BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING DECEMBER 2, 2021

CASE NOS. 22345-22348

BIVINS FED COM #137H WELL BIVINS FED COM #138H WELL BIVINS FED COM #213H WELL BIVINS FED COM #214H WELL

Lea County, New Mexico



Received by OCD: 11/30/2021 2:11:46 PM

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22345, 22346, 22347, & 22348

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 - Matador Exhibit C-2: Land Tract Map
 - Matador Exhibit C-3: Working Interest Ownership
 - o Matador Exhibit C-4: Sample Well Proposal Letters with AFE
 - Matador Exhibit C-5: Chronology of Contacts
- Matador Exhibit D: Affidavit of Andrew Parker, Geologist
 - Matador Exhibit D-1: Locator map
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 - Matador Exhibit D-4: Wolfcamp subsea structure & cross-section map
 - Matador Exhibit D-5: Wolfcamp structural cross-section
- Matador Exhibit E: Notice Affidavit
- Matador Exhibit F: Affidavit of Publication for Each Case

Case:	APPLICANT'S RESPONSE	
Date	December 2, 2021	
Applicant	Matador Production Company	
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 228937	
Applicant's Counsel:	Holland & Hart LLP	
Case Title:	APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.	
Entries of Appearance/Intervenors:	N/A	
Well Family	Bivins Fed Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring Formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	N/A	
Pool Name and Pool Code:	WC-025 G-08 S253534O; Bone Spring [97088]	
Well Location Setback Rules:	Statewide oil rules	
Spacing Unit Size:	240 acres	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	240	
Building Blocks:	40 acres	
Orientation:	South-North	
Description: TRS/County	W/2 SE/4 of Section 30 and W/2 E/2 of Section 31 Township 24 South, Range 36 East, NMPM, Lea County.	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes	
Other Situations		
Depth Severance: Y/N. If yes, description	No	
Proximity Tracts: If yes, description	No	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	See Exhibit C-3	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Matador Production Compa	

Received by OCD: 11/30/2021 2:11:46 PM	'Bivins Fed Com #137H well		
Well #1	SHL: (Unit J) of Section 30, Township 24 South, Range		
	36 East		
	BHL: (Unit O) of Section 31,Township 24 South, Range 36 East FTP: 1650 feet FEL, 2541 feet FSL Sec. 30 LTP: 1650 feet FEL, 100 feet FSL, Sec. 31		
	Target: Bone Spring Orientation: South-North		
	Completion: Standard Location		
Well #2			
Horizontal Well First and Last Take Points	Exhibit C-2		
Completion Target (Formation, TVD and MD)	Exhibit C-2		
AFE Capex and Operating Costs			
Drilling Supervision/Month \$	\$8,000		
Production Supervision/Month \$	\$800		
Justification for Supervision Costs	Exhibit C		
Requested Risk Charge	200%		
Notice of Hearing			
Proposed Notice of Hearing	Exhibit A		
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E		
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F		
Ownership Determination			
Land Ownership Schematic of the Spacing Unit	Exhibit C-2		
Tract List (including lease numbers and owners)	Exhibit C-2		
Pooled Parties (including ownership type)	Exhibit C-3		
Unlocatable Parties to be Pooled	N/A		
Ownership Depth Severance (including percentage above &			
below)	N/A		
Joinder			
Sample Copy of Proposal Letter	Exhibit C-4		

Released to Imaging: 11/30/2021 2:29:01 PM

Received by OCD: 11/30/2021 2:11:46 PM Chronology of Contact with Non-Joined Working Interests	Exhibit C-5		
Overhead Rates In Proposal Letter	Exhibit C-4		
Cost Estimate to Drill and Complete	Exhibit C-4		
Cost Estimate to Equip Well	Exhibit C-4		
Cost Estimate for Production Facilities	Exhibit C-4		
Geology			
Summary (including special considerations)	Exhibit D		
Spacing Unit Schematic	Exhibit D		
Gunbarrel/Lateral Trajectory Schematic	N/A		
Well Orientation (with rationale)	Exhibit D		
Target Formation	Exhibit D		
HSU Cross Section	Exhibit D-3		
Depth Severance Discussion	N/A		
Forms, Figures and Tables			
C-102	Exhibit C-1		
Tracts	Exhibit C-2		
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3		
General Location Map (including basin)	Exhibit D-1		
Well Bore Location Map	Exhibit D-1		
Structure Contour Map - Subsea Depth	Exhibit D-2		
Cross Section Location Map (including wells)	Exhibit D-2		
Cross Section (including Landing Zone)	Exhibit D-3		
Additional Information			
Special Provisions/Stipulations	N/A		
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Adam G. Rankin		
Signed Name (Attorney or Party Representative):	Carl		
Date:	// 30/21 30-Nov-2		

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVI		
Case: 22346		
Date	December 2, 2021	
Applicant	Matador Production Company	
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 228937	
Applicant's Counsel:	Holland & Hart LLP	
Case Title:	APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.	
Entries of Appearance/Intervenors:	N/A	
Well Family	Bivins Fed Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring Formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	N/A	
Pool Name and Pool Code:	WC-025 G-08 S253534O; Bone Spring [97088]	
Well Location Setback Rules:	Statewide oil rules	
Spacing Unit Size:	240 acres	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	240	
Building Blocks:	40 acres	
Orientation:	South-North	
Description: TRS/County	E/2 SE/4 of Section 30 and E/2 E/2 of Section 31 Township 24 South, Range 36 East, NMPM, Lea County, New Mexico.	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes	
Other Situations		
Depth Severance: Y/N. If yes, description	Νο	
Proximity Tracts: If yes, description	No	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	See Exhibit C-3	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)		

Received by OCD: 11/30/2021 2:11:46 PM	Page 7 o		
Well #1 Well #2 Horizontal Well First and Last Take Points	'Bivins Fed Com #138H wellSHL: (Unit J) of Section 30, Township 24 South, Range36 EastBHL: (Unit P) of Section 31,Township 24 South, Range36 EastFTP: 330 feet FEL, 2540 FSL feet Sec. 30LTP: 330 feet FEL, 100 feet FSL Sec. 31Target: Bone SpringOrientation: South-NorthCompletion: Standard LocationExhibit C-1		
Completion Target (Formation, TVD and MD)	Exhibit C-1		
AFE Capex and Operating Costs			
Drilling Supervision/Month \$	\$8,000		
Production Supervision/Month \$	\$800		
Justification for Supervision Costs	Exhibit C		
Requested Risk Charge	200%		
Notice of Hearing			
Proposed Notice of Hearing	Exhibit A		
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E		
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F		
Ownership Determination			
Land Ownership Schematic of the Spacing Unit	Exhibit C-2		
Tract List (including lease numbers and owners)	Exhibit C-2		
Pooled Parties (including ownership type)	Exhibit C-3		
Unlocatable Parties to be Pooled	N/A		
Ownership Depth Severance (including percentage above & below)	N/A		
Joinder			
Sample Copy of Proposal Letter	Exhibit C-4		
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3		
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5		
Overhead Rates In Proposal Letter	Exhibit C-4		
Cost Estimate to Drill and Complete	Exhibit C-4		
Cost Estimate to Equip Well Released to Imaging: 11/30/2021 2:29:01 PM	Exhibit C-4		

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Cost Estimate for Production Facilities	Exhibit C-4		
Geology			
Summary (including special considerations)	Exhibit D		
Spacing Unit Schematic	Exhibit D		
Gunbarrel/Lateral Trajectory Schematic	N/A		
Well Orientation (with rationale)	Exhibit D		
Target Formation	Exhibit D		
HSU Cross Section	Exhibit D-3		
Depth Severance Discussion	N/A		
Forms, Figures and Tables			
C-102	Exhibit C-1		
Tracts	Exhibit C-2		
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C		
General Location Map (including basin)	Exhibit D-1		
Well Bore Location Map	Exhibit D-1		
Structure Contour Map - Subsea Depth	Exhibit D-2		
Cross Section Location Map (including wells)	Exhibit D-2		
Cross Section (including Landing Zone)	Exhibit D-3		
Additional Information			
Special Provisions/Stipulations	N/A		
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Adam G. Rankin		
Signed Name (Attorney or Party Representative):	10la		
Date:	30-Nov-		

