# 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



## 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

#### TABLE OF CONTENTS

- Matador Exhibit A: Compulsory Pooling Application Checklists
- Matador Exhibit B: Applications of Matador Production Company for Compulsory Pooling
- Matador Exhibit C: Affidavit of David Johns, Landman
  - o Matador Exhibit C-1: C-102s
  - o Matador Exhibit C-2: Land Tract Map
  - o 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
  - o Matador Exhibit D-1: Locator map
  - o Matador Exhibit D-2: Bone Spring subsea structure & cross-section map
  - o Matador Exhibit D-3: Bone Spring structural cross-section
  - o Matador Exhibit D-4: Wolfcamp subsea structure & cross-section map
  - o Matador Exhibit D-5: Wolfcamp structural cross-section
- Matador Exhibit E: Notice Affidavit
- Matador Exhibit F: Affidavit of Publication for Each Case

## **COMPULSORY POOLING APPLICATION CHECKLIST**

### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

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	BEFORE THE OIL CONSERVATION DIVISIO  Santa Fe, New Mexico  Exhibit No. A				

Exhibit No. A

Submitted by: Matador Production Company Hearing Date: December 2, 2021 Case Nos. 22345-22348

(standard or non-standard)

Received by OCD: 11/30/2021 2:12:47 PM	'Bivins Fed Com #137H well				
Well #1	SHL: (Unit J) of Section 30, Township 24 South, Rang 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				
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3				

## **COMPULSORY POOLING APPLICATION CHECKLIST**

### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22346	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	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	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)				

Well #1	'Bivins Fed Com #138H well SHL: (Unit J) of Section 30, Township 24 South, Rang 36 East BHL: (Unit P) of Section 31, Township 24 South, Rang 36 East FTP: 330 feet FEL, 2540 FSL feet Sec. 30 LTP: 330 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-1				
Horizontal Well First and East Take Folints					
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				

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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):	1060				
Date:	30-Nov-21				

## COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST B Case: 22347	APPLICANT'S RESPONSE				
	December 2, 2021				
Date					
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	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 2:12:47 PM	Page 10 of				
Well #1	'Bivins Fed Com #213H well SHL: (Unit J) of Section 30, Township 24 South, Range 3 East BHL: (Unit P) of Section 31, Township 24 South, Range 3 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 Horizontal Well First and Last Take Points	Exhibit C-1				
	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 pr	ovided in this checklist is complete and accurate.				
Printed Name (Attorney or Party Representative):	Adam G. Rapkin				
Signed Name (Attorney or Party Representative):	(26)				
Date:	30-Nov-21				

## **COMPULSORY POOLING APPLICATION CHECKLIST**

## 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)					

Received by OCD: 11/30/2021 2:12:47 PM	Page 13 of				
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				
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			
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			
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 provided in this checklist is complete and accurate.

Adam G. Rankin

30-Nov-21

**Printed Name** (Attorney or Party Representative): **Signed Name** (Attorney or Party Representative):

Date:

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

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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.

Respectfully submitted,

HOLLAND & HART LLP

By:

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

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

#### 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:

- An affiliate entity of Matador is a working interest owner in the proposed 1. spacing unit and has the right to drill thereon.
- Applicant seeks to dedicate the above-referenced spacing unit to the proposed 2. 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.
- Applicant has sought and been unable to obtain voluntary agreement for the 4. development of these lands from all working interest owners in the subject acreage.

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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.

Received by OCD: 11/2/2021 1:29:42 PM

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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Santa Fe, NM 87504
505-998-4421
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ATTORNEYS FOR MATADOR PRODUCTION COMPANY

## 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.

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  - 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.

Respectfully submitted,

HOLLAND & HART LLP

By:\_\_\_

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

#### 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:

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

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- 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.

Respectfully submitted,

**HOLLAND & HART LLP** 

By:\_

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
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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

- 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

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

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.

- 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.

David Johns

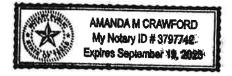
STATE OF TEXAS

COUNTY OF DALLAS

SUBSCRIBED and SWORN to before me this 29th day of November 2021 by David Johns.

My Commission Expires:

9-19-2023



## **EXHIBIT C-1**

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C1

Submitted by: Matador Production Company

Hearing Date: December 2, 2021

Case Nos. 22345-22348

**FORM C-102** 

State of New Mexico Energy, Minerals & Natural Resources

Department

Submit one copy to appropriate District Office

Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

811 S. First St., Artesia, NM 88210

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District [I

240

<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

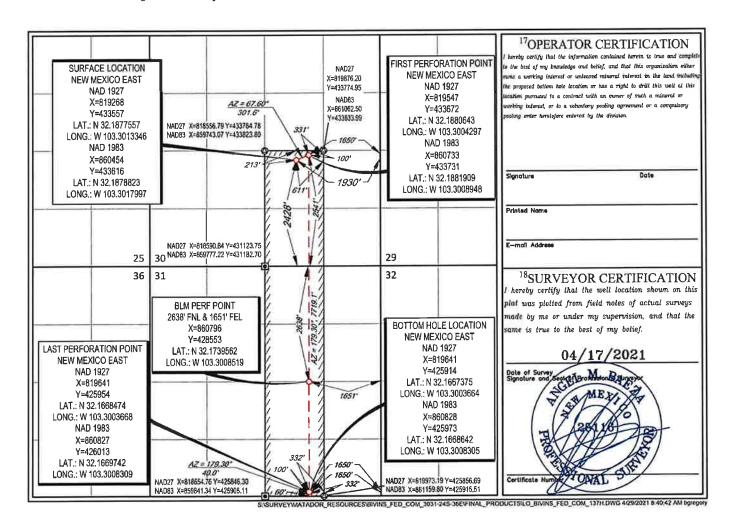
**OIL CONSERVATION DIVISION** 1220 South St. Francis Dr. Santa Fe, NM 87505

AMENDED REPORT

Revised August 1, 2011

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Well Number Property Name Property Code 137H BIVINS FED COM Elevation Operator Name OGRID No. 3374 MATADOR PRODUCTION COMPANY <sup>10</sup>Surface Location East/West line County Feet from the North/South line Feet from the UL or lot no. Section Township Rang Lot Idn 2428' 1930' EAST LEA 24-S 36-E SOUTH J 30 11 Bottom Hole Location If Different From Surface North/South line Feet from th East/West lin County Feet from th UL or lot no. Lot Id: Section Township Rang 24-S 36-E 60 SOUTH 1650° EAST LEA 31 0 Dedicated Acres <sup>5</sup>Joint or Infill Consolidation Code <sup>5</sup>Order No.

