	RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	1	- Geolog	ABOVE THIS TABLE FOR OCCI CO OIL CONSERV ical & Engineering rancis Drive, Sant	' <b>ATION DIVISIO</b> I g Bureau -	· · · · · · · · · · · · · · · · · · ·
			RATIVE APPLICAT		
			ALL ADMINISTRATIVE APPLIC REQUIRE PROCESSING AT THE		
٩p	plicant:			OG	RID Number:
ve	ell Name:				 l Code:
Ot	ol:			P00	Code.
•	SUBMIT ACCURATE AI	ND COMPLETE IN	IFORMATION REQU INDICATED BELO		S THE TYPE OF APPLICATION
1)	TYPE OF APPLICATION  A. Location - Spa  ☐NSL	cing Unit – Simu	e which apply for [A Itaneous Dedication PROJECT AREA)	on _	□sd
2)	☐ DHC  [ II ] Injection —	ng - Storage - N  CTB  Disposal - Press  PMX  SIRED TO: Check ators or lease ho erriding royalty of requires publish and/or concur	ELC	anced Oil Recorements OR PPR  y.  vners	FOR OCD ONLY  Notice Complete  Application Content Complete
	F. Surface ow	ner e above, proof o	of notification or pu		ched, and/or,
3)	<b>CERTIFICATION:</b> I he administrative apprunderstand that <b>no</b> notifications are sub	oval is <b>accurate</b> <b>action</b> will be ta	and <b>complete</b> to aken on this applica	the best of my k	• •
	Note: State	ement must be comp	leted by an individual with	n managerial and/or s	upervisory capacity.
				Date	
Prii	nt or Type Name				
				Dis acceptance of	
-	Pakhir			Phone Numb	er
,	anthor				

e-mail Address

Signature



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

September 19, 2024

### **VIA ONLINE FILING**

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

Re: Application of Matador Production Company for administrative approval to surface commingle (pool and lease commingle) oil and gas production from spacing units comprised of Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Section 2, All of Section 11, and the E/2 E/2 of Section 14, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands")

Dear Mr. Razatos:

Matador Production Company (OGRID No. 228937) ("Matador"), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the **Charles Ling North Tank Battery** insofar as all existing and future wells drilled in the following spacing units:

- (a) The 319.98-acre spacing unit comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 2 and the W/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0211 Fed Com 131H** (API. No. 30-025-52936);
- (b) The 319.85-acre spacing unit comprised of Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2 and the E/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0211 Fed Com 132H** (API. No. 30-025-52937);
- (c) The 319.73-acre spacing unit comprised of Lot 2, SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 2 and the W/2 E/2 of Section 11, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0211 Fed Com 133H** (API. No. 30-025-52938);
- (d) The 479.60-acre spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 2 and the E/2 E/2 of Sections 11 and 14, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0214 Fed Com 134H** (API. No. 30-025-52942);



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

- (e) The 319.98-acre spacing unit comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 2 and the W/2 W/2 of Section 11, in the WC-025 G-09 5243310P; Upper Wolfcamp [98135] currently dedicated to the **Charles Ling 0211 Fed Com 221H** (API. No. 30-025-52939);
- (f) The 319.85-acre spacing unit comprised of Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2 and the E/2 W/2 of Section 11, in the WC-025 G-09 5243310P; Upper Wolfcamp [98135] currently dedicated to the **Charles Ling 0211 Fed Com 222H** (API. No. 30-025-52940);
- (g) The 319.73-acre spacing unit comprised of Lot 2, SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 2 and the W/2 E/2 of Section 11, in the WC-025 G-09 5243310P; Upper Wolfcamp [98135] currently dedicated to the **Charles Ling 0211 Fed Com 223H** (API. No. 30-025-52941);
- (h) The 479.60-acre spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 2 and the E/2 E/2 of Sections 11 and 14, in the WC-025 G-09 5243310P; Upper Wolfcamp [98135] currently dedicated to the **Charles Ling 0214 Fed Com 224H** (API. No. 30-025-52943); and
- (i) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling North Tank Battery with notice provided only to the owners of interests to be added.

Oil and gas production from these spacing units will be commingled and sold at the **Charles Ling North Tank Battery** ("TB") located in the Lot 3 (NE/4 NW/4 equivalent) of irregular Section 2, Township 24 South, Range 33 East. Each well is equipped with a three-phase separator and metered on lease before production is transferred to the TB. Gas production from the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using turbine meters.

**Exhibit 1** is a land plat showing Matador's current development plan, flow lines, well pads, the TB ("Facility Pad") in the subject area, and common gathering line. The plat also identifies the wellbores and lease/spacing unit boundaries.

**Exhibit 2** 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 3** is a C-102 for each of the wells currently permitted or drilled within the existing spacing units.



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

Exhibit 4 includes relevant communitization agreements.

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 New Mexico State Land Office ("NMSLO") and Bureau of Land Management ("BLM") since state and federal lands are involved.

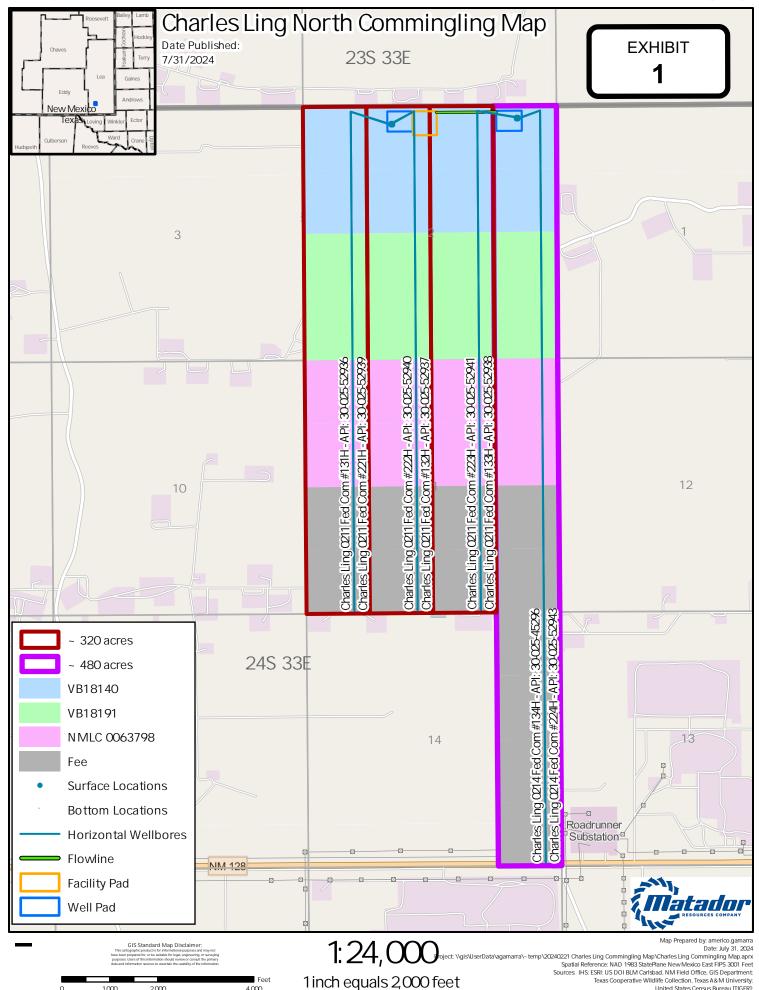
Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

**COMPANY** 



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

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

## OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)								
OPERATOR NAME: Matador Production Company								
OPERATOR ADDRESS:	5400 LBJ	0 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240						
APPLICATION TYPE:								
Pool Commingling Lease Commingling MPool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)								
LEASE TYPE:	⊠ St	ate 🛛 Federa						
Is this an Amendment to existing Have the Bureau of Land Man   ☐ Yes ☐ No	ing Order? agement (I	☐Yes ☑No If BLM) and State Land	"Yes", please include to defice (SLO) been not be a second to the second	the appropriate Order No. tified in writing of the proposed con	nmingling			
			L COMMINGLIN s with the following in					
(1) Pool Names and Codes		Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes			
TRIPLE X; BONE SPRING [599	00]	51.85°		#00.02/411 11/ ' 1' O1	1,800 BOPD			
TRIPLE X; BONE SPRING [599	00]	1,343 BTU	53.78°	\$80.03/bbl oil (price realization Q1 2024)	2,200 MCFPD			
RED HILLS; BONE SPRING, NO [96434]	ORTH	51.85°	1,333 BTU	\$1,56/mcf (price realization Q1	2,200 BOPD			
RED HILLS; BONE SPRING, NO [96434]	ORTH	1,343 BTU		2024)	2,600 MCFPD			
WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]	2	55.93°			3,600 BOPD			
WC-025 G-09 S243310P; UPPER WOLFCAMP [98135]		1,326 BTU			6,000 MCFPD			
(2) Are any wells producing at (3) Has all interest owners been (4) Measurement type:   Mo (5) Will commingling decrease	notified by	certified mail of the pro	ing via well test		d			
			SE COMMINGLIN					
		Please attach sheet	ts with the following in	nformation				
(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)								
			LEASE COMMIN					
(D) Q 1 (Q (T) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		Please attach sheet	ts with the following i	nformation				
(1) Complete Sections A and E	*							
			ORAGE and MEA					
(1) I II I C C			ets with the following	Intormation				
<ul> <li>(1) Is all production from same source of supply?</li></ul>								

**EXHIBIT** 

2

# (E) ADDITIONAL INFORMATION (for all application types) Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
- (2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
- (3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete	to the best of my knowledge and belief.	
SIGNATURE: <b>Oscar</b> Syrlg	TITLE: Production Engineer	DATE: 05/21/2024
TYPE OR PRINT NAME Oscar Gonzalez	TELEPH	IONE 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 972.619.4343 • Fax 972.371.5201 ogonzalez@matadorresources.com

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 Surface Commingle (pool and lease commingle) Production from the Spacing Units Comprising of All of Section 02 and All of Section 11 and the E/2 E/2 of Section 14 of Township 24 South, Range 33 East, NMPM, Eddy County, New Mexico (the "Lands")

To Whom This May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to commingle future oil and gas production from the Bone Spring and Wolfcamp formations from eight (8) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on Exhibit A. 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 Laboratory Services 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 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,

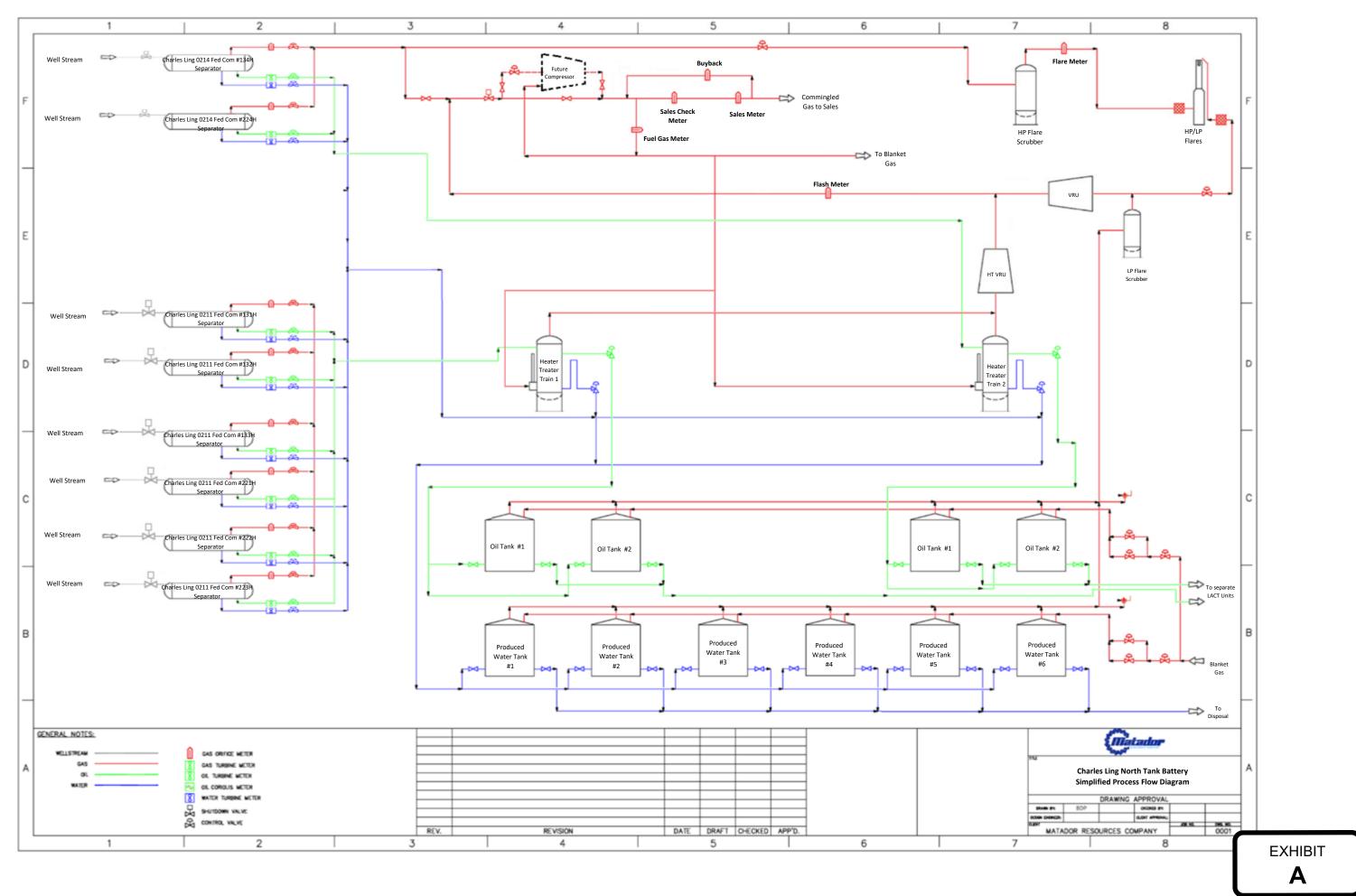
MATADOR PRODUCTION COMPANY

Oscar Lynly

Oscar Gonzalez

Production Engineer

Received by OCD: 9/19/2024 2:44:22 PM



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

For: Matador Production Company

One Lincoln Centre

5400 LBJ Freeway, Suite 1500

Dallas, Texas 75240

Sample: Leo Thorsness 13 24 33 No. 135H

First Stage Separator

Spot Gas Sample @ 234 psig & 122 °F

Date Sampled: 03/12/2020 Job Number: 201563.001

#### **CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.162	
Carbon Dioxide	0.115	
Methane	75.967	
Ethane	12.388	3.393
Propane	5.809	1.639
Isobutane	0.724	0.243
n-Butane	1.778	0.574
2-2 Dimethylpropane	0.001	0.000
Isopentane	0.387	0.145
n-Pentane	0.467	0.173
Hexanes	0.419	0.171
Heptanes Plus	<u>0.783</u>	0.332
Totals	100.000	6.669

### **Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity	3.441	(Air=1)
Molecular Weight	99.24	
Gross Heating Value	5213	BTU/CF

#### **Computed Real Characteristics Of Total Sample:**

Specific Gravity	0.765	(Air=1)
Compressibility (Z)	0.9958	
Molecular Weight	22.05	
Gross Heating Value		
Dry Basis	1343	BTU/CF
Saturated Basis	1321	BTU/CF

<sup>\*</sup>Hydrogen Sulfide tested on location b Stain Tube Method (GPA 2377)

Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) D. Field

Analyst: RG
Processor: RG
Cylinder ID: T-1668

EXHIBIT **B** 

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

Job Number: 201563.001

# CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286 TOTAL REPORT

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	1.162		1.476
Carbon Dioxide	0.115		0.230
Methane	75.967		55.268
Ethane	12.388	3.393	16.892
Propane	5.809	1.639	11.616
Isobutane	0.724	0.243	1.908
n-Butane	1.778	0.574	4.686
2,2 Dimethylpropane	0.001	0.000	0.003
Isopentane	0.387	0.145	1.266
n-Pentane	0.467	0.173	1.528
2,2 Dimethylbutane	0.005	0.002	0.020
Cyclopentane	0.050	0.015	0.159
2,3 Dimethylbutane	0.000	0.000	0.000
2 Methylpentane	0.120	0.051	0.469
3 Methylpentane	0.065	0.027	0.254
n-Hexane	0.179	0.075	0.700
Methylcyclopentane	0.078	0.028	0.298
Benzene	0.042	0.012	0.149
Cyclohexane	0.132	0.046	0.504
2-Methylhexane	0.023	0.011	0.105
3-Methylhexane	0.028	0.013	0.127
2,2,4 Trimethylpentan	€ 0.017	0.009	0.088
Other C7's	0.054	0.024	0.243
n-Heptane	0.062	0.029	0.282
Methylcyclohexane	0.103	0.042	0.459
Toluene	0.038	0.013	0.159
Other C8's	0.084	0.040	0.420
n-Octane	0.026	0.014	0.135
Ethylbenzene	0.003	0.001	0.014
M & P Xylenes	0.012	0.005	0.058
O-Xylene	0.003	0.001	0.014
Other C9's	0.038	0.020	0.218
n-Nonane	0.009	0.005	0.052
Other C10's	0.018	0.011	0.115
n-Decane	0.005	0.003	0.032
Undecanes (11)	0.008	<u>0.005</u>	0.053
Totals	100.000	6.669	100.000

# Computed Real Characteristics of Total Sample

Specific Gravity	0.765	(Air=1)
Compressibility (Z)	0.9958	
Molecular Weight	22.05	
Gross Heating Value		
Dry Basis	1343	BTU/CF
Saturated Basis	1321	BTU/CF

### FESCO, Ltd.

### 1100 Fesco Ave. - Alice, Texas 78332

Sample: Leo Thorsness 13 24 33 No. 135H

First Stage Separator

Spot Gas Sample @ 234 psig & 122 °F

Date Sampled: 03/12/2020 Job Number: 201563.001

### **GLYCALC FORMAT**

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	0.115		0.230
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.162		1.476
Methane	75.967		55.268
Ethane	12.388	3.393	16.892
Propane	5.809	1.639	11.616
Isobutane	0.724	0.243	1.908
n-Butane	1.779	0.574	4.689
Isopentane	0.387	0.145	1.266
n-Pentane	0.467	0.173	1.528
Cyclopentane	0.050	0.015	0.159
n-Hexane	0.179	0.075	0.700
Cyclohexane	0.132	0.046	0.504
Other C6's	0.190	0.080	0.743
Heptanes	0.245	0.105	1.055
Methylcyclohexane	0.103	0.042	0.459
2,2,4 Trimethylpentane	0.017	0.009	0.088
Benzene	0.042	0.012	0.149
Toluene	0.038	0.013	0.159
Ethylbenzene	0.003	0.001	0.014
Xylenes	0.015	0.006	0.072
Octanes Plus	<u>0.188</u>	<u>0.097</u>	<u>1.025</u>
Totals	100.000	6.669	100.000

#### **Real Characteristics Of Octanes Plus:**

Specific Gravity	4.170	(Air=1)
Molecular Weight	120.27	
Gross Heating Value	6392	BTU/CF

## **Real Characteristics Of Total Sample:**

Specific Gravity	0.765	(Air=1)
Compressibility (Z)	0.9958	
Molecular Weight	22.05	
Gross Heating Value		
Dry Basis	1343	BTU/CF
Saturated Basis	1321	BTU/CF

**EXHIBIT** 

FORM C-102 Revised August 1, 2011

Submit one copy to appropriate **District Office** 

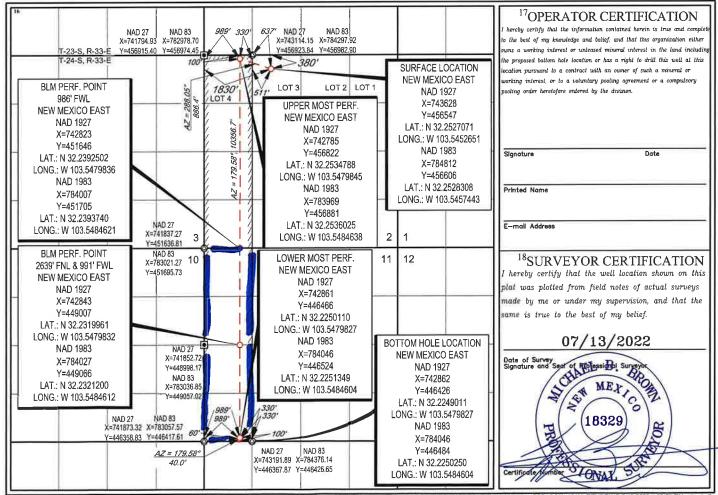
AMENDED REPORT

District 1 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 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

