

Revised March 23, 2017

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

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

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

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

1) TYPE OF APPLICATION: Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) NOTIFICATION REQUIRED TO: Check those which apply.

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

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

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

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

 Print or Type Name

 Date

 Phone Number

 Signature

 e-mail Address



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

October 15, 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) oil and gas production from spacing units comprised of All of Sections 16 and 21 of Township 18 South, Range 34 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 **Iggles State Tank Battery** *insofar as all existing and future wells drilled in the following spacing units:*

(a) The 240-acre spacing unit comprised of the W/2 SW/4 of Section 16 and the W/2 W/2 of Section 21, in the Vacuum; Bone Spring, West [61910] – currently dedicated to the **Iggles State Com 1H** (API. No. 30-025-42377);

(b) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] – currently dedicated to the **Iggles State Com 131H** (API. No. 30-025-53142);

(c) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] – currently dedicated to the **Iggles State Com 122H** (API. No. 30-025-53139) and **Iggles State Com 132H** (API. No. 30-025-53143);

(d) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] – currently dedicated to the **Iggles State Com 123H** (API. No. 30-025-53140) and **Iggles State Com 133H** (API. No. 30-025-53144);

(e) The 320-acre spacing unit comprised of the E/2 E/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] – currently dedicated to the **Iggles State Com 124H** (API. No. 30-025-53141) and **Iggles State Com 134H** (API. No. 30-025-53145);

(f) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 16 and 21,



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in the E-K; Wolfcamp [21670] – currently dedicated to the **Iggles State Com 241H** (API. No. 30-025-53146);

(g) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 16 and 21, in the E-K; Wolfcamp [21670] – currently dedicated to the **Iggles State Com 242H** (API. No. 30-025-53147);

(h) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 16 and 21, in the E-K; Wolfcamp [21670] – currently dedicated to the **Iggles State Com 243H** (API. No. 30-025-53148);

(i) The 320-acre spacing unit comprised of the E/2 E/2 of Sections 16 and 21, in the E-K; Wolfcamp [21670] – currently dedicated to the **Iggles State Com 244H** (API. No. 30-025-53149); and

(j) Pursuant to 19.15.12.10.C(4)(g), *from all future additions of pools, leases or leases and pools to the Iggles State 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 **Iggles State Tank Battery** (“TB”) located in the SW/4 SE/4 (Unit O) of Section 21, Township 18 South, Range 34 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 Mark Gonzalez, Operations Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement) and an example gas analysis (Exhibit B to the statement).

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

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



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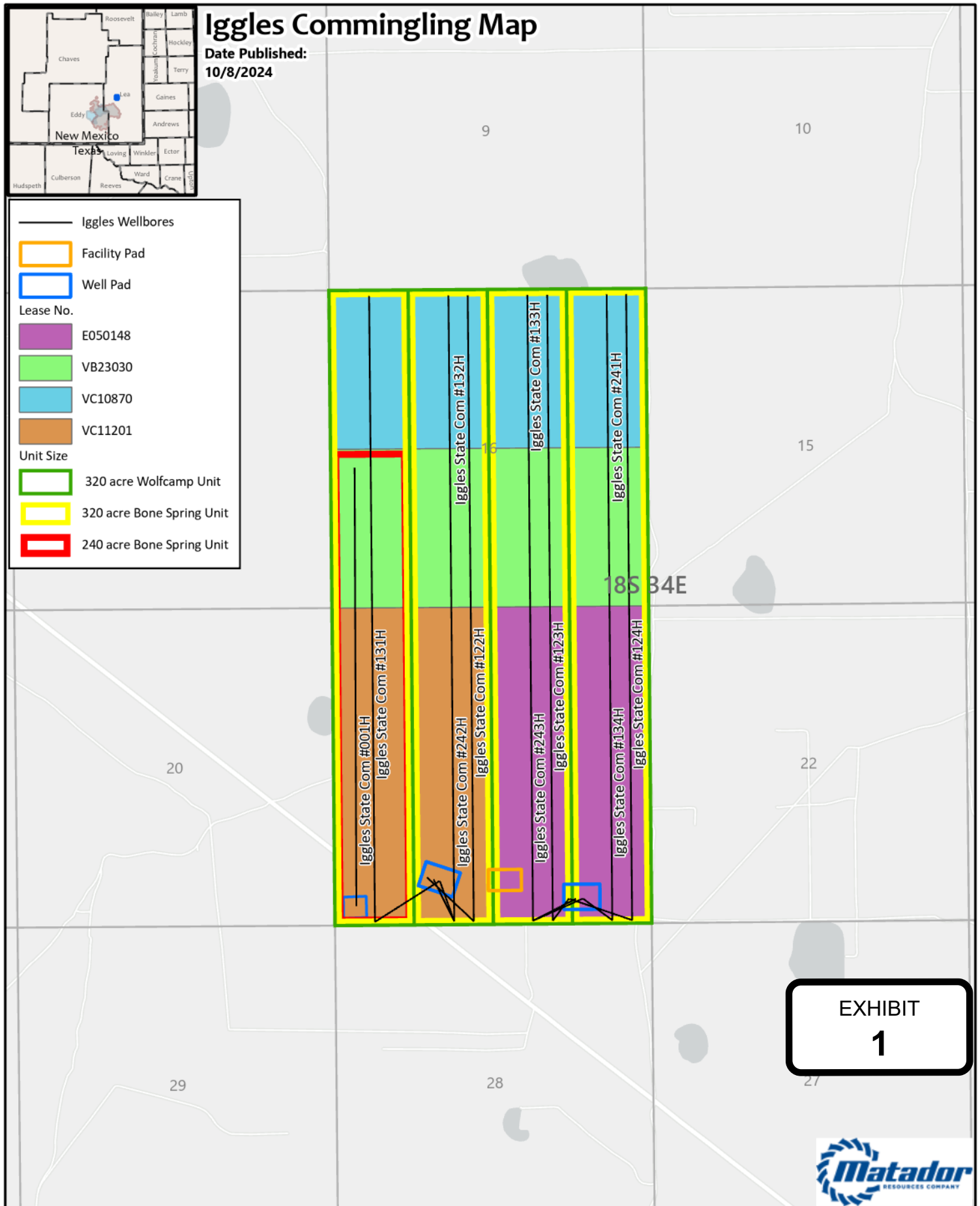
overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the New Mexico State Land Office ("NMSLO") since state lands are involved.

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

Sincerely,

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

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



EXHIBIT

1

District I

1625 N. French Drive, Hobbs, NM 88240

District II

811 S. First St., Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

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

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-107-B

Revised August 1, 2011

OIL CONSERVATION DIVISION1220 S. St Francis Drive
Santa Fe, New Mexico 87505Submit 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 CompanyOPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingling)LEASE TYPE: ☐ Fee ☒ State ☐ FederalIs this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____

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

☒ Yes ☐ No**(A) POOL COMMINGLING**

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
[61910] VACUUM; BONE SPRING, WEST	39.98°	40.51° oil 1267.43 BTU/CF	\$79.39/bbl oil Deemed 40° Sweet (June '24 realized price)	6600 bopd
[61910] VACUUM; BONE SPRING, WEST	1264 BTU/CF			5330 mcf/d
[21670] E-K; WOLFCAMP	42.1°		\$2.56/mcf (June '24 realized price)	2200 bopd
[21670] E-K; WOLFCAMP	1275 BTU/CF			2400 mcf/d

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

Please attach sheets with the following information

(1) Pool Name and Code

(2) Is all production from same source of supply? ☐ Yes ☐ No(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No(4) Measurement type: ☐ Metering ☐ Other (Specify)**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

(1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

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

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

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

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

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

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

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

SIGNATURE: TITLE: Facilities EngineerDATE: 8/22/24TYPE OR PRINT NAME Mark GonzalesTELEPHONE NO.: (915) 240-3468E-MAIL ADDRESS: mark.gonzales@matadorresources.com

EXHIBIT

2

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5489 • Fax 972.371.5201
mark.gonzales@matadorresources.com

Mark Gonzales
Operations Engineer

August 22, 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) gas and oil production from the spacing units comprised of Section 21 and Section 16, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico (the “Lands”).

To Whom This May Concern,

Matador Production Company (“Matador”), OGRID: 228937, requests to commingle current oil and gas production from twelve (12) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the Pronto Midstream gathering line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

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

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. This PFD shows that the water, oil, and gas exit the wellbore and flow into a wellhead three-phase separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically in accordance with industry specifications by a third party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is commingled

with each of the other wells' metered gas, as shown on **Exhibit A**. The gathering line gas is then metered by another orifice meter at the tank battery check to show the total volume of gas leaving the Tank Battery. This meter is tested and calibrated in accordance with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check, it travels directly into a third party sales connect meter. Pronto Midstream has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

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

Very truly yours,

MATADOR PRODUCTION COMPANY



Mark Gonzales
Operations Engineer





www.permianls.com
575.397.3713 2609 W Marland Hobbs NM 88240

C6+ Gas Analysis Report

9790G	40-10017	Pickard 124 HP	
Sample Point Code	Sample Point Name	Sample Point Location	
Laboratory Services	2024092010	0511	ALEXIS - Spot
Source Laboratory	Lab File No	Container Identity	Sampler
USA	USA	USA	New Mexico
District	Area Name	Field Name	Facility Name
Jun 7, 2024 08:15	Jun 7, 2024 08:15	Jun 7, 2024 15:58	Jun 12, 2024
Date Sampled	Date Effective	Date Received	Date Reported
81.00	12.00	System Administrator	115 @ 79
Ambient Temp (°F)	Flow Rate (Mcf)	Analyst	Press PSI @ Temp °F Source Conditions
Matador Resources	NG		
Operator	Lab Source Description		