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



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

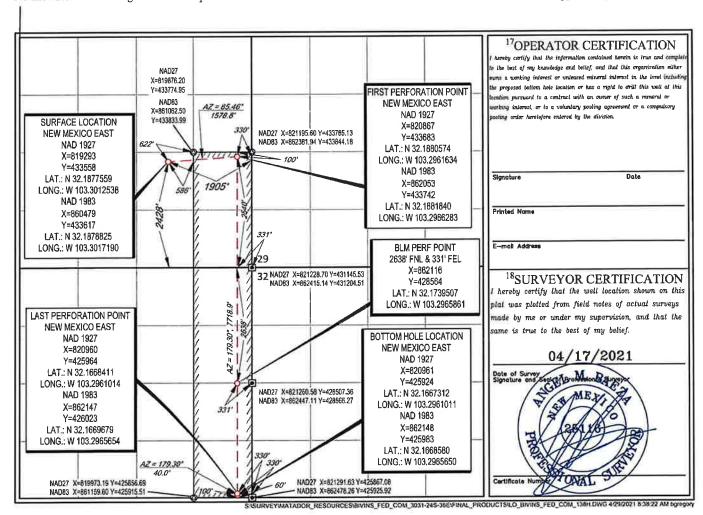
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>1</sup>API Number Property Name Well Number Property Code 138H BIVINS FED COM Elevation Operator Name OGRID No. 3374 MATADOR PRODUCTION COMPANY 10 Surface Location East/West line County Lot Idn Feet from the North/South line Feet from the UL or lot no. Township Range Section 2428' SOUTH 1905 EAST LEA J 30 24-S 36-E <sup>11</sup>Bottom Hole Location If Different From Surface Feet Irom th East/West lin County North/South line UL or lot no, Township Range Lot Ide Feet from the Section SOUTH 330' **EAST** LEA 36-E 60 P 31 24-S Consolidation Code Dedicated Acres Joint or Infill Order No. 240

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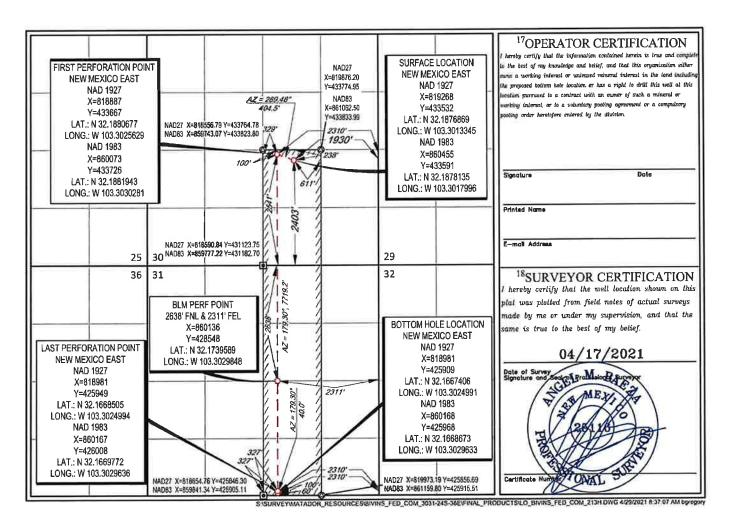
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

	API Number			<sup>2</sup> Pool Code		<sup>3</sup> Pool Name			
⁴Property Code					Property Name *Well Number   S FED COM 213H				
<sup>7</sup> OGRID I	No.	*0			•	perator Name DUCTION COMPANY 3373'			
					10 Surface Lo	cation			
UL or lot no.	Section 30	Township 24-S	Range 36-E	Lot Idn	Feet from the 2403'	North/South line SOUTH	Feet from the 1930'	East/West line EAST	LEA
			11]	Bottom Hol	le Location If D	ifferent From Sur	face		
UL or lot no.	Section 31	Township 24-S	Range 36-E	Lot fdn	Feet from the	North/South line SOUTH	Feet from the 2310'	East/West line EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or 1	nfill I*Co	nsolidation Co	de <sup>15</sup> Orde	er No.				

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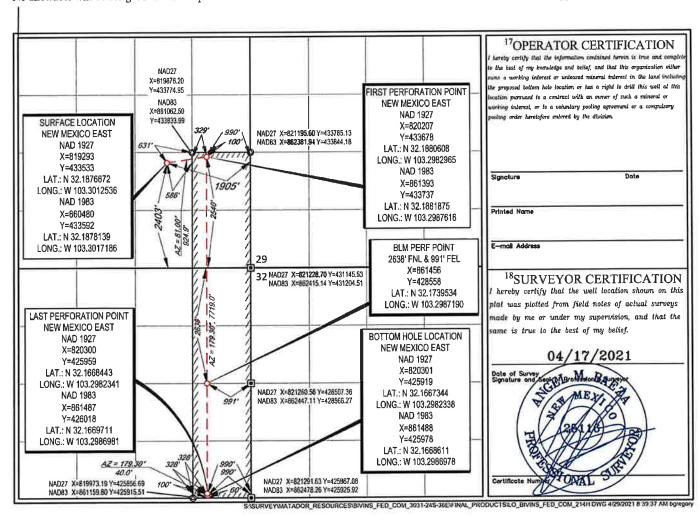
State of New Mexico
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FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
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AMENDED REPORT

