GPM TOTAL iC5+	0.730
Carbon Dioxide	2.700	2.7072	5.078			
Ethane	13.318	13.3534	17.115	3.586		
Propane	7.315	7.3344	13.785	2.029		
Iso-butane	0.945	0.9475	2.347	0.311		
n-Butane	2.216	2.2219	5.505	0.703		
Iso-pentane	0.512	0.5134	1.579	0.189		
n-Pentane	0.502	0.5033	1.548	0.183		
Hexanes Plus	0.814	0.8162	3.242	0.358		
	99.720	100.0000	100.000	7.359		

Calculated Physical Properties

	Total	C6+
Relative Density Real Gas	0.8133	3.2176
Calculated Molecular Weight	23.46	93.19
Compressibility Factor	0.9956	

GPA 2172 Calculation:

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

Real Gas Dry BTU	1322	5141
Water Sat. Gas Base BTU	1300	5052
Ideal, Gross HV - Dry at 14.73 psia	1316.5	5141.1
Ideal, Gross HV - Wet	1293.6	5051.6

Comments: H2S Field Content 150 ppm

Data reviewed by: Raymond Bradford, Laboratory Manager

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

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District IV
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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
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025	² Pool Code 30213	³ Pool Name Hat Mesa; Bone Spring
⁴ Property Code	⁵ Property Name GAVILON FED COM	⁶ Well Number 134H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3,672'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	20 S	33 E		354	SOUTH	417	EAST	LEA

¹¹ Bottom 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
A	28	20 S	33 E		100	NORTH	450	EAST	LEA

¹² Dedicated Acres 320	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 SHL (NAD83 NME) Y = 554,767.5 X = 748,557.0 LAT. = 32.523318 °N LONG. = 103.661017 °W FTP (NAD83 NME) Y = 554,513.6 X = 748,525.7 LAT. = 32.522621 °N LONG. = 103.661124 °W	LTP (NAD83 NME) Y = 564,871.5 X = 748,457.4 LAT. = 32.551092 °N LONG. = 103.661134 °W BHL (NAD83 NME) Y = 564,871.5 X = 748,457.4 LAT. = 32.551092 °N LONG. = 103.661134 °W	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 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 _____
	CORNER COORDINATES (NAD83 NME) A - Y = 564,973.9 N X = 748,906.7 E B - Y = 562,334.2 N X = 748,924.2 E C - Y = 559,694.7 N X = 748,941.4 E D - Y = 557,055.5 N X = 748,959.1 E E - Y = 554,416.3 N X = 748,976.3 E F - Y = 564,967.0 N X = 747,584.1 E G - Y = 562,327.4 N X = 747,601.6 E H - Y = 559,687.5 N X = 747,618.9 E I - Y = 557,048.2 N X = 747,636.5 E J - Y = 554,408.4 N X = 747,653.8 E	CORNER COORDINATES (NAD27 NME) Y = 554,706.4 X = 564,810.3 X = 707,376.2 X = 707,276.9 LAT. = 32.523198 °N LAT. = 32.550972 °N LONG. = 103.660524 °W LONG. = 103.660640 °W FTP (NAD27 NME) BHL (NAD27 NME) Y = 554,452.6 Y = 564,810.3 X = 707,344.9 X = 707,276.9 LAT. = 32.522501 °N LAT. = 32.550972 °N LONG. = 103.660631 °W LONG. = 103.660640 °W	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 and correct to the best of my belief. 07/14/2022 Date of Survey Signature and Seal of Professional Surveyor: MARK DILLON HARP 23786 Certificate Number AR 2022061098

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025	² Pool Code 30213	³ Pool Name Hat Mesa; Bone Spring
⁴ Property Code	⁵ Property Name GAVILON FED COM	⁶ Well Number 124H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3,672'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	20 S	33 E		354	SOUTH	447	EAST	LEA

¹¹ Bottom 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
A	28	20 S	33 E		100	NORTH	450	EAST	LEA

¹² Dedicated Acres 3.20	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	SHL (NAD83 NME) Y = 554,767.3 X = 748,527.0 LAT. = 32.523318 °N LONG. = 103.661115 °W FTP (NAD83 NME) Y = 554,513.8 X = 748,525.7 LAT. = 32.522621 °N LONG. = 103.661124 °W	LTP (NAD83 NME) Y = 564,871.8 X = 748,457.4 LAT. = 32.551092 °N LONG. = 103.661134 °W BHL (NAD83 NME) Y = 564,871.8 X = 748,457.4 LAT. = 32.551092 °N LONG. = 103.661134 °W	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 released 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 hereinafter entered by the division.
	CORNER COORDINATES (NAD83 NME) A - Y = 564,973.9 N B - Y = 562,334.2 N C - Y = 559,694.7 N D - Y = 557,055.5 N E - Y = 554,416.3 N F - Y = 564,967.0 N G - Y = 562,327.4 N H - Y = 559,687.5 N I - Y = 557,048.2 N J - Y = 554,408.4 N	X = 748,906.7 E X = 748,924.2 E X = 748,941.4 E X = 748,959.1 E X = 748,976.3 E X = 747,584.1 E X = 747,601.6 E X = 747,618.9 E X = 747,636.5 E X = 747,653.8 E	
SEC. 21 T20S R33E SEC. 22 T20S R33E SEC. 27 T20S R33E SEC. 28 T20S R33E SEC. 33 T20S R33E SEC. 34 T20S R33E SEC. 3 T21S R32E	SHL (NAD27 NME) Y = 554,706.2 X = 707,346.2 LAT. = 32.523198 °N LONG. = 103.660622 °W FTP (NAD27 NME) Y = 554,452.7 X = 707,344.9 LAT. = 32.522501 °N LONG. = 103.660631 °W	LTP (NAD27 NME) Y = 564,810.5 X = 707,277.0 LAT. = 32.550972 °N LONG. = 103.660639 °W BHL (NAD27 NME) Y = 564,810.5 X = 707,277.0 LAT. = 32.550972 °N LONG. = 103.660639 °W	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 and correct to the best of my belief.
	CORNER COORDINATES (NAD27 NME) A - Y = 564,912.6 N B - Y = 562,273.0 N C - Y = 559,633.5 N D - Y = 556,994.4 N E - Y = 554,355.3 N F - Y = 564,905.7 N G - Y = 562,266.2 N H - Y = 559,626.3 N I - Y = 556,987.1 N J - Y = 554,347.3 N	X = 707,726.3 E X = 707,743.7 E X = 707,760.8 E X = 707,778.4 E X = 707,795.5 E X = 706,403.7 E X = 706,421.1 E X = 706,438.4 E X = 706,455.8 E X = 706,473.0 E	

07/14/2022

Date of Survey

Signature and Seal of
Professional Surveyor:

MARK DILLON (IAR) 23786
Certificate Number



AR

2022061097

District I
1625 N. French Dr., Hobbs, NM 88240
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025	² Pool Code 30213	³ Pool Name Hat Mesa; Bone Springs
⁴ Property Code	⁵ Property Name GAVILON FED COM	⁶ Well Number 114H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3,671'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	20 S	33 E		354	SOUTH	477	EAST	LEA

¹¹ Bottom 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
A	28	20 S	33 E		100	NORTH	450	EAST	LEA

¹² Dedicated Acres 320	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 	SHL (NAD83 NME) Y = 554,767.1 X = 748,497.0 LAT. = 32.523318 °N LONG. = 103.661212 °W FTP (NAD83 NME) Y = 554,513.5 X = 748,525.7 LAT. = 32.522620 °N LONG. = 103.661124 °W	LTP (NAD83 NME) Y = 564,871.5 X = 748,457.4 LAT. = 32.551092 °N LONG. = 103.661134 °W BHL (NAD83 NME) Y = 564,871.5 X = 748,457.4 LAT. = 32.551092 °N LONG. = 103.661134 °W	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 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.	
	CORNER COORDINATES (NAD83 NME) A - Y = 564,973.9 N X = 748,906.7 E B - Y = 562,334.2 N X = 748,924.2 E C - Y = 559,694.7 N X = 748,941.4 E D - Y = 557,055.5 N X = 748,959.1 E E - Y = 554,416.3 N X = 748,976.3 E F - Y = 564,967.0 N X = 747,584.1 E G - Y = 562,327.4 N X = 747,601.6 E H - Y = 559,687.5 N X = 747,618.9 E I - Y = 557,048.2 N X = 747,636.5 E J - Y = 554,408.4 N X = 747,653.8 E			
	SHL (NAD27 NME) Y = 554,706.0 X = 707,316.2 LAT. = 32.523198 °N LONG. = 103.660719 °W FTP (NAD27 NME) Y = 554,452.4 X = 707,344.9 LAT. = 32.522500 °N LONG. = 103.660631 °W			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 and correct to the best of my belief.
	CORNER COORDINATES (NAD27 NME) A - Y = 564,912.6 N X = 707,726.3 E B - Y = 562,273.0 N X = 707,743.7 E C - Y = 559,633.5 N X = 707,760.8 E D - Y = 556,994.4 N X = 707,778.4 E E - Y = 554,355.3 N X = 707,795.5 E F - Y = 564,905.7 N X = 706,403.7 E G - Y = 562,266.2 N X = 706,421.1 E H - Y = 559,626.3 N X = 706,438.4 E I - Y = 556,987.1 N X = 706,455.8 E J - Y = 554,347.3 N X = 706,473.0 E			
GRID AZ = 359°37'20" HORIZ. DIST. = 10,358.28'				
GRID AZ = 353°33'26" HORIZ. DIST. = 255.26'				
SEC. 3 T21S R32E		Date of Survey 07/14/2022 Signature and Seal of Professional Surveyor: MARK DILLON HARP 23786 Certificate Number AR 2022061096		

District I
1625 N. French Dr., Hobbs, NM 88240
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Santa Fe, NM 87505

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025	² Pool Code 30213	³ Pool Name Hat Mesa; Bone Spring
⁴ Property Code	⁵ Property Name GAVILON FED COM	⁶ Well Number 104H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3,672'

¹⁰ Surface Location

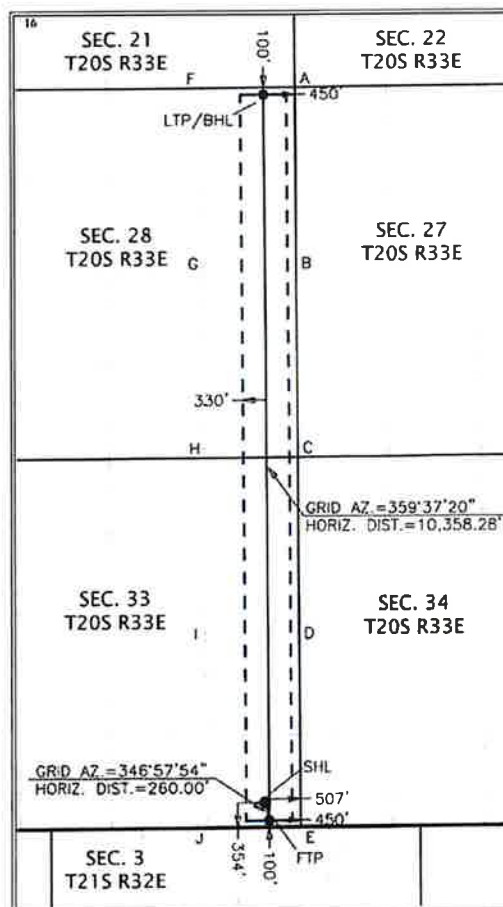
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	20 S	33 E		354	SOUTH	507	EAST	LEA

¹¹ Bottom 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
A	28	20 S	33 E		100	NORTH	450	EAST	LEA

¹² Dedicated Acres 320	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.



