One Lincoln Centre • 5400 LB) Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5430 • Fax 972-371-5201
ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Brett Guitar Witherspoon 3811 Rutledge Street Fort Worth, TX 76107

Re:

Matador Production Company - Tom Walters 12-23S-27E RB #203H

Participation Proposal/Offer to Lease

Section 12, Township 23-South, Range 27-East

Eddy County, New Mexico

Mr. Witherspoon:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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:

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed-bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

Case No. 15245 (re-opened)

- 3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Brett Guitar Witherspoon will own an approximate 0.390625% 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, Brett Guitar Witherspoon shall be responsible for 0.390625% of all costs incurred.

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE - 8490 LBJ PREEWAY - SUITE 1500 - DALLAS, TEXAS 78240 Phone (872) 371-5200 - Fax (972) 371-5201

DAMP					
DATE:	October 1, 2014			APE NO.:	300014-013-001
WELL NAME:	Tom Walters 12-23-27	RB #203H		FIELD: .	- 0
LOCATION:				MD/TVQ:	13650'/9150"
COUNTY/STATE;	Eddy			LATERAL LENGTH:	4,600
NRC WI;	100 00%	114		DRILLING DAYS:	31
GEOLOGIC TARGET:	Wolfcamp	-		COMPLETION DAYS:	18
REMARKS:		nd complete with 10 etc.	ges Wolfcamp Gen 1 de		
	a management well a		gow transmist GG1 1 Up	· · · · · · · · · · · · · · · · · · ·	
		DRILLING	COMPLETION	PRODUCTION	TOTAL
INTANGIBLE C	OSTS	COSTS	COSTS	COSTS	COSTS
01 Land / Legal / Regulatory		31,700	\$	\$	31.700
02 Location, Burveys & Cam	1588	145,000	13,000	4,000	162,000
15 Orilling 16 Comenting & Float Equip	•	1,013,000			1,013,000
20 Logging / Formation Evalu	ation	208,000	8.500		208,000
21 Mud Logging		19,300		,	19,300
23 Mud Circulation System		104,225			104,225
24 Mud & Chemicals		106,000	36,000		142,000
25 Mud / Wastewater Disposal		145,000			145,000
26 Freight / Transportation 26 Rig Supervision / Engineering		36,000	16,500 69,500	18,000	52,500 217,100
31 Drill 83ts		97 500	. —————	10,000	97,500
32 Fuel & Power		182,700			182,700
33 Water		27,500	348,000		. 375,500
34 Drig & Completion Overhe		14,500	19,000		32,500
36 Plugging & Abandonment 38 Offschlonet Drilling, Surve		192,300	 '		102.000
40 Completion Unit, Sweb. C		192,300	160,000	28,000	192,000
44 Perforeting, Wireline, Slic.		 	135,000	20,000	155,000
45 High Pressure Pump Truc			80,000		60,000
48 Stimulation	_		2,755,000		2,755,000
47 Stimulation Flowback & C 48 Insurance	Пър	38.00	45,500		45,500
48 insurance 50 Lisbor		26,100	22,000	6,000	26,100 155,500
51 Rental - Burlace Equipme	nt	114,700	360,150	12,000	386,850
62 Rental - Downhole Equips		40,000	55,000	. 1,000	95,000
63 Rental - Living Quarters		. 69,475	38.340	10,000	117,815
64 Contingency		262,980	403,849	9,800	696,629
	TOTAL INTANGIBLES		4,442,333	107,800	7,662,918
TAMON S OF		DRILLING COSTS	COMPLETION	PRODUCTION	TOTAL
TANGIBLE CO 41 Surface Casing	313	£ 24,875	1 00313	COSTS	COSTS 24,875
42 Intermediate Casing		78,500	·———	• 	.78.500
43 Origing Liner		364,000			304,000
44 Production Casing		401,875			401,875
45 Production Liner					
48 Tuping				- 36.000	50,000
47 Wellhead 48 Packers, Litter Hangers		50,000	73,600	35,000	85,000 85,800
49 Tanka			. 10,000	12,000	
55 Production Vessels		· 		74,000	. 74,000
51 Flow Lines					
52 Rod string					
53 Artificial Lift Equipment 54 Compressor				30,000	30,000
55 Installation Costs				82,000	62,000
56 Surface Pumps				5,000	5,000
58 Non-controllable Surface		-		66,000	68,000
59 Non-controllable Downbo	4				
81 Downhols Pumps 63 Measurement & Meter Ins	telletion			12,500	12,500
64 Gas Conditioning / Danyo		 -		12,300	<u> </u>
65 Interconnecting Facility P			:		 -
66 Gathering / Bulk Lines	· -		, 		
67 Valves, Dumpe, Controller					
68 Tenk / Facility Containments Flare Stack			 -		
70 Electrical / Grounding					
71 Communications / SCADA	•				
72 Instrumentation / Salety					
	· TOTAL TANGIBLES	859,250	73,800	366,500	1,269,550
	TOTAL COSTS	> 3,472,030	4,318,139	474,300	8,362,463
EPARED BY MATADOR PE			4,318,139	474,300	8,962,463
EPARED BY MATADOR PF		Y: *-	·	474,300	8,962,463
EPARED BY MATADOR PF			·	474,300	8,962,463
	RODUCTION COMPAN	Y: *-	·	474,300	8,962,468
Drilling Engineer.	RODUCTION COMPAN	Y: *-	nei Est	474,300	8,962,469
Driting Engineer, Completions Engineer, Production Engineer,	APPIN BYTE AREA BYTE AGEN Lange Ceary McCarn	Y: *-	nei Est	474,300	6,962,463
Dritting Engineer; Completions Engineer;	APPIN BYTE AREA BYTE AGEN Lange Ceary McCarn	Y: *-	nei Est	474,300	6,362,463
Drilling Engineer: Completions Engineer: Production Engineer: YADOR RESOURCES COM	APPIN BYTE AREA BYTE AGEN Lange Ceary McCarn	Y: * Team Lead - WTX	RCL		
Driting Engineer, Completions Engineer, Production Engineer,	RODUCTION COMPAN Asten Syrd Adam Lange Classy McCain MPANY APPROVAL:	Y: *-	RCL RCL	474,300 VP - Dri	ding
Drilling Engineer: Completione Engineer: Production Engineer: FADOR RESOURCES COM Expositive VP, COOKEFO	APPIN BYTE AREA BYTE AGEN Lange Ceary McCarn	Y: *. * Team Lead - WTX/ VP - Res Enginee	RCL RCL	VP - Ori	dling
Drilling Engineer: Completions Engineer: Production Engineer: YADOR RESOURCES COM	APPROVAL:	Y: * Team Lead - WTX	RCL RCL		dingBG
Drilling Engineer, Completions Engineer, Production Engineer, Production Engineer, YADOR RESOURCES CON Executive VP, COO/CFO Executive VP, Legal	RODUCTION COMPAN Asten Syrd Adam Lange Classy McCain MPANY APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL	VP - Ori	dling
Drilling Engineer: Completione Engineer: Production Engineer: FADOR RESOURCES COM Expositive VP, COOKEFO	APANY APPROVAL:	Y: *. * Team Lead - WTX/ VP - Res Enginee	RCL RCL SAGR	VP - Ori	dingBG
Drilling Engineer, Completions Engineer, Production Engineer, Production Engineer, YADOR RESOURCES CON Executive VP, COO/CFO Executive VP, Legal	APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL	VP - Ori	dingBG
Drilling Engineer: Completions Engineer: Production Engineer: PADOR RESOURCES COM Excoutive VP, COCICFO Executive VP, Legal President	APANY APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL SAGR	VP - Ori	dingBG
Drilling Engineer, Completions Engineer, Production Engineer, Production Engineer, YADOR RESOURCES CON Executive VP, COO/CFO Executive VP, Legal	APANY APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL SAGR	VP - Ori	dingBG
Drilling Engineer: Completions Engineer: Production Engineer: PADOR RESOURCES COM Excoutive VP, COCICFO Executive VP, Legal President	APANY APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL SAGR	VP - Dri VP - Produ	dingBG
Driling Engineer: Completions Engineer: Production Engineer: FADOR RESOURCES COM Excoutive VP, COOKCFO Executive VP, Legal President N OPERATING PARTNER	APANY APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL RCL SMR	VP - Dri VP - Produ	dlingBG
Driling Engineer: Completions Engineer: Production Engineer: FADOR RESOURCES COM Excoutive VP, COOKCFO Executive VP, Legal President N OPERATING PARTNER	APANY APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL RCL SMR	VP - Dri VP - Produ	dlingBG
Drilling Engineer: Completions Engineer: Production Engineer: PADOR RESOURCES COM Executive VP, COO/CFO Executive VP, Legal President N OPERATING PARTNER. Company Name:	APANY APPROVAL:	Y: ". " Team Lead - WTX VP - Res Engine Exec Cir - Explora	RCL RCL RCL Working Interest (%):	VP - Dri VP - Produ	dlingBG

