

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING APRIL 4, 2019**

CASE No. 20364

AIRSTRIP 31-185-35E RN STATE COM No. 114.
AIRSTRIP 31-185-35E RN STATE COM No. 124
AIRSTRIP 31-185-35E RN STATE COM No. 134.

LEA COUNTY, NEW MEXICO



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

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

CASE NO. 20364

AFFIDAVIT OF VERONICA WARE

Veronica Ware, of lawful age and being first duly sworn, declares as follows:

1. My name is Veronica Ware. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as an Associate Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Matador in this case, and I am familiar with the status of the lands in the subject area.
4. None of the proposed pooling parties in this case has indicated opposition, and therefore I do not expect any opposition at the hearing.
5. Matador is seeking an Order pooling all uncommitted interests in the Bone Spring formation [Airstrip; Bone Spring (Pool Code 960)] in a 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 31 of Township 18 South, Range 35 East, NMPM, Lea County, New Mexico.
6. The foregoing proposed horizontal spacing unit will be dedicated to the following horizontal wells:

- **Airstrip 31-18S-35E RN State Com No. 114**, which will be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 31 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 31;
- **Airstrip 31-18S-35E RN State Com No. 124**, which will be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 31 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 31; and
- **Airstrip 31-18S-35E RN State Com No. 134**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 31 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 31.

7. **Matador Exhibit A1** contains a Form C-102 for each of the proposed wells. The land in the proposed spacing unit is comprised of fee lands and one state lease. The C-102s show that these wells have been assigned to the Airstrip; Bone Spring (Pool Code 960).

8. The completed intervals for the proposed wells will remain within the standard offset required by the statewide rules set forth in 19.15.16.15 NMAC.

9. **Matador Exhibit A2** is an exhibit that identifies the tracts of land comprising the proposed 160-acre horizontal spacing unit. The proposed wellbores are marked in blue.

10. **Matador Exhibit A3** identifies the working interest owners that Matador is seeking to pool along with their respective ownership interest in the proposed horizontal spacing unit. Matador is also seeking to pool the overriding royalty interest owners identified on the second page of Matador Exhibit A3.

11. There are no depth severances within Bone Spring formation in this acreage.

12. **Matador Exhibit A4** contains a sample of the well proposal letters and AFE sent to working interest owners for each well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

13. In addition to sending well proposal letters and AFEs, I have called or emailed each of the interest owners Matador seeks to pool and attempted to reach an agreement with them. In my opinion, Matador has made a good faith effort to reach an agreement with each of the parties that Matador seeks to pool.

14. Matador has made an estimate of overhead and administrative costs for drilling and producing the proposed wells. It is \$7,000/month while drilling, and \$700/month while producing. These costs are consistent with what other operators are charging in this area for these types of wells. Matador respectfully requests that these administrative and overhead costs be incorporated into any orders entered by the Division in these consolidated cases.

15. In my opinion, Matador has made good faith efforts to reach an agreement with the parties it is seeking to pool. If Matador reaches an agreement with any of the proposed pool parties before the Division enters an order, I will let the Division know that Matador is no longer seeking to pool those parties.

16. I provided the law firm of Holland & Hart LLP a list of names and addresses for the proposed pool parties. In compiling these notice lists, Matador conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches. All working interest owners that Matador seeks to pool were locatable.

17. **Matador Exhibit A1 through A4** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

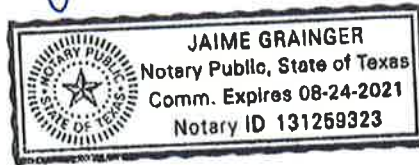
Veronica Ware
VERONICA WARE

STATE OF TEXAS)
COUNTY OF Dallas)

SUBSCRIBED and SWORN to before me this 2nd day of April 2019 by
Veronica Ware.

Jaime Grainger
NOTARY PUBLIC

My Commission Expires:
8-24-2021



12237452_1

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) 476-1460 Fax: (505) 476-1462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-45437	² Pool Code 960	³ Pool Name AIRSTRIP; BONE SPRING
⁴ Property Code 714868	⁵ Property Name AIRSTRIP 31-18S-35E RN STATE COM	
⁶ Well Number #124H	⁷ Operator Name MATADOR PRODUCTION COMPANY	⁸ Elevation 3930'
⁹ GRID No. 228937		

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	18-S	35-E	-	336'	SOUTH	869'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	18-S	35-E	-	100'	NORTH	330'	EAST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

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

<p>LAST PERFORATION/ BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=759769 Y=623429 LAT.: N 32.7110594 LONG.: W 103.4887850 NAD 1983 X=800949 Y=623493 LAT.: N 32.7111833 LONG.: W 103.4892783</p>	<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=759276 Y=618576 LAT.: N 32.6977309 LONG.: W 103.4905140 NAD 1983 X=800456 Y=618640 LAT.: N 32.6978548 LONG.: W 103.4910068</p>	<p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=759816 Y=618342 LAT.: N 32.6970765 LONG.: W 103.4887623 NAD 1983 X=800996 Y=618406 LAT.: N 32.6972004 LONG.: W 103.4892550</p>	<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land underlying the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>[Signature]</i> Date: 12/13/18 Printed Name: Samuel Pryor Jr. E-mail Address: S.Pryor@matadorresources.com</p> <p>18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>Date of Survey: 12/10/2018 Signature and Seal of Professional Surveyor: <i>[Signature]</i> Certificate Number: 18329</p>
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District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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811 S. First St., Artesia, NM 88210
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State of New Mexico
Energy, Minerals & Natural Resources
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-45438	² Pool Code 960	³ Pool Name AIRSTRIP; BONE SPRING
⁴ Property Code 314818	⁵ Property Name AIRSTRIP 31-18S-35E RN STATE COM	⁶ Well Number #134H
⁷ OCRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3930'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	31	18-S	35-E	-	336'	SOUTH	699'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	31	18-S	35-E	-	100'	NORTH	330'	EAST	LEA

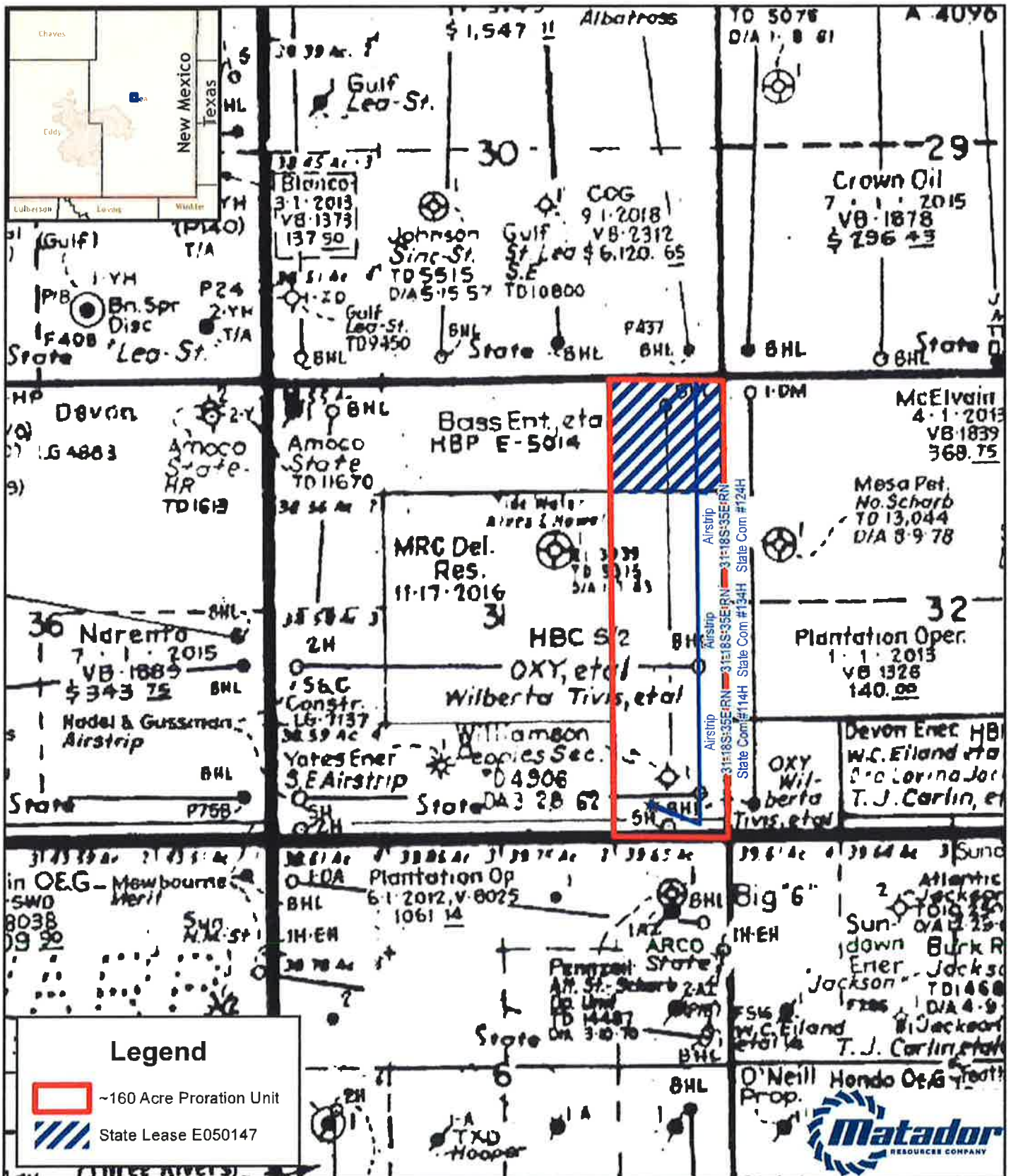
¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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\\SURVEY\MATADOR_RESOURCE\AIRSTRIP_STATE_COM_31-18S-35E\FINAL_PROD\OIL\AIRSTRIP_31-18S-35E_RN_STATE_COM_134H_REV1.DWG 12/13/2018 11:12:04 All added