COMPULSORY POOLING APPLICATION CHECKLIST

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Case: 22347	APPLICANT'S RESPONSE	
Date	December 2, 2021	
Applicant	Matador Production Company	
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 228937	
Applicant's Counsel:	Holland & Hart LLP	
Case Title:	APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.	
Entries of Appearance/Intervenors:	N/A	
Well Family	Bivins Fed Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Wolfcamp Formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	N/A	
Pool Name and Pool Code:	Jal; Wolfcamp, West [33813]	
Well Location Setback Rules:	Statewide oil rules	
Spacing Unit Size:	240 acres	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	240	
Building Blocks:	40 acres	
Orientation:	South-North	
Description: TRS/County	W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea Coun New Mexico.	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes	
Other Situations		
Depth Severance: Y/N. If yes, description	No	
Proximity Tracts: If yes, description	No	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	See Exhibit C-3	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)		

<u>Received by OCD: 11/30/2021 2:11:46 PM</u> Well #1	'Bivins Fed Com #213H well		
WAGII 447	SHL: (Unit J) of Section 30, Township 24 South, Range 36		
	East BHL: (Unit P) of Section 31,Township 24 South, Range 36 East		
	FTP: 2310 feet FEL, 2541 feet FSL Sec. 30		
	LTP: 2310 feet FEL, 100 feet FSL Sec. 31		
	Target: Wolfcamp		
	Orientation: South-North Completion: Standard Location		
Well #2	Completion. Standard Location		
Horizontal Well First and Last Take Points	Exhibit C-1		
Completion Target (Formation, TVD and MD)	Exhibit C-1		
AFE Capex and Operating Costs			
Drilling Supervision/Month \$	\$8,000		
Production Supervision/Month \$	\$800		
Justification for Supervision Costs	Exhibit C		
Requested Risk Charge	200%		
Notice of Hearing			
Proposed Notice of Hearing	Exhibit A		
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E		
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F		
Ownership Determination			
Land Ownership Schematic of the Spacing Unit	Exhibit C-2		
Tract List (including lease numbers and owners)	Exhibit C-2		
Pooled Parties (including ownership type)	Exhibit C-3		
Unlocatable Parties to be Pooled	N/A		
Ownership Depth Severance (including percentage above & below)	N/A		
Joinder			
Sample Copy of Proposal Letter	Exhibit C-4		
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3		
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5		
Overhead Rates In Proposal Letter	Exhibit C-4		
Cost Estimate to Drill and Complete	Exhibit C-4		
Cost Estimate to Equip Well	Exhibit C-4		
Cost Estimate for Production Facilities	Exhibit C-4		
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Geology			
Summary (including special considerations)	Exhibit D		
Spacing Unit Schematic	Exhibit D		
Gunbarrel/Lateral Trajectory Schematic	N/A		
Well Orientation (with rationale)	Exhibit D		
Target Formation	Exhibit D		
HSU Cross Section	Exhibit D-5		
Depth Severance Discussion	N/A		
Forms, Figures and Tables			
C-102	Exhibit C-1		
Tracts	Exhibit C-2		
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3		
General Location Map (including basin)	Exhibit D-1		
Well Bore Location Map	Exhibit D-1		
Structure Contour Map - Subsea Depth	Exhibit D-4		
Cross Section Location Map (including wells)	Exhibit D-4		
Cross Section (including Landing Zone)	Exhibit D-5		
Additional Information			
Special Provisions/Stipulations	N/A		
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Adam G. Rankin		
Signed Name (Attorney or Party Representative):	1 all		
Date:	30-Nov-2		

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22348	APPLICANT'S RESPONSE		
Date	December 2, 2021		
Applicant	Matador Production Company		
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 228937		
Applicant's Counsel:	Holland & Hart LLP		
Case Title:	APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.		
Entries of Appearance/Intervenors:	N/A		
Well Family	Bivins Fed Com		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Wolfcamp Formation		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	N/A		
Pool Name and Pool Code:	Jal; Wolfcamp, West [33813]		
Well Location Setback Rules:	Statewide oil rules		
Spacing Unit Size:	240 acres		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	240		
Building Blocks:	40 acres		
Orientation:	South-North		
Description: TRS/County	W/2 SE/4 of Section 30 and W/2 E/2 of Section 31 Township 24 South, Range 36 East, NMPM, Lea County, New Mexico.		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes		
Other Situations			
Depth Severance: Y/N. If yes, description	No		
Proximity Tracts: If yes, description	No		
Proximity Defining Well: if yes, description	N/A		
Applicant's Ownership in Each Tract	Exhibit C-3		
Well(s)			
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)			

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Well #1	'Bivins Fed Com #214H well SHL: (Unit J) of Section 30, Township 24 South, Range		
	36 East		
	BHL: (Unit P) of Section 31,Township 24 South, Range		
	36 East		
	FTP: 990 feet FEL, 2540 feet FSL Sec. 30		
	LTP: 990 feed FEL, 100 feet FSL Sec. 31 Target: Wolfcamp		
	Orientation: South-North		
	Completion: Standard Location		
Well #2			
Horizontal Well First and Last Take Points	Exhibit C-1		
Completion Target (Formation, TVD and MD)	Exhibit C-1		
AFE Capex and Operating Costs			
Drilling Supervision/Month \$	\$8,000		
	\$8,000		
Production Supervision/Month \$			
Justification for Supervision Costs	Exhibit C		
Requested Risk Charge	200%		
Notice of Hearing			
Proposed Notice of Hearing	Exhibit A		
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E		
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F		
Ownership Determination			
Land Ownership Schematic of the Spacing Unit	Exhibit C-2		
Tract List (including lease numbers and owners)	Exhibit C-2		
	Exhibit C-3		
Pooled Parties (including ownership type)			
Unlocatable Parties to be Pooled Ownership Depth Severance (including percentage above & below)	N/A N/A		
Joinder	A CONTRACTOR OF		
Sample Copy of Proposal Letter	Exhibit C-4		
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3		
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5		
Overhead Rates In Proposal Letter	Exhibit C-4		
Cost Estimate to Drill and Complete	Exhibit C-4		

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Cost Estimate for Production Facilities	Exhibit C-4						
Geology							
Summary (including special considerations)	Exhibit D						
Spacing Unit Schematic	Exhibit D						
Gunbarrel/Lateral Trajectory Schematic	N/A						
Well Orientation (with rationale)	Exhibit D						
Target Formation	Exhibit D						
HSU Cross Section	Exhibit D-5						
Depth Severance Discussion	Exhibit D Exhibit D N/A Exhibit D Exhibit D Exhibit D Exhibit D-5 N/A Exhibit C Exhibit C Exhibit C Exhibit C Exhibit C Exhibit D-1 Exhibit D-1 Exhibit D-4 Exhibit D-4 Exhibit D-4 Exhibit D-5 N/A Vided in this checklist is complete and accurate. Adam G. Rankin						
Forms, Figures and Tables							
C-102	Exhibit C						
Tracts	Exhibit C						
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C						
General Location Map (including basin)	Exhibit D-1						
Well Bore Location Map	Exhibit D-1						
Structure Contour Map - Subsea Depth	Exhibit D-4						
Cross Section Location Map (including wells)	Exhibit D-4						
Cross Section (including Landing Zone)	Exhibit D-5						
Additional Information							
Special Provisions/Stipulations	N/A						
CERTIFICATION: I hereby certify that the information pro	ovided in this checklist is complete and accurate.						
Printed Name (Attorney or Party Representative):	Adam G. Rankin						
Signed Name (Attorney or Party Representative):	(Chan						
Date:	30-Nov-2						

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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22345

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial **Bivens Fed Com #137H well**, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31.

3. The completed interval of the well will comply with statewide setbacks for oil wells.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348

Released to Imaging: 11/2/2021 1:56:36 PM Released to Imaging: 11/30/2021 2:29:01 PM 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial well and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division, on December 2, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone
 Spring formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

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Respectfully submitted,

HOLLAND & HART LLP

All

By:_

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22346

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.

Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial Bivens Fed Com #138H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 31.

3. The completed interval of the well will comply with statewide setbacks for oil wells.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial well and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division, on December 2, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone
 Spring formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

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Respectfully submitted,

HOLLAND & HART LLP

hill

By:_

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

Received by OCD: 11/30/2021 2:11:46 PM Received by OCD: 11/2/2021 1:31:16 PM

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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22347

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial **Bivens Fed Com #213H well**, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31.

