

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

**NEW MEXICO OIL CONSERVATION DIVISION**  
 - Geological & Engineering Bureau -  
 1220 South St. Francis Drive, Santa Fe, NM 87505



**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: \_\_\_\_\_ OGRID Number: \_\_\_\_\_  
 Well Name: \_\_\_\_\_ API: \_\_\_\_\_  
 Pool: \_\_\_\_\_ Pool Code: \_\_\_\_\_

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW**

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL      ☐ NSP (PROJECT AREA)      ☐ NSP (PRORATION UNIT)      ☐ SD

B. Check one only for [ I ] or [ II ]

[ I ] Commingling – Storage – Measurement

☐ DHC    ☐ CTB    ☐ PLC    ☐ PC    ☐ OLS    ☐ OLM

[ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX    ☐ PMX    ☐ SWD    ☐ IPI    ☐ EOR    ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☐ Notification and/or concurrent approval by SLO  
 E. ☐ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

**Note: Statement must be completed by an individual with managerial and/or supervisory capacity.**

Print or Type Name

Date

Phone Number

Signature

e-mail Address



**Kaitlyn A. Luck**  
**Phone** (505) 954-7286  
**Fax** (505) 819-5579  
kaluck@hollandhart.com

April 20, 2021

**VIA ONLINE FILING**

Adrienne Sandoval  
Director, Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application of Matador Production Company to authorize lease commingling at the Ted Paup Tank Battery located in the W/2 NW/4 (Units D & E) of Section 33, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.**

Dear Ms. Sandoval:

Matador Production Company (OGRID No. 228937) seeks administrative approval for lease commingling, pursuant to 19.15.12.7 NMAC, at the Ted Paup Tank Battery of production from the Getty; Bone Spring (27470) pool from *all existing and future wells drilled in the following spacing units*:

- (a) The 318.30-acre, more or less, spacing unit in the Bone Spring formation (Getty; Bone Spring (27470)) underlying the N/2 N/2 of Sections 31 and 32. The spacing unit is currently dedicated to the **Pennzoil 3231 Fed Com #125H** well (API No. 30-015-44924);
- (b) The 318.80-acre, more or less, spacing unit in the Bone Spring formation (Getty; Bone Spring (27470)) underlying the S/2 N/2 of Sections 31 and 32. The spacing unit is currently dedicated to the **Pennzoil 3231 Fed Com #126H** well (API No. 30-015-44574); and
- (e) Pursuant to 19.15.12.10.C(4)(g), *future spacing units connected to this central tank battery* with notice provided only to the interest owners within these future spacing units.

Oil and gas production from these spacing units will be commingled and sold at the Ted Paup Tank Battery located in the W/2 NW/4 (Units D & E). Prior to commingling, gas production from each spacing unit will be separately metered using individual test separators with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each spacing unit will also be separately metered using turbine meters.

**Exhibit 1** is a land plat showing Matador's current development plan, flow lines, and central tank battery ("production facility") in the subject area. The plat identifies the wellbores, the existing spacing units, and the common surface facilities located in the W/2 NW/4 (Units D & E).

**Exhibit 2** is a C-102 for each of the wells currently permitted or drilled within the existing spacing units. None of these wells are producing and there are no six-month production reports.

**Exhibit 3** is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Ryan Hernandez, Production Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (attachment A to the statement) and a referenced gas sample (attachment B to the statement).

**Exhibit 4** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the Bureau of Land Management since federal lands are involved.

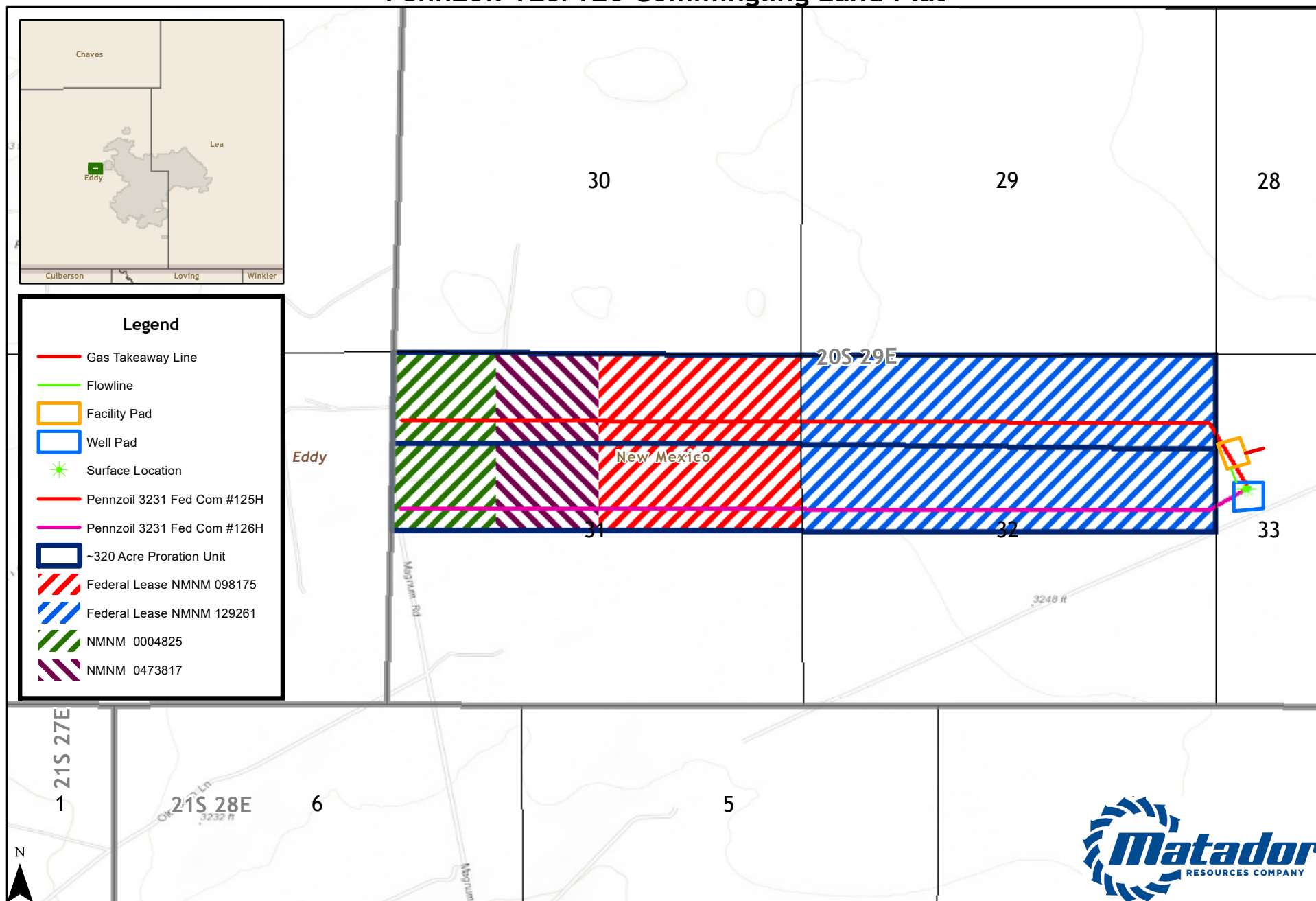
Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,