31-18S-35E



GIS Standard Map Disclaimer:
The cartographic product is for informational purposes and (may) have been produced by, or be suitable for, legal, engineering, or surveying purposes. Users of this information should review all records, the primary data and information sources to ascertain the reliability of the information.

1:18,000

1 inch = 1,500 feet

Southeast New Mexico

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A2

Submitted by: MATADOR RESOURCES

Hearing Date: April 4, 2019

Case Nos. 20364

Date: March 27, 2019

Feet
not US
ESRI;

Summary of Interests

Matador's Working Interest		94.816186%
Voluntary Joinder		5.133810%
Compulsory Pool Interest Total:		0.050004%
Interest Owner:	Description:	Interest:
Louise Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated 3/1/1970, at the request of Edward G. Kadane, II Former Interest of George Kadane	Uncommitted Working Interest Owner	0.025002%
Louise Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated March 1, 1970, at the request of Matthew B. Kadane Former Interest of George Kadane	Uncommitted Working Interest Owner	0.025002%



Airstrip 31 18 35 RN State Com #114H, #124H & #134H

ORRI BEING POOLED

1. Devon Energy Production Company, LP
2. Corbett Petroleum
3. PetroYates, Inc.
4. Randolph C. Smith
5. Charlotte A. Smith
6. Nadel and Gussman Capitan, LLC
7. Prime Energy Corporation
8. Mary B. Attaya
9. Judith K. Nix
10. Estate of Diane Kadane Hughes a/k/a Mary D. Hughes
11. W. A. Wilson
12. Harlena K. Lowenstein
13. Robert A. Kadane
14. Billie Kirby
15. Emily A. Kadane
16. Johanna K. Little
17. Chris Ann Wills
18. Jill D. Robertson
19. Brent Ray Robertson
20. Jalapeno Corporation

MRC Delaware Resources, LLC

108 South Fourth Street, Artesia, New Mexico 88210
Voice 575-627-2468 • Fax 972-629-2168

vware@matadorresources.com

Veronica Ware
Associate Landman

November 26, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

Tracking #: 7018 0360 0000 6118 6795

Louis Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated 3/1/1970, at the request of Edward G. Kadane, II former Interest of George Kadane
4809 Cole Avenue, Suite 100 LB 114
Dallas, TX 75205

Re: Airstrip 31 18 35 RN State Com #114H (the "Well")
Section 31, Township 18 South, Range 35 East, N.M.P.M.
Lea County, New Mexico

Ladies and Gentlemen,

MRC Delaware Resources, LLC and its operating company Matador Production Company (collectively "MRC") propose the drilling of the Airstrip 31 18 35 RN State Com #114H well (the "Well"), located in the E2E2 of Section 31, Township 18 South, Range 35 East, Lea County, New Mexico. The estimated cost of drilling, testing, completing, and equipping the Well is \$7,785,709, as itemized on the enclosed Authority for Expenditure ("AFE") dated October 30, 2018.

The Well will be drilled to a total vertical depth of 9,450' and a total measured depth of 14,763', producing a treatable lateral of approximately 4,413' within the Bone Spring formation.

MRC is proposing participation in the Well under the terms of a modified 1989 AAPL form of Operating Agreement ("OA") dated October 1, 2018, covering all of Section 31, Township 18 South, Range 35 East, Lea County, New Mexico ("Contract Area") limited in depths from the surface down to the base of the Wolfcamp formation, pursuant to the following terms:

- 100/300/300% Non-consent penalty
- \$7,000/\$700 Drilling and Producing overhead rate

MRC requests that you indicate your election to participate in the Well in the space provided below, sign and return one (1) copy of this letter along with your geological well requirements, the AFE, and the OA to the undersigned.

If your election is to participate for its proportionate share of costs of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Please be aware that the enclosed

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. A4

Submitted by: MATADOR RESOURCES

Hearing Date: April 4, 2019

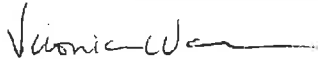
Case Nos. 20364

AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Please contact me if you have any questions.

Sincerely,

MRC DELAWARE RESOURCES, LLC



Veronica Ware

Enclosure(s)

Please elect one of the following and return to sender.

_____ Party hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Airstrip 31 18 35 RN State Com #114H.

_____ Party hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Airstrip 31 18 35 RN State Com #114H.

_____ I / We are interested in selling our interest in the Contract Area, please contact us to discuss.

Louis Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated 3/1/1970, at the request of Edward G. Kadane, II former Interest of George Kadane

By: _____

Title: _____

Date: _____

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

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	October 30, 2018	AFE NO.:	
WELL NAME:	Airstrip 31 18 35 RN State Com #114H	FIELD:	
LOCATION:	E/2E/2 Sec. 31, T18S-R35E	MD/TVD:	14763/9450'
COUNTY/STATE:	Les County, New Mexico	LATERAL LENGTH:	4,413
MRC WI:			
GEOLOGIC TARGET:	1st Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 1st Bone Spring well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 76,500				\$ 76,500
Location, Surveys & Damages	86,000	16,000	4,000	7,000	123,000
Drilling	559,800				559,800
Cementing & Float Equip	214,000				214,000
Logging / Formation Evaluation		6,000			6,000
Mud Logging	16,400				16,400
Mud Circulation System	57,200				57,200
Mud & Chemicals	65,000	20,000			85,000
Mud / Wastewater Disposal	200,000				200,000
Freight / Transportation	12,500	30,000	2,500		45,000
Rig Supervision / Engineering	89,700	63,400	7,600	10,000	170,600
Drill Bits	140,000				140,000
Fuel & Power	73,125	175,000			248,125
Water	42,600	364,325			406,925
Drill & Completion Overhead	13,000	11,500			24,500
Plugging & Abandonment					
Directional Drilling, Surveys	105,000				105,000
Completion Unit, Swab, CTU		100,000	10,500		110,500
Perforating, Wireline, Slickline		202,000			202,000
High Pressure Pump Truck		104,000	1,000		105,000
Stimulation		2,075,000			2,075,000
Stimulation Flowback & Disp		248,000	141,000		389,000
Insurance	26,573				26,573
Labor	128,500	9,000			137,500
Rental - Surface Equipment	61,945	281,500	3,000		346,445
Rental - Downhole Equipment	79,500	28,000		2,400	109,900
Rental - Living Quarters	43,880	29,370		600	73,850
Contingency	109,556	136,648	3,000	2,000	251,204
Operations Center	20,963				20,963
TOTAL INTANGIBLES >	2,321,642	3,919,743	172,500	22,000	6,435,885
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 88,395				\$ 88,395
Intermediate Casing	144,072				144,072
Drilling Liner					
Production Casing	288,258				288,258
Production Liner					
Tubing					
Wellhead	51,000		40,000		91,000
Packers, Liner Hangers		58,200	45,000		103,200
Tanks				45,000	45,000
Production Vessels			58,000	18,000	76,000
Flow Lines			15,000		15,000
Rod string					
Artificial Lift Equipment			305,000		305,000
Compressor					
Installation Costs			35,000	30,000	65,000
Surface Pumps					
Non-controllable Surface					
Non-controllable Downhole					
Downhole Pumps					
Measurement & Motor Installation					
Gas Conditioning / Dehydration				22,000	22,000
Interconnecting Facility Piping					
Gathering / Bulk Lines				30,000	30,000
Valves, Dumps, Controllers				15,000	15,000
Tank / Facility Containment					
Flare Stack				10,000	10,000
Electrical / Grounding				10,000	10,000
Communications / SCADA			6,400	5,000	11,400
Instrumentation / Safety					
TOTAL TANGIBLES >	571,726	69,200	522,400	197,500	1,340,826
TOTAL COSTS >	2,893,367	3,977,943	694,900	219,500	7,785,709

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Patrick Walsh	Team Lead - WTX/NM
Completions Engineer: Matt Bels	
Production Engineer: Rakesh Patel	

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO	VP - Res Engineering	VP - Drilling
DEL	BMR	BEG
Executive VP, Legal	Chief Geologist	VP - Production
CA	NLF	TWG
President		
MVH		

NON OPERATING PARTNER APPROVAL:

Company Name:	Working Interest (%):	Tax ID:
Signed by:	Date:	
Title:	Approval: Yes	No (mark one)

The costs on this AFE are estimates only and may not be identical to charges on any specific item on the actual bill of the job. This cost estimate is prepared under the AFE, may be subject to a cost after the well has been completed. In a working AFE, the Partner must agree to pay its proportionate share of actual costs incurred including legal, insurance, regulatory, bonding and well costs within the terms of the appropriate joint operating agreement, including with its other agreement covering the well. Partners shall be deemed to have agreed to the Partner's cost estimate and general liability insurance unless partner provides a written agreement to the contrary or an action attributable to the Operator by the date of the AFE.