SHL (NAD83 NME)
Y = 554,766.9
X = 748,467.0
LAT = 32.523318°N
LONG = 103.661309°W
FTP (NAD83 NME)
Y = 554,513.5
X = 748,525.7
LAT = 32.522620°N
LONG = 103.661124°W
LTP (NAD83 NME)
Y = 564,871.5
X = 748,457.4
LAT = 32.551092°N
LONG = 103.661134°W
BHL (NAD83 NME)
Y = 564,871.5
X = 748,457.4
LAT = 32.551092°N
LONG = 103.661134°W

CORNER COORDINATES (NAD83 NME)
A - Y = 564,973.9 N X = 748,906.7 E
B - Y = 562,334.2 N X = 748,924.2 E
C - Y = 559,694.7 N X = 748,941.4 E
D - Y = 557,055.5 N X = 748,959.1 E
E - Y = 554,416.3 N X = 748,976.3 E
F - Y = 564,967.0 N X = 747,584.1 E
G - Y = 562,327.4 N X = 747,601.6 E
H - Y = 559,687.5 N X = 747,618.9 E
I - Y = 557,048.2 N X = 747,636.5 E
J - Y = 554,408.4 N X = 747,653.8 E

SHL (NAD27 NME)
Y = 554,705.9
X = 707,286.2
LAT = 32.523198°N
LONG = 103.660816°W
FTP (NAD27 NME)
Y = 554,452.4
X = 707,344.9
LAT = 32.522500°N
LONG = 103.660631°W
LTP (NAD27 NME)
Y = 564,810.3
X = 707,276.9
LAT = 32.550972°N
LONG = 103.660640°W
BHL (NAD27 NME)
Y = 564,810.3
X = 707,276.9
LAT = 32.550972°N
LONG = 103.660640°W

CORNER COORDINATES (NAD27 NME)
A - Y = 564,912.6 N X = 707,726.3 E
B - Y = 562,273.0 N X = 707,743.7 E
C - Y = 559,633.5 N X = 707,760.8 E
D - Y = 556,994.4 N X = 707,778.4 E
E - Y = 554,355.3 N X = 707,795.5 E
F - Y = 564,905.7 N X = 706,403.7 E
G - Y = 562,266.2 N X = 706,421.1 E
H - Y = 559,626.3 N X = 706,438.4 E
I - Y = 556,987.1 N X = 706,455.8 E
J - Y = 554,347.3 N X = 706,473.0 E

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 released 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 hereinafter entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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 and correct to the best of my belief.

07/14/2022

Date of Survey

Signature and Seal of
Professional Surveyor:

MARK DILLON IIAFP 23786
Certificate Number



AR 2022061095

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-48867		² Pool Code 30213		³ Pool Name HAT MESA; BONE SPRING	
⁴ Property Code 332434		⁵ Property Name GAVILON FED COM			⁶ Well Number 305H
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3679'
¹⁰ Surface Location					
UL or lot no. N	Section 33	Township 20-S	Range 33-E	Lot Idn -	Feet from the 185'
		North/South line SOUTH		Feet from the 2031'	East/West line WEST
				County LEA	
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. C	Section 28	Township 20-S	Range 33-E	Lot Idn -	Feet from the 113'
		North/South line NORTH		Feet from the 1755'	East/West line WEST
				County LEA	
¹² Dedicated Acres 320		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>NEW MEXICO EAST NAD 1983</p> <p>SURFACE LOCATION (SHL) 185' FSL - SEC. 33 2031' FWL - SEC. 33 X=745716 Y=554581 LAT.: N 32.5228556 LONG.: W 103.6702375</p> <p>PENETRATION POINT (PP) 46' FSL - SEC. 33 1766' FWL - SEC. 33 X=745452 Y=554441 LAT.: N 32.5224740 LONG.: W 103.6710963 MD=8509' TVD=8489'</p> <p>KICK OFF POINT (KOP) 41' FSL - SEC. 33 1767' FWL - SEC. 33 X=745454 Y=554436 LAT.: N 32.5224610 LONG.: W 103.6710915 MD=9150' TVD=9129'</p> <p>FIRST PERFORATION POINT (FPP) 370' FSL - SEC. 33 1773' FWL - SEC. 33 X=745457 Y=554766 LAT.: N 32.5233662 LONG.: W 103.6710732 MD=9743' TVD=9591'</p> <p>BLM PERF. POINT (BPP1) 0' FNL - SEC. 33 1778' FWL - SEC. 33 X=745430 Y=559676 LAT.: N 32.5368620 LONG.: W 103.6710634 MD=14663' TVD=9630'</p> <p>BLM PERF. POINT (BPP2) 1320' FSL - SEC. 28 1778' FWL - SEC. 28 X=745421 Y=560996 LAT.: N 32.5404913 LONG.: W 103.6710645 MD=15983' TVD=9608'</p> <p>LAST PERFORATION POINT (LPP) 358' FNL - SEC. 28 1770' FWL - SEC. 28 X=745372 Y=564843 LAT.: N 32.5501067 LONG.: W 103.6711467 MD=19835' TVD=9613'</p> <p>BOTTOM HOLE LOCATION (BHL) 113' FNL - SEC. 28 1755' FWL - SEC. 28 X=745372 Y=564843 LAT.: N 32.5501067 LONG.: W 103.6711467 MD=19835' TVD=9613'</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 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>Signature: <i>Brett Jennings</i> Date: 09/28/2023 Printed Name: Brett Jennings E-mail Address: Brett.Jennings@matadorresources.com</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>03/03/2023 Date of Survey Signature and Seal of Professional Surveyor</p> <p> Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <table border="1"> <tr> <td>SURFACE LOCATION (SHL) X=704535 Y=554520 LAT.: N 32.5227332 LONG.: W 103.6697454</td> <td>PENETRATION POINT (PP) X=704271 Y=554379 LAT.: N 32.5223516 LONG.: W 103.6706041</td> </tr> <tr> <td>KICK OFF POINT (KOP) X=704272 Y=554374 LAT.: N 32.5223386 LONG.: W 103.6705994</td> <td>FIRST PERFORATION POINT (FPP) X=704276 Y=554704 LAT.: N 32.5224399 LONG.: W 103.6705810</td> </tr> <tr> <td>BLM PERF. POINT (BPP1) X=704249 Y=559614 LAT.: N 32.5367397 LONG.: W 103.6705712</td> <td>BLM PERF. POINT (BPP2) X=704241 Y=560924 LAT.: N 32.5403690 LONG.: W 103.6705716</td> </tr> <tr> <td>LAST PERFORATION POINT (LPP) X=704208 Y=564537 LAT.: N 32.5507221 LONG.: W 103.6706059</td> <td>BOTTOM HOLE LOCATION (BHL) X=704191 Y=564781 LAT.: N 32.5509444 LONG.: W 103.6706534</td> </tr> </table>	SURFACE LOCATION (SHL) X=704535 Y=554520 LAT.: N 32.5227332 LONG.: W 103.6697454	PENETRATION POINT (PP) X=704271 Y=554379 LAT.: N 32.5223516 LONG.: W 103.6706041	KICK OFF POINT (KOP) X=704272 Y=554374 LAT.: N 32.5223386 LONG.: W 103.6705994	FIRST PERFORATION POINT (FPP) X=704276 Y=554704 LAT.: N 32.5224399 LONG.: W 103.6705810	BLM PERF. POINT (BPP1) X=704249 Y=559614 LAT.: N 32.5367397 LONG.: W 103.6705712	BLM PERF. POINT (BPP2) X=704241 Y=560924 LAT.: N 32.5403690 LONG.: W 103.6705716	LAST PERFORATION POINT (LPP) X=704208 Y=564537 LAT.: N 32.5507221 LONG.: W 103.6706059	BOTTOM HOLE LOCATION (BHL) X=704191 Y=564781 LAT.: N 32.5509444 LONG.: W 103.6706534
	SURFACE LOCATION (SHL) X=704535 Y=554520 LAT.: N 32.5227332 LONG.: W 103.6697454	PENETRATION POINT (PP) X=704271 Y=554379 LAT.: N 32.5223516 LONG.: W 103.6706041								
KICK OFF POINT (KOP) X=704272 Y=554374 LAT.: N 32.5223386 LONG.: W 103.6705994	FIRST PERFORATION POINT (FPP) X=704276 Y=554704 LAT.: N 32.5224399 LONG.: W 103.6705810									
BLM PERF. POINT (BPP1) X=704249 Y=559614 LAT.: N 32.5367397 LONG.: W 103.6705712	BLM PERF. POINT (BPP2) X=704241 Y=560924 LAT.: N 32.5403690 LONG.: W 103.6705716									
LAST PERFORATION POINT (LPP) X=704208 Y=564537 LAT.: N 32.5507221 LONG.: W 103.6706059	BOTTOM HOLE LOCATION (BHL) X=704191 Y=564781 LAT.: N 32.5509444 LONG.: W 103.6706534									

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1625 N. French Dr., Hobbs, NM 88240
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District IV
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1220 South St. Francis Dr.
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 30-025-48629	² Pool Code 30213	³ Pool Name HAT MESA; BONE SPRING
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	⁶ Well Number 306H
⁷ OCRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3679'

¹⁰Surface Location

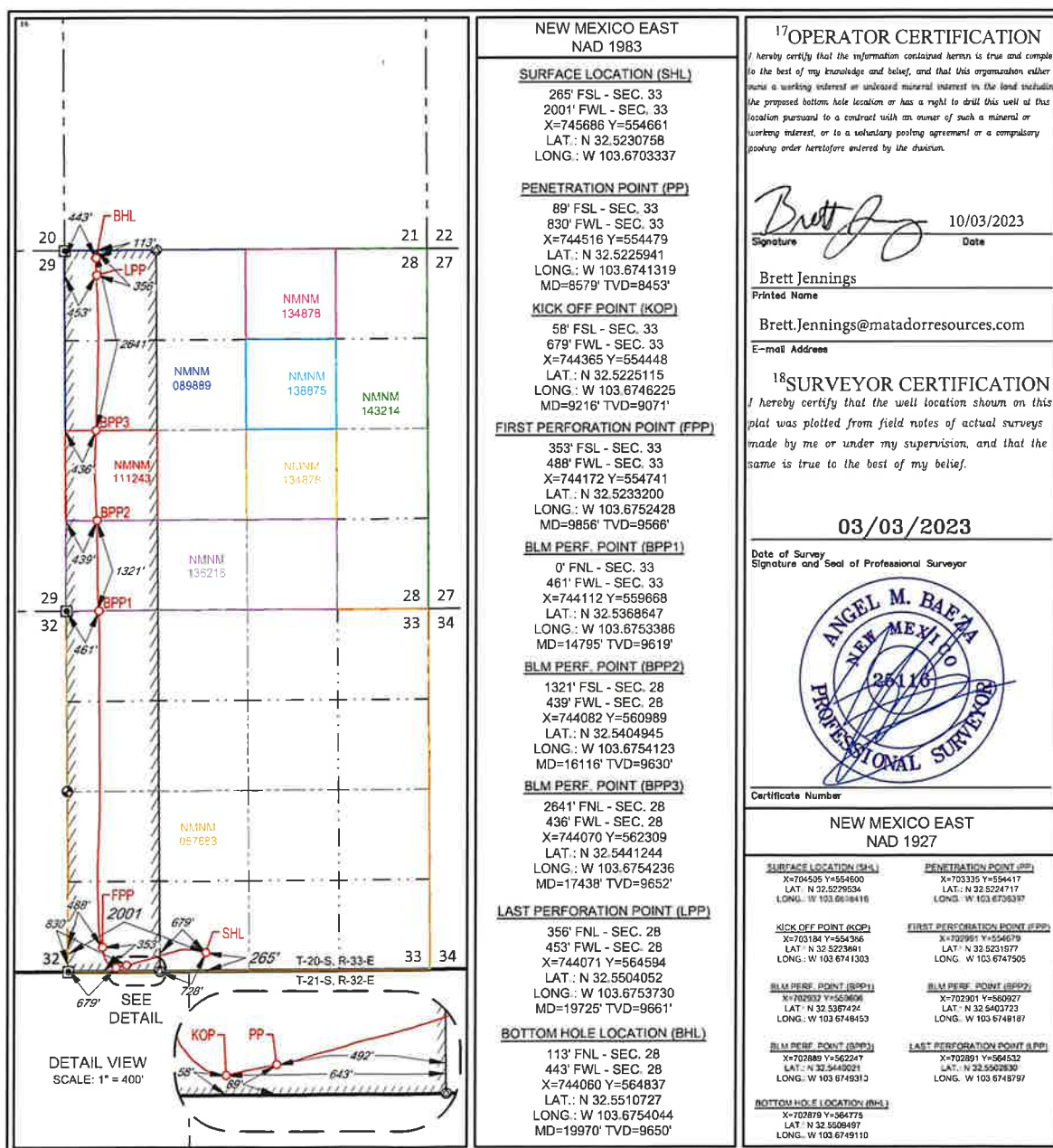
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	33	20-S	33-E	-	265'	SOUTH	2001'	WEST	LEA

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
D	28	20-S	33-E	-	113'	NORTH	443'	WEST	LEA

¹² Dedicated Acres 320	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.