3. The completed interval of the well will comply with statewide setbacks for oil wells.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial well and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division, on December 2, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Wolfcamp formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

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Respectfully submitted,

HOLLAND & HART LLP

ull

By:

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22348

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.

2. Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial **Bivens Fed Com #214H well**, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 31.

3. The completed interval of the well will comply with statewide setbacks for oil wells.

4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial well and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division, on December 2, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Wolfcamp formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Received by OCD: 11/30/2021 2:11:46 PM Received by OCD: 11/2/2021 1:32:51 PM

Respectfully submitted,

HOLLAND & HART LLP

hill

By:_

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22345, 22346, 22347, and 22348

AFFIDAVIT OF DAVID JOHNS

David Johns, of lawful age and being first duly sworn, states the following:

- 1. My name is David Johns and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Landman.
- 2. I graduated from Texas Tech University in 2014 with a Bachelors of Business Administration - Energy Commerce. After graduating, I worked as a field landman examining title, performing due diligence, and negotiating oil and gas leases in various asset areas, including in Eddy and Lea Counties, New Mexico. I joined Matador in 2018 as a Landman and have been primarily focused on our assets in Eddy and Lea Counties, New Mexico during my entire tenure with Matador. I am a member of the AAPL and the Dallas Association of Petroleum Landmen. In addition, since joining Matador, I have completed at least 40 hours of continuing education training each year as part of company policy. I believe that the foregoing education and work experience qualify me to testify as an expert in petroleum land matters.
- 3. I am familiar with the applications filed by Matador in these consolidated cases and the status of the lands in the subject area.
- 4. In these consolidated cases, Matador seeks orders pooling uncommitted interests in the Bone Spring and Wolfcamp formations in the following standard horizontal spacing units, each within Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, as follows

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348

- In Case 22345, Matador seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31. The spacing unit will be dedicated to the proposed initial Bivins Fed Com #137H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31.
- In Case 22346, Matador seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31. The spacing unit will be dedicated to the proposed initial Bivins Fed Com #138H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 31.
- In No. Case 22347, Matador seeks to pool a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The spacing unit will be dedicated to the proposed initial Bivins Fed Com #213H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31.
- In No. Case 22348, Matador seeks to pool a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2

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of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The spacing unit will be dedicated to the proposed initial **Bivins Fed Com #214H well**, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 31.

5. **Matador Exhibit C-1** contains draft Form C-102's for the proposed initial wells in each of these standard spacing units. These forms demonstrate that the completed interval for each well will meet the standard setback requirements for horizontal oil wells.

6. For **Case Nos. 22345 and 22346**, Matador understands that these Bone Spring wells will be placed in the WC-025 G-08 S253534O; BONE SPRING [97088] pool.

7. For **Case Nos. 22347 and 22348**, Matador understands that these Wolfcamp wells will be placed in the JAL; WOLFCAMP, WEST [33813] pool.

8. **Matador Exhibit C-2** identifies the tracts of land comprising each of the proposed horizontal spacing units. The subject acreage is comprised of federal and fee lands.

9. There are no depth severances within the Bone Spring formation underlying this acreage.

10. There are no depth severances within the Wolfcamp formation underlying this acreage.

11. Matador Exhibit C-3 identifies the working interest owners that Matador is seeking to pool in each of the proposed horizontal spacing units. The working interest owners and interest percentages are the same in all four applications.

12. Matador has conducted a diligent search of the public records in the county where the property is located, reviewed telephone directories and conducted computer searches to locate

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contact information for each of these mineral owners. As indicated in **Exhibit C-5**, Matador has been able to locate and has had discussions with each party that it seeks to pool in these cases in an effort to reach voluntary joinder.

13. There are no overriding royalty interest owners that Matador is seeking to pool.

14. **Matador Exhibit C-4** contains a sample of the well proposal letters and AFEs sent to the working interest owners Matador was able to locate. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in these formations. In **Case No 22348** for the **Bivens Fed Com #214H well**, Matador plans to drill a pilot hole and take data, the operations for which have increased the AFE for the well approximately \$931,580 for the pilot hole operations. When proposing this well under a pooling order, Matador plans to separately propose (i) the well, with an estimate cost not including those additional pilot hole costs, and (ii) the costs attributable to the additional pilot hole hosts, so that the pooled working interest owners will have the opportunity to elect whether they want to participate in the pilot hole and share in the resultant data.

15. **Matador Exhibit C-5** contains a general summary of the contacts with the uncommitted working interest owners that Matador was able to locate. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners.

16. Matador requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

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17. Matador has provided the law firm of Holland & Hart LLP with the names and addresses (where available) of the parties that Matador seeks to pool and instructed that they be notified of this hearing.

18. Matador Exhibits C-1 through C-5 were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

STATE OF TEXAS

COUNTY OF DALLAS

SUBSCRIBED and SWORN to before me this <u>29</u> day of <u>November</u> 2021 by David Johns.

)))

Manda M NOTARY PUBLIC 11 Craisfood

My Commission Expires:

9-19-2023

	AMANDA M CRAWFORD
X	My Notary ID # 3797742
A State Har	AMANDA M CRAWFORD My Notary ID # 3797742: Expires September 11, 2023

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EXHIBIT C-1

ved by OCD:	1/30/20.	21 2:11:4	6 PM			Submit	RE THE OIL CONS Santa Fe, Ne Exhibit ted by: Matador	ew Mexico No. C1 Production Co	ompany
District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1200 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462			F	Hearing Date: Dece 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 ne copy to appropriate District Office AMENDED REPORT
[API Number			CATIO ² Pool Code	N AND ACR	EAGE DEDIC	ATION PLA ³ Pool Nar		
⁴ Property Code				⁵ Property Name BIVINS FED COM					^b Well Number 137H
OGRID No.				ATADO	^{*Operator Name} PR PRODUCTION COMPANY 3374' ¹⁰ Surface Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West li	ine County
J	30	24-S	36-E	÷	2428'	SOUTH	1930'	EAST	LEA
			¹¹ Be	ottom He	ole Location If D	ifferent From Su	face		
VL or lot no. O	Section 31	Township 24–S	Range 36-E	Lot Idn —	Feet from the	North/South line SOUTH	Feet from the 1650'	East/West I EAST	ine County LEA
¹² Dedicated Acres 240	^{f3} Joint or l	nfill ^{[4} Co	nsolidation Code	¹⁸ Ord	ler 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.



District I 1625 N. French Dr., H Phone: (575) 393-616 District II 811 S. First SL, Artesi Phone: (575) 748-128. District III 1000 Rio Brazos Road Phone: (505) 334-617. District IV 1220 S. St. Francis Dr Phone: (505) 476-346	93-0720 18-9720 1410 14-6170 1 87505		OIL C	Depar ONSERVA	Natural Resou tment TION DIVISIO t, Francis Dr.		Sul	bmit one	FORM C-102 evised August 1, 2011 copy to appropriate District Office MENDED REPORT	
	¹ API Numher		<u>ELL LO</u>	2Pool Code	N AND ACF	EAGE DEDIC	ATION PLA ³ Pool Na			
⁴ Property Code BIVINS FED COM									Ō	Well Number 138H
⁷ OGRID No. NATADOR PRODUCTION COMPANY										^{°Elevation} 3374 [°]
					¹⁰ Surface L					
UL or lot no. J	Section 30	Township 24–S							t/West line	County LEA

	¹¹ Bottom Hole Location If Different From Surface											
UL or lot no,	Section	Township	Range	Lot Ida		North/South line	Feet from the					
P	31	24-S	36-E	-	60'	SOUTH	330'	EAST	LEA			
¹² Dedicated Acres 240	¹³ Joint or 1	infill ¹⁴ Co	onsolidation Co	de ¹⁵ Ord	er No.							

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



¹²Dedicated Acres

240

¹³Joint or Infill

*Consolidation Code

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (375) 393-6161 Fax: (575) 393-0720 District II Bill S. First St., Artesia, NM 88210 Phone: (375) 748-1283 Fax: (575) 748-9720 District IU 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505WELL LOCATION AND ACREAGE DEDICATION PLAT								FORM C-102 Revised August 1, 2011 one copy to appropriate District Office AMENDED REPORT	
	API Number			² Pool Code			³ Pool Na	me	
⁴ Property Code ⁵ Property Name BIVINS FED COM ⁷ OGRID No. ⁸ Operator Name MATADOR PRODUCTION COMPANY								^b Well Number 213H ^b Elevation 3373 ^b	
10Surface Location									
UL or lot no. J	Section 30	Township 24–S	Range 36–E	Lot Idn —	East/West EAST	line County LEA			
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. O	Section 31	Township 24–S	Range Lot Idn Feet from the North/South line Feet from the 36-E - 60' SOUTH 2310'						LEA

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.