MRC Delaware Resources, LLC

108 South Fourth Street, Artesia, New Mexico 88210

Voice 575-627-2468 • Fax 972-629-2168

vware@matadorresources.com

Veronica Ware
Associate Landman

November 26, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

Tracking #: 7018 0360 0000 6118 6795

Louis Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated 3/1/1970, at the request of Edward G. Kadane, II former Interest of George Kadane
4809 Cole Avenue, Suite 100 LB 114
Dallas, TX 75205

Re: Airstrip 31 18 35 RN State Com #124H (the "Well")
Section 31, Township 18 South, Range 35 East, N.M.P.M.
Lea County, New Mexico

Ladies and Gentlemen,

MRC Delaware Resources, LLC and its operating company Matador Production Company (collectively "MRC") propose the drilling of the Airstrip 31 18 35 RN State Com #124H well (the "Well"), located in the E2E2 of Section 31, Township 18 South, Range 35 East, Lea County, New Mexico. The estimated cost of drilling, testing, completing, and equipping the Well is \$7,489,184, as itemized on the enclosed Authority for Expenditure ("AFE") dated October 30, 2018.

The Well will be drilled to a total vertical depth of 10,250' and a total measured depth of 15,075', producing a treatable lateral of approximately 4,475' within the Bone Spring formation.

MRC is proposing participation in the Well under the terms of a modified 1989 AAPL form of Operating Agreement ("OA") dated October 1, 2018, covering all of Section 31, Township 18 South, Range 35 East, Lea County, New Mexico ("Contract Area") limited in depths from the surface down to the base of the Wolfcamp formation, pursuant to the following terms:

- 100/300/300% Non-consent penalty
- \$7,000/\$700 Drilling and Producing overhead rate

MRC requests that you indicate your election to participate in the Well in the space provided below, sign and return one (1) copy of this letter along with your geological well requirements, the AFE, and the OA to the undersigned.

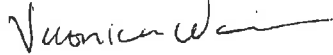
If your election is to participate for its proportionate share of costs of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Please be aware that the enclosed

AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Please contact me if you have any questions.

Sincerely,

MRC DELAWARE RESOURCES, LLC



Veronica Ware

Enclosure(s)

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By: _____

Title: _____

Date: _____

MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240
Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	October 30, 2018	AFE NO.:	
WELL NAME:	Airstrip 31 18 35 RN State Com #124H	FIELD:	
LOCATION:	E/2E/2 Sec. 31, T18S-R35E	MDTVD:	15075/10250'
COUNTY/STATE:	Lea County, New Mexico	LATERAL LENGTH:	4,475
MRC WI:			
GEOLOGIC TARGET:	2nd Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 2nd Bone Spring well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 78,500				\$ 78,500
Location, Surveys & Damages	96,000	16,000	4,000	7,000	123,000
Drilling	595,550				595,550
Cementing & Float Equip	209,000				209,000
Logging / Formation Evaluation		6,000			6,000
Mud Logging	17,500				17,500
Mud Circulation System	59,500				59,500
Mud & Chemicals	65,000	20,000			85,000
Mud / Wastewater Disposal	200,000				200,000
Freight / Transportation	12,500	30,000	2,500		45,000
Rig Supervision / Engineering	96,600	63,400	7,500	10,000	177,500
Drill Bits	170,000				170,000
Fuel & Power	78,750	147,000			225,750
Water	42,500	349,400			391,900
Drig & Completion Overhead	10,500	11,500			22,000
Plugging & Abandonment					
Directional Drilling, Surveys	210,000				210,000
Completion Unit, Swab, CTU		100,000	7,500		107,500
Perforating, Wireline, Slickline		170,000			170,000
High Pressure Pump Truck		104,000	2,000		106,000
Stimulation		1,890,000			1,890,000
Stimulation Flowback & Disp		248,000	114,000		362,000
Insurance	27,135				27,135
Labor	128,500	9,000			137,500
Rental - Surface Equipment	66,500	281,500	3,000		351,000
Rental - Downhole Equipment	79,500	28,000			107,500
Rental - Living Quarters	30,440	28,370		2,400	60,410
Contingency	113,654	129,054	2,000	2,000	246,707
Operations Center	22,575				22,575
TOTAL INTANGIBLES >	2,409,504	3,632,224	142,500	22,800	6,206,027
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 88,395				\$ 88,395
Intermediate Casing	144,072				144,072
Drilling Liner					
Production Casing	294,290				294,290
Production Liner					
Tubing					
Wellhead			53,000		53,000
Packers, Liner Hangers	51,000		16,000		67,000
Tanks		51,000			51,000
Production Vessels				45,000	45,000
Flow Lines			88,000	18,000	106,000
Rod string			150,000		150,000
Artificial Lift Equipment			127,500		127,500
Compressor					
Installation Costs			35,000		35,000
Surface Pumps				30,000	30,000
Non-controllable Surface					
Non-controllable Downhole					
Downhole Pumps					
Measurement & Meter Installation					
Gas Conditioning / Dehydration				22,000	22,000
Interconnecting Facility Piping					
Gathering / Bulk Lines				30,000	30,000
Valves, Dumps, Controllers				15,000	15,000
Tank / Facility Containment					
Flare Stack				10,000	10,000
Electrical / Grounding			5,400	10,000	15,400
Communications / SCADA				5,000	5,000
Instrumentation / Safety					
TOTAL TANGIBLES >	577,257	51,000	456,900	122,500	1,207,657
TOTAL COSTS >	2,986,761	3,683,224	599,400	215,300	7,484,684

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Patrick Walsh	Team Lead - WTXNM
Completions Engineer: Matt Ball	
Production Engineer: Rakesh Patel	

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO	VP - Res Engineering	VP - Drilling
DEL	BWR	BEG
Executive VP, Legal	Chief Geologist	VP - Production
CA	NLF	TWG
President		
MWH		

NON OPERATING PARTNER APPROVAL:

Company Name:	Working Interest (%):	Tax ID:
Signed by:	Date:	
Title:	Approval: Yes	No (mark one)

The costs in this AFE are estimates and may not be confirmed as accurate until the AFE is approved by the Operator. The Operator's approval of this AFE does not constitute an agreement by the Operator to fund the costs of the well. The Operator's approval of this AFE does not constitute an agreement by the Operator to fund the costs of the well. The Operator's approval of this AFE does not constitute an agreement by the Operator to fund the costs of the well.

MRC Delaware Resources, LLC

108 South Fourth Street, Artesia, New Mexico 88210

Voice 575-627-2468 • Fax 972-629-2168

vware@matadorresources.com

Veronica Ware
Associate Landman

November 26, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

Tracking #: 7018 0360 0000 6118 6795

Louis Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated 3/1/1970, at the request of Edward G. Kadane, II former Interest of George Kadane
4809 Cole Avenue, Suite 100 LB 114
Dallas, TX 75205

Re: Airstrip 31 18 35 RN State Com #134H (the "Well")
Section 31, Township 18 South, Range 35 East, N.M.P.M.
Lea County, New Mexico

Ladies and Gentlemen,

MRC Delaware Resources, LLC and its operating company Matador Production Company (collectively "MRC") propose the drilling of the Airstrip 31 18 35 RN State Com #134H well (the "Well"), located in the E2E2 of Section 31, Township 18 South, Range 35 East, Lea County, New Mexico. The estimated cost of drilling, testing, completing, and equipping the Well is \$7,764,935, as itemized on the enclosed Authority for Expenditure ("AFE") dated October 30, 2018.