Component	Normalized Mol %	Un-Normalized Mol %	GPM
H2S (H2S)	0.0020	0.002	
Nitrogen (N2)	5.9340	5.934	
CO2 (CO2)	0.4170	0.417	
Methane (C1)	73.9620	73.965	
Ethane (C2)	10.9210	10.921	2.9200
Propane (C3)	5.2770	5.277	1.4530
I-Butane (IC4)	0.6500	0.65	0.2130
N-Butane (NC4)	1.5500	1.55	0.4890
I-Pentane (IC5)	0.3860	0.386	0.1410
N-Pentane (NC5)	0.3310	0.331	0.1200
Hexanes Plus (C6+)	0.5700	0.57	0.2470
TOTAL	100.0000	100.0030	5.5830

Method(s): Gas C6+ - GPA 2261, Extended Gas - GPA 2286, Calculations - GPA 2172

Analyzer Information			
Device Type:	Gas Chromatograph	Device Make:	Shimadzu
Device Model:	GC-2014	Last Cal Date:	Jun 3, 2024

Gross Heating Values (Real, BTU/ft³)			
14.696 PSI @ 60.00 Å°F	14.73 PSI @ 60.00 Å°F		
Dry	Saturated	Dry	Saturated
1,206.9	1,187.3	1,209.7	1,190.000
Calculated Total Sample Properties			
GPA2145-16 *Calculated at Contract Conditions			
Relative Density Real	Relative Density Ideal		
0.7495	0.7473		
Molecular Weight			
21.6498			
C6+ Group Properties			
Assumed Composition			
C6 - 60.000%	C7 - 30.000%	C8 - 10.000%	
Field H2S			
20 PPM			

PROTREND STATUS: Passed By Validator on Jun 13, 2024
DATA SOURCE: Imported

PASSED BY VALIDATOR REASON:
Close enough to be considered reasonable.

VALIDATOR:
Ashley Russell

VALIDATOR COMMENTS:
OK

EXHIBIT
B

API	Well Name & Number	UL or Q/Q	S-T-R	Pool Code
30-025-42377	Iggles State Com 1H	W/2 SW/4 W/2 W/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53142	Iggles State Com 131H	W/2 W/2 W/2 W/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53139	Iggles State Com 122H	E/2 W/2 E/2 W/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53143	Iggles State Com 132H	E/2 W/2 E/2 W/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53140	Iggles State Com 123H	W/2 E/2 W/2 E/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53144	Iggles State Com 133H	W/2 E/2 W/2 E/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53141	Iggles State Com 124H	E/2 E/2 E/2 E/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53145	Iggles State Com 134H	E/2 E/2 E/2 E/2	16-18S-34E 21-18S-34E	Vacuum; Bone Spring, West [61910]
30-025-53146	Iggles State Com 241H	W/2 W/2 W/2 W/2	16-18S-34E 21-18S-34E	E-K; Wolfcamp [21670]
30-025-53147	Iggles State Com 242H	E/2 W/2 E/2 W/2	16-18S-34E 21-18S-34E	E-K; Wolfcamp [21670]
30-025-53148	Iggles State Com 243H	W/2 E/2 W/2 E/2	16-18S-34E 21-18S-34E	E-K; Wolfcamp [21670]
30-025-53149	Iggles State Com 244H	E/2 E/2 E/2 E/2	16-18S-34E 21-18S-34E	E-K; Wolfcamp [21670]

EXHIBIT

3

DISTRICT I
1625 N. FREYER DR., BOBBS, NM 88240
Phone: (505) 353-6161 Fax: (505) 353-0780

DISTRICT II
511 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1803 Fax: (505) 748-0720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6176 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3480 Fax: (505) 476-3482

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 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 30-025-42377	Pool Code 61910	Pool Name Vacuum; Bone Spring, West
Property Code	Property Name IGGLESSTATE COM	Well Number 1H
GRID No. 229137	Operator Name COG OPERATING, LLC	Elevation 4039.5

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	21	18-S	34-E		330	SOUTH	350	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	16	18-S	34-E		2310	SOUTH	380	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
240			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>Y=636534.2 N X=733624.1 E</p> <p>NAD 27 <u>PROPOSED BOTTOM HOLE LOCATION</u> Y=636206.5 N X=734007.2 E LAT.=32.746715° N LONG.=103.572235° W</p> <p>Y=628944.1 N X=734046.4 E LAT.=32.726753° N LONG.=103.572278° W</p> <p>Y=628611.5 N X=733698.9 E</p>	<p>Y=636543.3 N X=734941.5 E</p> <p>380' B.H.</p> <p>2310'</p> <p>7262.5' 359'41.27"</p> <p>PRODUCING AREA PROJECT AREA</p> <p>HORZ. DIST. GRID AZ.</p> <p>330'</p>	<p>SECTION 16</p> <p>SECTION 21</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Melanie J Wilson</i> 5/21/15 Signature Date Melanie J Wilson Printed Name mwilson@concho.com E-mail Address</p> <p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>MAY 15, 2015 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Chad L. Harcrow</i> 5/18/15 Certificate No. CHAD HARCROW 17777 W.O. # 15-631 DRAWN BY: AF</p>
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District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1230 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 61910		³ Pool Name Vacuum; Bone Spring, West	
⁴ Property Code		⁵ Property Name IGGLES STATE COM			⁶ Well Number 122H
⁷ GRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 4036'
¹⁰ Surface Location					
UL or lot no. N	Section 21	Township 18-S	Range 34-E	Lot Idn -	Feet from the 777'
				North/South line SOUTH	Feet from the 1543'
				East/West line WEST	County LEA
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. C	Section 16	Township 18-S	Range 34-E	Lot Idn -	Feet from the 110'
				North/South line NORTH	Feet from the 1980'
				East/West line WEST	County LEA
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code	
				¹⁵ Order No.	

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u> 777' FSL - SEC. 21 1543' FWL - SEC. 21 X=776414 Y=629464 LAT.: N 32.7281051 LONG.: W 103.5688996</p> <p><u>KICK OFF POINT (KOP)</u> 50' FSL - SEC. 21 1980' FWL - SEC. 21 X=776858 Y=628741 LAT.: N 32.7261088 LONG.: W 103.5674740</p> <p><u>FIRST PERFORATION POINT (FPP)</u> 100' FSL - SEC. 21 1980' FWL - SEC. 21 X=776857 Y=628791 LAT.: N 32.7262462 LONG.: W 103.5674743</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> 110' FNL - SEC. 16 1980' FWL - SEC. 16 X=776760 Y=639145 LAT.: N 32.7547046 LONG.: W 103.5675461</p>	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill that well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Clay Wooten 6/5/24 Signature Date</p> <p>Clay Wooten Printed Name</p> <p>Clay.Wooten@matadorresources.com E-mail Address</p> <p>¹⁸SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>09/23/2023 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>ANGEL M. BAEZA NEW MEXICO PROFESSIONAL SURVEYOR 25118</p> <p>Certificate Number</p>
	<p>NEW MEXICO EAST NAD 1927</p> <p><u>SURFACE LOCATION (SHL)</u> X=736235 Y=628400 LAT.: N 32.7279819 LONG.: W 103.5684030</p> <p><u>KICK OFF POINT (KOP)</u> X=735678 Y=628677 LAT.: N 32.7258556 LONG.: W 103.5689774</p> <p><u>FIRST PERFORATION POINT (FPP)</u> X=735678 Y=628727 LAT.: N 32.7281230 LONG.: W 103.5689778</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=735581 Y=630040 LAT.: N 32.7545814 LONG.: W 103.5670486</p>	

S:\SURVEY\MATADOR_RESOURCES\GIGGLES_BOBBY_PICKARD_INFRASTRUCTURE\FINAL_PRODUCTS\IGGLES_STATE_COM_122H_REV2.DWG 5/31/2024 8:29:32 AM jacob.erning

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
		61910		Vacuum; Bone Spring, West					
4 Property Code		5 Property Name			6 Well Number				
		IGGLES STATE COM			123H				
7 OGRID No.		8 Operator Name			9 Elevation				
278937		MATADOR PRODUCTION COMPANY			4025'				
10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	21	18-S	34-E	-	405'	SOUTH	1385'	EAST	LEA
11 Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	18-S	34-E	-	110'	NORTH	1980'	EAST	LEA
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			
320									

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u> 405' FSL - SEC. 21 1385' FEL - SEC. 21 X=778759 Y=629110 LAT.: N 32.7270844 LONG.: W 103.5612817</p> <p><u>KICK OFF POINT (KOP)</u> 50' FSL - SEC. 21 1980' FEL - SEC. 21 X=778168 Y=628750 LAT.: N 32.7261086 LONG.: W 103.5632138</p> <p><u>FIRST PERFORATION POINT (FPP)</u> 100' FSL - SEC. 21 1980' FEL - SEC. 21 X=778167 Y=628800 LAT.: N 32.7262460 LONG.: W 103.5632142</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> 110' FNL - SEC. 16 1980' FEL - SEC. 16 X=778074 Y=639154 LAT.: N 32.7547033 LONG.: W 103.5632730</p>	<p><u>17 OPERATOR CERTIFICATION</u> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either runs a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Clay Watson 6/5/24 Signature Date</p> <p>Clay Watson Printed Name</p> <p>Clay.watson@matadorresources.com E-mail Address</p> <p><u>18 SURVEYOR CERTIFICATION</u> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>09/23/2023 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>ANGEL M. BAEZA NEW MEXICO PROFESSIONAL SURVEYOR 28118</p> <p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <p><u>SURFACE LOCATION (SHL)</u> X=735580 Y=623045 LAT.: N 32.7249611 LONG.: W 103.5607853</p> <p><u>KICK OFF POINT (KOP)</u> X=736886 Y=623685 LAT.: N 32.7258853 LONG.: W 103.5627174</p> <p><u>FIRST PERFORATION POINT (FPP)</u> X=738888 Y=623726 LAT.: N 32.7261227 LONG.: W 103.5627138</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=736885 Y=623089 LAT.: N 32.7544801 LONG.: W 103.5627756</p>
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S:\SURVEY\MATADOR_RESOURCES\IGGLES_BOBBY_PICKARD_INFRASTRUCTURE\PRAL_PRODUCTS\LO_IGGLES_STATE_COM_123H_REV2.DWG 5/31/2024 10:15:26 AM jacob.ewing

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State of New Mexico
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 61910		³ Pool Name Vacuum; Bone Spring West	
⁴ Property Code		⁵ Property Name IGGLES STATE COM		⁶ Well Number 124H	
⁷ GRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 4024'	
¹⁰ Surface Location					
UL or lot no. P	Section 21	Township 18-S	Range 34-E	Lot Idn -	Feet from the 405'
				North/South line SOUTH	Feet from the 1355'
				East/West line EAST	County LEA
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. A	Section 16	Township 18-S	Range 34-E	Lot Idn -	Feet from the 110'
				North/South line NORTH	Feet from the 660'
				East/West line EAST	County LEA
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Consolidation Code	
				¹⁵ Order No.	