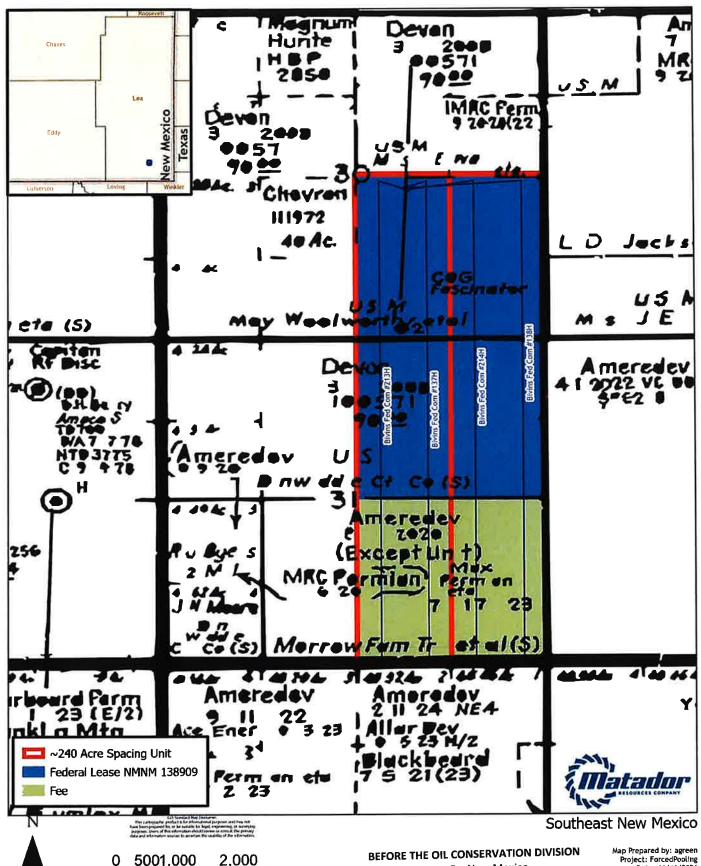
		V	VELL LO	CATIO	N AND ACR	EAGE DEDICA	ATION PLAT	Γ		
	<sup>1</sup> API Number <sup>2</sup> Pool C						<sup>3</sup> Pool Nan	ne		
(Property (	Code I				<sup>5</sup> Property N	amc		W <sup>3</sup>	/eli Number	
<sup>4</sup> Property Code				BIVINS FED COM					214H	
TOGRID I			MATADOR PRODUCTION COMPANY					Elevation		
					<sup>10</sup> Surface Lo	ocation				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	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	Let Idn	Feet from the	North/South line	Feet from the	East/West line	County	
P	31	24-S	36-E	-	60'	SOUTH	990'	EAST	LEA	
<sup>12</sup> Dedicated Acres <b>24</b> 0	<sup>13</sup> Joint or	infill PC	onsolidation Co	ide 15Ord	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.



# **EXHIBIT C-2**

### **Bivins**



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C2

Submitted by: Matador Production Company

Hearing Date: December 2, 2021 Case Nos. 22345-22348

■ Feet

# **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 Tot	tal:	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%		

1

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



# **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 djohns@matadorresources.com

David Johns Landman

May 25, 2021

#### VIA CERTIFIED RETURN RECEIPT MAIL

Ethan Clay Upshaw 2421 West Bramlet Drive Conroe, TX 77304

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 #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

David Johns

Ethan Clay Upshaw hereby elects to:
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado.  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 Matado 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 Matado 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 Matado Production Company's <b>Bivins Fed Com #214H</b> well, in the estimated amount of \$40,134,28.  Not to participate in the <b>Bivins Fed Com #214H</b>
Ethan Clay Upshaw
Ву:
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 djohns@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 djohns@matadorresources.com

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 #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 Matados 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 Matados 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 Matado 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:

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1800 • DALLAS, TEXAS 75240
Phone (872) 371-5200 • Fex (972) 371-5201

		ESTIMATE OF COSTS A	ND AUTHORIZATION FOR	EXPENDITURE		
DATE:	April 12, 2021				AFE NO.:	
WELL NAME:	Bivins Fed Com 137H				FIELD:	10 100 111 1 100
LOCATION:	SE4 of 30 and E2 of 3	1 in 24S-36E			MD/TVD:	19,400711,450
COUNTY/STATE: MRC WI:	Lea, NM			LA	TERAL LENGTH:	7,500
GEOLOGIC TARGET:	3rd Bone Spring Sand					
REMARKS:		ip a 1.5 mile horizontal	3rd Bone Spring Sand w	ell with approximately	42 stages	
			001101571011	PRODUCTION		TOTAL
INTANGIBLE C	OSTS	COSTS	COMPLETION	COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory	- 5	61,500	5	15,000	\$ 10,000	\$ 86,500
Location, Surveys & Damage Drilling	15	98,000 651,000	13,000	15,000	25,000	151,000 651,000
Comenting & Float Equip		165,000				165,000
Logging / Formation Evaluat	not		3,000	3,000	e	8,400
Flowback - Labor Flowback - Surface Rentals				122,900	====	122,000
Flowback - Rental Living Qu	arlors					21,600
Mud Logging Mud Circulation System		21,600 46,575				46,575
Mud & Chemicals		235,400	43,500	6,000		284,900
Mud / Wastewater Disposal		130,000	26,700		1,000	131,000
Freight / Transportation Rig Supervision / Engineerin	м	94,250	76,300	6,000	12,600	183,150
Drill Bita	-	91,400				91,400
Drill Bit Purchase Fuel & Power		128.412	7,000			135,412
Water		35,000	472,500	2,000	1,000	510,500
Drig & Completion Overhead Plugging & Abandonment	1	12,000				12,000
Program & Authoritions Directional Drilling, Surveys		184,900				184,920
Completion Unit, Swab, CTU	ı (		101,875	16,000		117,875
Perforating, Wireline, Slick! High Pressure Pump Truck	n#		143,500	6,000		65,500
Stimulation			1,773,975			1,773,975
Silmulation Flowback & Disj Insurance	•	29,100	15,500	260,000		275,800 29,100
Labor		83,500	57,750	15,000	5,000	161,260
Rental - Burface Equipment		45,120	304,375	10,000	6,000	364,495 117,500
Rental - Downhole Equipme Rental - Living Querters	nt	37,000 28,675	77,500 35,370	3,600	5,000	69.245
Contingency		66,517	142,037	48,040	6,460	264,654
MaxCom		25,800	2 247 492	638,340	71,060	25,800 6,239,431
	TOTAL INTANGIBLES >	2,283,749 DRILLING	3,345,282 COMPLETION	PRODUCTION	77,000	TOTAL
TANGIBLE CO	OSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing Internediate Casing	•	82,589 274,492	5	•	•——	\$ 82,589 274,492
Drilling Liner						(*)
Production Casing Production Liner		400,474		Y		400,474
Production Liner Tubing				B2,500		82,500
Wellhoad		65,000		45,000	3	110,000
Packers, Liner Hengers Tanks			68,250	5,000	29,900	81,250 29,900
Production Vessels					119,638	119,638
Flow Lines Rod string		<u>-</u> _			120,000	120,000
Artificial Lift Equipment				30,000		30,000
Compressor					42,500 60,000	42,500 80,000
Installation Costs Surface Pumps		<del>:</del>		5,000	16,250	21,250
Non-controllable Surface					2,000	2,000
Non-controllable Downhole Downhole Pumps		<del></del>		<del></del>		
Measurement & Meter Inclai				10,000	49,000	59,000
Gas Conditioning / Dehydra				<u>:</u>	59,000	50,D00
interconnecting Facility Pipi Gathering / Bulk Lines	ng			<del></del>		
Valves, Dumps, Controllers				2,000	7.500	2,000 7,500
Tank / Facility Containment Flare Stack					7,500 13,333	13,333
Electrical / Grounding				5,000	28,500	33,500
Communications / SCADA Instrumentation / Safety				5,000	2,500 55,750	7,500 55,750
med dinemation 1 Salety	TOTAL TANGIBLES	822,555	56,260	189,500	616,871	1,685,176
	TOTAL COSTS >	3,108,304	3,402,532	727,840	667,931	7,924,607
PARED BY MATADOR P	RODUCTION COMPA					
Drilling Engineer		Team Lead - WTX/				
Completions Engineer Production Engineer			W7E			
. rouseout Engineer						
TADOR RESOURCES CO						
Exec VP & CFC	DEL	Exec VP - Res Engineo	gring	E	xec VP & COD - Land & L	.egal
Presiden		Senior VP - Geoscie	POOR		Exec VP & COO - Opera	tions
. iosidai	MVH		NLF			BEG
OPERATING PARTNER	APPROVAL:					
Company Name			Working Interest (%):		Te	x ID:
Signed by	:		Dnin:			
			Approval	Yes		No (mark one)
Tibe		and the second transfer of	Approval:	Tes	el referencement	140 (Historie)
			Constitute that the second by the sales pro-	Antique by Commerce and terms and have		Course a tableau summing to see currens