Kaitlyn A. Luck  
ATTORNEY FOR MATADOR PRODUCTION  
COMPANY

## Pennzoil 125/126 Commingling Land Plat



Southeast New Mexico

0 750 1,500 3,000 Feet

## EXHIBIT 1

Date: 4/5/2021  
 Document Name: TedPaupPennzoil\_Commingling  
 Coordinate System: GCS WGS 1984

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

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

RECEIVED

FEB 20 2020

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-44924		<sup>2</sup> Pool Code 27470	<sup>3</sup> Pool Name Getty; Bone Spring
<sup>4</sup> Property Code <del>320072</del> 326254	<sup>5</sup> Property Name PENNZOIL 3231 FED COM		<sup>6</sup> Well Number 125H
<sup>7</sup> GRID No. 228937	<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY		<sup>9</sup> Elevation 3263'

<sup>10</sup>Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	33	20-S	29-E	-	2000'	NORTH	408'	WEST	EDDY

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	31	20-S	29-E	-	996'	NORTH	60'	WEST	EDDY

<sup>12</sup> Dedicated Acres 318.30	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup> 		<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.   7/11/2019 Signature Date Cade LaBolt Printed Name cade.labolt@matadorresources.com E-mail Address
<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.  06/28/2019 Date of Survey  Signature and Seal of Professional Surveyor Certificate Number		

S:\SURVEY\MATADOR\_RESOURCES\PENNZOIL\_3231\_33-20S-29E\FINAL\_PRODUCTS\ILO\_PENNZOIL\_3231\_FED\_COM\_125H.DWG 7/3/2019 12:41:40 PM jrichardson

EXHIBIT 2

RW 2-27-2020



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

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-015-44574		<sup>2</sup> Pool Code 27470	<sup>3</sup> Pool Name Getty; Bone Spring
<sup>4</sup> Property Code 320077	<sup>5</sup> Property Name PENNZOIL 3231 FED COM		<sup>6</sup> Well Number 126H
<sup>7</sup> GRID No. 228937	<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY		<sup>9</sup> Elevation 3263'

<sup>10</sup>Surface Location

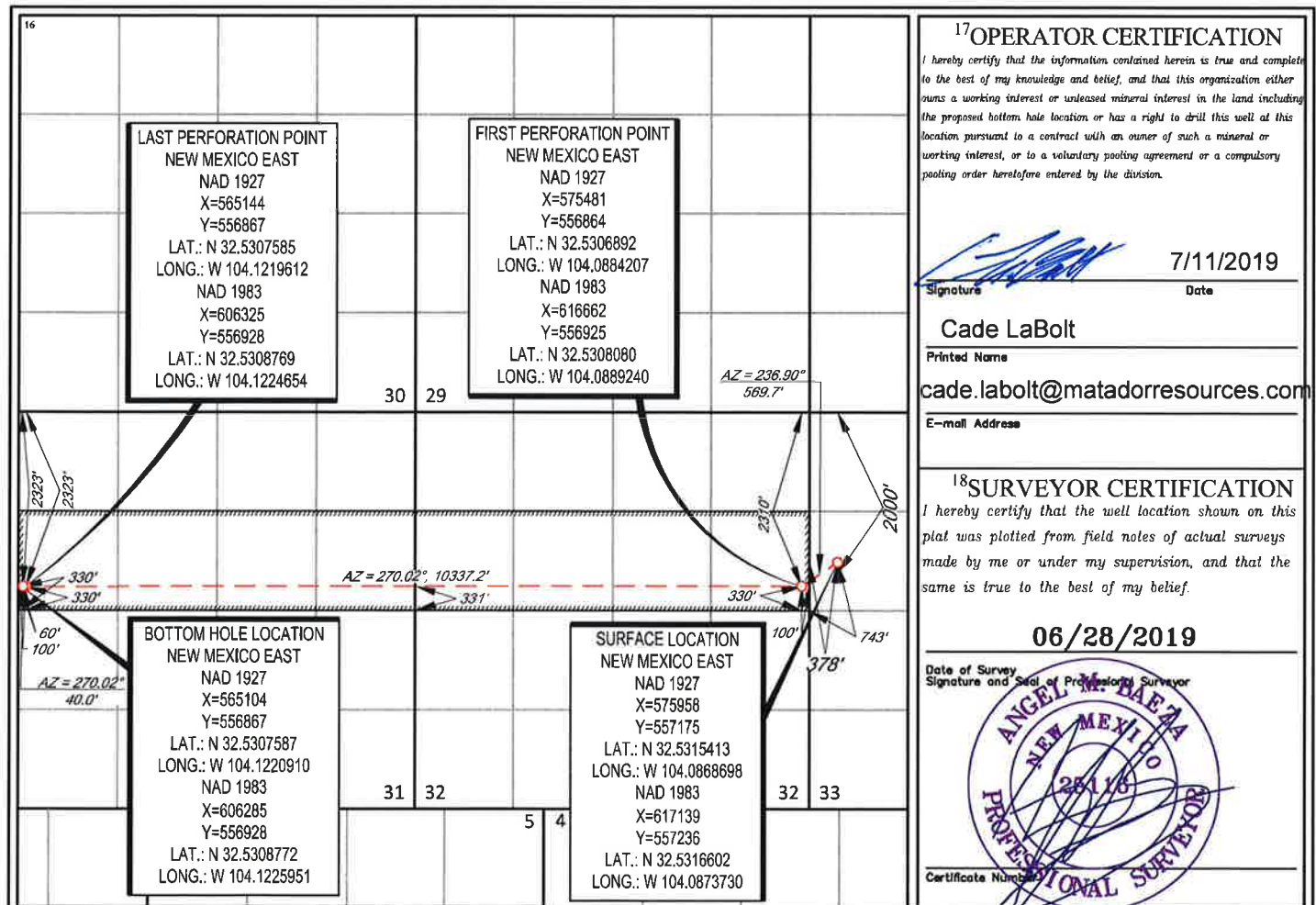
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	33	20-S	29-E	-	2000'	NORTH	378'	WEST	EDDY

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	31	20-S	29-E	-	2323'	NORTH	60'	WEST	EDDY