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u> 405' FSL - SEC. 21 1355' FEL - SEC. 21 X=778789 Y=629110 LAT.: N 32.7270843 LONG.: W 103.5611841</p> <p><u>KICK OFF POINT (KOP)</u> 50' FSL - SEC. 21 660' FEL - SEC. 21 X=779488 Y=628759 LAT.: N 32.7261065 LONG.: W 103.5589216</p> <p><u>FIRST PERFORATION POINT (FPP)</u> 100' FSL - SEC. 21 660' FEL - SEC. 21 X=779487 Y=628809 LAT.: N 32.7262439 LONG.: W 103.5589220</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> 110' FNL - SEC. 16 660' FEL - SEC. 16 X=779394 Y=639162 LAT.: N 32.7547008 LONG.: W 103.5589795</p>	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Clay Wooten</i> Date: 6/5/24</p> <p>Printed Name: <i>Clay Wooten</i></p> <p>E-mail Address: <i>Clay.Wooten@matadorresources.com</i></p> <p>¹⁸SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>09/23/2023</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p> <p> ANGEL M. BAEZA NEW MEXICO 25118 PROFESSIONAL SURVEYOR</p> <p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <p><u>SURFACE LOCATION (SHL)</u> X=737610 Y=628645 LAT.: N 32.7259910 LONG.: W 103.5606878</p> <p><u>KICK OFF POINT (KOP)</u> X=737630 Y=628685 LAT.: N 32.7259431 LONG.: W 103.5584254</p> <p><u>FIRST PERFORATION POINT (FPP)</u> X=738358 Y=628749 LAT.: N 32.7261206 LONG.: W 103.5584258</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=738215 Y=638096 LAT.: N 32.7545775 LONG.: W 103.5584822</p>
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S:\SURVEY\MATADOR_RESOURCES\GLOILES_BOBBY_PICKARD_INFRASTRUCTURE\FINAL_PRODUCTS\GLOILES_STATE_COM_124H_REV2.DWG 5/31/2024 8:30:32 AM jacob.eming

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Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name	
		61910		Vacuum; Bone Spring, West	
4 Property Code		5 Property Name		6 Well Number	
		IGGLES STATE COM		131H	
7 OGRID No.		8 Operator Name		9 Elevation	
228937		MATADOR PRODUCTION COMPANY		4035'	
10 Surface Location					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the
N	21	18-S	34-E	-	716'
				North/South line	Feet from the
				SOUTH	1723'
				East/West line	County
				WEST	LEA
11 Bottom Hole Location If Different From Surface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the
D	16	18-S	34-E	-	110'
				North/South line	Feet from the
				NORTH	660'
				East/West line	County
				WEST	LEA
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code	
320					
				15 Order No.	

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u></p> <p>716' FSL - SEC. 21 1723' FWL - SEC. 21 X=776595 Y=629405 LAT.: N 32.7279384 LONG.: W 103.5683140</p> <p><u>KICK OFF POINT (KOP)</u></p> <p>50' FSL - SEC. 21 660' FWL - SEC. 21 X=775537 Y=628731 LAT.: N 32.7261072 LONG.: W 103.5717661</p> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>100' FSL - SEC. 21 660' FWL - SEC. 21 X=775537 Y=628781 LAT.: N 32.7262446 LONG.: W 103.5717665</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>110' FNL - SEC. 16 660' FWL - SEC. 16 X=775440 Y=639135 LAT.: N 32.7547046 LONG.: W 103.5718396</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><u>Clay Wooten</u> 6/5/24 Signature Date</p> <p><u>Clay Wooten</u> Printed Name</p> <p><u>Clay.Wooten@matadorresources.com</u> E-mail Address</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>09/23/2023 Date of Survey</p> <p><u>ANGEL M. BAEZA</u> Signature and Seal of Professional Surveyor</p> <p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <p><u>SURFACE LOCATION (SHL)</u> X=735415 Y=628340 LAT.: N 32.7278153 LONG.: W 103.5678175</p> <p><u>KICK OFF POINT (KOP)</u> X=734358 Y=628667 LAT.: N 32.7259841 LONG.: W 103.5712595</p> <p><u>FIRST PERFORATION POINT (FPP)</u> X=734258 Y=628717 LAT.: N 32.7261215 LONG.: W 103.5712568</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=734251 Y=629071 LAT.: N 32.7545915 LONG.: W 103.5713420</p>
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Revised August 1, 2011
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name					
		61910		Vacuum; Bone Spring, West					
⁴ Property Code		⁵ Property Name			⁶ Well Number				
		IGGLES STATE COM			132H				
⁷ GRID No.		⁸ Operator Name			⁹ Elevation				
228937		MATADOR PRODUCTION COMPANY			4035'				
¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	18-S	34-E	-	706'	SOUTH	1752'	WEST	LEA
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	16	18-S	34-E	-	110'	NORTH	1980'	WEST	LEA
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			
320									

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u></p> <p>706' FSL - SEC. 21 1752' FWL - SEC. 21 X=776623 Y=629395 LAT.: N 32.7279121 LONG.: W 103.5682216</p> <p><u>KICK OFF POINT (KOP)</u></p> <p>50' FSL - SEC. 21 1980' FWL - SEC. 21 X=776858 Y=628741 LAT.: N 32.7261088 LONG.: W 103.5674739</p> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>100' FSL - SEC. 21 1980' FWL - SEC. 21 X=776857 Y=628791 LAT.: N 32.7262462 LONG.: W 103.5674743</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>110' FNL - SEC. 16 1980' FWL - SEC. 16 X=776760 Y=639145 LAT.: N 32.7547046 LONG.: W 103.5675461</p>	<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Clay Wooten</i> 6/5/24 Signature Date</p> <p><i>Clay Wooten</i> Printed Name</p> <p><i>Clay.wooten@matadorresources.com</i> E-mail Address</p> <p>¹⁸SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>09/23/2023 Date of Survey</p> <p><i>Angel M. Baeza</i> Signature and Seal of Professional Surveyor</p> <p> Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <table border="1"> <tr> <td> <p><u>SURFACE LOCATION (SHL)</u></p> <p>X=735444 Y=628331 LAT.: N 32.7277890 LONG.: W 103.5677250</p> </td> <td> <p><u>KICK OFF POINT (KOP)</u></p> <p>X=735676 Y=628677 LAT.: N 32.7258656 LONG.: W 103.5666775</p> </td> </tr> <tr> <td> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>X=735678 Y=628777 LAT.: N 32.7261230 LONG.: W 103.5666778</p> </td> <td> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>X=735581 Y=633995 LAT.: N 32.7545814 LONG.: W 103.5670485</p> </td> </tr> </table>	<p><u>SURFACE LOCATION (SHL)</u></p> <p>X=735444 Y=628331 LAT.: N 32.7277890 LONG.: W 103.5677250</p>	<p><u>KICK OFF POINT (KOP)</u></p> <p>X=735676 Y=628677 LAT.: N 32.7258656 LONG.: W 103.5666775</p>	<p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>X=735678 Y=628777 LAT.: N 32.7261230 LONG.: W 103.5666778</p>	<p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>X=735581 Y=633995 LAT.: N 32.7545814 LONG.: W 103.5670485</p>
	<p><u>SURFACE LOCATION (SHL)</u></p> <p>X=735444 Y=628331 LAT.: N 32.7277890 LONG.: W 103.5677250</p>	<p><u>KICK OFF POINT (KOP)</u></p> <p>X=735676 Y=628677 LAT.: N 32.7258656 LONG.: W 103.5666775</p>				
	<p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>X=735678 Y=628777 LAT.: N 32.7261230 LONG.: W 103.5666778</p>	<p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>X=735581 Y=633995 LAT.: N 32.7545814 LONG.: W 103.5670485</p>				

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name					
		61910		Vacuum; Bone Spring, West					
⁴ Property Code		⁵ Property Name				⁶ Well Number			
		IGGLES STATE COM				133H			
⁷ GRID No.		⁸ Operator Name				⁹ Elevation			
228937		MATADOR PRODUCTION COMPANY				4024'			
¹⁰ Surface Location									
¹¹ UL or lot no.	¹² Section	¹³ Township	¹⁴ Range	¹⁵ Lot Idn	¹⁶ Feet from the	¹⁷ North/South line	¹⁸ Feet from the	¹⁹ East/West line	²⁰ County
P	21	18-S	34-E	-	405'	SOUTH	1165'	EAST	LEA
¹¹ Bottom Hole Location If Different From Surface									
¹¹ UL or lot no.	¹² Section	¹³ Township	¹⁴ Range	¹⁵ Lot Idn	¹⁶ Feet from the	¹⁷ North/South line	¹⁸ Feet from the	¹⁹ East/West line	²⁰ County
B	16	18-S	34-E	-	110'	NORTH	1980'	EAST	LEA
²¹ Dedicated Acres		²² Joint or Infill		²³ Consolidation Code		²⁴ Order No.			
320									