OIL. GAS AND MINERAL LEASE

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: Your or your driver's license number.

THIS LEASE AGREEMENT is made effective the 13th day of October, 2014, between <u>Brett Guitar Witherspagn</u>, as the Lessor (whether one or more), whose address is 3811 Rulledge St., Fort Worth, TX 76107 and MRC PERMIAN COMPANY, as Lessee, whose address is One Lincoln Centre, 5400 LBJ Freeway Suite 1500 Dallas, Texas 75240

All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. Description. Lessor, in consideration of Ten Dollars (\$10.00), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and

Description. Lessor, in consideration of Ten Dollars (\$10.00), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non-hydrocarbon substances produced in association therewith including helium, curbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in <u>FDOY</u> County, New Mexico, to-writ:

Township 23 South, Range 27 East
Section 12: SW/4
containing 160 acres more or less
Eddy County, New Mexico

This lease also covers accretions and my small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, said land shall be deemed to be comprised of 160 acres whether it actually comprises more or less.

- 2. <u>Term of Lease</u>. This lease, which is a paid-up lease requiring no rentals, shall be in force for a primary term of <u>THREE (3)</u> years from the effective dute hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.
- J. Revalty. Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be ONE-FIFTH (1/5] of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit as the oil purchase such production at the wellhead or to the solven from the oil purchase such production at the wellhead opsole price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of and valorem taxes and production, severance, or other excise taxes, (i) for gas (including easinghead gas) and aff inher covered minerals, the royalty shall be ONE-FIFTH (1/5). of the net proceeds realized by Lessee from the sale theren), less a proportionate part of taxes and production as provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field, then in the nearest field in which there is such a prevailing price less a proportionate part of ad valorem taxes and production as the prevailing in the same field, then in the nearest field in which there is such a prevailing price less a proportionate part of ad valorem taxes and production thereof has been pooled, capable of producing oil or gas, and all such wells are shu-in, this lease shall, nevertheless, continue in force as though operations were being conducted un said land for so long as said wells are shu-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence. Lessee shall not be obligated to install or farmish fac
- 4. Operations. If, after expiration of the primary term, Lessee drill a dry hold on the leased premises or at all production of covered unientus should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease is not otherwise being maintained are represented or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises. There shall be no coverant to drill exploratory wells or any additional wells except as expressly provided herein
- ancompensated derinage by a well producing a covered mineral in paying quantities located on lands not pooled therewith within 330 text of and drawing line feased premises. I alter stall be no coverant to drift exploratory wells or any additional wells except as expressly provided herein.

