

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

*Parkville*

Phone Number

Signature

e-mail Address



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

August 21, 2024

**VIA ONLINE FILING**

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

**Re: Application of Matador Production Company to amend NMOCDD Order PLC-619 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units underlying the E/2 of Sections 7 and 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands")**

Dear Mr. Razatos:

Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-619 ("Order PLC-619"), attached as **Exhibit 1<sup>1,2</sup>**. Order PLC-619 authorizes pool and lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the **Biggers Fed West Tank Battery** ("TB") of production from *all existing and future wells drilled in the following spacing units*:

(a) The 160-acre spacing unit comprised of the W/2 E/2 of Section 18, in the WC-025 G-09 S243532M; Wolfbone [98098] – currently dedicated to the **Biggers Fed Com #217H** (API No. 30-025-44646) and **Biggers Fed Com #203H** (API No. 30-025-44645);

(b) The 160-acre spacing unit comprised of the E/2 E/2 of Section 18, in the WC-025 G-09 S243532M; Wolfbone [98098] – currently dedicated to the **Biggers Fed Com #214H** (API No. 30-025-44483); and

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

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order PLC-619 to add

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<sup>1</sup> The Biggers Federal Com 24H (API: 30-025-44480) was approved for commingling under the order, but was canceled.

<sup>2</sup> The original order includes the Dogie Draw; Delaware pool [97779] and Dogie Draw; Wolfcamp pool [17980]; however, the wells under the order were subsequently dedicated to the WC-025 G-09 S243532M; Wolfbone pool [98098].



**Paula M. Vance**  
**Associate**  
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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 7 and 18, in the WC-025 G-08 S253534O; Bone Spring [97088] – currently dedicated to the **Biggers Fed Com #114H** (API No. 30-025-52859) and **Biggers Fed Com #124H** (API No. 30-025-52861); and

(b) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 7 and 18, in the WC-025 G-08 S253534O; Bone Spring [97088] – currently dedicated to the **Biggers Fed Com #113H** (API No. 30-025-52858) and **Biggers Fed Com #123H** (API No. 30-025-52860).

Oil and gas production from these spacing units will be commingled and sold at the **Biggers Fed West Tank Battery** located in the SW/4 SE/4 (Units O) of Section 18. 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, the tank battery ("Facility Pad") in the subject area. The plat also identifies the wellbores (including surface/bottomhole locations) and lease/spacing unit boundaries.

**Exhibit 3** is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Oscar Gonzalez, Production Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement) and an example gas analysis (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.

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 5** 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



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

questions or require additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance".

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Paula M. Vance  
ATTORNEY FOR MATADOR PRODUCTION  
COMPANY

State of New Mexico  
Energy, Minerals and Natural Resources Department

EXHIBIT

1

Michelle Lujan Grisham  
Governor

Sarah Cottrell Propst  
Cabinet Secretary

Todd E. Leahy, JD, PhD  
Deputy Secretary

Adrienne Sandoval, Director  
Oil Conservation Division



November 18, 2019

**POOL/LEASE COMMINGLING**

**Administrative Order PLC-619**

Matador Production Company  
Attention: Ben Peterson  
5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240

Pursuant to your application received on October 18, 2019, Matador Production Company ("Operator") is hereby authorized to surface commingle oil and gas production and off-lease measure from the pools, wells, and associated leases identified in Exhibit A and incorporated by reference into this Order. The wells are located in Section 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

Production from the wells shall be determined as follows:

The oil and gas production from each well shall flow into its own dedicated three-phase separator. The production stream shall be separated into three independent streams and each stream shall be measured individually before commingling. Additional gas gathered from process equipment after commingling shall be measured and allocated to each well based on the individual well's production.

The commingled oil production from the wells shall be measured by a lease automatic custody transfer ("LACT") meter and sold at the respective central tank battery ("CTB") described in Exhibit A.

The commingled gas production from the wells shall be measured at the CTB using a custody transfer meter except when the gas pipeline is experiencing problems at which time the commingled gas production from the wells shall be measured using the appropriate meters.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

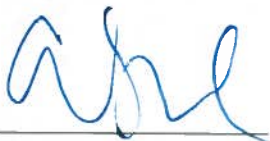
Operator may add subsequently drilled wells that produce from the approved pools within the project areas by submitting a Sundry Notice C-103 to the Engineering Bureau in Santa Fe.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This approval is subject to like approval from the Bureau of Land Management before commencing commingling operations.

Operator shall notify the Hobbs District Office before commingling oil and gas production.

Operator shall comply with all Division Rules and Regulations.



Adrienne Sandoval  
Director

AS/dm

cc:   OCD – Engineering Bureau  
      OCD – Hobbs District Office  
      Bureau of Land Management

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Exhibit A**

Administrative Order: **PLC-619**

Date: **11/18/19**

Operator: **Matador Production Company**

Central Tank Battery: **Biggers Fed West Tank Battery**

Central Tank Battery Location: **Section 18, Township 25 South, Range 35 East**

**Pools**

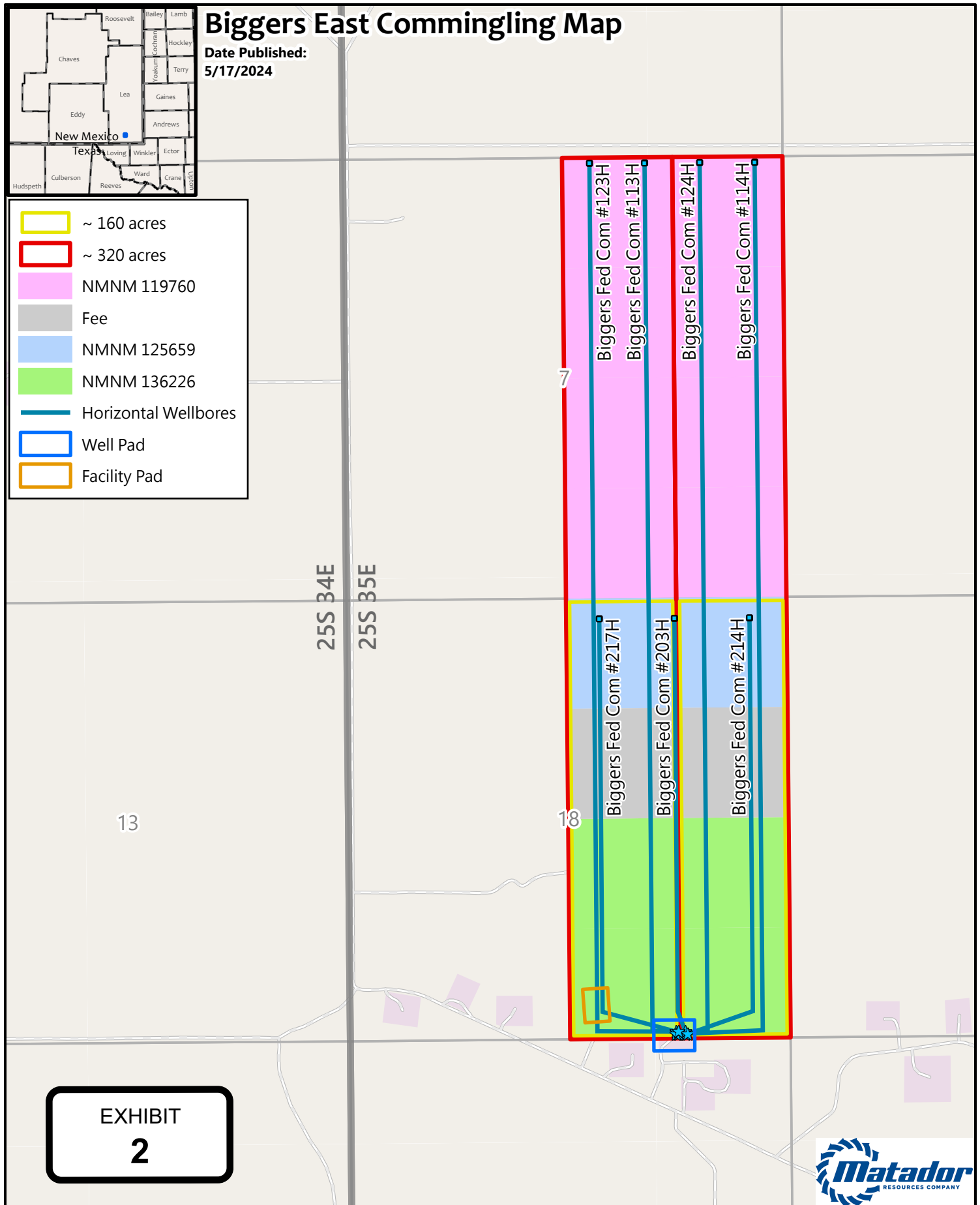
Pool Name	Pool Code	Pool Name	Pool Code
<b>DOGIE DRAW; DELAWARE</b>	<b>97779</b>		
<b>DOGIE DRAW; WOLFCAMP</b>	<b>17980</b>		

**Leases**

**NMNM 125659**  
**NMNM 136226**  
**(Fee) S/2 NE Sec18-T25S-R35E**

**Wells**

Well API	Well Name	Pool Code	Location	Train
<b>30-025-44480</b>	<b>Biggers Federal Com 024H</b>	<b>97779</b>	<b>Sec18-T25S-R35E</b>	
<b>30-025-44645</b>	<b>Biggers Federal Com 203H</b>	<b>17980</b>	<b>Sec18-T25S-R35E</b>	
<b>30-025-44483</b>	<b>Biggers Federal Com 214H</b>	<b>17980</b>	<b>Sec18-T25S-R35E</b>	
<b>30-025-44646</b>	<b>Biggers Federal Com 217H</b>	<b>17980</b>	<b>Sec18-T25S-R35E</b>	



**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: amercio.gamarras

Date: May 17, 2024

Project: \\gis\UserData\agamarras\temp\20240319 Biggers Commingling Map\Biggers Commingling Map.aprx

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

Sources: IHS; ESRI; 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

EXHIBIT  
3

Form C-107-B  
dated 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 I 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-619  
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
WC-025 G-08 S253534O; BONE SPRING [97088]	40.56 °	41.99° oil 1,182 BTU/CF	\$68.88/bbl oil Deemed 40°/Sweet (Jul '23 realized price)	3,200 bopd
WC-025 G-08 S253534O; BONE SPRING [97088]	1163 BTU/CF			4,800 mcf
WC-025 G-09 S243532M; WOLFBONE [98098]	50.60 °		\$2.15/mcf (Jul '23 realized price)	500 bopd
WC-025 G-09 S243532M; WOLFBONE [98098]	1384 BTU/CF			800 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.

SIGNATURE: Oscar Gonzalez

TITLE: Production Engineer

DATE: 05/21/2024

TYPE OR PRINT NAME Oscar Gonzalez

TELEPHONE NO.: (972) 629-2147

E-MAIL ADDRESS: ogonzalez@matadorresources.com

# Matador Production Company

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

Voice 972.371.5427 • Fax 972.371.5201

[ogonzalez@matadorresources.com](mailto:ogonzalez@matadorresources.com)

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Oscar Gonzalez  
Production Engineer

May 21, 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 amend NMOCD Order No. PLC-619 and to surface commingle (pool and lease) gas and oil production from the spacing units comprised of E/2 of Section 18 and E/2 of Section 07 of Township 25 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands").**

To Whom This May Concern,

Under NMOCD Order No. PLC-619, Matador Production Company ("Matador"), OGRID: 228937, was authorized to surface commingle production from the Wolfcamp formation in the E/2 of Section 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Pursuant to this application, Matador seeks to amend Order No. PLC-619 to add the authority to commingle production of additional wells in the Bone Spring formation in the E/2 of Section 18 and E/2 of Section 07, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico, as set forth below.

Specifically, Matador requests to surface commingle current and upcoming production from seven (7) 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 Northwind Midstream or Longwood Gathering line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in natural gas measurement. The gas samples are obtained at the time of the meter testing/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute (API) specifications to ensure accurate volume and Energy (MMBTU) determinations. See example from FESCO 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. Northwind Midstream or Longwood Gathering 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 "Oscar Gonzalez", with a stylized flourish at the end.