AFE - Version 4

MATADOR PRODUCTION COMPANY  ONE LINCOLN CENTRE : 5400 LBJ FREEWAY : SUITE 1500 - DALLAS, TEXAS 75240									
		Phone (972) ESTIMATE OF COSTS A	271-5200 • Fax (9 ND AUTHORIZAT	•				7	22
DATE:	April 12, 2021					A	FE NO.:	_	
WELL NAME:	Bivins Fed Com 138H						FIELD:		
LOCATION:	SWE of 30 and E2 of 31	in 24S_38E				l.	ID/TVO:	19.4	00711,450
	Lea, NM	III E40-DGE			1.6	ATERAL LI	ENGTH:	10,	7,500
COUNTY/STATE:	Lea, NW					A I E JUNE E			1,000
MRC WI:									
GEOLOGIC TARGET:	3rd Bone Spring Sand								
REMARKS:	Drill, complete and equip	a 1.5 mile horizontal	3rd Bone Spring	Sand we	II with approximately	42 slage	29		
		DRILLING	COMPLETIO	NC.	PRODUCTION				TOTAL
INTANGIBL	E COSTS	COSTS	COSTS		COSTS	FAC	ILITY COSTS		COSTS
Land / Legal / Regulatory	, ,	61,500	\$		15,000	·	10,000	- 1	86,50
Location, Surveys & Dan	nages	99,000	13	.000	15,000		25,000	- 2	151.00
Drilling		651,000						_	651,00
Comenting & Float Equip		165,000		_				_	165,00
Logging / Formation Eva	duation		3	,000	3,000			-	6,00
Flowback - Labor	DATE				8,400	_		_	8,40
Flowback - Surface Rent					122,000			_	122,00
Fiowback - Rental Living	Quarters					-		_	
Mud Logging	_	21,600				_		_	21,60 46.57
Mud Circulation System	_	46,575				_		_	284,90
Mud & Chemicals		235,400	43	,500	6,000		1.000	_	131.00
Mud / Wastewater Dispo	eal _	130,000		700			1,000	_	39,50
Freight / Transportation	<u>~</u>	94,250		,300	000.8		12,600	_	193,15
Rig Supervision / Engine	eering	B1,400	- 10	,300	0,000		12,000	_	91,40
Drill Bits Drill Bit Purchase	-	81,400		—		_		_	
Fuel & Power	-	126,412		.000	$\overline{}$	_	<del></del>	_	135,4
Water		35,000		500	2,000		1,000	_	510,5
Drig & Completion Over	head	12,000						_	12,0
Plugging & Abandonme		18,000				_		_	-
Directional Orilling, Sur		184,900		_		_		_	184,9
Completion Unit, Swab,			101	,875	16,000			_	117,6
Perforating, Wireline, St				,500				_	143,5
High Pressure Pump Tru		*		,500	6,000		-		55,5
Stimulation	-		1,773					_	1,773,9
Stimulation Flowback &	Disp		15	,500	260,000				275,5
naurance		29,100						_	29,10
Labor		83,500		,750	15,00D		5,000	_	181,2
Rental - Surface Equipm		45,120		.375	10,000		5,000	_	364,4
Rental - Downhole Equip		37,000		,500	3,000	_		_	117,6
Rental - Living Quarters	<u>-</u>	28 875		,370			5,000	_	69,2
Contingency		66,517	142	.937	46,940		8,460		254,8