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

**NEW MEXICO EAST
NAD 1983**

SURFACE LOCATION (SHL)

405' FSL - SEC. 21
1165' FEL - SEC. 21
X=778979 Y=629111
LAT.: N 32.7270840
LONG.: W 103.5605663

KICK OFF POINT (KOP)

50' FSL - SEC. 21
1980' FEL - SEC. 21
X=778168 Y=628750
LAT.: N 32.7261086
LONG.: W 103.5632138

FIRST PERFORATION POINT (FPP)

100' FSL - SEC. 21
1980' FEL - SEC. 21
X=778167 Y=628800
LAT.: N 32.7262460
LONG.: W 103.5632142

LAST PERFORATION POINT (LPP)
BOTTOM HOLE LOCATION (BHL)

110' FNL - SEC. 16
1980' FEL - SEC. 16
X=778074 Y=639154
LAT.: N 32.7547033
LONG.: W 103.5632730

17 OPERATOR CERTIFICATION

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

Clay Wooten 6/5/24

Signature Date

Clay Wooten

Printed Name

Clay.Wooten@matadorresources.com

E-mail Address

18 SURVEYOR CERTIFICATION

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

09/23/2023

Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number

**NEW MEXICO EAST
NAD 1927**

SURFACE LOCATION (SHL)

X=737600 Y=629047
LAT.: N 32.7269607
LONG.: W 103.5600790

FIRST PERFORATION POINT (FPP)

X=735965 Y=628726
LAT.: N 32.7291227
LONG.: W 103.5627178

KICK OFF POINT (KOP)

X=736980 Y=628685
LAT.: N 32.7259853
LONG.: W 103.5627174

LAST PERFORATION POINT (LPP)
BOTTOM HOLE LOCATION (BHL)

X=735965 Y=628685
LAT.: N 32.7545801
LONG.: W 103.5627796

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 61910		³ Pool Name Vacuum; Bone Spring, West	
⁴ Property Code		⁵ Property Name IGGLES STATE COM		⁶ Well Number 134H	
⁷ GRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 4024'	
¹⁰ Surface Location					
UL or lot no. P	Section 21	Township 18-S	Range 34-E	Lot Idn -	Feet from the 405'
				North/South line SOUTH	Feet from the 1135'
				East/West line EAST	County LEA
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. A	Section 16	Township 18-S	Range 34-E	Lot Idn -	Feet from the 110'
				North/South line NORTH	Feet from the 660'
				East/West line EAST	County LEA
¹² Dedicated Acres 320		¹³ Joint or Infill		¹⁴ Order No.	

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u></p> <p>405' FSL - SEC. 21 1135' FEL - SEC. 21 X=779009 Y=629111 LAT.: N 32.7270840 LONG.: W 103.5604687</p> <p><u>KICK OFF POINT (KOP)</u></p> <p>50' FSL - SEC. 21 660' FEL - SEC. 21 X=779488 Y=628759 LAT.: N 32.7261065 LONG.: W 103.5589216</p> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>100' FSL - SEC. 21 660' FEL - SEC. 21 X=779487 Y=628809 LAT.: N 32.7262438 LONG.: W 103.5589220</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>110' FNL - SEC. 16 660' FEL - SEC. 16 X=779394 Y=639162 LAT.: N 32.7547008 LONG.: W 103.5589795</p>	<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Clay Vooten</i> 6/5/24 Signature Date</p> <p>Clay Vooten Printed Name</p> <p>Clay.vooten@matadorresources.com E-mail Address</p> <p>¹⁸SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>09/23/2023 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p> ANGEL M. BAEZA NEW MEXICO 25116 PROFESSIONAL SURVEYOR</p> <p>Certificate Number</p>
	<p>NEW MEXICO EAST NAD 1927</p> <p><u>SURFACE LOCATION (SHL)</u></p> <p>X=737830 Y=628847 LAT.: N 32.7289807 LONG.: W 103.5598725</p> <p><u>KICK OFF POINT (KOP)</u></p> <p>X=738308 Y=628695 LAT.: N 32.7259831 LONG.: W 103.5584254</p> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>X=738308 Y=628745 LAT.: N 32.7261206 LONG.: W 103.5584258</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>X=738213 Y=638048 LAT.: N 32.7545778 LONG.: W 103.5584822</p>	

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Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-53146		² Pool Code 21670		E-K; WOLFCAMP	
³ Property Code 334302		⁴ Property Name IGGLES STATE COM			⁵ Well Number 241H
⁶ GRID No. 228937		⁷ Operator Name MATADOR PRODUCTION COMPANY			⁸ Elevation 4036'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	21	18-S	34-E	-	758'	SOUTH	1505'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	16	18-S	34-E	-	110'	NORTH	660'	WEST	LEA

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

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u> 758' FSL - SEC. 21 1505' FWL - SEC. 21 X=776376 Y=629445 LAT.: N 32.7280531 LONG.: W 103.5690230</p> <p><u>KICK OFF POINT (KOP)</u> 50' FSL - SEC. 21 660' FWL - SEC. 21 X=775538 Y=628731 LAT.: N 32.7261072 LONG.: W 103.5717661</p> <p><u>FIRST PERFORATION POINT (FPP)</u> 100' FSL - SEC. 21 660' FWL - SEC. 21 X=775537 Y=628781 LAT.: N 32.7262446 LONG.: W 103.5717665</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> 110' FNL - SEC. 16 660' FWL - SEC. 16 X=775440 Y=639135 LAT.: N 32.7547046 LONG.: W 103.5718397</p>	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Clay Wooten</i> 6/5/24 Signature Date <i>Clay Wooten</i> Printed Name <i>Clay.Wooten@mdaresources.com</i> E-mail Address</p> <p>¹⁸SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>05/07/2024 Date of Survey Signature and Seal of Professional Surveyor</p> <p> Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <p><u>SURFACE LOCATION (SHL)</u> X=775187 Y=629381 LAT.: N 32.7280288 LONG.: W 103.5685264</p> <p><u>KICK OFF POINT (KOP)</u> X=774358 Y=626867 LAT.: N 32.7258840 LONG.: W 103.5712894</p> <p><u>FIRST PERFORATION POINT (FPP)</u> X=774258 Y=626377 LAT.: N 32.7281214 LONG.: W 103.5712898</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=774261 Y=639071 LAT.: N 32.7548115 LONG.: W 103.5713419</p>
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Energy, Minerals & Natural Resources
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OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

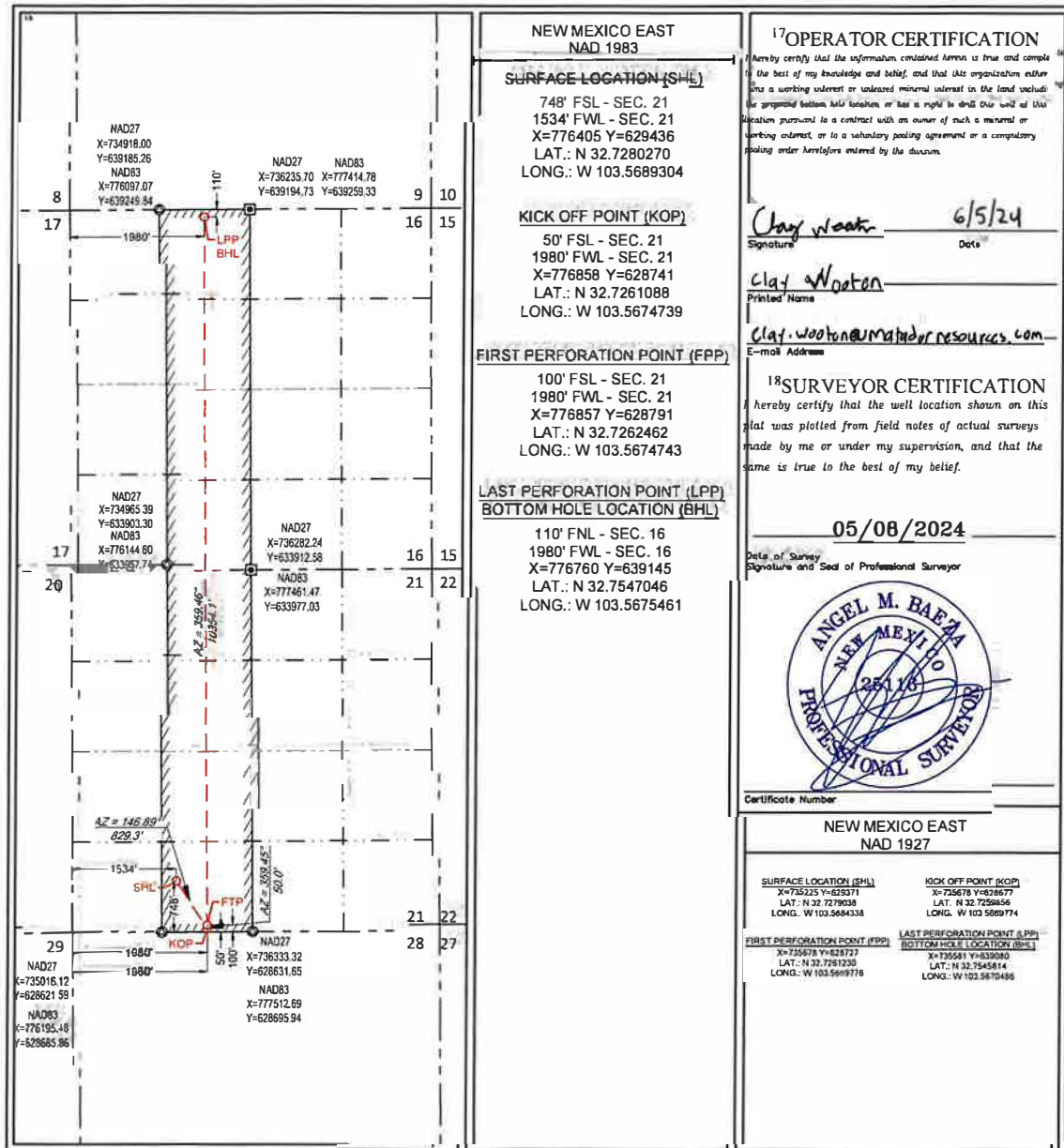
FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ **AMENDED REPORT**