Oscar Gonzalez  
Production Engineer



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

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

**Sample:** Leslie Federal COM No. 113H  
First Stage Separator  
Spot Gas Sample @ 215 psig & 120 °F

Date Sampled: 12/09/2022

Job Number: 223615.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	0.240	
Nitrogen	1.533	
Carbon Dioxide	10.451	
Methane	71.449	
Ethane	7.917	2.168
Propane	3.972	1.120
Isobutane	0.821	0.275
n-Butane	1.530	0.494
2-2 Dimethylpropane	0.004	0.002
Isopentane	0.589	0.221
n-Pentane	0.458	0.170
Hexanes	0.414	0.175
Heptanes Plus	<u>0.622</u>	<u>0.256</u>
Totals	100.000	4.880

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity ----- 3.391 (Air=1)  
Molecular Weight ----- 97.82  
Gross Heating Value ----- 5211 BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.825 (Air=1)  
Compressibility (Z) ----- 0.9960  
Molecular Weight ----- 23.80  
Gross Heating Value  
Dry Basis ----- 1163 BTU/CF  
Saturated Basis ----- 1144 BTU/CF

\*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)  
Results: 150.9 Gr/100 CF, 2400 PPMV or 0.240 Mol %

**EXHIBIT**  
**B**

Base Conditions: 15.025 PSI &amp; 60 Deg F

Sampled By: (16) R. Elizondo  
Analyst: RG  
Processor: RG  
Cylinder ID: T-2480

Certified: FESCO, Ltd. - Alice, Texas

Conan Pierce 361-661-7015

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**  
**TOTAL REPORT**

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	0.240		0.344
Nitrogen	1.533		1.805
Carbon Dioxide	10.451		19.329
Methane	71.449		48.173
Ethane	7.917	2.168	10.004
Propane	3.972	1.120	7.361
Isobutane	0.821	0.275	2.005
n-Butane	1.530	0.494	3.737
2,2 Dimethylpropane	0.004	0.002	0.012
Isopentane	0.589	0.221	1.786
n-Pentane	0.458	0.170	1.389
2,2 Dimethylbutane	0.007	0.003	0.025
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.043	0.018	0.156
2 Methylpentane	0.130	0.055	0.471
3 Methylpentane	0.086	0.036	0.311
n-Hexane	0.148	0.062	0.536
Methylcyclopentane	0.062	0.022	0.219
Benzene	0.031	0.009	0.102
Cyclohexane	0.082	0.029	0.290
2-Methylhexane	0.024	0.011	0.101
3-Methylhexane	0.027	0.013	0.114
2,2,4 Trimethylpentane	0.008	0.004	0.038
Other C7's	0.034	0.015	0.142
n-Heptane	0.043	0.020	0.181
Methylcyclohexane	0.073	0.030	0.301
Toluene	0.092	0.032	0.356
Other C8's	0.054	0.026	0.250
n-Octane	0.015	0.008	0.072
Ethylbenzene	0.008	0.003	0.036
M & P Xylenes	0.022	0.009	0.098
O-Xylene	0.005	0.002	0.022
Other C9's	0.022	0.011	0.117
n-Nonane	0.005	0.003	0.027
Other C10's	0.011	0.007	0.065
n-Decane	0.002	0.001	0.012
Undecanes (11)	<u>0.002</u>	<u>0.001</u>	<u>0.013</u>
Totals	100.000	4.880	100.000

Computed Real Characteristics of Total Sample

Specific Gravity ----- 0.825 (Air=1)

Compressibility (Z) ----- 0.9960

Molecular Weight ----- 23.80

Gross Heating Value

Dry Basis ----- 1163 BTU/CF

Saturated Basis ----- 1144 BTU/CF

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

**Sample:** Leslie Federal COM No. 113H  
 First Stage Separator  
 Spot Gas Sample @ 215 psig & 120 °F

Date Sampled: 12/09/2022

Job Number: 223615.001

**GLYCALC FORMAT**

<b>COMPONENT</b>	<b>MOL%</b>	<b>GPM</b>	<b>Wt %</b>
Carbon Dioxide	10.451		19.329
Hydrogen Sulfide	0.240		0.344
Nitrogen	1.533		1.805
Methane	71.449		48.173
Ethane	7.917	2.168	10.004
Propane	3.972	1.120	7.361
Isobutane	0.821	0.275	2.005
n-Butane	1.534	0.495	3.749
Isopentane	0.589	0.221	1.786
n-Pentane	0.458	0.170	1.389
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.148	0.062	0.536
Cyclohexane	0.082	0.029	0.290
Other C6's	0.266	0.112	0.963
Heptanes	0.190	0.082	0.757
Methylcyclohexane	0.073	0.030	0.301
2,2,4 Trimethylpentane	0.008	0.004	0.038
Benzene	0.031	0.009	0.102
Toluene	0.092	0.032	0.356
Ethylbenzene	0.008	0.003	0.036
Xylenes	0.027	0.011	0.120
Octanes Plus	<u>0.111</u>	<u>0.057</u>	<u>0.556</u>
Totals	100.000	4.880	100.000

**Real Characteristics Of Octanes Plus:**

Specific Gravity ----- 4.133 (Air=1)  
 Molecular Weight ----- 119.23  
 Gross Heating Value ----- 6295 BTU/CF

**Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.825 (Air=1)  
 Compressibility (Z) ----- 0.9960  
 Molecular Weight ----- 23.80  
 Gross Heating Value  
 Dry Basis ----- 1163 BTU/CF  
 Saturated Basis ----- 1144 BTU/CF



EXHIBIT

4

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

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  
OF CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-44646	<sup>2</sup> Pool Code 98098	<sup>3</sup> Pool Name WC-025 G-09 S243532M; Wolfbone
<sup>4</sup> Property Code 320789	<sup>5</sup> Property Name BIGGERS FED COM	<sup>6</sup> Well Number 217H
<sup>7</sup> OGRID No. 228937	<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY	<sup>9</sup> Elevation 3332'

<sup>10</sup>Surface Location

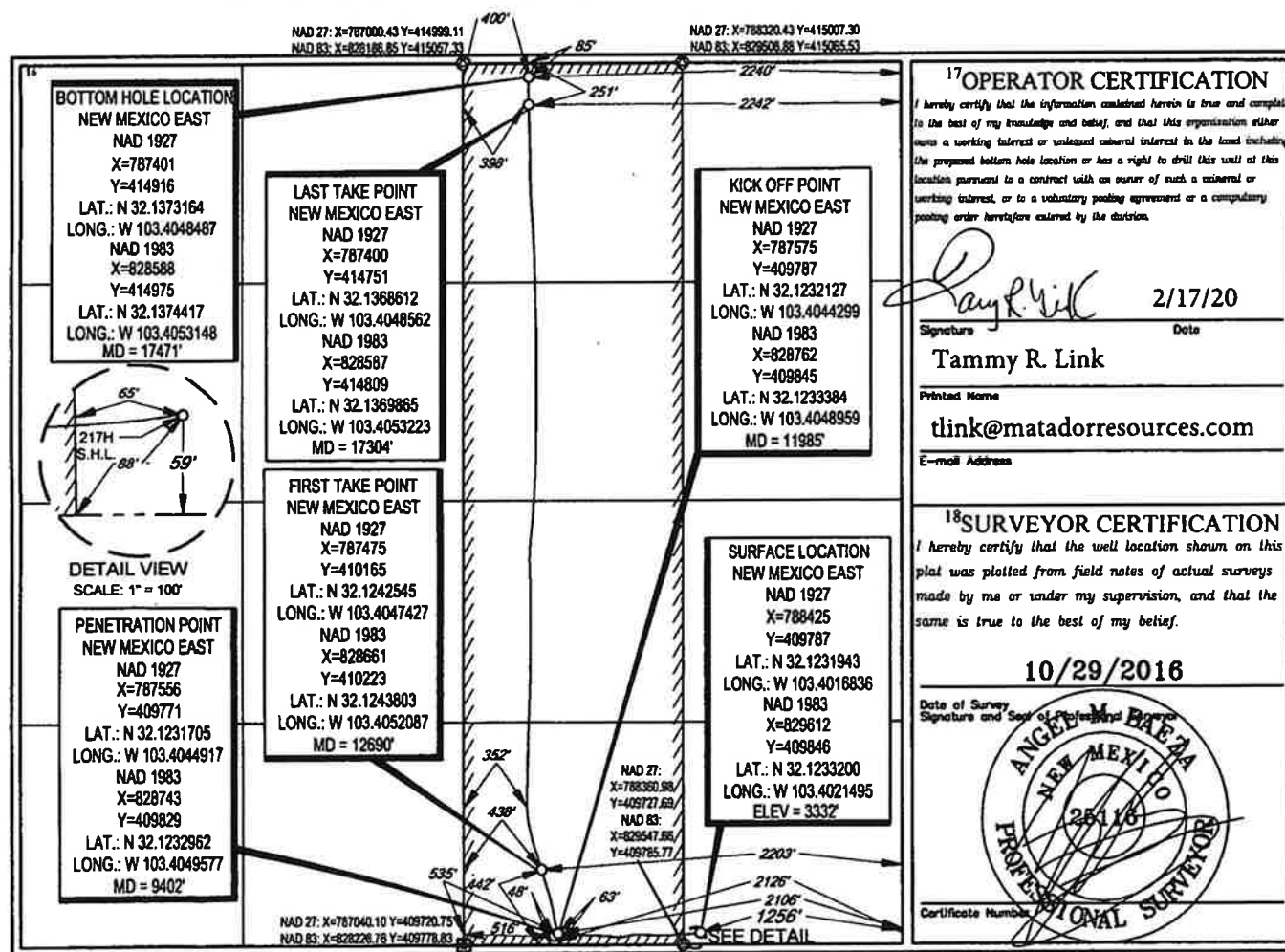
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	25-S	35-E	-	59'	SOUTH	1256'	EAST	LEA

<sup>11</sup>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
B	18	25-S	35-E	-	85'	NORTH	2240'	EAST	LEA

<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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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State of New Mexico  
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OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

FORM C-102

Revised August 1, 2011

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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-44483	<sup>2</sup> Pool Code 98098	<sup>3</sup> Pool Name WC-025 G-09 S243532M; Wolfbone
<sup>4</sup> Property Code 320789	<sup>5</sup> Property Name BIGGERS FED COM	<sup>6</sup> Well Number 214H
<sup>7</sup> GRID No. 228937	<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY	<sup>9</sup> Elevation 3333'

<sup>10</sup>Surface Location

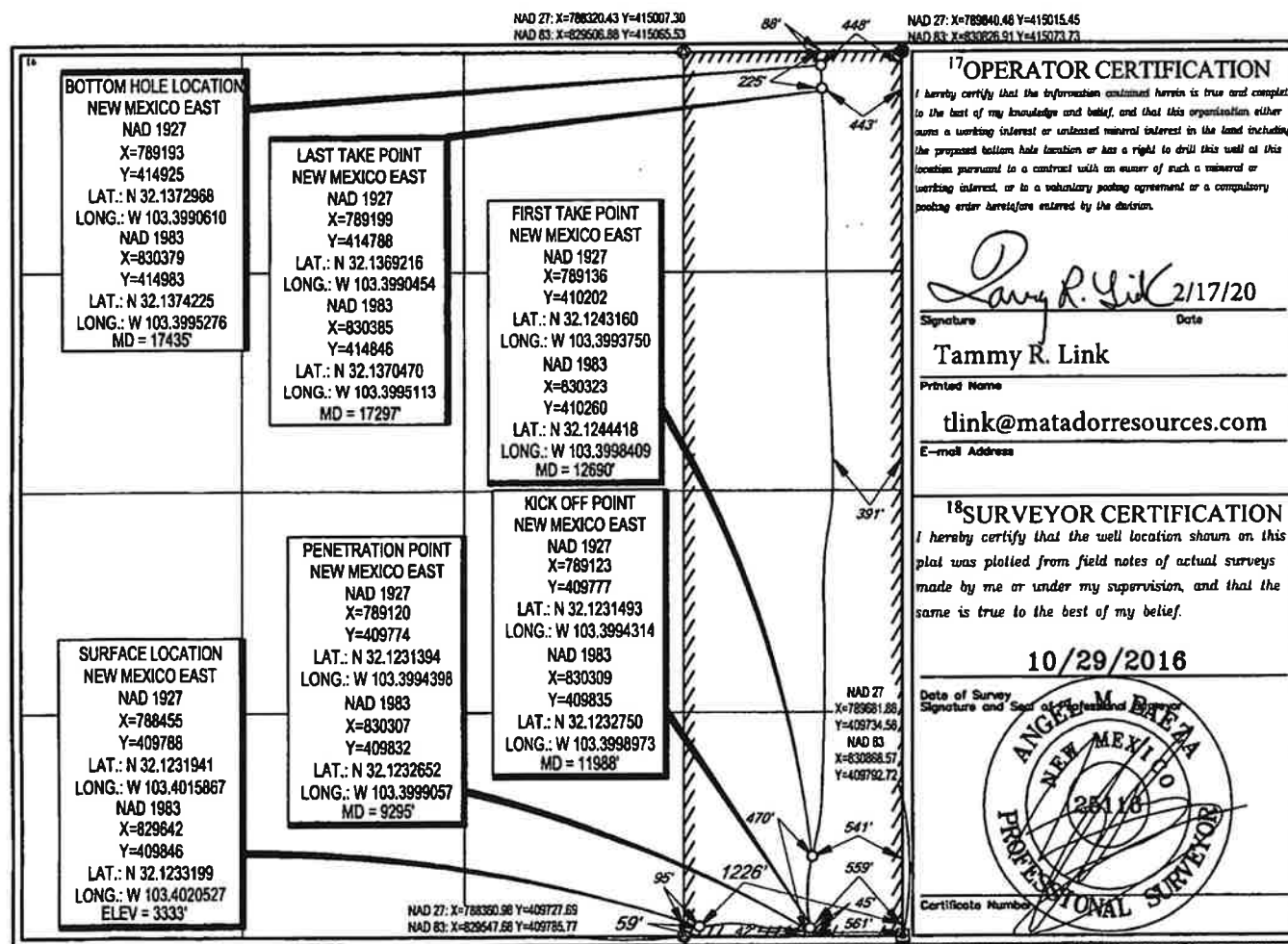
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	18	25-S	35-E	-	59'	SOUTH	1226'	EAST	LEA

<sup>11</sup>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	18	25-S	35-E	-	88'	NORTH	448'	EAST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
160			

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.