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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47857	² Pool Code 30213	³ Pool Name HAT MESA; BONE SPRING
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	⁶ Well Number 403H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3672'

¹⁰Surface Location

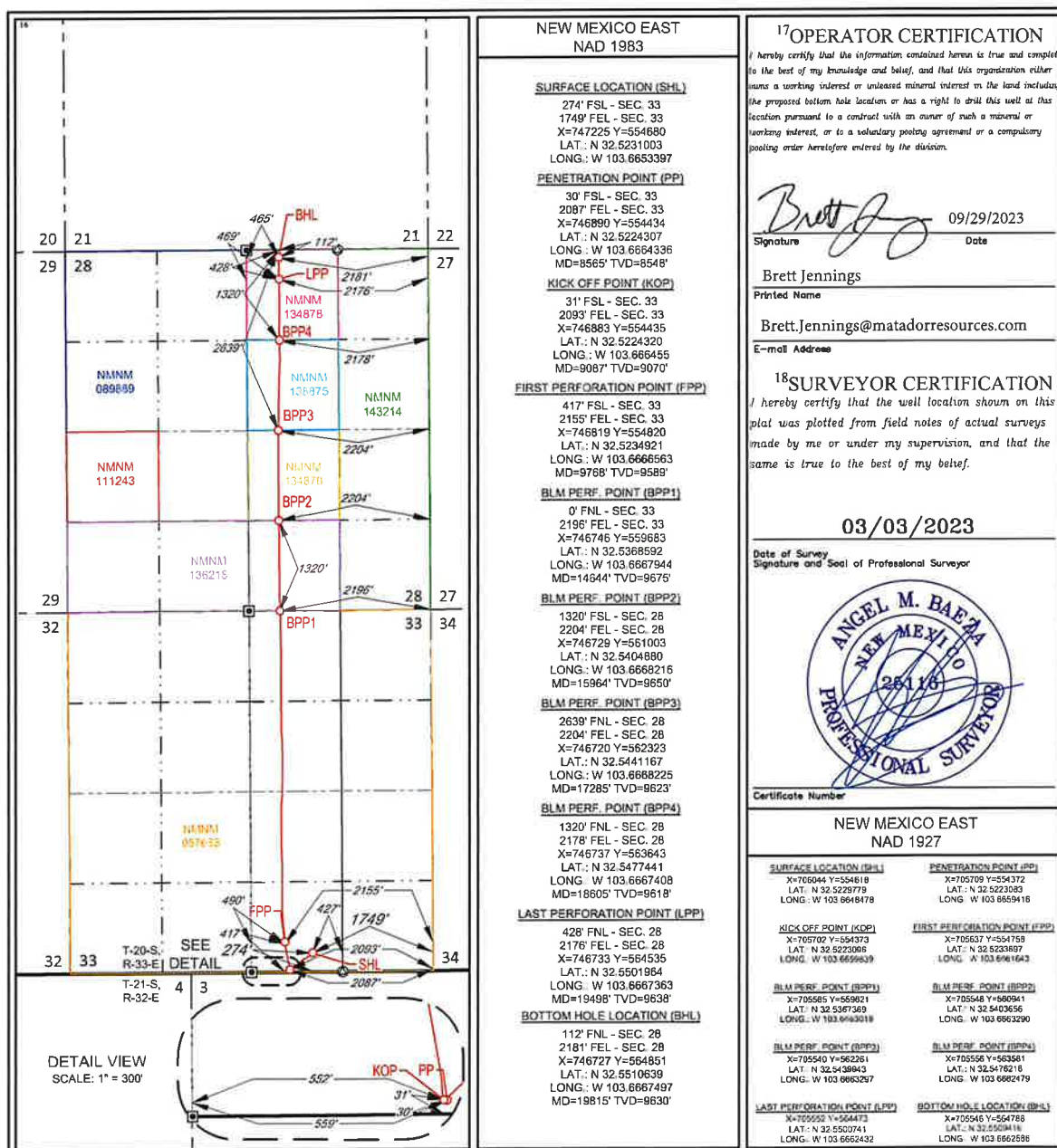
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	33	20-S	33-E	-	274'	SOUTH	1749'	EAST	LEA

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
B	28	20-S	33-E	-	112'	NORTH	2181'	EAST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320			

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.



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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47858	² Pool Code 30213	³ Pool Name HAT MESA; BONE SPRING
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	
⁷ OGRID No. 228937	⁶ Operator Name MATADOR PRODUCTION COMPANY	⁸ Well Number 501H ⁹ Elevation 3670'

¹⁰Surface Location

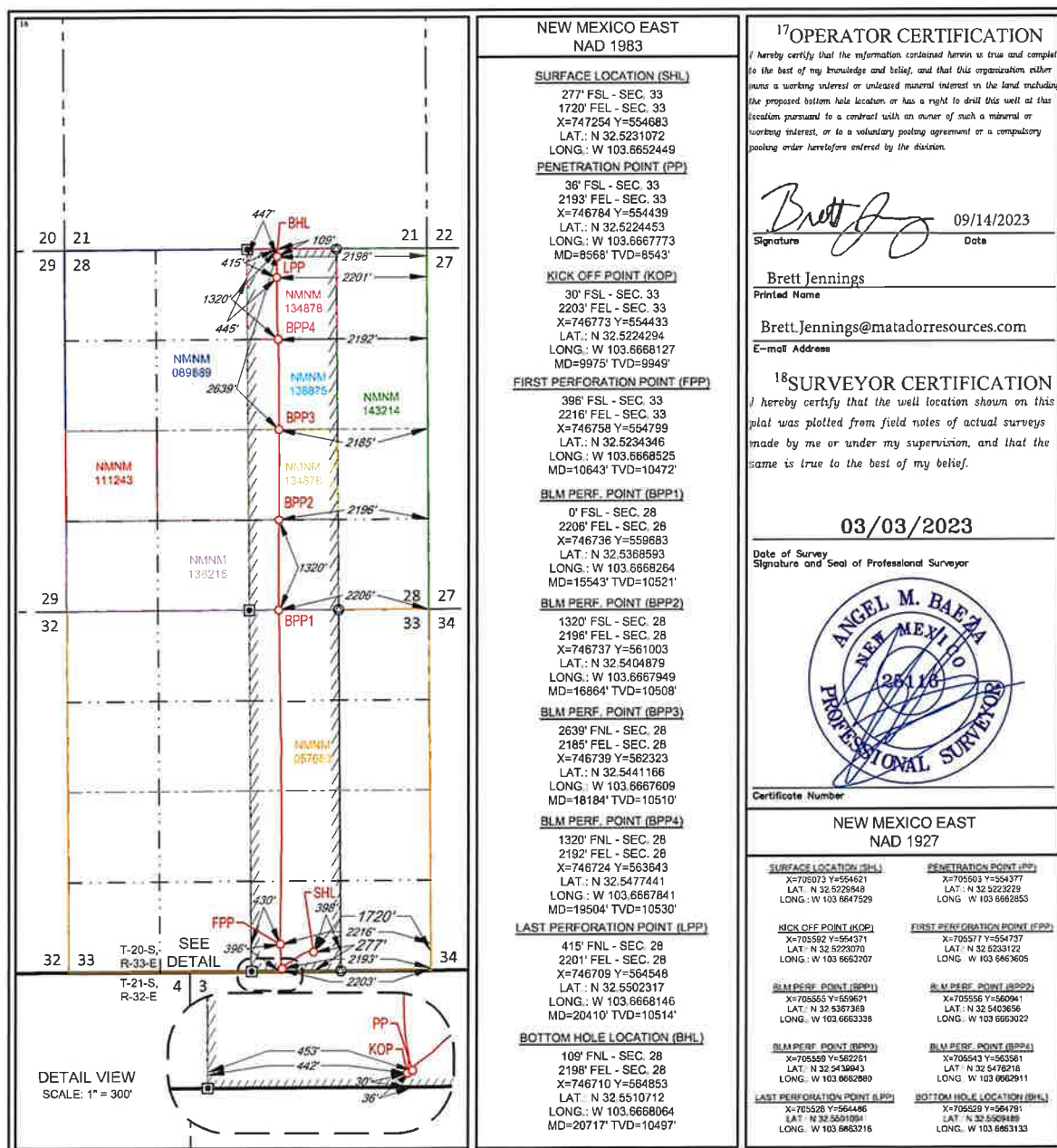
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Country
0	33	20-S	33-E	-	277'	SOUTH	1720'	EAST	LEA

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	Country
B	28	20-S	33-E	-	109'	NORTH	2198'	EAST	LEA

¹² Dedicated Acres 320	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.



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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-47860		² Pool Code 30213		³ Pool Name HAT MESA; BONE SPRING	
⁴ Property Code 332434		⁵ Property Name GAVILON FED COM			⁶ Well Number 505H
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3679'
¹⁰ Surface Location					
UL or lot no. N	Section 33	Township 20-S	Range 33-E	Lot Idn -	Feet from the 264'
					North/South line SOUTH
					Feet from the 2031'
					East/West line WEST
					County LEA
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. C	Section 28	Township 20-S	Range 33-E	Lot Idn -	Feet from the 123'
					North/South line NORTH
					Feet from the 1730'
					East/West line WEST
					County LEA
¹² Dedicated Acres 320		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>SEE DETAIL</p> <p>DETAIL VIEW SCALE: 1" = 300'</p>	<p>NEW MEXICO EAST NAD 1983</p> <p>SURFACE LOCATION (SHL)</p> <p>264' FSL - SEC. 33 2031' FWL - SEC. 33 X=745717 Y=554661 LAT.: N 32.5230739 LONG.: W 103.6702349</p> <p>PENETRATION POINT (PP)</p> <p>53' FSL - SEC. 33 1881' FWL - SEC. 33 X=745568 Y=554449 LAT.: N 32.5224934 LONG.: W 103.6707222 MD=8500' TVD=8484'</p> <p>KICK OFF POINT (KOP)</p> <p>42' FSL - SEC. 33 1864' FWL - SEC. 33 X=745550 Y=554438 LAT.: N 32.5224636 LONG.: W 103.6707795 MD=10013' TVD=9997'</p> <p>FIRST PERFORATION POINT (FPP)</p> <p>307' FSL - SEC. 33 1860' FWL - SEC. 33 X=745545 Y=554703 LAT.: N 32.5231927 LONG.: W 103.6707902 MD=10606' TVD=10499'</p> <p>BLM PERF. POINT (BPP1)</p> <p>0' FNL - SEC. 33 1753' FWL - SEC. 33 X=745405 Y=559675 LAT.: N 32.5368621 LONG.: W 103.6711435 MD=15593' TVD=10489'</p> <p>BLM PERF. POINT (BPP2)</p> <p>1320' FNL - SEC. 28 1737' FWL - SEC. 28 X=745380 Y=560996 LAT.: N 32.5404914 LONG.: W 103.6711979 MD=16915' TVD=10503'</p> <p>LAST PERFORATION POINT (LPP)</p> <p>366' FNL - SEC. 28 1736' FWL - SEC. 28 X=745355 Y=564590 LAT.: N 32.5503708 LONG.: W 103.6712074 MD=20511' TVD=10502'</p> <p>BOTTOM HOLE LOCATION (BHL)</p> <p>123' FNL - SEC. 28 1730' FWL - SEC. 28 X=745347 Y=564833 LAT.: N 32.5510401 LONG.: W 103.6712294 MD=20756' TVD=10506'</p>	<p>17 OPERATOR CERTIFICATION</p> <p>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>Brett Jennings</i> 09/26/2023 Signature Date</p> <p>Brett Jennings Printed Name</p> <p>Brett.Jennings@matadorresources.com E-mail Address</p> <p>18 SURVEYOR CERTIFICATION</p> <p>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>03/03/2023 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <table border="1"> <tr> <td>SURFACE LOCATION (SHL) X=704535 Y=554599 LAT.: N 32.5229515 LONG.: W 103.6697427</td> <td>PENETRATION POINT (PP) X=704387 Y=554387 LAT.: N 32.5223710 LONG.: W 103.6702301</td> </tr> <tr> <td>KICK OFF POINT (KOP) X=704369 Y=554376 LAT.: N 32.5229412 LONG.: W 103.6702873</td> <td>FIRST PERFORATION POINT (FPP) X=704364 Y=554541 LAT.: N 32.5233703 LONG.: W 103.6702980</td> </tr> <tr> <td>BLM PERF. POINT (BPP1) X=704294 Y=559613 LAT.: N 32.5367397 LONG.: W 103.6706513</td> <td>BLM PERF. POINT (BPP2) X=704199 Y=560334 LAT.: N 32.5409991 LONG.: W 103.6707051</td> </tr> <tr> <td>LAST PERFORATION POINT (LPP) X=704176 Y=564526 LAT.: N 32.5502466 LONG.: W 103.6707142</td> <td>BOTTOM HOLE LOCATION (BHL) X=704166 Y=564771 LAT.: N 32.5509178 LONG.: W 103.6707262</td> </tr> </table>	SURFACE LOCATION (SHL) X=704535 Y=554599 LAT.: N 32.5229515 LONG.: W 103.6697427	PENETRATION POINT (PP) X=704387 Y=554387 LAT.: N 32.5223710 LONG.: W 103.6702301	KICK OFF POINT (KOP) X=704369 Y=554376 LAT.: N 32.5229412 LONG.: W 103.6702873	FIRST PERFORATION POINT (FPP) X=704364 Y=554541 LAT.: N 32.5233703 LONG.: W 103.6702980	BLM PERF. POINT (BPP1) X=704294 Y=559613 LAT.: N 32.5367397 LONG.: W 103.6706513	BLM PERF. POINT (BPP2) X=704199 Y=560334 LAT.: N 32.5409991 LONG.: W 103.6707051	LAST PERFORATION POINT (LPP) X=704176 Y=564526 LAT.: N 32.5502466 LONG.: W 103.6707142	BOTTOM HOLE LOCATION (BHL) X=704166 Y=564771 LAT.: N 32.5509178 LONG.: W 103.6707262
	SURFACE LOCATION (SHL) X=704535 Y=554599 LAT.: N 32.5229515 LONG.: W 103.6697427	PENETRATION POINT (PP) X=704387 Y=554387 LAT.: N 32.5223710 LONG.: W 103.6702301								
KICK OFF POINT (KOP) X=704369 Y=554376 LAT.: N 32.5229412 LONG.: W 103.6702873	FIRST PERFORATION POINT (FPP) X=704364 Y=554541 LAT.: N 32.5233703 LONG.: W 103.6702980									
BLM PERF. POINT (BPP1) X=704294 Y=559613 LAT.: N 32.5367397 LONG.: W 103.6706513	BLM PERF. POINT (BPP2) X=704199 Y=560334 LAT.: N 32.5409991 LONG.: W 103.6707051									
LAST PERFORATION POINT (LPP) X=704176 Y=564526 LAT.: N 32.5502466 LONG.: W 103.6707142	BOTTOM HOLE LOCATION (BHL) X=704166 Y=564771 LAT.: N 32.5509178 LONG.: W 103.6707262									