 5. Pooling. Lesses shall have the continuing recursing right, but not the obligation, to pool all or any part of the lensed premises or interests, as to any or all depths or zones, and as to any or all covered minerals, effective or not similar pooling authority exists with respect to such other lands, leases or interests. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable that or by regulations of the governmental authority which has jurisdiction over such matters. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable that or by regulations of the governmental authority which has jurisdiction over such matter. The terms "oil well" and "gas well" is well to a gas well in which the horizontal component of the governmental authority which has jurisdiction over such matter. The prevention of the governmental authority which has jurisdiction over such matter. The prevention of the governmental authority which has jurisdiction over such matter. The prevention of the governmental authority which has been any portion of the poole of the prevention of the governmental authority which has been any portion of the prevention of the lease of preventions of the prevention of the lease of preventions

6. Ancillary Rights. In exploring for, devo., ny, producing and marketing oil, gas and other substances covered hereby the cleased premises, in primary or chanced recovery. Lessor hereby grants and conveys to Lessor the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, nower stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, now thiststanding any partial release or other partial termination of this lesses; and (b) to any other lands in which Lessor now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased gremises, or such other lands, and to the commercial timber and growing crops thereon. Lessee shall have the right at eny time to remove its fixtures, equipment and materials, including well easing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

2. Ownership. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties because shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change to the satisfaction of the Lessee. In the event of the death of any person omitted to shut-in royalties hereunder. Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to transferred interest, and failure of the transferred to satisfy such obligations with respect to the transferred interest, and failure of the transferred interest and the transferred interest and

8. Third Party Officing, In the event that Lessor, during the primary term of this lease, receives a bring fide offer which Lessor is willing to accept from any party officing to purchase from Lessor allease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessoe in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or pan thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

9. Warranty of Title. Lessoe hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, that its option, may pay or discharge any tax,

9. Warranty of Title. Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subragated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties therwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises. To the extent any royalty or other payment attributable to the mineral estate overed by this lease is payable to someone other than Lessor, such royalty or other payment shall be deduced from the corresponding amount offusic payable to Lessor hereunder.

10. Release of Lease. Lessee may, or any time and from time to time, deliver to the Lessor or file of record a written release of this Lease as to a full or undivided interest in

10. Release of Lease. Lessee may, or any time and from time to time, deliver to the Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby. Lessee's obligation to pay or render shut-in royalities shall be proportionately reduced in necordance with the net agreege interest retained hereunder.

11. Regulation and Belay. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction, including restrictions on the drilling and production of wells and regulation of the price or transportation of oil, gas and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders or by inability to obtain a recessary permits, equipment, services, material, water, electricity, furl, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lesse shall not remininte because of such prevention or delay, and at Lessee is option, the period of such prevention or delay shall be added to the term hereof. Lessee thall not be lighble for breach of any provisions or implied coverants of this lesse when drilling, production or other operations are so prevented or delayed.

12. <u>Breach or Default.</u> An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work as a forfeiture or termination of this lease not cause a termination or reversion of the estate extend hereby nor be grounds for cancellation hereof in whole or in part, and to litigation shall be initiated by Lessor with respect to any alleged hreach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee thais to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lesse shall not be forfeited or canceled in whole or in part unless the Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship retaid hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle - agent felationship between Lessee for any purpose.

13. Option to Extend. For the above consideration, Lessee is granted the option to renew this lease under the same provisions for a second primary term of Twn (2) years, commencing on or before the expiration date hereof, and continuing as long thereafter as oil or gas is groduced from said land or land pooled therewith. Lessee may exercise this option by paying or tendering to the Lesser or Lessor's circlit in the hereofiter named depository bank, the sum of Five Hundred Dollars (\$500.00) per net mineral acts covered by this lease on or before the expiration of the primary term hereof. It is agreed and understood that all delay rental payments shall be deemed "Paid-Up" and said delay rental payments are included in any lease bonus payments tendered by the Lessee.

IN WITNESS WHEREOF, this lense is executed effective the date first above written, and upon execution shall be binding upon the signatory party whether or not the lease has been executed by all parties named herein as Lessor.

ACKNOWLEDGEMENT

STATE OF	
COUNTY OF	
This instrument was acknowledged before me this day of	_, 2014, by .
	Notary Public, State of

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

Chris Carleton La**n**dman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Curtis L. Neeley Management Trust 206 Blue Ground 8992 Horseshoe Bay, TX 78657

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Curtis L. Neeley Management Trust:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Curtis L. Neeley Management Trust will own an approximate 2.132813% 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, Curtis L. Neeley Management Trust shall be responsible for 2.132813% of all costs incurred.