WELL LOCATION AND ACREAGE DEDICATION PLAT E-K; WOLFCAMP

¹ API Number 30-02S-53147		² Pool Code X98XX		³ Well Location and Acreage Dedication Data XXXXXX XXXXXX XXXX XXXX XXXX XXXX		⁴ Pool Name XXXXXX			
⁵ Property Code 334302		⁶ Property Name IGGLES STATE COM						⁷ Well Number 242H	
⁸ GRID No. 228937		⁹ Operator Name MATADOR PRODUCTION COMPANY						¹⁰ Elevation 4036'	
¹⁰ Surface Location									
¹¹ UL or lot no. N	¹² Section 21	¹³ Township 18-S	¹⁴ Range 34-E	¹⁵ Lot Idn -	¹⁶ Feet from the 748'	¹⁷ North/South line SOUTH	¹⁸ Feet from the 1534'	¹⁹ East/West line WEST	²⁰ County LEA
¹¹ Bottom Hole Location If Different From Surface									
¹¹ UL or lot no. C	¹² Section 16	¹³ Township 18-S	¹⁴ Range 34-E	¹⁵ Lot Idn -	¹⁶ Feet from the 110'	¹⁷ North/South line NORTH	¹⁸ Feet from the 1980'	¹⁹ East/West line WEST	²⁰ County LEA
²¹ Dedicated Acres 320		²² Joint or Infill		²³ Consolidation Code		²⁴ Order No.			

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



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FORM C-102
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-53148		² Pool Code 21670		³ Pool Name E-K;WOLFCAMP	
⁴ Property Code 334302		⁵ Property Name IGGLES STATE COM		⁶ Well Number 243H	
⁷ GRID No. 728937		⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 4025'	

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	21	18-S	34-E	-	375'	SOUTH	1385'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	16	18-S	34-E	-	110'	NORTH	1980'	EAST	LEA

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

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u> 375' FSL - SEC. 21 1385' FEL - SEC. 21 X=778760 Y=629080 LAT.: N 32.7270019 LONG.: W 103.5612818</p> <p><u>KICK OFF POINT (KOP)</u> 50' FSL - SEC. 21 1980' FEL - SEC. 21 X=778168 Y=628750 LAT.: N 32.7261086 LONG.: W 103.5632138</p> <p><u>FIRST PERFORATION POINT (FPP)</u> 100' FSL - SEC. 21 1980' FEL - SEC. 21 X=778167 Y=628800 LAT.: N 32.7262460 LONG.: W 103.5632142</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> 110' FNL - SEC. 16 1980' FEL - SEC. 16 X=778074 Y=639154 LAT.: N 32.7547033 LONG.: W 103.5632730</p>	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land, including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Clay Wooten</i> 6/5/24 Signature Date <i>Clay Wooten</i> Printed Name <i>Clay.Wooten@matadorresources.com</i> E-mail Address</p> <p>¹⁸SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>05/07/2024 Date of Survey Signature and Seal of Professional Surveyor</p> <p> Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <p><u>SURFACE LOCATION (SHL)</u> X=737580 Y=629015 LAT.: N 32.7258196 LONG.: W 103.5607855</p> <p><u>KICK OFF POINT (KOP)</u> X=736888 Y=628686 LAT.: N 32.7259463 LONG.: W 103.5627174</p> <p><u>FIRST PERFORATION POINT (FPP)</u> X=736894 Y=628736 LAT.: N 32.7261227 LONG.: W 103.5627178</p> <p><u>LAST PERFORATION POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=736895 Y=628803 LAT.: N 32.7545901 LONG.: W 103.5627758</p>
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-53149		2 Pool Code 21670		3 Pool Name E-K; WOLFCAMP	
4 Property Code 334302		5 Property Name IGGLES STATE COM			6 Well Number 244H
7 GRID No. 228937		8 Operator Name MATADOR PRODUCTION COMPANY			9 Elevation 4025'
10 Surface Location					
UL or lot no. 0	Section 21	Township 18-S	Range 34-E	Lot Idn -	Feet from the 375'
		North/South line SOUTH		Feet from the 1355'	East/West line EAST
				County LEA	
11 Bottom Hole Location If Different From Surface					
UL or lot no. A	Section 16	Township 18-S	Range 34-E	Lot Idn -	Feet from the 110'
		North/South line NORTH		Feet from the 660'	East/West line EAST
				County LEA	
12 Dedicated Acres 320		13 Joint or Infill		14 Consolidation Code	
				15 Order No.	

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

	<p>NEW MEXICO EAST NAD 1983</p> <p>SURFACE LOCATION (SHL)</p> <p>375' FSL - SEC. 21 1355' FEL - SEC. 21 X=778790 Y=629080 LAT.: N 32.7270017 LONG.: W 103.5611842</p> <p>KICK OFF POINT (KOP)</p> <p>50' FSL - SEC. 21 660' FEL - SEC. 21 X=779488 Y=628759 LAT.: N 32.7261065 LONG.: W 103.5589216</p> <p>FIRST PERFORATION POINT (FPP)</p> <p>100' FSL - SEC. 21 660' FEL - SEC. 21 X=779487 Y=628809 LAT.: N 32.7262439 LONG.: W 103.5589220</p> <p>LAST PERFORATION POINT (LPP) BOTTOM HOLE LOCATION (BHL)</p> <p>110' FNL - SEC. 16 660' FEL - SEC. 16 X=779394 Y=639162 LAT.: N 32.7547008 LONG.: W 103.5589795</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Clay Wooten</i> 6/5/24 Signature Date</p> <p><i>Clay Wooten</i> Printed Name</p> <p><i>Clay.Wooten@matadorresources.com</i> E-mail Address</p> <p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>05/07/2024 Date of Survey</p> <p><i>ANGEL M. BAEZA</i> Signature and Seal of Professional Surveyor</p> <p> Certificate Number</p>
	<p>SURFACE LOCATION (SHL)</p> <p>X=778790 Y=629080 LAT.: N 32.7270017 LONG.: W 103.5611842</p> <p>KICK OFF POINT (KOP)</p> <p>X=779488 Y=628759 LAT.: N 32.7261065 LONG.: W 103.5589216</p> <p>FIRST PERFORATION POINT (FPP)</p> <p>X=779487 Y=628809 LAT.: N 32.7262439 LONG.: W 103.5589220</p> <p>LAST PERFORATION POINT (LPP) BOTTOM HOLE LOCATION (BHL)</p> <p>X=779394 Y=639162 LAT.: N 32.7547008 LONG.: W 103.5589795</p>	<p>NEW MEXICO EAST NAD 1927</p> <p>SURFACE LOCATION (SHL)</p> <p>X=778790 Y=629080 LAT.: N 32.7270017 LONG.: W 103.5611842</p> <p>KICK OFF POINT (KOP)</p> <p>X=779488 Y=628759 LAT.: N 32.7261065 LONG.: W 103.5589216</p> <p>FIRST PERFORATION POINT (FPP)</p> <p>X=779487 Y=628809 LAT.: N 32.7262439 LONG.: W 103.5589220</p> <p>LAST PERFORATION POINT (LPP) BOTTOM HOLE LOCATION (BHL)</p> <p>X=779394 Y=639162 LAT.: N 32.7547008 LONG.: W 103.5589795</p>

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EXHIBIT

4

COMMISSIONER

Stephanie Garcia Richard

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

Preston Cazale
MRC Permian Company
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

August 1st, 2023

Re: Communitization Agreement Approval
Iggles State Com #001H
Vertical Extent: Bone Spring
Township: 18 South, Range 34 East, NMPM
Section 16: W2SW4
Section 21: W2W2

Lea County, New Mexico

Dear Mr. Cazale,

The Commissioner of Public Lands has this date approved the Iggles State Com #001H Communitization Agreement for the Bone Spring formation effective 06-27-2023. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for One Year, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

B. Lamkin

Baylen Lamkin
Petroleum Specialist Supervisor

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Matador Production Company
Iggle State Com #001H
Bone Spring
Township: 18 South, Range: 34 East, NMPM
Section 16: W2SW4
Section 21: W2W2

Lea County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **June 27, 2023**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **1st day of August, 2023**.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Matador Production Company
Iggles State Com #001H
Bone Spring
Township: 18 South, Range: 34 East, NMPM
Section 16: W2SW4
Section 21: W2W2


Lea County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **June 27, 2023**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **1st day of August, 2023**.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Matador Production Company
Iggles State Com #001H
Bone Spring
Township: 18 South, Range: 34 East, NMPM
Section 16: W2SW4
Section 21: W2W2

Lea County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State on New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **June 27, 2023**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said Agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said Agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **1st day of August, 2023**.



COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

**STATE/STATE OR
STATE/FEE**
Revised December 2021

Revised December 2021

STATE OF
DATE/FEE
December 2021

API #: 30-025-42377

COUNTY OF Lea

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

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

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

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

State/State

2023 JUL 21 AM 9:08

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

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

Subdivisions: W2W2 of Section 21 & W/2SW/4 of Section 16, Township 18 South, Range 34 East, NMPM, Lea County, NM.