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

WELL LOCATION AND ACREAGE DEDICATION PLAT									
	<sup>T</sup> API Number <sup>Z</sup> Pool Code						<sup>3</sup> Pool N:	ıme	
94434						Zed Hills;	Bone Soi	in North	
<sup>4</sup> Property C	ode				5Property N	Name /		•	Well Number
				CHARL	ES LING 0	211 FED CO	M		131H
<sup>7</sup> OGRID N	Vo.				<sup>8</sup> Operator I	Name			<sup>9</sup> Elevation
			]	MATADOR PRODUCTION COMPANY 3					3657'
					<sup>10</sup> Surface L	ocation			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	2	24-S	33-E	1=1	380'	NORTH	1830'	WEST	LEA
	11Bottom Hole Location If Different From Surface								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	·
M	11	24-S	33-E	1221	60'	SOUTH	989'	WEST	LEA
<sup>12</sup> Dedicated Acres 319.98	<sup>13</sup> Joint or 1	nfill 14Con	solidation Co	de <sup>15</sup> Ordo	er No.	•			



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 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 S. St. Francis Dr., Santa Fe, NM 87505

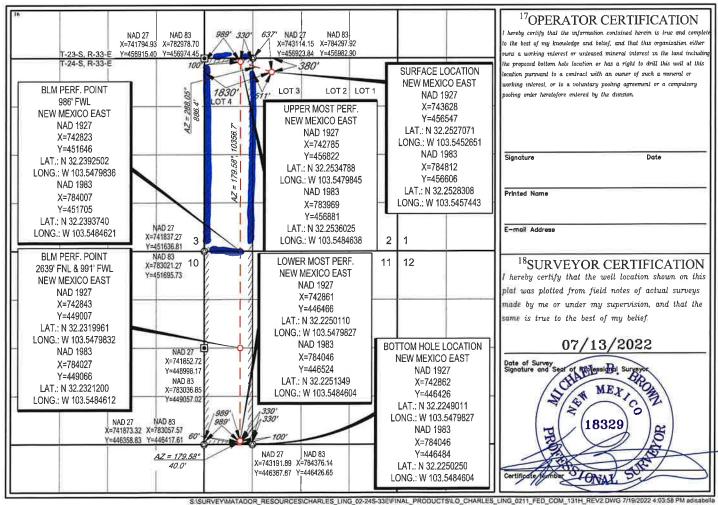
Phone: (505) 476-3460 Fax: (505) 476-3462

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

**FORM C-102** Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

		W	ELL LO	CATIO	N AND ACR	EAGE DEDIC	ATION PLA	Т		
	<sup>I</sup> API Numbei			<sup>2</sup> Pool Code			<sup>3</sup> Pool Na	ime		
			_ S	59900 Triple x; Bone Spring						
<sup>4</sup> Property C	Code				<sup>5</sup> Property N	lame		,	<sup>6</sup> Well Number	
				CHARL		131H				
<sup>7</sup> OGRID I	No.			<sup>8</sup> Operator Name <sup>9</sup> Elevation						
22893	7			MATADO	R PRODUC	TION COMPA	NY		3657'	
1,811					10 Surface L	ocation				
UL or lot no.	Section	Township	Range	Lot Idn		North/South line	Feet from the	East/West		
3	2	24-S	33-E	_	380'	NORTH	1830'	WEST	LEA	
·			11	Bottom Ho	le Location If I	oifferent From Su	rface			
UL or lot no.	Section	Township	Range	Lot Idn	7.00	North/South line	Feet from the	East/Wes	1	
M	11	24-S	33-E	=	60'	SOUTH	989'	WEST	LEA	
<sup>12</sup> Dedicated Acres 98 319.98	<sup>13</sup> Joint or	(nfill 14Co	nsolidation Co	de <sup>15</sup> Ord	er No.	•			3.0	



District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

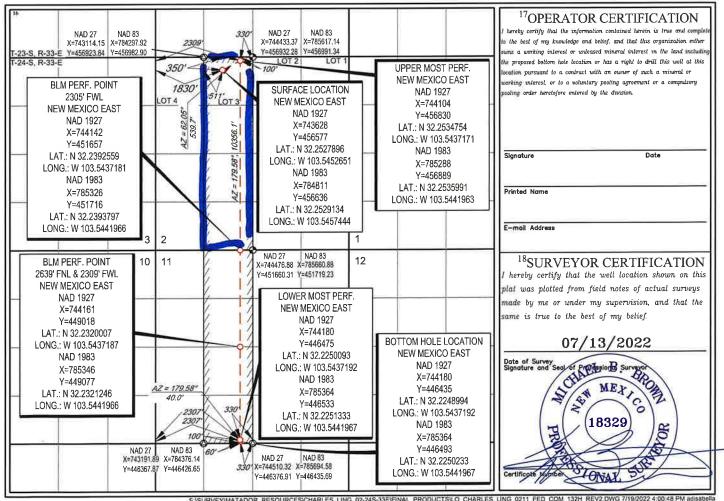
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

**FORM C-102** Revised August 1, 2011 Submit one copy to appropriate **District Office** 

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 59900 Drin Well Number <sup>4</sup>Property Code Property Name CHARLES LING 0211 FED COM 132H Operator Name Elevation OGRID No. 3657 MATADOR PRODUCTION COMPANY 228937 <sup>10</sup>Surface Location East/West line Range Lot Idn Feet from the North/South line Feet from the County UL or lot no. Section Township 1830' LEA 2 24-S 33-E 350' NORTH WEST 3 11Bottom Hole Location If Different From Surface County North/South line Feet from the East/West lin Feet from the UL or lot no. Section Township Range Lot Idn 2307 WEST LEA 60' SOUTH 24-S 33-E N 11 3.loint or Infill Consolidation Code Order No. <sup>2</sup>Dedicated Acres 319.85 159.85

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 RESOURCESICHARLES LING 02-24S-35EIFINAL PRODUCTSILO CHARLES LING 0211\_FED\_COM\_132H\_REV2.DWG 7/19/2022 4:00:48 PM

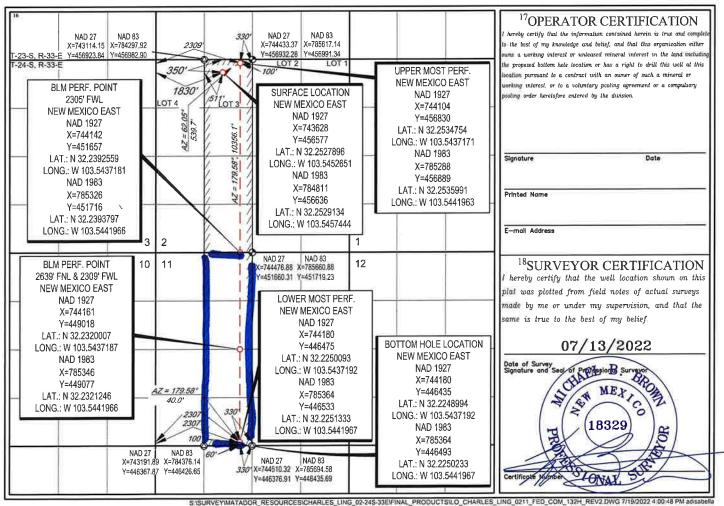
District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 S. St. Francis Dr. Santa Fe. NM 87505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

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FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT API Number $N_0/H$ 96434 Well Number Property Name Property Code 132H CHARLES LING 0211 FED COM Operator Name <sup>9</sup>Elevation OGRID No. MATADOR PRODUCTION COMPANY 3657 7.28937 <sup>10</sup>Surface Location Range Feet from the North/South line Feet from the East/West line County UL or lot no. Section Township Lot Idn 350' NORTH 1830' WEST LEA 3 2 24-S 33-E 11 Bottom Hole Location If Different From Surface East/West line Feet from the UL or lot no. Township Rang Lot Idn Feet from the North/South line 2307 60 WEST 24-S 33-E SOUTH LEA N 11 <sup>2</sup>Dedicated Acres Consolidation Code Joint or Infill Order No. 319.85



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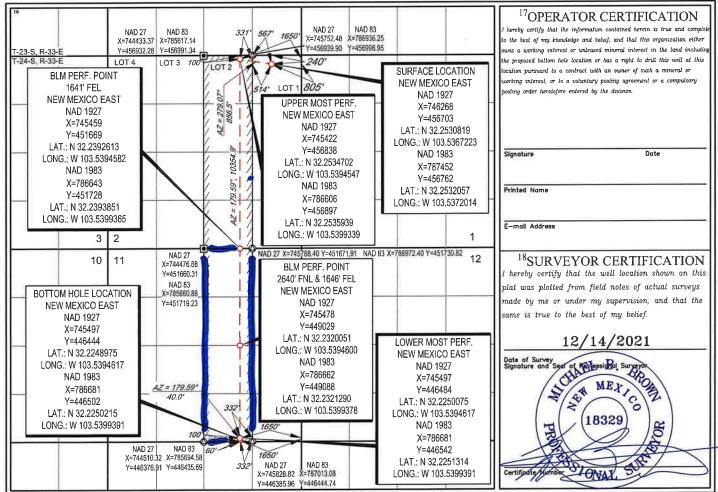
### WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number	г		<sup>z</sup> Pool Code		<sup>3</sup> Pool Name					
			9	6434		Red Hills	Bone	Spring	No	orth	
<sup>4</sup> Property Co	ode				5Prope	rty Name		, ,	61	Well Number	
	CHARLES LING 0211 FED COM 133H										
OGRID No. SOPERATOR Name Elevation										<sup>9</sup> Elevation	
MATADOR PRODUCTION COMPANY 3637'										3637'	
					<sup>10</sup> Surfac	e Location		7/2			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from	the North/South line	Feet from the	Ea	st/West line	County	
1	2	24-S	33-E	-	240'	NORTH	805'	EAS	ST	LEA	

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section 11	Township 24-S	Range 33-E	Lot Idn —		North/South line	Feet from the 1650'	East/West line EAST	County LEA
319.73	<sup>13</sup> Joint or I	nfill <sup>[4</sup> Co	onsolidation Cod	de <sup>15</sup> Orde	er No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



S/SURVEYMATADOR\_RESOURCES/CHARLES\_LING\_02-24S-33E/FINAL\_PRODUCTS/LO\_CHARLES\_LING\_0211\_FED\_COM\_133H\_REV1.DWG 5/9/2022 2:25:53 PM adiasab

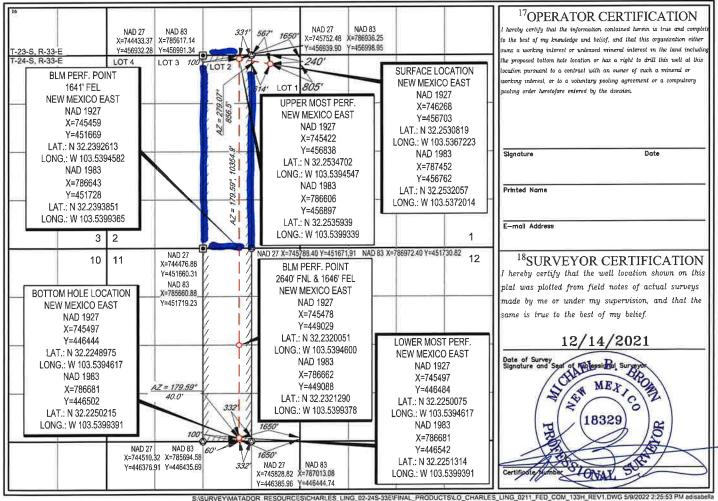
District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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#### WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>2</sup>Pool Code <sup>1</sup>API Number 59900 Well Number Property Name Property Code 133H CHARLES LING 0211 FED COM Operator Name Elevation OGRID No. MATADOR PRODUCTION COMPANY 3637 228937 <sup>10</sup>Surface Location East/West line County UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the 240' NORTH 805 EAST LEA 2 24-S 33-E 1 <sup>11</sup>Bottom Hole Location If Different From Surface Feet from the East/West line County Feet from the North/South line Lot Idr UL or lot no. Section Township Rang 60 SOUTH 1650 **EAST** LEA 33-E 0 11 24-S Dedicated Acres Joint or Infill <sup>4</sup>Consolidation Code Order No. 319.73 159.73



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#### WELL LOCATION AND ACREAGE DEDICATION PLAT

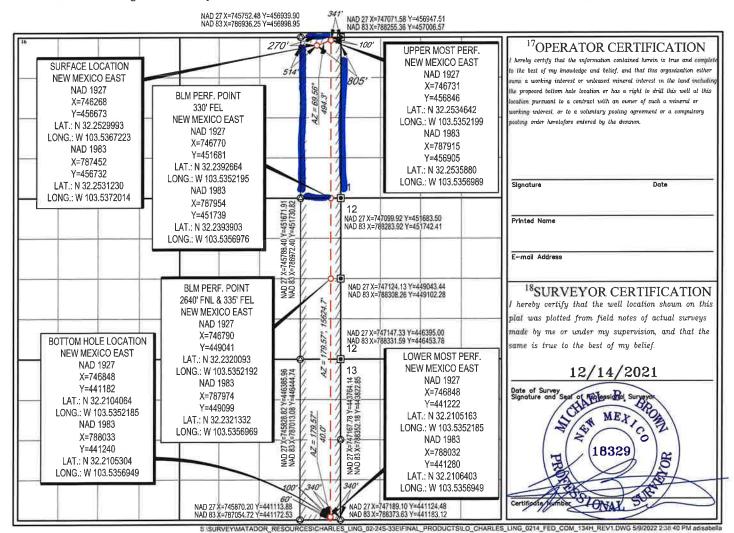
<sup>1</sup> API Number	<sup>2</sup> Pool Code			
	59900	Triple x;	Bone	Sprin
<sup>4</sup> Property Code	<sup>5</sup> Pr	operty Name	0	Well Number
	CHARLES LIN	G 0214 FED COM		134H
<sup>7</sup> OGRID №.	8OI	perator Name		<sup>9</sup> Elevation
228937	MATADOR PRO	3639'		

<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
1	2	24-S	33-E	-	270'	NORTH	805'	EAST	LEA

11 Bottom Hole Location If Different From Surface

				Dottom 110	ic Edention in E	merent i rom bu	INCO		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	24-S	33-E	-	60'	SOUTH	340'	EAST	LEA
12 Dedicated Acres 479.60	<sup>13</sup> Joint or I	nfill   SCo	nsolidation Co	de <sup>15</sup> Ord	er No.				



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1220 S, St. Francis Dr., Santa Fe, NM 87505
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Section

2

Township

24-S

UL or lot no.

MAN

1

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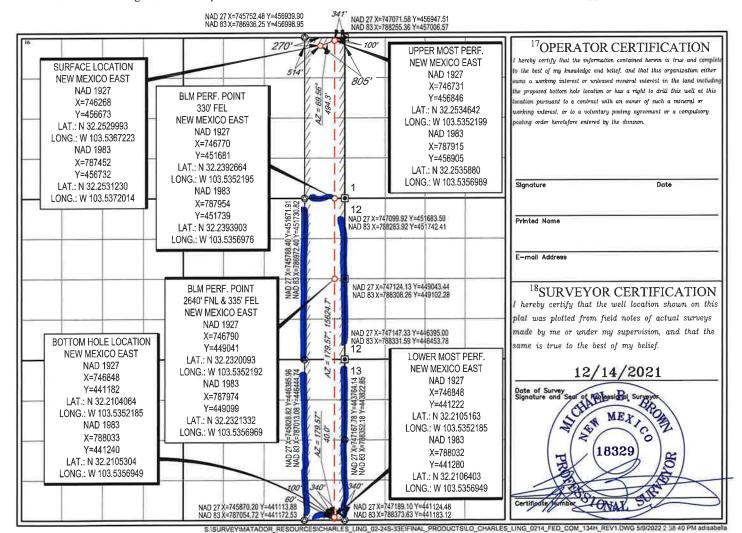
# WELL LOCATION AND ACREAGE DEDICATION PLAT Pool Code Pool Name

<sup>1</sup> API Number	<sup>2</sup> Pool Code		Pool Name	
	94434	Red	Hills ; Bon	· Spring North
<sup>4</sup> Property Code	5Pr	operty Name	,	Well Number
	CHARLES LIN	IG 0214 FED	COM	134H
OGRID No.	8O1	perator Name		<sup>9</sup> Elevation
	MATADOR PRO	DUCTION COM	PANY	3639'
	<sup>10</sup> Suri	ace Location		

Range Lot Idn Feet from the North/South line Feet from the 270' NORTH 805' EAST LEA

11 Rottom Hole Location If Different From Surface

				Dottom Ixo	ic Location is b	merche i rom bur	1444		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	14	24-S	33-E	:=:	60'	SOUTH	340'	EAST	LEA
12 Dedicated Acres 479.60	<sup>13</sup> Joint or I	nfill 14Cc	nsolidation Co	de <sup>15</sup> Orde	er No.				