The Well will be drilled to a total vertical depth of 10,673' and a total measured depth of 15,359', producing a treatable lateral of approximately 4,320' within the Bone Spring formation.

MRC is proposing participation in the Well under the terms of a modified 1989 AAPL form of Operating Agreement ("OA") dated October 1, 2018, covering all of Section 31, Township 18 South, Range 35 East, Lea County, New Mexico ("Contract Area") limited in depths from the surface down to the base of the Wolfcamp formation, pursuant to the following terms:

- 100/300/300% Non-consent penalty
- \$7,000/\$700 Drilling and Producing overhead rate

MRC requests that you indicate your election to participate in the Well in the space provided below, sign and return one (1) copy of this letter along with your geological well requirements, the AFE, and the OA to the undersigned.

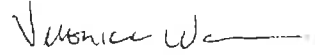
If your election is to participate for its proportionate share of costs of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Please be aware that the enclosed

AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Please contact me if you have any questions.

Sincerely,

MRC DELAWARE RESOURCES, LLC



Veronica Ware

Enclosure(s)

Please elect one of the following and return to sender.

_____ Party hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Airstrip 31 18 35 RN State Com #134H.

_____ Party hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Airstrip 31 18 35 RN State Com #134H.

_____ I / We are interested in selling our interest in the Contract Area, please contact us to discuss.

Louis Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated 3/1/1970, at the request of Edward G. Kadane, II former Interest of George Kadane

By: _____

Title: _____

Date: _____

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240
Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE: October 30, 2018
WELL NAME: Alstrip 31 18 35 RN State Com #134H
LOCATION: E/2E/2 Sec. 31, T18S-R35E
COUNTY/STATE: Lea County, New Mexico
MRC W#:
GEOLOGIC TARGET: 3rd Bone Spring
REMARKS: Drill, complete and equip a horizontal 3rd Bone Spring well

AFE NO.:
FIELD:
MDTV/D: 15359/10673
LATERAL LENGTH: 4,320

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	78,600				78,600
Location, Surveys & Damages	86,000	16,000	4,000	7,000	123,600
Drilling	697,000				697,000
Cementing & Float Equip	209,000				209,000
Logging / Formation Evaluation		6,000			6,000
Mud Logging	17,500				17,500
Mud Circulation System	60,400				60,400
Mud & Chemicals	65,000	20,000			85,000
Mud / Wastewater Disposal	200,000				200,000
Freight / Transportation	12,500	30,000	2,500		45,000
Rig Supervision / Engineering	119,600	63,400	7,500	10,000	200,500
Drill Bits	170,000				170,000
Fuel & Power	93,750	147,000			240,750
Water	42,500	349,400			391,900
Drig & Completion Overhead	13,250	11,500			24,750
Plugging & Abandonment					
Directional Drilling, Surveys	220,000				220,000
Completion Unit, Swab, CTU		100,000	10,500		110,500
Perforating, Wireline, Slickline		170,000			170,000
High Pressure Pump Truck		104,000	1,000		105,000
Stimulation		1,890,000			1,890,000
Stimulation Flowback & Disp		246,000	141,000		389,000
Insurance	27,646				27,646
Labor	128,500	9,000			137,500
Rental - Surface Equipment	70,855	281,500	3,000		355,355
Rental - Downhole Equipment	78,500	28,000			106,500
Rental - Living Quarters	34,600	29,370		2,400	64,370
Contingency	121,705	129,054	3,000	2,000	255,759
MaxCom	23,113				23,113
TOTAL INTANGIBLES >	2,678,519	3,632,224	172,500	22,000	6,405,243
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	88,395				88,395
Intermediate Casing	144,072				144,072
Drilling Liner					
Production Casing	298,926				298,926
Production Liner					
Tubing					
Wellhead			55,000		55,000
Packers, Liner Hangers	51,000		45,000		96,000
Tanks		51,000			51,000
Production Vessels				45,000	45,000
Flow Lines			55,000	18,000	73,000
Rod string			15,000		15,000
Artificial Lift Equipment					
Compressor			305,000		305,000
Installation Costs					
Surface Pumps			35,000	30,000	65,000
Non-controllable Surface					
Non-controllable Downhole					
Downhole Pumps					
Measurement & Meter Installation					
Gas Conditioning / Dehydration				22,000	22,000
Interconnecting Facility Piping					
Gathering / Bulk Lines				30,000	30,000
Valves, Dumps, Controllers				15,000	15,000
Tank / Facility Containment					
Flare Stack				10,000	10,000
Electrical / Grounding				10,000	10,000
Communications / SCADA			5,400	5,000	10,400
Instrumentation / Safety					
TOTAL TANGIBLES >	682,293	51,000	528,400	197,500	1,359,293
TOTAL COSTS >	3,360,812	3,683,224	700,900	219,500	7,764,936

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Patrick Walsh
Completions Engineer: Matt Bell
Production Engineer: Rakesh Patel

Team Lead - WTXNM

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO: DEL
Executive VP, Legal: CA
President: MVH

VP - Res Engineering: BMR
Chief Geologist: NLF

VP - Drilling: BEG
VP - Production: TWG

NON OPERATING PARTNER APPROVAL:

Company Name: _____ Working Interest (%): _____ Tax ID: _____

Signed by: _____ Date: _____

Title: _____ Approval: Yes _____ No (mark one)

This form is the AFE and is to be used only for the purpose of estimating the total cost of the project. It is not to be used for any other purpose. The AFE is to be used for the purpose of estimating the total cost of the project. The AFE is to be used for the purpose of estimating the total cost of the project. The AFE is to be used for the purpose of estimating the total cost of the project.

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

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

CASE NO. 20364

AFFIDAVIT OF JAMES ANDREW JUETT

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

1. My name is Andrew Juett. I work for MRC Energy Company, an affiliate of Matador Production Company (“Matador”), as a Senior Staff Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Matador in this case, and I have conducted a geologic study of the lands in the subject area.
4. The target interval for all three proposed wells is the Bone Spring formation.
5. **Matador Exhibit B1** is a locator map. The horizontal spacing unit for the proposed is identified by the red box.
6. **Matador Exhibit B2** is a subsea structure map that I prepared for the top of the First Bone Spring sandstone. The contour interval is 50 feet. The structure map shows the Bone Spring formation gently dipping to the south. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

7. The wells used to create a stratigraphic cross-section are also marked on Matador Exhibit B2. These three wells from A to A' are representative of the geology in the area.

8. **Matador Exhibit B3** is a stratigraphic cross-section that I prepared displaying open-hole 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: gamma ray, resistivity, and porosity. The proposed target intervals for the three wells are labeled and marked with green highlighting. The logs in the cross-section demonstrate that the target intervals, within the Bone Spring formation, are consistent in thickness, across the entire proposed spacing unit.

9. **Matador Exhibits B4-B6** demonstrate that the path of each of the proposed wells will comply with the Division's standard offset requirements.

10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area.

11. In my opinion, each quarter-quarter section will be productive and contribute more-or-less equally to production from the horizontal spacing unit.

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

13. **Matador Exhibits B1 through B6** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.


JAMES ANDREW JUETT

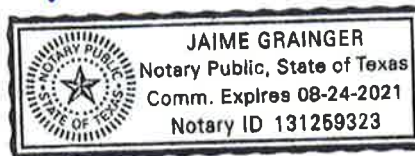
STATE OF TEXAS)
)
COUNTY OF Dallas)

SUBSCRIBED and SWORN to before me this 2nd day of April 2019 by James Andrew Juett.