Contingency		00,517	142,937	40,940	0,400		204,024
MaxCom		25,800					25,800
TOTAL	INTANGIBLES >	2,283,749	3,346,282	538,340	71,060		6,239,431
-		DRILLING	COMPLETION	PRODUCTION			TOTAL
TANGIBLE COSTS		CDSTS	COSTS	COSTS	FACILITY COSTS		COSTS
Surface Casing	- 1	82,559	\$	\$	1	1	82,589
Intermediate Casing	===	274,492					274,492
Drilling Liner						_	.*:
Production Casing		400,474					400,474
Production Liner	-						
Tubing				82,500		_	82,500
Wellhead	100	65,000		45,000			110,000
Packers, Liner Hangers			56,250	5,000		_	61,250
Tanka	<u> </u>	1			29,900		29,900
Production Vessels					119,638		119,638
Flow Lines					120,000	_	120,000
Rod string							
Artificial Lift Equipment	_			30,000			30,000
Compressor					42,500		42,500
instaliation Costs	_				80,000	_	80,000
Surface Pumpa	_			5,000	18,250		21,250
Non-controllable Surface					2,000	_	2,000
Non-controllable Downhole							<u> </u>
Downhole Pumps	_						50.566
Measurement & Meter Installation	-			10,000	49,000	_	69,000
Gas Conditioning / Dehydration	_			<u> </u>			
interconnecting Facility Piping	_				50,000	_	50,000
Gathering / Bulk Lines	_				<u>-</u>		
Velves, Dumps, Controllers	_			2,000		_	2,000
Tank / Facility Containment					7,500	_	7,500
Flare Stack	_				13,333		13,333
Electrical / Grounding	1200			5,000	28,500		33,600
Communications / SCADA				5,000	2,500	_	7,800
Instrumentation / Safety	CONTROL DO				55,750		55,750
TOTA	L TANGIBLES >	822,655	55,250	189,600	616,871		1,685,178
	TOTAL COSTS >	3,108,304	3,402,532	727,840	687,931		7,924,507

Drilling Engineer:	Blake Hermes	Team Lead - WTX/NM L. 72			
Completions Engineer:	Garrett Hunt	WTE			
Production Engineer:	Jan Mosnes				
OR RESOURCES COM	PANY APPROVAL	ļ;			
Exec VP & CFO		Exec VP - Ros Engineering		Exec VP & COO - Lend & Legal	CNA
	DEL	BMR		Exec. VP & COO - Operations	CNA
President_	HVH	Senior VF - Geografience NLF		Exec. VF & COO - Operations	BEG
PERATING PARTNER A	PPROVAL:				
Company Name:		Working Intere	est (%)	Tax ID:	
Signed by			Date		
Title:		A	pproval Yes	, No	(mark or

		ESTIMATE OF COSTS AND	AUTHORIZATION TOP	EAPENDITURE		
ATE:	April 12, 2021				AFE NO.:	
VELL NAME:	Bivins Fed Com 213				FIELD:	
OCATION:	SE4 of 30 and E2 of	31 in 24S-36E			MD/TVD:	19,600'/11,650'
OUNTY/STATE:	Lea, NM			LAT	TERAL LENGTH:	7,500
RC WI:						
EOLOGIC TARGET:	Wolksamp A			***************************************		
EMARKS:	Drill, complete and e	quip a 1.5 mile horizontal Wolf	camp A well with app	proximately 42 stages.		
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBL	E COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
and / Logal / Regulator		\$ 61,500 \$		\$ 15,000	\$ 10,000	\$ 86,600
ocation, Surveys & Dar diling	meges	98,000	13,000	15,000	25,000	151,000 702,000
rnnng ementing & Float Equi	in.	165,000				165,000
gging / Formation Evi			3,000	3,000		6,000
owback - Labor				8,400		8,400
owback - Surface Ren				122,000		122,000
owback - Rental Livin; ud Logging	g Quarters	21,600		1.00		21,600
od Cogging od Circulation System	t	49,125				49,125
ud & Chemicals		235,400	43,500	6,000		284,900
ud / Wastewater Diapo	eal	130,000	·		1,000	131,000
eight / Transportation		12,600	26,700	0.000	40.000	39,500
g Supervision / Engin	earing	100,750 B1,400	78,300	8,000	12,600	199,650 91,400
rill Bila rill Bit Purchase						81,400
uel & Power		137,268	7,000			144,268
later		35,000	472,500	2,000	1,000	510,500
rig & Completion Over		13,000			<u> </u>	13,000
lugging & Abandonme Iractional Drilling, Sur		186,600				166,800
ompletion Unit, Swab,		100,000	101,875	16,000		117,875
eriorating, Wireline, Si	licklina		143,500			143,500
igh Pressure Pump Tr	uck		49,500	6,000	· ·	55,500
timulation			1,773,975	280,000		1,773,975
timulation Flowback & seurance	DIND	29.400	15,500	290,000		29,400
abor		B3,500	57,750	15,000	5,000	161,250
ental - Surface Equipm	nent	48,880	304,375	10,000	5,000	388,255
ental - Downhole Equi		38,000	77,500	3,000		118,500
ental - Living Quarters	1	30,025	35,370	45,940	5,000 6,460	70,395 267,253
ontingency laxCom		27,950	142,937	40,040	0,400	27,950
	TOTAL INTANGUBLES		3,346,282	538,340	71,050	6,321,796
		DRILLING	COMPLETION	PRODUCTION	561000000000000	TOTAL
TANGIBLE	E COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
urface Casing		\$ 82,589 \$		·		\$ 82,580 279,427
itermediate Casing rilling Liner		279,427		$\overline{}$		219,421
roduction Casing		404,448				404,448
roduction Liner						
ubing		65,000		62,500		147,500
felihend			56,250	45,000 5,000		45,000 61,250
ackers, Liner Hangers anks			30,230	3,000	29,900	29,900
roduction Vessels		•			119,638	119,038
low Lines		-			120,000	120,000
od string				20.000		30,000
rtificial Lift Equipment	t			30,000	42,500	42,500
empressor mislistion Costs		<u>-</u>		<del></del>	80,000	80,000
urfacé Pumps				5,000	15,250	21,250
on-controllable Surfac					2,000	2,000
on-controllable Down	hole			-		
ownhole Pumps leasurement & Meter I	eetallation			10,000	49,000	59,000
as Conditioning / Deh				+	40,000	
terconnecting Facility				•	60,000	50,000
athering / Bulk Lines						- 2717
etves, Dumps, Control				2,000	7,500	7,500
enk / Fecility Containn Jare Stack	nen:			<del></del>	13,333	13,333
lectrical / Grounding				5,000	28,500	33,500
ommunications / SCA				5,000	2,500	7,500
etrumentation / Safety					55,750	55.750
	TOTAL TANGIBLES		56,250	169,500	616,871	1,694,085 8,015,881
	TOTAL COST	5> 3,197,578	3,402,532	727,640	687,931	8,015,881
ARED BY MATADO	OR PRODUCTION COM	PANY:				
Oriting Engine	Beke Hennes	Team Lead - WTX/NM	WIE			
Completions Engine			WTE			
Production Engine						
DOR RESOURCES	COMPANY APPROVA	L:				
Exec VP & C	:FO	Exec VP - Res Engreering		E	rec. VP & COO - Land & L	egal
	DEL		DMA	_	NI .	CNA
Presid		Senior VP - Geoscience			Exec VP & COO - Operar	BEG
	MVH		NLF			REG
OPERATING PART	NER APPROVAL:					
Company Nar	me	v	vorking Interest (%):		Ta	x ID:
Signed	by:		Date:			