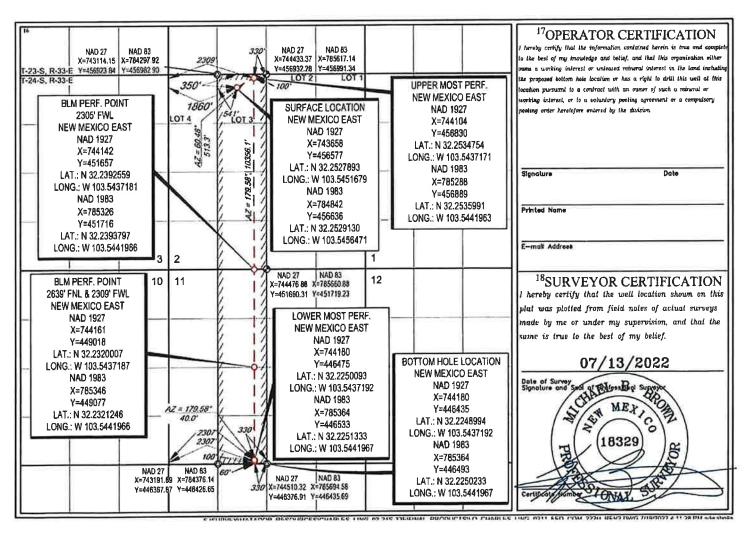
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			WELL LO	CATIO	N AND ACI	REAGE DEDIC	ATION PLA	Т		
1	API Number			<sup>2</sup> Pool Code			³Pool Na	ime	^	
			C	78135	\ \	UC-025 G-09	1 Sa4331	OP: Upps	· Woltcama	
Property C	ode				5Property	<sup>5</sup> Property Name Well Number				
				CHARI	ES LING (	0211 FED COL	M		222H	
OGRID N	10.				*Operator	Name			Elevation	
22893	37		]		3658'					
					<sup>10</sup> Surface L	ocation				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	e North/South line	Feet from the	East/West I		
3	2	24-S	S 33-E	- !	350'	NORTH	1860'	WEST	LEA	
			11	Bottom He	ole Location If	Different From Sur	face			
UL or lot no.	Section	Township	Range	Let Ide	Feel from the	c North/South line	Feet from the	Esst/West I		
N	11	24-S	S 33-E	-	60'	SOUTH	2307'	WEST	LEA	
<sup>12</sup> Dedicated Acres	"Joint or 1	nfill lifter	*Consolidation Con	de GOrd	der No.					
319.85										



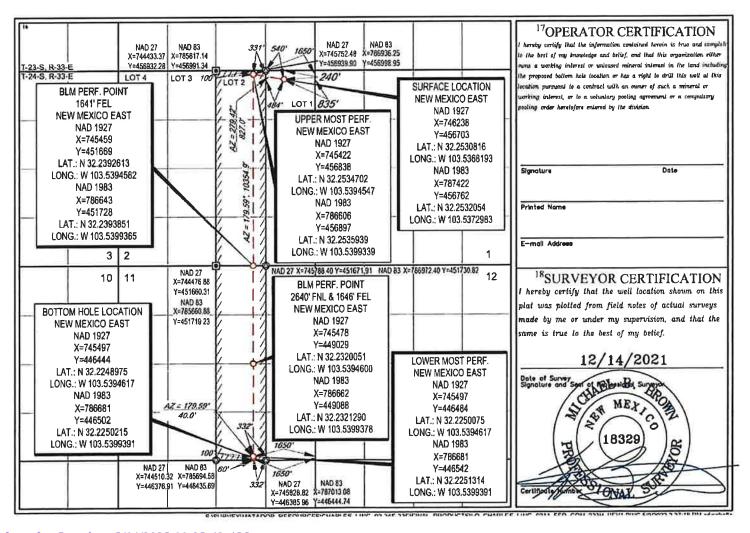
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		V	ELL LO	CATIO	N AND ACI	REAGE DEDIC	ATION PLA	.T			
	API Number			<sup>2</sup> Pool Code			<sup>3</sup> Pool Na	ame			
				98135	- W	C-025 G-09	524331	OP; U			
Property C	ode				5Property	Name		- /		/ell Number 🌃	
				CHARL	ES LING	0211 FED CO	M			223H	
OGRID N	io.				<sup>5</sup> Operator	· Name				Elevation	
22893	٦		MATADOR PRODUCTION COMPANY 3636'								
					<sup>10</sup> Surface l	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from (h	c North/South line	Feet from the	Ear	I/West line	County	
1	2	24-S	33-E	=	240'	NORTH	835'	EAS	ST	LEA	
			11	Bottom Ho	le Location If	Different From Sur	face				
UL or lot go.	Section	Township	Runge	Lot Idn	Feet from th	e North/South line	Feet from the	Eas	t/West line	County	
0	11	24-S	33-E	-	60'	SOUTH	1650'	EAS	T	LEA	
<sup>12</sup> Dedicated Acres 319.73	<sup>13</sup> Joint or 1	infill <sup>14</sup> Co	nsolidation Co	de <sup>18</sup> Ord	er No.						
010.70	1	- 1		- 1							



District J
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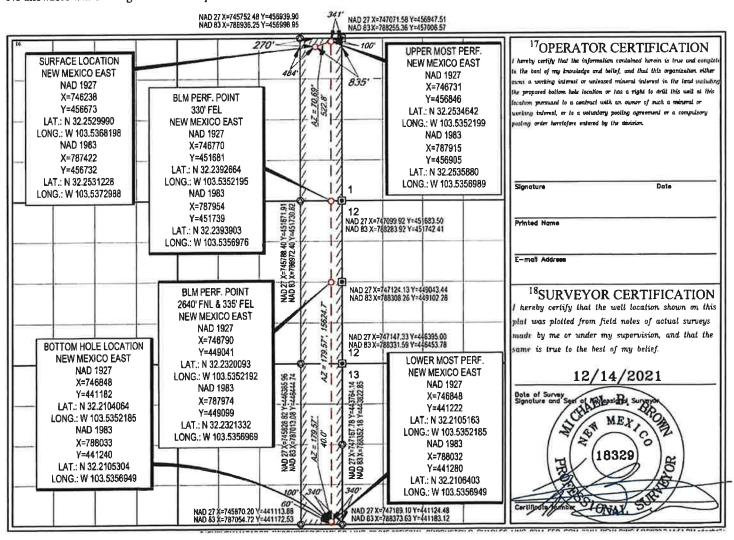
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WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number	r		<sup>1</sup> Pool Code		<sup>3</sup> Pool Name						
			9	8135	W	C-0250-0	9 52423	10P:	Upos,	- Wolfer		
Property C	Code		·		<sup>5</sup> Property				N <sub>0</sub>	ell Number 1		
,				CHARL	ES LING C	214 FED COM	A			224H		
OGRID !	No.				*Operator	Name				Elevation		
2289	937		MATADOR PRODUCTION COMPANY 3638'									
					<sup>10</sup> Surface L	ocation						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Ea	st/West line	County		
1	2	24-S	33-E	-	270'	NORTH	835'	EAS	ST	LEA		
			11]	Bottom Ho	le Location If	Different From Sur	face					
UL or lot no.	Section	Township	Runge	Lot ldn	Feet from the	North/South line	Feet from the	Es	st/West line	Соилту		
P	14	24-S	33-E	-	60'	SOUTH	340'	EAS	ST	LEA		
<sup>12</sup> Dedicated Acres 479.60	<sup>J3</sup> Joint or	Infili 14Con	solidation Con	de <sup>15</sup> Orde	er No.							



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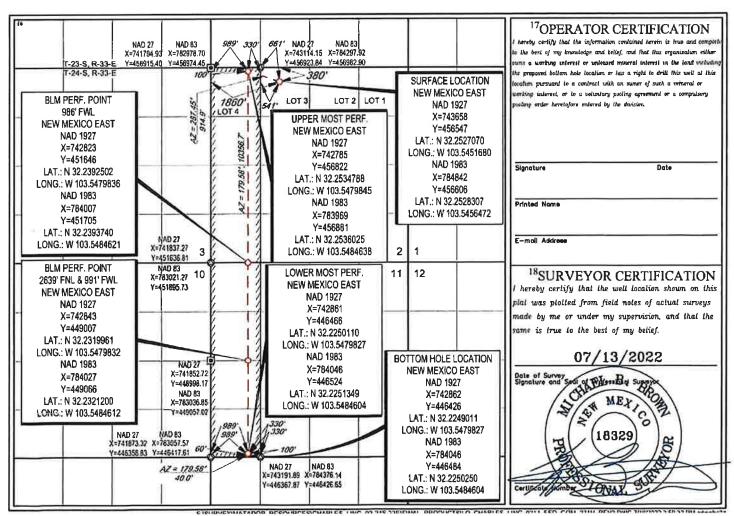
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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number WL-025 G-09 98135 52433108 101 team Property Name Well Number Property Code 221H CHARLES LING 0211 FED COM Operator Name Elevation OGRID No. MATADOR PRODUCTION COMPANY 3657 728937 <sup>10</sup>Surface Location Feet from the East/West line County North/South line Section Township Lot 1dn Feet from the UL or lot no.

3	2	24-S	33-E	-	380'	NORTH	1860'	WEST	LEA			
	11Bottom Hole Location If Different From Surface											
UL or lot no.	Section 11	Township 24-5	33-E	Lot Ida —	Feet from the 60'	North/South line SOUTH	Feet from the 989'	East/West line WEST	County LEA			
<sup>12</sup> Dedicated Acres 319.98	<sup>13</sup> Joint or 1	nfll) <sup>[4</sup> Co	nsolidation Cod	e <sup>15</sup> Ord	er Na.							



NM State Land Office Oil, Gas, & Minerals Division



### STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised March, 2024

# ONLINE Version COMMUNITIZATION AGREEMENT

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

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:				
Subdivisions Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 1	.1 ,			
Sect(s) 2, 11 , T 24S , R 33E , NMPM Lea	_County, NM			
containing 319.98 acres, more or less, and this agreement shall include only	the			
Bone Spring	Formation			
or pool, underlying said lands and the oil and gas				
(hereinafter referred to as "communitized substances") producible from such formation	on.			

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is **April** Month **1st** Day, **2024** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer  My commission expires

# **EXHIBIT "A"**

Plat of communitized area covering 319.98 acres in Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

## Charles Ling 0211 Fed Com #131H

Tract 1 VB-1814-0000 79.98 acres	
Tract 2 VB-1819-0001 80.00 acres	Section 2-24S-33E
Tract 3 NMLC-0063798 80.00 acres	
Tract 4 Fee Leases 80.00 acres	Section 11-24S-33E

#### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

#### DESCRIPTION OF LEASES COMMITTED

#### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 4 (NW4NW4), SW4NW4

Number of Acres: 79.98

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

#### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: W2SW4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

#### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2NW4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0211 Fed Com #131H – State Comm Agreement

# Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2SW4

Number of Acres: 80.00

Name and Percent of Working Interest Owners: MRC Permian Company

# **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.98	24.97
2	80.00	25.01
3	80.00	25.01
4	80.00	25.01
Total	319.98	100.00%

# Federal Communitization Agreement

Contract No.	
Contract No.	

THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

#### WITNESSETH:

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

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

WHEREAS, the parties have drilled a **Bone Spring Oil** well designated the **Charles Ling 0211 Fed Com 131H** (Subject Well) in Sections **2 & 11** Township **24S** Range **33E** 

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:

Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico

Containing 319.98 acres, and this agreement shall include only the 3<sup>rd</sup> Bone Spring underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the well bore of Charles Ling 0211 Fed Com 131H.

Charles Ling 0211 Fed Com 131H Federal Comm Agreement

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0211 Fed Com 131H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0211 Fed Com 131H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0211 Fed Com 131H well 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

Charles Ling 0211 Fed Com 131H Federal Comm Agreement

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0211 Fed Com 131H well: 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 Charles Ling 0211 Fed Com 131H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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.
- 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. <u>Nondiscrimination.</u> 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.

Signature of Authorized Agent

By: Kyle Perkins, Senior Vice President and Assistant General Counsel
Name & Title of Authorized Agent

Date:

ACKNOWLEDGEMENT

STATE OF

STATE OF

On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

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.

Matador Production Company	
By:	
Kyle Perkins, Senior Vice President and A Print Name	ssistant General Counsel
Date:	
ACKNOWI	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of Matador Prodexecuted the foregoing instrument and acknew executed the same.	o me to be the Senior Vice President and luction Company, the corporation that
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

<u>virc Permian Company</u>	
Ву:	
Kyle Perkins, Senior Vice President and A	Assistant General Counsel
Date:	
ACKNOW	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of MRC Permia the foregoing instrument and acknowledge same.	nn Company, the corporation that executed
(SEAL)	
My Commission Expires	Notary Public

## **EXHIBIT "A"**

Plat of communitized area covering 319.98 acres in Lot 4, SW4NW4, W2SW4, Section 2, and W2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

## **Charles Ling 0211 Fed Com 131H**

Tract 1: VB-1814-0000 79.98 Acres	Sec 2, T2	24S-R33E
Tract 2: VB-1819-0001 80.00 Acres		
Tract 3: NMNM 105419338 80.00 Acres	Sec 11, T	24S-R33E
Tract 4: Fee 80.00 Acres		

### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 4, SW4NW4, W2SW4, Section 2, and W2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 4, SW4NW4

Number of Acres: 79.98 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: W2SW4

**Number of Acres:** 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2NW4

Number of Acres: 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

### Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2SW4

**Number of Acres:** 80.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.98	24.97%
2	80.00	25.01%
3	80.00	25.01%
4	80.00	<u>25.01%</u>
Total	319.98	100.00%

NM State Land Office Oil, Gas, & Minerals Division

### STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised March, 2024

## ONLINE Version

## COMMUNITIZATION AGREEMENT

Al I IIIItiai Well. 30-0	<b>API Initial</b>	Well:	30-0		
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THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:		
Subdivisions Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11	,	
Sect(s) <u>2</u> , <u>11</u> , <u>T 24S</u> , <u>R 33E</u> , <u>NMPM Lea</u>	_County, NM	
containing 319.85 acres, more or less, and this agreement shall include only	the	
Bone Spring	Formation	
or pool, underlying said lands and the oil and gas		
(hereinafter referred to as "communitized substances") producible from such formatio	n.	

Charles Ling 0211 Fed Com #132H – State Comm Agreement

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- The date of this agreement is **April** Month **1**st Day, **2024** Year, 10. and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires

## **EXHIBIT "A"**

Plat of communitized area covering 319.85 acres in Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

### Charles Ling 0211 Fed Com #132H

Tract 1 VB-1814-0000 79.85 acres	
Tract 2 VB-1819-0001 80.00 acres	Section 2-24S-33E
Tract 3 NMLC-0063798 80.00 acres	
Tract 4 Fee Leases 80.00 acres	Section 11-24S-33E

### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 3 (NE4NW4), SE4NW4

Number of Acres: 79.85

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: E2SW4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2NW4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0211 Fed Com #132H – State Comm Agreement

## Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2SW4

Number of Acres: 80.00

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.85	24.97
2	80.00	25.01
3	80.00	25.01
4	80.00	25.01
Total	319.85	100.00%

## Federal Communitization Agreement

|--|

THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

WHEREAS, the parties have drilled a **Bone Spring Oil** well designated the **Charles Ling 0211 Fed Com 132H** (Subject Well) in Sections **2 & 11** Township **24S** Range **33E** 

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:

Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico

Containing 319.85 acres, and this agreement shall include only the 3<sup>rd</sup> Bone Spring underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the well bore of Charles Ling 0211 Fed Com 132H.

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0211 Fed Com 132H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0211 Fed Com 132H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0211 Fed Com 132H well for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0211 Fed Com 132H well: 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 Charles Ling 0211 Fed Com 132H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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.
- 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. <u>Nondiscrimination.</u> 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: Kyle Perkins, Senior Vice President and Assistant General Counsel Name & Title of Authorized Agent **Date:** \_\_\_\_\_ **ACKNOWLEDGEMENT** STATE OF\_\_\_\_\_) COUNTY OF\_\_\_\_\_\_) ss. On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

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.

Matador Production Company	
By:	
Kyle Perkins, Senior Vice President Print Name	and Assistant General Counsel
Date:	
ACKNO	OWLEDGEMENT
STATE OF	)
COUNTY OF	) ss. .)
personally appeared Kyle Perkins, know Assistant General Counsel of Matadon	before me, a Notary Public for the State of Texas own to me to be the Senior Vice President and r Production Company, the corporation that d acknowledged to me such corporation
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

RC Permian Company 7:	
Kyle Perkins, Senior Vice President and A	
te:	
ACKNOW	LEDGEMENT
STATE OF)	
) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known the Assistant General Counsel of MRC Permia the foregoing instrument and acknowledges same.	to me to be the Senior Vice President and an Company, the corporation that execute
(SEAL)	
My Commission Expires	Notary Public

## **EXHIBIT "A"**

Plat of communitized area covering 319.85 acres in Lot 3, SE4NW4, E2SW4, Section 2, and E2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

## **Charles Ling 0211 Fed Com 132H**

Tract 1: VB-1814-0000 79.85 Acres	Sec 2, T2	24S-R33E
Tract 2: VB-1819-0001 80.00 Acres		
Tract 3: NMNM 105419338 80.00 Acres	Sec 11, T	24S-R33E
Tract 4: Fee 80.00 Acres		

### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 3, SE4NW4, E2SW4, Section 2, and E2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 3, SE4NW4

Number of Acres: 79.85 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: E2SW4

Number of Acres: 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2NW4

Number of Acres: 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

### Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2SW4

**Number of Acres:** 80.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.85	24.97%
2	80.00	25.01%
3	80.00	25.01%
4	80.00	<u>25.01%</u>
Total	319.85	100.00%

NM State Land Office Oil, Gas, & Minerals Division

### STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised March, 2024

## ONLINE Version

# COMMUNITIZATION AGREEMENT API Initial Well: 30-0 -

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

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described	ed as follows:
Subdivisions Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11	,
Sect(s) 2, 11 , T 24S , R 33E , NMPM Lea	_County, NM
containing 319.73 acres, more or less, and this agreement shall include only	the
Bone Spring	Formation
or pool, underlying said lands and the oil and gas	
(hereinafter referred to as "communitized substances") producible from such formatio	n.

Charles Ling 0211 Fed Com #133H – State Comm Agreement

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- The date of this agreement is **April** Month **1**st Day, **2024** Year, 10. and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.
Signature of Notarial Officer  My commission expires

## **EXHIBIT "A"**

Plat of communitized area covering 319.73 acres in Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

### Charles Ling 0211 Fed Com #133H

Section 2-24S-33E	Tract 1 VB-1814-0000 79.73 acres	
	Tract 2 VB-1819-0001 80.00 acres	
Section 11-24S-33E	Tract 3 NMLC-0063798 80.00 acres	
	Tract 4 Fee Leases 80.00 acres	

### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 2 (NW4NE4), SW4NE4

Number of Acres: 79.73

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: W2SE4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2NE4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0211 Fed Com #133H – State Comm Agreement

## Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2SE4

Number of Acres: 80.00

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.73	24.97
2	80.00	25.01
3	80.00	25.01
4	80.00	25.01
Total	319.73	100.00%

## Federal Communitization Agreement

Contract No.	
Contract No.	

THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

WHEREAS, the parties have drilled a **Bone Spring Oil** well designated the **Charles Ling 0211 Fed Com 133H** (Subject Well) in Sections **2 & 11** Township **24S** Range **33E** 

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:

Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico

Containing 319.73 acres, and this agreement shall include only the 3<sup>rd</sup> Bone Spring underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the well bore of Charles Ling 0211 Fed Com 133H.

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0211 Fed Com 133H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0211 Fed Com 133H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0211 Fed Com 133H well for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0211 Fed Com 133H well: 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 Charles Ling 0211 Fed Com 133H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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. <u>Nondiscrimination.</u> 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: Kyle Perkins, Senior Vice President and Assistant General Counsel Name & Title of Authorized Agent Date: **ACKNOWLEDGEMENT** STATE OF\_\_\_\_\_) COUNTY OF\_\_\_\_\_\_) ss. On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

**Matador Production Company** 

## 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.

Triuman I I ou a cultion Company	
By:	
Kyle Perkins, Senior Vice President and Assistant Print Name	General Counsel
Date:	
ACKNOWLEDG	EMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before me, a Market personally appeared Kyle Perkins, known to me to Assistant General Counsel of Matador Production executed the foregoing instrument and acknowledge executed the same.	be the Senior Vice President and Company, the corporation that
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

y:	
Kyle Perkins, Senior Vice President and Assist	ant General Counsel
nte:	_
ACKNOWLEI	DGEMENT
STATE OF)	
) ss. COUNTY OF)	
On thisday of, 2024, before me, personally appeared Kyle Perkins, known to me Assistant General Counsel of MRC Permian Cothe foregoing instrument and acknowledged to same.	e to be the Senior Vice President and ompany, the corporation that execute
(SEAL)	
My Commission Expires	Notary Public

# **EXHIBIT "A"**

Plat of communitized area covering 319.73 acres in Lot 2, SW4NE4, W2SE4, Section 2, and W2E2 of Section 11, 24S, 33E, Lea County, New Mexico.

## **Charles Ling 0211 Fed Com 133H**

Sec 2, T24	4S-R33E	Tract 1: VB-1814-0000 79.73 Acres	
		Tract 2: VB-1819-0001 80.00 Acres	
Sec 11, T2	4S-R33E	Tract 3: NMNM 105419338 80.00 Acres	
		Tract 4: Fee 80.00 Acres	

### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 2, SW4NE4, W2SE4, Section 2, and W2E2 of Section 11, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

## Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 2, SW4NE4

Number of Acres: 79.73 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: W2SE4

Number of Acres: 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

## Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2NE4

Number of Acres: 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

## Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2SE4

Number of Acres: 80.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.73	24.94%
2	80.00	25.02%
3	80.00	25.02%
4	80.00	<u>25.02%</u>
Total	319.73	100.00%

NM State Land Office Oil, Gas, & Minerals Division

## STATE/FEDERAL OR STATE/FEDERAL/FEE

API Initial Well: 30-0

Revised March, 2024

## ONLINE Version

## COMMUNITIZATION AGREEMENT

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

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are describ	ed as follows:
Subdivisions Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Sections 11 & 1	4 .
Sect(s) 2, 11, 14, T 24S , R 33E , NMPM Lea	_County, NM
containing 479.60 acres, more or less, and this agreement shall include only	the the
Bone Spring	Formation
or pool, underlying said lands and the oil and gas	
(hereinafter referred to as "communitized substances") producible from such formation	on.