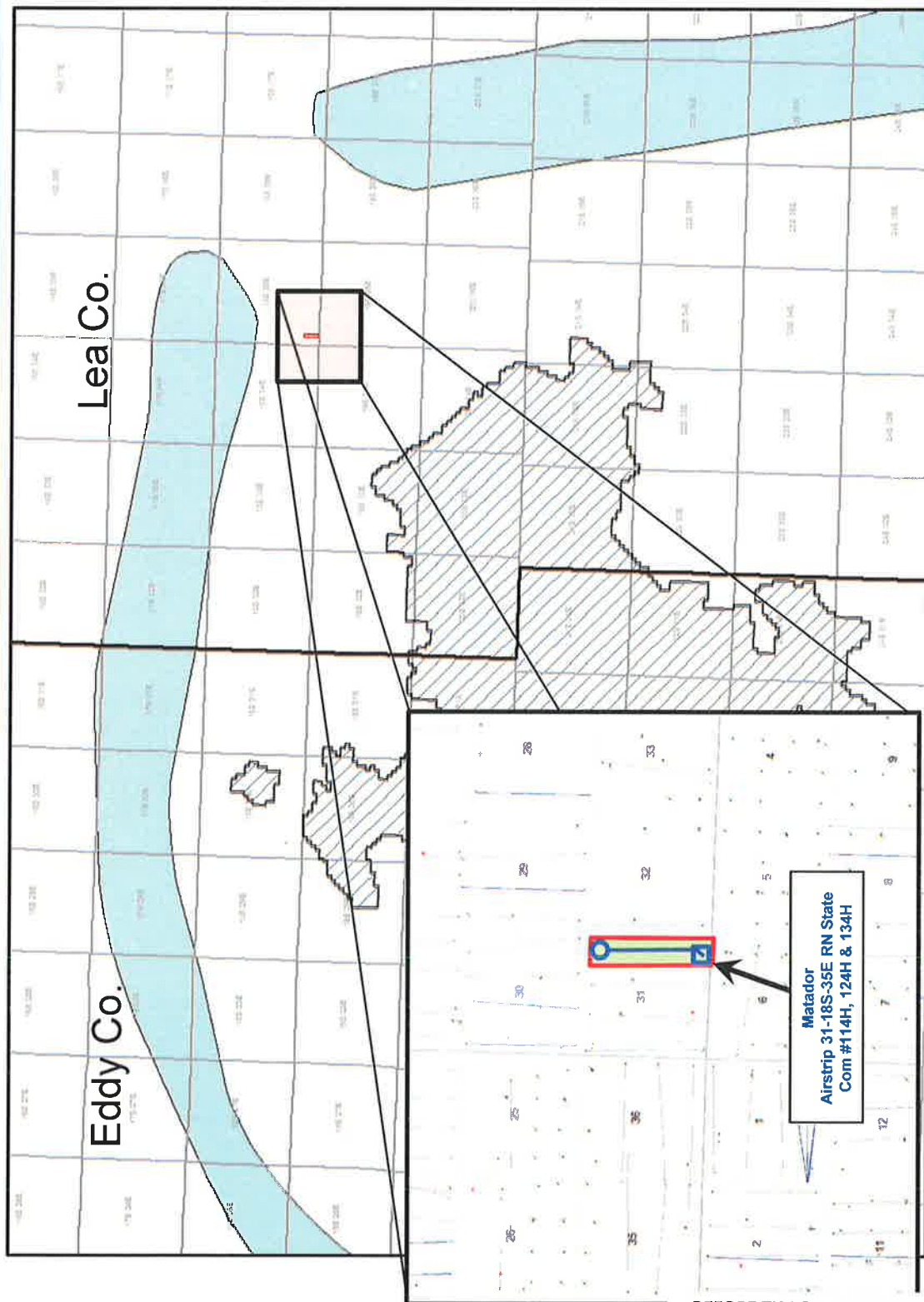

NOTARY PUBLIC

My Commission Expires:

8-24-2021

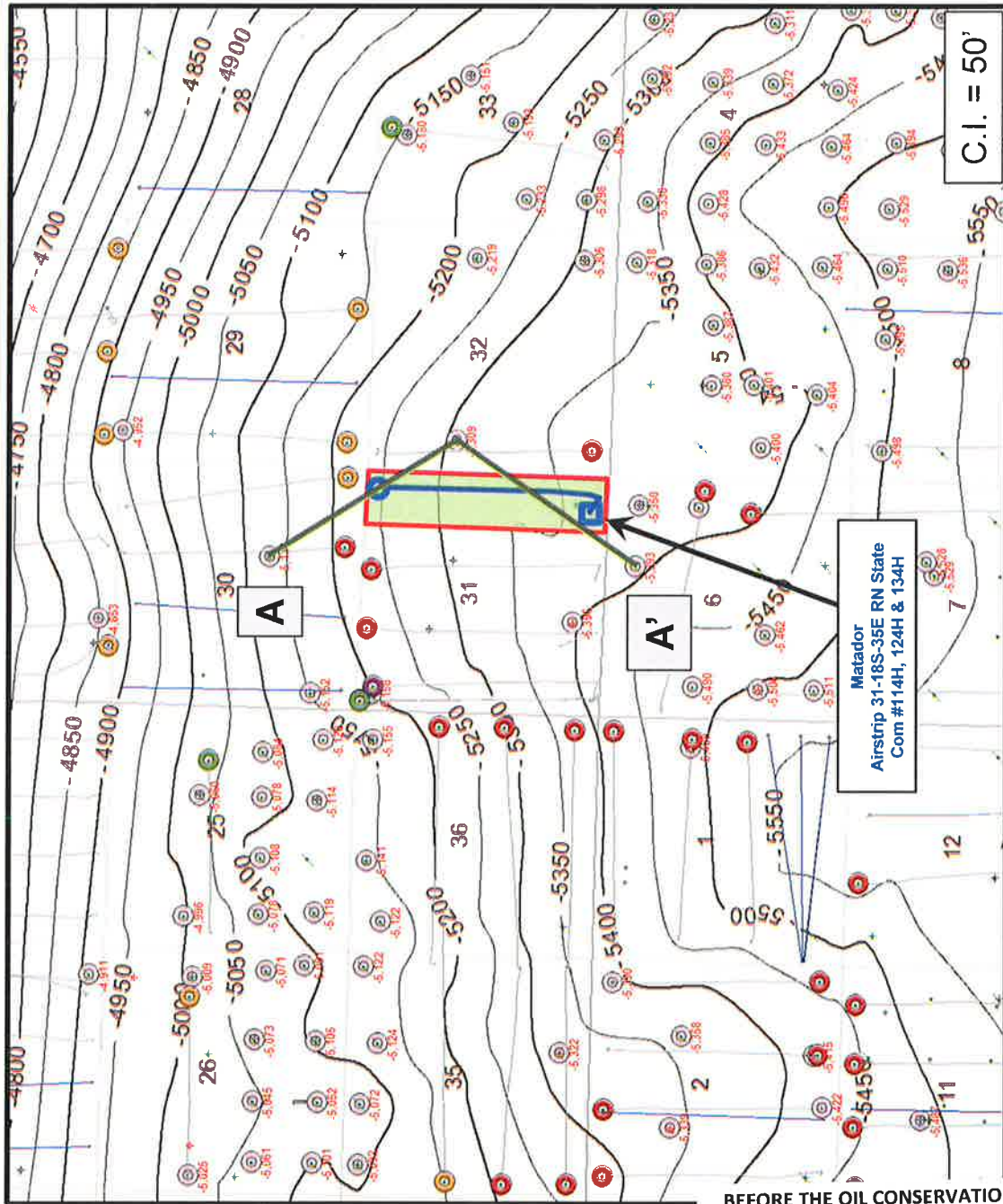


Airstrip; Bone Spring Pool (Pool Code: 960) Locator Map

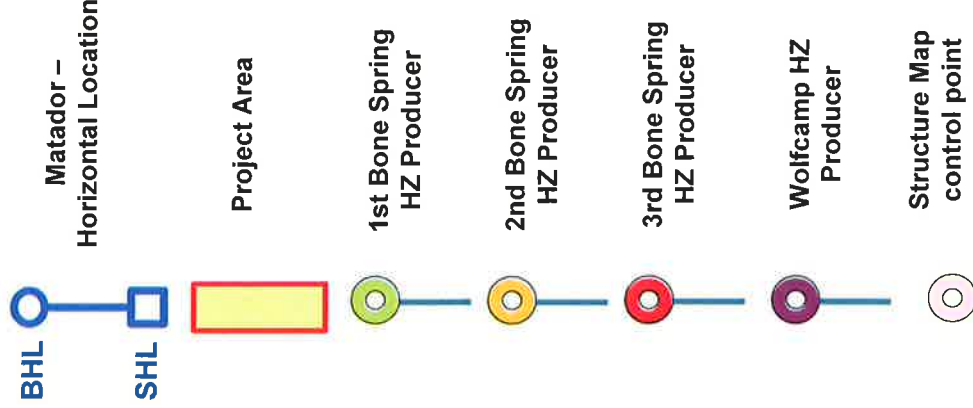


Airstrip 31-18S-35E RN State Com #114H, 124H & 134H

Airstrip; Bone Spring Pool (Pool Code: 960) Sub Sea Structure Map (Top 1st Bone Spring Sand)