⁵Order No.


OGRID No.

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District 1 1625 N. French Dr., Hobbs, NM 882 Phone: (575) 393-6161 Føx: (575) 3 District 11 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 7 District 111 1000 Rio Brazos Road, Aztec, NM 8 Phone: (505) 334-6178 Fax: (505) 3 District IV 1220 S. St. Francis Dr., Santa Fe, NP Phone: (505) 476-3460 Fax: (505) 4	193-0720 148-9720 17410 134-6170 VI 87505	State o Energy, Minera D OIL CONSEF 1220 Sou Santa	Submit	FORM C-102 Revised August 1, 2011 one copy to appropriate District Office AMENDED REPORT	
	WE	LL LOCATION AND	ACREAGE DEDICATION PLA	AT	
³ API Numbe		² Pool Code	³ Pool N		
⁴ Property Code		BIVIN	orgerty Name SFED COM		⁶ Well Number 214H ⁹ Elsystian
LOCDID N.					

				MATADU	R PRODUCT	TION COMPAN	1		0010
					¹⁰ Surface Lo	ocation			
UL or lot no.	Section	Township	Range	Lot Idn		North/South line	Feet from the	East/West line	County
J	30	24-S 36-E -			2403'	SOUTH	1905'	EAST	LEA
			11	Bottom Ho	le Location If D	ifferent From Sur	face		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Р	31	24-S	36-E	-	60'	SOUTH	990,	EAST	LEA
^{iz} Dedicated Acres 240	¹³ Joint or	IлПШ ¹⁴ Со	onsolidation Co	de ¹⁵ Ord	er No.				

Operator Name

00100110

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



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EXHIBIT C-2

Bivins



Case Nos. 22345-22348

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EXHIBIT C-3

Summary of Interests Case Nos. 22345, 22346, 22347 and 22348

Matador's Working Interest		71.8750%
Voluntary Joinder		8.3333%
Compulsory Pool Interest Total:		19.7917%
Interest Owner:	Description:	Interest:
Joyce Marie Thomson	Uncommitted Mineral Interest Owner	1.0417%
OXY USA WTP, LP	Uncommitted Mineral Interest Owner	16.6667%
Russel Lynn Porter	Uncommitted Mineral Interest Owner	1.0417%
TROG Fund II, LP	Uncommitted Mineral Interest Owner	0.3472%
F3 Criterion Minerals, LP	Uncommitted Mineral Interest Owner	0.3472%
Tower Rock Royalties TWO, LP	Uncommitted Mineral Interest Owner	0.3472%

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Bivins Fed Com #137H, #138H, 213H, & #214H

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EXHIBIT C-4

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.619.1259 • Fax 214.866.4946 <u>djohns@matadorresources.com</u>

David Johns Landman

May 25, 2021

VIA CERTIFIED RETURN RECEIPT MAIL

Ethan Clay Upshaw 2421 West Bramlet Drive Conroe, TX 77304

Bivins Fed Com #137H, #138H, #213H & #214H (the "Wells")
 Participation Proposal
 S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East
 Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Bivins Fed Com #137H, Bivins Fed Com #138H, Bivins Fed Com #213H and Bivins Fed Com #214H wells, located in S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East, Lea County, New Mexico, to the Bone Spring and Wolfcamp formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the four (4) enclosed Authority for Expenditures ("AFE") both dated April 12, 2021.
- Bivins Fed Com #137H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SW/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 19,400'.
- Bivins Fed Com #138H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SE/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 19,400'.
- Bivins Fed Com #213H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SW/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 19,600'.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C4 Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348 Bivins Fed Com #214H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SE/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 19,600'.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

Ethan Clay Upshaw will own an approximate 0.448555% working interest in each Well, subject to title verification.

MRC requests that you indicate your election to participate in the drilling and completion of the Wells in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement dated June 1, 2021, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering the S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East, Lea County, New Mexico, and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$8,000/\$800 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

MRC PERMIAN COMPANY

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Ethan Clay Upshaw hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #137H well, in the estimated amount of \$35,546.22.
Not to participate in the Bivins Fed Com #137H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #138H well, in the estimated amount of \$35,546.22. Not to participate in the Bivins Fed Com #138H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #213H well, in the estimated amount of \$35,955.64. Not to participate in the Bivins Fed Com #213H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #214H well, in the estimated amount of \$40,134,28. Not to participate in the Bivins Fed Com #214H
Ethan Clay Upshaw
By:
Title:

Date: _____
Contact Number: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.619.1259 • Fax 214.866.4946 djoins@matadorresources.com

David Johns Landman

June 1, 2021

VIA CERTIFIED RETURN RECEIPT MAIL

Cameron H. Morrow and wife, Vicky L. Morrow 30393 Oak Grove Road Paola, KS 66071

Re: Bivins Fed Com #137H, #138H, #213H & #214H (the "Wells")
 Participation Proposal
 S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East
 Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Bivins Fed Com #137H, Bivins Fed Com #138H, Bivins Fed Com #213H and Bivins Fed Com #214H wells, located in S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East, Lea County, New Mexico, to the Bone Spring and Wolfcamp formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the four (4) enclosed Authority for Expenditures ("AFE") both dated April 12, 2021.
- Bivins Fed Com #137H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SW/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 19,400'.
- Bivins Fed Com #138H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SE/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 19,400'.
- Bivins Fed Com #213H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SW/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 19,600'.

Bivins Fed Com #214H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SE/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 19,600'.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

Cameron H. Morrow and wife, Vicky L. Morrow will own an approximate 3.139885% working interest in each Well, subject to title verification.

MRC requests that you indicate your election to participate in the drilling and completion of the Wells in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement dated June 1, 2021, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering the S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East, Lea County, New Mexico, and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$8,000/\$800 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

MRC PERMIAN COMPANY

David Johns

.

Cameron H. Morrow and wife, Vicky L. Morrow hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #137H well, in the estimated amount of \$248,823.55 .
Not to participate in the Bivins Fed Com #137H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #138H well, in the estimated amount of \$248,823.55 . Not to participate in the Bivins Fed Com #138H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #213H well, in the estimated amount of \$251,689.45. Not to participate in the Bivins Fed Com #213H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #214H well, in the estimated amount of \$280,940.00 . Not to participate in the Bivins Fed Com #214H
Cameron H. Morrow and wife, Vicky L. Morrow
By:
Title:
Date:

Contact Number:

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.619.1259 • Fax 214.866.4946 <u>djohns@matadorresources.com</u>

David Johns Landman

July 30, 2021

VIA CERTIFIED RETURN RECEIPT MAIL

TROG Fund ll, LP Attn: Mr. Taylor Loxter P.O. Box 5746 Austin, TX 78763

Re: Bivins Fed Com #137H, #138H, #213H & #214H (the "Wells")
Participation Proposal
S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Bivins Fed Com #137H, Bivins Fed Com #138H, Bivins Fed Com #213H and Bivins Fed Com #214H wells, located in S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East, Lea County, New Mexico, to the Bone Spring and Wolfcamp formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the four (4) enclosed Authority for Expenditures ("AFE") both dated April 12, 2021.
- Bivins Fed Com #137H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SW/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 19,400'.
- Bivins Fed Com #138H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SE/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 19,400'.
- Bivins Fed Com #213H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SW/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 19,600'.

Bivins Fed Com #214H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the SE/4SE/4 of Section 31-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 19,600'.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

TROG Fund II, LP will own an approximate 0.5887285% working interest in each Well, subject to title verification.

MRC requests that you indicate your election to participate in the drilling and completion of the Wells in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement dated June 1, 2021, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering the S2 of Section 30 & All of Section 31, Township 24 South, Range 36 East, Lea County, New Mexico, and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$8,000/\$800 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

MRC PERMIAN COMPANY

O.W.J.