Charles Ling 0214 Fed Com #134H - State Comm Agreement

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is **April** Month **1st** Day, **2024** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer
My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.
Signature of Notarial Officer
My commission expires

# **EXHIBIT "A"**

Plat of communitized area covering 479.60 acres in Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Sections 11 & 14, Township 24 South, Range 33 East, Lea County, New Mexico.

## Charles Ling 0214 Fed Com #134H

Section 2-24S-33E	Tract 1 VB-1814-0000 79.60 acres
	Tract 2 VB-1819-0001 80.00 acres
Section 11-24S-33E	Tract 3 NMLC-0063798 80.00 acres
Section 14-24S-33E	Tract 4 Fee Leases 240.00 acres

### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Sections 11 & 14, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 1 (NE4NE4), SE4NE4

Number of Acres: 79.60

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: E2SE4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2NE4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0214 Fed Com #134H – State Comm Agreement

## Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2SE4 Section 14: E2E2

Number of Acres: 240.00

Name and Percent of Working Interest Owners: MRC Permian Company

# **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.60	16.60
2	80.00	16.68
3	80.00	16.68
4	240.00	50.04
Total	479.60	100.00%

## Federal Communitization Agreement

Contract No.
Contract No.

THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

WHEREAS, the parties have drilled a **Bone Spring Oil** well designated the **Charles Ling 0214 Fed Com 134H** (Subject Well) in Sections **2, 11 & 14** Township **24S** Range **33E** 

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:

Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Section 11 & 14, Township 24 South, Range 33 East, Lea County, New Mexico

Containing 479.60 acres, and this agreement shall include only the 3<sup>rd</sup> Bone Spring underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the

### well bore of Charles Ling 0214 Fed Com 134H.

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0214 Fed Com 134H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0214 Fed Com 134H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0214 Fed Com 134H well for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0214 Fed Com 134H well: 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 Charles Ling 0214 Fed Com 134H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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. <u>Nondiscrimination.</u> 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: Kyle Perkins, Senior Vice President and Assistant General Counsel Name & Title of Authorized Agent **Date:** \_\_\_\_\_ **ACKNOWLEDGEMENT** STATE OF\_\_\_\_\_) COUNTY OF\_\_\_\_\_\_) ss. On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

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.

Matador Production Company	
By:	
Kyle Perkins, Senior Vice President and A Print Name	ssistant General Counsel
Date:	
ACKNOWI	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of Matador Prodexecuted the foregoing instrument and acknew executed the same.	o me to be the Senior Vice President and luction Company, the corporation that
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

IRC Permian Company	
y:	
Kyle Perkins, Senior Vice President and A	ssistant General Counsel
ate:	
ACKNOWI	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of MRC Permia the foregoing instrument and acknowledged same.	o me to be the Senior Vice President and n Company, the corporation that executed
(SEAL)	
My Commission Expires	Notary Public

# **EXHIBIT "A"**

Plat of communitized area covering 479.60 acres in Lot 1, SE4NE4, E2SE4, Section 2, and E2E2 of Section 11 & 14, 24S, 33E, Lea County, New Mexico.

## Charles Ling 0214 Fed Com 134H

Sec 2, T24	S-R33E	Tract 1: VB-1814-0000 79.60 Acres
		Tract 2: VB-1819-0001 80.00 Acres
Sec 11, T24	IS-R33E	Tract 3: NMNM 105419338 80.00 Acres
		Tract 4: Fee 240.00 Acres
Sect 14, T2	4S-R33E	

### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 1, SE4NE4, E2SE4, Section 2, and E2E2 of Section 11 & 14, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### DESCRIPTION OF LEASES COMMITTED

## Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 2, SE4NE4

Number of Acres: 79.60 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: E2SE4

Number of Acres: 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

## Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2NE4

Number of Acres: 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

## Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2SE4 Section 14: E2E2

Number of Acres: 240.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

# **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.60	16.60%
2	80.00	16.68%
3	80.00	16.68%
4	<u>240.00</u>	<u>50.04%</u>
Total	479.60	100.00%

NM State Land Office Oil, Gas, & Minerals Division

## STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised March, 2024

## ONLINE Version

# COMMUNITIZATION AGREEMENT

	<b>API</b> Initial	Well:	30-0	-
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THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are describ	ed as follows:
Subdivisions Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 2	11 ,
Sect(s) <u>2</u> , <u>11</u> , <u>T <u>24S</u> , <u>R <u>33E</u> , NMPM <u>Lea</u></u></u>	_County, NM
containing 319.98 acres, more or less, and this agreement shall include only	y the
Wolfcamp	Formation
or pool, underlying said lands and the oil and gas	
(hereinafter referred to as "communitized substances") producible from such formation	on.

Charles Ling 0211 Fed Com #221H – State Comm Agreement

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is **April** Month **1st** Day, **2024** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.
Signature of Notarial Officer My commission expires

# **EXHIBIT "A"**

Plat of communitized area covering 319.98 acres in Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

## Charles Ling 0211 Fed Com #221H

Tract 1 VB-1814-0000 79.98 acres	
Tract 2 VB-1819-0001 80.00 acres	Section 2-24S-33E
Tract 3 NMLC-0063798 80.00 acres	
Tract 4 Fee Leases 80.00 acres	Section 11-24S-33E

### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 4 (NW4NW4), SW4NW4

Number of Acres: 79.98

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: W2SW4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2NW4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0211 Fed Com #221H – State Comm Agreement

## Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2SW4

Number of Acres: 80.00

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.98	24.97
2	80.00	25.01
3	80.00	25.01
4	80.00	25.01
Total	319.98	100.00%

## Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

#### WITNESSETH:

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

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

WHEREAS, the parties have drilled a Wolfcamp Oil well designated the Charles Ling 0211 Fed Com 221H (Subject Well) in Sections 2 & 11 Township 24S Range 33E

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:

Lot 4 (NW4NW4), SW4NW4, W2SW4 of Section 2, W2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico

Containing 319.98 acres, and this agreement shall include only the Wolfcamp B underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the well bore of Charles Ling 0211 Fed Com 221H.

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0211 Fed Com 221H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0211 Fed Com 221H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0211 Fed Com 221H well for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0211 Fed Com 221H well: 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 Charles Ling 0211 Fed Com 221H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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. <u>Nondiscrimination.</u> 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: Kyle Perkins, Senior Vice President and Assistant General Counsel Name & Title of Authorized Agent Date: **ACKNOWLEDGEMENT** STATE OF\_\_\_\_\_) COUNTY OF\_\_\_\_\_\_) ss. On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

**Matador Production Company** 

### 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.

• "	
Ву:	
Kyle Perkins, Senior Vice P	resident and Assistant General Counsel
Date:	
A	ACKNOWLEDGEMENT
STATE OF	
COUNTY OF	) ss. )
personally appeared Kyle Perl Assistant General Counsel of	2024, before me, a Notary Public for the State of Texas kins, known to me to be the Senior Vice President and Matador Production Company, the corporation that ment and acknowledged to me such corporation
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

<u>viku Permian Company</u>	
Ву:	
Kyle Perkins, Senior Vice President and A	Assistant General Counsel
Date:	
ACKNOW	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of MRC Permia the foregoing instrument and acknowledge same.	in Company, the corporation that executed
(SEAL)	
My Commission Expires	Notary Public

## **EXHIBIT "A"**

Plat of communitized area covering 319.98 acres in Lot 4, SW4NW4, W2SW4, Section 2, and W2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

## **Charles Ling 0211 Fed Com 221H**

Tract 1: VB-1814-0000 79.98 Acres	Sec 2, T2	Sec 2, T24S-R33E	
Tract 2: VB-1819-0001 80.00 Acres			
Tract 3: NMNM 105419338 80.00 Acres	Sec 11, T24S-R33E		
Tract 4: Fee 80.00 Acres			

### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 4, SW4NW4, W2SW4, Section 2, and W2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 4, SW4NW4

Number of Acres: 79.98 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: W2SW4

**Number of Acres:** 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2NW4

Number of Acres: 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

### Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2SW4

**Number of Acres:** 80.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.98	24.97%
2	80.00	25.01%
3	80.00	25.01%
4	80.00	<u>25.01%</u>
Total	319.98	100.00%

NM State Land Office Oil, Gas, & Minerals Division

### STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised March, 2024

## ONLINE Version

# COMMUNITIZATION AGREEMENT API Initial Well: 30-0

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

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are describ	ed as follows:		
Subdivisions Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11			
Sect(s) 2, 11 , T 24S , R 33E , NMPM Lea	_County, NM		
containing 319.85 acres, more or less, and this agreement shall include only	'the		
Wolfcamp	Formation		
or pool, underlying said lands and the oil and gas			
(hereinafter referred to as "communitized substances") producible from such formation	on.		

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is **April** Month **1st** Day, **2024** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.
Signature of Notarial Officer My commission expires

## **EXHIBIT "A"**

Plat of communitized area covering 319.85 acres in Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

## Charles Ling 0211 Fed Com #222H

Tract 1 VB-1814-0000 79.85 acres		
Tract 2 VB-1819-0001 80.00 acres	Section 2-24S-33E	
Tract 3 NMLC-0063798 80.00 acres		
Tract 4 Fee Leases 80.00 acres	Section 11-24S-33E	

### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 3 (NE4NW4), SE4NW4

Number of Acres: 79.85

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: E2SW4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2NW4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0211 Fed Com #222H – State Comm Agreement

### Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2SW4

Number of Acres: 80.00

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.85	24.97
2	80.00	25.01
3	80.00	25.01
4	80.00	25.01
Total	319.85	100.00%

## Federal Communitization Agreement

Contract No.
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THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

WHEREAS, the parties have drilled a Wolfcamp Oil well designated the Charles Ling 0211 Fed Com 222H (Subject Well) in Sections 2 & 11 Township 24S Range 33E

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:

Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 2, E2W2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico

Containing **319.85** acres, and this agreement shall include only the **Wolfcamp B** underlying said lands and the **crude oil and associated natural gas** hereafter referred to as "communitized substances," producible from such formation and only through the well bore of **Charles Ling 0211 Fed Com 222H**.

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0211 Fed Com 222H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0211 Fed Com 222H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0211 Fed Com 222H well for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0211 Fed Com 222H well: 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 Charles Ling 0211 Fed Com 222H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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.
- 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. <u>Nondiscrimination.</u> 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: Kyle Perkins, Senior Vice President and Assistant General Counsel Name & Title of Authorized Agent Date: **ACKNOWLEDGEMENT** STATE OF\_\_\_\_\_) COUNTY OF\_\_\_\_\_\_) ss. On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

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.

Matador Production Company	
By:	
Kyle Perkins, Senior Vice President Print Name	and Assistant General Counsel
Date:	
ACKN	OWLEDGEMENT
STATE OF	)
COUNTY OF	) ss. .)
personally appeared Kyle Perkins, know Assistant General Counsel of Matadon	before me, a Notary Public for the State of Texas own to me to be the Senior Vice President and r Production Company, the corporation that d acknowledged to me such corporation
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

IKC Permian Company	
y:	
Kyle Perkins, Senior Vice President and A	ssistant General Counsel
Pate:	
ACKNOWI	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of MRC Permia the foregoing instrument and acknowledged same.	o me to be the Senior Vice President and n Company, the corporation that executed
(SEAL)	
My Commission Expires	Notary Public

## **EXHIBIT "A"**

Plat of communitized area covering 319.85 acres in Lot 3, SE4NW4, E2SW4, Section 2, and E2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

## **Charles Ling 0211 Fed Com 222H**

Tract 1: VB-1814-0000 79.85 Acres	Sec 2, T24S-R33E	
Tract 2: VB-1819-0001 80.00 Acres		
Tract 3: NMNM 105419338 80.00 Acres	Sec 11, T	24S-R33E
Tract 4: Fee 80.00 Acres		

### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 3, SE4NW4, E2SW4, Section 2, and E2W2 of Section 11, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 3, SE4NW4

Number of Acres: 79.85 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: E2SW4

Number of Acres: 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2NW4

Number of Acres: 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

### Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2SW4

**Number of Acres:** 80.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.85	24.97%
2	80.00	25.01%
3	80.00	25.01%
4	80.00	<u>25.01%</u>
Total	319.85	100.00%

NM State Land Office Oil, Gas, & Minerals Division

### STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised March, 2024

### ONLINE Version

### COMMUNITIZATION AGREEMENT

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

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are describe	ed as follows:
Subdivisions Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11	
Sect(s) 2, 11 , T 24S , R 33E , NMPM Lea	_County, NM
containing 319.73 acres, more or less, and this agreement shall include only	the
Wolfcamp	Formation
or pool, underlying said lands and the oil and gas	
(hereinafter referred to as "communitized substances") producible from such formation	on.

Charles Ling 0211 Fed Com #223H – State Comm Agreement

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is **April** Month **1st** Day, **2024** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.
Signature of Notarial Officer My commission expires

## **EXHIBIT "A"**

Plat of communitized area covering 319.73 acres in Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

### Charles Ling 0211 Fed Com #223H

	Tract 1 VB-1814-0000 79.73 acres	
Section 2-24S-33E	Tract 2 VB-1819-0001 80.00 acres	
	Tract 3 NMLC-0063798 80.00 acres	
Section 11-24S-33E	Tract 4 Fee Leases 80.00 acres	

### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 2 (NW4NE4), SW4NE4

Number of Acres: 79.73

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: W2SE4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2NE4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0211 Fed Com #223H – State Comm Agreement

### Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: W2SE4

Number of Acres: 80.00

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.73	24.97
2	80.00	25.01
3	80.00	25.01
4	80.00	25.01
Total	319.73	100.00%

## Federal Communitization Agreement

|--|

THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

WHEREAS, the parties have drilled a Wolfcamp Oil well designated the Charles Ling 0211 Fed Com 223H (Subject Well) in Sections 2 & 11 Township 24S Range 33E

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:

Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 2, W2E2 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico

Containing 319.73 acres, and this agreement shall include only the Wolfcamp B underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the well bore of Charles Ling 0211 Fed Com 223H.

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0211 Fed Com 223H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0211 Fed Com 223H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0211 Fed Com 223H well for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0211 Fed Com 223H well: 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 Charles Ling 0211 Fed Com 223H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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. <u>Nondiscrimination.</u> 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: Kyle Perkins, Senior Vice President and Assistant General Counsel Name & Title of Authorized Agent Date: **ACKNOWLEDGEMENT** STATE OF\_\_\_\_\_) COUNTY OF\_\_\_\_\_\_) ss. On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

**Matador Production Company** 

## 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.

Triuman Frontesion Company	
By:	
Kyle Perkins, Senior Vice President and Assistant Print Name	General Counsel
Date:	
ACKNOWLEDG	EMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before me, a New personally appeared Kyle Perkins, known to me to Assistant General Counsel of Matador Production executed the foregoing instrument and acknowledge executed the same.	be the Senior Vice President and Company, the corporation that
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

By:

Kyle Perkins, Senior Vice President and Assistant General Counsel
Print Name

ACKNOWLEDGEMENT

STATE OF

STATE OF

On this day of

Agy of

Agy of

Agy of

Assistant General Counsel

On this day of

MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

Notary Public

My Commission Expires

## **EXHIBIT "A"**

Plat of communitized area covering 319.73 acres in Lot 2, SW4NE4, W2SE4, Section 2, and W2E2 of Section 11, 24S, 33E, Lea County, New Mexico.

## **Charles Ling 0211 Fed Com 223H**

Sec 2, T24	4S-R33E	Tract 1: VB-1814-0000 79.73 Acres	
		Tract 2: VB-1819-0001 80.00 Acres	
Sec 11, T2	4S-R33E	Tract 3: NMNM 105419338 80.00 Acres	
		Tract 4: Fee 80.00 Acres	

#### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 2, SW4NE4, W2SE4, Section 2, and W2E2 of Section 11, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

#### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 2, SW4NE4

Number of Acres: 79.73 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

## Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: W2SE4

Number of Acres: 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

## Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2NE4

**Number of Acres:** 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

## Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: W2SE4

**Number of Acres:** 80.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.73	24.94%
2	80.00	25.02%
3	80.00	25.02%
4	80.00	<u>25.02%</u>
Total	319.73	100.00%

NM State Land Office Oil, Gas, & Minerals Division

### STATE/FEDERAL OR STATE/FEDERAL/FEE

Revised March, 2024

## ONLINE Version

## COMMUNITIZATION AGREEMENT

API Initial Well: 30-0	_
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THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

#### 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

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

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

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

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are describe	ed as follows:			
Subdivisions Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Sections 11 & 1	Subdivisions Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Sections 11 & 14			
Sect(s) 2, 11, 14, T 24S , R 33E , NMPM Lea	_County, NM			
containing 479.60 acres, more or less, and this agreement shall include only	the			
Wolfcamp	Formation			
or pool, underlying said lands and the oil and gas				
(hereinafter referred to as "communitized substances") producible from such formation	n.			

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

- 8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is **April** Month **1st** Day, **2024** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

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

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

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Permian Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.
Signature of Notarial Officer My commission expires

## **EXHIBIT "A"**

Plat of communitized area covering 479.60 acres in Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Sections 11 & 14, Township 24 South, Range 33 East, Lea County, New Mexico.

## Charles Ling 0214 Fed Com #224H

	Tract 1 VB-1814-0000 79.60 acres
Section 2-24S-33E	Tract 2 VB-1819-0001 80.00 acres
Section 11-24S-33E	Tract 3 NMLC-0063798 80.00 acres
Section 14-24S-33E	Tract 4 Fee Leases 240.00 acres

#### **EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement dated April 1, 2024, embracing the following described land in the Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Sections 11 & 14, Township 24 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

#### DESCRIPTION OF LEASES COMMITTED

#### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: Lot 1 (NE4NE4), SE4NE4

Number of Acres: 79.60

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating, LLC

Concho Oil & Gas, LLC Allar Development, LLC

### Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 2: E2SE4

Number of Acres: 80.00

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

#### Tract No. 3

Lease Serial Number: NMLC-0063798

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2NE4

Number of Acres: 80.00

Current Lessee of Record: Devon Energy Production Company, LP

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating, LLC XTO Holdings, LLC

Murchison Oil and Gas, LLC

Charles Ling 0214 Fed Com #224H – State Comm Agreement

## Tract No. 4

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 33 East,

Section 11: E2SE4 Section 14: E2E2

Number of Acres: 240.00

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.60	16.60
2	80.00	16.68
3	80.00	16.68
4	240.00	50.04
Total	479.60	100.00%

## Federal Communitization Agreement

|--|

THIS AGREEMENT entered into as of the 1st day of April, 2024, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

#### WITNESSETH:

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

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

WHEREAS, the parties have drilled a Wolfcamp Oil well designated the Charles Ling 0214 Fed Com 224H (Subject Well) in Sections 2, 11 & 14 Township 24S Range 33E

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:

Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 2, E2E2 of Section 11 & 14, Township 24 South, Range 33 East, Lea County, New Mexico

Containing 479.60 acres, and this agreement shall include only the Wolfcamp B underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the

#### well bore of Charles Ling 0214 Fed Com 224H.

- 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 LBJ Freeway, Suite 1500, Dallas, TX 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 insofar as the production from Charles Ling 0214 Fed Com 224H well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the Charles Ling 0214 Fed Com 224H well shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leaseholdbears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of 1/8th or 12 ½ 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 7/8th 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 the Charles Ling 0214 Fed Com 224H well for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized

- area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
- 9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
- 10. The date of this agreement is April 1, 2024, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the Charles Ling 0214 Fed Com 224H well: 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 Charles Ling 0214 Fed Com 224H well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year 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.
- 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. <u>Nondiscrimination.</u> 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: Kyle Perkins, Senior Vice President and Assistant General Counsel Name & Title of Authorized Agent Date: **ACKNOWLEDGEMENT** STATE OF\_\_\_\_\_) COUNTY OF\_\_\_\_\_\_) ss. On this day of , 2024, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President and Assistant General Counsel 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

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.