AFE - Version 4

ONE LINCOLN CENTRE • \$400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240 Phone (872) 371-5200 • Fax (972) 371-5201

		ESTIMATE OF COSTS	AND AUTHORIZATION FO	R EXPENDITURE		
DATE:	April 12, 2021				AFE NO.:	
WELL NAME:	Bivins Fed Com 214H				FIELD:	40.0001.144.0001
LOCATION:	SE4 of 30 and E2 of 3	1 in 24S-36E		89	MD/TVO:	19,600' / 11,650' 7,500
COUNTY/STATE: MRC WI:	Lea, NM				TENAL CENTINE	7,000
GEOLOGIC TARGET:	Wolfcamp A					
REMARKS:	Drill, complete and eq	uip a 1 5 mile horizontal \	Nolfcamp A well with an	proximately 42 stages	Includes pilot hole and	logs
			AATTO CENTER	PRODUCTION		TOTAL
INTANGIBLE	COSTS	DRILLING COSTS	COMPLETION COSTS	COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory	,	61,500	5	\$ 15,000	\$ 10,000	\$ 88,500
Location, Surveys & Dama Orilling	iges	98,000 944,250	13,000	15,060	25,000	151,000 944,250
Comenting & Float Equip		250,000				250,000
Logging / Formation Evalu Flowback - Labor	iation	150,000	3,000	3,000 8,400		156,000 6,400
Flowback - Surface Rental	la			122,000		122,000
Flowback - Rental Living ( Mud Logging	Znaufeus	33,600		<u> </u>		33,600
Mud Circulation System		61,238				61,238
Mud & Chemicals Mud / Wastawater Disposa	1	270,400	43,500	6,000	1,000	319,900
Freight / Transportation	•	17,600	26,700			44,300
Rig Supervision / Engines Orill Bits	ring	131,625	76,300	8,000	12,600	230,525 113,400
Orill Bit Purchase		113,400				-
Fuel & Fower Water		179,334	7,000 472,500	2,000	1,000	188,334 515,500
Drig & Completion Overhe		17,750	472,000	2,000		17,750
Plugging & Abandooment		242.160				280,100
Directional Drilling, Surve Completion Unit, Swab, C		280,100	101,875	16,000		117,875
Perforating, Wireline, Stick	kline		143,500			143,500
High Pressure Pump Truc Stimulation	K	<del></del>	49,500 1,773,975	8,000	<del> </del>	55,500 1,773,975
Stimulation Flowback & D	isp		15,500	250,000		275,500
Insurance Labor		29,400 83,500	57,750	15,000	5,000	29,400 161,250
Rental - Surface Equipmen		66,740	304,375	10,000	5,000	386,115
Rental - Downhole Equips Rental - Living Quarters	nsnt	42,750 35,488	77,500 35,370	3,000	5,000	123,250 75,858
Contingency		185,390	142,937	48,940	6,460	383,727
MaxCom	TOTAL INTANGIBLES	38,163	3,346,282	638,340	71,080	38,163 7,230,909
	TOTAL INTANGIBLES	DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE O	COSTS	COSTS	COSTS	costs	FACILITY COSTS	COSTS \$ 82,589
Surface Casing Intermediate Casing	,	02,589 281,895	•	•——		261,005
Orilling Liner						404,448
Production Casing Production Liner		404,448				404,446
Tubing		85,000		82,500		187,500
Weilhoad Packers, Liner Hangers		<del></del>	56,250	45,000 5,000		45,000 81,250
Tanks					29,900	29,900
Production Vessels Flow Lines					119,638	119,638
Rod string						
Artificial Lift Equipment Compressor		<del></del>		30,000	42,500	30,000 42,500
Installation Costs					80,000	60,000
Surface Pumps Non-controllable Surface				5,000	2,000	21,250
Non-controllable Downho	ie .					
Downhole Pumps Nezsurament & Motor Ins	taliation			10,000	49,000	59,000
Gas Conditioning / Dehyd	ration					-
Interconnecting Facility P Gathering / Bulk Lines	ping			<del></del>	50,000	50,000
Valves, Dumps, Controller				2,000		2,000
Tank / Facility Containment Frame Stack	nt				7,500	7,500
Electrical / Grounding				5,000	28,500	33,500
Communications / SCADA Instrumentation / Safety	<b>L</b>			5,000	2,500 55,750	7,500 55,750
	TOTAL TANGUBLES >	E53,932	59,250	189,500	616,871	1,718,653
	TOTAL COSTS >	4,129,159	3,402,632	727,840	687,931	8,947,461
PARED BY MATADOR	PRODUCTION COMP.	ANY:				
Oriking Engineer	Blake Hermos	Team Lead - WTX	INM 1-72			
Completions Engineer		10411 2000 1117	WTE			
Production Engineer						
******						
TADOR RESOURCES C	OMPANY APPROVAL					
Exec VP & CFC	·	Exec VP - Res Enginee		E	Exec VP & COO - Land &	
Berelder	DEL	Sanlas VD. Consula	BAR		Even VID 8 COO Once	CNA
Prealden	MVH	Senior VP - Geoscie	NUF NUF		Exec VP & COO - Opera	BEG
\$400.000 HZ	seria marentinaren					
OPERATING PARTNE	R APPROVAL:					
Company Name			Working interest (%):		Te	ID:
Signed by	;		Date:			
			-	Ves		Alo (mort one)
Title	and and an entire on any specify in me ha		Approval:	Yes		No (mark one)

# **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.

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

- 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

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 ker day of November 2021 by Andrew Parker.