<sup>17</sup>OPERATOR CERTIFICATION

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

*Tammy R. Link* 2/17/20  
Signature Date

Tammy R. Link  
Printed Name

mlink@matadorresources.com  
E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

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

10/29/2016  
Date of Survey

Signature and Seal of Professional Surveyor

ANGEL M. DIAZ  
NEW MEXICO  
PROFESSIONAL SURVEYOR  
25116

Certificate Number

S:\SURVEY\MATADOR\_RESOURCES\BIGGERS\_18-25S-35E\FINAL\_PRODUCTS\AD\_BIGGERS\_FED\_COM\_214H\_REV1.DWG 2/13/2020 9:08:47 AM jrichardson

District I  
1625 N. French Dr., Hobbs, NM 88240  
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State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
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**HOBBS OCD**

DEC 23 2019

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FORM C-102  
Revised August 1, 2011  
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**WELL LOCATION AND ACREAGE DEDICATION PLAT**

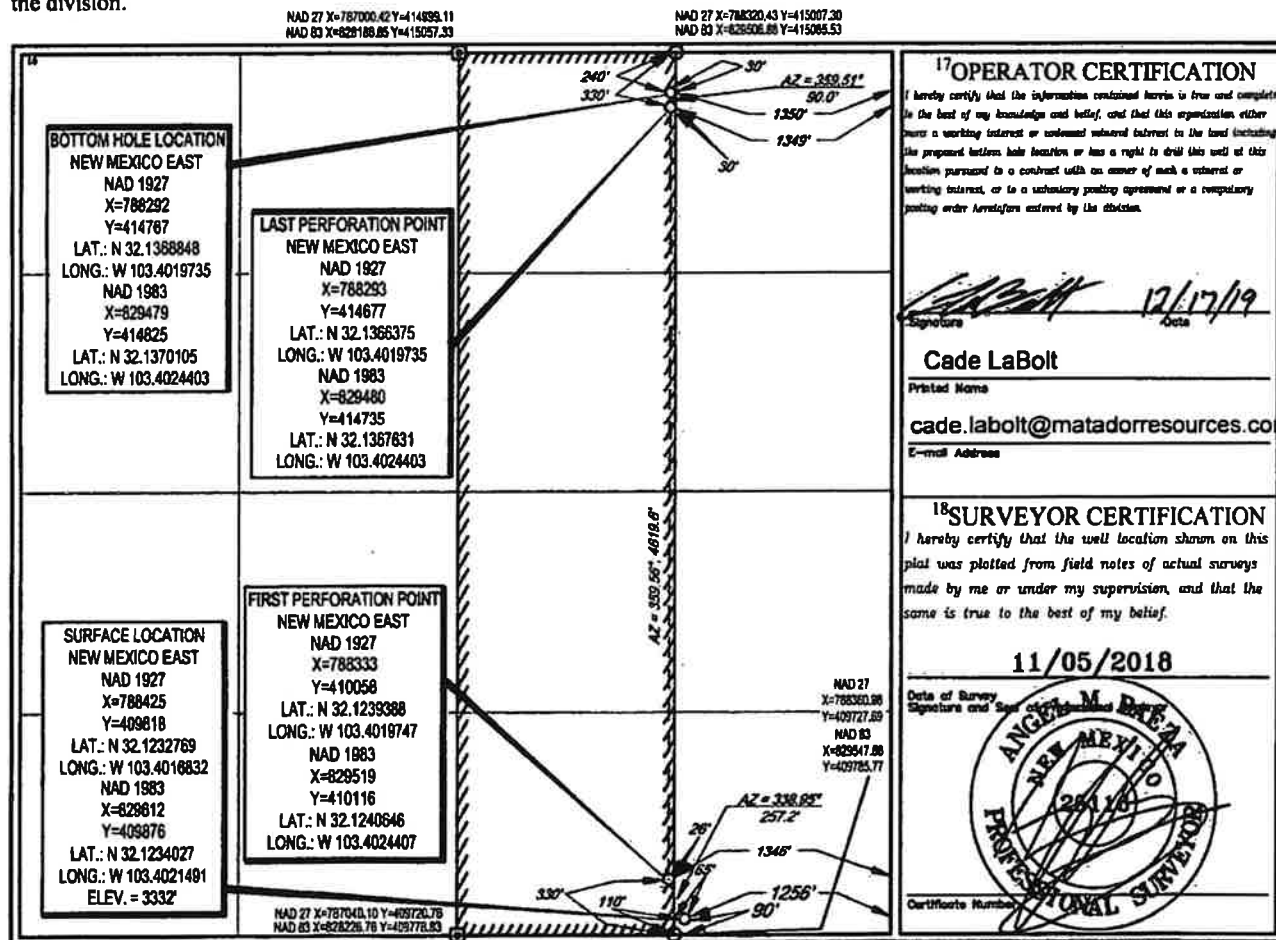
<sup>1</sup> API Number <b>30-025-44645</b>	<sup>2</sup> Pool Code <b>17080</b>	<sup>3</sup> Pool Name <b>WC-025 G-09 S243532M;WOLFBONE</b>
<sup>4</sup> Property Code <b>320789</b>	<sup>5</sup> Property Name <b>BIGGERS FED COM</b>	<sup>6</sup> Well Number <b>#203H</b>
<sup>7</sup> GRID No. <b>228937</b>	<sup>8</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>	<sup>9</sup> Elevation <b>3332'</b>

<sup>10</sup> Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>P</b>	<b>18</b>	<b>25-S</b>	<b>35-E</b>	<b>-</b>	<b>90'</b>	<b>SOUTH</b>	<b>1256'</b>	<b>EAST</b>	<b>LEA</b>

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>B</b>	<b>18</b>	<b>25-S</b>	<b>35-E</b>	<b>-</b>	<b>240'</b>	<b>NORTH</b>	<b>1350'</b>	<b>EAST</b>	<b>LEA</b>

<sup>11</sup> Dedicated Acre <b>160</b>	<sup>12</sup> Joint or In III	<sup>13</sup> Consolidation Code	<sup>14</sup> 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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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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District Office

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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
	97088	WC-025 G-08 S2535340; BONE SPRING
<sup>4</sup> Property Code	<sup>5</sup> Property Name	<sup>6</sup> Well Number
	BIGGERS FED COM	124H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name	<sup>9</sup> Elevation
228937	MATADOR PRODUCTION COMPANY	3335'

<sup>10</sup>Surface Location

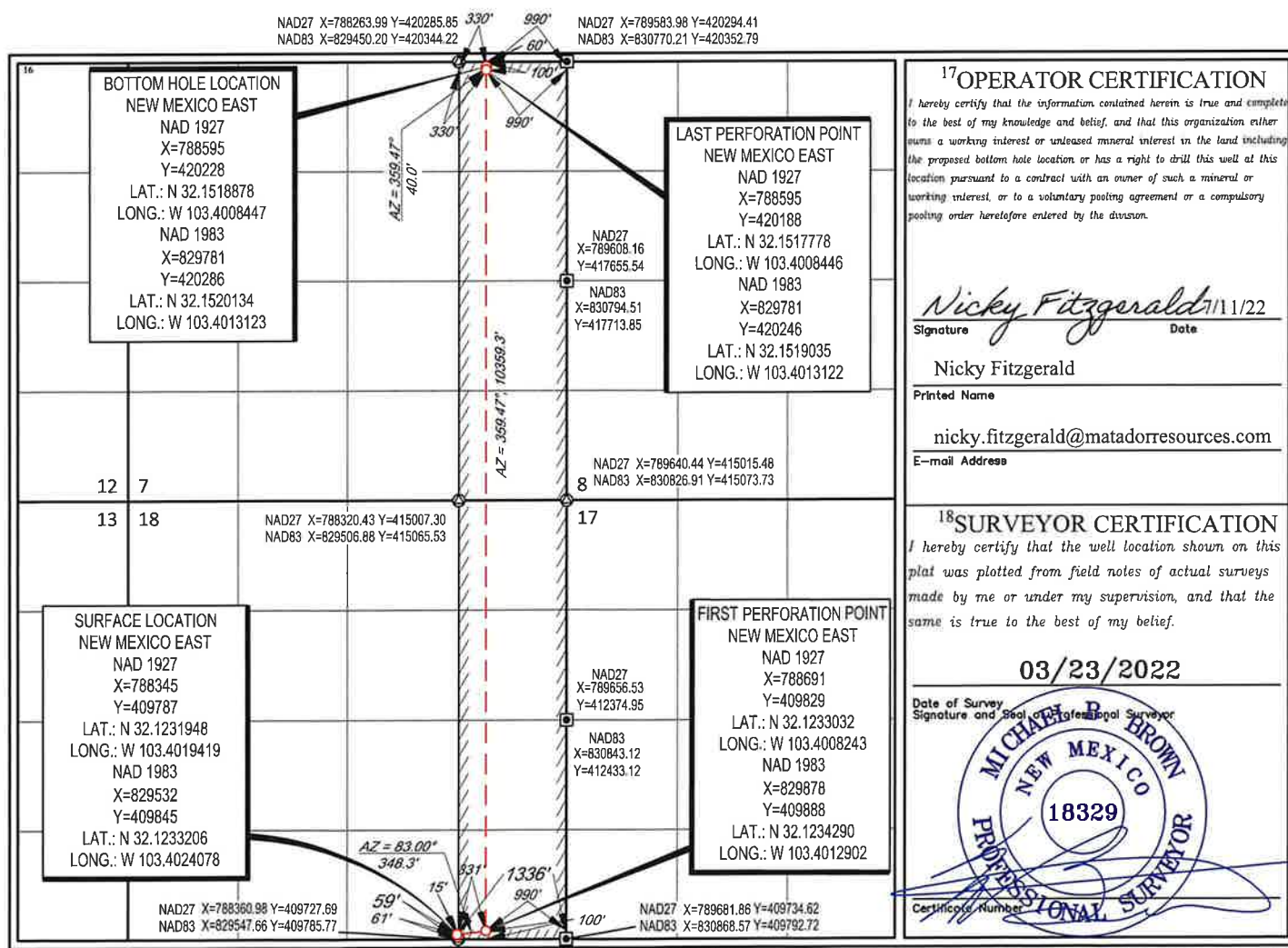
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	18	25-S	35-E	-	59'	SOUTH	1336'	EAST	LEA

<sup>11</sup>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	7	25-S	35-E	-	60'	NORTH	990'	EAST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



S:\SURVEY\MATADOR\_RESOURCES\BIGGERS\_18-255-35E\FINAL\_PRODUCTS\ILO\_BIGGERS\_FED\_COM\_124H.DWG 4/7/2022 8:48:47 AM adisabella

District I  
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FORM C-102

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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
		97088	WC-025 G-08 S2535340; BONE SPRING
<sup>4</sup> Property Code	<sup>5</sup> Property Name		<sup>6</sup> Well Number
	BIGGERS FED COM		123H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name		<sup>9</sup> Elevation
228937	MATADOR PRODUCTION COMPANY		3335'