Matador Production Company	
By:	
Kyle Perkins, Senior Vice President and A Print Name	ssistant General Counsel
Date:	
ACKNOWI	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of Matador Prodexecuted the foregoing instrument and acknew executed the same.	o me to be the Senior Vice President and luction Company, the corporation that
(SEAL)	
My Commission Expires	Notary Public

## WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

<u>viku Permian Company</u>	
Ву:	
Kyle Perkins, Senior Vice President and A	Assistant General Counsel
Date:	
ACKNOW	LEDGEMENT
STATE OF)	
COUNTY OF) ss.	
On thisday of, 2024, before personally appeared Kyle Perkins, known to Assistant General Counsel of MRC Permia the foregoing instrument and acknowledge same.	in Company, the corporation that executed
(SEAL)	
My Commission Expires	Notary Public

## **EXHIBIT "A"**

Plat of communitized area covering 479.60 acres in Lot 1, SE4NE4, E2SE4, Section 2, and E2E2 of Section 11 & 14, 24S, 33E, Lea County, New Mexico.

## Charles Ling 0214 Fed Com 224H

Sec 2, T2	4S-R33E	Tract 1: VB-1814-0000 79.60 Acres
		Tract 2: VB-1819-0001 80.00 Acres
Sec 11, T2	4S-R33E	Tract 3: NMNM 105419338 80.00 Acres
		Tract 4: Fee 240.00 Acres
Sect 14, T	24S-R33E	

#### **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2024 embracing the following described land in Lot 1, SE4NE4, E2SE4, Section 2, and E2E2 of Section 11 & 14, 24S, 33E, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

#### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

Lease Serial Number: VB-1814-0000

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: Lot 2, SE4NE4

Number of Acres: 79.60 Acres

Current Lessee of Record: The Allar Company

Name and Percent of Working Interest Owners: COG Operating LLC

Concho Oil & Gas LLC Allar Development, LLC

## Tract No. 2

Lease Serial Number: VB-1819-0001

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 2: E2SE4

Number of Acres: 80.00 Acres

Current Lessee of Record: EOG Resources, Inc.

Name and Percent of Working Interest Owners: EOG Resources, Inc.

Oxy Y-1 Company

## Tract No. 3

Lease Serial Number: NMNM105419338

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2NE4

Number of Acres: 80.00 Acres

Current Lessee of Record: Devon Energy Production Company, L.P.

Name and Percent of Working Interest Owners: MRC Permian Company

COG Operating LLC XTO Holdings, LLC Murchison Oil & Gas, LLC

## Tract No. 4

**Lease Serial Number:** Fee Lease

**Description of Land Committed:** Township 24 South, Range 33 East, NMPM,

Section 11: E2SE4 Section 14: E2E2

Number of Acres: 240.00 Acres

Name and Percent of Working Interest Owners: MRC Permian Company

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.60	16.60%
2	80.00	16.68%
3	80.00	16.68%
4	<u>240.00</u>	<u>50.04%</u>
Total	479.60	100.00%

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EXHIBIT

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by OCD: 9/19/2024 2:44:22 PM

820MT I BPEOR NM, LLC	201 Main Street, Suite 2300	Fort Worth	TX	76102
820MT II BPEOR NM, LLC	201 Main Street, Suite 2300	Fort Worth	TX	76102
A. Gene Lenamond (Life Estate)	2105 Kipling	Baytown	TX	77520
Alexander Castro	2723 WagonWheel Drive	Carrolton	TX	75006
Allar Development LLC	P O Box 1567	Graham	TX	76450
Ben Smith	3121 Sieber Dr	Arlington	TX	76016
Betsy Bond	43-10 48th Avenue, Apt. 3U	Woodside	NY	11377
Betty Jean Holland and E. Horace Holland, as Joint				
Tenants with Rights of Survivorship	35 Ruby Ct	Muscleshoals	AL	35661
Breck Marshall	77 CR 4171	Pittsburg	TX	75686
Brigham Royalties Fund 1 Holdco, LLC	5914 West Courtyard Drive, Suite 200	Austin	TX	78730
CCJR Properties, LLC	349 Keller Parkway	Keller	TX	76248
Claire Chilton Lopez	5162 S Quintero St	Centennial	CO	80015
COG Operating LLC	600 W. Illinois Ave	Midland	TX	79701
Concho Oil & Gas LLC	600 W. Illinois Ave	Midland	TX	79701
Concho Oil & Gas, LLC	600 W. Illinois Ave	Midland	TX	79701
CrownRock Minerals, LP	PO BOX 51933	Midland	TX	79710
Daniel Castro	292 Pintail Place	Glimer	TX	75645
Devon Energy Production Company, L.P.	333 West Sheridan Avenue	Oklahoma City	OK	73102
Edward Castro	292 Pintail Place	Glimer	TX	75645
EG3, Inc.	P O Box 1567	Graham	TX	76450
EOG Resources, Inc.	5509 Champions Drive	Midland	TX	79706
Ewell H. Muse, III	230 W Sunset RD APT 1128	San Antonio	TX	78209
Fine Line BPEOR NM, LLC	201 Main Street, Suite 2300	Fort Worth	TX	76102
Fortis Minerals II, LLC	PO BOX 470788	Fort Worth	TX	76147
Franklin Resources LP	4520 S Downing Cir	Englwood	CO	80113
Gordon McMinn	1000 Amanda Drive	Mansfield	TX	76063
IITFWI, LLC	292 Pintail Place	Glimer	TX	75645
J. D. Murchison Interests, Inc.	7250 Dallas Parkway, Suite 1400	Dallas	TX	75024
Jamie E. Jennings and George J. Lee, Trustees of the				
Jennings-Lee Trust dated 9/18/2017	P O Box 670326	Dallas	TX	75367-0326
Joe John Bond	1159 Oak Forest Drive	Fort Worth	TX	76114

1602 Mission	Carlsbad	NM	88220
6229 Genoa Road	Fort Worth	TX	76116
P O Box 6881	San Antonio	TX	
4949 Corriente Lane	Fort Worth	TX	76126
	-		67846
			79912
			76102
			76102
201 Main Street, Suite 2700	Fort Worth	TX	76102
D.O. Boy 1005	Cardon City	V.C	C70.4C
	_		67846
			79702
			79701
			75240
•			75219
•			75024
			88210
·			77046
			76147
			76147
292 Pintail Place	Glimer		75645
106 Morningview Circle	Boerne	TX	78006
201 Main Street, Suite 2600	Fort Worth	TX	76102
3623 Overbrook Drive	Dallas	TX	75205
PO BOX 470788	Fort Worth	TX	76147
PO BOX 840	Artesia	NM	88211
	6229 Genoa Road P O Box 6881 4949 Corriente Lane  P O Box 1925 512 Thunder Crest Lane 201 Main Street, Suite 2700 307 West 7th Street, Suite 1705 201 Main Street, Suite 2700  P O Box 1925 P O Box 11265 600 W. Illinois Ave 5400 LBJ Freeway, Suite 1500 4143 Maple Ave, Suite 500 7250 Dallas Parkway, Suite 1400 2308 Sierra Vista Road 5 Greenway Plaza, Suite 110 P O Box 470698 P O Box 470698 P O Box 470698 292 Pintail Place 106 Morningview Circle 201 Main Street, Suite 2600  3623 Overbrook Drive PO BOX 470788	6229 Genoa Road P O Box 6881 San Antonio P O Box 6881 Fort Worth  P O Box 1925 Garden City 512 Thunder Crest Lane 201 Main Street, Suite 2700 Fort Worth  307 West 7th Street, Suite 1705 Fort Worth 201 Main Street, Suite 2700 Fort Worth  P O Box 1925 Garden City P O Box 1925 P O Box 11265 Midland 600 W. Illinois Ave Midland 5400 LBJ Freeway, Suite 1500 Dallas 4143 Maple Ave, Suite 500 Dallas 7250 Dallas Parkway, Suite 1400 Plano 2308 Sierra Vista Road Greenway Plaza, Suite 110 P O Box 470698 P O Box 470698 P O Box 470698 P O Box 470698 Port Worth  3623 Overbrook Drive PO BOX 470788 Fort Worth  Dallas Fort Worth	6229 Genoa Road Fort Worth TX P O Box 6881 San Antonio TX 4949 Corriente Lane Fort Worth TX  P O Box 1925 Garden City KS 512 Thunder Crest Lane EL Paso TX 201 Main Street, Suite 2700 Fort Worth TX 307 West 7th Street, Suite 1705 Fort Worth TX 201 Main Street, Suite 2700 Fort Worth TX  201 Main Street, Suite 2700 Fort Worth TX  P O Box 1925 Garden City KS P O Box 11265 Midland TX 600 W. Illinois Ave Midland TX 5400 LBJ Freeway, Suite 1500 Dallas TX 4143 Maple Ave, Suite 500 Dallas TX 7250 Dallas Parkway, Suite 1400 Plano TX 2308 Sierra Vista Road Artesia NM 5 Greenway Plaza, Suite 110 Houston TX P O Box 470698 Fort Worth TX P O Box 470698 Fort Worth TX 201 Main Street, Suite 2600 Fort Worth TX 3623 Overbrook Drive Dallas TX PO BOX 470788 Fort Worth TX PO BOX 470788

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SMP Sidecar Titan Mineral Holdings, LP	4143 Maple Ave, Suite 500	Dallas	TX	75219
SMP Titan Flex, LP	4143 Maple Ave, Suite 500	Dallas	TX	75219
SMP Titan Mineral Holdings, LP	4143 Maple Ave, Suite 500	Dallas	TX	75219
<u> </u>	• '			
SRBI O&G Multi-State, L.L.C.	201 Main Street, Suite 2600	Fort Worth	TX	76102
SRBMT I BPEOR NM, LLC	201 Main Street, Suite 2600	Fort Worth	TX	76102
SRBMT II BPEOR NM, LLC	201 Main Street, Suite 2600	Fort Worth	TX	76102
Susan Jennings Croft, Katie Elizabeth Croft, and Justin	1			
Jennings Croft, as Co-Trustees of the Croft Living				
Trust, created by Trust Agreement dated 9/25/2020	11700 Preston Road, Suite 660, PMB 390	Dallas	TX	75230
Susan Ryan	5412 Benbridge Dr	Fort Worth	TX	75107
Tap Rock Excluded Minerals, LLC	523 Park Point Drive, Suite 200	Golden	CO	80401
Tap Rock Resources LLC	523 Park Point Drive, Suite 200	Golden	CO	80401
TD Minerals LLC	8111 Westchester Drive, Suite 900	Dallas	TX	75225
The Allar Co.	P O Box 1567	Graham	TX	76450
Thru Line O&G Multi-State, L.L.C.	201 Main Street, Suite 2600	Fort Worth	TX	76102
TRJ Investments, LLC	P O Box 1003	Glimer	TX	75644
Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508
Westco Family Limited Partnership	PO BOX 905	Glimer	TX	75644
XTO Holdings, LLC	22777 Springwoods Village Parkway	Spring	TX	77389



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

September 18, 2024

## <u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval to surface commingle (pool and lease commingle) oil and gas production from spacing units comprised of Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Section 2, All of Section 11, and the E/2 E/2 of Section 14, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands")

#### Ladies and Gentlemen:

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

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

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

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

**COMPANY** 

32761599 v2

						Your shipment was received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008685	820MT I BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008630	820MT II BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008678	A. Gene Lenamond Life Estate	2105 Kipling St	Baytown	TX	77520-3521	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008111	Alexander Castro	2723 Wagonwheel Dr	Carrollton	TX	75006-4792	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008159	Allar Development LLC	PO Box 1567	Graham	TX		package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008166	Ben Smith	3121 Sieber Dr	Dwg	TX		package is pending.

9402811898765487008128	Betsy Bond	4310 48th Ave Apt 3U	Woodside	NY	11377-6202	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487008197	Betty Jean Holland and E. Horace Holland, as Joint Tenants with Rights of Survivorship	35 Ruby Ct	Muscle Shoals	AL	35661-4114	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487008142	Breck Marshall	77 County Road 4171	Pittsburg	TX	75686-4427	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
0403911909765497009190	Brigham Royalties Fund 1 Holdco, LLC	5914 W Courtyard Dr Ste 200	Austin	TX	79720 4011	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487008173		349 Keller Pkwy	Keller	TX		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

						Your shipment was received at 3:32 pm on September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008319	Claire Chilton Lopez	5162 S Quintero St	Centennial	СО	80015-2450	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008326	COG Operating LLC	600 W Illinois Ave	Midland	TX	79701-4882	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008302	Concho Oil & Gas LLC	600 W Illinois Ave	Midland	TX	79701-4882	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008395	Concho Oil & Gas, LLC	600 W Illinois Ave	Midland	TX	79701-4882	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in DENVER, CO 80217. The
						acceptance of your
9402811898765487008340	CrownPock Minorals LD	PO Box 51933	Midland	TX		package is pending.
J-0201103070J407000340	CLOWITHOUGH IVIIIICI GIS, LF	I O DOY 31333	iviiuiaiiu	17	13110-1333	Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008333	Daniel Castro	292 Pintail Pl	Gilmer	TX	75645-7466	package is pending.

						Your shipment was received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
					70400 5040	acceptance of your
9402811898765487008371	Devon Energy Production Company, L.P.	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008012	Edward Castro	292 Pintail Pl	Gilmer	TX	75645-7466	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008050	EG3, Inc.	PO Box 1567	Graham	TX	76450-7567	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008067	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
		230 W Sunset Rd Apt				acceptance of your
9402811898765487008005	Ewell H. Muse, III	1128	San Antonio	TX	78209-2690	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008098	Fine Line BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	package is pending.

						Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008043	Fortis Minerals II, LLC	PO Box 470788	Fort Worth	TX		package is pending.
9402811898765487008081	Franklin Resources LP	4520 S Downing Cir	Englewood	СО		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
						Your shipment was
						received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The
						acceptance of your
9402811898765487008036	Gordon McMinn	1000 Amanda Dr	Mansfield	TX		package is pending.
						Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008074	IITFWI, LLC	292 Pintail Pl	Gilmer	TX	75645-7466	package is pending.
9402811898765487008418	J. D. Murchison Interests, Inc.	7250 Dallas Pkwy Ste 1400	Plano	TX		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
	Jamie E. Jennings and George J. Lee, Trustees of					Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008456	the Jennings-Lee Trust dated 9/18/2017	PO Box 670326	Dallas	TX	75367-0326	package is pending.

						Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008463	loe John Bond	1159 Oak Forest Dr	Fort Worth	TX	76114-4549	package is pending.
0.0000000000000000000000000000000000000	20.10			171	7 0 2 2 1 1 0 1 0	Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
	Joe Steven Williams and Lela Mae Williams,					DENVER, CO 80217. The
	Trustees of the Joe & Lela Williams 2001 Family					acceptance of your
9402811898765487008425	Trust dated January 16, 2001	1602 Mission Ave	Carlsbad	NM	88220-9644	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
		5000 0 0 0				acceptance of your
9402811898765487008401	John C. Ryan, IV	6229 Genoa Rd	Fort Worth	TX	76116-2025	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
0402011000765407000404	Jahr C Thamas	DO Day (001	Can Antonia	TV	70200 0001	acceptance of your
9402811898765487008494	John C. Thomas	PO Box 6881	San Antonio	TX	78209-0881	package is pending. Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487008449	John Lawrence Chilton	4949 Corriente Ln	Fort Worth	TX	76126-1853	package is pending.
3.02011030703407000443	John Law Crice Crimon	13 13 COTTICING EN		17	, 5120 1033	Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
	Judith L. Nusser and Martin G. Nusser, Co-					acceptance of your
	Trustees of the Judith L. Nusser Revocable Trust	PO Box 1925	Garden City	KS	67846-1925	package is pending.

9402811898765487008432	Katherine K. McIntyre	512 Thunder Crest Ln	El Paso	TX	79912-/251	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
3402811838703487008432	Ratherine K. McIntyre	312 Hunder Crest Ell	LIFASO	IA	79912-4231	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008517	Keystone O&G Multi-State, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	package is pending.
						Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008555	KWCL Properties	307 W 7th St Ste 1705	Fort Worth	TX	76102-5103	package is pending.
						Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008562	LMBI O&G Multi-State, L.L.C.	201 Main St Ste 2700	Fort Worth	TX	76102-3131	package is pending.
9402811898765487008524	Martin G. Nusser and Judith L. Nusser, Co- Trustees of the Martin G. Nusser Revocable	PO Box 1925	Garden City	KS	67846-1025	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
						Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487008500	ivite i etroleum corp.	PO Box 11265	Midland	TX	13102-0203	package is pending.

9402811898765487008593	Mongoose Minerals LLC	600 W Illinois Ave	Midland	TX	79701-4882	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487008548	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487008586	MSH Family Real Estate Partnership II, LLC	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487008531	Murchison Oil and Gas. LLC	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487008579		2308 Sierra Vista Rd	Artesia	NM		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

						Your shipment was received at 3:32 pm on September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487007251	OXY Y-1	5 Greenway Plz Ste 110	Houston	TX	77046-0521	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The acceptance of your
0402011000765407007260	Pagacus Pasaureas NM 11C	PO Box 470698	Fort Worth	TX		package is pending.
9402811898765487007268	regasus Resources NIVI, LLC	PO BOX 470096	FOIL WOILII	1 /	76147-0698	Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487007206	Pegasus Resources, LLC	PO Box 470698	Fort Worth	TX	76147-0698	package is pending.
	,					Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487007299	Pitt Hunting Club, LLC	292 Pintail Pl	Gilmer	TX	75645-7466	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
						acceptance of your
9402811898765487007244	Richard Royall Ryan	106 Morningview Cir	Boerne	TX	78006-9414	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
0402044000765407007202	DAAD DDEOD NIM LLC	201 Main Ct Ct- 2000	Fout Month	TV	76102 2424	acceptance of your
9402811898765487007282	KINIR RAFOK MIM' TIC	201 Main St Ste 2600	Fort Worth	TX	/6102-3134	package is pending.

						Your shipment was received at 3:32 pm on September 18, 2024 in
	Roger John Allen and Nancy Edge Jennings Allen					DENVER, CO 80217. The
	Trustees of the Allen Family Revocable Trust					acceptance of your
9402811898765487007237	dated 5/19/2000	3623 Overbrook Dr	Dallas	TX	75205-4326	package is pending.
						Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487007817	Santa Flena Minerals IV. I P	PO Box 470788	Fort Worth	TX	76147-0788	package is pending.
3.525255.55.55.507627						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
0.402.044.0007.05.407.007.05.5	Sharkes Francis II.C	DO Day 040	At : -	NIN 4	00244 0040	acceptance of your
9402811898765487007855	Sharbro Energy, LLC	PO Box 840	Artesia	NM	88211-0840	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
		4442.84   4   61				DENVER, CO 80217. The
0.402044.000755.407007052	SAAD SI J. TIL AAI J.	4143 Maple Ave Ste	5 11	T)/	75240 2204	acceptance of your
9402811898765487007862	SMP Sidecar Titan Mineral Holdings, LP	500	Dallas	TX	75219-3294	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
		4143 Maple Ave Ste				acceptance of your
9402811898765487007824	SMP Titan Flex, LP	500	Dallas	TX	75219-3294	package is pending.
						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
		4143 Maple Ave Ste				acceptance of your
9402811898765487007893	SMP Titan Mineral Holdings, LP	500	Dallas	TX	75219-3294	package is pending.