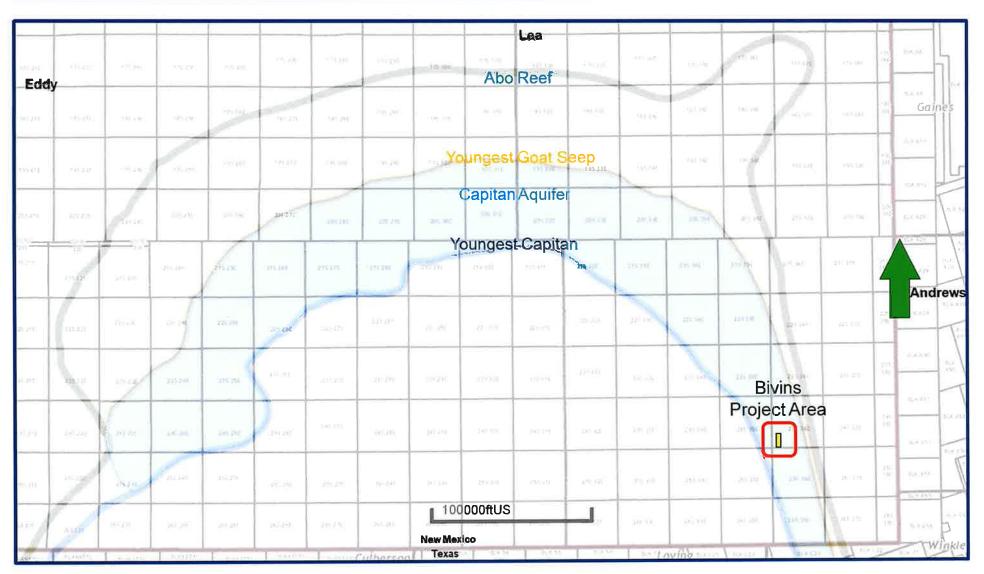
SARA MARIE HARTSFIELD Notary Public, State of Texas Comm. Expires 08-21-2023 Notary ID 130324013 Sara Marie Hartsfield NOTARY PUBLIC

My Commission Expires:

8-21-2023

## **Locator Map**

### **Exhibit D-1**



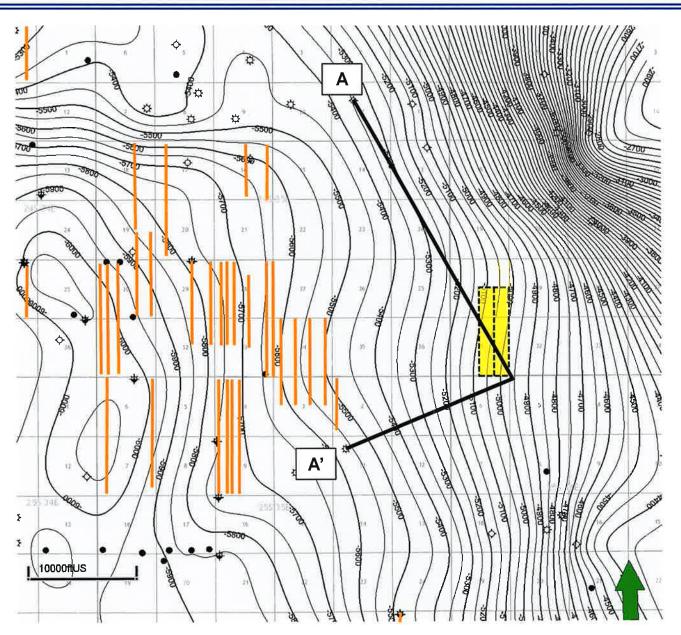
#### BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. D1
Submitted by: Matador Production Company
Hearing Date: December 2, 2021

Case Nos. 22345-22348

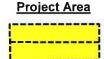


# WC-025 G-08 S253534O;BONE SPRING [97088] Exhibit D-2 Structure Map (Top Bone Spring Subsea) A – A' Reference Line



### **Map Legend**

**Third Bone Spring Wells** 



C. I. = 50'

#### BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D2

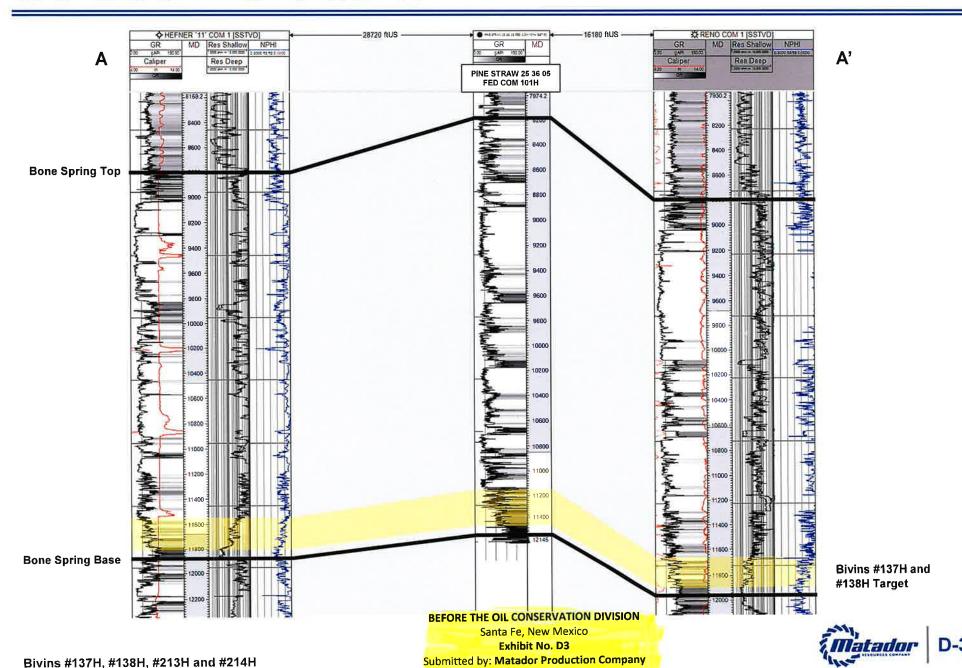
Submitted by: Matador Production Company