<sup>10</sup>Surface Location

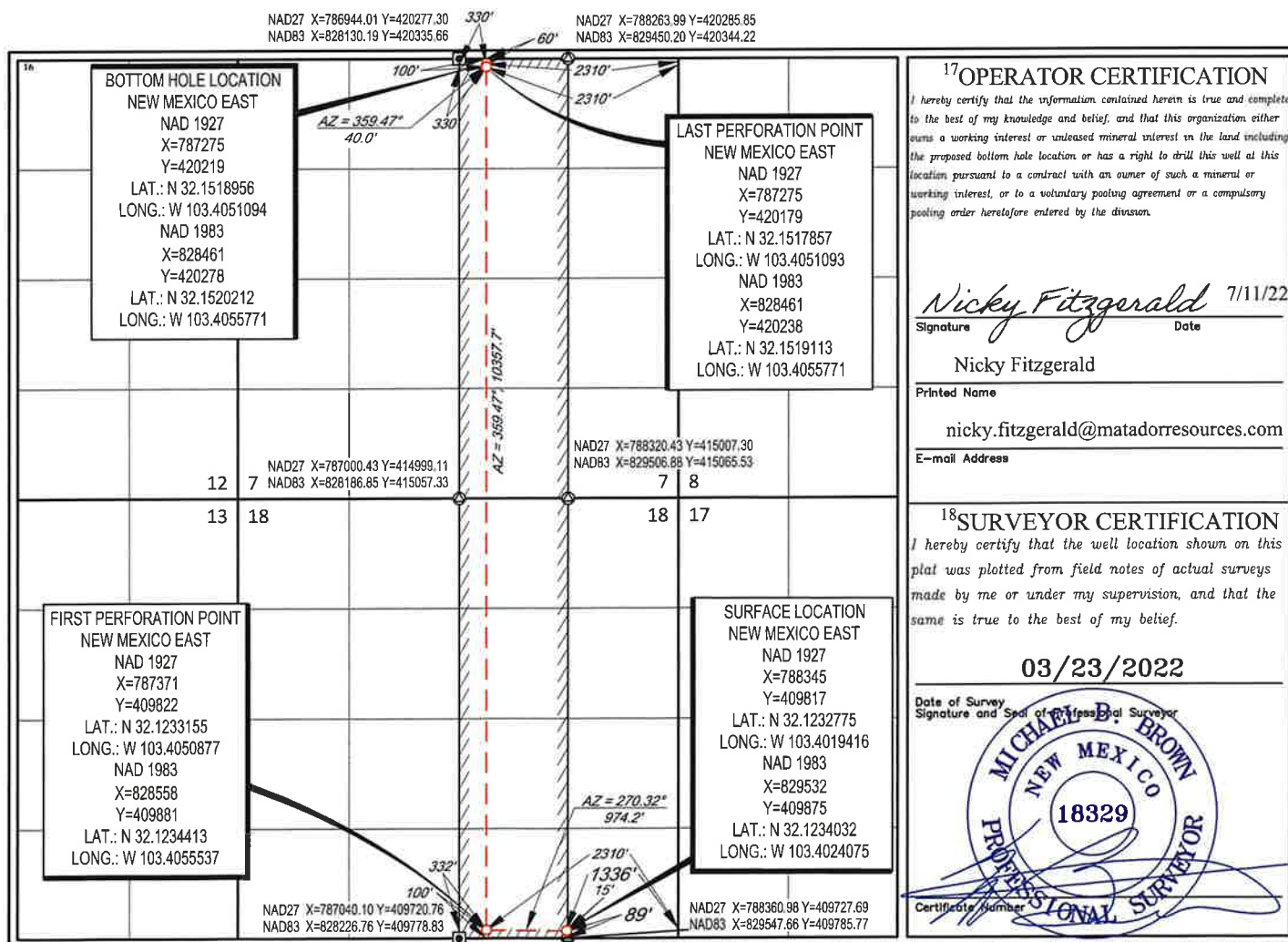
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	18	25-S	35-E	-	89'	SOUTH	1336'	EAST	LEA

<sup>11</sup>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
B	7	25-S	35-E	-	60'	NORTH	2310'	EAST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.



S:\SURVEY\MATADOR\_RESOURCES\BIGGERS\_16-25S-35E\FINAL\_PRODUCTS\SILO\_BIGGERS\_FED\_COM\_123H.DWG 4/7/2022 8:47:33 AM adisabella

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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 97088	<sup>3</sup> Pool Name WC-025 G-08 S2535340; BONE SPRING
<sup>4</sup> Property Code	<sup>5</sup> Property Name BIGGERS FED COM	<sup>6</sup> Well Number 113H
<sup>7</sup> OGRID No. 228937	<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY	<sup>9</sup> Elevation 3335'

<sup>10</sup>Surface Location

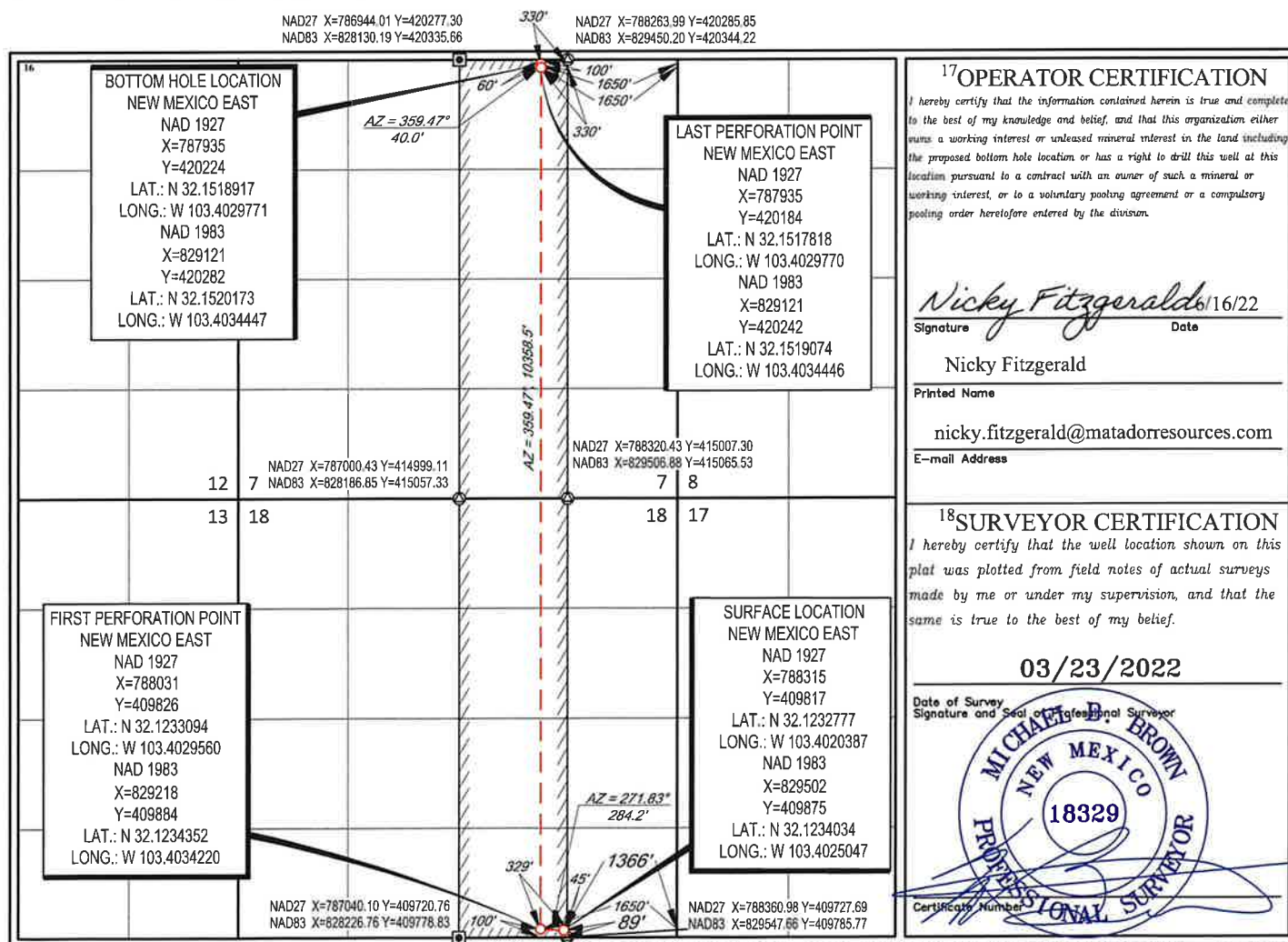
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	18	25-S	35-E	-	89'	SOUTH	1366'	EAST	LEA

<sup>11</sup>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
B	7	25-S	35-E	-	60'	NORTH	1650'	EAST	LEA

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
		97088	WC-025 G-08 S2535340; BONE SPRING
<sup>4</sup> Property Code	<sup>5</sup> Property Name		<sup>6</sup> Well Number
	BIGGERS FED COM		114H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name		<sup>9</sup> Elevation
228937	MATADOR PRODUCTION COMPANY		3335'

<sup>10</sup>Surface Location

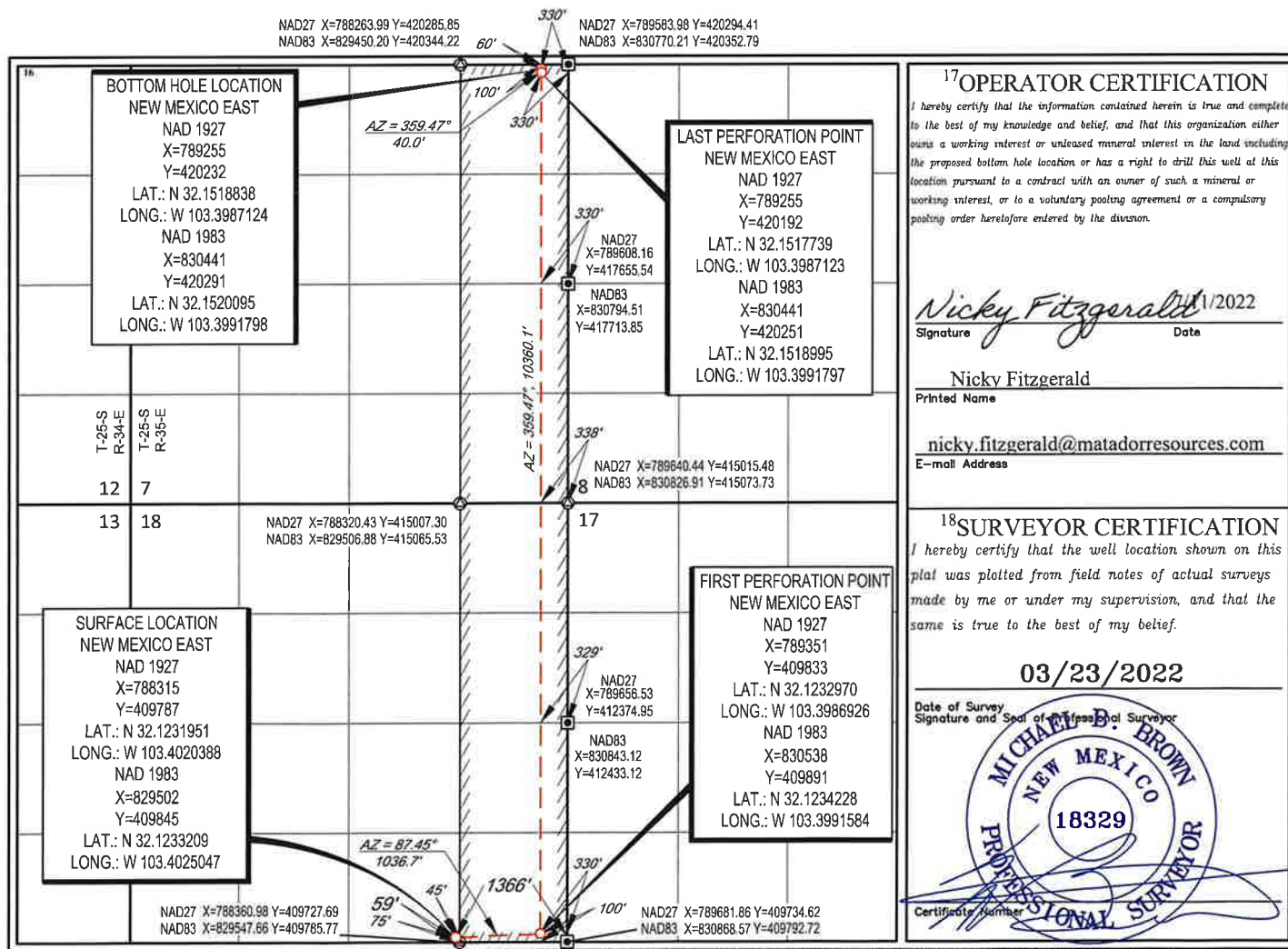
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	18	25-S	35-E	-	59'	SOUTH	1366'	EAST	LEA

<sup>11</sup>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	7	25-S	35-E	-	60'	NORTH	330'	EAST	LEA

<sup>12</sup> Dedicated Acres <b>320</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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# United States Department of the Interior

EXHIBIT

5



## BUREAU OF LAND MANAGEMENT

New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
[www.blm.gov/new-mexico](http://www.blm.gov/new-mexico)

In Reply Refer To:

NMNM142031  
3105.2 (NM920)

SEP 16 2020

Reference:  
Communitization Agreement  
Biggers Fed Com #214H  
Section 18: E2E2  
T. 25 S., R. 35 E., N.M.P.M.  
Lea County, NM

Matador Production Company  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM142031 involving 40 acres of Federal land in lease NMNM 125659, 80 acres of Federal land in lease NMNM 136226, and 40 acres of Fee land, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the E2E2 of Sec. 18, T. 25 S., R. 35 E., NMPM, Lea County, NM, and is effective April 1, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

KYLE  
PARADIS

Digitally signed by KYLE  
PARADIS  
Date: 2020.09.16  
15:14:30 -06'00'

Kyle Paradis  
Acting Branch Chief  
Branch of Reservoir Management  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

NMSO (NM925, File)

NM STATE LAND COMM.



Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the E2E2 of sec. 18, T. 25 S., R. 35 E., NMPPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

**SEP 16 2020**

**KYLE PARADIS**

Digitally signed by KYLE  
PARADIS  
Date: 2020.09.16 15:14:57  
-06'00'

---

Kyle Paradis  
Acting Branch Chief  
Branch of Reservoir Management  
Division of Minerals

Effective: April 1, 2018

Contract No.: Com. Agr. NMNM142031

RECEIVED

Federal Communitization Agreement

MAY 29 2020

Contract No. MMNM142031BLM, NMSO  
SANTA FE

THIS AGREEMENT entered into as of the 1st day of April 2018, 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 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico

Containing 160 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the natural gas and associated liquid hydrocarbons hereafter referred to as "communitized substances," producible from such formation(s).

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.

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

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.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

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.

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

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, 2018 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

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

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

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

  
\_\_\_\_\_  
Signature of Authorized Agent

5/5/20  
Date

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

ACKNOWLEDGEMENT

STATE OF TEXAS )

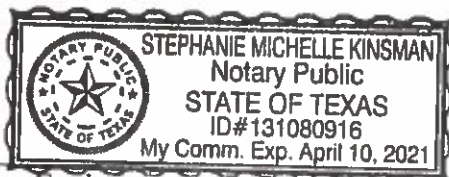
COUNTY OF DALLAS )

On this 4<sup>th</sup> day of May, 2020 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)

4/10/2021

My Commission Expires



Stephanie M Kinsman  
Notary Public

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico



# WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

I, the undersigned, hereby certify, on behalf of Matador Production Company, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

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

Date

5/5/20

Signature of Authorized Agent

CH  
PCL

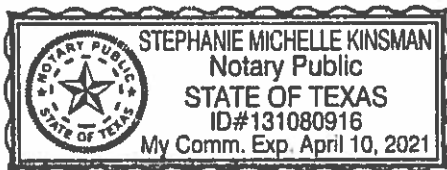
## ACKNOWLEDGEMENT

STATE OF TEXAS )

COUNTY OF DALLAS)

On this 5<sup>th</sup> day of May, 2020 before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)



My Commission Expires

Stephanie M Kinsman  
Notary Public

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

**EXHIBIT "A"**

Plat of communitized area covering **160** acres in the E2E2 of Section 18, Township 25 South,  
Range 35 East, Lea County, New Mexico.

Well Name/No.

Biggers Fed Com #214H

		Tract 1 40 Acres BLM Lease NMNM 125659
		Tract 2 40 Acres Fee Leases
		Tract 3 80 Acres BLM Lease NMNM 136226

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico



**EXHIBIT “B”**

To Communitization Agreement Dated April 1, 2018, embracing the following described land in E2E2 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:	The United States of America - NMNM 125659
Description of Land Committed:	NE4NE4 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico.
Number of Acres:	40
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Overriding Royalty Interest Owners:	N/A

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

Tract No. 2

**Fee Leases**

Description of Land Committed: SE4NE4 of Section 18, Township 25 South,  
Range 35 East, Lea County, New Mexico.

Number of Acres: 40

Authority for Pooling: Leases contain a provision authorizing  
pooling in accordance with the acreage  
requirement of the agreement.

Current Lessee of Record: MRC Permian Company  
COG Acreage, LP  
Energen Resources Corporation  
Franklin Mountain Energy 2, LLC  
COG Operating, LLC  
Prime Rock Resources AssetCo, LLC  
Marathon Oil Permian, LLC ( Force Pooled)

Name of Working Interest Owners: MRC Permian Company  
COG Acreage, LP  
Energen Resources Corporation  
Franklin Mountain Energy 2, LLC  
COG Operating, LLC  
Prime Rock Resources AssetCo, LLC  
Marathon Oil Permian, LLC ( Force Pooled)

Overriding Royalty Interest Owners: OGX Royalty Fund, LP  
MRC Delaware Resources, LLC  
Santo Royalty Company, LLC

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Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

Tract No. 3

Lease Serial Number: The United States of America – NMNM 136226

Description of Land Committed: E2SE4 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico

Number of Acres: 80

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company

Overriding Royalty Interest Owners: MRC Delaware Resources, LLC

**RECAPITULATION**

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.00	25.0000%
2	40.00	25.0000%
3	80.00	50.0000%
Total	160.00	100.0000%

Biggers Fed Com #214H  
Wolfcamp Formation  
E2E2 Section 18-25S-35E  
Lea County, New Mexico

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

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION TO CONSIDER:**

**CASE NO. 16179  
ORDER NO. R-14826**

**APPLICATION OF MATADOR PRODUCTION COMPANY FOR A NON-  
STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on May 31, 2018, at Santa Fe, New Mexico, before Examiner William V. Jones. The case was again heard on June 28, 2018 and taken under advisement.

NOW, on this 13<sup>th</sup> day of August 2018, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

**FINDS THAT**

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) Case Nos. 16178, 16179, and 16180 were consolidated for purpose of presenting testimony. Separate orders are being issued in each case.

(3) In Case No. 16179, Matador Production Company (the "Applicant") seeks approval of a 160-acre non-standard oil spacing and proration unit and project area (the "Unit") for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprising the E/2 E/2 of Section 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Applicant further seeks an order pooling all uncommitted interests in the Unit for the Wolfcamp formation.

(4) The Unit will be dedicated to the following "proposed well" which will be completed at a standard location within the Unit.

**Biggers Federal Com Well No. 214H, API No. 30-025-44483**

SHL: 59 feet from the South line and 1226 feet from the East line,  
(Unit P) of Section 18, Township 25 South, Range 35 East, NMPM.  
BHL: 240 feet from the North line and 450 feet from the East line  
(Unit A) of Section 18, Township 25 South, Range 35 East, NMPM.

(5) The proposed horizontal well is within the Dogie Draw; Wolfcamp Pool which is subject to Division Rule 19.15.15.9(A) NMAC, which provides for standard 40-acre oil spacing and proration units [vertical wells] each comprising a governmental quarter-quarter section. The proposed Horizontal Spacing Unit consists of four adjacent quarter-quarter sections or spacing units oriented south to north.

(6) Applicant appeared through counsel and presented the following land and technical evidence:

- a. The Wolfcamp formation in this area is suitable for development by horizontal drilling.
- b. The proposed orientation of the horizontal well or wells from south to north is appropriate for the Unit.
- c. Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instruments.
- d. All affected parties were successfully contacted and provided with notice.

(7) No other party appeared or otherwise opposed this application.

**The Division Concludes That**

(8) The proposed non-standard unit should be approved to enable Applicant to drill a horizontal well that will efficiently produce the reserves underlying the Unit, thereby preventing waste and protecting correlative rights.

(9) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(10) Applicant is an owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the proposed well to a common source of supply within the Unit at the described location.

(11) There are interest owners in the Unit that have not agreed to pool their interests.

(12) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(13) Matador Production Company (OGRID 228937) should be designated the operator of the proposed well and the Unit.

(14) To ensure protection of correlative rights, any pooled working interest owner whose address is known should be notified and have an opportunity to protest before the Division grants any extension of the time provided herein for commencing drilling.

(15) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(16) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the proposed well.

(17) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates should be adjusted annually pursuant to the overhead adjustment provision of the COPAS form titled "Accounting Procedure-Joint Operations."

**IT IS THEREFORE ORDERED THAT**

(1) Pursuant to the application of Matador Production Company, a 160-acre non-standard oil spacing and proration unit and project area (the "Unit") is hereby established for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprised of the E/2 E/2 of Section 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) All uncommitted interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit, are hereby pooled.

(3) The Unit shall be dedicated to the following "proposed well" which will be completed at a standard location within the Unit:

**Biggers Federal Com Well No. 214H, API No. 30-025-44483**

SHL: 59 feet from the South line and 1226 feet from the East line,  
(Unit P) of Section 18, Township 25 South, Range 35 East, NMPM.

BHL: 240 feet from the North line and 450 feet from the East line  
(Unit A) of Section 18, Township 25 South, Range 35 East, NMPM.

(4) The operator of the Unit shall commence drilling the proposed well on or before August 31, 2019 and shall thereafter continue drilling the proposed well with due diligence to test the Wolfcamp formation.

(5) In the event the operator does not commence drilling on or before August 31, 2019 Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.

(6) The operator shall notify each pooled working interest owner for whom it has a valid address before it files with the Division any request for extension of the time to commence drilling and shall certify its compliance with this requirement in its request for extension. The Division may grant an extension at its discretion after 20-days from receipt of the request if no objection is received. Otherwise, the Division shall not grant the extension without a hearing.

(7) If the proposed well is not drilled and completed within 120 days after commencement of drilling such well, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit shall terminate, unless operator requests in writing an extension of the time for completion of the proposed well for good cause shown by satisfactory evidence and the Division issues written approval. If the proposed well is not completed in all of the standard spacing units included in the proposed project area (or Unit) then the operator shall apply to the Division for an amendment to this order to contract the Unit so that it includes only those standard spacing units in which the well is completed.

(8) Upon final plugging and abandonment of the proposed well and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled Unit shall terminate, unless this Order has been amended to authorize further operations.

(9) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(10) Matador Production Company (OGRID 228937) is hereby designated the operator of the proposed well and the Unit.

(11) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit a separate itemized schedule of estimated costs of drilling, completing and equipping the proposed well ("well costs").

(12) Within 30 days from its receipt of the schedule of estimated well costs for any well, any pooled working interest owner shall have the right to pay its share of estimated well costs of such well to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges for such well. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(13) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 90 days following completion of the proposed well. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.

(14) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well or wells in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

(15) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- a. the proportionate share of reasonable well costs attributable to such interest; and
- b. as a charge for the risk involved in drilling the well, 200% of the above costs.

(16) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.

(17) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates may, at the election of the operator, be adjusted annually pursuant to the overhead adjustment provisions of the COPAS form titled "*Accounting Procedure-Joint Operations*." The operator is authorized to withhold from each pooled working interest owner's share of production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating such well, not more than what are reasonable.



(18) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to requirements herein, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(19) Except as provided above, all proceeds of production from the proposed well that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

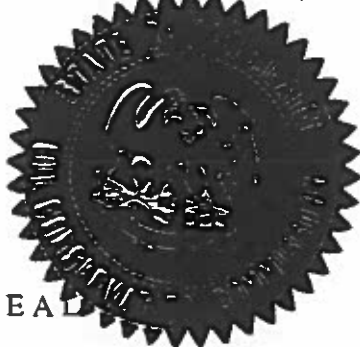
(20) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this Order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs shall be withheld from production attributable to royalty interests.

(21) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(22) The operator of the well and the Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(23) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Heather Riley*

HEATHER RILEY  
Director

SEAL



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

New Mexico State Office  
301 Dinosaur Trail  
Santa Fe, New Mexico 87508  
[www.blm.gov/new-mexico](http://www.blm.gov/new-mexico)



In Reply Refer To:

NMNM 142030  
3105.2 (NM920)

**SEP 21 2020**

Reference:  
Communitization Agreement  
Biggers Fed Com #203H and #217H  
Section 18: W2E2  
T. 25 S., R. 35 E., N.M.P.M.  
Lea County, NM

Matador Production Company  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM 142030 involving 40 acres of Federal land in lease NMNM 125659, 80 acres of Federal land in lease NMNM 136226, and 40 acres of Fee land, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the W2E2 of Sec. 18, T. 25 S., R. 35 E., NMPM, Lea County, NM, and is effective April 1, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

**KYLE  
PARADIS**

Digitally signed by  
KYLE PARADIS  
Date: 2020.09.21  
10:31:13 -06'00'

Kyle Paradis  
Acting Branch Chief  
Branch of Reservoir Management  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NM (P0220-CFO, File Room)

NMSO (NM925, File)

NM STATE LAND COMM.

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the W2E2 of sec. 18, T. 25 S., R. 35 E., NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: **SEP 21 2020**

**KYLE  
PARADIS**

Digitally signed by KYLE  
PARADIS  
Date: 2020.09.21  
10:32:03 -06'00'

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Kyle Paradis  
Acting Branch Chief  
Branch of Reservoir Management  
Division of Minerals

Effective: April 1, 2018

Contract No.: Com. Agr. NMNM 142030

RECEIVED

MAY 29 2020

Federal Communitization AgreementContract No. 47777142030BLM, NMSO  
SANTA FE

THIS AGREEMENT entered into as of the 1st day of April 2018, 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 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico

Containing 160 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the natural gas and associated liquid hydrocarbons hereafter referred to as "communitized substances," producible from such formation(s).