<sup>12</sup> Dedicated Acres 318.80	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-----------------------------------------	-------------------------------	----------------------------------	-------------------------

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

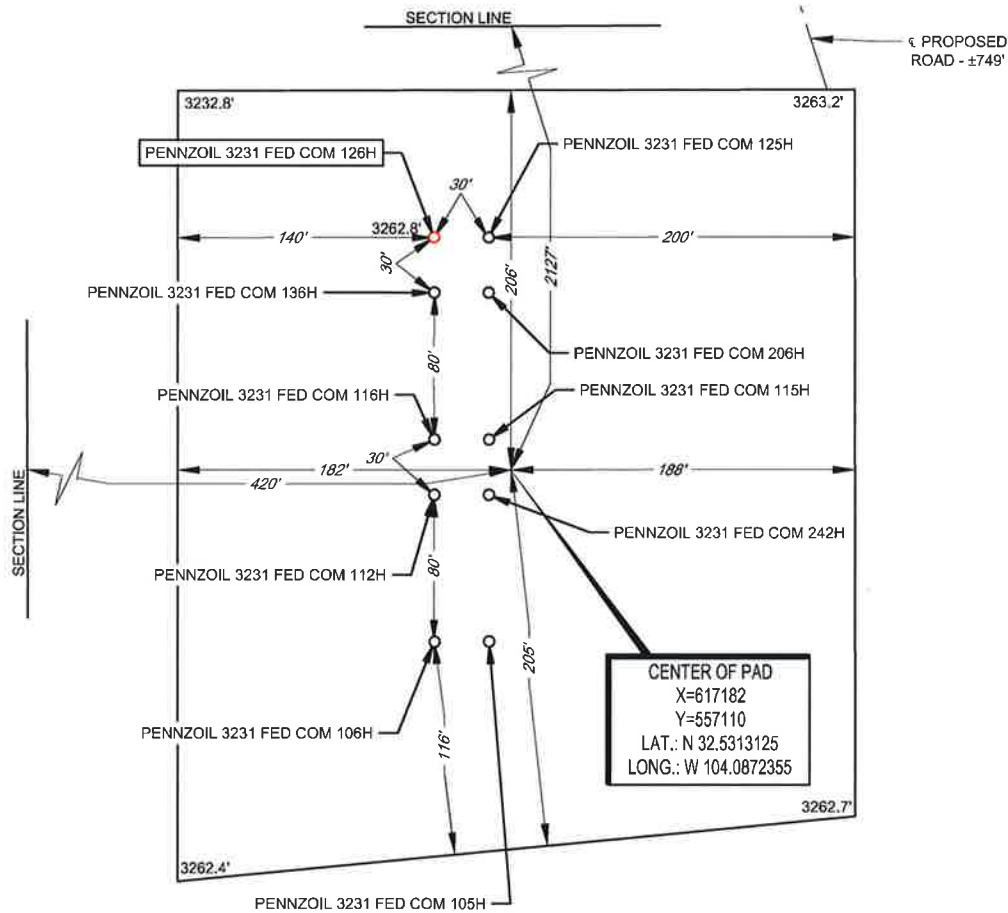


S:\SURVEY\MATADOR\_RESOURCES\PENNZOIL\_3231\_33-20S-29E\FINAL\_PRODUCT\SILO\_PENNZOIL\_3231\_FED\_COM\_126H.DWG 7/3/2019 12:10:38 PM bgregory



SECTION 33, TOWNSHIP 20-S, RANGE 29-E, N.M.P.M.  
EDDY COUNTY, NEW MEXICO

DETAIL VIEW  
SCALE: 1" = 100'



LEGEND

SECTION LINE  
PROPOSED ROAD

LEASE NAME & WELL NO.: PENNZOIL 3231 FED COM 126H  
126H LATITUDE N 32.5316602 126H LONGITUDE W 104.0873730

CENTER OF PAD IS 2127' FNL & 420' FWL



SCALE: 1" = 100'  
0' 50' 100'

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ORIGINAL DOCUMENT SIZE: 8.5" X 11"

**TOPOGRAPHIC**  
LOYALTY INNOVATION LEGACY

1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140  
TELEPHONE: (817) 744-7512 • FAX (817) 744-7554  
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705  
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743  
WWW.TOPOGRAPHIC.COM

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

### OIL CONSERVATION DIVISION

1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

#### APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Matador Production Company  
OPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240  
APPLICATION TYPE:

☐ Pool Commingling ☒ Lease Commingling ☐ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. PLC-516  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
☒ Yes ☐ No

#### (A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No  
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.  
(4) Measurement type: ☐ Metering ☐ Other (Specify)  
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

#### (B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code- Getty; Bone Spring (27470)  
(2) Is all production from same source of supply? ☒ Yes ☐ No  
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No  
(4) Measurement type: ☒ Metering ☐ Other (Specify)

#### (C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

#### (D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No  
(2) Include proof of notice to all interest owners.

#### (E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.  
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.  
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE:  TITLE: Production Engineer DATE: 4/08/2021

TYPE OR PRINT NAME Ryan Hernandez TELEPHONE NO.: (972) 374 1276

E-MAIL ADDRESS: rhernandez@matadorresources.com

## EXHIBIT 3



# Matador Production Company

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

Voice 972.371.5427 • Fax 972.371.5201

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

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**Ryan Hernandez**  
Production Engineer

April 8, 2021

New Mexico Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, NM 87505

**Re: Application of Matador Production Company for administrative approval to surface commingle (lease commingle) production from the spacing units comprising S2 of Sections 33 and 34 Township 20 South, Range 29 East NMPM, Eddy County, New Mexico (the "Lands")**

To Whom It May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to surface commingle oil and gas production from two (2) distinct wells located on the Lands, and future production from the Lands as described herein. All wells will be metered through individual three-phase separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each separator flows into one gathering line, as depicted on **Exhibit A**, the Longwood RB Pipeline, LLC line. Each well on the Lands will have its own three-phase separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in natural gas measurement. The gas samples are obtained at the time of the meter testing/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute (API) specifications to ensure accurate volume and Energy (MMBTU) determinations. See example from Fesco Laboratory attached as **Exhibit B** hereto.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. This PFD shows that the water, oil, and gas exit the wellbore and flow into a wellhead three-phase separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically in accordance with industry specifications by a third-party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum

Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is commingled with each of the other wells' metered gas, as shown on **Exhibit A**. The gathering line gas is then metered by another orifice meter at the tank battery check to show the total volume of gas leaving the Tank Battery. This meter is tested and calibrated in accordance with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check it travels directly into a third party sales connect meter. Longwood RB Pipeline, LLC has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