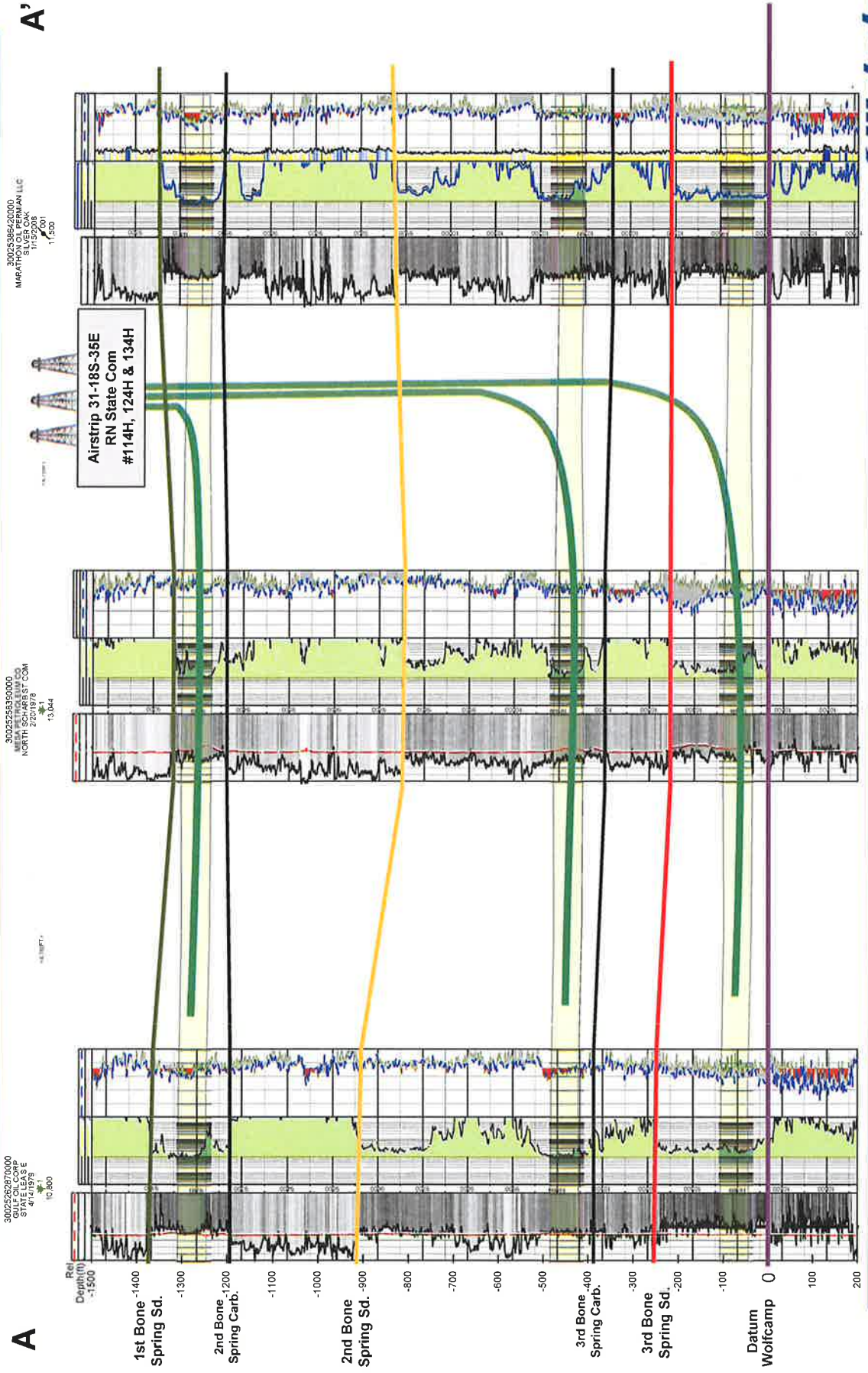


Map Legend



Airstrip 31-18S-35E RN State Com #114H, 124H & 134H

Airstrip; Bone Spring Pool (Pool Code: 960) Stratigraphic Cross Section A - A'

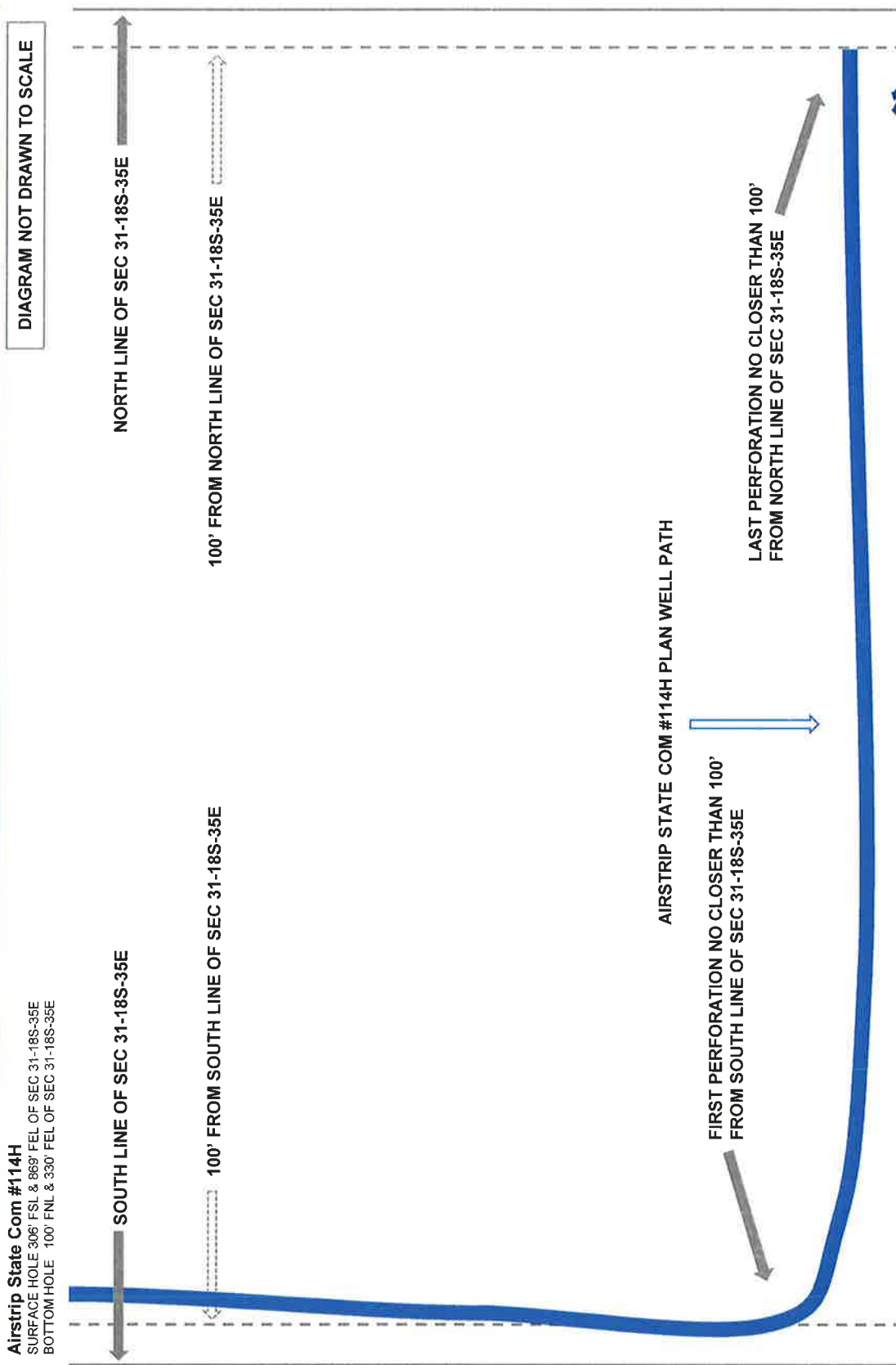


Airstrip 31-18S-35E RN State Com #114H, 124H & 134H

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. B3
Submitted by: MATADOR RESOURCES
Hearing Date: April 4, 2019
Case Nos. 20364