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FORM C-102

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

AS DRILLED

¹ API Number 30-025-46586	² Pool Code 30213	³ Pool Name HAT MESA; BONE SPRING
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	⁶ Well Number 602H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3664'

¹⁰Surface Location

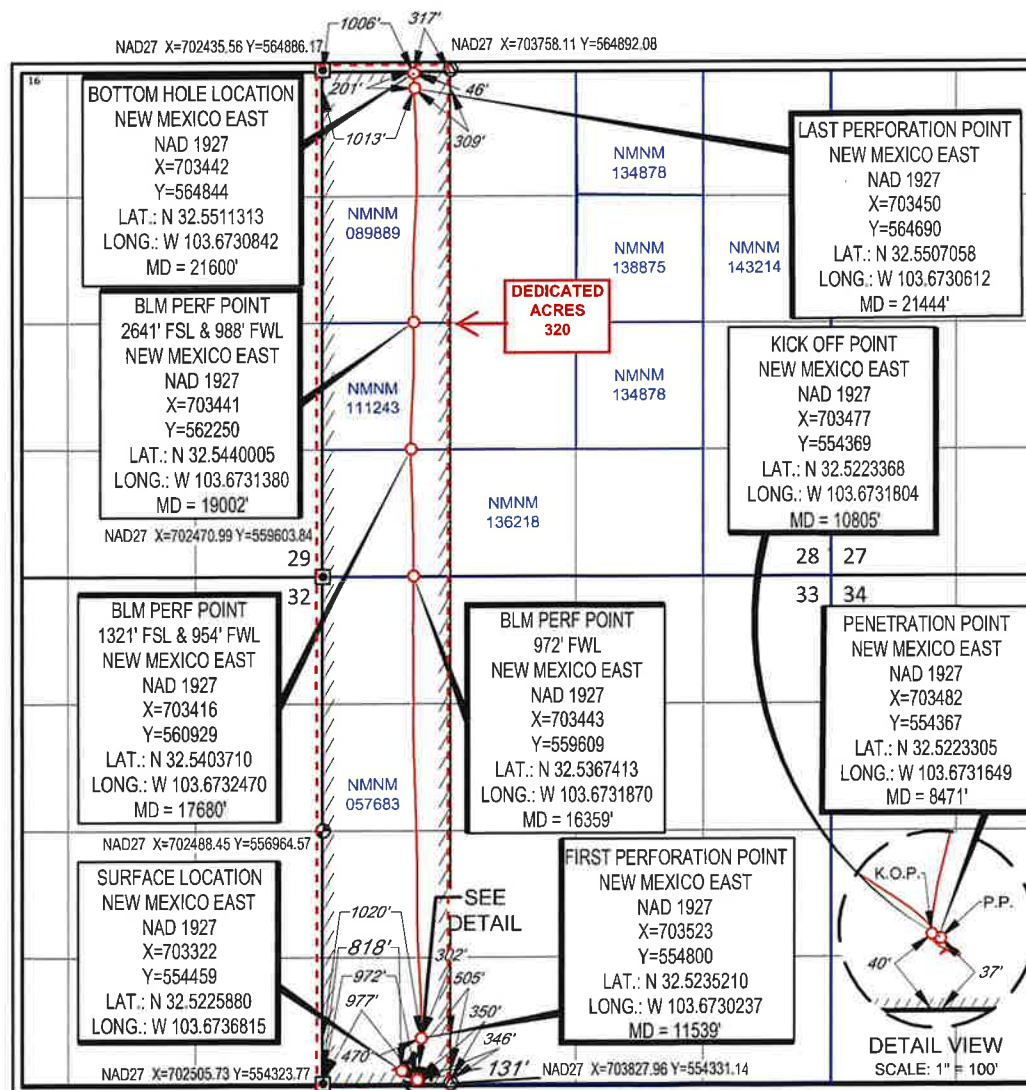
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	33	20-S	33-E	-	131'	SOUTH	818'	WEST	LEA

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
D	28	20-S	33-E	-	46'	NORTH	1006'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁷OPERATOR 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: *Brett Jennings* Date: 02/14/2023

Printed Name: Brett Jennings

E-mail Address: Brett.Jennings@matadorresources.com

¹⁸SURVEYOR 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.

Date of Survey: 06/26/2022
Signature and Seal of Professional Surveyor: [Seal]

Certificate Number: 25116

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☐ AMENDED REPORT

AS-COMPLETED PLAT

AS Drilled

¹ API Number 30-025-47862	² Pool Code 30213	³ Pool Name HAT MESA;BONE SPRING
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	⁶ Well Number 603H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3673'

¹⁰Surface Location

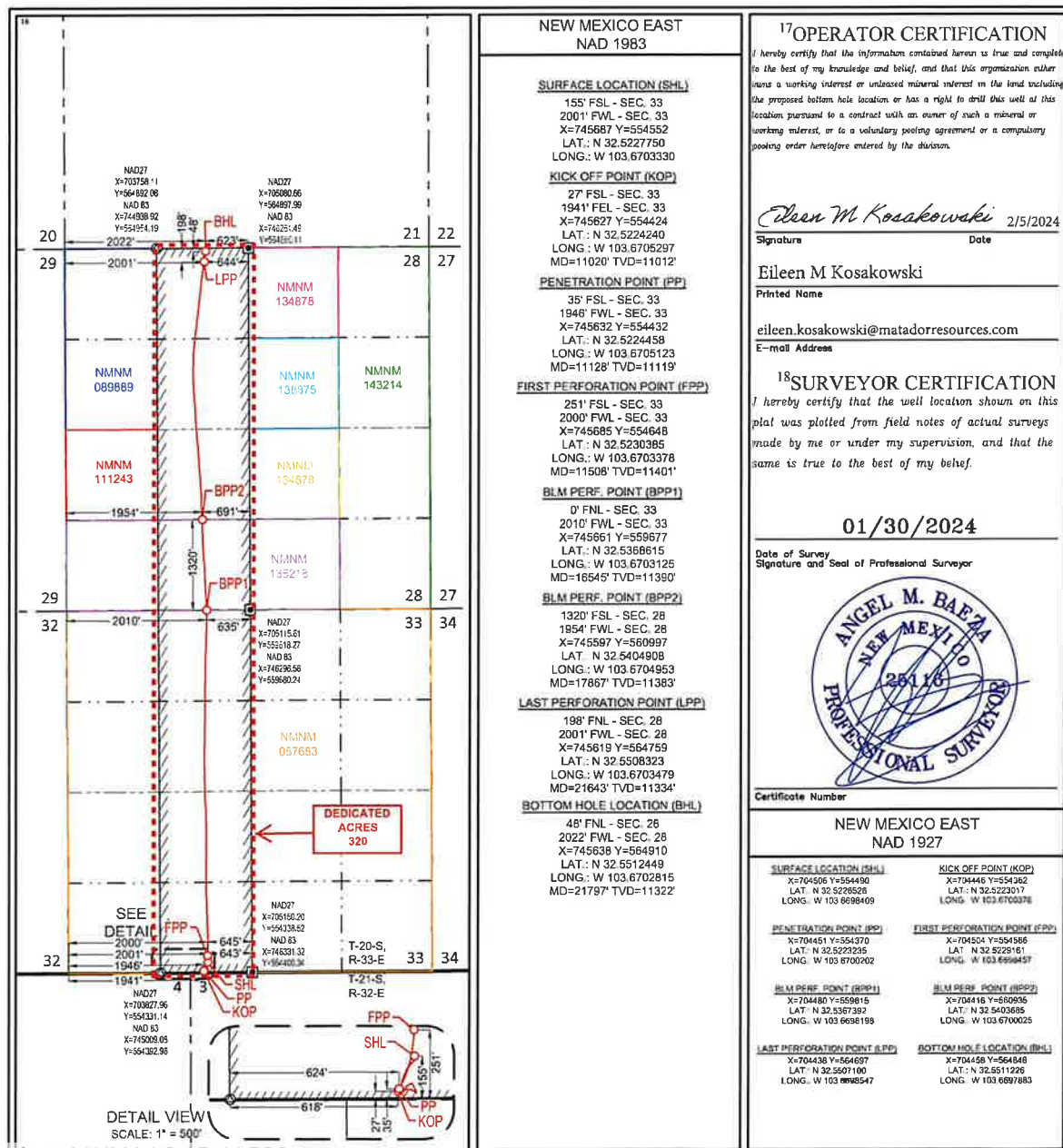
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	33	20-S	33-E	-	155'	SOUTH	2001'	WEST	LEA

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	28	20-S	33-E	-	48'	NORTH	2022'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	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.



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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-50167	² Pool Code 30213	³ Pool Name HAT MESA; BONE SPRING
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	⁶ Well Number 604H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3672'

¹⁰Surface Location

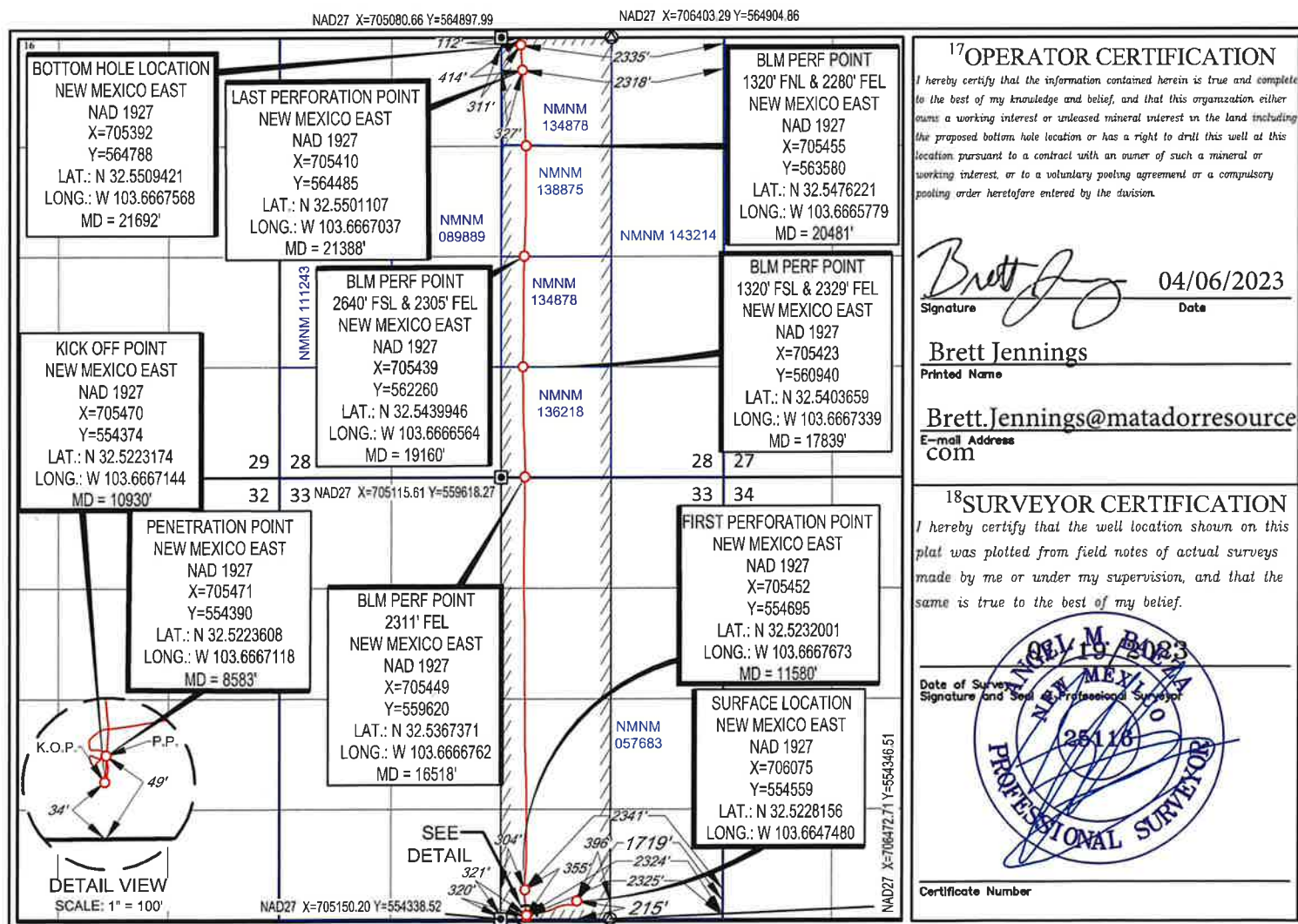
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	33	20-S	33-E	-	215'	SOUTH	1719'	EAST	LEA

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
B	28	20-S	33-E	-	112'	NORTH	2335'	EAST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
320			

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.