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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust 5528 Tahoe Lane Fairway, KS 66205

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust will own an approximate 0.390625% 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, Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust shall be responsible for 0.390625% of all costs incurred.

all costs incurred.
Sincerely,
MRC PERMIAN COMPANY CL CLL
Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust hereby elects not to participat for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust
By:
Title:
Date:

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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Guy Pittman Witherspoon, III 4704 Birchman Ave. Fort Worth, TX 76107

Re: Matador Production Company - Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Witherspoon, III:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- 1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Guy Pittman Witherspoon, III will own an approximate 0.781250% 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, Guy Pittman Witherspoon, III shall be responsible for 0.781250% of all costs incurred. Sincerely, MRC PERMIAN COMPANY Chris Carleton Enclosure(s) Please elect one of the following and return to sender: Guy Pittman Witherspoon, III hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. Guy Pittman Witherspoon, III hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. Guy Pittman Witherspoon, III hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed. Guy Pittman Witherspoon, III

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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

John Guitar Witherspoon, Jr. 3104 N. 6th Street McAllen, TX 78501

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H

Participation Proposal/Offer to Lease

Section 12, Township 23-South, Range 27-East

Eddy County, New Mexico

Mr. Witherspoon, Jr.:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. John Guitar Witherspoon, Jr. will own an approximate 0.390625% 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 Guitar Witherspoon, Jr. shall be responsible for 0.390625% of all costs incurred.
Sincerely,
MRC PERMIAN COMPANY
Cl Call
Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
John Guitar Witherspoon, Jr. hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
John Guitar Witherspoon, Jr. hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
John Guitar Witherspoon, Jr. hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
John, Guitar Witherspoon, Jr.
Ву:
Title:
Date:

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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

John Kelly Guitar P.O. Box 1628 Big Spring, TX 79721

Re-

Matador Production Company - Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Mr. Guitar:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- John Kelly Guitar will own an approximate 0.390625% 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 Kelly Guitar shall be responsible for 0.390625% of all costs incurred.

Kelly Guitar shall be responsible for 0.390625% of all costs incurred. Sincerely, MRC PERMIAN COMPANY Chris Carleton Enclosure(s) Please elect one of the following and return to sender: John Kelly Guitar hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. John Kelly Guitar hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. John Kelly Guitar hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed. John Kelly Guitar Title: Date:

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

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Judy Guitar Uhey P.O. Box 632 Elizabethtown, KY 42702

Re:

Matador Production Company – Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Ms. Uhey:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- 1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Judy Guitar Uhey will own an approximate 0.625000% 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, Judy Guitar Uhey shall be responsible for 0.625000% of all costs incurred.

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

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Lee M. Neeley 17710 Delta Springs Lane Houston, TX 77084

Re: Matador Production Company - Tom Walters 12-23S-27E RB #203H

Participation Proposal/Offer to Lease

Section 12, Township 23-South, Range 27-East

Eddy County, New Mexico

Mr. Neeley:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Lee M. Neeley will own an approximate 1.562500% 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, Lee M. Neeley shall be responsible for 1.562500% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY

Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
Lee M. Neeley hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Lee M. Neeley hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Lee M. Neeley hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
Lee M. Neeley
Ву:
Title:

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

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Lesli Guitar Nichols P.O. Box 327 Big Spring, TX 79721

Re:

Matador Production Company - Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Ms. Nichols:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- 1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Lesli Guitar Nichols will own an approximate 0.390625% 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, Lesli Guitar Nichols shall be responsible for 0.390625% of all costs incurred.

Sincerely, MRC PERMIAN COMPANY Chris Carleton Enclosure(s) Please elect one of the following and return to sender: Lesli Guitar Nichols hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. Lesli Guitar Nichols hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. Lesli Guitar Nichols hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed. L T

Lesli Guitar Nichols			
Ву:	_	 	
Title:		 	
Date:		 	

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

Voice 972,371.5430 • Fax 972-371-5201

ceatleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Melissa McGee P.O. Box 334 Buffalo Gap, TX 79508

Re: Matador Production Company - Tom Walters 12-23S-27E RB #203H

Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East

Eddy County, New Mexico

Ms. McGee:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- 1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Melissa McGee will own an approximate 0.625000% 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, Melissa McGee shall be responsible for 0.625000% of all costs incurred.

McGee shall be responsible for 0.625000% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY

CL LLL

Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

Melissa McGee hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

Melissa McGee hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

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

Melissa McGee

By:

Title:

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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 1528 Sussex Dr. Plano, TX 75075

Re: Matador Production Company ~ Tom Walters 12-23\$-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 will own an approximate 1.562500% 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, Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 shall be responsible for 1.562500% of all costs incurred.

Sincerely.

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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Pressley Hudson Guitar P.O. Box 20485 Dallas, TX 75220

Re:

Matador Production Company - Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Mr. Guitar:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Pressley Hudson Guitar will own an approximate 0.781250% 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, Pressley Hudson Guitar shall be responsible for 0.781250% of all costs incurred.

Hudson Guitar shall be responsible for 0.781250% of all costs incurred.
Sincerely,
MRC PERMIAN COMPANY Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
Pressley Hudson Guitar hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RE #203H Well, located in Eddy County, New Mexico.
Pressley Hudson Guitar hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203F Well, located in Eddy County, New Mexico.
Pressley Hudson Guitar hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
Pressley Hudson Guitar
Ву:
Title:
Date:

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

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Sally Guitar 10 Woodhaven Circle Abilene, TX 79605

Re: Matador Production Company - Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. Guitar:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Sally Guitar will own an approximate 1.250000% 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, Sally Guitar shall be responsible for 1.250000% of all costs incurred.

