

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240  
Voice 972.371.5430 • Fax 972-371-5201  
[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton**  
**Landman**

December 23, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Devon Energy Production Company, L.P.  
20 North Broadway  
Oklahoma City, Oklahoma 73102

Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico

Devon Energy Production Company, L.P.:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

Exhibit 3

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Devon Energy Production Company, L.P. will own an approximate 14.0625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Devon Energy Production Company, L.P. shall be responsible for 14.0625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Devon Energy Production Company, L.P. hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Devon Energy Production Company, L.P. hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

Devon Energy Production Company, L.P.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Mourne Oil & Gas  
1500 Four Mile Lane  
Canon City, CO 81212-9130

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

Mourne Oil & Gas:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Mourne Oil & Gas will own an approximate 0.0099183% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Mourne Oil & Gas shall be responsible for 0.0099183% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Mourne Oil & Gas hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Mourne Oil & Gas hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Mourne Oil & Gas hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Mourne Oil & Gas

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Anastacia R. Blanco  
P.O. Box 701  
San Francisco, CA 94080

Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico

Anastacia R. Blanco:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Anastacia R. Blanco will own an approximate 0.2604167% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Anastacia R. Blanco shall be responsible for 0.2604167% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_ Anastacia R. Blanco hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_ Anastacia R. Blanco hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_ Anastacia R. Blanco hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Anastacia R. Blanco

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

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**Chris Carleton  
Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Jamie P. Ruiz  
2217 Alton St.  
Selma, CA 93662

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

**Jamie P. Ruiz:**

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Jamie P. Ruiz will own an approximate 0.0434028% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Jamie P. Ruiz shall be responsible for 0.0434028% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Jamie P. Ruiz hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Jamie P. Ruiz hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Jamie P. Ruiz hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Jamie P. Ruiz

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# MRC Permian Company

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Lupe Lara  
605 N. 2nd St.  
Carlsbad, NM 88220

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

Lupe Lara:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Lupe Lara will own an approximate 0.0279018% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Lupe Lara shall be responsible for 0.0279018% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY

  
Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Lupe Lara hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Lupe Lara hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Lupe Lara hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Lupe Lara

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

John A. Brown  
10001 Peace Way, Unit #1319  
Las Vegas, Nevada 89147-8097

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H**  
**Participation Proposal/Offer to Lease**  
**Section 13, Township 24-South, Range 28-East**  
**Eddy County, New Mexico**

**John A. Brown:**

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. John A. Brown will own an approximate 0.0048828% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, John A. Brown shall be responsible for 0.0048828% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ John A. Brown hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ John A. Brown hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ John A. Brown hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

John A. Brown

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton  
Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Dale M. Richardson  
5093 East Highway 82  
Gainesville, Texas 76240

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

Dale M. Richardson:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Dale M. Richardson will own an approximate 0.0048828% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Dale M. Richardson shall be responsible for 0.0048828% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

           Dale M. Richardson hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

           Dale M. Richardson hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

           Dale M. Richardson hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Dale M. Richardson

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

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[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson  
13363 East Asbury Drive, #104  
Aurora, Colorado 80014

Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico

Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson will own an approximate 0.0048828% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson shall be responsible for 0.0048828% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY

  
Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_ Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_ Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_ Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Linda Sue Richardson, individually and as Agent and Attorney-in-Fact for Harry James Richardson and Robert Dean Richardson

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

**Chris Carleton  
Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Evalyn Swearingen  
1250 North 50th Road  
Jamestown, Kansas 66948

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

**Evalyn Swearingen:**

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Evalyn Swearingen will own an approximate 0.0162760% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Evalyn Swearingen shall be responsible for 0.0162760% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Evalyn Swearingen hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Evalyn Swearingen hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Evalyn Swearingen hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Evalyn Swearingen

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240  
Voice 972.371.5430 • Fax 972-371-5201  
[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Julie J Martin and husband, Martin C. Martin  
P.O. Box 10911  
Southport, North Carolina 28461

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

**Julie J Martin and husband, Martin C. Martin:**

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Julie J Martin and husband, Martin C. Martin will own an approximate 0.0325521% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Julie J Martin and husband, Martin C. Martin shall be responsible for 0.0325521% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Julie J Martin and husband, Martin C. Martin hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Julie J Martin and husband, Martin C. Martin hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Julie J Martin and husband, Martin C. Martin hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Julie J Martin and husband, Martin C. Martin

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Lois M. Durland and husband, Donald E. Durland  
527 East Clackamas Circle  
Woodburn, Oregon 97071

Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico

Lois M. Durland and husband, Donald E. Durland:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Lois M. Durland and husband, Donald E. Durland will own an approximate 0.0122070% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Lois M. Durland and husband, Donald E. Durland shall be responsible for 0.0122070% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Lois M. Durland and husband, Donald E. Durland hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Lois M. Durland and husband, Donald E. Durland hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Lois M. Durland and husband, Donald E. Durland hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Lois M. Durland and husband, Donald E. Durland

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

---

**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Richard A. Swearingen  
3444 Happy Hollow Road  
Topeka, Kansas 66617

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

**Richard A. Swearingen:**

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Richard A. Swearingen will own an approximate 0.0081376% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Richard A. Swearingen shall be responsible for 0.0081376% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY

  
Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Richard A. Swearingen hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Richard A. Swearingen hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Richard A. Swearingen hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Richard A. Swearingen

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240  
Voice 972.371.5430 • Fax 972-371-5201  
[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

---

**Chris Carleton  
Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Gregory Collier  
5731 NW 19th, #4  
Oklahoma City, Oklahoma 73127

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

Gregory Collier:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Gregory Collier will own an approximate 0.0097656% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Gregory Collier shall be responsible for 0.0097656% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Gregory Collier hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Gregory Collier hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Gregory Collier hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Gregory Collier

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240  
Voice 972.371.5430 • Fax 972-371-5201  
[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton  
Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

James A. Collier III  
1113 Shady Oaks Circle  
McKinney, Texas 75070

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

**James A. Collier III:**

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. James A. Collier III will own an approximate 0.0097656% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, James A. Collier III shall be responsible for 0.0097656% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ James A. Collier III hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ James A. Collier III hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ James A. Collier III hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

James A. Collier III

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton  
Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Sheryl Collins and husband, Craig Collins  
3242 NW 43rd St.  
Topeka, KS 66618-2647

**Re: Matador Production Company -- Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

**Sheryl Collins and husband, Craig Collins:**

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Sheryl Collins and husband, Craig Collins will own an approximate 0.0162760% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Sheryl Collins and husband, Craig Collins shall be responsible for 0.0162760% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Sheryl Collins and husband, Craig Collins hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Sheryl Collins and husband, Craig Collins hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Sheryl Collins and husband, Craig Collins hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Sheryl Collins and husband, Craig Collins

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[gcarleton@matadorresources.com](mailto:gcarleton@matadorresources.com)

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Sidney M. Coryell, Jr.  
4502 West 29th Street  
Little Rock, Arkansas 72204

Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico

Sidney M. Coryell, Jr.:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Sidney M. Coryell, Jr. will own an approximate 0.0146484% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Sidney M. Coryell, Jr. shall be responsible for 0.0146484% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Sidney M. Coryell, Jr. hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Sidney M. Coryell, Jr. hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Sidney M. Coryell, Jr. hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Sidney M. Coryell, Jr.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton  
Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

The Kenesaw Senior Center  
P.O. Box G  
Kenesaw, Nebraska 68956

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H  
Participation Proposal/Offer to Lease  
Section 13, Township 24-South, Range 28-East  
Eddy County, New Mexico**

The Kenesaw Senior Center:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. The Kenesaw Senior Center will own an approximate 0.0006094% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, The Kenesaw Senior Center shall be responsible for 0.0006094% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ The Kenesaw Senior Center hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ The Kenesaw Senior Center hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ The Kenesaw Senior Center hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

The Kenesaw Senior Center

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

[ccarleton@matadorresources.com](mailto:ccarleton@matadorresources.com)

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**Chris Carleton**  
**Landman**

December 29, 2014

**VIA CERTIFIED RETURN RECEIPT MAIL**

Camellia Land, LLC  
PO Box 51510  
Midland, Texas 79710-1510

**Re: Matador Production Company – Janie Conner 13-24S-28E RB #224H**  
**Participation Proposal/Offer to Lease**  
**Section 13, Township 24-South, Range 28-East**  
**Eddy County, New Mexico**

Camellia Land, LLC:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Janie Conner 13-24S-28E RB #224H Well, located in Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,114,188 as itemized on the enclosed Authority for Expenditure ("AFE") dated December 22, 2014.
2. The proposed surface location of the subject well is approximately 485' FSL and 220' FEL of Section 14, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 330' FSL and 330' FWL Section 13, Township 24-South, Range 28-East, Eddy County, New Mexico. The proposed bottomhole location of the subject well is 330' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp "B" (~10,300' TVD) to a Total Measured Depth of approximately 14,900' resulting in a productive lateral of approximately 4,300' that will require 20 frac stages to be completed.
4. Camellia Land, LLC will own an approximate 1.5718750% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Camellia Land, LLC shall be responsible for 1.5718750% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

\_\_\_\_\_ Camellia Land, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Camellia Land, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Janie Conner 13-24S-28E RB #224H Well, located in Eddy County, New Mexico.