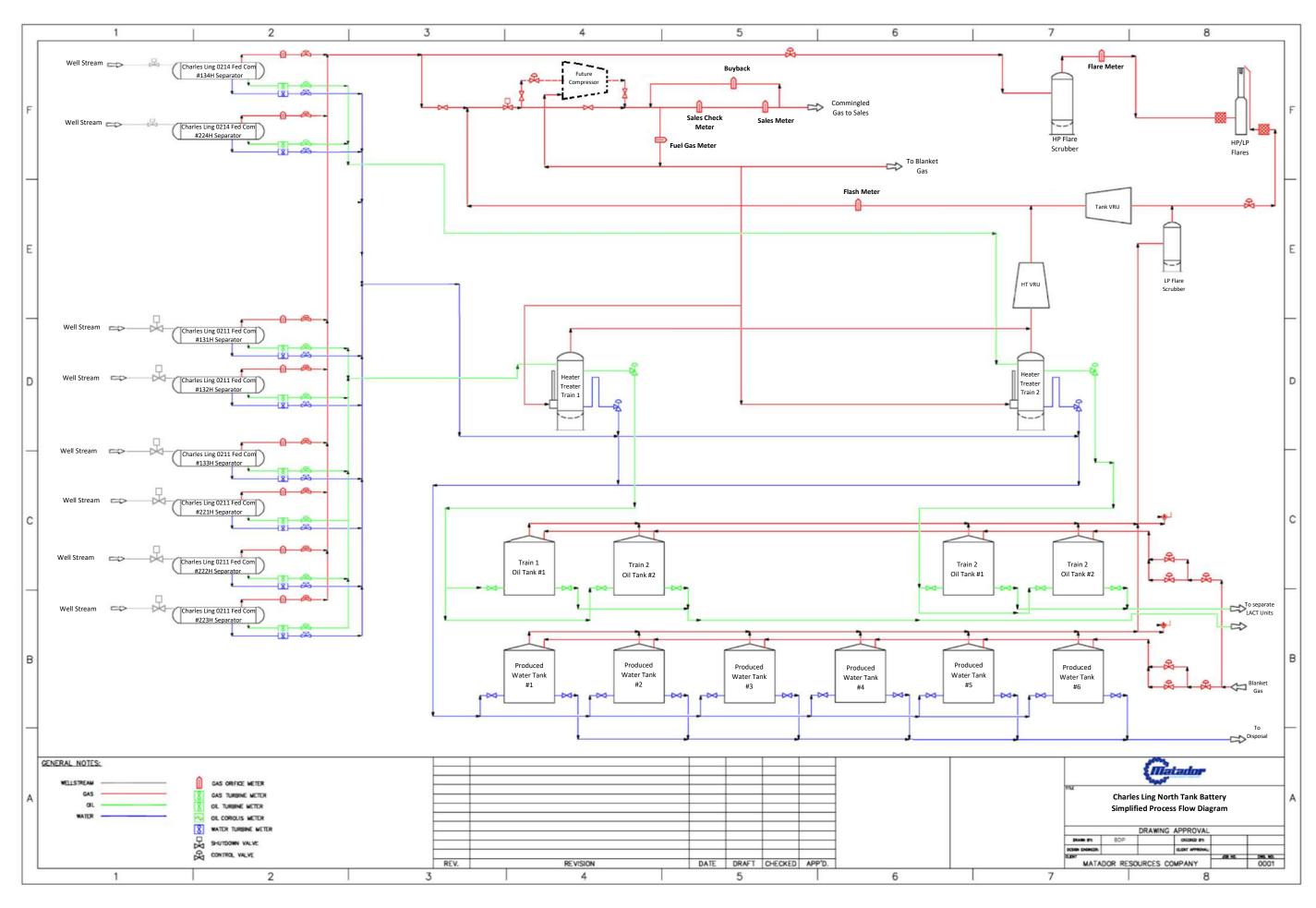
9402811898765487007848	SRBI O&G Multi-State, L.L.C.	201 Main St Ste 2600	Fort Worth	TX	76102-3134	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487007886	SRBMT I BPEOR NM, LLC	201 Main St Ste 2600	Fort Worth	TX	76102-3134	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487007879	SRBMT II BPEOR NM, LLC	201 Main St Ste 2600	Fort Worth	TX	76102-3134	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
	Susan Jennings Croft, Katie Elizabeth Croft, and Justin Jennings Croft, as Co-Trustees of the Croft				75220 2720	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your
9402811898765487007718 9402811898765487007763	Living Trust, created by Trust Agree  Susan Ryan	660 PMB 390  5412 Benbridge Dr	Dallas Fort Worth	TX		package is pending. Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
	Tap Rock Excluded Minerals, LLC	523 Park Point Dr Ste	Golden	СО		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765487007701	Tap Rock Resources LLC	523 Park Point Dr Ste 200	Golden	СО		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487007794	TD Minerals LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487007749	The Allar Co.	PO Box 1567	Graham	TX	76450-7567	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487007732	Thru Line O&G Multi-State, L.L.C.	201 Main St Ste 2600	Fort Worth	TX	76102-3134	Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765487007916		PO Box 1003	Gilmer	TX		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
	Westco Family Limited Partnership	PO Box 905	Gilmer	TX		Your shipment was received at 3:32 pm on September 18, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

Received by OCD: 9/19/2024 2:44:22 PM

						Your shipment was
						received at 3:32 pm on
						September 18, 2024 in
						DENVER, CO 80217. The
		22777 Springwoods				acceptance of your
9402811898765487007923	XTO Holdings, LLC	Village Pkwy	Spring	TX	77389-1425	package is pending.

Received by OCD: 9/19/2024 2:44:22 PM



From: Paula M. Vance

To: McClure, Dean, EMNRD; Lowe, Leonard, EMNRD

**Subject:** [EXTERNAL] Matador - Charles Ling Commingling / Action ID: 385224

**Date:** Monday, September 30, 2024 2:05:25 PM

Attachments: <u>image001.png</u>

MRC - Charles Ling Commingling Affidavit(33065812.1).pdf

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

Dean/Leonard,

Attached is the notice of publication affidavit for Matador - Charles Ling Commingling / Action ID: 385224. Please let me know if you need anything else on this one. Thanks.



#### **Paula Vance**

**Associate** 

#### **HOLLAND & HART LLP**

110 North Guadalupe Street, Suite 1, Santa Fe, NM 87501

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

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

#### 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 September 27, 2024 and ending with the issue dated September 27, 2024.

Publisher

Sworn and subscribed to before me this 27th day of September 2024.

**Business Manager** 

My commission expires January 29, 2027

(Seal) STATE OF NEW MEXICO **NOTARY PUBLIC** GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws

1937 and payment of fees for said publication has been made.

To: All affected parties, including all heirs, devisees, and successors of: State of New Mexico Commissioner of Public Lands; Bureau of Land Management; 820MT II BPEOR NM, LLC; A. Geng Lenamond (Life Estate); Alexander Castro; Allar Development LLC; Ben Smith; Betsy Bond; Betty Jean Holland and E. Horace Holland, as Joint Tenants with Rights of Survivorship; Breck Marshall; Brigham Royalties Fund 1 Holdco, LLC; Bureau of Land Management; CCJR Properties, LLC; Clatter, Chilton Lopez; COG Operating LLC; Concho Oil & Gas LLC; Concho Oil & Gas, LLC; CrownRock, Minerals, LP; Daniel Castro; Devon Energy Production Company, L.P.; Edward Castro; EG3, Inc.; EOG Resources, Inc.; Ewell H. Muse, Ill; Fine Line BPEOR NM, LLC; Fortis Minerals II, LLC; Franklih Resources LP; Gordon McMinn; IITFWI, LLC; J. D. Murchison Interests, Inc.; Jamie E. Jennings and George J. Lee, Trustees of the Jennings-Lee Trust dated 9/18/2017; Joe John Bond; Joe Steven Williams and Lela Mae Williams, Trustees of the Joe & Lela Williams 2001 Family Trust dated January. 16, 2001; John C. Ryan, IV; John C. Thomas; John Lawrence Chilton; Judith L. Nusser and Martin G. Nusser, Co-Trustees of the Judith L. Nusser Revocable Trust; Katherine K. McIntyre; Keystone O&G Multi-State, LLC; KWCL Properties; LMBI O&G Multi-State, L.L.C.; Martin G. Nusser and Judith L. Nusser, Co-Trustees of the Martin G. Nusser Revocable Trust; MEC Petroleum Corp.; Mongoose Minerals LLC; MRC Permian Company; MSH Family Real Estate Partnership II, LLC; Murchison Oil and Gas, LLC; Nestegg Energy; New Mexico State Land Office; OXY Y-1 Pegasus Resources NM, LLC; Pegasus Resources, LLC; Pitt Hunting Club, LLC; Richard Royali Ryan; RMB BPEOR NM, LLC; Roger John Allen and Nancy Edge Jennings Allen, Trustees of the Allen Family Revocable Trust dated 5/19/2000; Santa Elena Minerals IV, LP; Sharbro Energy, LLC; SMP Sidecar Titan Mineral Holdings, LP; SMP Titan Flex, LP; SMP Titan Mineral Holdings, LP; SRBI O&G Multi-State, LL.C.; SRBMT I BPEOR NM, LLC SRBMT II BPEOR NM, LLC; Susan Jenning

Application of Matador Production Company for administrative approval to surface commingle (pool and lease commingle) oil and gas production from spacing units comprised of Lots 1-4, S/2 N/2 and S/2 (All equivalent) of irregular Section 2, All of Section 11, and the E/2 E/2 of Section 14, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador"), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the Charles Ling North Tank Battery insofar as all existing and future wells drilled in the following spacing units:

- (a) The 319.98-acre spacing unit comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 2 and the W/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0211 Fed Com 131H** (API. No. 30-025-52936);
- (b) The 319.85-acre spacing unit comprised of Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2 and the E/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0211 Fed Com 132H** (API. No. 30-025-) 52937):
- (c) The 319.73-acre spacing unit comprised of Lot 2, SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 2 and the W/2 E/2 of Section 11, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0211 Fed Com 133H** (API. No. 30-025-
- (d) The 479.60-acre spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 2 and the E/2 E/2 of Sections 11 and 14, in the Red Hills; Bone Spring, North [96434] and Triple X; Bone Spring [59900] currently dedicated to the **Charles Ling 0214 Fed Com 134H** (API, No. 30-025-52942);
- (e) The 319.98-acre spacing unit comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 2 and the W/2 W/2 of Section 11, in the WC-025 G-09 5243310P; Upper Wolfcamp [98135] currently dedicated to the **Charles Ling 0211 Fed Com 221H** (API. No. 30-025-52939);
- (f) The 319.85-acre spacing unit comprised of Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 2 and the E/2 W/2 of Section 11, in the WC-025 G-09 5243310P; Upper Wolfcamp [98135] currently dedicated to the Charles Ling 0211 Fed Com 222H (API. No. 30-025-52940);
- (g) The 319.73-acre spacing unit comprised of Lot 2, SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 2 and the W/2 E/2 of Section 11, in the WC- 025 G-09 5243310P; Upper Wolfcamp [98185] currently dedicated to the **Charles Ling 0211 Fed Com 223H** (API. No. 30-025-52941);
- (h) The 479.60-acre spacing unit comprised of Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 2 and the E/2 E/2 of Sections 11 and 14, in the WC-025 G-09 5243310P; Upper Wolfcamp [98135] currently dedicated to the **Charles Ling 0214 Fed Com 224H** (API. No. 30-025-52943); and
- (i) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling North Tank Battery (located in the Lot 3 (NE/4 NW/4 equivalent) of irregular Section 2, Township 24 South, Range 33 East) with notice provided only to the owners of interests to be added.

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 Productioned Company, (972) 371-5202 or KPerkins@matadorresources.com.

31226
#00294444

CONTRACTOR L, INIVIO/OUT



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Sundry Print Report

County or Parish/State: LEA /

Well Name: CHARLES LING 0211 FED Well Location: T24S / R33E / SEC 2 /

COM

LOT 1 / 32.2532057 / -103.5372014

NM

Well Number: 133H Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMLC063798 Unit or CA Name: Unit or CA Number:

COMPANY

#### **Notice of Intent**

**Sundry ID: 2840471** 

Type of Submission: Notice of Intent

Type of Action: APD Change

Date Sundry Submitted: 03/06/2025 Time Sundry Submitted: 02:50

Date proposed operation will begin: 03/06/2025

**Procedure Description:** BLM Bond NMB001079 Surety Bond No. RLB0015172 For the Charles Ling 0211 Fed Com 133H, the NMOCD has advised that the Section 11 acreage would be in the Red Hills; Bone Spring, North [96434] pool and the Section 2 acreage would be in the TRIPLE X; BONE SPRING [59900] pool. Matador is therefore filing this sundry to reflect this pool change for Section 11.

#### **NOI Attachments**

#### **Procedure Description**

LO\_CHARLES\_LING\_0211\_FED\_COM\_133H\_REV2\_S\_signedSec11a\_20250306144727.pdf

LO\_CHARLES\_LING\_0211\_FED\_COM\_133H\_REV2\_S\_signedSec2\_20250306144727.pdf

Page 1 of 2

County or Parish/State: LEA/ of 2) eived by OCD: 9/19/2024 2:44:22 PM Well Name: CHARLES LING 0211 FED Well Location: T24S / R33E / SEC 2 / COM LOT 1 / 32.2532057 / -103.5372014

Well Number: 133H

Type of Well: OIL WELL **Allottee or Tribe Name:** 

**Unit or CA Number:** Lease Number: NMLC063798 **Unit or CA Name:** 

**US Well Number: 3002552938 Operator: MATADOR PRODUCTION** 

COMPANY

#### **Operator**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

**Operator Electronic Signature: NICKY FITZGERALD** Signed on: MAR 06, 2025 02:10 PM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

#### **Field**

**Representative Name:** 

**Street Address:** 

City: State: Zip:

Phone:

**Email address:** 

Form 3160-5 (June 2019)

## UNITED STATES DEPARTMENT OF THE INTERIOR

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

BURI	EAU OF LAND MANAGEM	5. Lease Serial No.				
Do not use this t	IOTICES AND REPORTS ( form for proposals to drill Use Form 3160-3 (APD) fo	or to re-enter an	6. If Indian, Allottee or Tribe 1	Name		
SUBMIT IN	TRIPLICATE - Other instructions o	n page 2	7. If Unit of CA/Agreement, N	Name and/or No.		
1. Type of Well Oil Well Gas W	Vell Other		8. Well Name and No.			
2. Name of Operator			9. API Well No.			
3a. Address	3b. Phor	ne No. (include area code)	10. Field and Pool or Explorat	tory Area		
4. Location of Well (Footage, Sec., T.,R	.,M., or Survey Description)	11. Country or Parish, State				
12. CHE	CK THE APPROPRIATE BOX(ES)	TO INDICATE NATURE	 OF NOTICE, REPORT OR OTE	HER DATA		
TYPE OF SUBMISSION		TYP	E OF ACTION			
Notice of Intent	Acidize Alter Casing	Deepen Hydraulic Fracturing	Production (Start/Resume) Reclamation	Water Shut-Off Well Integrity		
Subsequent Report	Casing Repair	New Construction	Recomplete	Other		
Subsequent Report	Change Plans	Plug and Abandon	Temporarily Abandon			
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal			
is ready for final inspection.)			anon, nave occu completed and t	he operator has detennined that the site		
14. I hereby certify that the foregoing is	true and correct. Name (Printed/Type					
		Title				
Signature		Date				
	THE SPACE FOR	FEDERAL OR STA	ATE OFICE USE			
Approved by						
		Title	]	Date		
Conditions of approval, if any, are attack certify that the applicant holds legal or ewhich would entitle the applicant to con	equitable title to those rights in the sub		,			
Title 18 U.S.C. Section 1001 and Title 4	3 U.S.C Section 1212, make it a crime	e for any person knowingl	v and willfully to make to any de	epartment or agency of the United States		

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United State any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

#### **GENERAL INSTRUCTIONS**

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

#### SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

#### **NOTICES**

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

(Form 3160-5, page 2)

#### **Additional Information**

#### **Location of Well**

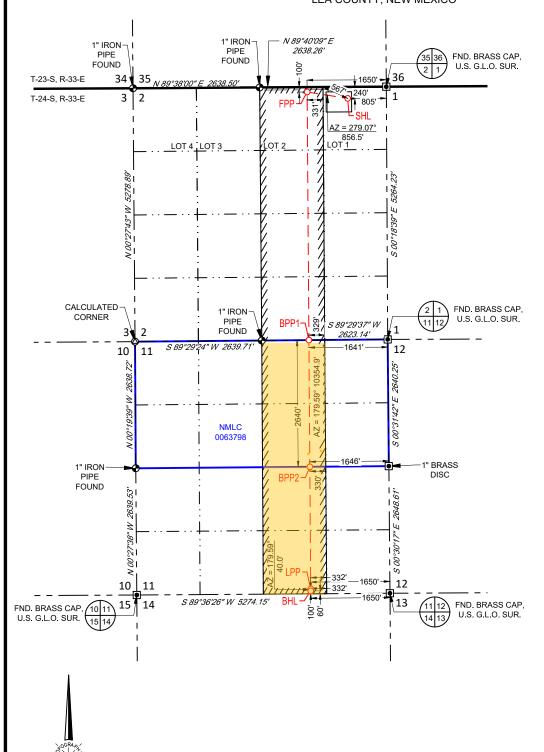
0. SHL: LOT 1 / 240 FNL / 805 FEL / TWSP: 24S / RANGE: 33E / SECTION: 2 / LAT: 32.2532057 / LONG: -103.5372014 ( TVD: 0 feet, MD: 0 feet )
PPP: NWNE / 0 FNL / 1641 FEL / TWSP: 24S / RANGE: 33E / SECTION: 11 / LAT: 32.2393851 / LONG: -103.5399365 ( TVD: 12048 feet, MD: 17070 feet )
PPP: SWNE / 2640 FNL / 1646 FEL / TWSP: 24S / RANGE: 33E / SECTION: 11 / LAT: 32.232129 / LONG: -103.5399378 ( TVD: 12051 feet, MD: 19709 feet )
BHL: SWSE / 60 FSL / 1650 FEL / TWSP: 24S / RANGE: 33E / SECTION: 11 / LAT: 32.2250215 / LONG: -103.5399391 ( TVD: 12055 feet, MD: 22295 feet )

<u>C-102</u>			Energy		State of Ne	Department	Revised July 9, 2024				
Submit Electronic Via OCD Permitt			~			TION DIVIS			Initial Submittal		
								Submittal Type:	X Amended Report		
								Type.	As Drilled		
		W	ELL LO	CATIO	N AND A	CREAGE DI	EDICATION	PLAT			
	5-52938		Pool Code	96434	Pool		Hills; Bone	Spring,			
Property Code 335	886		Property Name	СН	ARLES LIN	G 0211 FED	СОМ			133H	
OGRID No.	228937		Operator Name	MATAI	OOR PROD	UCTION CO	MPANY		Ground Level Eleva	8638'	
Surface Owner:	State Fee 7	Tribal Federal				Mineral Owner:	State Fee Tribal	Federal			
					Surface	Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County	
1	2	24-S	33-E	-	240' N	805' E	N 32.25320	57 W 1	03.5372014	LEA	
				1		ole Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S		Latitude	45   10/4	Longitude 03.5399391	County	
0	11	24-S	33-E	-	60' S	1650' E	50' E N 32.2250215 W 10			LEA	
Dedicated Acres	Infill or Defi	ning Well Defini	ng Well API			Overlapping Spacing	2 Unit (Y/N)	Consolida	ted Code		
160	_	_									
Order Numbers	Well Setbacks are under Common Ownership: ☐ Yes ☐ No							o .			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Point (KOP) Feet from the E/W	Latitude	1	Longitude	County	
_	_	-	_	_							
					F' . T. 1	D : (EED)		l			
UL or lot no.	Section	Township	Range	Lot Idn	First Take	Point (FTP)  Feet from the E/W	Latitude		Longitude	County	
2	2	24-S	33-E	_	100' N	1650' E	N 32.25359	39   W 1	03.5399339	LEA	
	_	210	00 2				11 02.20000	00   11	00.0000000		
IIIl-t	Cti	T	D	T -4 Id-	Last Take	Point (LTP)  Feet from the E/W	T aktar da		Laurituda	C	
UL or lot no.	Section 11	Township 24-S	Range 33-E	Lot Idn	100' S	1650' E	Latitude N 32.22513	14   10/1	Longitude 03.5399391	County	
U	11	24-3	33-⊑	-	100 3	1030 E	N 32.22313	14   ۷۷ 1	03.3399391	LEA	
Unitized Area or A	rea of Uniform Ii -	ntrest		Spacing Unity	Type Horizon	tal Vertical	Ground F	loor Elevation			
							l				
OPERATOR CERTIFICATION  I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this						I hereby certify notes of actual	RS CERTIFICAT that the well locate structus made by m rect to the best of r	ion shown on e or under m	this plat was plotted y supervision, and t	d from field hat the same	
well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory					PHO 2		_				
pooling order from the division.  Debbie Creed  3/3/2025						WAL SUR					
Signature	bie Cre		Date			Signature and Seal	of Professional Surveyor	Dat	e		
Print Name						Certificate Number	Date of	Survey			
deb	bie.cree	ed@mata	adorreso	ources.c	om			07/13/2022			
E-mail Address						.	1				