David Johns

TROG Fund II, LP hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #137H well, in the estimated amount of \$46,654.42.
Not to participate in the Bivins Fed Com #137H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #138H well, in the estimated amount of \$46,654.42 . Not to participate in the Bivins Fed Com #138H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Bivins Fed Com #213H well, in the estimated amount of \$47,191.77. Not to participate in the Bivins Fed Com #213H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Bivins Fed Com #214H well, in the estimated amount of \$52,676.25 .
Not to participate in the Bivins Fed Com #214H
TROG Fund II, LP
By:
Title:

Date: _____

Contact Number: _____

.

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240

Phone (872) 371-5206 • Fex (972) 371-5201

			371-5200 • Fex (972) 371-6 ND AUTHORIZATION FOR			
DATE:	April 12, 2021		- an over a street for		AFE NO.:	
WELL NAME:	Bivins Fed Com 137H	7			FIELD:	
LOCATION:	SE4 of 30 and E2 of 3	1 in 24S-36E			MO/TVD:	19,400711,450
COUNTY/STATE:	Lea, NM			LA	TERAL LENGTH:	7,500
MRC WI:					-	
GEOLOGIC TARGET:	3rd Bone Spring Sand					
REMARKS:		uip a 1.5 mile horizontal 3	and Bone Spring Sand w	ell with approximately	42 stages	
INTANGIBLE	OFTE	DRULLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory	0313	61,500	\$	\$ 15,000	\$ 10,000	\$ 80,
Location, Surveys & Damag	16	98,000	13,000	15,000	25,000	151,
Drilling		651,000				051,
Comenting & Floet Equip		165,000				165,
Logging / Formation Evaluat Flowback - Labor	not		3,000	3,000		8,
Flowback - Cadoy Flowback - Surface Rentals				122,000		122,
Flowback - Rental Living Qu	ariene					
Mud Logging		21,600				21,
Mud Circulation System		46,575				46, 284,
Mud & Chemicela		235,400	43,500	6,000	1,000	131,
Mud / Wastewater Disposal Freight / Transportation		130,000	26,700			
Rig Supervision / Engineeria	ia i	94,250	78,300	6,000	12,600	183.
Drill Bite		91,400				91
Drill Bit Purchase		-				
Fuel & Power		128,412	7,000			135,
Water		35,000	472,500	2,000	1,000	510.
Drig & Completion Overhead Plugging & Abandonment	1	12,000	·		·	
Progging & Adendonment Directional Drilling, Surveys		184,900				184.
Completion Unit, Swab, CTL			101,875	16,000		117.
Perforating, Wireline, Slickli			143,500	2		143
High Pressure Pump Truck			49,500	0,000		65
Stimulation Stimulation Structure & Dia			1,773,975	260,000		1,773
Stimulation Flowback & Dia Insurance	2	29,100	15,500	200,000		
Labor		63,500	57,750	15,000	5,000	161,
Rental - Surface Equipment		45,120	304,375	10,000	000,0	364
Rental - Downhole Equipme	ni	37,000	77,500	3,600		117.
Rental - Living Querters		28,675	35,370		5,000	- 69
Contingency		66,517	142,037	48,940	6,460	264
MaxCom		25,800				
	TOTAL INTANGIBLES		3,346,262 COMPLETION	638,340 PRODUCTION	71,060	6,235 TOTAL
TANGIBLE C	STS	DRILLING COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing	1	62,589	5	\$	\$	\$82
Intermediate Casing		274,492				274
Drilling Liner						
Production Casing		400,474				400
Production Liner Tubing				B2,500		82
Wellhead		65,000		45,000		110
Packers, Liner Hangers			68,250	5,000		81
Tanks		· · ·			29,900	29
Production Vessels					119,638	118
Flow Lines		•			120,000	120
Rod string Artificial Lift Equipment		<u> </u>		30,000		30
Compressor					42,500	42
Installation Costs				· · · · · · · · · · · · · · · · · · ·	60,000	80
Surface Pumps				5,000	16,250	21
Non-controllable Surface					2,000	2
Non-controllable Downhole		-				
Downhols Pumps Measurement & Meter Insia	lation			10,000	49,000	59
Gas Conditioning / Dehydra						
Interconnecting Facility Pip					59,000	50
Gathering / Buik Lines						
Valves, Dumps, Controllers				2,000	7.800	2
Tank / Facility Containment					7,500	13
Flare Stack Electrical / Grounding				5,000	28,500	33
Communications / SCADA				5.000	2,500	7
Instrumentation / Safety					55,750	55
	TOTAL TANGIBLES	822,555	58,260	189,500	616,871	1,68
	TOTAL COSTS :	3,106,304	3,402,532	727,640	687,931	7,92
PARED BY MATADOR P	RUDUCTION COMPA	NT:	2			
Drilling Engineer	Biske Hermes	Team Lead - WTX/	NM LATE			
Completions Engineer			WTE			
Production Engineer						
ADOR RESOURCES CO	MPANY APPROVAL:				Exec VP & COD - Land &	Legal
		Exec VP - Ros Fooder	ńna			CNA
ADOR RESOURCES CO		Exec VP - Res Engineer	gningningnin			
Exec VP & CFC	DEL		HAR		Exec VP & COO - Opera	ations
	DEL	Exec. VP - Res Engineer	HAR		Exec: VP & COO - Opera	BEG
Exec VP & CFC Presiden	DEL		HAR		Ехес VP & COO - Орега	
Exec VP & CFC Presiden	DEL		HANNA NL ^F			BEG
Exec VP & CFC Presiden			HAR			
Exec VP & CFC Presiden I OPERATING PARTNER Company Name			NLF NLF Working Interast (%):			BEG
Exec VP & CFC Presiden I OPERATING PARTNER			HANNA NL ^F			BEG
Exec VP & CFC Presiden OPERATING PARTNER Company Name			NLF NLF Working Interast (%):	Yes		BEG