\_\_\_\_\_ Camellia Land, LLC hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Camellia Land, LLC

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 8400 LBJ FREEWAY • SUITE 1800 • DALLAS, TEXAS 75240  
Phone (972) 371-8288 • Fax (972) 371-8201

## ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	December 22, 2014	APB NO.:	0
WELL NAME:	Jante Conner 13-24S-28E RB #224H	FIELD:	Pierce Crossing-WC Gen
LOCATION:		MD/TVD:	14900710300'
COUNTY/STATE:	Eddy	LATERAL LENGTH:	4,300
NRO VR:	51.00%	DRILLING DAYS:	24
GEOLOGIC TARGET:	Wolfcamp B	COMPLETION DAYS:	13
REMARKS:	Drill a horizontal well and complete with 20 stages, WC Gen 1 frac design.		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	TOTAL COSTS
<b>INTANGIBLE COSTS</b>				
01 Land / Legal / Regulatory	31,700			31,700
02 Location, Surveys & Damages	78,500	14,000	4,000	96,500
10 Drilling	808,000			808,000
16 Cementing & Plug & Seal	233,000			233,000
20 Logging / Formation Evaluation		8,500		8,500
21 Mud Logging	12,000			12,000
22 Mud Circulation System	65,250			65,250
24 Mud & Chemicals	151,000	38,000		189,000
25 Mud / Wastewater Disposal	125,000			125,000
26 Freight / Transportation	58,000	18,500		76,500
28 Rig Supervision / Engineering	100,800	78,250	15,000	194,050
31 Drill Bits	88,500			88,500
32 Fuel & Power	168,000			168,000
33 Water	28,000	948,000		976,000
34 Drilling & Completion Overhead	16,200	23,000		39,200
36 Plugging & Abandonment				
38 Directional Drilling, Surveys	202,000			202,000
40 Completion Unit, Switch, CTU		160,000	28,000	188,000
44 Perforating, Wireline, Stuckline		197,500	20,000	217,500
48 High Pressure Pump Truck		80,000		80,000
48 Stimulation		2,400,000		2,400,000
47 Stimulation Flowback & Disposal		83,000		83,000
48 Insurance	28,820			28,820
50 Labor	136,000	22,000	8,000	166,000
51 Rental - Surface Equipment	87,200	281,100	12,000	380,300
52 Rental - Downhole Equipment	40,000	63,000		103,000
53 Rental - Living Quarters	48,400	38,800	10,000	97,200
54 Contingency	123,584	377,684	8,400	510,268
<b>TOTAL INTANGIBLES &gt;</b>	<b>2,588,284</b>	<b>4,164,824</b>	<b>107,800</b>	<b>6,860,908</b>
<b>TANGIBLE COSTS</b>				
41 Surface Casing	26,375			26,375
42 Intermediate Casing	63,500			63,500
43 Drilling Liner	327,200			327,200
44 Production Casing	282,028			282,028
45 Production Liner				
46 Tubing			80,000	80,000
47 Wellhead	70,000		80,000	150,000
48 Packers, Liner Hangers		87,000	12,000	99,000
49 Tanks				
50 Production Vessels			74,000	74,000
51 Flow Lines				
52 Rod string				
53 Artificial Lift Equipment			60,000	60,000
54 Compressor				
55 Installation Costs			82,000	82,000
56 Surface Pumps			8,000	8,000
58 Non-controllable Surface			88,000	88,000
59 Non-controllable Downhole				
61 Downhole Pumps				
63 Measurement & Water Installation			12,500	12,500
64 Gas Conditioning / Dehydration				
65 Interconnecting Facility Piping				
66 Gathering / Bulk Lines				
67 Valves, Dumps, Controllers				
68 Tank / Facility Containment				
69 Pile Stack				
70 Electrical / Grounding				
71 Communications / SCADA				
72 Instrumentation / Safety				
<b>TOTAL TANGIBLES &gt;</b>	<b>788,100</b>	<b>87,000</b>	<b>411,500</b>	<b>1,286,600</b>
<b>TOTAL COSTS &gt;</b>	<b>3,376,384</b>	<b>4,251,824</b>	<b>519,300</b>	<b>8,147,508</b>

### PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Aaron Byrd  
Completions Engineer: Chris Calvert  
Production Engineer: Casey McCole

Team Lead - WTX/ROM: EL  
RCL

### MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO: DEL VP - Risk Engineering: SMR VP - Drilling: BO  
Executive VP, Legal: CA Exec Dir - Exploration: DPN VP - Production: WPM  
President: WPM VP & General Manager: EL  
RCL

### NON OPERATING PARTNER APPROVAL:

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