C-102 Submit Electronically Via OCD Permitting	Energy, Minera	State of New ls & Natural NSERVAT	l Resources		nittal e:	Revised July 9, 2024  Initial Submittal  Amended Report  As Drilled
Property Name and Well Number	CHARI	LES LING 02	211 FED C	OM 133H		_
SURFACE LOCATION (SHL)  NEW MEXICO EAST  NAD 1983  X=787452 Y=456762  LAT.: N 32.2532057  LONG.: W 103.5372014  NAD 1927  X=746268 Y=456703  LAT.: N 32.2530819  LONG.: W 103.5367223  240' FNL 805' FEL  FIRST PERF. POINT (FPP)  NEW MEXICO EAST  NAD 1983  X=786606 Y=456897  LAT.: N 32.2535939  LONG.: W 103.5399339  NAD 1927  X=745422 Y=456838  LAT.: N 32.2534701  LONG.: W 103.5394547  100' FNL 1650' FEL  BLM PERF. POINT (BPP1)  NEW MEXICO EAST  NAD 1983  X=786643 Y=451728  LAT.: N 32.2393851  LONG.: W 103.5399365  NAD 1927  X=745459 Y=451669  LAT.: N 32.2392612  LONG.: W 103.5394581  0' FNL 1641' FEL	3 2 10 11 	, R-33-E :	BPP 1	NAD27 X=745752.48 Y=456939.90 NAD83 X=786936.25 Y=456998.95  1650' 36 240' 1805' 1  AZ = 279.07° 856.5' OT 1      X=745788.40 Y=451671.91 NAD83 X=786972.40 Y=451671.91 12   1640' 12  12   1640' 12   1646' 13  X=786972.40 Y=451730.82 1  1644' 12  12   1644' 12  12   1644' 13  X=786972.40 Y=4451730.82 1  1446444.74  154  1650' 13  X=786972.40 Y=446385.96 NAD83 X=787013.08 Y=446444.74	 SURV I hereby plat was made by same is 07/13/20 Date of Sur Signature a	



SECTION 2, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO



#### **SURFACE LOCATION (SHL)**

**NEW MEXICO EAST** NAD 1983 X=787452 Y=456762 LAT.: N 32.2532057 LONG.: W 103.5372014 240' FNL 805' FEL

#### **FIRST PERF. POINT (FPP)**

NEW MEXICO EAST NAD 1983 X=786606 Y=456897 LAT.: N 32.2535939 LONG.: W 103.5399339 100' FNL 1650' FEL

#### **BLM PERF. POINT (BPP1)**

**NEW MEXICO EAST** NAD 1983 X=786643 Y=451728 LAT.: N 32.2393851 LONG.: W 103.5399365 0' FNL 1641' FEL

#### **BLM PERF. POINT (BPP2)**

**NEW MEXICO EAST** NAD 1983 X=786662 Y=449088 LAT.: N 32.2321290 LONG.: W 103.5399378 2640' FNL 1646' FEL

#### LAST PERF. POINT (LPP)

**NEW MEXICO EAST** NAD 1983 X=786681 Y=446542 LAT.: N 32.2251314 LONG.: W 103.5399391 100' FSL 1650' FEL

#### **BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST**

NAD 1983 X=786681 Y=446502 LAT.: N 32.2250215 LONG.: W 103.5399391 60' FSL 1650' FEL

1000' 2000'

LEASE NAME & WELL NO .: CHARLES LING 0211 FED COM 133H

\_ TWP\_ 24-S SURVEY 33-E N.M.P.M. SECTION RGE LEA COUNTY. STATE NM 240' FNL & 805' FEL DESCRIPTION

#### **DISTANCE & DIRECTION**

FROM INT. OF NM-128 & NM-18, GO WEST ON NM-128. ±20.6 MILES THENCE NORTH (RIGHT) ON DELAWARE BASIN RD. ±2.6 MILES, THENCE WEST (LEFT) ON BELL LAKE ±2.0 MILES, THENCE NORTH (RIGHT) ON A LEASE RD. ±0.7 MILES THENCE WEST (LEFT) ON A LEASE RD. ±0.5 MILES THENCE SOUTH (LEFT) ON A PROPOSED ROAD ±1381 FEET TO A POINT ±424 FEET NORTHWEST OF THE LOCATION.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TEAMSACTION ONLY THIS TRANSACTION ONLY

AS OF THE DATE OF SURVEY, ALL ABOVE GROUND APPURTENANCES WITHIN 300' OF THE STAKED LOCATION ARE SHOWN HEREON.

M. ONAL

Angel M. Baeza, P.S. No. 25116



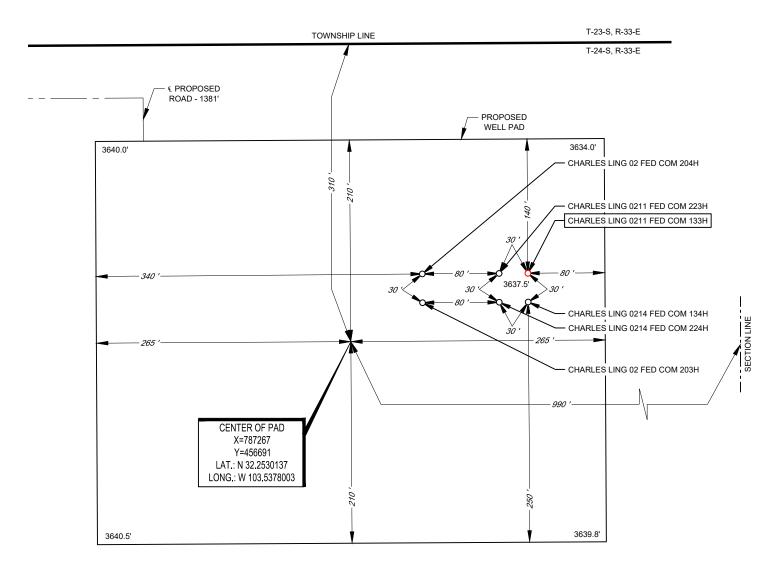
481 WINSCOTT ROAD, Ste. 200 • BENBROOK, TEXAS 76126

**LEGEND** TOWNSHIP/RANGE LINE SECTION LINE PROPOSED ROAD



DETAIL VIEW SCALE: 1" = 100'

#### SECTION 2. TOWNSHIP 24-S. RANGE 33-E. N.M.P.M. LEA COUNTY, NEW MEXICO



Angel M. Baeza, P.S. No. 25116

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO, ALL OTHER INFORMATION WAS INTENTIONALLY OMITTED. THIS PLAT IS ONLY INTENDED TO BE USED FOR A PERMIT AND IS NOT A BOUNDARY SURVEY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.



LEASE NAME & WELL NO .: \_ 133H LATITUDE N 32.2532057



CENTERLINE POINT IS 310' FNL & 990' FEL

481 WINSCOTT ROAD, Ste. 200 • BENBROOK, TEXAS 76126 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743 WWW.TOPOGRAPHIC.COM

CHARLES LING 0211 FED COM 133H

133H LONGITUDE\_\_\_\_

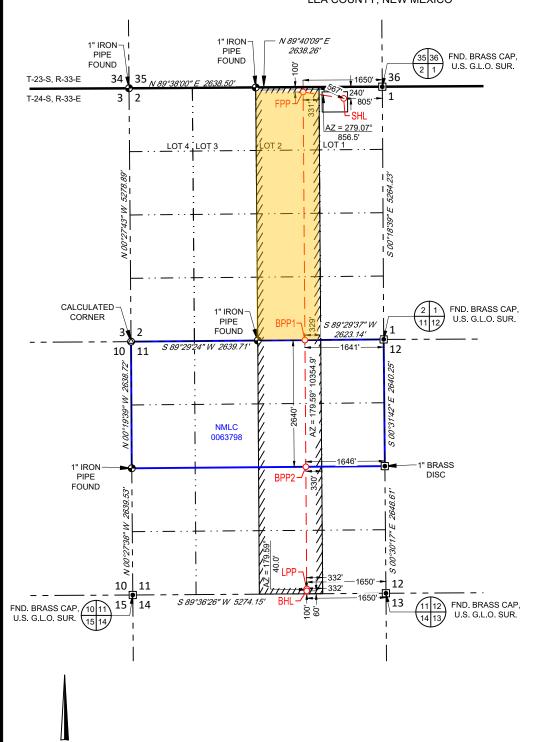
W 103.5372014

<u>C-102</u>			Energy		State of Nev	v Mexico l Resources	Denartmen	t	Revis	ed July 9, 2024		
Submit Electronic Via OCD Permitt						ION DIVIS			Initial Submittal			
			·		VSEIC VIII	TOTY DIVI	31011	Submitta	al Initial Submittal			
								Type:	As Drilled	Amended Report		
		***		CATIO	N AND AC	DEACE DI	EDICATIO	NIDI AT	As Drilled			
API Number		V	Pool Code		N AND AC	REAGE DE	LDICATIO	N PLAT				
	-025-529	38	5 Property Name	9900		Triple	X; Bone	Spring				
	335886			СН	ARLES LIN	G 0211 FED	СОМ			133H		
OGRID No. 22	28937		Operator Name		DOR PROD	UCTION COI	MPANY		Ground Level Elev	ration 3638'		
Surface Owner:	State Fee	Tribal Federal				Mineral Owner:	State Fee Trib	al Federal	•			
					Surface	Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S		Latitude	:	Longitude	County		
1	2	24-S	33-E	-	240' N	805' E	N 32.253	<sub>2057</sub>   w	103.5372014	LEA		
		<u> </u>	1	l .		ole Location			· <del>-</del>			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S		Latitude	:	Longitude	County		
0	11	24-S	33-E	-	60' S	1650' E	N 32.225	0215 W	103.5399391	LEA		
			•		1							
Dedicated Acres	Infill or Defi	ning Well Defin	ing Well API			Overlapping Spacing	Unit (Y/N)	Consol	idated Code			
159.73	-	-					-		-			
Order Numbers	•	•				Well Setbacks are un	der Common Owner	rship: Yes	No			
					Kick Off F	Point (KOP)						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	<u> </u>	Latitude	:	Longitude	County		
-	-	-	-	-			-   -   -					
			•	•	First Talza	Doint (ETD)						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	ke Point (FTP)  N/S   Feet from the E/W   Latitude   Longitude				County		
2	2	24-S	33-E	_	100' N	1650' E	N 32.253	<sub>5939</sub>   w	103.5399339	LEA		
	_											
			· -			Point (LTP)						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude		Longitude	County		
0	11	24-S	33-E	-	100' S	1650' E	N 32.225	1314   VV	103.5399391	LEA		
Unitized Area or A	rea of Uniform I	ntrest		Spacing Unity	Type Horizont	al Vertical	Grou	nd Floor Elevation	1			
	-	•		1								
ODED ATO	D CEDTI	TICATION				GLIBVEVOE	o oppring	'A TION				
OPERATO  I hereby certij			tained herein	is true and	complete to the	I hereby certify	RS CERTIFIC	cation shown	on this plat was plotte	d from field		
best of my kn that this orga	owledge and nization eithe	belief; and, if er owns a wor	the well is a king interest	vertical or or or or unleased r	directional well, nineral interest	notes of actual	surveys made by	y me or under	my supervision, and	that the same		
well at this lo	cation pursue	int to a contro	act with an o	wner of a wo	ght to drill this rking interest r a compulsory	\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	MEY					
or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.					100	_ \						
If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.					25116							
Debbie Creed 3/3/2025							VAL SUR					
Signature			Date			Signature and Seal	of Professional Surve	eyor ]	Date			
	ie Creed	<u>d</u>										
Print Name	1/					Certificate Number	Dat	te of Survey				
debbie.creed@matadorresources.com								07/13/202	22			

C-102 Submit Electronically Via OCD Permitting		, Minerals	ate of New & Natural SERVAT	Resource	es Departm ISION	nent -	Submittal Type:	Revised July 9, 2024  Initial Submittal  Amended Report  As Drilled
Property Name and Well Number								
SURFACE LOCATION (SHL)  NEW MEXICO EAST NAD 1983  X=787452 Y=456762 LAT.: N 32.2532057 LONG.: W 103.5372014 NAD 1927  X=746268 Y=456703 LAT.: N 32.2530819 LONG.: W 103.5367223 240' FNL 805' FEL  FIRST PERF. POINT (FPP)  NEW MEXICO EAST NAD 1983  X=786606 Y=456897 LAT.: N 32.2535939 LONG.: W 103.5399339 NAD 1927  X=745422 Y=456838 LAT.: N 32.2534701 LONG.: W 103.5394547 100' FNL 1650' FEL  BLM PERF. POINT (BPP1)  NEW MEXICO EAST NAD 1983  X=786643 Y=451728 LAT.: N 32.2393851 LONG.: W 103.5399365 NAD 1927  X=745459 Y=451669 LAT.: N 32.2392612 LONG.: W 103.5394581 0' FNL 1641' FEL	34 3 3	35 T-23-S, R. 2 T-24-S, R. LOT 4	33-E	4 .00		36 1 1 12	ВОТТ	LM PERF. POINT (BPP2)  NEW MEXICO EAST NAD 1983  X=786662 Y=449088  LAT.: N 32.2321290  LONG.: W 103.5399378 NAD 1927  X=745478 Y=449029  LAT.: N 32.2320050  LONG.: W 103.5394599 2640' FNL 1646' FEL  AST PERF. POINT (LPP)  NEW MEXICO EAST NAD 1983  X=786681 Y=446542  LAT.: N 32.2251314  LONG.: W 103.5399391  NAD 1927  X=745497 Y=446484  LAT.: N 32.2250074  LONG.: W 103.5394616  100' FSL 1650' FEL  TOM HOLE LOCATION (BHL)  NEW MEXICO EAST NAD 1983  X=786681 Y=446502  LAT.: N 32.2250215  LONG.: W 103.5399391  NAD 1927  X=745497 Y=446444  LAT.: N 32.2248975  LONG.: W 103.5394617 60' FSL 1650' FEL  VEYORS CERTIFICATION
	<del>10</del> 15	11	NAD27 X=744510.32 Y=446376.91	BHL 1	332' 1650' <del>-</del> 332' 1650' <del>-</del> 1650' <del>-</del> NAD27 X=745828.82 Y=446385.96	12 -	plat was made by same is 07/13/20  Date of Su	rvey and Seal of Professional Surveyor:
Released to Imaging: 5/14/2025 11:	35:49 AM		NAD83 X=785694.58 Y=446435.69		NAD83 X=787013.08 Y=446444.74			CEL M. BARY



#### SECTION 2, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO



#### **SURFACE LOCATION (SHL)**

**NEW MEXICO EAST** NAD 1983 X=787452 Y=456762 LAT.: N 32.2532057 LONG.: W 103.5372014 240' FNL 805' FEL

#### **FIRST PERF. POINT (FPP)**

NEW MEXICO EAST NAD 1983 X=786606 Y=456897 LAT.: N 32.2535939 LONG.: W 103.5399339 100' FNL 1650' FEL

#### **BLM PERF. POINT (BPP1)**

**NEW MEXICO EAST** NAD 1983 X=786643 Y=451728 LAT.: N 32.2393851 LONG.: W 103.5399365 0' FNL 1641' FEL

#### **BLM PERF. POINT (BPP2)**

**NEW MEXICO EAST** NAD 1983 X=786662 Y=449088 LAT.: N 32.2321290 LONG.: W 103.5399378 2640' FNL 1646' FEL

#### LAST PERF. POINT (LPP)

**NEW MEXICO EAST** NAD 1983 X=786681 Y=446542 LAT.: N 32.2251314 LONG.: W 103.5399391 100' FSL 1650' FEL

#### **BOTTOM HOLE LOCATION (BHL) NEW MEXICO EAST**

NAD 1983 X=786681 Y=446502 LAT.: N 32.2250215 LONG.: W 103.5399391 60' FSL 1650' FEL

1000' LEASE NAME & WELL NO .:

2000'

CHARLES LING 0211 FED COM 133H

\_ TWP\_ 24-S SURVEY 33-E N.M.P.M. SECTION RGE LEA COUNTY. STATE NM 240' FNL & 805' FEL DESCRIPTION

#### **DISTANCE & DIRECTION**

FROM INT. OF NM-128 & NM-18, GO WEST ON NM-128. ±20.6 MILES THENCE NORTH (RIGHT) ON DELAWARE BASIN RD. ±2.6 MILES, THENCE WEST (LEFT) ON BELL LAKE ±2.0 MILES, THENCE NORTH (RIGHT) ON A LEASE RD. ±0.7 MILES THENCE WEST (LEFT) ON A LEASE RD. ±0.5 MILES THENCE SOUTH (LEFT) ON A PROPOSED ROAD ±1381 FEET TO A POINT ±424 FEET NORTHWEST OF THE LOCATION.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TEAMSACTION ONLY THIS TRANSACTION ONLY

AS OF THE DATE OF SURVEY, ALL ABOVE GROUND APPURTENANCES WITHIN 300' OF THE STAKED LOCATION ARE SHOWN HEREON.

M. ONAL

Angel M. Baeza, P.S. No. 25116



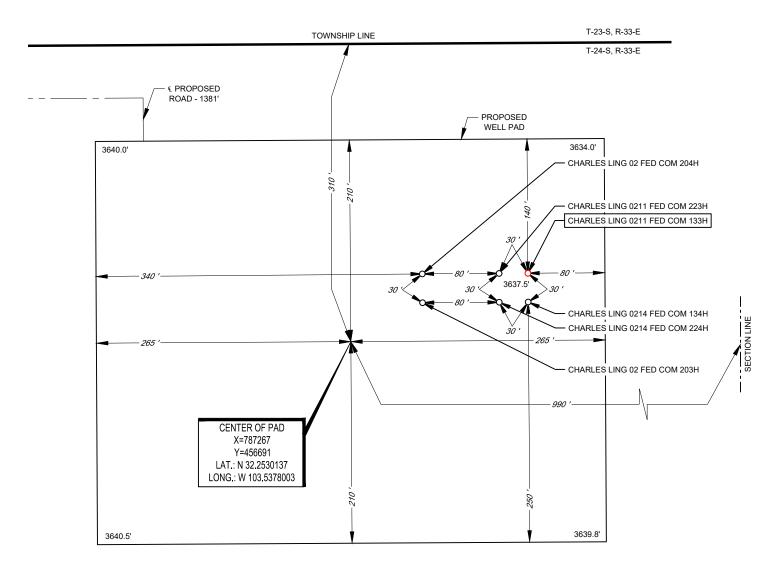
481 WINSCOTT ROAD, Ste. 200 • BENBROOK, TEXAS 76126

\_\_\_\_\_\_ TOWNSHIP/RANGE LINE
\_\_\_\_\_ SECTION LINE
\_\_\_\_ PROPOSED ROAD



DETAIL VIEW SCALE: 1" = 100'

### SECTION 2, TOWNSHIP 24-S, RANGE 33-E, N.M.P.M. LEA COUNTY, NEW MEXICO



CEL M. BAR MENTONAL SIE

Angel M. Baeza, P.S. No. 25116

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

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SCALE: 1" = 100'

0' 50' 100'

LEASE NAME & WELL NO.: \_\_\_ 133H LATITUDE \_\_\_\_\_ N 32.2532057



CHARLES LING 0211 FED COM 133H

133H LONGITUDE\_\_\_\_

CENTERLINE POINT IS 310' FNL & 990' FEL

W 103.5372014

TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
WWW.TOPOGRAPHIC.COM

From: Adam Rankin

To: Clelland, Sarah, EMNRD; Paula M. Vance; McClure, Dean, EMNRD

Cc: Kayleigh Y. Verboncoeur

 Subject:
 RE: [EXTERNAL] RE: Action ID: 385224; PLC-955

 Date:
 Wednesday, May 7, 2025 1:05:40 PM

 Attachments:
 2025.05.07 Charles Ling North PFD.pdf

Sarah,

Thanks for reaching out. Attached is an updated/revised process flow diagram that addresses the issue you raised. Please let us know if you have any additional questions.