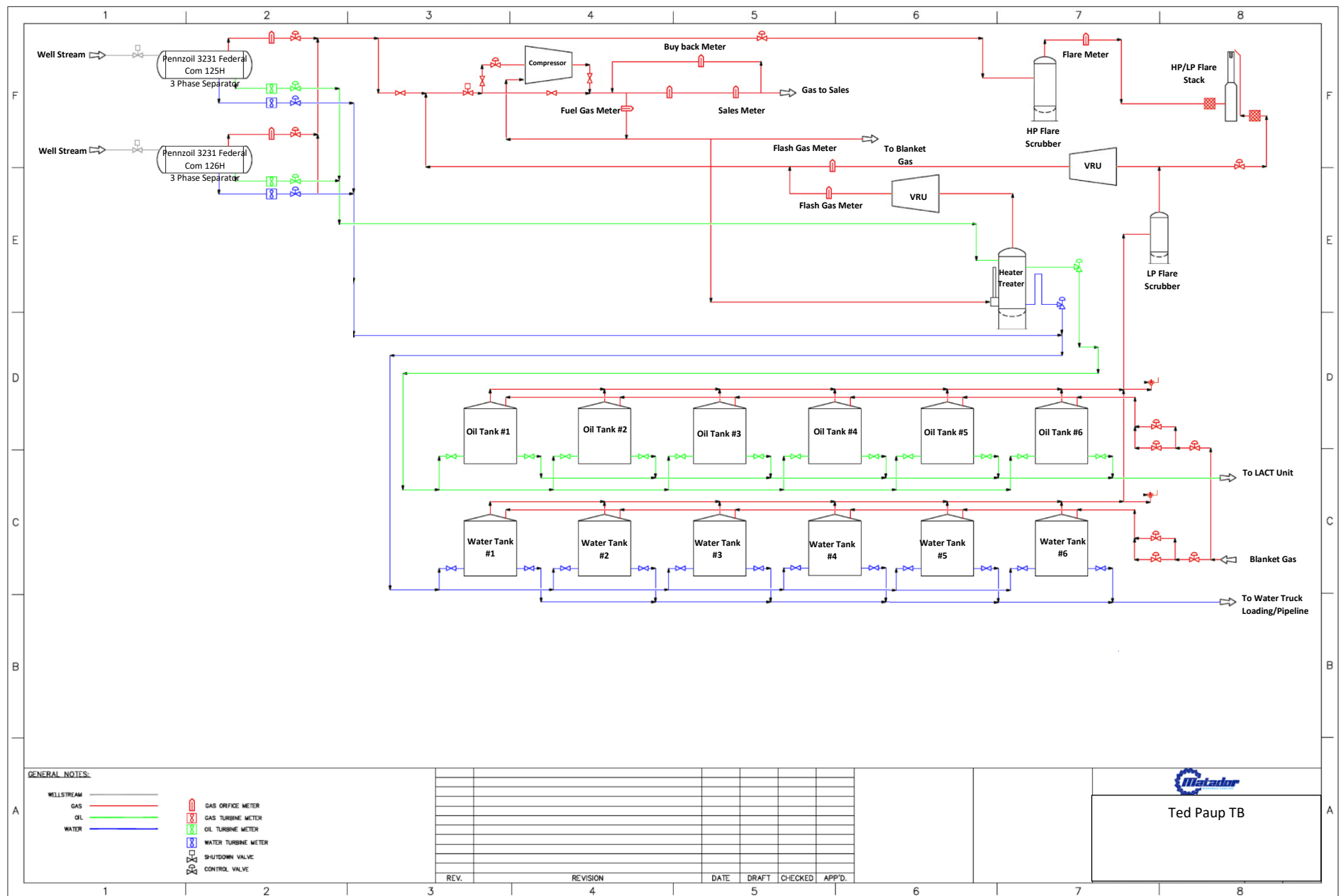
In conclusion, all the oil and gas produced on the Lands will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Ryan Hernandez', with a stylized flourish at the end.

Ryan Hernandez  
Production Engineer

RH/bkf  
Enclosures



**FESCO, Ltd.**  
**1100 Fesco Ave. - Alice, Texas 78332**

**For:** Matador Production Company  
One Lincoln Centre  
5400 LBJ Freeway, Suite 1500  
Dallas, Texas 75240

**Sample:** Leatherneck 3029 Federal COM No. 135H  
First Stage Separator Gas  
Sampled @ 150 psig & 116 °F

Date Sampled: 07/30/2020

Job Number: 202251.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.116	
Carbon Dioxide	0.077	
Methane	71.361	
Ethane	14.161	3.881
Propane	7.358	2.077
Isobutane	0.933	0.313
n-Butane	2.376	0.768
2-2 Dimethylpropane	0.003	0.001
Isopentane	0.544	0.204
n-Pentane	0.618	0.230
Hexanes	0.485	0.205
Heptanes Plus	<u>0.968</u>	<u>0.412</u>
Totals	100.000	8.090

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity ----- 3.454 (Air=1)  
Molecular Weight ----- 99.57  
Gross Heating Value ----- 5261 BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.813 (Air=1)  
Compressibility (Z) ----- 0.9952  
Molecular Weight ----- 23.44  
Gross Heating Value  
Dry Basis ----- 1422 BTU/CF  
Saturated Basis ----- 1398 BTU/CF

\*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)  
Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) Dennis Field  
Analyst: RG  
Processor: RG  
Cylinder ID: T-5861

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**  
**TOTAL REPORT**

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	1.116		1.334
Carbon Dioxide	0.077		0.145
Methane	71.361		48.833
Ethane	14.161	3.881	18.164
Propane	7.358	2.077	13.840
Isobutane	0.933	0.313	2.313
n-Butane	2.376	0.768	5.891
2,2 Dimethylpropane	0.003	0.001	0.009
Isopentane	0.544	0.204	1.674
n-Pentane	0.618	0.230	1.902
2,2 Dimethylbutane	0.006	0.003	0.022
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.051	0.021	0.187
2 Methylpentane	0.145	0.062	0.533
3 Methylpentane	0.079	0.033	0.290
n-Hexane	0.204	0.086	0.750
Methylcyclopentane	0.108	0.038	0.388
Benzene	0.039	0.011	0.130
Cyclohexane	0.151	0.053	0.542
2-Methylhexane	0.027	0.013	0.115
3-Methylhexane	0.032	0.015	0.137
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.094	0.042	0.398
n-Heptane	0.075	0.035	0.321
Methylcyclohexane	0.133	0.055	0.557
Toluene	0.040	0.014	0.157
Other C8's	0.104	0.050	0.489
n-Octane	0.036	0.019	0.175
Ethylbenzene	0.004	0.002	0.018
M & P Xylenes	0.018	0.007	0.082
O-Xylene	0.004	0.002	0.018
Other C9's	0.054	0.028	0.291
n-Nonane	0.012	0.007	0.066
Other C10's	0.023	0.014	0.139
n-Decane	0.004	0.003	0.024
Undecanes (11)	<u>0.010</u>	<u>0.006</u>	<u>0.066</u>
Totals	100.000	8.090	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.813	(Air=1)
Compressibility (Z) -----	0.9952	
Molecular Weight -----	23.44	
Gross Heating Value		
Dry Basis -----	1422	BTU/CF
Saturated Basis -----	1398	BTU/CF