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

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

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

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

2023 JUL 21 AM 9:08

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

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

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

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

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

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

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

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

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

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

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

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

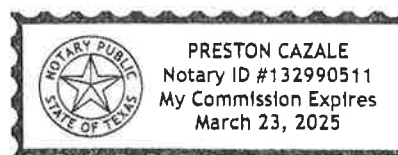
IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

2023 JUL 21 AM 9:08

Operator: **Matador Production Company**By: Bryan A. Erman— E.V.P. and General Counsel
Name & Title of Authorized AgentBryan A. Erman
Signature of Authorized AgentKAP
CE**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on July 11th, 2023, by Bryan A. Erman, as E.V.P. and General Counsel, for Matador Production Company, on behalf of said corporation.Preston Cazale
Signature of Notarial Officer
My commission expires 3/23/2025**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD****MRC Permian Company**By: Bryan A. Erman— E.V.P. and General Counsel
Name & Title of Authorized AgentBryan A. Erman
Signature of Authorized AgentKAP
CE**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

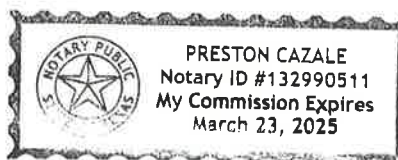
This instrument was acknowledged before me on July 11th, 2023, by Bryan A. Erman, as E.V.P. and General Counsel, for MRC Permian Company on behalf of said corporation.Preston Cazale
Signature of Notarial Officer
My commission expires 3/23/2025

EXHIBIT A

Attached to and made a part of that Communitization Agreement dated June 27, 2023

by and between Matador Production Company, (Operator) and MRC Permian Company, (Record Title Holders/Lessees of Record) covering the Subdivisions: W/2W/2 of Section 21 & W/2SW/4 of Section 16

Sect(s): 21 & 16, Twnshp 18S, Rnge: 34E, NMPM Lea _____ County, NM

Limited in depth from _____ ft to _____ ft. (enter here what is granted in pooling order if applicable)

OPERATOR of Communitized Area: Matador Production Company

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

Lessor: _____ State of New Mexico acting by and through its Commissioner of Public Lands

Lessee of Record: MRC Permian Company

Serial No. of Lease: VC-2303-0

Date of Lease: 9/1/2013

Description of Lands Committed:

Subdivisions: W/2SW/4

Sect(s): 16 Twnshp: 18S, Rng: 34E NMPM Lea _____ County NM

No. of Acres: 80

TRACT NO. 2

Lessor: _____ State of New Mexico acting by and through its Commissioner of Public Lands

Lessee of Record: MRC Permian Company

Serial No. of Lease: VC-1120-1

Date of Lease: 4/1/2023

Description of Lands Committed:

Subdivisions: W/2W/2

Sect(s): 21 Twnshp: 18S Rng: 34E NMPM Lea _____ County, NM

No. of Acres: 160

2023 JUL 21 AM 9:08

TRACT NO. 3

Lessor: _____

Lessee of Record: _____

Serial No. of Lease: _____ Date of Lease: _____

Description of Lands Committed:

Subdivisions: _____

Sect(s): _____ Twnshp: _____ Rng: _____ NMPM _____ County, NM

No. of Acres: _____

TRACT NO. 4

Lessor: _____

Lessee of Record: _____

Serial No. of Lease: _____ Date of Lease: _____

Description of Lands Committed:

Subdivisions: _____

Sect(s): _____ Twnshp: _____ Rng: _____ NMPM _____ County, NM

No. of Acres: _____

RECAPITULATION

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>80</u>	<u>33.3%</u>
No. 2	<u>160</u>	<u>66.7%</u>
No. 3	_____	_____
No. 4	_____	_____
TOTALS	<u>240</u>	<u>100%</u>

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

**STATE/STATE OR
STATE/FEE**
Revised December 2021

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-025-42377

STATE OF NEW MEXICO) Well Name: Iggles State Com #001H
SS)

COUNTY OF Lea)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1st production) June 27, 2023, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

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

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

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

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

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

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

Subdivisions: W2W2 of Section 21 & W/2SW/4 of Section 16, Township 18 South, Range 34 East, NMPM, Lea County, NM.

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

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

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

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

2023 JUL 21 AM 9:00

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

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

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

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

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

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

2023 JUL 21 AM 9:08

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

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

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

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

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

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

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

Operator: **Matador Production Company**By: Bryan A. Erman— E.V.P. and General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent

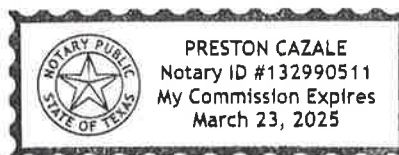
cc KAP

2023 JUL 21 AM 9:08

Acknowledgment in a Representative Capacity

STATE OF TEXAS) §

COUNTY OF DALLAS) §

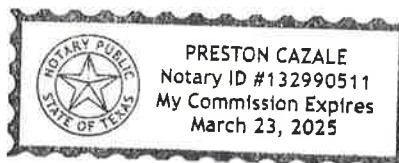
This instrument was acknowledged before me on July 11th, 2023, by Bryan A. Erman, as E.V.P. and General Counsel, for Matador Production Company, on behalf of said corporation.
Signature of Notarial Officer
My commission expires 3/23/2025**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD****MRC Permian Company**By: Bryan A. Erman— E.V.P. and General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent

cc KAP

Acknowledgment in a Representative Capacity

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on July 11th, 2023, by Bryan A. Erman, as E.V.P. and General Counsel, for MRC Permian Company on behalf of said corporation.
Signature of Notarial Officer
My commission expires 3/23/2025ONLINE
version
December 9, 2021

State/State

2023 JUL 21 AM 9:09

EXHIBIT AAttached to and made a part of that Communitization Agreement dated June 27, 2023by and between Matador Production Company, (Operator) and MRC Permian Company, (Record Title Holders/Lessees of Record) covering the Subdivisions : W/2W/2 of Section 21 & W/2SW/4 of Section 16Sect(s): 21 & 16, Twnshp 18S, Rnge: 34E, NMPM Lea _____ County, NM

Limited in depth from _____ ft to _____ ft. (enter here what is granted in pooling order if applicable)

OPERATOR of Communitized Area: Matador Production Company**DESCRIPTION OF LEASES COMMITTED:****TRACT NO. 1**

Lessor: _____ State of New Mexico acting by and through its Commissioner of Public Lands

Lessee of Record: MRC Permian CompanySerial No. of Lease: VC-2303-0 Date of Lease: 9/1/2013

Description of Lands Committed:

Subdivisions: W/2SW/4Sect(s): 16 Twnshp: 18S, Rng: 34E NMPM Lea _____ County NMNo. of Acres: 80**TRACT NO. 2**Lessor: State of New Mexico acting by and through its Commissioner of Public LandsLessee of Record: MRC Permian CompanySerial No. of Lease: VC-1120-1 Date of Lease: 4/1/2023

Description of Lands Committed:

Subdivisions: W/2W/2Sect(s): 21 Twnshp: 18S Rng: 34E NMPM Lea _____ County, NMNo. of Acres: 160

2023 JUL 21 AM 9:09

TRACT NO. 3

Lessor: _____

Lessee of Record: _____

Serial No. of Lease: _____ Date of Lease: _____

Description of Lands Committed:

Subdivisions: _____

Sect(s): _____ Twnshp: _____ Rng: _____ NMPM _____ County, NM

No. of Acres: _____

TRACT NO. 4

Lessor: _____

Lessee of Record: _____

Serial No. of Lease: _____ Date of Lease: _____

Description of Lands Committed:

Subdivisions: _____

Sect(s): _____ Twnshp: _____ Rng: _____ NMPM _____ County, NM

No. of Acres: _____

RECAPITULATION

Tract number	Number of Acres Committed	Percentage of Interest In Communitized Area (Must equal 100%)
No. 1	<u>80</u>	<u>33.3%</u>
No. 2	<u>160</u>	<u>66.7%</u>
No. 3	<u> </u>	<u> </u>
No. 4	<u> </u>	<u> </u>
TOTALS	<u>240</u>	<u>100%</u>

New Mexico State Land Office
Oil, Gas, & Minerals Division

STATE/STATE OR
STATE/FEE
Revised August 2024

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-0 025 - 53139

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], 2024, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E2W2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **E2W2** of **Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

Iggles State Com #122H – 30-025-53139

	Tract 1 VC-1087 80.00 acres	Section 16-18S-34E
	Tract 2 VB-2303 80.00 acres	
	Tract 3 VC-1120-0001 160.00 acres	Section 21-18S-34E

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **E2W2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: VC-1087-0000

Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2NW4

Number of Acres: 80.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000

Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2SW4

Number of Acres: 80.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: VC-1120-0001

Description of Land Committed: Township 18 South, Range 34 East,
Section 21: E2W2

Number of Acres: 160.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

RECAPITULATION

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

**New Mexico State Land Office
Oil, Gas, & Minerals Division****STATE/STATE OR
STATE/FEE**
Revised August 2024**COMMUNITIZATION AGREEMENT**

ONLINE Version

API #: 30-0 025 - 53140

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], **2024**, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2E2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **W2E2** of Sections **16 & 21**, Township **18 South**, Range **34 East**, Lea County, New Mexico.