Airstrip; Bone Spring Pool (Pool Code: 960) Airstrip State Com #114H Completion

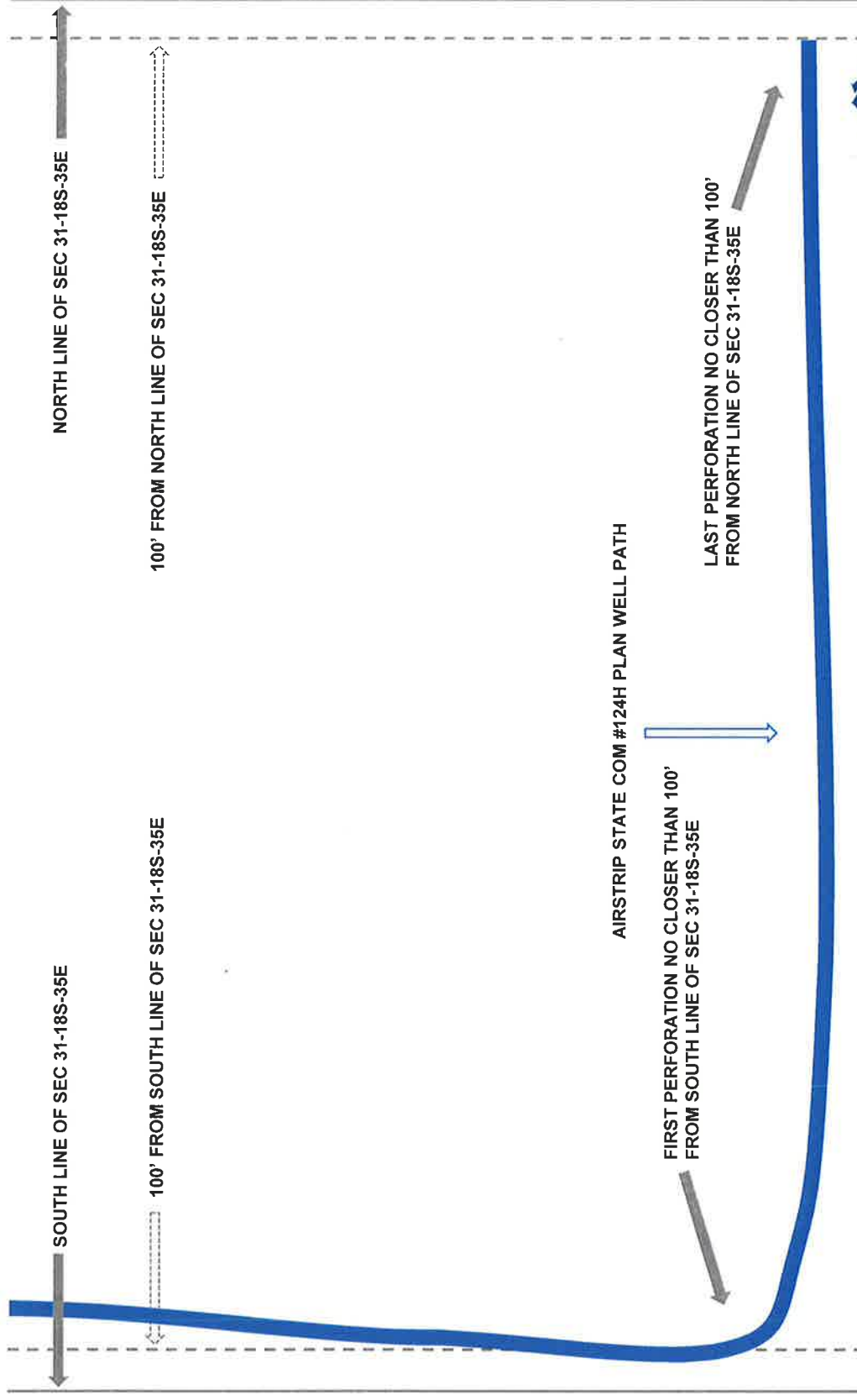


Airstrip 31-18S-35E RN State Com #114H

Airstrip; Bone Spring Pool (Pool Code: 960) Airstrip State Com #124H Completion

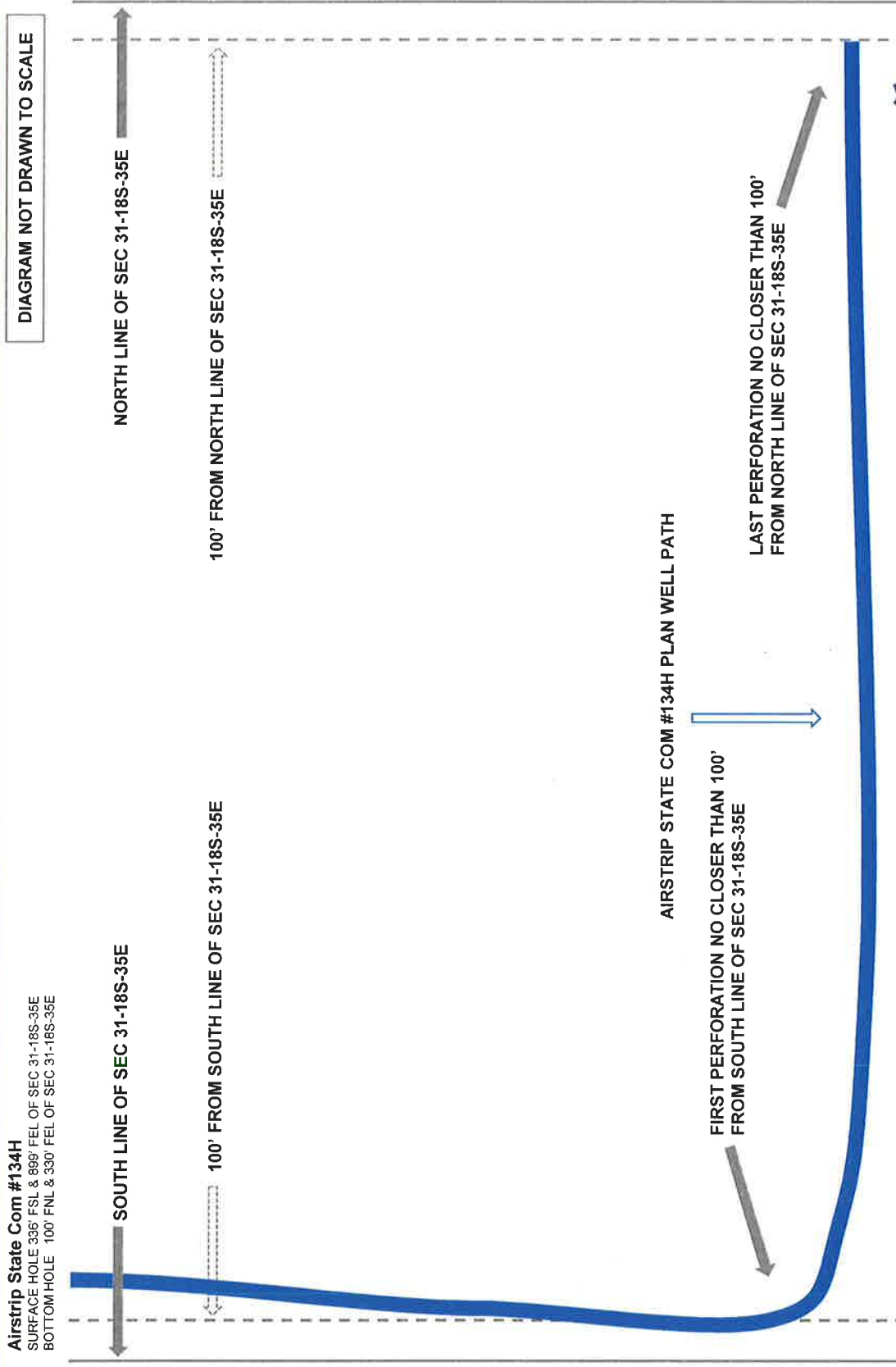
Airstrip State Com #124H
SURFACE HOLE 336' FSL & 869' FEL OF SEC 31-18S-35E
BOTTOM HOLE 100' FNL & 330' FEL OF SEC 31-18S-35E

DIAGRAM NOT DRAWN TO SCALE



Airstrip 31-18S-35E RN State Com #124H

Airstrip; Bone Spring Pool (Pool Code: 960) Airstrip State Com #134H Completion



Airstrip 31-18S-35E RN State Com #134H

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

**APPLICATION OF MATADOR RESOURCES
COMPANY FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 20364

AFFIDAVIT

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

Adam G. Rankin, attorney for **Matador Resources 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.

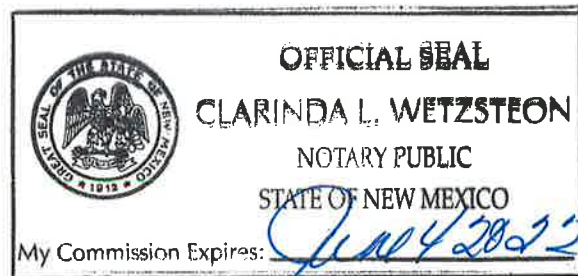


Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 3rd day of April 2019 by Adam G. Rankin.



Notary Public



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: **MATADOR RESOURCES**
Hearing Date: April 4, 2019
Case Nos. 20364



March 15, 2019

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.

Airstrip 31-18S-35E RN State Com No. 114

Airstrip 31-18S-35E RN State Com No. 124

Airstrip 31-18S-35E RN State Com No. 134

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on April 4, 2019 and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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 at the Division's Santa Fe office at the above specified address 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 Kyle Perkins at (972) 371-5202 or kperkins@matadorresources.com.