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.

Biggers Fed Com  
#203H #217H  
Wolfcamp Formation  
W2E2 Section 18-25S-35E  
Lea County, New Mexico

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.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

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

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Wolfcamp Formation  
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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<sup>st</sup> 2018, 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.

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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

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

Date

5/5/20

Signature of Authorized Agent



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## ACKNOWLEDGEMENT

STATE OF TEXAS )

COUNTY OF DALLAS )

On this 5<sup>th</sup> day of May, 2020 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)



4/10/2021  
My Commission Expires

Stephanie M Kinsman  
Notary Public

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# WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

I, the undersigned, hereby certify, on behalf of Matador Production Company, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

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

5/5/20

Date

  
Signature of Authorized Agent

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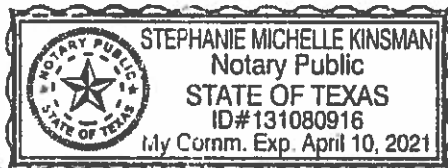
## ACKNOWLEDGEMENT

STATE OF TEXAS )

COUNTY OF DALLAS)

On this 5<sup>th</sup> day of May, 2020, 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)



4/10/2021

My Commission Expires

  
Notary Public

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#203H #217H  
Wolfcamp Formation  
W2E2 Section 18-25S-35E  
Lea County, New Mexico

**EXHIBIT "A"**

Plat of communitized area covering **160** acres in the W2E2 of Section 18, Township 25 South,  
Range 35 East, Lea County, New Mexico.

Well Name/No.

Biggers Fed Com #203H & #217H

	Tract 1 40 Acres BLM Lease NMNM 125659	
	Tract 2 40 Acres Fee Leases	
	Tract 3 80 Acres BLM Lease NMNM 136226	

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Wolfcamp Formation  
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Lea County, New Mexico

**EXHIBIT “B”**

To Communitization Agreement Dated April 1, 2018, embracing the following described land in W2E2 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:	The United States of America - NMNM 125659
Description of Land Committed:	NW4NE4 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico.
Number of Acres:	40
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Overriding Royalty Interest Owners:	N/A

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Tract No. 2

**Fee Leases**

Description of Land Committed: SW4NE4 of Section 18, Township 25 South,  
Range 35 East, Lea County, New Mexico.

Number of Acres: 40

Authority for Pooling: Leases contain a provision authorizing  
pooling in accordance with the acreage  
requirement of the agreement.

Current Lessee of Record: MRC Permian Company  
COG Acreage, LP  
Energen Resources Corporation  
Franklin Mountain Energy 2, LLC  
COG Operating, LLC  
Prime Rock Resources AssetCo, LLC  
Marathon Oil Permian, LLC ( Force Pooled)

Name of Working Interest Owners: MRC Permian Company  
COG Acreage, LP  
Energen Resources Corporation  
Franklin Mountain Energy 2, LLC  
COG Operating, LLC  
Prime Rock Resources AssetCo, LLC  
Marathon Oil Permian, LLC ( Force Pooled)

Overriding Royalty Interest Owners: OGX Royalty Fund, LP  
MRC Delaware Resources, LLC  
Santo Royalty Company, LLC

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Lea County, New Mexico



Tract No. 3

Lease Serial Number: The United States of America – NMNM 136226

Description of Land Committed: W2SE4 of Section 18, Township 25 South, Range 35 East, Lea County, New Mexico

Number of Acres: 80

Current Lessee of Record: MRC Permian Company

Name of Working Interest Owners: MRC Permian Company

Overriding Royalty Interest Owners: MRC Delaware Resources, LLC

RECAPITULATION

<u>Tract No.</u>	<u>No. of Acres Committed</u>	<u>Percentage of Interest in Communitized Area</u>
1	40.00	25.0000%
2	40.00	25.0000%
3	80.00	50.0000%
Total	160.00	100.0000%

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Lea County, New Mexico

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

**IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION TO CONSIDER:**

**CASE NO. 16178  
ORDER NO. R-14825**

**APPLICATION OF MATADOR PRODUCTION COMPANY FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT, AN UNORTHODOX WELL LOCATION, AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

**ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on May 31, 2018, at Santa Fe, New Mexico, before Examiner William V. Jones. The case was again heard on June 28, 2018 and taken under advisement.

NOW, on this 13<sup>th</sup> day of August 2018, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

**FINDS THAT**

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) Case Nos. 16178, 16179, and 16180 were consolidated for purpose of presenting testimony. Separate orders are being issued in each case.

(3) In Case No. 16178, Matador Production Company (the "Applicant") seeks approval of a 160-acre non-standard oil spacing and proration unit and project area (the "Unit") for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprising the W/2 E/2 of Section 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Applicant further seeks an order pooling all uncommitted interests in the Unit for the Wolfcamp formation.

(4) The Unit will be dedicated to the following "proposed well" which will be completed at a non-standard location within the Unit. Applicant seeks approval of this non-standard well location in this case.

**Biggers Federal Com Well No. 203H, API No. 30-025-44645**

SHL: 90 feet from the South line and 1256 feet from the East line,  
(Unit P) of Section 18, Township 25 South, Range 35 East, NMPM.  
BHL: 240 feet from the North line and 1350 feet from the East line  
(Unit B) of Section 18, Township 25 South, Range 35 East, NMPM.

(5) The proposed horizontal well is within the Dogie Draw; Wolfcamp Pool which is subject to Division Rule 19.15.15.9(A) NMAC, which provides for standard 40-acre oil spacing and proration units [vertical wells] each comprising a governmental quarter-quarter section. The proposed Horizontal Spacing Unit consists of four adjacent quarter-quarter sections or spacing units oriented south to north.

(6) The proposed Penetration Point (First Take point) will be 330 FSL and 1346 FEL. The proposed Last Take point will be 330 FNL and 1349 FEL. As such, the well path is closer than the 330-foot minimum distance to the E/2 E/2 of Section 18. Applicant seeks approval of this non-standard well location in this case.

(7) Applicant appeared through counsel and presented the following land and technical evidence:

- a. The Wolfcamp formation in this area is suitable for development by horizontal drilling.
- b. The proposed orientation of the horizontal well or wells from south to north is appropriate for the Unit.
- c. Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instruments.
- d. Companion Case No. 16180 involves this same spacing unit, but proposes a separate well to be located further west. Applicant intends to place the Proposed Well near the center of the E/2 of Section 18 to space out the three wells being proposed in the E/2 of Section 18 and recover additional oil and gas.
- e. All affected parties were successfully contacted and provided with notice.

(8) No other party appeared or otherwise opposed this application.

The Division Concludes That

(9) The proposed non-standard unit should be approved to enable Applicant to drill a horizontal well that will efficiently produce the reserves underlying the Unit, thereby preventing waste and protecting correlative rights.

(10) The non-standard well location should be approved to prevent waste and protect correlative rights.

(11) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(12) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the proposed well to a common source of supply within the Unit at the described location.

(13) There are interest owners in the Unit that have not agreed to pool their interests.

(14) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(15) Matador Production Company (OGRID 228937) should be designated the operator of the proposed well and the Unit.

(16) To ensure protection of correlative rights, any pooled working interest owner whose address is known should be notified and have an opportunity to protest before the Division grants any extension of the time provided herein for commencing drilling.

(17) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(18) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the proposed well.

(19) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates should be adjusted annually pursuant to the overhead adjustment provision of the COPAS form titled "Accounting Procedure-Joint Operations."

**IT IS THEREFORE ORDERED THAT**

(1) Pursuant to the application of Matador Production Company, a 160-acre non-standard oil spacing and proration unit and project area (the "Unit") is hereby established for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprised of the W/2 E/2 of Section 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) All uncommitted interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit, are hereby pooled.

(3) The Unit shall be dedicated to the following "proposed well" which will be completed at a non-standard location within the Unit:

**Biggers Federal Com Well No. 203H, API No. 30-025-44645**

SHL: 90 feet from the South line and 1256 feet from the East line,  
(Unit P) of Section 18, Township 25 South, Range 35 East, NMPM.

BHL: 240 feet from the North line and 1350 feet from the East line  
(Unit B) of Section 18, Township 25 South, Range 35 East, NMPM.

(4) The proposed non-standard location within the Unit is hereby approved. The First Take point shall be 330 from the South line and 1346 feet from the East line and the Last Take point shall be 330 feet from the North line and 1349 feet from the East line of Section 18, Township 25 South, Range 35 East, NMPM.

(5) The operator of the Unit shall commence drilling the proposed well on or before August 31, 2019 and shall thereafter continue drilling the proposed well with due diligence to test the Wolfcamp formation.

(6) In the event the operator does not commence drilling on or before August 31, 2019 Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.

(7) The operator shall notify each pooled working interest owner for whom it has a valid address before it files with the Division any request for extension of the time to commence drilling and shall certify its compliance with this requirement in its request for extension. The Division may grant an extension at its discretion after 20-days from receipt of the request if no objection is received. Otherwise, the Division shall not grant the extension without a hearing.

(8) If the proposed well is not drilled and completed within 120 days after commencement of drilling such well, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit shall terminate, unless operator requests in writing an extension of the time for completion of the proposed well for good cause shown by satisfactory evidence and the Division issues written approval. If the proposed well is not completed

in all of the standard spacing units included in the proposed project area (or Unit) then the operator shall apply to the Division for an amendment to this order to contract the Unit so that it includes only those standard spacing units in which the well is completed.

(9) Upon final plugging and abandonment of the proposed well and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled Unit shall terminate, unless this Order has been amended to authorize further operations.

(10) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(11) Matador Production Company (OGRID 228937) is hereby designated the operator of the proposed well and the Unit.

(12) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit a separate itemized schedule of estimated costs of drilling, completing and equipping the proposed well ("well costs").

(13) Within 30 days from its receipt of the schedule of estimated well costs for any well, any pooled working interest owner shall have the right to pay its share of estimated well costs of such well to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges for such well. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(14) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 90 days following completion of the proposed well. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.

(15) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well or wells in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.



(16) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- a. the proportionate share of reasonable well costs attributable to such interest; and
- b. as a charge for the risk involved in drilling the well, 200% of the above costs.

(17) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.

(18) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates may, at the election of the operator, be adjusted annually pursuant to the overhead adjustment provisions of the COPAS form titled "*Accounting Procedure-Joint Operations*." The operator is authorized to withhold from each pooled working interest owner's share of production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating such well, not more than what are reasonable.

(19) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to requirements herein, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(20) Except as provided above, all proceeds of production from the proposed well that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

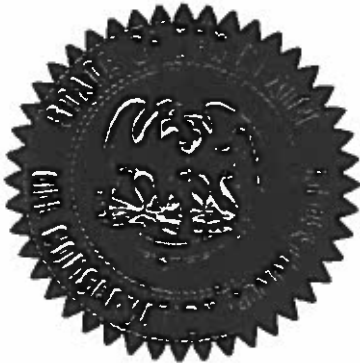
(21) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this Order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs shall be withheld from production attributable to royalty interests.

(22) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(23) The operator of the well and the Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(24) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

A handwritten signature in black ink that reads "Heather Riley".