**FESCO, Ltd.****1100 Fesco Ave. - Alice, Texas 78332****Sample:** Leatherneck 3029 Federal COM No. 135H

First Stage Separator Gas

Sampled @ 150 psig &amp; 116 °F

Date Sampled: 07/30/2020

Job Number: 202251.001

**GLYCALC FORMAT**

<b>COMPONENT</b>	<b>MOL%</b>	<b>GPM</b>	<b>Wt %</b>
Carbon Dioxide	0.077		0.145
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.116		1.334
Methane	71.361		48.833
Ethane	14.161	3.881	18.164
Propane	7.358	2.077	13.840
Isobutane	0.933	0.313	2.313
n-Butane	2.379	0.769	5.900
Isopentane	0.544	0.204	1.674
n-Pentane	0.618	0.230	1.902
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.204	0.086	0.750
Cyclohexane	0.151	0.053	0.542
Other C6's	0.281	0.119	1.032
Heptanes	0.336	0.143	1.359
Methylcyclohexane	0.133	0.055	0.557
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.039	0.011	0.130
Toluene	0.040	0.014	0.157
Ethylbenzene	0.004	0.002	0.018
Xylenes	0.022	0.009	0.100
Octanes Plus	<u>0.243</u>	<u>0.126</u>	<u>1.250</u>
Totals	100.000	8.090	100.000

**Real Characteristics Of Octanes Plus:**

Specific Gravity ----- 4.182 (Air=1)  
Molecular Weight ----- 120.54  
Gross Heating Value ----- 6396 BTU/CF

**Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.813 (Air=1)  
Compressibility (Z) ----- 0.9952  
Molecular Weight ----- 23.44  
Gross Heating Value  
Dry Basis ----- 1422 BTU/CF  
Saturated Basis ----- 1398 BTU/CF



**Kaitlyn A. Luck**  
**Phone** (505) 954-7286  
**Fax** (505) 819-5579  
kaluck@hollandhart.com

April 19, 2021

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: ALL AFFECTED PARTIES**

**Re: Application of Matador Production Company to authorize lease commingling at the Ted Paup Tank Battery located in the W/2 NW/4 (Units D & E) of Section 33, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Brian Fancher  
Matador Production Company  
940-224-9176  
bfancher@matadorresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Kaitlyn Luck", written over a horizontal line.

Kaitlyn A. Luck  
ATTORNEY FOR  
MATADOR PRODUCTION COMPANY

**EXHIBIT 4**

Paren tID	Mail Date	Name	DeliveryAddress	AddressLine2	City	ST	Zip	MailClass	TrackingNo	Well
31309	04/19/2021	Bureau of Land Management	620 E Greene St		Carlsbad	NM	88220-6292	Certified with Return Receipt (Signature)	9414811898765896705460	70351 - BLM Carlsbad Notice - 1
31309	04/19/2021	MRC Permian Company	5400 Lyndon B Johnson Fwy Ste 1500		Dallas	TX	75240-1017	Certified with Return Receipt (Signature)	9414811898765896705903	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 1
31309	04/19/2021	Mewbourne Oil Company	PO Box 7698		Tyler	TX	75711-7698	Certified with Return Receipt (Signature)	9414811898765896705606	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 10
31309	04/19/2021	EOG Resources, Inc.	PO Box 9315		Santa Fe	NM	87504-9315	Certified with Return Receipt (Signature)	9414811898765896705644	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 11
31309	04/19/2021	Devon Energy Production Company, L.P.	333 W Sheridan Ave		Oklahoma City	OK	73102-5010	Certified with Return Receipt (Signature)	9414811898765896705682	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 12
31309	04/19/2021	Marathon Oil Permian LLC	5555 San Felipe St		Houston	TX	77056-2701	Certified with Return Receipt (Signature)	9414811898765896705637	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 13
31309	04/19/2021	Santo Legado LLC	PO Box 1020		Artesia	NM	88211-1020	Certified with Return Receipt (Signature)	9414811898765896705675	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 14
31309	04/19/2021	Yates Industries LLC	PO Box 1091		Artesia	NM	88211-1091	Certified with Return Receipt (Signature)	9414811898765896705118	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 15
31309	04/19/2021	Jalapeno Corporation	PO Box 1608		Albuquerque	NM	87103-1608	Certified with Return Receipt (Signature)	9414811898765896705156	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 16
31309	04/19/2021	Trigg Oil & Gas LP	PO Box 520		Roswell	NM	88202-0520	Certified with Return Receipt (Signature)	9414811898765896705163	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 17
31309	04/19/2021	Trigg Oil & Gas Limited Partnership	PO Box 520		Roswell	NM	88202-0520	Certified with Return Receipt (Signature)	9414811898765896705125	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 18

Paren tID	Mail Date	Name	DeliveryAddress	AddressLine2	City	ST	Zip	MailClass	TrackingNo	Well
31309	04/19/2021	Veritas Permian Resources LLC	500 N Main St Ste 1		Roswell	NM	88201-4764	Certified with Return Receipt (Signature)	9414811898765896705101	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 19
31309	04/19/2021	MRC Delaware Resources, LLC	5400 Lyndon B Johnson Fwy Ste 1500		Dallas	TX	75240-1017	Certified with Return Receipt (Signature)	9414811898765896705996	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 2
31309	04/19/2021	Curtis W. Mewbourne, Trustee	PO Box 7698		Tyler	TX	75711-7698	Certified with Return Receipt (Signature)	9414811898765896705194	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 20
31309	04/19/2021	Jalapeno Corporation	PO Box 1608		Albuquerque	NM	87103-1608	Certified with Return Receipt (Signature)	9414811898765896705149	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 21
31309	04/19/2021	PetroYates Inc.	PO Box 1608		Albuquerque	NM	87103-1608	Certified with Return Receipt (Signature)	9414811898765896705187	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 22
31309	04/19/2021	Yates Energy Corporation	PO Box 2323		Roswell	NM	88202-2323	Certified with Return Receipt (Signature)	9414811898765896705132	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 23
31309	04/19/2021	Abby Corporation	PO Box 1714		Roswell	NM	88202-1714	Certified with Return Receipt (Signature)	9414811898765896705170	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 24
31309	04/19/2021	Spiral, Inc.	PO Box 1714		Roswell	NM	88202-1714	Certified with Return Receipt (Signature)	9414811898765896705316	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 25
31309	04/19/2021	Explorers Petroleum Corporation	PO Box 1933		Roswell	NM	88202-1933	Certified with Return Receipt (Signature)	9414811898765896705354	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 26
31309	04/19/2021	Jetta-X2, L.P.	777 Taylor St Ste Pi-D		Fort Worth	TX	76102-4919	Certified with Return Receipt (Signature)	9414811898765896705361	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 27