Sincerely, MRC PERMIAN COMPANY Chris Carleton Enclosure(s) Please elect one of the following and return to sender: Sally Guitar hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. Sally Guitar hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico. Sally Guitar hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed. Sally Guitar

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

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Sharon Guitar Ellis P.O. Box 105 Snoqualmie Pass, WA 98068

Re:

Matador Production Company - Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Ms. Ellis:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Sharon Guitar Ellis will own an approximate 0.625000% 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, Sharon Guitar Ellis shall be responsible for 0.625000% of all costs incurred.

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

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust 2601 Lakewood Circle Tuscaloosa, AL 35405

Re: Matador Production Company - Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-235-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650° resulting in a productive lateral of approximately 4,600° that will require 18 frac stages to be completed.
- 4. Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust will own an approximate 0.390625% 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. Virginia

Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust shall be responsible for 0.390625% of all costs incurred.
Sincerely,
MRC PERMIAN COMPANY
Ch Calch
Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust
Ву:
Title:
Date:

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

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Wende Witherspoon Morgan 1004 W. 8th Street Westlaco, TX 78596

Re: Matador Production Company - Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. Morgan:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Wende Witherspoon Morgan will own an approximate 0.390625% 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, Wende Witherspoon Morgan shall be responsible for 0.390625% of all costs incurred.

Witherspoon Morgan shall be responsible for 0.390625% of all costs incurred.
Sincerely,
MRC PERMIAN COMPANY CL CLL
Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
Wende Witherspoon Morgan hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Wende Witherspoon Morgan hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Wende Witherspoon Morgan hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
Wende Witherspoon Morgan
Ву:
Title:
Date:

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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Whitten Guitar Witherspoon 3824 Arroyo Rd. Fort Worth, TX 76109

Re:

Matador Production Company - Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Mr. Witherspoon:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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.

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Whitten Guitar Witherspoon will own an approximate 0.390625% 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, Whitten Guitar Witherspoon shall be responsible for 0.390625% of all costs incurred.
Sincerely,
MRC PERMIAN COMPANY
Ch Cold
Chris Carleton .
Enclosure(s)
Please elect one of the following and return to sender:
Whitten Guitar Witherspoon hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Whitten Guitar Witherspoon hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Whitten Guitar Witherspoon hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
Whitten Guitar Witherspoon
Ву:
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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Xplor Resources, LLC 1104 North Shore Dr. Carlsbad, NM 88220

Re:

Matador Production Company – Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Xplor Resources, LLC:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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:

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Xplor Resources, LLC will own an approximate 12.500000% 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, Xplor Resources, LLC shall be responsible for 12.500000% of all costs incurred.
Sincerely,
MRC PERMIAN COMPANY CL Cult
Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
Xplor Resources, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Xplor Resources, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Xplor Resources, LLC
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

Chris Carleton Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Brett Guitar Witherspoon 3824 Arroyo Rd. Fort Worth, TX 76109

Re:

Matador Production Company – Tom Walters 12-23S-27E RB #203H Participation Proposal/Offer to Lease Section 12, Township 23-South, Range 27-East Eddy County, New Mexico

Mr. Witherspoon:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-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:

- The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
- 2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' 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 A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
- 4. Brett Guitar Witherspoon will own an approximate 0.390625% 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, Brett Guitar Witherspoon shall be responsible for 0.390625% of all costs incurred.

•
Sincerely,
MRG PERMIAN COMPANY LLL
Chris Carleton
Enclosure(s)
Please elect one of the following and return to sender:
Brett Guitar Witherspoon hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Brett Guitar Witherspoon hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.
Brett Guitar Witherspoon hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.
Brett Guitar Witherspoon
Ву:
Title:
Date:

_	-3°	
SENDE	R: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
item Print so th Attac	plete items 1, 2, and 3. Also complete 4 if Restricted Delivery is desired. your name and address on the reverse at we can return the card to you. h this card to the back of the mailpiece, the front if space permits.	A. Signatural R. C. C. C. Date of Delivery Sharon C. Ellis 10-22
1. Article	Addressed to:	D. Is delivery address different from item 17
Sharor	n Guitar Ellis	
P.O. B	ox 105	
Snoqu	almie Pass, WA 98068	3. Service Type Certified Maii
		4. Restricted Delivery? (Extra Fee)
2. Article	Number 7011 115	0 0000 6322 7426
PS Form	3811, February 2004 Domestic Ret	
	SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reviso that we can return the card to you. Attach this card to the back of the mallipor on the front if space permits.	averse A. Stignature A. Stignature A. Agent Addresse B. Received by (Printed Name) C. Date of Delivery
•	Sharon Guitar Ellis	
	P.O. Box 105 Snoqualmie Pass, WA 98068	3. Service Type Certified Mali
	2. Article Number (Transfer from service label) 7 []	
	PS Form 3811, February 2004	Domestic Return Receipt 102595-02-M-150

U.S. Postal Service (CERTIFIED MAIL: RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)

For delivery information visit our website at www.usps.come

OFFICALUSE

Postage \$ 10-15-14

Certified Fee (Endomement Required)

Pustricted Dollvary Fee (Endomement Required)

Sharon Guitar Ellis

P.O. Box 105

Snoqualmie Pass, WA 98068

8

PILATINA PILATE DE LA CONTROL DE LA CONTROL

MRC Permian Company -Gallas, TX 75240

5400 LBJ Freeway Suite 1500

0003192892 OCT 152014 MAILED FROM ZIP CODE 75240

RECEIVED

OCT 22 2014

Brett Guitar Witherspoon

3824 Arroyo Rd.

Fort Worth, Trans

+1 '02/0100

7E 1699

5. 1. 2. 四花冠水二下。

9970	(Domestic Mail O	Service to MAIL to REC Inly: No Insurance Co ation visit our website at	verage Provided)
LT.	OF	ICLAL	USE
1150 0000 b32	Postage Certifled Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Feee	\$	10-15-14 Postmark Here
7011 T	Brett Guitar Wi	therspoon i.	