HEATHER RILEY  
DIRECTOR

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **March, 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 of Sections 18 & 7, Township 25 South, Range 35 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 **March 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** of **Sections 18 & 7, Township 25 South, Range 35 East, Lea County, New Mexico.**

**Biggers 18&7 Fed Com #114H**

Section 7-25S-35E	Tract 1 NMNM-119760
	Tract 2 NMNM-125659
Section 18-25S-35E	Tract 3 Fee Leases
	Tract 4 NMNM-136226

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement dated March 1, 2024, embracing the following described land in E2E2 of Sections 18 & 7 of Township 25 South, Range 35 East, Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED**

**Tract No. 1**

**Lease Serial Number:** NMNM-119760  
**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 7: E2E2  
**Number of Acres:** 160.00  
**Current Lessee of Record:** COG Production, LLC  
**Name and Percent of Working Interest Owners:** COG Production, LLC

**Tract No. 2**

**Lease Serial Number:** NMNM-125659  
**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 18: NE4NE4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 18: SE4NE4

**Number of Acres:** 40.00

**Name and Percent of Working Interest Owners:** MRC Permian Company  
Tap Rock Resources II, LLC  
COG Acreage, LP  
Franklin Mountain Energy 2, LLC  
COG Operating, LLC  
Marathon Oil Permian, LLC  
Prime Rock Resources AssetCo., LLC  
Chief Capital (O&G) II, LLC  
West Texas A&M University (Unleased)  
Ohio State University (Unleased)

**Tract No. 4**

**Lease Serial Number:** NMNM-136226

**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 18: E2SE4

**Number of Acres:** 80.00

**Current Lessee of Record:** MRC Permian Company

**Name and Percent of Working Interest Owners:** MRC Permian Company

**RECAPITULATION**

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



## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **March, 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:

**W2E2 of Sections 18 & 7, Township 25 South, Range 35 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 **March 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 **W2E2** of **Sections 18 & 7, Township 25 South, Range 35 East, Lea County, New Mexico.**

**Biggers 18&7 Fed Com #113H**

<b>Section 7-25S-35E</b>	<b>Tract 1</b> NMNM-119760	
	<b>Tract 2</b> NMNM-125659	
<b>Section 18-25S-35E</b>	<b>Tract 3</b> Fee Leases	
	<b>Tract 4</b> NMNM-136226	

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement dated March 1, 2024, embracing the following described land in W2E2 of Sections 18 & 7 of Township 25 South, Range 35 East, Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED**

**Tract No. 1**

**Lease Serial Number:** NMNM-119760  
**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 7: W2E2  
**Number of Acres:** 160.00  
**Current Lessee of Record:** COG Production, LLC  
**Name and Percent of Working Interest Owners:** COG Production, LLC

**Tract No. 2**

**Lease Serial Number:** NMNM-125659  
**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 18: NW4NE4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 18: SW4NE4

**Number of Acres:** 40.00

**Name and Percent of Working Interest Owners:** MRC Permian Company  
Tap Rock Resources II, LLC  
COG Acreage, LP  
Franklin Mountain Energy 2, LLC  
COG Operating, LLC  
Marathon Oil Permian, LLC  
Prime Rock Resources AssetCo., LLC  
Chief Capital (O&G) II, LLC  
West Texas A&M University (Unleased)  
Ohio State University (Unleased)

**Tract No. 4**

**Lease Serial Number:** NMNM-136226

**Description of Land Committed:** Township 25 South, Range 35 East,  
Section 18: W2SE4

**Number of Acres:** 80.00

**Current Lessee of Record:** MRC Permian Company

**Name and Percent of Working Interest Owners:** MRC Permian Company

**RECAPITULATION**

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

Ann Brown Hodges, SSP, life estate	714 Richmond Drive	Norman	OK	73071
Beverly B. Blair, SSP	2635 Bamboo Dr.	Lake Havasu City	AZ	86403
BriLi, LLC	2135 Sedona Hills Parkway	Las Cruces	NM	88011
Carolyn Rose Kitchens Living Trust	P. O. Box 1627	Taliban	NM	88134
Civitas DE Basin Resources II, LLC	555 17th St., Suite 3700	Denver	CO	80202
COG Acreage, LP	500 West Texas Avenue, Suite 100	Midland	TX	79701
COG Operating, LLC	600 West Illinois Ave	Midland	TX	79701
COG Production, LLC	600 West Illinois Ave	Midland	TX	79701
College of the Southwest a/k/a College of the Southwest Foundation f/k/a University of the Southwest Foundation	6610 N. Lovington Hwy	Hobbs	NM	88240
Connie Brown, Successor Trustee of the Kenneth Blair Brown Trust (also known as The Kenneth Blair Brown Living Trust and the Kenneth Blair Brown Revocable Trust) dated January 17, 2001	2620 Broken Arrow Trail	Amarillo	TX	79118
Dinwiddie Cattle Company, LLC	P.O. Box 963	Capitan	NM	88316
Doug Sims, SSP	6302 96th Street	Lubbock	TX	79424
Energex, LLC	4873 Raintree Circle	Parker	CO	80134
George Howard Hall and Rebecca L. Hall, Co-Trustees of The Hall Living Trust under agreement dated May 4, 2011	3261 Birch	Grapevine	TX	76051
GGM Exploration, Inc.	2821 West 71h Street, Suite 500 Attn: Will Rodgers			
Harold M. Hall, Jr., SSP	817.338.1118 ext 107	Fort Worth	TX	76107
J. L. Burke, III, SSP	1211 Poppets Way	Crosby	TX	77532
James L. Shuler, SSP	8928 Meadowknoll Dr.	Dallas	TX	75243
Jane Shuler Gray, SSP	1956 University	Helena	MT	59601
Leigh Ann Nelson, SSP	108 E. Orchard Lane	Carlsbad	NM	88220
	5001 Widner Strip	Midland	TX	79707

Lisa Maine Roberts	P. O. Box 52273	Amarillo	TX	79159
Malaga EF7, LLC	P. O. Box 2064	Midland	TX	79702
Marathon Oil Permain, LLC	5555 San Felipe St.	Houston	TX	77056
Marilyn Burke Salter, SSP	20031 82nd Ave. West	Edmonds	WA	98026
McMullen Minerals, LLC	P. O. Box 470857 Attn: William Malloy - 817.529.7297	Fort Worth	TX	76147
Meridian 102, LP	16400 North Dallas Parkway, Suite 400	Dallas	TX	75248
Michael H. Hall, SSP	P. O. Box 2883	Big Spring	TX	79721
Michael Harrison Moore, SSP	P.O. Box 51570	Midland	TX	79710
Mongoose Minerals	Attn: OBO Land 600 W. Illinois Avenue	Midland	TX	79701
Nancy I. Farmer, SSP	5136 E. 35th Street	Tulsa	OK	73135
OneEnergy Partners Operating, LLC	2929 Allen Parkway	Houston	TX	77019
Patricia M. Hayward, SSP	1924 Berkely Drive	Fort Worth	TX	76110
Pegasus Resources, LLC	P. O. Box 123610 Attn: Don Collins - 817.338.1118	Fort Worth	TX	76121
Pheasant Energy, LLC	P. O. Box 471458	Fort Worth	TX	76147
Pony Oil Operating, LLC	4245 N. Central Expy.	Dallas	TX	75205
R. R. Hinkle Company, Inc.	P. O. Box 2292	Roswell	NM	88202
Rubert F. Madera, aka Bert Madera, SSP	524 Antelope Rd.	Jal	NM	88252
Santo Petroleum LLC	P. O. Box 1020	Artesia	NM	88211
Sondra Jack, a married woman, SSP	2960 Bobwhite Road	Taliban	NM	88134
TD Minerals, LLC	8111 Westchester Drive Suite 900	Dallas	TX	75225
Terri Rene Anderson	2040 Parker Street	Amarillo	TX	79109
Texas Tech University	P. O. Box 41081	Lubbock	TX	79409
The Southwestern Baptist Theological Seminary	1601 Elm Street, Suite 1700	Dallas	TX	75201-7241
Tilden Capital Minerals, LLC	P. O. Box 470857	Fort Worth	TX	76147



Tim Lilley and wife, Tashina Lilley	4873 Raintree Circle	Parker	CO	80134
Bureau of Land Management	301 Dinosaur Trl.	Santa Fe	NM	87508



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

August 13, 2024

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

TO: ALL AFFECTED PARTIES

**Re: Application of Matador Production Company to amend NMOCD Order PLC-619 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units underlying the E/2 of Sections 7 and 18, Township 25 South, Range 35 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

Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485384120	Ann Brown Hodges, SSP,life estate	714 Richmond Dr	Norman	OK	73071-2542	Your item was forwarded to a different address at 7:41 am on August 16, 2024 in NORMAN, OK. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9414811898765485384199	Beverly B. Blair, SSP	2635 Bamboo Dr	Lake Havasu City	AZ	86403-3804	We attempted to deliver your item at 5:40 pm on August 16, 2024 in LAKE HAVASU CITY, AZ 86403 and a notice was left because an authorized recipient was not available.
9414811898765485384182	BriLi, LLC	2135 Sedona Hills Pkwy	Las Cruces	NM	88011-4135	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765485384175	Carolyn Rose Kitchens Living Trust	PO Box 1627	Taiban	NM	88134-1627	Your item has been delivered and is available at a PO Box at 8:06 am on August 17, 2024 in TAIBAN, NM 88134.
9414811898765485384359	Civitas DE Basin Resources II, LLC	555 17th St Ste 3700	Denver	CO	80202-3906	Your item was delivered to the front desk, reception area, or mail room at 12:54 pm on August 15, 2024 in DENVER, CO 80202.
9414811898765485384328	COG Acreage, LP	500 W Texas Ave Ste 100	Midland	TX	79701-4216	Your item arrived at our USPS facility in OKLAHOMA CITY OK DISTRIBUTION CENTER on August 18, 2024 at 9:52 am. The item is currently in transit to the destination.

Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485384397	COG Operating, LLC	600 W Illinois Ave	Midland	TX	79701-4882	We were unable to deliver your package at 9:59 am on August 16, 2024 in MIDLAND, TX 79701 because the business was closed. We will redeliver on the next business day. No action needed.
9414811898765485384380	COG Production, LLC	600 W Illinois Ave	Midland	TX	79701-4882	We were unable to deliver your package at 9:59 am on August 16, 2024 in MIDLAND, TX 79701 because the business was closed. We will redeliver on the next business day. No action needed.
9414811898765485384373	College of the Southwest a/k/a College of the Southwest Foundation f/k/a University of the Southwest Foundation	6610 N Lovington Hwy	Hobbs	NM	88240-9120	We were unable to deliver your package at 8:05 am on August 17, 2024 in HOBBS, NM 88240 because the business was closed. We will redeliver on the next business day. No action needed.
9414811898765485384052	Connie Brown, Successor Trustee of the Kenneth Blair Brown Trust also known as The Kenneth Blair Brown Living Trust and the Kenneth Blair	2620 Broken Arrow Trl	Amarillo	TX	79118-0340	Your item was delivered to the front desk, reception area, or mail room at 2:16 pm on August 17, 2024 in AMARILLO, TX 79118.
9414811898765485384021	Dinwiddie Cattle Company, LLC	PO Box 963	Capitan	NM	88316-0963	Your item arrived at the CAPITAN, NM 88316 post office at 7:32 am on August 17, 2024 and is ready for pickup.

Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485384090	Doug Sims, SSP	6302 96th St	Lubbock	TX	79424-3704	We attempted to deliver your item at 11:16 am on August 17, 2024 in LUBBOCK, TX 79424 and a notice was left because an authorized recipient was not available.
9414811898765485384083	Energex, LLC	4873 Raintree Cir	Parker	CO	80134-4557	Your item was delivered to an individual at the address at 9:59 am on August 15, 2024 in PARKER, CO 80134.
9414811898765485384410	George Howard Hall and Rebecca L. Hall, Co-Trustees of The Hall Living Trust under agreement dated May 4,2011	3261 Birch Ave	Grapevine	TX	76051-6508	Your item arrived at our FORT WORTH TX DISTRIBUTION CENTER destination facility on August 19, 2024 at 3:13 am. The item is currently in transit to the destination.
9414811898765485384465	Ggm Exploration, Inc. ATTN Will Rodgers	2821 W 7th St Ste 500	Fort Worth	TX	76107-8913	Your item was returned to the sender on August 16, 2024 at 11:27 am in FORT WORTH, TX 76107 because the addressee was not known at the delivery address noted on the package.
9414811898765485384403	Harold M. Hall, Jr., SSP	1211 Poppets Way	Crosby	TX	77532-5706	We attempted to deliver your item at 11:13 am on August 16, 2024 in CROSBY, TX 77532 and a notice was left because an authorized recipient was not available.

Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485384441	J. L. Burke, III, SSP	8928 Meadowknoll Dr	Dallas	TX	75243-7517	Your item was delivered to an individual at the address at 2:50 pm on August 16, 2024 in DALLAS, TX 75243.
9414811898765485384434	James L. Shuler, SSP	1956 University St	Helena	MT	59601-5920	We attempted to deliver your item at 1:53 pm on August 17, 2024 in HELENA, MT 59601 and a notice was left because an authorized recipient was not available.
9414811898765485384557	Jane Shuler Gray, SSP	108 E Orchard Ln	Carlsbad	NM	88220-9631	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765485384526	Leigh Ann Nelson, SSP	5001 Widener Strip	Midland	TX	79707-1530	Your item was delivered to an individual at the address at 9:50 am on August 15, 2024 in MIDLAND, TX 79707.
9414811898765485384595	Lisa Maine Roberts	PO Box 52273	Amarillo	TX	79159-2273	Your item arrived at the AMARILLO, TX 79124 post office at 11:36 am on August 17, 2024 and is ready for pickup.
9414811898765485384533	Malaga EF7, LLC	PO Box 2064	Midland	TX	79702-2064	Your item arrived at the MIDLAND, TX 79701 post office at 4:17 pm on August 15, 2024 and is ready for pickup.
9414811898765485385219	Marathon Oil Permain, LLC	5555 San Felipe St	Houston	TX	77056-2701	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.



Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485385264	Marilyn Burke Salter, SSP	20031 82nd Ave W	Edmonds	WA	98026-6720	Your item was delivered to an individual at the address at 3:15 pm on August 16, 2024 in EDMONDS, WA 98026.
9414811898765485385202	McMullen Minerals, LLC, ATTN William Malloy	PO Box 470857	Fort Worth	TX	76147	Your item has been delivered and is available at a PO Box at 9:00 am on August 16, 2024 in FORT WORTH, TX 76147.
9414811898765485385240	Meridian 102, LP	16400 Dallas Pkwy Suite400	Dallas	TX	75248-2639	Your item was delivered to the front desk, reception area, or mail room at 12:57 pm on August 16, 2024 in DALLAS, TX 75248.
9414811898765485385271	Michael H. Hall, SSP	PO Box 2883	Big Spring	TX	79721-2883	Your item arrived at the BIG SPRING, TX 79720 post office at 12:27 pm on August 15, 2024 and is ready for pickup.
9414811898765485385851	Michael Harrison Moore, SSP	PO Box 51570	Midland	TX	79710-1570	Your item arrived at the MIDLAND, TX 79705 post office at 6:07 pm on August 16, 2024 and is ready for pickup.
9414811898765485385868	Mongoose Minerals, Attn Obo Land	600 W. Illinois Avenue	Midland	TX	79701	We were unable to deliver your package at 9:59 am on August 16, 2024 in MIDLAND, TX 79701 because the business was closed. We will redeliver on the next business day. No action needed.

Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485385806	Nancy I. Farmer, SSP	5136 E 35th St	Tulsa	OK	74135-5218	Your item departed our USPS facility in TULSA OK DISTRIBUTION CENTER on August 17, 2024 at 9:01 pm. The item is currently in transit to the destination.
9414811898765485385882	OneEnergy Partners Operating, LLC	2929 Allen Pkwy	Houston	TX	77019-7100	Your shipment was received at 3:18 pm on August 13, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765485385875	Patricia M. Hayward, SSP	1924 Berkeley Pl	Fort Worth	TX	76110-1209	Your item was forwarded to a different address at 3:35 pm on August 16, 2024 in FORT WORTH, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9414811898765485385721	Pegasus Resources, LLC, ATTN Don Collins	PO Box 123610	Fort Worth	TX	76121	Your item has been delivered and is available at a PO Box at 8:09 am on August 17, 2024 in FORT WORTH, TX 76121.
9414811898765485385707	Pheasant Energy, LLC	PO Box 471458	Fort Worth	TX	76147-1458	Your item has been delivered and is available at a PO Box at 9:00 am on August 16, 2024 in FORT WORTH, TX 76147.
9414811898765485385745	Pony Oil Operating, LLC	4245 N Central Expy	Dallas	TX	75205-4581	We were unable to deliver your package at 11:26 am on August 17, 2024 in DALLAS, TX 75205 because the business was closed. We will redeliver on the next business day. No action needed.

Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485385738	R. R. Hinkle Company, Inc.	PO Box 2292	Roswell	NM	88202-2292	Your item arrived at the ROSWELL, NM 88202 post office at 9:21 am on August 17, 2024 and is ready for pickup.
9414811898765485385950	Rubert F. Madera, aka Bert Madera, SSP	524 Antelope Ridge Rd	Jal	NM	88252-9719	Your item arrived at the JAL, NM 88252 post office at 12:30 pm on August 17, 2024 and is ready for pickup.
9414811898765485385929	Santo Petroleum LLC	PO Box 1020	Artesia	NM	88211-1020	Your item arrived at the ARTESIA, NM 88211 post office at 8:47 am on August 17, 2024 and is ready for pickup.
9414811898765485385998	Sondra Jack, a married woman, SSP	2960 Bobwhite Rd	Taiban	NM	88134-9000	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765485385981	TD Minerals, LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Your item was delivered to the front desk, reception area, or mail room at 11:28 am on August 16, 2024 in DALLAS, TX 75225.
9414811898765485385974	Terri Rene Anderson	2040 Parker St	Amarillo	TX	79109-2018	Your item was delivered to an individual at the address at 6:38 pm on August 17, 2024 in AMARILLO, TX 79109.
9414811898765485385653	Texas Tech University	PO Box 41081	Lubbock	TX	79409-1081	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

Matador - Biggers East Commingling  
Postal Delivery Report

9414811898765485385622	The Southwestern Baptist Theological Seminary	1601 Elm St Ste 1700	Dallas	TX	75201-7224	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765485385691	Tilden Capital Minerals, LLC	PO Box 470857	Fort Worth	TX	76147-0857	Your item has been delivered and is available at a PO Box at 9:00 am on August 16, 2024 in FORT WORTH, TX 76147.
9414811898765485385684	Tim Lilley and wife, TashinaLilley	4873 Raintree Cir	Parker	CO	80134-4557	Your item was delivered to an individual at the address at 9:59 am on August 15, 2024 in PARKER, CO 80134.
9414811898765485385110	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your item was delivered to the front desk, reception area, or mail room at 11:08 am on August 16, 2024 in SANTA FE, NM 87508.

**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-619-A  
**Date:** Tuesday, November 19, 2024 4:05:30 PM  
**Attachments:** [PLC619A Order.pdf](#)

NMOCD has issued Administrative Order PLC-619-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
30-025-44646	Biggers Federal Com #217H	W/2 E/2	18-25S-35E	98098
30-025-44645	Biggers Federal Com #203H	W/2 E/2	18-25S-35E	98098
30-025-44483	Biggers Federal Com #214H	E/2 E/2	18-25S-35E	98098
30-025-52859	Biggers Federal Com #114H	E/2 E/2	7-25S-35E	97088
		E/2 E/2	18-25S-35E	
30-025-52861	Biggers Federal Com #124H	E/2 E/2	7-25S-35E	97088
		E/2 E/2	18-25S-35E	
30-025-52858	Biggers Federal Com #113H	W/2 E/2	7-25S-35E	97088
		W/2 E/2	18-25S-35E	
30-025-52860	Biggers Federal Com #123H	W/2 E/2	7-25S-35E	97088
		W/2 E/2	18-25S-35E	

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  
August 15, 2024  
and ending with the issue dated  
August 15, 2024.

  
Publisher

Sworn and subscribed to before me this  
15th day of August 2024.

  
Business Manager

My commission expires  
January 29, 2027

(Seal)  
**STATE OF NEW MEXICO**  
**NOTARY PUBLIC**  
**GUSSIE RUTH BLACK**  
**COMMISSION # 1087528**  
**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 NOTICE**  
**August 15, 2024**

## Legal Notice (Publication)

To: All affected parties, including all heirs, devisees, and successors of: Ann Brown Hodges; Beverly B. Blair; Brili, LLC; Carolyn Rose Kitchens Living Trust; Civitas DE Basin Resources II, LLC; COG Acreage, LP; COG Operating, LLC; COG Production, LLC; College of the Southwest a/k/a College of the Southwest Foundation f/k/a University of the Southwest Foundation; Connie Brown, Successor Trustee of the Kenneth Blair Brown Trust (also known as The Kenneth Blair Brown Living Trust and the Kenneth Blair Brown Revocable Trust) dated January 17, 2001; Dinwiddie Cattle Company, LLC; Doug Sims; Energex, LLC; George Howard Hall and Rebecca L. Hall, Co-Trustees of The Hall Living Trust dated May 4, 2011; GGM Exploration, Inc.; Harold M. Hall, Jr.; J. L. Burke, III; James L. Shuler; Jane Shuler Gray; Leigh Ann Nelson; Lisa Maine Roberts; Malaga EF7, LLC; Marathon Oil Permian, LLC; Marilyn Burke Salter; McMullen Minerals, LLC; Meridian 102, LP; Michael H. Hall; Michael Harrison Moore; Mongoose Minerals; Nancy I. Farmer; OneEnergy Partners Operating, LLC; Patricia M. Hayward; Pegasus Resources, LLC; Pheasant Energy, LLC; Pony Oil Operating, LLC; R. R. Hinkle Company, Inc.; Rubert F. Madera aka Bert Madera; Santo Petroleum LLC; Sondra Jack; TD Minerals, LLC; Terri Rene Anderson; Texas Tech University; The Southwestern Baptist Theological Seminary; Tilden Capital Minerals, LLC; Tim Lilley and Tashina Lilley; Bureau of Land Management.

Application of Matador Production Company to amend NMOCD Order PLC-619 and for administrative approval to Surface Commingle (pool and lease) production from the spacing units underlying the E/2 of Sections 7 and 18, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-619 ("Order PLC-619"). Order PLC-619 authorizes pool and lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the Biggers Fed West Tank Battery of production from all existing and future wells drilled in the following spacing units:

(a) The 160-acre spacing unit comprised of the W/2 E/2 of Section 18, in the WC-025 G-09 S243532M; Wolfbone [98098] – currently dedicated to the Biggers Fed Com #217H (API No. 30-025-44646) and Biggers Fed Com #203H (API No. 30-025-44645);

(b) The 160-acre spacing unit comprised of the E/2 E/2 of Section 18, in the WC-025 G-09 S243532M; Wolfbone [98098] – currently dedicated to the Biggers Fed Com #214H (API No. 30-025-44483); and

(c) Pursuant to 19.15.12.10.C(4)(g), future leases, pools, or leases and pools connected to the Biggers Fed West Tank Battery (located in the SW/4 SE/4 (Units O) of Section 18) with notice provided only to the owners of interests to be added.

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order PLC-619 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 7 and 18, in the WC-025 G-08 S253534O; Bone Spring [97088] – currently dedicated to the Biggers Fed Com #114H (API No. 30-025-52859) and Biggers Fed Com #124H (API No. 30-025-52861); and

(b) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 7 and 18, in the WC-025 G-08 S253534O; Bone Spring [97088] – currently dedicated to the Biggers Fed Com #113H (API No. 30-025-52858) and Biggers Fed Com #123H (API No. 30-025-52860).

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.  
#00293227

67100754

00293227

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-619-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-619.
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**



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**GERASIMOS RAZATOS  
DIRECTOR (ACTING)**

**DATE:** 11/19/2024

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **PLC-619-A**

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

Central Tank Battery: **Biggers Federal West Tank Battery**

Central Tank Battery Location: **UL O, Section 18, Township 25 South, Range 35 East**

Gas Title Transfer Meter Location: **UL O, Section 18, Township 25 South, Range 35 East**

### Pools

Pool Name	Pool Code
<b>WC-025 G-08 S253534O; BONE SPRING</b>	<b>97088</b>
<b>WC025 G09 S243532M; WOLFBONE</b>	<b>98098</b>

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
<b>CA Wolfbone NMNM 105514176 (142031)</b>	<b>E/2 E/2</b>	<b>18-25S-35E</b>
<b>CA Wolfbone NMNM 105514175 (142030)</b>	<b>W/2 E/2</b>	<b>18-25S-35E</b>
<b>PROPOSED CA Bone Spring BLM A</b>	<b>E/2 E/2</b>	<b>7-25S-35E</b>
	<b>E/2 E/2</b>	<b>18-25S-35E</b>
<b>PROPOSED CA Bone Spring BLM B</b>	<b>W/2 E/2</b>	<b>7-25S-35E</b>
	<b>W/2 E/2</b>	<b>18-25S-35E</b>

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
<b>30-025-44646</b>	<b>Biggers Federal Com #217H</b>	<b>W/2 E/2</b>	<b>18-25S-35E</b>	<b>98098</b>
<b>30-025-44645</b>	<b>Biggers Federal Com #203H</b>	<b>W/2 E/2</b>	<b>18-25S-35E</b>	<b>98098</b>
<b>30-025-44483</b>	<b>Biggers Federal Com #214H</b>	<b>E/2 E/2</b>	<b>18-25S-35E</b>	<b>98098</b>
<b>30-025-52859</b>	<b>Biggers Federal Com #114H</b>	<b>E/2 E/2</b>	<b>7-25S-35E</b>	<b>97088</b>
		<b>E/2 E/2</b>	<b>18-25S-35E</b>	
<b>30-025-52861</b>	<b>Biggers Federal Com #124H</b>	<b>E/2 E/2</b>	<b>7-25S-35E</b>	<b>97088</b>
		<b>E/2 E/2</b>	<b>18-25S-35E</b>	
<b>30-025-52858</b>	<b>Biggers Federal Com #113H</b>	<b>W/2 E/2</b>	<b>7-25S-35E</b>	<b>97088</b>
		<b>W/2 E/2</b>	<b>18-25S-35E</b>	
<b>30-025-52860</b>	<b>Biggers Federal Com #123H</b>	<b>W/2 E/2</b>	<b>7-25S-35E</b>	<b>97088</b>
		<b>W/2 E/2</b>	<b>18-25S-35E</b>	

Sante Fe Main Office  
Phone: (505) 476-3441

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 376266

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 376266
	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 email us at <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	11/19/2024