Paren tID	Mail Date	Name	DeliveryAddress	AddressLine2	City	ST	Zip	MailClass	TrackingNo	Well
31309	04/19/2021	Waikiki Partners, L.P.	PO Box 2127		Midland	TX	79702-2127	Certified with Return Receipt (Signature)	9414811898765896705323	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 28
31309	04/19/2021	Platform Energy III, LLC	PO Box 2078		Abilene	TX	79604-2078	Certified with Return Receipt (Signature)	9414811898765896705309	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 29
31309	04/19/2021	Mewbourne Development Corporation	PO Box 7698		Tyler	TX	75711-7698	Certified with Return Receipt (Signature)	9414811898765896705989	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 3
31309	04/19/2021	Monty D. McLane and wife, Karen R. McLane	PO Box 9451		Midland	TX	79708-9451	Certified with Return Receipt (Signature)	9414811898765896705392	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 30
31309	04/19/2021	Alan Jochimsen	4209 Cardinal Ln		Midland	TX	79707-1935	Certified with Return Receipt (Signature)	9414811898765896705347	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 31
31309	04/19/2021	Claremont Corporation	PO Box 549		Claremore	OK	74018-0549	Certified with Return Receipt (Signature)	9414811898765896705385	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 32
31309	04/19/2021	Paul R. Barwis	2201 Southampton Ln		Midland	TX	79705-1714	Certified with Return Receipt (Signature)	9414811898765896705330	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 33
31309	04/19/2021	Jareed Partners, Ltd.	2407 Bellechasse Ct		Midland	TX	79705-2603	Certified with Return Receipt (Signature)	9414811898765896705378	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 34
31309	04/19/2021	CrownRock Minerals, L.P.	PO Box 51933		Midland	TX	79710-1933	Certified with Return Receipt (Signature)	9414811898765896705019	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 35
31309	04/19/2021	John Kyle Thoma, Successor Trustee of the	PO Box 558	Cornerstone Family Trust	Peyton	CO	80831-0558	Certified with Return Receipt (Signature)	9414811898765896705057	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 36



Paren tID	Mail Date	Name	DeliveryAddress	AddressLine2	City	ST	Zip	MailClass	TrackingNo	Well
31309	04/19/2021	C. Mark Wheeler	3001 Northtown Pl		Midland	TX	79705-4235	Certified with Return Receipt (Signature)	9414811898765896705064	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 37
31309	04/19/2021	Penwell Employee Royalty Pool	600 N Marienfeld St Ste 1100		Midland	TX	79701-4395	Certified with Return Receipt (Signature)	9414811898765896705026	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 38
31309	04/19/2021	Ross Duncan Properties LLC	PO Box 647		Artesia	NM	88211-0647	Certified with Return Receipt (Signature)	9414811898765896705002	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 39
31309	04/19/2021	CWM 2000-B II, Ltd.	PO Box 7698		Tyler	TX	75711-7698	Certified with Return Receipt (Signature)	9414811898765896705934	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 4
31309	04/19/2021	Featherstone Development Corporation	PO Box 429		Roswell	NM	88202-0429	Certified with Return Receipt (Signature)	9414811898765896705095	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 40
31309	04/19/2021	Prospector, LLC	PO Box 429		Roswell	NM	88202-0429	Certified with Return Receipt (Signature)	9414811898765896705040	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 41
31309	04/19/2021	Big Three Energy Group, LLC	PO Box 42		Roswell	NM	88202-0042	Certified with Return Receipt (Signature)	9414811898765896705088	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 42
31309	04/19/2021	Camarie Oil and Gas, LLC	2502 Camarie Ave		Midland	TX	79705-6309	Certified with Return Receipt (Signature)	9414811898765896705033	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 43
31309	04/19/2021	Parrot Head Properties, LLC	PO Box 429		Roswell	NM	88202-0429	Certified with Return Receipt (Signature)	9414811898765896705071	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 44
31309	04/19/2021	Bureau of Land Management	301 Dinosaur Trl		Santa Fe	NM	87508-1560	Certified with Return Receipt (Signature)	9414811898765896705453	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 45

Paren tID	Mail Date	Name	DeliveryAddress	AddressLine2	City	ST	Zip	MailClass	TrackingNo	Well
31309	04/19/2021	Featherstone Development Corporation	PO Box 429		Roswell	NM	88202-0429	Certified with Return Receipt (Signature)	9414811898765896705972	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 5
31309	04/19/2021	3MG Corporation	PO Box 7698		Tyler	TX	75711-7698	Certified with Return Receipt (Signature)	9414811898765896705613	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 6
31309	04/19/2021	Yates Energy Corporation	PO Box 2323		Roswell	NM	88202-2323	Certified with Return Receipt (Signature)	9414811898765896705651	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 7
31309	04/19/2021	Veritas Permian Resources LLC	PO Box 10850		Fort Worth	TX	76114-0850	Certified with Return Receipt (Signature)	9414811898765896705668	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 8
31309	04/19/2021	Sharbro Energy, LLC	PO Box 840		Artesia	NM	88211-0840	Certified with Return Receipt (Signature)	9414811898765896705620	70351 - Matador - Penzoil Ted Paup C107B - Notice List - 9