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

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

AS Drilled

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-46588	² Pool Code 96438	³ Pool Name HAT MESA; WOLFCAMP
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	⁶ Well Number 704H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3663'

¹⁰Surface Location

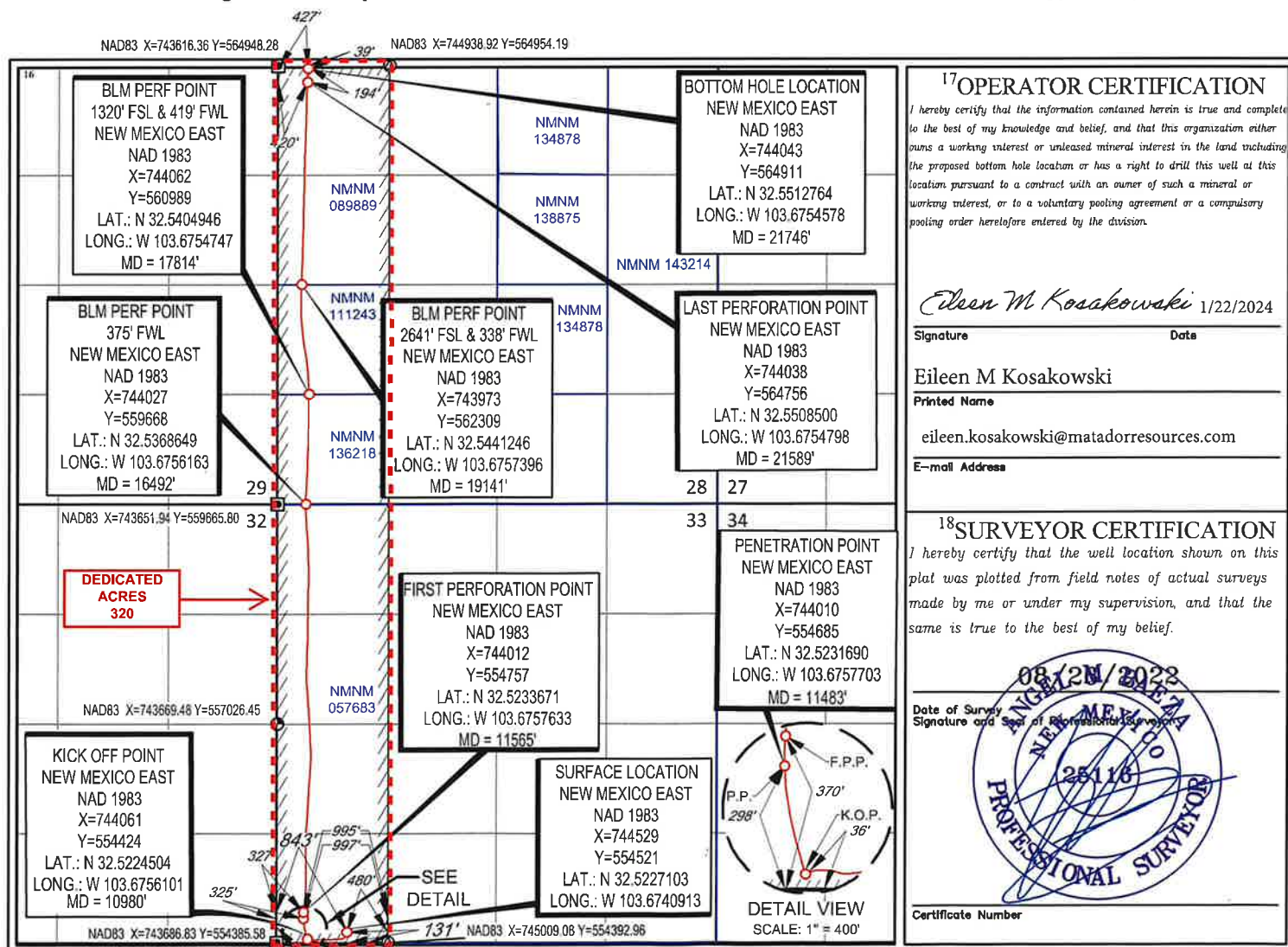
UL or lot no. M	Section 33	Township 20-S	Range 33-E	Lot Idn -	Feet from the 131'	North/South line SOUTH	Feet from the 843'	East/West line WEST	County LEA
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¹¹Bottom Hole Location If Different From Surface

UL or lot no. D	Section 28	Township 20-S	Range 33-E	Lot Idn -	Feet from the 39'	North/South line NORTH	Feet from the 427'	East/West line WEST	County LEA
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¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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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 30-025-48527	² Pool Code 30213	³ Pool Name HAT MESA; BONE SPRING
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	⁶ Well Number 706H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3679'

¹⁰Surface Location

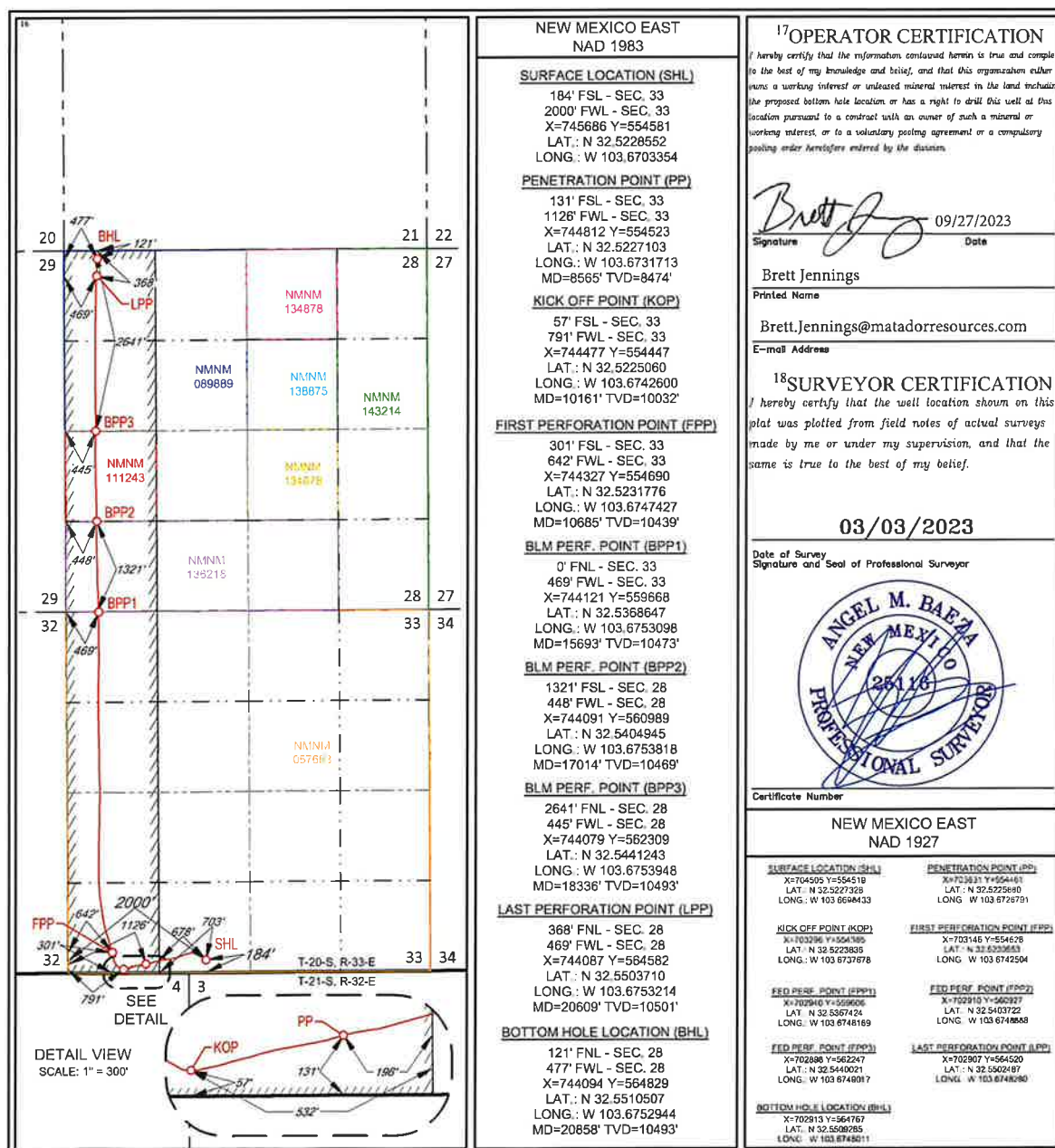
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	33	20-S	33-E	-	184'	SOUTH	2000'	WEST	LEA

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
D	28	20-S	33-E	-	121'	NORTH	477'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



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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

AS Drilled

¹ API Number 30-025-47863	² Pool Code 96438	³ Pool Name HAT MESA;WOLFCAMP
⁴ Property Code 332434	⁵ Property Name GAVILON FED COM	
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁶ Well Number 708H
		⁹ Elevation 3672'

¹⁰Surface Location

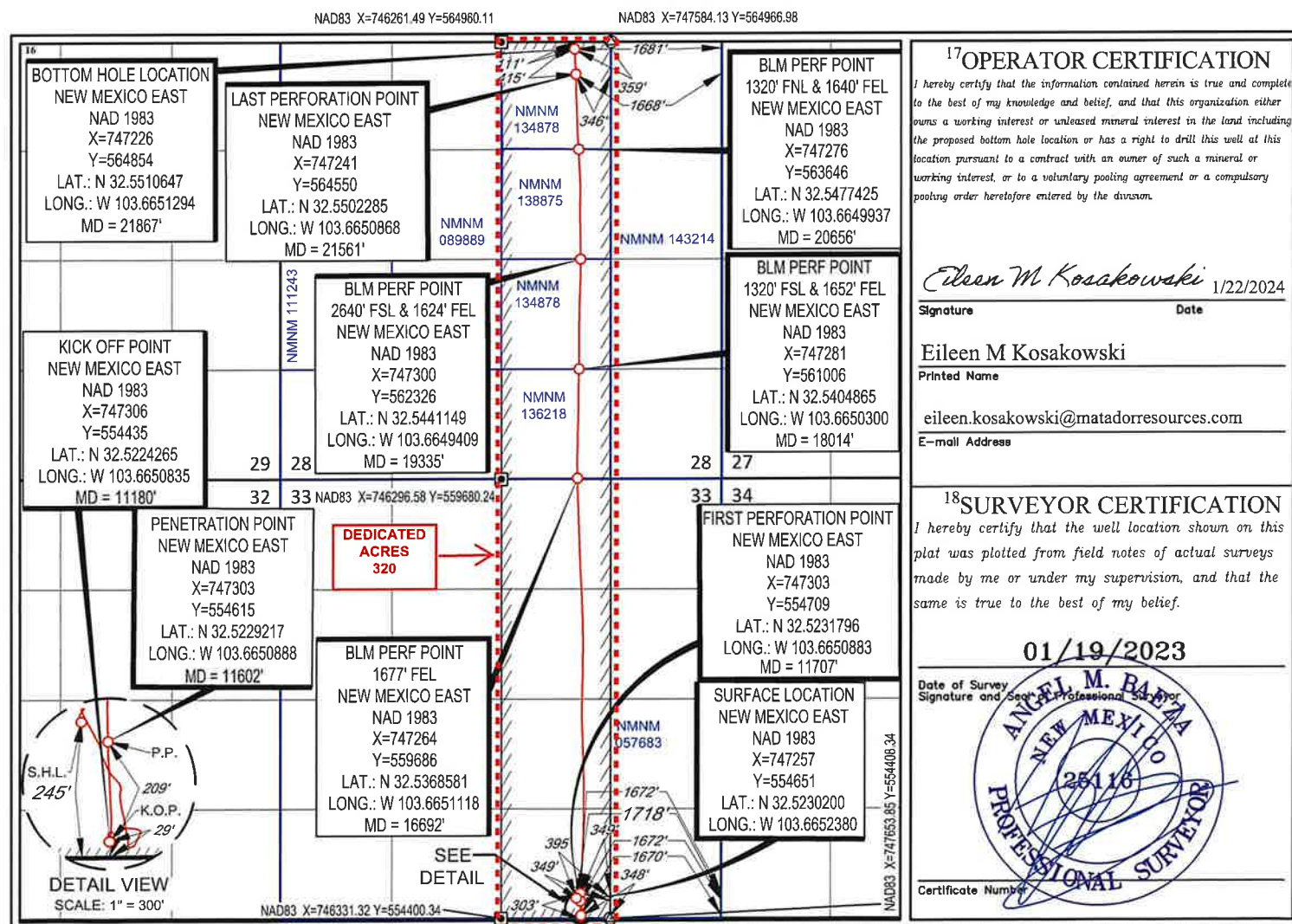
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	33	20-S	33-E	-	245'	SOUTH	1718'	EAST	LEA

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
B	28	20-S	33-E	-	111'	NORTH	1681'	EAST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st** day of **November, 2021**, 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:

W2W2 Sections 33 & 28 Township 20S, Range 33E, Lea County, New Mexico.