# Page 64 of 76

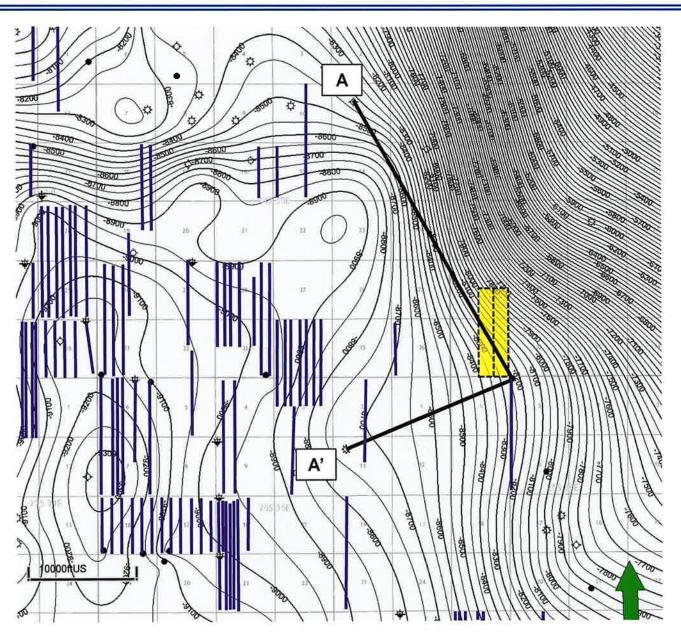
# WC-025 G-08 S253534O;BONE SPRING [97088] Structural Cross-Section A – A'

### Exhibit D-3



# ECENCIA DY COED. III/O (ADOMI M.IM.)

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



### Map Legend

**Wolfcamp Wells** 

Project Area



C. I. = 50'

#### **BEFORE THE OIL CONSERVATION DIVISION**

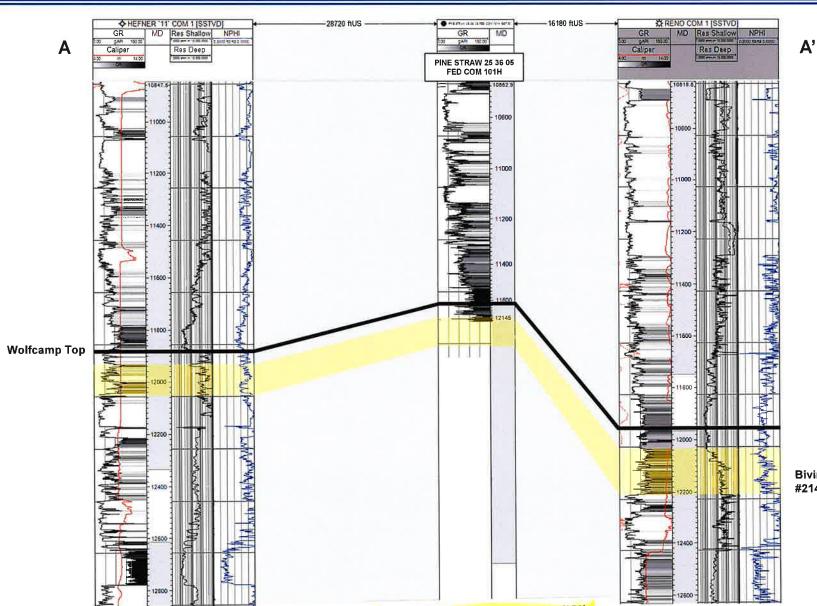
Santa Fe, New Mexico Exhibit No. D4

Submitted by: Matador Production Company



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

### **Exhibit D-5**



Bivins #213H and #214H Target

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. D5

Submitted by: Matador Production Company Hearing Date: December 2, 2021



# 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.

My Commission Expires:

Nov. 12, 2023

OFFICIAL SEAL
Carla Garcia
NOTARY PUBLIC - STATE OF NEW MEXICO
My Commission Expires: 12, 2023

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



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/.

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



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 #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.

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



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.

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

#### 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	KS	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	TX		Your package will arrive later than expected, but is still on 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	5 Greenway Plz Suite 110 Houston Texas 77046	Houston	TX	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	TX	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	TX	78763	Your item was delivered at 9:33 am on November 17, 2021 in AUSTIN, TX 78703.
9414811898765851227648	F3 Criterion Minerals, LP	PO Box Austin Tx 78763	Austin	TX	78763	Your item was delivered at 9:33 am on November 17, 2021 in AUSTIN, TX 78703.
9414811898765851227631	Tower Rock Royalties TWO, LP	PO Box Austin Tx 78763	Austin	TX	78763	Your item was delivered at 9:31 am on November 17, 2021 in AUSTIN, TX 78703.

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.

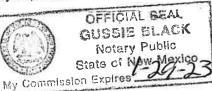
Sworn and subscribed to before me this 18th day of November 2021.

**Business Manager** 

My commission expires

January 29, 2023

(Seal)



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 auxiliary 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 above-referenced 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.

67100754

00260775

**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

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.

**Business Manager** 

My commission expires

January 29, 2023

OFFICIAL GEAL (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

LEGAL

LEGAL

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 Oll 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 auxiliary 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**. 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. 22346: 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 underlyiring 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 #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. 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. #37038

67100754

00260797

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

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.

**Business Manager** 

My commission expires

January 29, 2023

OFFICIAL SEAL Gussie Black Notary Public State of New Mexic 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

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LEGAL NOTICE November 18, 2021

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ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL
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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

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Publisher

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Business Manager

My commission expires

(Seal)

OFFICIAL SEAL GUSSIE BLACK Notary Public State of New Mexi

My Commission Expires

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#### **LEGAL NOTICE** November 18, 2021

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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 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.

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