Matador - Penzoil Ted Paup C107B  
postal delivery report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765896705903	MRC Permian Company	5400 Lyndon B Johnson Fwy Ste 1500	Dallas	TX	75240-1017	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765896705606	Mewbourne Oil Company	PO Box 7698	Tyler	TX	75711-7698	Your item was delivered at 10:52 am on April 26, 2021 in TYLER, TX 75701.
9414811898765896705644	EOG Resources, Inc.	PO Box 9315	Santa Fe	NM	87504-9315	Your item was delivered at 8:40 am on April 26, 2021 in SANTA FE, NM 87501.
9414811898765896705682	Devon Energy Production Company, L.P.	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your item was delivered at 8:50 am on April 22, 2021 in OKLAHOMA CITY, OK 73102.
9414811898765896705637	Marathon Oil Permian LLC	5555 San Felipe St	Houston	TX	77056-2701	Your item was delivered to the front desk, reception area, or mail room at 1:22 pm on April 22, 2021 in HOUSTON, TX 77056.
9414811898765896705675	Santo Legado LLC	PO Box 1020	Artesia	NM	88211-1020	Your item was delivered at 10:48 am on April 23, 2021 in ARTESIA, NM 88210.
9414811898765896705118	Yates Industries LLC	PO Box 1091	Artesia	NM	88211-1091	Your item was delivered at 1:52 pm on April 26, 2021 in ARTESIA, NM 88210.
9414811898765896705156	Jalapeno Corporation	PO Box 1608	Albuquerque	NM	87103-1608	Your item was delivered at 2:04 pm on April 21, 2021 in ALBUQUERQUE, NM 87102.
9414811898765896705163	Trigg Oil & Gas LP	PO Box 520	Roswell	NM	88202-0520	Your item was delivered at 10:55 am on April 26, 2021 in ROSWELL, NM 88201.
9414811898765896705125	Trigg Oil & Gas Limited Partnership	PO Box 520	Roswell	NM	88202-0520	Your item was delivered at 10:55 am on April 26, 2021 in ROSWELL, NM 88201.
9414811898765896705101	Veritas Permian Resources LLC	500 N Main St Ste 1	Roswell	NM	88201-4764	Your item was returned to the sender on May 11, 2021 at 1:26 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765896705996	MRC Delaware Resources, LLC	5400 Lyndon B Johnson Fwy Ste 1500	Dallas	TX	75240-1017	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765896705194	Curtis W. Mewbourne, Trustee	PO Box 7698	Tyler	TX	75711-7698	Your item was delivered at 10:52 am on April 26, 2021 in TYLER, TX 75701.
9414811898765896705149	Jalapeno Corporation	PO Box 1608	Albuquerque	NM	87103-1608	Your item was delivered at 2:04 pm on April 21, 2021 in ALBUQUERQUE, NM 87102.
9414811898765896705187	PetroYates Inc.	PO Box 1608	Albuquerque	NM	87103-1608	Your item was delivered at 2:04 pm on April 21, 2021 in ALBUQUERQUE, NM 87102.
9414811898765896705132	Yates Energy Corporation	PO Box 2323	Roswell	NM	88202-2323	Your item was delivered at 10:11 am on April 23, 2021 in ROSWELL, NM 88201.
9414811898765896705170	Abby Corporation	PO Box 1714	Roswell	NM	88202-1714	Your item was delivered at 11:00 am on April 26, 2021 in ROSWELL, NM 88201.
9414811898765896705316	Spiral, Inc.	PO Box 1714	Roswell	NM	88202-1714	Your item was delivered at 11:00 am on April 26, 2021 in ROSWELL, NM 88201.
9414811898765896705354	Explorers Petroleum Corporation	PO Box 1933	Roswell	NM	88202-1933	Your item was delivered at 10:10 am on April 23, 2021 in ROSWELL, NM 88201.

Matador - Penzoil Ted Paup C107B  
postal delivery report

9414811898765896705361	Jetta-X2, L.P.	777 Taylor St Ste Pi-D	Fort Worth	TX	76102-4919	Your item was returned to the sender on May 11, 2021 at 1:26 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765896705323	Waikiki Partners, L.P.	PO Box 2127	Midland	TX	79702-2127	Your item was delivered at 10:26 am on April 26, 2021 in MIDLAND, TX 79701.
9414811898765896705309	Platform Energy III, LLC	PO Box 2078	Abilene	TX	79604-2078	Your item was picked up at a postal facility at 12:06 pm on April 29, 2021 in ABILENE, TX 79604.
9414811898765896705989	Mewbourne Development Corporation	PO Box 7698	Tyler	TX	75711-7698	Your item was delivered at 10:52 am on April 26, 2021 in TYLER, TX 75701.
9414811898765896705392	Monty D. McLane and wife, Karen R. McLane	PO Box 9451	Midland	TX	79708-9451	Your item was delivered at 11:05 am on April 29, 2021 in MIDLAND, TX 79708.
9414811898765896705347	Alan Jochimsen	4209 Cardinal Ln	Midland	TX	79707-1935	Your item was delivered to an individual at the address at 3:48 pm on April 22, 2021 in MIDLAND, TX 79707.
9414811898765896705385	Claremont Corporation	PO Box 549	Claremore	OK	74018-0549	Your item was returned to the sender on May 11, 2021 at 1:26 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765896705330	Paul R. Barwis	2201 Southampton Ln	Midland	TX	79705-1714	Your item was delivered to the front desk, reception area, or mail room at 1:14 pm on April 22, 2021 in MIDLAND, TX 79705.
9414811898765896705378	Jareed Partners, Ltd.	2407 Bellechasse Ct	Midland	TX	79705-2603	Your item was returned to the sender on May 11, 2021 at 1:26 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765896705019	CrownRock Minerals, L.P.	PO Box 51933	Midland	TX	79710-1933	Your item was picked up at the post office at 12:18 pm on April 26, 2021 in MIDLAND, TX 79710.
9414811898765896705057	John Kyle Thoma, Successor Trustee of the Cornerstone Family Trust	PO Box 558	Peyton	CO	80831-0558	Your item was delivered at 1:23 pm on April 23, 2021 in PEYTON, CO 80831.
9414811898765896705064	C. Mark Wheeler	3001 Northtown Pl	Midland	TX	79705-4235	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765896705026	Penwell Employee Royalty Pool	600 N Marienfeld St Ste 1100	Midland	TX	79701-4395	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765896705002	Ross Duncan Properties LLC	PO Box 647	Artesia	NM	88211-0647	Your item was delivered at 11:24 am on April 23, 2021 in ARTESIA, NM 88210.
9414811898765896705934	CWM 2000-B II, Ltd.	PO Box 7698	Tyler	TX	75711-7698	Your item was delivered at 10:52 am on April 26, 2021 in TYLER, TX 75701.
9414811898765896705095	Featherstone Development Corporation	PO Box 429	Roswell	NM	88202-0429	Your item was delivered at 8:51 am on April 23, 2021 in ROSWELL, NM 88201.