Containing **320.00** 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

EXHIBIT

5

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 there from 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 **November 1, 2021**, 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

CS

Signature of Authorized Agent

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

Date: 7/27/22

IE
pd

ACKNOWLEDGEMENT

STATE OF TEXAS)

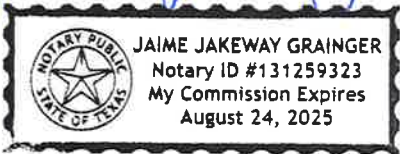
COUNTY OF DALLAS)

On this 27th day of JULY, 2022, 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)

8/24/2025
My Commission Expires

Jaime Jakeway Grainger
Notary Public



WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD

MRC Permian Company

By: CN

Craig N. Adams Executive Vice President
Print Name

Date: 7/27/22

IE
pdel

ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 27th day of JULY, 2022, 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)

8/24/2025
My Commission Expires

Jaime Jakeway Grainger
Notary Public

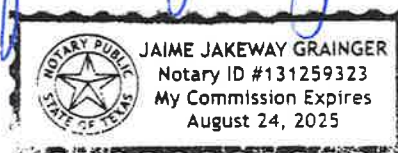


EXHIBIT "A"

Plat of communitized area covering **320.00** acres in W2W2 Sections 33 & 28 Township 20S,
Range 33E, Lea County, New Mexico.

Gavilon Federal Com #602H

<u>Tract 4</u> NMNM- 89889 80.00 Acres	Section 28
<u>Tract 3</u> NMNM- 111243 40.00 Acres	
<u>Tract 2</u> NMNM- 136218 40.00 Acres	
<u>Tract 1</u> NMNM- 57683 160 Acres	Section 33

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated November 1, 2021, embracing the following described land in the W2W2 of sections 33 and 28 of Township 20 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-57683

Description of Land Committed: Township 20 South, Range 33 East,
Section 33: W2W2

Number of Gross Acres: 160.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)
John Benedict (*Compulsory Pooled*)

Tract No. 2

Lease Serial Number: NMNM-136218

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: SW/4SW/4

Number of Gross Acres: 40.00

Current Lessee of Record: XTO Holdings LLC (*Compulsory Pooled*)

Name of Working Interest Owners: XTO Holdings LLC (*Compulsory Pooled*)

Tract No. 3

Lease Serial Number: NMNM-111243

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: NW/4SW/4

Number of Gross Acres: 40.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)

Tract No 4

Lease Serial Number: NMNM-89889

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: W2/NW/4

Number of Gross Acres: 80.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)
Camterra Resources Partners, Ltd (*Compulsory Pooled*)

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	50.00%
2	40.00	12.50%
3	40.00	12.50%
4	80.00	25.00%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of **November, 2021**, 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:

W2W2 Sections 33 & 28 Township 20S, Range 33E, Lea County, New Mexico.

Containing **320.00** acres, and this agreement shall include only the Wolfcamp 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 there from 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 **November 1, 2021**, 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: 7/27/22

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ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

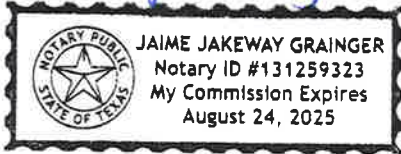
On this 27th day of JULY, 2022, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8/24/2025
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: _____

7/27/22

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ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 27th day of JULY, 2022, 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)

8/24/2025
My Commission Expires

Jaime Jakeway Grainger
Notary Public

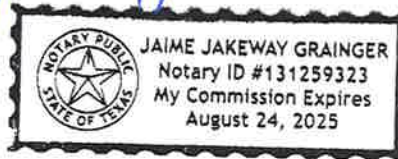


EXHIBIT "A"

Plat of communitized area covering **320.00** acres in W2W2 Sections 33 & 28 Township 20S,
Range 33E, Lea County, New Mexico.

Gavilon Federal Com #704H

<u>Tract 4</u> NMNM- 89889 80.00 Acres	Section 28
<u>Tract 3</u> NMNM- 111243 40.00 Acres	
<u>Tract 2</u> NMNM- 136218 40.00 Acres	
<u>Tract 1</u> NMNM- 57683 160 Acres	Section 33

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated November 1, 2021, embracing the following described land in the W2W2 of sections 33 and 28 of Township 20 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-57683

Description of Land Committed: Township 20 South, Range 33 East,
Section 33: W2W2

Number of Gross Acres: 160.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)
John Benedict (*Compulsory Pooled*)

Tract No. 2

Lease Serial Number: NMNM-136218

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: SW/4SW/4

Number of Gross Acres: 40.00

Current Lessee of Record: XTO Holdings LLC (*Compulsory Pooled*)

Name of Working Interest Owners: XTO Holdings LLC (*Compulsory Pooled*)

Tract No. 3

Lease Serial Number: NMNM-111243

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: NW/4SW/4

Number of Gross Acres: 40.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)

Tract No 4

Lease Serial Number: NMNM-89889

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: W2/NW/4

Number of Gross Acres: 80.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)
Camterra Resources Partners, Ltd (*Compulsory Pooled*)

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	50.00%
2	40.00	12.50%
3	40.00	12.50%
4	80.00	25.00%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of **November, 2021**, 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:

E2W2 Sections 33 & 28 Township 20S, Range 33E, Lea County, New Mexico.

Containing **320.00** 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 there from 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 **November 1, 2021**, 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: _____

7/27/22

ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 27th day of JULY, 2022, 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)

8/24/2025

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: 7/27/22

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ACKNOWLEDGEMENT


STATE OF TEXAS)

COUNTY OF DALLAS)

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(SEAL)

8/24/2025
My Commission Expires


Notary Public

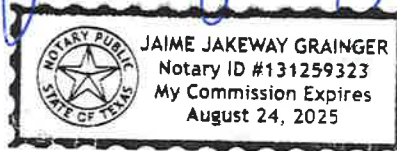


EXHIBIT "A"

Plat of communitized area covering **320.00** acres in E2W2 Sections 33 & 28 Township 20S,
Range 33E, Lea County, New Mexico.

Gavilon Federal Com #603H

	<u>Tract 3</u> NMNM- 89889 120.00 Acres	Section 28
	<u>Tract 2</u> NMNM- 136218 40.00 Acres	
	<u>Tract 1</u> NMNM- 57683 160 Acres	Section 33

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated November 1, 2021, embracing the following described land in the E2W2 of sections 33 and 28 of Township 20 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-57683

Description of Land Committed: Township 20 South, Range 33 East,
Section 33: E2W2

Number of Gross Acres: 160.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)
John Benedict (*Compulsory Pooled*)

Tract No. 2

Lease Serial Number: NMNM-136218

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: SE/4SW/4

Number of Gross Acres: 40.00

Current Lessee of Record: XTO Holdings LLC (*Compulsory Pooled*)

Name of Working Interest Owners: XTO Holdings LLC (*Compulsory Pooled*)

Tract No 3

Lease Serial Number: NMNM-89889

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: NE/4SW/4 & E2NW/4

Number of Gross Acres: 120.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)
Canterra Resources Partners, Ltd (*Compulsory Pooled*)

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	50.00%
2	40.00	12.50%
3	120.00	37.50%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of **November, 2021**, 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:

W2E2 Sections 33 & 28 Township 20S, Range 33E, Lea County, New Mexico.

Containing **320.00** 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 there from 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.

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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: 7/27/22

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ACKNOWLEDGEMENT

STATE OF TEXAS)

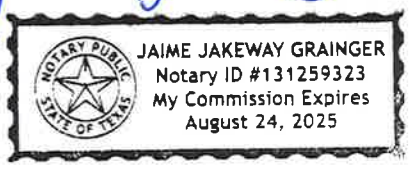
COUNTY OF DALLAS)

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(SEAL)

8/24/2025
My Commission Expires

Jaime Jakeway Grainger
Notary Public



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

MRC Permian Company

By: 

Craig N. Adams Executive Vice President
Print Name

Date: 7/27/22

IE
pdd

ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 27th day of JULY, 2022, 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)

8/24/2025
My Commission Expires


Notary Public

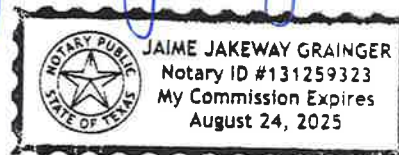


EXHIBIT "A"

Plat of communitized area covering **320.00** acres in W2E2 Sections 33 & 28 Township 20S,
Range 33E, Lea County, New Mexico.

Gavilon Federal Com #604H

Section 28	<u>Tract 3</u> NMNM- 134878 80.00 Acres	
	<u>Tract 4</u> NMNM- 138875 40.00 Acres	
	<u>Tract 3</u> NMNM- 134878 80.00 Acres	
	<u>Tract 2</u> NMNM- 136218 40.00 Acres	
Section 33	<u>Tract 1</u> NMNM- 57683 160 Acres	

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated November 1, 2021, embracing the following described land in the W2E2 of sections 33 and 28 of Township 20 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-57683

Description of Land Committed: Township 20 South, Range 33 East,
Section 33: W2E2

Number of Gross Acres: 160.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC (*Compulsory Pooled*)
John Benedict (*Compulsory Pooled*)

Tract No. 2

Lease Serial Number: NMNM-136218

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: SW/4SE/4

Number of Gross Acres: 40.00

Current Lessee of Record: XTO Holdings LLC (*Compulsory Pooled*)

Name of Working Interest Owners: XTO Holdings LLC (*Compulsory Pooled*)

Tract No 3

Lease Serial Number: NMNM-134878

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: NW/4SE/4 & NW/4NE4

Number of Gross Acres: 80.00

Current Lessee of Record: Marathon Oil Permian LLC *(Compulsory Pooled)*

Name of Working Interest Owners: Marathon Oil Permian LLC *(Compulsory Pooled)*

Tract No 4

Lease Serial Number: NMNM-138875

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: SW/4NE/4

Number of Gross Acres: 40.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC
(Compulsory Pooled)

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC
(Compulsory Pooled)

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	50.00%
2	40.00	12.50%
3	80.00	25.00%
4	40.00	12.50%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st** day of **November, 2021**, 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:

W2E2 Sections 33 & 28 Township 20S, Range 33E, Lea County, New Mexico.

Containing **320.00** acres, and this agreement shall include only the Wolfcamp 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 there from 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 **November 1, 2021**, 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

CR

Signature of Authorized Agent

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

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Date: 7/27/22

ACKNOWLEDGEMENT

STATE OF TEXAS)

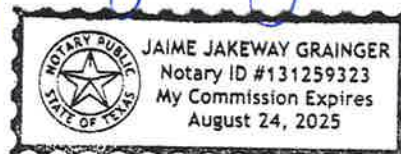
COUNTY OF DALLAS)

On this 27th day of JULY, 2022, 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)

8/24/2025
My Commission Expires

Jaime Jakeway Grainger
Notary Public



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

MRC Permian Company

By: 

Craig N. Adams Executive Vice President
Print Name

Date: 7/27/22

IE
Paul

ACKNOWLEDGEMENT


STATE OF TEXAS)

COUNTY OF DALLAS)

On this 27th day of JULY, 2022, 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)

8/24/2025
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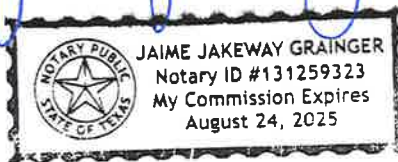


EXHIBIT "A"

Plat of communitized area covering **320.00** acres in W2E2 Sections 33 & 28 Township 20S,
Range 33E, Lea County, New Mexico.