ずたけ

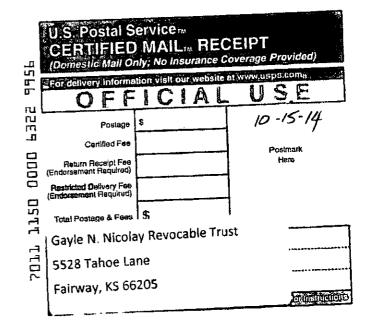
THE STATE OF THE PARTY OF THE P

45 750

		i
	SENDER: COMPLETE THIS SECTION	COMPLETE THIS SIECTION ON GELIVERY
	 Complete items 1, 2, and 3. Also complete item 4 if Restricted Dailvery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X / // XCC A Agent B. Received by (Printed Name) C. Date of Delivery Viv (11) (C. Hoff) 10. L0.14
	Article Addressed to:	D. Is delivery address different from item 1?
	Virginia Nevill Hoff Management Trust	
	2601 Lakewood Circle	
	Tuscaloosa, AL 35405	3. Service Type Contilled Mail
	2. Article Number	4. Restricted Dailvery? (Extra Fee) Yes
	(Trensfer from service lebel)	0000 4322 7949
	PS Form 3811, February 2004 Domestic Ref	um Receipt 102595-02-M-1540
	UNITED STATES POSTAL SERVICE	First-Class Mail Postage & Fees Paid USPS Permit No. G-10
	Sender: Please print your name,	address, and ZIP+4 in this box •
()	MRC Energy Company One Lincoln Center 5400 LBJ Freeway, Suite 1 Dallas, Texas 75240	OCT 22 2014
	25 Stubling 40101775 "40101179	Tom Walter
		U.S. Postal Service in CERTIFIED MAIL. RECEIPT (Domestic Mail Only; No Insurance Coverage Provide For delivery, information visit our website at www.usps.com

	Service IM D MAIL III REC Only; No Insurance C		
Postage Certified Fen Return Receipt Fee (Endorzement Required) Restricted Defivery Fee	ation visit our website		
Virginia Nevill 2601 Lakewood Tuscaloosa, Al		nt Trust	

** .			
<u> </u>			
NDER: COMMETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY		
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is destred. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the malipiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery		
Article Addressed to:	D. is delivery address different from item 17		
Gayle N. Nicolay Revocable Trust 5528 Tahoe Lane Fairway, KS 66205	3. Service Type AT Certified Mail		
, a	Registered Receipt for Merchandise		
	☐ Insured Mail ☐ C.O.D.		
	4. Restricted Delivery? (Extra Fee)		
2. Article Number 7011 1150 0000 6322 9956			
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540			
UNITED STATES POSTAL SERVICE NO 640	First-Class Mail Postage & Fees Paid USPS Permit No. G-10		
Sender: Please print your name, ad-	dress, and ZIP+4 in this box •		
MRC Energy Company One Lincoln Center 5400 LBJ Freeway, Suite 1500 Dallas, Texas 75240			
DElStubling			



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

5 750 F '14



7011 1150 0000 6322 9963 RECEIVED

OCT 29 2014



Wende Witherspoon Morgan 1004 W. 8th Street Westlaco,

NIXIE

0010/23/14

RETURN TO SENDER ATTEMPTED - NOT KNOWN UNABLE TO FORWARD

BC: 75240108325

75348B4997

SENDER: COMPLETE THIS SECTION	complete this section on delivery	
Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you.	A. Signature X	
Affact this card to the back of the mailplece, or on the front if space permits. Article Addressed to:	D. Is delivery address different from item 1? Ves If YES, enter delivery address below:	
Wende Witherspoon Morgan		
Westlaco, TX 78596	3. Service Type 2. Cartified Mail	

For delivery information visit our website at www.usps.come	
DEFICIAL USE	_
Certifled Fee Certifled Fee Return Receipt Fee (Endorsement Required) Restricted Defivery Fee (Endorsement Required) Total Postage & Fee	•
Mondo Withorroon Morgan	_
1004 W. 8th Street	****
Westlaco, TX 78596	****

(Transfer from service label) PS Form 3811, February 2004

2. Article Number

Domestic Return Receipt

7011 1150 0000 6322 9963

4. Restricted Delivery? (Extre Fee)

102595-02-14-1540 (

☐ Yes

气医 路が西 HARL THE STREET, STREE

4666 2269 0000 05TT TTOL

TANIE STATE OF THE STATE OF THE

LES MAILED FROM ZIP CODE 75240 0003182892 02 1P OCT 15 2014 006.69

RECEIVED

OCT 24 2014

McAllen, 1 3104 N. 6th Street John Guitar Witherspoon, Jr.