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

DATE:	April 12, 2021	ESTIMATE OF COSTS AN			AFE NO.:	
	Bivins Fed Com 138H				FIELD:	
	SWE of 30 and E2 of				MD/TVD:	19,400/11,450
		31 IN 243-30E		1.4		7,500
	_ea, NM			LA	TERAL LENGTH:	7,000
WRC WI:						
	and Bone Spring Sand		-2010.000			
REMARKS:	Jrili, complete and eq	ulo a 1.5 mile horizontal 3	rd Bone Spring Sand	well with approximately	42 slages	
12						
		DRILLING	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	COSTS
INTANGIBLE CO and / Legal / Regulatory	STS	COST6 61,500	COSTS	\$ 15,000	10,000	\$ 56,5
ocation, Surveys & Damages		98,000	13,000	15,000	25,000	151.0
Drilling		651,000				651,0
Comenting & Figet Equip		165,000			· · · · · · · · · · · · · · · · · · ·	165,0
ogging / Formation Evaluatio	in		3,000	3,000		6,0
lowbach - Labor				8,400		8,4
lowback - Surface Rentals				122,000		122,0
liowback - Rental Living Quar fud Logging	1818	21,600		i		21,6
Aud Circulation System		46,575)	46,5
Aud & Chemicals		235,400	43,500	6,000		284,9
Aud / Wastewater Disposal		130,000	2 2 2 2 2		1,000	131,0
reight / Transportation		12,800	26,700			39,5
tig Supervision / Engineering		94,250	78,300	8,000	12,600	193,1
Irill Bits Irill Bit Rumbose		81,400				81,4
Dhii Bit Purchase Susi & Power		126,412	7,000		<u> </u>	135,4
Vater		35,000	472,500	2,000	1,000	510,5
Orig & Completion Overhead		12,000			<u> </u>	12,0
Yugging & Abandonment						
Directional Drilling, Surveys		184,900	-			184,9
Completion Unit, Swab, CTU	3		101,875	16,000		117,6
Perforating, Wireline, Slickline	ŧ.		49,500	6,000		55,5
High Pressure Pump Truck Stimulation			1,773.975			1,773,8
Stimulation Flowback & Disp			15,500	250,000		275,5
пьцгадсе		29,100				29,1
Labor		83,500	57,750	15,000	5,000	181,2
Rental - Surface Equipment		45,120	304,375	10,000	5,000	364,4
Rental - Downhole Equipment Rental - Living Quarters		37,000	77,500	3,000	5,000	69,2
Contingency		66,517	142,937	46.940	6,460	254,8
HaxCom		25,800				25,8
	TOTAL INTANGIBLES	And a second sec	3,346,282	538,340	71,060	6,239,
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COS	ats	COSTS	COST5	COSTS	FACILITY COSTS	COSTS
Surface Casing		82,559	\$	\$	1	\$ 82.5
ntermediate Casing		274,492				274,4
Drilling Liner Production Casing		400,474				400,4
Production Liner		400,414	<u> </u>			
Fubing				82,500	-	82,5
Nellhead		65,000		45,000		110,0
Packers, Liner Hangers		· · · · ·	56,250	5,000	29,900	61,2
ianka		i		<u> </u>	119,638	119.0
Production Vescels Flow Lines					120,000	120,0
Rod string				·		
Artificial Lift Equipment				30,000		30,0
Compressor					42,500	42,5
natellation Costs		· · ·			80,000	8D.(
Surface Pumps		i		5,000	18,250	21,
ion-controlizble Surface				<u> </u>	2,000	
von-controlizate Downnole Downhole Pumps						
Aeaaurement & Mater Installe	tion			10,000	49,000	69,0
See Conditioning / Dehydralic	on					
nterconnecting Facility Pipin	9			-	50,000	50,0
Sathering / Bulk Lines				2,000	<u> </u>	2.0
leives, Dumps, Controllors					7,500	
lana / Facility Containment Flare Stack					13,333	13.3
Electrical / Grounding		·	-	5,000	28,500	33.
				5,000	2,600	7,1
Communications / SCADA					55,750	55,
nstrumentation / Safety	1.0000000000000000000000000000000000000		55,250	189,600	616,871	1,685
	TOTAL TANGIBLES		3,402,532	727,840	687,931	7,924,
	TOTAL TANGIBLES	> 3,108,304				
nstrumentation / Safety	TOTAL COSTS		WM L. T.L. WTE			
PARED BY MATADOR PR Dolling Engineer: Completions Engineer:	TOTAL COSTS CODUCTION COMPA Blake Hermes Garrett Hunt	NY:	NM L. TE WTE			
PARED BY MATADOR PR Dalling Engineer: Completions Engineer: Production Engineer:	TOTAL COSTS CODUCTION COMPA Blake Hermes Garrett Hunt Jen Mosnes	NY:	VM <u>L. TE</u> WTE			
PARED BY MATADOR PR Daling Engineer: Completions Engineer: Production Engineer: ADOR RESOURCES CON	TOTAL COSTS CODUCTION COMPA Blake Hermes Garrett Hunt Jen Mosnes	NY: Team Lead - WTX/f	WTE		xec VP & COO - Land & L	egal
PARED BY MATADOR PR Dalling Engineer: Completions Engineer: Production Engineer:	TOTAL COSTS CODUCTION COMPA Blake Hermes Garrett Hunt Jen Mosnes	NY:	WTE		Exec VP & COO - Land & L	egal
PARED BY MATADOR PR Dalling Engineer: Completions Engineer: Production Engineer: ADOR RESOURCES CON	TOTAL COSTS : CODUCTION COMPA Blais Herries Garren Hunt Jan Mosnes IPANY APPROVAL:	NY: Team Lead - WTX/f	WTE	E	Exec. VP & COO - Land & L Exec. VP & COO - Dana	CNA CNA
PARED BY MATADOR PF Dalling Engineer: Completions Engineer: Production Engineer: ADOR RESOURCES CON Exec VP & CFO	TOTAL COSTS : CODUCTION COMPA Blais Herries Garren Hunt Jan Mosnes IPANY APPROVAL:	NY: Team Lead - WTX/ Exec VP - Ros Engineer	WTE	E		CNA
ARED BY MATADOR PF Dalling Englineer: Completions Englineer: Production Englineer: ADOR RESOURCES CON Exec. VP & CFO	TOTAL COSTS : CODUCTION COMPA Blaba Hermes Garret Hunt Jen Mosnes IPANY APPROVAL: DEL DEL NVH	NY: Team Lead - WTX/ Exec VP - Ros Engineer	WTE	E		CNA CNA

Date

Yes

in present on the speet offer the surd has been peripheted in some drag has MT. The factorization system in large its in

Approval

the Taking I

The same on the AFE are sufframe any and may and in strategies, and a supplying insurance and and and a strategies of the main areas an analytics in the Operate by The last of the S

Signed by

Title:

AFE - Version 4

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MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 76240 Phone (972) 371-5200 • Fax (972) 371-5201

		ESTIMATE OF COSTS	AND AUTHORIZATION FOR	REXPENDITURE		
DATE:	April 12, 2021				AFE NO.:	
WELL NAME:	Bivins Fed Com 213				FIELD:	40 000/44 000
LOCATION:	SE4 of 30 and E2 of	31 in 24S-36E			MD/TVD:	19,600//11,650
COUNTY/STATE:	Lea, NM			L	ATERAL LENGTH:	7,500
MRC WI:	The Manager A					
GEOLOGIC TARGET: REMARKS:	Wolkcamp A	quip a 1.5 mile horizontal V	Nolleann A wall with on	orovinustely 42 current		
REMARNO:	Dhir, complete and e	quip a 1.5 mile nonzontal v	Noncamp A wen with hty	proximately 42 burget	·	
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Land / Logal / Regulatory		5 61,500	\$	\$ 15,000	\$ 10,000	\$ 86,0 151,0
Location, Surveys & Dam Drilling	eges	98,000 702,000	13,000	15,000	25,000	702.
Cementing & Fioat Equip		165,000	·			165,0
Logging / Formation Eval	uetion		3,000	3,000		6,0
Flowback - Labor				8,400		8,4
Flowback - Surface Rents Flowback - Rental Living				122,000		122,0
Mud Logging	Closureur	21,600				
Mud Circulation System		49,125				49,
Mud & Chemicala		235,400	43,500	6,000		284,
Mud / Wastewater Dispos	al	130,000	26,700		1,000	131,
Freight / Transportation Rig Supervision / Engine	nina	100,750	78,300	8,000	12,600	199,
Drill Bita		81,400				91,
Drill Bit Purchase		•				
Fuel & Power		137,268	7,000	2,000	1,000	144, 510,
Water Drig & Completion Overh	ad	35,000	472.500	2,000	1,000	13,1
Plugging & Abandonmen			<u> </u>			141
Directional Drilling, Surv	ys.	186,600				166,
Completion Unit, Swab, (101,875	18,000		117,
Perforating, Wireline, Sik High Pressure Pump Tru		<u> </u>	143,500	6,000		
Silmulation	20 C		1,773,975	0,000		1,773,
Stimulation Flowback & I	Diap	· · · · ·	15,500	260,000		275.
Insurance		29,400				29
Labor Rental - Surface Equipme	nt	B3,500 40,800	57,750	15,000	5,000	388.
Rental - Downhole Equip		38,000	77,500	3,000		118
Rentel - Living Quarters		30,025	35,370	· · · · · · · · · · · · · · · · · · ·	5,000	70,
Contingency		08.916	142,937	45,940	6,460	267,
MaxCom		27,950	2.2.2.2.2.2			27,
	TOTAL INTANGIBLES	> 2,366,114 DRILLING	3,346,282 COMPLETION	538,340 PRODUCTION	71,060	6,321 TOTAL
TANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing		\$ 82,589	3	\$	5	\$ 82.
Intermediate Casing		279,427				279.
Drilling Liner						404.
Production Casing Production Liner		404,448				404.
Tubing		65,000	-	62,500		\$47.
Wellhead				45,000		45
Packers, Liner Hangers		*	56,250	5,000	29,900	61.
Tanks Production Vessels					119,638	119
Flow Lines					120,000	120,
Rod string						
Artificial Lift Equipment				30,000	42,500	30,
Compressor Instaliation Costa				· · · ·	80,000	
Surface Pumps		0		5,000	16,250	21
Non-controllable Surface		· · · · ·		· · ·	2,000	2
Non-controllable Downho	ole					
Downhole Pumps Measurement & Meter In:	tallation			10,000	49,000	59
Gas Conditioning / Dehy						
Interconnecting Facility I				-	60,000	50
Gathering / Bulk Lines		· · · · · · · · · · · · · · · · · · ·			· · ·	
Valves, Dumps, Controlk Tank / Facility Containme				2,000	7,500	
Plane Stack					13,333	13
Electrical / Grounding				5,000	28,500	33
Communications / SCAD	A			5,000	2,500	
Instrumentation / Safety	TOTAL TANGIBLES	831,464	56,250	169,500	<u>55,750</u> 616,671	1,694
	TOTAL COSTS		3,402,532	727,640		8,01
	TO THE GOATS	4,101,015				
PARED BY MATADON	PRODUCTION COM	PANY:				
D.201	c Beke Hannes	Team Lead - WTX	ALL ISTE			
Oniting Enginee Completions Engineer		I BRUI FEBO - AALX				
Completions Enginee Production Enginee	•.		TYLE			
Freedoup) Englishe						
ADOR RESOURCES	COMPANY APPROVA	Le				
Exec VP & CH	٥	Exec VP - Res Engran	aund		Exec, VP & COO - Land &	Legal
	DEL		BNR			
Preside	MM	Senior VP - Geoscie	NLF		Exec VP & COO - Open	BEG
	MVH		NLP			520
	ER APPROVAL					
OPERATING PARTN					_	
			Working Interest (%):		, Т.	ex ID:
OPERATING PARTN Company Nam			Providing Interest (74).			
Company Nam			-			
	9		Date:			
Company Nam Signed b Tib	y:	a baland dia pikati Tang nahika iyo Ang ang ing ing ing ing ing ing ing ing ing i	-	Үер		No (mark o