Gavilon Federal Com #708H

Section 28	<u>Tract 3</u> NMNM- 134878 80.00 Acres	
	<u>Tract 4</u> NMNM- 138875 40.00 Acres	
	<u>Tract 3</u> NMNM- 134878 80.00 Acres	
	<u>Tract 2</u> NMNM- 136218 40.00 Acres	
Section 33	<u>Tract 1</u> NMNM- 57683 160 Acres	

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated November 1, 2021, embracing the following described land in the W2E2 of sections 33 and 28 of Township 20 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-57683

Description of Land Committed: Township 20 South, Range 33 East,
Section 33: W2E2

Number of Gross Acres: 160.00

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company
COG Operating, LLC *(Compulsory Pooled)*
John Benedict *(Compulsory Pooled)*

Tract No. 2

Lease Serial Number: NMNM-136218

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: SW/4SE/4

Number of Gross Acres: 40.00

Current Lessee of Record: XTO Holdings LLC *(Compulsory Pooled)*

Name of Working Interest Owners: XTO Holdings LLC *(Compulsory Pooled)*

Tract No 3

Lease Serial Number: NMNM-134878

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: NW/4SE/4 & NW/4NE4

Number of Gross Acres: 80.00

Current Lessee of Record: Marathon Oil Permian LLC (*Compulsory Pooled*)

Name of Working Interest Owners: Marathon Oil Permian LLC (*Compulsory Pooled*)

Tract No 4

Lease Serial Number: NMNM-138875

Description of Land Committed: Township 20 South, Range 33 East,
Section 28: SW/4NE/4

Number of Gross Acres: 40.00

Current Lessee of Record: Advance Energy Partners Hat Mesa, LLC
(*Compulsory Pooled*)

Name of Working Interest Owners: Advance Energy Partners Hat Mesa, LLC
(*Compulsory Pooled*)

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	50.00%
2	40.00	12.50%
3	80.00	25.00%
4	40.00	12.50%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the **1st** day of **April, 2024**, 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:

E2E2 Sections 28 & 33, Township 20 South, Range 33 East, Lea County, New Mexico.

Containing **320.00** 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 there from 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 **April 1, 2024**, 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: Bryan A. Erman E.V.P. and General Counsel and Head of M&A
Name & Title of Authorized Agent

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ____ day of _____, 2024, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A 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: _____

Bryan A. Erman E.V.P. and General Counsel and Head of M&A
Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ____ day of _____, 2024, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A 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

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of **Matador Production Company**, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____

Signature of office

Printed: Bryan A. Erman

TITLE: E.V.P. and General Counsel and Head of M&A

Phone number : (972) -371-5469

EXHIBIT “A”

Plat of communitized area covering **320.00** acres in **E2E2 Sections 28 & 33, Township 20 South, Range 33 East, Lea County, New Mexico.**

Gavilon Fed Com #104H

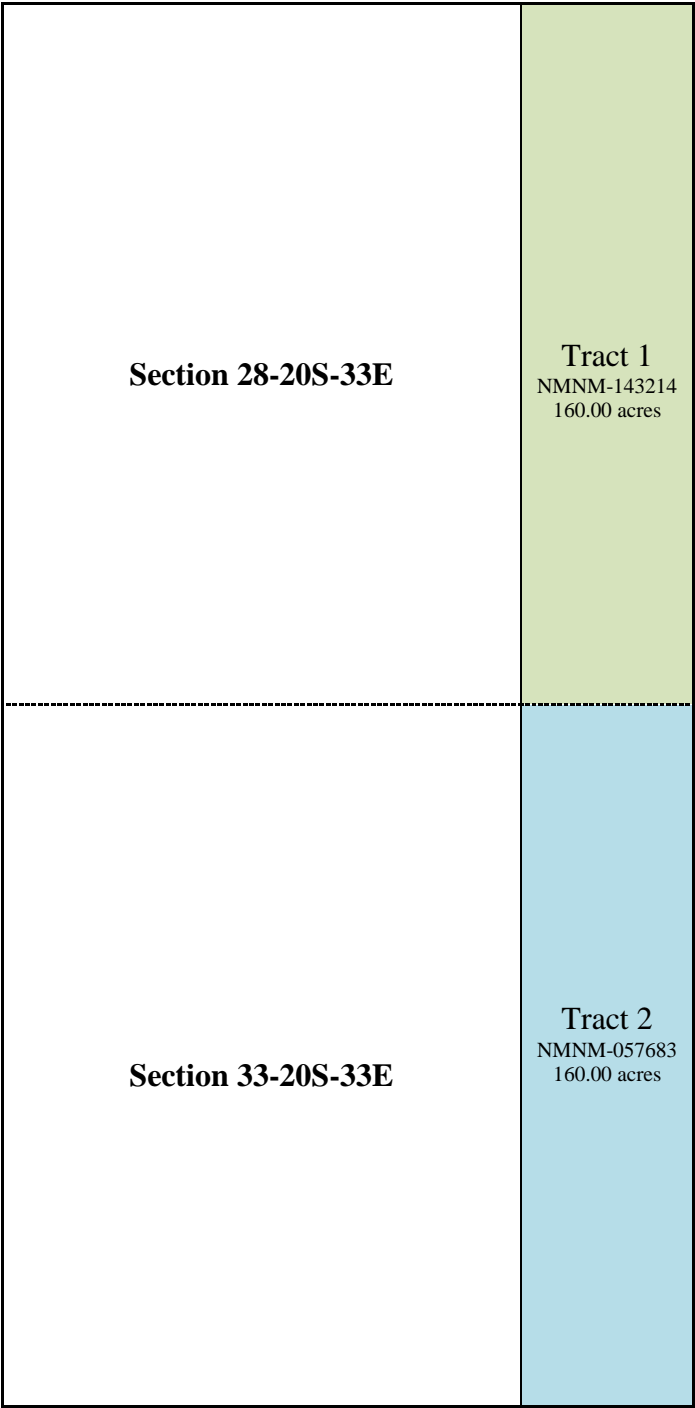


EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **April 1, 2024**, embracing the following described land in the **E2E2 Sections 28 & 33, Township 20 South, Range 33 East, Lea County, New Mexico.**

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-143214
Description of Land Committed: Township 20 South, Range 33 East,
Section 28: E2E2
Number of Acres: 160.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: NMNM-057683
Description of Land Committed: Township 20 South, Range 33 East,
Section 33: E2E2
Number of Acres: 160.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company
Chief Capital (O&G) II, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	160.00	50.00%
2	160.00	50.00%
Total	320.00	100.00%

MRC Permian Company	5400 LBJ Freeway Ste 1500	Dallas	TX	75240
XTO Holdings LLC	P O Box 840780	Dallas	TX	75284-0780
Camterra Resources Partners Ltd	2615 East End Blvd, South	Marshall	TX	75672-7425
Chief Capital (O&G) II, LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146
Office of Natural Resources	PO Box 25627	Denver	CO	80225-0627
Jetstream Royalty Partners LP	PO Box 471396	Fort Worth	TX	76147-1396
Good News Minerals LLC	PO Box 50820	Midland	TX	79710
LJA Charitable Investments LLC	1717 West Loop S Ste 1800	Houston	TX	77027-3049
Viper Energy Partners LLC	900 NW 63rd St Ste 200	Oklahoma City	OK	73116-7640
Post Oak Crown IV, LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531
Post Oak Crown IV-B, LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531
Post Oak Mavros II LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531
Sortida Resources LLC	PO Box 50820	Midland	TX	79710-0820
Oak Valley Mineral and Land LP	P. O. Box 50820	Midland	TX	79710
Crown Oil Partners LP	PO Box 50820	Midland	TX	79710
Collins & Jones Investments LLC	3824 Cedar Springs Rd #414	Dallas	TX	75219-4136
LMC Energy LLC	550 W Texas Ave, Ste 945	Midland	TX	79701-4233
H. Jason Wacker	5518 San Saba Ave	Midland	TX	79707-5065
David W. Cromwell	2008 Country Club Dr.	Midland	TX	79701
Mike Moylett	2506 Terrace Ave	Midland	TX	79705-7324
Kaleb Smith	2501 Lubbock Ave	Fort Worth	TX	76109-1447
Deane Durham	5101 FM 1148	Graham	TX	76450-5805
Cornerstone Family Trust	John Kyle Thoma Succ Trustee PO Box 558	Peyton	CO	80831-0558
RIMCO Royalty Partners	600 Travis, Ste 7050	Houston	TX	77002-3009
Janice Lynn Berke-Davis	4215 Austin Meadow Dr	Sugar Land	TX	77479-3037
Paul Matthew Muratta	15223 Park Estates Lane	Houston	TX	77062-3657
Lisa Carol Muratta	1314 Windleaf Drive	Shoreacres	TX	77571-7175
Lori Michelle Muratta	2108 Sunset Blvd	Houston	TX	77005-1528
1119 OIL & GAS, LLC	6500 West Freeway, Suite 222	Fort Worth	TX	76116

Prime Rock Resources ORRI Inc	203 W Wall St Suite 1000	Midland	TX	79701-4525
Stacy Anne O'Malley	3755 Maroneal St	Houston	TX	77025-1219
Advance Energy Partners	Hat Mesa LLC 11490 Westheimer Road Suite 950	Houston	TX	77077-6841
Zunis Energy LLC	15 E 5th St Ste 3300	Tulsa	OK	74103
James Adelson & Family 2015 Tr	Susannah D Adelson Trtee 15 E 5th St Ste 3300	Tulsa	OK	74103
AEPXCON Management LLC	2619 Robinhood St	Houston	TX	77005-2431
AEP EnCap HoldCo LLC	Attn: Carson Rollins, LLC PO Box 1105	Houston	TX	77251-1105
MRC Hat Mesa, LLC	5400 LBJ Freeway Ste 1500	Dallas	TX	75240
Pegasus Resources II LLC	P.O. Box 470698	Fort Worth	TX	76147
Double Cabin Minerals LLC	1515 Wynkoop St Ste 700	Denver	CO	80202-2062
Guard Income Fund LP	1550 Larimer St #505	Denver	CO	80202-1602
Foran Oil Company	5400 LBJ Freeway, Ste 1500	Dallas	TX	75240
PERFORMANCE OIL & GAS COMPANY	ONE LINCOLN CENTRE 5400 LBJ FREEWAY, SUITE 1500	DALLAS	TX	75240
XPLOR Resources LLC	1003 North Shore Drive	Carlsbad	NM	88220-4638
Hope Royalties LLC	P O Box 1326	Artesia	NM	88211
Prime Rock Royalties LLC	203 W. Wall St. Suite 1000	Midland	TX	79701
Avant Natural Resources LLC	1515 Wynkoop Street Ste 700	Denver	CO	80202-2062



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

June 5, 2024

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company to amend NMOCD Order PLC-849 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising Sections 28 and 33, Township 20 South, Range 33 East, NMPM, Lea 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**