Thank you.

#### **Adam Rankin**

Partner, Holland & Hart LLP

agrankin@hollandhart.com | T: (505) 954-7294 | M: (505) 570-0377

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From: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>

Sent: Wednesday, May 7, 2025 10:31 AM

To: Paula M. Vance <PMVance@hollandhart.com>; McClure, Dean, EMNRD

<Dean.McClure@emnrd.nm.gov>

**Cc:** Adam Rankin < AGRankin@hollandhart.com>; Kayleigh Y. Verboncoeur

<KYVerboncoeur@hollandhart.com>

Subject: RE: [EXTERNAL] RE: Action ID: 385224; PLC-955

**External Email** 

#### Good Morning,

The Process Flow Diagram has 6 wells that do not show where the gas goes after leaving the separator. Please send an updated Process flow diagram.

Thanks.

#### Sarah Clelland

#### **Petroleum Specialist**

State of New Mexico Energy, Minerals, and Natural Resources Department Oil Conservation Division Cell: (505) 537-0627

Sarah.Clelland@emnrd.nm.gov

From: Paula M. Vance < PMVance@hollandhart.com>

**Sent:** Friday, May 2, 2025 4:14 AM

To: McClure, Dean, EMNRD < Dean.McClure@emnrd.nm.gov >; Clelland, Sarah, EMNRD

<Sarah.Clelland@emnrd.nm.gov>

Cc: Adam Rankin < AGRankin@hollandhart.com >; Kayleigh Y. Verboncoeur

<KYVerboncoeur@hollandhart.com>

Subject: RE: [EXTERNAL] RE: Action ID: 385224; PLC-955

Dean/Sarah,

I'm following up on this one to see if you have a status. I will be out on vacation starting today and am including Adam and Kayleigh to see if they need to assist. Thanks!

#### Paula Vance

Associate, Holland & Hart LLP

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

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From: Paula M. Vance

Sent: Tuesday, March 11, 2025 10:50 AM

To: McClure, Dean, EMNRD < Dean.McClure@emnrd.nm.gov>
Cc: Clelland, Sarah, EMNRD < Sarah.Clelland@emnrd.nm.gov>
Subject: RE: [EXTERNAL] RE: Action ID: 385224; PLC-955

Dean,

Attached is the sundry submitted to BLM. It hasn't been approved yet. Let me know if you need anything else or have any other questions. Thanks!

#### Paula Vance

Associate, Holland & Hart LLP

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

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

From: McClure, Dean, EMNRD < Dean. McClure@emnrd.nm.gov >

Sent: Friday, March 7, 2025 4:31 PM

To: Paula M. Vance < PMVance@hollandhart.com >

**Cc:** Clelland, Sarah, EMNRD < Sarah.Clelland@emnrd.nm.gov> **Subject:** RE: [EXTERNAL] RE: Action ID: 385224; PLC-955

**External Email** 

Paula,

I see what you mean regarding the C-102 on record. Interestingly enough, it appears that a data entry error had occurred for the well where the correct pools were entered into the system

despite the C-102 on record. If Matador has submitted the sundry to the BLM, then please feel free to provide a copy of that sundry to me for quicker approval.

Dean McClure

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

From: Paula M. Vance < PMVance@hollandhart.com >

Sent: Friday, February 28, 2025 2:16 PM

**To:** McClure, Dean, EMNRD < <u>Dean.McClure@emnrd.nm.gov</u>> **Cc:** Clelland, Sarah, EMNRD < <u>Sarah.Clelland@emnrd.nm.gov</u>>

Subject: [EXTERNAL] RE: Action ID: 385224; PLC-955

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

Dean,

Yes, the below is correct. If you go to the well file for the 133H the information shows two wells but the C-102 in the well file is for only one pool. Matador is fixing this and plans to file a sundry to reflect the two pools. Thanks!

#### Paula Vance

Associate, Holland & Hart LLP

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

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From: McClure, Dean, EMNRD < Dean.McClure@emnrd.nm.gov >

**Sent:** Wednesday, February 26, 2025 10:48 AM **To:** Paula M. Vance < <u>PMVance@hollandhart.com</u>>

Cc: Clelland, Sarah, EMNRD < Sarah. Clelland@emnrd.nm.gov>

Subject: Action ID: 385224; PLC-955

#### **External Email**

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

The Division is reviewing the following application:

The 21 threat is 10 to the time time wing upproduced.			
Action ID	385224		
Admin No.	PLC-955		
Applicant	Matador Production Company (228937)		
Title	Charles Ling North Tank Battery		
Sub. Date	9/19/2024		

Please provide the following additional supplemental documents:

•

Please provide additional information regarding the following:

Reference was made during one of the phone conversations to the possibility that a change of plans
may be planned to be submitted for one of the wells in this application. The need for one is not readily
apparent from the Division's initial review. Please confirm that the details for each well listed below
are correct:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
20.025.52027	Charles Ling 0211 Federal Com	W/2 W/2	2-24S-33E	59900
30-025-52936	#131H	W/2 W/2	11-24S-33E	96434
20 025 52027	Charles Ling 0211 Federal Com	E/2 W/2	2-24S-33E	59900
30-025-52937	#132H	E/2 W/2	11-24S-33E	96434
20.025.52020	Charles Ling 0211 Federal Com	W/2 E/2	2-24S-33E	59900
30-025-52938	#133H	W/2 E/2	11-24S-33E	96434
	Charles Ling 0211 Federal Com #134H	E/2 E/2	2-24S-33E	59900
30-025-52942		E/2 E/2	11-24S-33E	96434
		E/2 E/2	14-24S-33E	
20.025.52020	Charles Ling 0211 Federal Com #221H	W/2 W/2	2-24S-33E	00125
30-025-52939		W/2 W/2	11-24S-33E	98135
20.025.52040	Charles Ling 0211 Federal Com #222H	E/2 W/2	2-24S-33E	00125
30-025-52940		E/2 W/2	11-24S-33E	98135
20.025.52041	Charles Ling 0211 Federal Com #223H	W/2 E/2	2-24S-33E	00125
30-025-52941		W/2 E/2	11-24S-33E	98135
	3 Charles Ling 0211 Federal Com	E/2 E/2	2-24S-33E	
30-025-52943		E/2 E/2	11-24S-33E	98135
	#224H	E/2 E/2	14-24S-33E	

**Pool Name** 

Pool Code

TRIPLE X; BONE SPRING 59900
RED HILLS; BONE SPRING, NORTH 96434
WC-025 G-09 S243310P; UPPER WOLFCAMP 98135

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#### Additional notes:

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

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

Dean McClure

Petroleum Engineer, Oil Conservation Division New Mexico Energy, Minerals and Natural Resources Department (505) 469-8211 
 From:
 Paula M. Vance

 To:
 McClure, Dean, EMNRD

 Cc:
 Clelland, Sarah, EMNRD

 Subject:
 RE: [EXTERNAL] RE: Action ID: 385224; PLC-955

 Date:
 Tuesday, March 11, 2025 8:50:44 AM

 Attachments:
 AFMSS Sundry Submitted- 2840471.pdf

Dean,

Attached is the sundry submitted to BLM. It hasn't been approved yet. Let me know if you need anything else or have any other questions. Thanks!

#### **Paula Vance**

Associate, Holland & Hart LLP

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

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

From: McClure, Dean, EMNRD < Dean. McClure@emnrd.nm.gov>

Sent: Friday, March 7, 2025 4:31 PM

To: Paula M. Vance < PMVance@hollandhart.com>

**Cc:** Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov> **Subject:** RE: [EXTERNAL] RE: Action ID: 385224; PLC-955

**External Email** 

Paula,

I see what you mean regarding the C-102 on record. Interestingly enough, it appears that a data entry error had occurred for the well where the correct pools were entered into the system despite the C-102 on record. If Matador has submitted the sundry to the BLM, then please feel free to provide a copy of that sundry to me for quicker approval.

Dean McClure

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

From: Paula M. Vance < PMVance@hollandhart.com>

Sent: Friday, February 28, 2025 2:16 PM

**To:** McClure, Dean, EMNRD < <u>Dean.McClure@emnrd.nm.gov</u>> **Cc:** Clelland, Sarah, EMNRD < <u>Sarah.Clelland@emnrd.nm.gov</u>>

Subject: [EXTERNAL] RE: Action ID: 385224; PLC-955

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking

#### on links or opening attachments.

Dean,

Yes, the below is correct. If you go to the well file for the 133H the information shows two wells but the C-102 in the well file is for only one pool. Matador is fixing this and plans to file a sundry to reflect the two pools. Thanks!

#### Paula Vance

Associate, Holland & Hart LLP

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

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

From: McClure, Dean, EMNRD < Dean. McClure@emnrd.nm.gov >

**Sent:** Wednesday, February 26, 2025 10:48 AM **To:** Paula M. Vance < PMVance@hollandhart.com>

Cc: Clelland, Sarah, EMNRD < Sarah. Clelland@emnrd.nm.gov>

Subject: Action ID: 385224; PLC-955

#### External Email

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

The Division is reviewing the following application:

Action ID	385224
Admin No.	PLC-955
Applicant	Matador Production Company (228937)
Title	Charles Ling North Tank Battery
Sub. Date	9/19/2024

Please provide the following additional supplemental documents:

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Please provide additional information regarding the following:

• Reference was made during one of the phone conversations to the possibility that a change of plans may be planned to be submitted for one of the wells in this application. The need for one is not readily apparent from the Division's initial review. Please confirm that the details for each well listed below are correct:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-52936	<b>Charles Ling 0211 Federal Com</b>	W/2 W/2	2-24S-33E	59900
30-025-52930	#131H	W/2 W/2	11-24S-33E	96434
30-025-52937	Charles Ling 0211 Federal Com	E/2 W/2	2-24S-33E	59900
30-025-52937	#132H	E/2 W/2	11-24S-33E	96434
30-025-52938	Charles Ling 0211 Federal Com	W/2 E/2	2-24S-33E	59900
30-025-52936	#133H	W/2 E/2	11-24S-33E	96434
	Charles Ling 0211 Federal Com #134H	E/2 E/2	2-24S-33E	59900
30-025-52942		E/2 E/2	11-24S-33E	96434
	#13411	E/2 E/2	14-24S-33E	70434

8	W/2 W/2	2-24S-33E	98135
8			98135
#223H	W/2 E/2	11-24S-33E	98135
1 1: 0311 E 1 1 C	E/2 E/2	2-24S-33E	
8	E/2 E/2	11-24S-33E	98135
#22411	E/2 E/2	14-24S-33E	
	arles Ling 0211 Federal Com #221H  arles Ling 0211 Federal Com #222H  arles Ling 0211 Federal Com #223H  arles Ling 0211 Federal Com #224H	#221H W/2 W/2  arles Ling 0211 Federal Com #222H E/2 W/2  arles Ling 0211 Federal Com #223H W/2 E/2  #223H W/2 E/2  arles Ling 0211 Federal Com #224H  E/2 E/2  E/2 E/2	#221H W/2 W/2 11-24S-33E  arles Ling 0211 Federal Com #222H E/2 W/2 11-24S-33E  arles Ling 0211 Federal Com #223H W/2 E/2 2-24S-33E  #223H W/2 E/2 11-24S-33E  arles Ling 0211 Federal Com #224H E/2 E/2 11-24S-33E  E/2 E/2 11-24S-33E  E/2 E/2 11-24S-33E

Pool Name Pool Code

TRIPLE X; BONE SPRING 59900
RED HILLS; BONE SPRING, NORTH 96434
WC-025 G-09 S243310P; UPPER WOLFCAMP 98135

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#### Additional notes:

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

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

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

## 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-955** 

#### **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.

Order No. PLC-955 Page 1 of 4

#### **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. 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.

Order No. PLC-955

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.

- 3. 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.
- 4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
- 5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 6. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
- 7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.

Order No. PLC-955

- 8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 9. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10 C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 10. If a well is not included in Exhibit A but produces from a pool and lease 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.
- 11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 12. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 13. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

GERASIMOS RAZATOS DIRECTOR (ACTING) **DATE:** 5/14/2025

Order No. PLC-955

#### State of New Mexico Energy, Minerals and Natural Resources Department

#### Exhibit A

Order: PLC-955

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

Central Tank Battery: Charles Ling North Tank Battery

Central Tank Battery Location: UL C, Section 2, Township 24 South, Range 33 East Gas Title Transfer Meter Location: UL C, Section 2, Township 24 South, Range 33 East

#### **Pools**

Pool Name Pool Code
TRIPLE X; BONE SPRING 59900
RED HILLS; BONE SPRING, NORTH 96434
WC-025 G-09 S243310P; UPPER WOLFCAMP 98135

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

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMNM 106381536	W/2 W/2	2-24S-33E
CA Duile Spring NVIIAW 100301330	W/2 W/2	11-24S-33E
DDODOSED CA Done Spring NMNM 106291527	E/2 W/2	2-24S-33E
PROPOSED CA Bone Spring NMNM 106381537	E/2 W/2	11-24S-33E
CA Dana Spring NMNM 106291470	W/2 E/2	2-24S-33E
CA Bone Spring NMNM 106381470	W/2 E/2	11-24S-33E
	E/2 E/2	2-24S-33E
PROPOSED CA Bone Spring NMNM 106381534	E/2 E/2	11-24S-33E
	E/2 E/2	14-24S-33E
CA Wolfcamp NMNM 106381386	W/2 W/2	2-24S-33E
CA Wolfcamp Nivity 100301300	W/2 W/2	11-24S-33E
CA Wolfcamp NMNM 106381530	E/2 W/2	2-24S-33E
CA Wollcamp INVINIT 100381530	E/2 W/2	11-24S-33E
CA Wolfcamp BLM NMNM 106381525	W/2 E/2	2-24S-33E
CA Wollcamp BEM NWINWI 100301323	W/2 E/2	11-24S-33E
	E/2 E/2	2-24S-33E
PROPOSED CA Wolfcamp NMNM 106381388	E/2 E/2	11-24S-33E
	E/2 E/2	14-24S-33E
CA Bone Spring (Dual Pool) SLO 204936 PUN 1405194	W/2 W/2	2-24S-33E
CA Bolle Spring (Dual Foot) SLO 204930 FON 1403194	W/2 W/2	11-24S-33E
<b>CA Wolfcamp SLO 204937 PUN 1404549</b>	W/2 E/2	2-24S-33E
CA Woncamp SLO 204937 FUN 1404349	W/2 E/2	11-24S-33E
CA Wolfcamp SLO 204938 PUN 1404552	E/2 W/2	2-24S-33E
CA Woncamp SLO 204336 I ON 1404332	E/2 W/2	11-24S-33E
CA Bone Spring SLO 204939 PUN 1404568	W/2 E/2	2-24S-33E
CA Duite Spring SLO 204737 1 UN 1404300	W/2 E/2	11-24S-33E
CA Pana Spring SLO 20/10/10 PHN 1/10/1570	E/2 W/2	2-24S-33E
<b>CA Bone Spring SLO 204940 PUN 1404570</b>	E/2 W/2	11-24S-33E

CA Wolfsoms SLO 204041 DUN 1404594	W/2 W/2	2-24S-33E
CA Wolfcamp SLO 204941 PUN 1404584	W/2 W/2	11-24S-33E
	E/2 E/2	2-24S-33E
<b>CA Bone Spring SLO 204942 PUN 1404596</b>	E/2 E/2	11-24S-33E
	E/2 E/2	14-24S-33E
	E/2 E/2	2-24S-33E
<b>CA Wolfcamp SLO 204943 PUN 1404604</b>	E/2 E/2	11-24S-33E
	E/2 E/2	14-24S-33E
<b>SLO Lease VB-1814-0000</b>	N/2	2-24S-33E
<b>SLO Lease VB-1819-0001</b>	S/2	2-24S-33E

Wells			
Well Name	UL or Q/Q	S-T-R	Pool
Charles Line 0211 Federal Com #121H	W/2 W/2	2-24S-33E	59900
Charles Ling 0211 Federal Com #151H	W/2 W/2	11-24S-33E	96434
Charles I in a 0211 Federal Com #122H	E/2 W/2	2-24S-33E	59900
Charles Ling 0211 Federal Com #152H	E/2 W/2	11-24S-33E	96434
Charles I inc 0211 Federal Com #122H	W/2 E/2	2-24S-33E	59900
Charles Ling 0211 Federal Com #133H	W/2 E/2	11-24S-33E	96434
Charles Ling 0211 Federal Com #134H	E/2 E/2	2-24S-33E	59900
	E/2 E/2	11-24S-33E	06424
	E/2 E/2	14-24S-33E	96434
Charles Line 0211 Federal Com #221H	W/2 W/2	2-24S-33E	00125
Charles Ling 0211 Federal Com #221H	W/2 W/2	11-24S-33E	98135
Charles Line 0211 Federal Com #222H	E/2 W/2	2-24S-33E	00125
Charles Ling 0211 Federal Com #222H	E/2 W/2	11-24S-33E	98135
Charles Ling 0211 Federal Com #223H	W/2 E/2	2-24S-33E	00125
	W/2 E/2	11-24S-33E	98135
Charles Ling 0211 Federal Com #224H	E/2 E/2	2-24S-33E	
	E/2 E/2	11-24S-33E	98135
	E/2 E/2	14-24S-33E	
	Well Name Charles Ling 0211 Federal Com #131H Charles Ling 0211 Federal Com #132H Charles Ling 0211 Federal Com #133H Charles Ling 0211 Federal Com #134H Charles Ling 0211 Federal Com #221H Charles Ling 0211 Federal Com #222H Charles Ling 0211 Federal Com #222H	Well Name       UL or Q/Q         Charles Ling 0211 Federal Com #131H       W/2 W/2         Charles Ling 0211 Federal Com #132H       E/2 W/2         Charles Ling 0211 Federal Com #133H       W/2 E/2         Charles Ling 0211 Federal Com #134H       E/2 E/2         Charles Ling 0211 Federal Com #134H       E/2 E/2         Charles Ling 0211 Federal Com #221H       W/2 W/2         Charles Ling 0211 Federal Com #222H       E/2 W/2         Charles Ling 0211 Federal Com #222H       E/2 W/2         Charles Ling 0211 Federal Com #223H       W/2 E/2         Charles Ling 0211 Federal Com #224H       E/2 E/2	Well Name         UL or Q/Q         S-T-R           Charles Ling 0211 Federal Com #131H         W/2 W/2         2-24S-33E           Charles Ling 0211 Federal Com #132H         E/2 W/2         11-24S-33E           Charles Ling 0211 Federal Com #133H         W/2 E/2         11-24S-33E           Charles Ling 0211 Federal Com #134H         E/2 E/2         2-24S-33E           Charles Ling 0211 Federal Com #134H         E/2 E/2         11-24S-33E           Charles Ling 0211 Federal Com #221H         W/2 W/2         2-24S-33E           Charles Ling 0211 Federal Com #221H         W/2 W/2         2-24S-33E           Charles Ling 0211 Federal Com #222H         E/2 W/2         2-24S-33E           Charles Ling 0211 Federal Com #222H         E/2 W/2         11-24S-33E           Charles Ling 0211 Federal Com #223H         W/2 E/2         2-24S-33E           Charles Ling 0211 Federal Com #223H         W/2 E/2         2-24S-33E           Charles Ling 0211 Federal Com #223H         E/2 E/2         11-24S-33E           Charles Ling 0211 Federal Com #224H         E/2 E/2         11-24S-33E

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

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/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 385224

#### **CONDITIONS**

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	385224
	Action Type:
	[C-107] Surface Commingle or Off-Lease (C-107B)

#### CONDITIONS

Created By		Condition Date
sarah.clelland	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 OCD.Engineer@emnrd.nm.gov.	5/14/2025