Released to Imaging: 11/30/2021 2:29:01 PM

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MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DAILAS, TEXAS 76240 Phone (972) 371-5200 • Fax (972) 371-5201

DATE:	April 12, 2021				AFE NO .:	
WELL NAME:	Bivins Fed Com 214	н			FIELD:	
LOCATION:	SE4 of 30 and E2 of	31 in 24S-36E			MD/TVO:	19,600' / 11,650
COUNTY/STATE:	Lea, NM			U	ATERAL LENGTH:	7,500
MRC WI:						
GEOLOGIC TARGET:	Wolfcamp A			01 ///		
REMARKS:	Drill, complete and e	quip a 1 5 mile horizontal V	Volfcamp A well with ap	proximately 42 stages	Includes pilot hole and	logs
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory		\$ 61,500	\$	\$ 15,000	\$ 10,000	\$ 80,5
Location, Surveys & Dam Drilling	igee	98,000	13,000	15,000	25,000	151,0
Comenting & Floet Equip		250,000				250,0
Logging / Formation Eval	ation	150,000	3,000	3,000		156,0
Flowback - Labor				8,400		6,4
Flowback - Surface Renta				122,000		122,0
Flowback - Rental Living : Mud Logging	Juarters	33,600		<u> </u>		33,0
Mud Circulation System		61,238				61,5
Mud & Chemicala		270,400	43,500	6,000		319.5
Mud / Wastawater Dispos	al	145,000			1,000	148,
Freight / Transportation		17,600	26,700	8,000	12,600	44,: 230,
Rig Supervision / Engines Drill Bits	nng	131,625	76,300	8,000	12,000	113,4
Drill Bit Purchase						
Fuel & Power		179,334	7,000		·	188,
Water		40,000	472,500	2,000	1,000	515,
Drig & Completion Overh		17,750	<u>.</u>			17,
Plugging & Abandoomen Directional Drilling, Surve		280,100				260,
Completion Unit, Swab, C		200,000	101,875	16,000		117,
Perforating, Wireline, Silc	kline	•	143,500			143,
High Pressure Pump Truc	k		49,500	8,000	•	55,
Stimulation Stimulation Flowback & E			1,773,975	260,000		1,773.
Stimulation Flowback & E Insurance	, etc.	29,400	15,500	200,000		275.
Lebor		83,500	57,750	15,000	5,000	161,
Rental - Surface Equipme		66,740	304,375	10,000	5,000	388,
Rental - Downhole Equip	nent	42,750	77,500	3,000		123,
Rental - Living Querters Contingency		35,488	35,370	48.940	5,000	75, 383,
MaxCom		38,163	142,001	10,010		38,
	TOTAL INTANGIBLES		3,346,282	638,340	71,080	7,230
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE	COSTS	COSTS	COSIS	COSTS	FACILITY COSTS	COSTS
Surface Casing		\$ 02,589	s	s	1	\$ 82.
Intermodiate Casing Dritting Liner		261,695				201)
Production Casing		404,448				404,
Production Liner				<u> </u>		
Tubing		85,000		82,500		187,
Weilhoad				45,000		45,
Packers, Liner Hangers – Tanks			56,250	5,000	29,900	81, 29,
Production Vessele			<u> </u>		119,638	119,
Flow Lines					120,000	120,
Rod string						
Artificial Lift Equipment		·		30,000	42,500	30, 42,
Compressor Installation Costs					80,000	60,
Surface Pumps				5,000	15,250	21,
Non-controllable Surface		· · · · · ·		· · · · ·	2,000	2.
Non-controllable Downho	le					
Downhole Pumps Nessurament & Motor Ins	contellet			10,000	49,000	59
Gas Conditioning / Dehyd				10,000		59,
Interconnecting Facility P			÷		50,000	50,
Gathering / Buik Lines						
Valves, Dumps, Controlle				2,000		- 2
Tank / Facility Containme Flare Stack	nc			<u> </u>	7,500	- 7, 13,
Electrical / Grounding			 	5,000	28,500	33
Communications / SCAD	L			5,000	2,500	7
Instrumentation / Selety					55,750	55.
	TOTAL TANGUBLES		56,250	189,500	616,871	1,758
	TOTAL COSTS	i> 4,129,169	3,402,632	727,840	587,931	8.947
PARED BY MATADOR	PRODUCTION COM	PANY				
FARED BT MATADOR	PRODUCTION COM					
Dritting Enginee	Blake Hermos	Team Lead - WTX	INM WTE			
Completions Enginee			WTE			
Production Enginee	anneoM nat.					
23.225				-		
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Exec VP & CF		Exec VP - Res Enginee	Park		Exec VP & COO - Land & I	Legal CNA
		Faslast B. O.				
Prealder	MVH	Senior VP - Geoscie	NUF		Exec VP & COO - Opera	BEG
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OPERATING PARTN	RAPPROVAL					
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-			Working interest (%):		Ť	w ID:
Company Nerro						
Company Nemo	·		Date:			
			Date:	Yes		No (mark o

.

EXHIBIT C-5

Summary of Communications (Bivins)

Unleased Mineral Owner:

1. Joyce Marie Thomson

In addition to sending well proposals, Matador has had discussions with Cameron H. Morrow (a representative of Joyce Marie Thomson) regarding Joyce Marie Thomson's interest and we are continuing to discuss voluntary joinder.

2. OXY USA WTP, LP

In addition to sending well proposals, Matador has had discussions with OXY USA WTP, LP regarding their interest and continue to discuss voluntary joinder.

3. Russel Lynn Porter

In addition to sending well proposals, Matador has had discussions with Cameron H. Morrow (a representative of Russel Lynn Porter) regarding Russel Lynn Porter's interest and we are continuing to discuss voluntary joinder.

4. TROG Fund II, LP

In addition to sending well proposals, Matador has had discussions with TROG Fund II, LP regarding their interest and continue to discuss voluntary joinder.

5. F3 Criterion Minerals, LP

In addition to sending well proposals, Matador has had discussions with F3 Criterion Minerals, LP regarding their interest and continue to discuss voluntary joinder.

6. Tower Rock Royalties TWO, LP

In addition to sending well proposals, Matador has had discussions with Tower Rock Royalties TWO, LP regarding their interest and continue to discuss voluntary joinder.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C5 Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22345, 22346, 22347, and 22348

AFFIDAVIT OF ANDREW PARKER

Andrew Parker, of lawful age and being first duly sworn, declares as follows:

1. My name is Andrew Parker and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Vice President of Geology.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. I am familiar with the applications filed by Matador in these consolidated cases and have conducted a geologic study of the lands in the subject area.

3. **Matador Exhibit D-1** is a locator map outlining the horizontal spacing units with a black box shaded in yellow, with the larger area identified in a red box.

Case Nos. 22345 and 22346

4. The target interval for the initial wells in these proposed spacing units is the Third Bone Spring sand of the Bone Spring formation.

5. **Matador Exhibit D-2** is a subsea structure map that I prepared for the top of the Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring formation gently dipping to the west. The structure appears consistent across the proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.

6. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348 7. **Matador Exhibit D-3** is a structural cross-section that I prepared displaying openhole logs run over the Bone Spring formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included, when available: gamma ray, caliper, resistivity, and porosity. The proposed target interval of each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted interval, within the Bone Spring formation, is consistent in thickness across the entirety of the proposed spacing unit.

8. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Bone Spring formation in the area of the spacing units proposed in these cases.

9. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.

10. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

11. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

Case Nos. 22347 and 22348

12. The target interval for the initial wells in these proposed spacing units is the Wolfcamp A formation.

13. **Matador Exhibit D-4** is a subsea structure map that I prepared for the top of the Wolfcamp formation. The contour interval is 50 feet. The structure map shows the Wolfcamp formation gently dipping to the west-southwest. The structure appears consistent across the

2

proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.

14. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.

15. **Matador Exhibit D-5** is a structural cross-section that I prepared displaying openhole logs run over the Wolfcamp formation from two of the three representative wells denoted from A to A' – there were not logs from the Wolfcamp formation available for the third of the three wells. For each well in the cross-section, the following logs are included, when available and for the depths available: gamma ray, caliper, resistivity, and porosity. The proposed target interval of each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted interval, within the Wolfcamp formation, is consistent in thickness across the entirety of the proposed spacing unit.

16. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Wolfcamp formation in the area of the spacing units proposed in these cases.

17. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.

18. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

19. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

20. **Matador Exhibits D-1 through 5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

ANDREW PARKER

STATE OF TEXAS COUNTY OF DALLAS

SUBSCRIBED and SWORN to before me this $\frac{18}{50}$ and sworm to before me this $\frac{18}{50}$ and sworm to be fore me this $\frac{18}{50}$ and $\frac{18}{50}$ and

Andrew Parker.

ANIMAL PLAN	SARA MARIE HARTSFIELD
10 A 0	Notary Public, State of Texas
10 X 8	Comm. Expires 08-21-2023
OF THE	Notary ID 130324013

My Commission Expires:

8-21-2023

a Marie Hartsfield

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Locator Map

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BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D1 Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348



Exhibit D-1

Bivins #137H, #138H, #213H and #214H

WC-025 G-08 S253534O;BONE SPRING [97088] Exhibit D-2 Structure Map (Top Bone Spring Subsea) A – A' Reference Line





Map Legend



BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D2 Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348



Received by OCD: 11/30/2021 2:11:46 PM

WC-025 G-08 S2535340; BONE SPRING [97088] Structural Cross-Section A – A'



Exhibit D-3

D-3

JAL;WOLFCAMP, WEST [33813] Exhibit D-4 Structure Map (Top Wolfcamp Subsea) A – A' Reference Line





Map Legend

Received by OCD: 11/30/2021 2:11:46 PM



C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D4 Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348



Page 65 of 76

JAL;WOLFCAMP, WEST [33813] Structural Cross-Section A – A'

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Exhibit D-5

Page 66 of 76

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22345-22348

AFFIDAVIT

STATE OF NEW MEXICO)) ss. COUNTY OF SANTA FE)

Adam G. Rankin attorney in fact and authorized representative of Matador Production Company, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 30th day of November, 2021 by Adam G.

Rankin.

Notary Public

My Commission Expires:

Nov. 12, 2023

OFFICIAL SEAL Carla Garcia NOTARY PUBLIC - STATE OF NEW MEXICO ov. 12, 2022 My Commission Expires:

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348



November 12, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Bivens Fed Com #137H well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 2, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact David Johns, at (972) 619-1259 or djohns@matadorresources.com.

Sincerely,

Kaitlyn A. Luck 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



November 12, 2021

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Bivens Fed Com #138H well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 2, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

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Sincerely,

Kaitlyn A. Luck Attorney for Matador Production Company

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

Released to Imaging: 11/30/2021 2:29:01 PM



November 12, 2021

<u>VIA CERTIFIED MAIL</u> <u>CERTIFIED RECEIPT REQUESTED</u>

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Bivens Fed Com #213H well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 2, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

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Sincerely,

Kaitlyn A. Luck Attorney for Matador Production Company

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AlaskaMontanaUtahColoradoNevadaWashington, D.C.IdahoNew MexicoWyoming



November 12, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Bivens Fed Com #214H well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on December 2, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

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Sincerely,

Kaitlyn A. Luck 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_Bivens 137H-138H, 213H-214H Case Nos. 22345-22348 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765851227983	Cameron H. Morrow and wife, Vicky L. Morrow	30393 Oak Grove Rd Paolo Kansas 66071	Paola	ĸs	66071-8454	Your item was picked up at the post office at 1:49 pm on November 19, 2021 in PAOLA, KS 66071.
9414811898765851227938	Ethan Clay Upshaw	3421 West Bramlet Dr., Conroe, Texas 77304	Conroe	тх	77304	Your package will arrive later than expected, but is still on 4 its way. It is currently in transit to the next facility.
9414811898765851227976	Joyce Marie Thomson	2946 Glen Heather Dr	San Jose	CA	95133-1419	Your item was picked up at the post office at 9:41 am on November 19, 2021 in SAN JOSE, CA 95132.
9414811898765851227617	OXY USA WTP, LP	S Greenway Plz Suite 110 Houston Texas 77046	Houston	тх	77046-0526	Your Item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on November 16, 2021 at 10:06 am.
9414811898765851227624	Russell Lynn Porter	PO Box 375	Naturita	со	81422-0375	Your item was delivered at 1:03 pm on November 16, 2021 in NATURITA, CO 81422.
9414811898765851227600	Solon Grant Upshaw	2031 Doolan Dr Conroe Texas 77301	Conroe	тх	77301-4105	Your item was delivered to an individual at the address at 11:59 am on November 16, 2021 in CONROE, TX 77301.
9414811898765851227693	TROG Fund II, LP	PO Box Austin Tx 78763	Austin	тх	7876	Your item was delivered at 9:33 am on November 17, 3 2021 in AUSTIN, TX 78703.
9414811898765851227648	F3 Criterion Minerals, LP	PO Box Austin Tx 78763	Austin	тх	7876	Your item was delivered at 9:33 am on November 17, 3 2021 in AUSTIN, TX 78703.
9414811898765851227631	Tower Rock Royalties TWO, LP	PO Box Austin Tx 78763	Austin	тх	7876	Your item was delivered at 9:31 am on November 17, 3 2021 in AUSTIN, TX 78703.

Received by OCD: 11/30/2021 2:11:46 PM

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated November 18, 2021 and ending with the issue dated November 18, 2021.

Publisher

Sworn and subscribed to before me this 18th day of November 2021.

Slack.

Business Manager

My commission expires January 29, 2023 (Seal) OFFICIAL SEAL GUSSIE BLACK Notary Public State of New Mexico My Commission Expires

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

LEGAL NOTICE November 18, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday, December 2, 2021, beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxillary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than November 22, 2021.

Persons may view and participate in the hearings through the following link: ...

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e373ccca895f31b1 e444a2f8d30af1ede Event number: 2497 361 3254 Event password: bpXPunYs263

Join by video: 24973613254@nmemnrd.webex.com Numeric Password: 143879 You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free Access code: 2497 361 3254

> STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: Cameron H. Morrow and wife, Vicky L. Morrow, their heirs and devisees; Ethan Clay Upshaw, his heirs and devisees; Joyce Marie Thomson, her heirs and devisees; OXY USA WTP, LP; Russell Lynn Porter, his heirs and devisees; Solon Grant Upshaw, his heirs and devisees; TROG Fund II, LP; F3 Criterion Minerals, LP; and Tower Rock Royalties TWO, LP.

Case No. 22345: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The abovereferenced unit will be dedicated to the proposed initial Bivens Fed Com #137H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 7 miles north of Jal, New Mexico. #37037

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HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. F Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348

Released to Imaging: 11/30/2021 2:29:01 PM



SANTA FE, NM 87504-2208

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated November 18, 2021 and ending with the issue dated November 18, 2021.

Publisher

Sworn and subscribed to before me this 18th day of November 2021.

ack

Business Manager



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

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Publisher

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Business Manager



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Case No. 22347: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Bivens Fed Com #213H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 31. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 7 miles north of Jal, New Mexico. #37039 #37039

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HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208

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Case No. 22348: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 240-acre, more or less, horizontal spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Bivens Fed Com #214H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 31. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the well, the allocation of the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 7 miles north of Jal, New Mexico.

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HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208