Iggles State Com #123H – 30-025-53140

Section 16-18S-34E	Tract 1 VC-1087 80.00 acres	
	Tract 2 VB-2303 80.00 acres	
Section 21-18S-34E	Tract 3 E0-5014-0008 160.00 acres	

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **W2E2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: VC-1087-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2NE4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2SE4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: E0-5014-0008
Description of Land Committed: Township 18 South, Range 34 East,
Section 21: W2E2
Number of Acres: 160.00 acres
Current Lessee of Record: Marathon Oil Permian, LLC
Name and Percent of Working Interest Owners: Marathon Oil Permian, LLC
MRC Permian Company

RECAPITULATION

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

**New Mexico State Land Office
Oil, Gas, & Minerals Division****STATE/STATE OR
STATE/FEE**
Revised August 2024**COMMUNITIZATION AGREEMENT**

ONLINE Version

API #: 30-0 025 - 53141

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], **2024**, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E2E2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **E2E2** of **Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

Iggles State Com #124H – 30-025-53141

Section 16-18S-34E	Tract 1 VC-1087 80.00 acres
	Tract 2 VB-2303 80.00 acres
Section 21-18S-34E	Tract 3 E0-5014-0008 160.00 acres

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **E2E2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: VC-1087-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2NE4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2SE4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: E0-5014-0008
Description of Land Committed: Township 18 South, Range 34 East,
Section 21: E2E2
Number of Acres: 160.00 acres
Current Lessee of Record: Marathon Oil Permian, LLC
Name and Percent of Working Interest Owners: Marathon Oil Permian, LLC
MRC Permian Company

RECAPITULATION

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

New Mexico State Land Office
Oil, Gas, & Minerals Division

STATE/STATE OR
STATE/FEE
Revised August 2024

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-0_____ - _____

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], 2024, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2W2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **W2W2** of **Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

Iggles State Com #131H

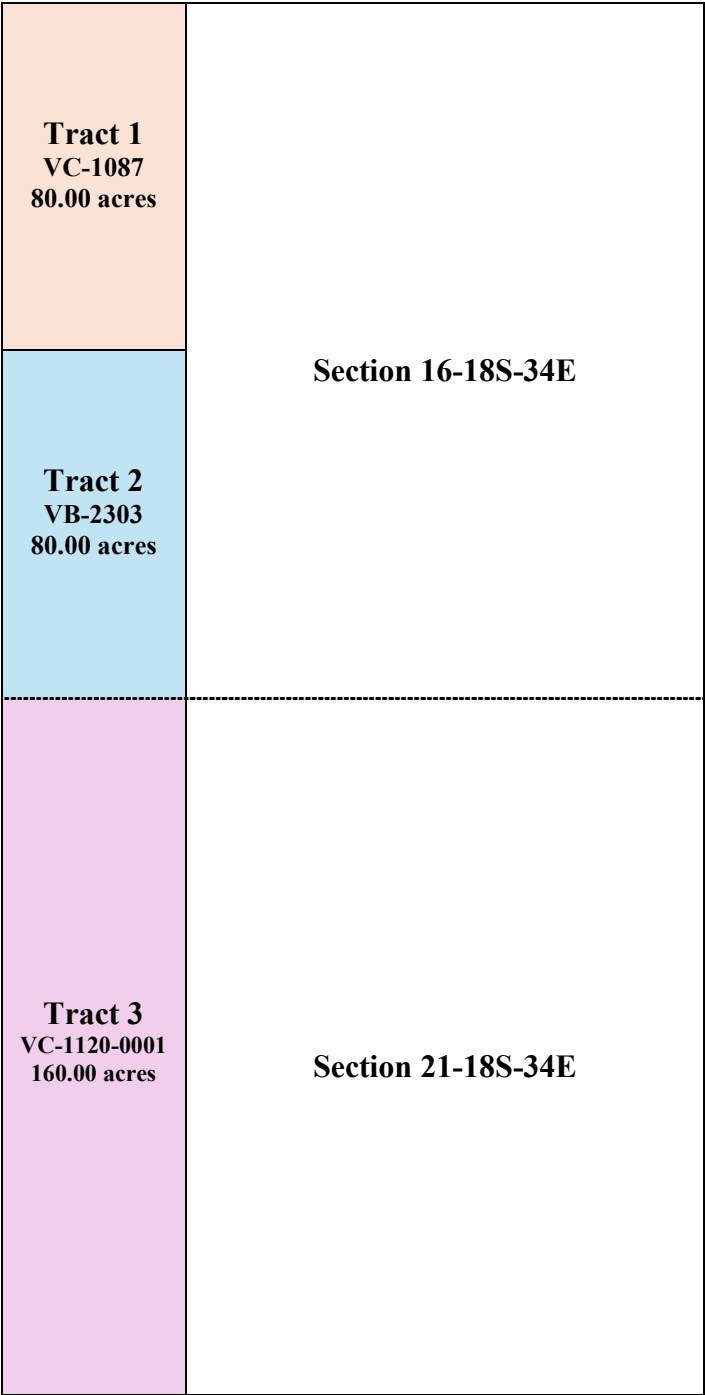


EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **W2W2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: VC-1087-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2NW4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2SW4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: VC-1120-0001
Description of Land Committed: Township 18 South, Range 34 East,
Section 21: W2W2
Number of Acres: 160.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

RECAPITULATION

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

**New Mexico State Land Office
Oil, Gas, & Minerals Division****STATE/STATE OR
STATE/FEE**
Revised August 2024**COMMUNITIZATION AGREEMENT**

ONLINE Version

API #: 30-0 025 - 53146

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], **2024**, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2W2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **W2W2** of Sections **16 & 21**, Township **18 South**,
Range 34 East, Lea County, New Mexico.

Iggles State Com #241H – 30-025-53146

Tract 1 VC-1087 80.00 acres	Section 16-18S-34E
Tract 2 VB-2303 80.00 acres	
Tract 3 VC-1120-0001 160.00 acres	Section 21-18S-34E

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **W2W2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number: VC-1087-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2NW4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2SW4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: VC-1120-0001
Description of Land Committed: Township 18 South, Range 34 East,
Section 21: W2W2
Number of Acres: 160.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

RECAPITULATION

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

**New Mexico State Land Office
Oil, Gas, & Minerals Division****STATE/STATE OR
STATE/FEE**

Revised August 2024

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-0 025 - 53147

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], **2024**, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E2W2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **E2W2** of **Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

Iggles State Com #242H – 30-025-53147

	Tract 1 VC-1087 80.00 acres	Section 16-18S-34E
	Tract 2 VB-2303 80.00 acres	
	Tract 3 VC-1120-0001 160.00 acres	Section 21-18S-34E

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **E2W2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: VC-1087-0000

Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2NW4

Number of Acres: 80.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000

Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2SW4

Number of Acres: 80.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: VC-1120-0001

Description of Land Committed: Township 18 South, Range 34 East,
Section 21: E2W2

Number of Acres: 160.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

RECAPITULATION

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

**New Mexico State Land Office
Oil, Gas, & Minerals Division****STATE/STATE OR
STATE/FEE**
Revised August 2024**COMMUNITIZATION AGREEMENT**

ONLINE Version

API #: 30-0 025 - 53148

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], **2024**, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2E2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **W2E2** of **Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

Iggles State Com #243H – 30-025-53148

Section 16-18S-34E	Tract 1 VC-1087 80.00 acres	
	Tract 2 VB-2303 80.00 acres	
Section 21-18S-34E	Tract 3 E0-5014-0008 160.00 acres	

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **W2E2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: VC-1087-0000

Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2NE4

Number of Acres: 80.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000

Description of Land Committed: Township 18 South, Range 34 East,
Section 16: W2SE4

Number of Acres: 80.00 acres

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: E0-5014-0008

Description of Land Committed: Township 18 South, Range 34 East,
Section 21: W2E2

Number of Acres: 160.00 acres

Current Lessee of Record: Marathon Oil Permian, LLC

Name and Percent of Working Interest Owners: Marathon Oil Permian, LLC
MRC Permian Company

RECAPITULATION

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

**New Mexico State Land Office
Oil, Gas, & Minerals Division****STATE/STATE OR
STATE/FEE**

Revised August 2024

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-0 025 - 53149

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this 1st [day] of August [month], **2024**, by and between the parties signing below ("Parties"):

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

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E2E2 of Sections 16 & 21

Of Sect(s): 16 & 21 Twp: 1 8 S Rng: 3 4 E NMPM Lea County, NM

Containing 320.00 acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

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

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

2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.

3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

4. **Matador Production Company** shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by **Matador Production Company**. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

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

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

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

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.

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

upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement

11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.

13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.

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 instruments, in writing, specifically referring hereto, and shall be binding upon all Parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. 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.

16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). **The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.**

17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

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 _____, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

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 **320.00** acres in the **E2E2** of **Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

Iggles State Com #244H – 30-025-53149

Section 16-18S-34E	Tract 1 VC-1087 80.00 acres
	Tract 2 VB-2303 80.00 acres
Section 21-18S-34E	Tract 3 E0-5014-0008 160.00 acres

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated **August 1, 2024**, embracing the following described land in the **E2E2 of Sections 16 & 21, Township 18 South, Range 34 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: VC-1087-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2NE4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 2

Lease Serial Number: VB-2303-0000
Description of Land Committed: Township 18 South, Range 34 East,
Section 16: E2SE4
Number of Acres: 80.00 acres
Current Lessee of Record: MRC Permian Company
Name and Percent of Working Interest Owners: MRC Permian Company

Tract No. 3

Lease Serial Number: E0-5014-0008
Description of Land Committed: Township 18 South, Range 34 East,
Section 21: E2E2
Number of Acres: 160.00 acres
Current Lessee of Record: Marathon Oil Permian, LLC
Name and Percent of Working Interest Owners: Marathon Oil Permian, LLC
MRC Permian Company