PARTER TARES ~} !!! NACE NOT NACE OF TO POSSESSES 560 E

ACI PSZABIBILITS 75240101275 *1834-05843-16-46

对自己心里是由主义

SEMBER

SEMBER, COMPLETE THIS SECTION	OW	COMPLETE THIS SECTION ON DELIVERY	IN DELIVERY
Complete items 1, 2, and 3. Also complete	omptete	A. Signature	
itsign4 if Restricted Delivery is desired. Print your name and address on the reverse	hed.	×	☐ Agent ☐ Addressee
so that we can return the card to you. Attach, this card to the back of the mailpleos, or the front if space namely.	rnahpleos,	B. Received by (Printed Nume)	с. Д
1. Article Addressed to:		D. Is delivery address different from Item 17	SS below:
John Guitar Witherspoon, Jr.		 -	
3104 N. 6th Street			
McAllen, TX 78501		3. Service Type Sci Certified Mail Depr	C) Express Mad
		☐ Registered	Return Receipt for Merchandiso
		4. Restricted Delivery? (Extra Fee)	(ee,
Article Number (Transfer from service label)	7011 115	4666 2269 0000 05TT TTO	14
PS Form 3811, February 2004	Domesto Return Receipt	um Receipt	· 102595-02-N-1540

	Service D MAIL REC	
	Blion visit our website	at www.usps.com _#
OFF	ICIAL	USE
Postage	8	10-15-14
Certified Fee		10 10 1)
Return Receipt Fee (Endorsoment Required)		Postmark Here
Restricted Delivery Fee (Endomerment Required)	· · · · · · · · · · · · · · · · · · ·	

🖪 John Guitar Witherspoon, Jr. 3104 N. 6th Street

McAllen, TX 78501

4994 55E3 0000 03LL LLOY

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

4966 22E9 0000 05TT TTOL

RECEIVED OCT 22 2014

> Fort Worth, TY 76100 3824 Arrayo Rd. Whitten Guitar Witherspoon

Draw Jund 10-17-14

SENDER: COMPLETE THIS SECTION

Complete items 1, 2, and 3. Also complete tem 4 if Restricted Delivery is desired.

A. Signature

ABAMINE DE RONDAS SEU BEREINEGA

Print your name and address on the reverse so that we can return the card to you.

	9987	C.O.D.	CI Express Mal			different from item 17 ry address below:	ed Name)		znovi da nejmera
	Indeed to Michael	□ Yes	C) Express Meli			n 17 🖸 Yes	C. Date of Delivery	□ Agent □ Addressee	ज्यात्म् इ.स.च्या
٦٦	U.S. F CER (Domes	TIFIE tic Mail	D N Only;	_	, RE	Cover	rage P)
		Delivery Fo	50 (d)				Po	/5-/ stmark 16r9	4
7011 1150		Arroyo	Rd.	Vithers 6109	poon				เมติเมีย
Ų.								arenea:	ALCO TO STATE OF

Fort Worth, TX 76109

Service Type

(Certified Mail ☐ Registered
☐ Insured Mail

PS Form 3811, February 2004

(Transfer from service label)

Restricted Delivery? (Edra Fee)

Domestic Return Receipt

Article Number

3824 Arroyo Rd.

Whitten Guitar Witherspoon

Article Addressed to:

Attach this card to the back of the maliplece,

or on the front if space permits.

D. Is delivery address different from Item 1?

If YES, enter delivery address below:

B. Received by (Printed Name)

-1 1 5.750 A STATE OF THE PARTY OF THE PAR MAILED FROM ZIP CODE 75240 0003192892 02 1P

. :i,

,,

(1) (1) (1) (1) (1)

\$ 006.690 OCT 15 2014

tem 4 if Restricted Delivery is destred. Print your name and address on the reverse so that we can return the card to yoù. Attach this card to the back of the mallpiece, or on the front if space permits.	Agant Addressee B. Preceived by (Primed Name) C. Date of Delivery D. Is delivery address different from Item 1? Yes If YES, enter delivery address below: No
10 Woodhaven Circle	
Abilene, TX 79605	3. Service Type
Abliefie, 1X 75003	Gertified Mail
	4. Restricted Delivery? (Extra Fee)
2. Article Number (Transfer from service let 7011 1150 0	1000 £322 7440
PS Form 3811, February 2004 Domestic Re	
. United States Postal Service	First-Class Mail Postage & Fees Paid USPS Permit No. G-10
MRC Permian One Lincoln C 5400 LBJ Free Dallas, Texas	entre way, Suite 1500
	U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only: No Insurance Coverage Provided) For delivery information visit our website at www.usps.com.
	OFFICIAL USE
	Postage 6 10-15-14 Certified Fee
	Raturin Rocelipt Fee Postmerk (Endorsement Regulated) Here
	Restricted Colivery Fee (Endocsement Required)
	Total Postage & Fees \$
1	10 Woodhaven Circle
	Abilene, TX 79605

ar theirmonlone

GOMPLETE THIS SECTION ON DELIVERY

SENDER: COMPLETE THIS SECTION

.