Sincerely,

Adam G. Rankin

**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Matador - Airstrip 114 124 134 Wells
CM# 83379.0001 20190404 Docket
Notice List

Shipment Date: 03/12/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	22
Total	22

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0013 2201 35





Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code TM)			Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8380 0116 98	Louise Kadane and Michael L Gustafson Trustees 4809 Cole Avenue Suite 100 LB 114 Dallas TX 75205			0.65	3.50								1.60			
2. 9214 8901 9403 8380 0117 04	Louise Kadane and Michael L Gustafson Trustees 4809 Cole Avenue Suite 100 LB 114 Dallas TX 75205			0.65	3.50								1.60			
3. 9214 8901 9403 8380 0117 11	Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City OK 73102			0.65	3.50								1.60			
4. 9214 8901 9403 8380 0117 28	Corbett Petroleum PO BOX 11644 Spring TX 77391			0.65	3.50								1.60			
5. 9214 8901 9403 8380 0117 35	Petro Yates Inc PO BOX 1808 Albuquerque NM 87103			0.65	3.50								1.60			
6. 9214 8901 9403 8380 0117 42	Randolph C Smith 4523 Julian Drive Mesquite TX 75150			0.65	3.50								1.60			
7. 9214 8901 9403 8380 0117 59	Charlotte A Smith PO BOX 199 Torreon NM 87061			0.65	3.50								1.60			
8. 9214 8901 9403 8380 0117 66	Nadel and Gusman Capitan LLC 15 East 5th Street Suite 3300 Tulsa OK 74103			0.65	3.50								1.60			
Total Number of Pieces Listed by Sender 22	Total Number of Pieces Received at Post Office															
Postmaster, Per (Name of receiving employee)																



Firm Mailing Book For Accountable Mail

Name and Address of Sender	Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Insured Mail <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Priority Mail <input type="checkbox"/> Restricted Delivery	USPS Tracking/Article Number
Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		9. 9214 8901 9403 8380 0117 73
	Addressee (Name, Street, City, State, & ZIP Code™)	
	Prime Energy Corporation PO BOX 4827 MSC-300 Houston TX 77210	
	Mary B Altaya 5455 LaSierra Dr #612 Dallas TX 75231	
	Judith K Nik 17 Via Optima Santa Fe NM 87507	
	Estate of Diane Kadane Hughes aka Mary D Hughes 4311 University Dallas TX 75205	
	W A Wilson 6318 West Crocus Drive Glendale AZ 85304	
	Harena K Lowenstein C/O Travis Gat Wells Fargo 201 Main St Ste 400 Fort Worth TX 76102	
	Robert A Kadane 3001 Kemp Blvd Apt 1323 Wichita Falls TX 76308	
	Bills Kirby Woodland Creek Circle #9 Wichita Falls TX 76302	
Total Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	22
Postmaster, Per (Name of receiving employee)		



Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.														
		<input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Adult Signature Restricted Delivery <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail		<input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Registered Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Signature Confirmation Restricted Delivery		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
17.	USPS Tracking/Article Number 9214 8901 9403 8380 0118 58	Addressee (Name, Street, City, State, & ZIP Code™) Emily A Kadane 4201 Picasso Wichita Falls TX 76308				0.65	3.50								1.60			
18.	9214 8901 9403 8380 0118 65	Addressee (Name, Street, City, State, & ZIP Code™) Johanna K Little 615 Glenchester Houston TX 77079				0.65	3.50								1.60			
19.	9214 8901 9403 8380 0118 72	Addressee (Name, Street, City, State, & ZIP Code™) Chris Ann Willis 909 Higginbottom Ln China Spring TX 76633				0.65	3.50								1.60			
20.	9214 8901 9403 8380 0118 89	Addressee (Name, Street, City, State, & ZIP Code™) Jill D Robertson 9 Copper Kettle Wichita Falls TX 76306				0.65	3.50								1.60			
21.	9214 8901 9403 8380 0118 96	Addressee (Name, Street, City, State, & ZIP Code™) Brent Ray Robertson 2520 E Elliott Wichita Falls TX 76308				0.65	3.50								1.60			
22.	9214 8901 9403 8380 0119 02	Addressee (Name, Street, City, State, & ZIP Code™) Jalapeno Corporation PO BOX 1608 Albuquerque NM 87103				0.65	3.50								1.60			
Total Number of Pieces Listed by Sender		Total Number of Pieces Received at Post Office		Postmaster, Per (Name of receiving employee)														
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matador Airstrip Postage Report

Recipient

Louise Kadane and Michael L Gustafson Trustees 4809 Cole Avenue Suite 100 LB 114 Dallas TX 75205
 Louise Kadane and Michael L Gustafson Trustees 4809 Cole Avenue Suite 100 LB 114 Dallas TX 75205
 Devon Energy Production Company LP 333 West Sheridan Avenue Oklahoma City OK 73102
 Corbett Petroleum PO BOX 11644 Spring TX 77391
 PetroYates Inc PO BOX 1608 Albuquerque NM 87103
 Randolph C Smith 4523 Julian Drive Mesquite TX 75150
 Charlotte A Smith PO BOX 199 Torreon NM 87061
 Nadel and Gussman Capitan LLC 15 East 5th Street Suite 3300 Tulsa OK 74103
 Prime Energy Corporation PO BOX 4927 MSC300 Housto TX 77210
 Mary B Attaya 5455 LaSierra Dr #612 Dallas TX 75231
 Judith K Nix 17 Via Optima Santa Fe NM 87507
 Estate of Diane Kadane Hughes a/k/a Mary D Hughes 4311 University Dallas TX 75205
 W A Wilson 6318 West Crocus Drive Glendale AZ 85304
 Harlena K Lowenstein C/O Travis Gist Wells Fargo; 201 Main St Ste 400 Fort Worth TX 76102
 Robert A Kadane 3001 Kemp Blvd Apt 1323 Wichita Falls TX 76308
 Billie Kirby Woodland Creek Circle #9 Wichita Falls TX 76302
 Emily A Kadane 4201 Picasso Wichita Falls TX 76308
 Johanna K Little 815 Glenchester Houston TX 77079
 Chris Ann Wills 909 Higginbottom Ln China Spring TX 76633
 Jill D Robertson 9 Copper Kettle Wichita Falls TX 76308
 Brent Ray Robertson 2520 E Elliott Wichita Falls TX 76308
 Jalapeno Corporation PO BOX 1608 Albuquerque NM 87103

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Affidavit of Publication


STATE OF NEW MEXICO
COUNTY OF LEA

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

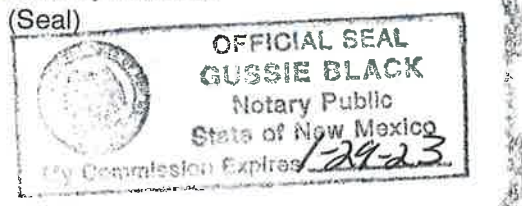
Beginning with the issue dated
March 16, 2019
and ending with the issue dated
March 16, 2019.


Publisher

Sworn and subscribed to before me this
16th day of March 2019.


Business Manager

My commission expires
January 29, 2023



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

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LEGAL NOTICE
MARCH 16, 2019

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on April 4, 2019, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by March 25, 2019. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

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: Louise Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated 3/1/1970, at the request of Edward G. Kadane, II Former Interest of George Kadane; Louise Kadane and Michael L. Gustafson, Trustees of the 4-K Trust pursuant to a Declaration dated March 1, 1970, at the request of Matthew B. Kadane Former Interest of George Kadane; Devon Energy Production Company, LP; Corbett Petroleum; PetroYates, Inc.; Randolph C. Smith, his heirs and devisees; Charlotte A. Smith, her heirs and devisees; Nadel and Gussman Capitan, LLC; Prime Energy Corporation; Mary B. Attaya, her heirs and devisees; Judith K. Nix, her heirs and devisees; Estate of Diane Kadane Hughes a/k/a Mary D. Hughes, her heirs and devisees; W. A. Wilson, his heirs and devisees; Harlena K. Lowenstein, her heirs and devisees; Robert A. Kadane, his heirs and devisees; Billie Kirby, her heirs and devisees; Emily A. Kadane, her heirs and devisees; Johanna K. Little, her heirs and devisees; Chris Ann Wills, her heirs and devisees; Jill D. Robertson, her heirs and devisees; Brent Ray Robertson, his heirs and devisees; Jalapeno Corporation.

Case No. 20364: 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 (Airstrip, Bone Spring (960)) in the 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 31 of Township 18 South, Range 35 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed wells:

- The Airstrip 31-18S-35E RN State Com No. 114, which will be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 31 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 31;
- The Airstrip 31-18S-35E RN State Com No. 124, which will be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 31 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 31; and
- The Airstrip 31-18S-35E RN State Com No. 134, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 31 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 31.

The completed intervals for these proposed wells will remain within the standard setbacks as required by the Statewide rules for oil wells. Since the proposed wells will be simultaneously drilled and completed, Matador requests an extension of the time period to drill and complete the initial well from 120 days to 365 days. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 24 miles west of Hobbs, New Mexico.
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HOLLAND & HART LLC
PO BOX 2208
SANTA FE,, NM 87504-2208