RECAPITULATION

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

EXHIBIT

5

Anadarko E&P Onshore LLC	PO Box 1330	Houston	TX	77251
Burlington Resources Oil & Gas Company, LP	600 W. Illinois Ave	Midland	TX	79701
Collins & Jones Investments, LLC	3824 Cedar Springs Rd #414	Dallas	TX	75219
ConocoPhillips Company	600 W. Illinois Ave.	Midland	TX	79701
Crump Energy Partners II, LLC	PO Box 50820	Midland	TX	79710
David W. Cromwell	2008 Country Club Drive	Midland	TX	79701
Deanne Durham	5101 FM 1148	Graham	TX	76450
Federal Abstract Company	PO Box 2288	Santa Fe	NM	87504
Good News Minerals, LLC	PO Box 50820	Midland	TX	79710
H. Jason Wacker	5518 San Saba Ave	Midland	TX	79707
Est. of Joan Fontaine	7000 Old Santa Fe Trail	Santa Fe	NM	87505
Kaleb Smith	2501 Lubbock Ave	Fort Worth	TX	76109
LMC Energy LLC	550 W. Texas Ave, Suite 945	Midland	TX	79701
Marathon Oil Permian LLC	555 San Felipe Street	Houston	TX	77056
MCT Energy Ltd.	550 W. Texas Ave, Suite 945	Midland	TX	79701
Mike Moylett	2506 Terrace Ave	Midland	TX	79705
Oak Valley Mineral and Land, LP	PO Box 50820	Midland	TX	79710
Pegasus Resources II, LLC	PO Box 470698	Fort Worth	TX	76147
Post Oak Crown IV-B, LLC	5200 San Felipe	Houston	TX	77056
Post Oak Mavros II, LLC	34 S. Wynden Dr., Suite 210	Houston	TX	77056
R.E. Harding, Jr. Residuary Trust	3430 Hilldale Road, Suite 100	Fort Worth	TX	76116
Sitio Permian, LLC	1401 Lawrence Street, Suite 1750	Denver	CO	80202
Sortida Resources, LLC	PO Box 50820	Midland	TX	79710
State of New Mexico - State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501



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

October 11, 2024

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of All of Sections 16 and 21 of Township 18 South, Range 34 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. Division rules require that a copy of this application be provided to you (there are no documents in this notice packet for you to sign). 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:

Clay Wooten
Matador Production Company
(972) 587-4624
clay.wooten@matadorresources.com

Sincerely,

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

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

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

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

Matador - Iggles Commingling
Postal Delivery Report

9414811898765480334069	Anadarko E&P Onshore LLC	PO Box 1330	Houston	TX	77251-1330	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480334007	Burlington Resources Oil & Gas Company, LP	600 W Illinois Ave	Midland	TX	79701-4882	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.
9414811898765480334045	Collins & Jones Investments, LLC	3824 Cedar Springs Rd PMB 414	Dallas	TX	75219-4136	Your item departed our USPS facility in DALLAS TX DISTRIBUTION CENTER on October 14, 2024 at 1:49 am. The item is currently in transit to the destination.
9414811898765480334076	ConocoPhillips Company	600 W Illinois Ave	Midland	TX	79701-4882	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.
9414811898765480334410	Crump Energy Partners II, LLC	PO Box 50820	Midland	TX	79710-0820	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.

Matador - Iggles Commingling
Postal Delivery Report

9414811898765480334458	David W. Cromwell	2008 Country Club Dr	Midland	TX	79701-5719	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.
9414811898765480334427	Deanne Durham	5101 Fm 1148	Graham	TX	76450-5805	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480334496	Federal Abstract Company	PO Box 2288	Santa Fe	NM	87504-2288	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on October 14, 2024 at 9:32 pm. The item is currently in transit to the destination.
9414811898765480334441	Good News Minerals, LLC	PO Box 50820	Midland	TX	79710-0820	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480334489	H. Jason Wacker	5518 San Saba Ave	Midland	TX	79707-5065	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.

Matador - Iggles Commingling
Postal Delivery Report

9414811898765480334434	Est. of Joan FontaineC/O Deborah Dozier Potter	7000 Old Santa Fe Trl	Santa Fe	NM	87505-4564	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on October 14, 2024 at 9:32 pm. The item is currently in transit to the destination.
9414811898765480334472	Kaleb Smith	2501 Lubbock Ave	Fort Worth	TX	76109-1447	Your item arrived at our FORT WORTH TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 10:41 am. The item is currently in transit to the destination.
9414811898765480334519	LMC Energy LLC	550 W Texas Ave Ste 945	Midland	TX	79701-4233	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.
9414811898765480334557	Marathon Oil Permian LLC	555 San Felipe Street	Houston	TX	77056	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480334526	MCT Energy Ltd.	550 W Texas Ave Ste 945	Midland	TX	79701-4233	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.

Matador - Iggles Commingling
Postal Delivery Report

9414811898765480334502	Mike Moylett	2506 Terrace Ave	Midland	TX	79705-7324	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:10 pm. The item is currently in transit to the destination.
9414811898765480334595	Oak Valley Mineral and Land, LP	PO Box 50820	Midland	TX	79710-0820	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:22 pm. The item is currently in transit to the destination.
9414811898765480334540	Pegasus Resources II, LLC	PO Box 470698	Fort Worth	TX	76147-0698	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480334533	Post Oak Crown IV-B, LLC	5200 San Felipe St	Houston	TX	77056-3606	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480334571	Post Oak Mavros II, LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.

Matador - Iggles Commingling
Postal Delivery Report

9414811898765480335219	R.E. Harding, Jr. Residuary Trust Patrick H. Admire, Trustee	3430 Hilldale Rd Ste 100	Fort Worth	TX	76116-5414	Your item arrived at our FORT WORTH TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 1:40 pm. The item is currently in transit to the destination.
9414811898765480335257	Sitio Permian, LLC	1401 Lawrence St Ste 1750	Denver	CO	80202-3074	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480335264	Sortida Resources, LLC	PO Box 50820	Midland	TX	79710-0820	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480335226	State of New Mexico - State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on October 14, 2024 at 9:32 pm. The item is currently in transit to the destination.

Tracking Number:
9414811898765480335226



Copy



Add to Informed Delivery

Latest Update

Your item was picked up at a postal facility at 7:41 am on October 16, 2024 in SANTA FE, NM 87501.

Get More Out of USPS Tracking:



USPS Tracking Plus®



Delivered

Delivered, Individual Picked Up at Postal Facility

SANTA FE, NM 87501

October 16, 2024, 7:41 am

[See All Tracking History](#)

[What Do USPS Tracking Statuses Mean?](#)

**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-993

ORDER

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

FINDINGS OF FACT

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

CONCLUSIONS OF LAW

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

ORDER

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

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

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

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

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

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

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

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.

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: 6-12-2025

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-993

Operator: Matador Production Company (228937)

Central Tank Battery: Iggles State Tank Battery

Central Tank Battery Location: UL O, Section 21, Township 18 South, Range 34 East

Gas Title Transfer Meter Location: UL O, Section 21, Township 18 South, Range 34 East

Pools

Pool Name	Pool Code
E-K;WOLFCAMP	21670
VACUUM;BONE SPRING, WEST	61910

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring SLO 204617 PUN 1348631	W/2 SW/4	16-18S-34E
	W/2 W/2	21-18S-34E
CA Bone Spring SLO 205158 PUN 1408571	W/2 E/2	16-18S-34E
	W/2 E/2	21-18S-34E
CA Bone Spring SLO 205159 PUN 1408580	E/2 E/2	16-18S-34E
	E/2 E/2	21-18S-34E
CA Wolfcamp SLO 205160 PUN 1408599	W/2 W/2	16-18S-34E
	W/2 W/2	21-18S-34E
CA Wolfcamp SLO 205161 PUN 1408600	E/2 W/2	16-18S-34E
	E/2 W/2	21-18S-34E
CA Wolfcamp SLO 205162 PUN 1408618	W/2 E/2	16-18S-34E
	W/2 E/2	21-18S-34E
CA Wolfcamp SLO 205163 PUN 1408625	E/2 E/2	16-18S-34E
	E/2 E/2	21-18S-34E
SLO Lease E0-5014-0008	E/2	21-18S-34E
SLO Lease VC-1120-0001	W/2	21-18S-34E
SLO Lease VB-2303-0000	S/2	16-18S-34E
SLO Lease VC-1087-0000	N/2	16-18S-34E
PROPOSED CA Bone Spring SLO 30-025-53139	E/2 W/2	16-18S-34E
	E/2 W/2	21-18S-34E
PROPOSED CA Bone Spring SLO 30-025-53142	W/2 W/2	16-18S-34E
	W/2 W/2	21-18S-34E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-42377	IGGLES STATE COM #001H	W/2 SW/4	16-18S-34E	61910
		W/2 W/2	21-18S-34E	

30-025-53139	IGGLES STATE COM #122H	E/2 W/2 E/2 W/2	16-18S-34E 21-18S-34E	61910
30-025-53140	IGGLES STATE COM #123H	W/2 E/2 W/2 E/2	16-18S-34E 21-18S-34E	61910
30-025-53141	IGGLES STATE COM #124H	E/2 E/2 E/2 E/2	16-18S-34E 21-18S-34E	61910
30-025-53142	IGGLES STATE COM #131H	W/2 W/2 W/2 W/2	16-18S-34E 21-18S-34E	61910
30-025-53143	IGGLES STATE COM #132H	E/2 W/2 E/2 W/2	16-18S-34E 21-18S-34E	61910
30-025-53144	IGGLES STATE COM #133H	W/2 E/2 W/2 E/2	16-18S-34E 21-18S-34E	61910
30-025-53145	IGGLES STATE COM #134H	E/2 E/2 E/2 E/2	16-18S-34E 21-18S-34E	61910
30-025-53146	IGGLES STATE COM #241H	W/2 W/2 W/2 W/2	16-18S-34E 21-18S-34E	21670
30-025-53147	IGGLES STATE COM #242H	E/2 W/2 E/2 W/2	16-18S-34E 21-18S-34E	21670
30-025-53148	IGGLES STATE COM #243H	W/2 E/2 W/2 E/2	16-18S-34E 21-18S-34E	21670
30-025-53149	IGGLES STATE COM #244H	E/2 E/2 E/2 E/2	16-18S-34E 21-18S-34E	21670

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

General Information
Phone: (505) 629-6116

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

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

CONDITIONS

Action 392860

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 392860
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	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 .	6/14/2025