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469402932	XTO Holdings LLC	PO Box 840780	Dallas	TX	75284-0780	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402611	Camterra Resources Partners Ltd	2615 E End Blvd S	Marshall	TX	75672-7425	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402666	Chief Capital O&G II, LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402604	Office of Natural Resources	PO Box 25627	Denver	CO	80225-0627	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402642	Jetstream Royalty Partners LP	PO Box 471396	Fort Worth	TX	76147-1396	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469402635	Good News Minerals LLC	PO Box 50820	Midland	TX	79710-0820	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402154	LJA Charitable Investments LLC	1717 West Loop S Ste 1800	Houston	TX	77027-3049	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402109	Viper Energy Partners LLC	900 NW 63rd St Ste 200	Oklahoma City	OK	73116-7640	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402147	Post Oak Crown IV, LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402130	Post Oak Crown IV-B, LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469402314	Post Oak Mavros II LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402369	Sortida Resources LLC	PO Box 50820	Midland	TX	79710-0820	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402307	Oak Valley Mineral and Land LP	PO Box 50820	Midland	TX	79710-0820	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402345	Crown Oil Partners LP	PO Box 50820	Midland	TX	79710-0820	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402338	Collins & Jones Investments LLC	3824 Cedar Springs Rd PMB 414	Dallas	TX	75219-4136	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469402376	LMC Energy LLC	550 W Texas Ave Ste 945	Midland	TX	79701-4233	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402055	H. Jason Wacker	5518 San Saba Ave	Midland	TX	79707-5065	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402024	David W. Cromwell	2008 Country Club Dr	Midland	TX	79701-5719	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402093	Mike Moylett	2506 Terrace Ave	Midland	TX	79705-7324	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402086	Kaleb Smith	2501 Lubbock Ave	Fort Worth	TX	76109-1447	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469402079	Deane Durham	5101 Fm 1148	Graham	TX	76450-5805	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402451	Cornerstone Family Trust John Kyle Thoma Succ Trustee	PO Box 558	Peyton	CO	80831-0558	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402420	RIMCO Royalty Partners	600 Travis St Ste 7050	Houston	TX	77002-3009	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402499	Janice Lynn Berke-Davis	4215 Austin Meadow Dr	Sugar Land	TX	77479-3037	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402437	Paul Matthew Muratta	15223 Park Estates Ln	Houston	TX	77062-3657	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469402512	Lisa Carol Muratta	1314 Windleaf Dr	Shoreacres	TX	77571-7175	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402550	Lori Michelle Muratta	2108 Sunset Blvd	Houston	TX	77005-1528	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402567	1119 OIL & GAS, LLC	6500 West Fwy Ste 222	Fort Worth	TX	76116-2116	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402529	Prime Rock Resources ORRI Inc	203 W Wall St Ste 1000	Midland	TX	79701-4525	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402505	Stacy Anne OMalley	3755 Maroneal St	Houston	TX	77025-1219	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469402598	Advance Energy Partners Hat Mesa LLC	11490 Westheimer Rd Ste 950	Houston	TX	77077-6841	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402543	Zunis Energy LLC	15 E 5th St Ste 3300	Tulsa	OK	74103-4340	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402581	James Adelson & Family 2015 Tr	15 E 5th St Ste 3300 Susannah D Adelson Trtee	Tulsa	OK	74103-4340	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402536	AEPXCON Management LLC	2619 Robinhood St	Houston	TX	77005-2431	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469402574	Aep Encap Holdco LLC Attn Carson Rollins, LLC	PO Box 1105	Houston	TX	77251-1105	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469400211	MRC Hat Mesa, LLC	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400259	Pegasus Resources II LLC	PO Box 470698	Fort Worth	TX	76147-0698	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400266	Double Cabin Minerals LLC	1515 Wynkoop St Ste 700	Denver	CO	80202-2062	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400228	Guard Income Fund LP	1550 Larimer St Unit 505	Denver	CO	80202-1602	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400204	Foran Oil Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469400297	PERFORMANCE OIL & GAS COMPANY	5400 Lbj Fwy Ste 1500 One Lincoln Centre	Dallas	TX	75240-1017	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400242	XPLOR Resources LLC	1003 North Shore Dr	Carlsbad	NM	88220-4635	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400280	Hope Royalties LLC	PO Box 1326	Artesia	NM	88211-1326	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400235	Prime Rock Royalties LLC	203 W Wall St Ste 1000	Midland	TX	79701-4525	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765469400815	Avant Natural Resources LLC	1515 Wynkoop St Ste 700	Denver	CO	80202-2062	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Gavilon Commingling
Postal Delivery Report

9414811898765469400860	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
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From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Paula M. Vance](#)
Cc: [McClure, Dean, EMNRD](#); [Lowe, Leonard, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle O](#); [Walls, Christopher](#)
Subject: Approved Administrative Order PLC-849-A
Date: Friday, September 6, 2024 5:00:12 PM
Attachments: [PLC849A Order.pdf](#)

NMOCD has issued Administrative Order PLC-849-A 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
30-025-46586	Gavilon Federal Com #602H	W/2 W/2	28-20S-33E	30213
		W/2 W/2	33-20S-33E	
30-025-48629	Gavilon Federal Com #306H	W/2 W/2	28-20S-33E	30213
		W/2 W/2	33-20S-33E	
30-025-48527	Gavilon Federal Com #706H	W/2 W/2	28-20S-33E	30213
		W/2 W/2	33-20S-33E	
30-025-46588	Gavilon Federal Com #704H	W/2 W/2	28-20S-33E	96438
		W/2 W/2	33-20S-33E	
30-025-47862	Gavilon Federal Com #603H	E/2 W/2	28-20S-33E	30213
		E/2 W/2	33-20S-33E	
30-025-48867	Gavilon Federal Com #305H	E/2 W/2	28-20S-33E	30213
		E/2 W/2	33-20S-33E	
30-025-47860	Gavilon Federal Com #505H	E/2 W/2	28-20S-33E	30213
		E/2 W/2	33-20S-33E	
30-025-50167	Gavilon Federal Com #604H	W/2 E/2	28-20S-33E	30213
		W/2 E/2	33-20S-33E	
30-025-47857	Gavilon Federal Com #403H	W/2 E/2	28-20S-33E	30213
		W/2 E/2	33-20S-33E	
30-025-47858	Gavilon Federal Com #501H	W/2 E/2	28-20S-33E	30213
		W/2 E/2	33-20S-33E	
30-025-47863	Gavilon Federal Com #708H	W/2 E/2	28-20S-33E	96438
		W/2 E/2	33-20S-33E	
30-025-52667	Gavilon Federal Com #104H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	
30-025-52668	Gavilon Federal Com #114H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	
30-025-52669	Gavilon Federal Com #124H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	
30-025-52670	Gavilon Federal Com #134H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	

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

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
June 07, 2024
and ending with the issue dated
June 07, 2024.



Publisher

Sworn and subscribed to before me this
7th day of June 2024.



Business Manager

My commission expires

January 29, 2027

(Seal)

NOTARY PUBLIC

GUSSIE RUTH BLACK

COMMISSION # 1087526

COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL

LEGAL

LEGAL

LEGAL

LEGAL NOTICE

June 7, 2024

Legal Notice (Publication)

To: All affected parties, including: XTO Holdings LLC; Camterra Resources Partners Ltd; Chief Capital (O&G) II, LLC; Bureau of Land Management; Jetstream Royalty Partners LP; Good News Minerals LLC; LJA Charitable Investments LLC; Viper Energy Partners LLC; Post Oak Crown IV, LLC; Post Oak Crown IV-B, LLC; Post Oak Mavros II LLC; Sortida Resources LLC; Oak Valley Mineral and Land LP; Crown Oil Partners LP; Collins & Jones Investments LLC; LMC Energy LLC; H. Jason Wacker, his heirs and devisees; David W. Cromwell, his heirs and devisees; Mike Moylett, his heirs and devisees; Kaleb Smith, his heirs and devisees; Deane Durham, his heirs and devisees; Cornerstone Family Trust; RIMCO Royalty Partners; Janice Lynn Berke-Davis, her heirs and devisees; Paul Matthew Muratta, his heirs and devisees; Lisa Carol Muratta, her heirs and devisees; Lori Michelle Muratta, her heirs and devisees; 1119 OIL & GAS, LLC; Prime Rock Resources ORRI Inc; Stacy Anne O'Malley, her heirs and devisees; Advance Energy Partners; Zunis Energy LLC; James Adelson & Family 2015 Tr; AEPXCON Management LLC; AEP EnCap HoldCo LLC; MRC Hat Mesa, LLC; Pegasus Resources II LLC; Double Cabin Minerals LLC; Guard Income Fund LP; Foran Oil Company; PERFORMANCE OIL & GAS COMPANY; XPLORE Resources LLC; Hope Royalties LLC; Prime Rock Royalties LLC; and Avant Natural Resources LLC.

Application of Matador Production Company to amend NMOCD Order PLC-849 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising Sections 28 and 33, Township 20 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-849 ("Order PLC-849"). Order PLC-849 authorizes pool and lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the **Gavilon Tank Battery** of production from all existing and future wells drilled in the following spacing units:

- (a) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 28 and 33 in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #602H** (API No. 30-025-46586);
- (b) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 28 and 33, in the Hat Mesa; Wolfcamp [96438] – currently dedicated to the **Gavilon Fed Com #704H** (API No. 30-025-46588);
- (c) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #603H** (API No. 30-025-47862);
- (d) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #604H** (API No. 30-025-50167);
- (e) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 28 and 33, in the Hat Mesa; Wolfcamp [96438] – currently dedicated to the **Gavilon Fed Com #708H** (API No. 30-025-47863); and
- (f) Pursuant to 19.15.12.10.C(4)(g), future leases, pools, or leases and pools connected to the **Gavilon Tank Battery** with notice provided only to the owners of interests to be added.

Pursuant to 19.15.12.7, Matador seeks to amend the terms of Order PLC-849 to add to the terms of the order the production from the following infill wells:

- (a) The **Gavilon Fed Com #306H** (API No. 30-025-48629) and **Gavilon Fed Com #706H** (API No. 30-025-48527) in the W/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213];
- (b) The **Gavilon Fed Com #305H** (API No. 30-025-48867) and **Gavilon Fed Com 505H** (API No. 30-025-47860) in the E/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213]; and
- (c) The **Gavilon Fed Com #403H** (API No. 30-025-47857) and **Gavilon Fed Com 501H** (API No. 30-025-47858) in the E/2 W/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213].

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order PLC-849 to add to the terms of the order the production from all existing and future infill wells drilled in the following spacing units:

- (a) The 320-acre spacing unit comprised of the E/2 E/2 of Sections 28 and 33, in the Hat Mesa; Bone Spring [30213] – currently dedicated to the **Gavilon Fed Com #104H** (API No. 30-025-52667), **Gavilon Fed Com #114H** (API No. 30-025-52668), **Gavilon Fed Com #124H** (API No. 30-025-52669), and **Gavilon Fed Com #134H** (API No. 30-025-52670).

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.
#00291092

67100754

00291092

HOLLAND & HART LLC
110 N GUADALUPE ST., STE. 1
SANTA FE, NM 87501

**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-849-A**

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 as described 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. 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 as described 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 ("CA Pooled Area"), as described in Exhibit A.

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 as described in Exhibit A.

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

2. This Order supersedes Order PLC-849.
3. For each CA Pooled Area described in Exhibit A, 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 CA 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 the formation or dedicated lands are modified or if a modification is made that will affect this Order. 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 CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the CA 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 as described 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 as described 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**



**GERASIMOS RAZATOS
DIRECTOR (ACTING)**

DATE: 9/6/2024

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-849-A

Operator: Matador Production Company (228937)

Central Tank Battery: Gavilon Tank Battery

Central Tank Battery Location: UL N, Section 33, Township 20 South, Range 33 East

Gas Title Transfer Meter Location: UL N, Section 33, Township 20 South, Range 33 East

Pools

Pool Name	Pool Code
HAT MESA; BONE SPRING	30213
HAT MESA; WOLFCAMP	96438

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
PROPOSED CA Bone Spring NMNM 105793440	W/2 W/2	28-20S-33E
	W/2 W/2	33-20S-33E
PROPOSED CA Wolfcamp NMNM 105793441	W/2 W/2	28-20S-33E
	W/2 W/2	33-20S-33E
PROPOSED CA Bone Spring NMNM 105793439	E/2 W/2	28-20S-33E
	E/2 W/2	33-20S-33E
PROPOSED CA Bone Spring NMNM 105793324	W/2 E/2	28-20S-33E
	W/2 E/2	33-20S-33E
PROPOSED CA Wolfcamp NMNM 105793381	W/2 E/2	28-20S-33E
	W/2 E/2	33-20S-33E
PROPOSED CA Bone Spring NMNM 106371856	E/2 E/2	28-20S-33E
	E/2 E/2	33-20S-33E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-46586	Gavilon Federal Com #602H	W/2 W/2	28-20S-33E	30213
		W/2 W/2	33-20S-33E	
30-025-48629	Gavilon Federal Com #306H	W/2 W/2	28-20S-33E	30213
		W/2 W/2	33-20S-33E	
30-025-48527	Gavilon Federal Com #706H	W/2 W/2	28-20S-33E	30213
		W/2 W/2	33-20S-33E	
30-025-46588	Gavilon Federal Com #704H	W/2 W/2	28-20S-33E	96438
		W/2 W/2	33-20S-33E	
30-025-47862	Gavilon Federal Com #603H	E/2 W/2	28-20S-33E	30213
		E/2 W/2	33-20S-33E	
30-025-48867	Gavilon Federal Com #305H	E/2 W/2	28-20S-33E	30213
		E/2 W/2	33-20S-33E	
30-025-47860	Gavilon Federal Com #505H	E/2 W/2	28-20S-33E	30213
		E/2 W/2	33-20S-33E	
30-025-50167	Gavilon Federal Com #604H	W/2 E/2	28-20S-33E	30213
		W/2 E/2	33-20S-33E	

30-025-47857	Gavilon Federal Com #403H	W/2 E/2	28-20S-33E	30213
		W/2 E/2	33-20S-33E	
30-025-47858	Gavilon Federal Com #501H	W/2 E/2	28-20S-33E	30213
		W/2 E/2	33-20S-33E	
30-025-47863	Gavilon Federal Com #708H	W/2 E/2	28-20S-33E	96438
		W/2 E/2	33-20S-33E	
30-025-52667	Gavilon Federal Com #104H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	
30-025-52668	Gavilon Federal Com #114H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	
30-025-52669	Gavilon Federal Com #124H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	
30-025-52670	Gavilon Federal Com #134H	E/2 E/2	28-20S-33E	30213
		E/2 E/2	33-20S-33E	

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 352195

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 352195
	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.	9/6/2024