CERTIFIED (Domestic Mail O	Service D MAIL REC Only: No Insurance C	EIPT
For delivery inform	allon visit our website	nt www.usns.come
n OFF	ICIAL	USE
Postage Certified Fee Certified Fee Return Racelet Fee (Endorsement Required) Restricted Dollsony Fee (Endorsement Required) U) I'd	5	10 - 15 - 14 Postmerk Here
Judy Guitar Uhe	şγ	
P.O. Box 632		************
Elizabethtown,	KY 42702	
	244	(dionestient)

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

7011 1150 0000 6322 7402

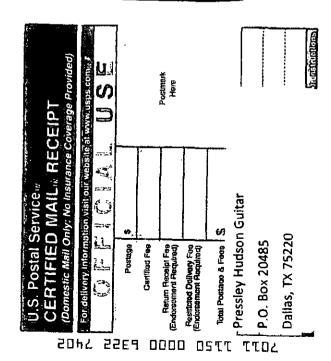


NOV 07 2014

Pressley Hudson Guitar P.O. Box 20485 Dallas, TX

•			7				
 -		 	 	***	-		_
 				-		_	

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse	A. Signature X. Agent Addressee
so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.	B. Received by (Printed Name) C. Date of Delivery
1. Article Addressed to:	D. is delivery address different from item 1? Yes If YES, enter delivery address below:
Pressley Hudson Guitar (40) Box 20485	1
1金E BUX 20403	3. Service Type
Dallas, TX 75220	☐ Registered Mail ☐ Express Mail ☐ Registered ☐ Receipt for Merchandise ☐ Insured Mail ☐ C.O.D.
	4. Restricted Delivery? (Extra Fee) Yes
2. Article Number (Transfer from service label) 7011]:	LSO 0000 6322 7402
	Return Receipt



SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature X 4 C Lol Agent Addressee B. Roccived by (Printed Name) C. Date of Delivery MG6 + A Lol S S 10 30 1/7
Article Addressed to:	D. Is delivery address different from item 1? U Yes If YES, enter delivery address below:
Lesli Gultar Nichols P.O. Box 327	
L	3. Seguine Type
Big Spring, TX 79721	Certified Mail
	4. Restricted Dalivary? (Extra Fee)
2. Article Number (Transfer from service label) 7011 1150	0000 6322 7396
PS Form 3811, February 2004 Domestic Reb	Turn Receipt 102595-02-#A-1540
United States Postal Service	First-Class Mail Postage & Fees Paid USPS Permit No. G-10
Sender: Please print your name	, address, and ZiPF4 in this box •
MRC Permian Compa One Lincoln Centre 5400 LBJ Freeway, S Dallas, Texas 75240	
	U.S. Postal Service W GERTIFIED MAIL MECEIPT (Domestic Mail Only; No Insurance Coverage Provided) SFOO(delivery Information visit our website at www.usps.come OFFICIAL USE Postage \$ 10-15-144 Certified Fee Postmark Here Restricted Delivery Fee (Endorsement Required)

E Lesli Guitar Nichols

Lesli Gunc.
P.O. Box 327
Big Spring, TX 79721

/Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
 Complete Items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the maliplece, or on the front if space permits. 	A Signature X
Article Addressed to:	D. is delivery address different from item 17 Yes If YES, enter delivery address below:
John Kelly Guitar	
P.O. Box 1628	
Big Spring, TX 79721	3. Service Type ChCertified Mail
	Insured Mail C.O.D. 4. Restricted Delivery? (Edita Fee)
2. Article Number (Mansfer from service label) 7011 1150	0000 6322 7389
PS Form 3811, February 2004 Domestic Ret	
United States Postal Service	First-Class Mail Postage & Fees Paid USPS Permit No. G-10
MRC Permian Comp One Lincoln Centre 5400 LBJ Freeway, S Dallas, Texas 75240	Suite 1500 Ton Waltus Ilimital Illinoin Illino
	Postago \$ 10-15-14 Certifled Fee Postmark (Endorsoment Required) Restricted Delivery Fee (Endorsoment Required) Total Posterra & Reps \$ John Kelly Guitar P.O. Box 1628

Big Spring, TX 79721

30 1



2077 7720 0000 P353 000P

RECEIVED

NOV 14 2014

Diene interior

NOV 1 4 2014

ら((duy Pittman Witherspoon, III 4704 Birchman Ave. Fort Worth,

76 86 **281 2**604

100

SENDER: COMPLETE THIS SECT	ION	фомец ете тнів зест іон фі	le UEUVERY"
Complete items 1, 2, and 3. Also tem 4 if Restricted Delivery is des Print your name and address on temporary in the print your name and address on temporary in the print your name and address on temporary in the print your name and address on temporary in the print your name and address on temporary in the print your name and address on temporary in the print your name and address on the print yo	atred.	A. Signature X	☐ Agent ☐ Addressee
so that we can return the card to Attach this card to the back of the or on the front if space permits.	you.	B. Received by (Printed Name)	
Article Addressed to:		D. Is delivery address different to if YES, enter delivery address	
Guy Pittman Witherspoon, III			
4704 Birchman Ave.		3. Service Type	
ਿਰਾਂt Worth, TX 76107		23 Certified Mail Expre	m Receipt for Merchandise
		4. Restricted Delivery? (Extra F	ise) 🔲 Yes
Article Number (Transfer from service label)	7011 1150) 0000 F353 000E	
PS Form 3811, February 2004	Domestic Re	turn Receipt	102585-02-M-1540

1 000F	(Domestic Mail O	DETVICETM DIMAILTM REC nly, No Insurance Co	verage Provided)
E2E9 0000 0	Postage Certified Fee Return Receips Fee (Endorsement Required) Restricted Delivery Fee (Endoesement Required)	•	10-15-14 Postmark Haro
7011 1150	Guy Pittman V S 4704 Birchma O Fort Worth, TO	Vitherspoon, III	Time the same of t