Matador - Penzoil Ted Paup C107B  
postal delivery report

9414811898765896705040	Prospector, LLC	PO Box 429	Roswell	NM	88202-0429	Your item was delivered at 8:51 am on April 23, 2021 in ROSWELL, NM 88201.
9414811898765896705088	Big Three Energy Group, LLC	PO Box 42	Roswell	NM	88202-0042	Your item was returned to the sender on May 11, 2021 at 1:26 pm in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765896705033	Camarie Oil and Gas, LLC	2502 Camarie Ave	Midland	TX	79705-6309	Your item was delivered to an individual at the address at 12:05 pm on April 22, 2021 in MIDLAND, TX 79705.
9414811898765896705071	Parrot Head Properties, LLC	PO Box 429	Roswell	NM	88202-0429	Your item was delivered at 8:51 am on April 23, 2021 in ROSWELL, NM 88201.
9414811898765896705453	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your item was delivered to an individual at the address at 12:51 pm on April 22, 2021 in SANTA FE, NM 87508.
9414811898765896705972	Featherstone Development Corporation	PO Box 429	Roswell	NM	88202-0429	Your item was delivered at 8:51 am on April 23, 2021 in ROSWELL, NM 88201.
9414811898765896705613	3MG Corporation	PO Box 7698	Tyler	TX	75711-7698	Your item was delivered at 10:52 am on April 26, 2021 in TYLER, TX 75701.
9414811898765896705651	Yates Energy Corporation	PO Box 2323	Roswell	NM	88202-2323	Your item was delivered at 10:11 am on April 23, 2021 in ROSWELL, NM 88201.
9414811898765896705668	Veritas Permian Resources LLC	PO Box 10850	Fort Worth	TX	76114-0850	Your item was delivered at 8:56 am on April 22, 2021 in FORT WORTH, TX 76114.
9414811898765896705620	Sharbro Energy, LLC	PO Box 840	Artesia	NM	88211-0840	Your item was delivered at 10:58 am on April 23, 2021 in ARTESIA, NM 88210.



# Carlsbad Current Argus.

PART OF THE IDEA TODAY NETWORK

## Affidavit of Publication

Ad # 0004748170

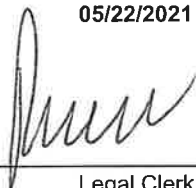
This is not an invoice

HOLLAND AND HART  
POBOX 2208

SANTA FE, NM 87504

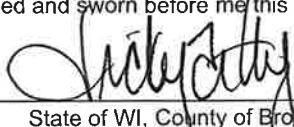
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

05/22/2021



Legal Clerk

Subscribed and sworn before me this May 22, 2021:



State of WI, County of Brown  
NOTARY PUBLIC



My commission expires

To: All affected parties, including: Veritas Permian Resources LLC; MRC Delaware Resources, LLC; Jetta-X2, L.P.; Claremont Corporation; Jareed Partners, Ltd.; C. Mark Wheeler, his heirs and devisees; Penwell Employee Royalty Pool; and Big Three Energy Group.

Application of Matador Production Company to authorize lease commingling at the Ted Paup Tank Battery located in the W/2 NW/4 (Units D & E) of Section 33, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Pursuant to 19.15.12.7 NMAC, Matador Production Company (OGRID No. 228937) seeks administrative approval for lease commingling, at the Ted Paup Tank Battery of production from the Getty; Bone Spring (27470) pool from all existing and future wells drilled in the following spacing units:

(a) The 318.30-acre, more or less, spacing unit in the Bone Spring formation (Getty; Bone Spring (27470)) underlying the N/2 N/2 of Sections 31 and 32. The spacing unit is currently dedicated to the Pennzoil 3231 Fed Com #125H well (API No. 30-015-44924);

(b) The 318.80-acre, more or less, spacing unit in the Bone Spring formation (Getty; Bone Spring (27470)) underlying the S/2 N/2 of Sections 31 and 32. The spacing unit is currently dedicated to the Pennzoil 3231 Fed Com #126H well (API No. 30-015-44574); and

(c) Pursuant to 19.15.12.10.C(4)(g) NMAC, future spacing units connected to this central tank battery with notice provided only to the interest owners within these future spacing units.

Any objection to this application must be filed in writing within twenty days from date of publication with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division. If you have any questions about this application, please contact Brian Fancher, Matador Production Company, 940-224-9176, BFancher@matadorresources.com.

May 22, 2021

VICKY FELTY  
Notary Public  
State of Wisconsin

Ad # 0004748170

PO #: Matador Pennzoil Ted Paup  
# of Affidavits 1

This is not an invoice

**From:** [Kaitlyn A. Luck](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Subject:** [EXT] RE: surface commingling application CTB-997  
**Date:** Friday, June 11, 2021 9:42:24 AM  
**Attachments:** [image001.png](#)

Mr. McClure, same answer for this one, Matador intends to submit soon the drafted CA's that match these units/pools, but it has not yet been submitted. Thanks!

Kaitlyn A. Luck – Associate | Holland & Hart LLP | (o) 505.954.7286 (m) 361.648.1973

**From:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Sent:** Thursday, June 10, 2021 12:07 PM  
**To:** Kaitlyn A. Luck <KALuck@hollandhart.com>  
**Subject:** surface commingling application CTB-997

External Email

Ms. Luck,

I am reviewing surface commingling application CTB-997 which involves the Ted Paup Tank Battery operated by Matador Production Company (228937).

Please confirm for me that there are CA applications submitted or intended to be submitted which match the attached draft exhibit B and as follows:

#### Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring BLM	N/2 N/2	31-20S-29E	318.3	A
	N/2 N/2	32-20S-29E		
CA Bone Spring BLM	S/2 N/2	31-20S-29E	318.8	B
	S/2 N/2	32-20S-29E		

#### Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 129261	N/2 N/2	32-20S-29E	160	A
NMNM 098175	N/2 NE/4	21-20S-29E	80	A
NMNM 473817	NE/4 NW/4	21-20S-29E	40	A
NMNM 004825	Lot 1 (D)	21-20S-29E	38.3	A
NMNM 129261	S/2 N/2	32-20S-29E	160	B
NMNM 098175	S/2 NE/4	21-20S-29E	80	B
NMNM 473817	SE/4 NW/4	21-20S-29E	40	B
NMNM 004825	Lot 2 (E)	21-20S-29E	38.8	B

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211



**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Kaitlyn A. Luck](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Simmons, Kurt, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Hawkins, James, EMNRD](#); [Powell, Brandon, EMNRD](#); [lisa@rwbyram.com](#); [Glover, James](#); [Paradis, Kyle Q](#); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order CTB-997  
**Date:** Monday, June 14, 2021 11:23:51 AM  
**Attachments:** [CTB997 Order.pdf](#)

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NMOCD has issued Administrative Order CTB-997 which authorizes Matador Production Company (228937) to surface commingling or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
30-015-44924	Pennzoil 3231 Federal Com #125H	N/2 N/2	31-20S-29E	27470
		N/2 N/2	32-20S-29E	
30-015-44574	Pennzoil 3231 Federal Com #126H	S/2 N/2	31-20S-29E	27470
		S/2 N/2	32-20S-29E	

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. A copy of the order is attached. Please contact me with any questions regarding this matter.

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Notice

**Order: CTB-997**

**Operator: Matador Production Company (228937)**

**Publication Date: 5/22/2021**

**Initial Notice Date: 4/19/2021**

**75.56%**

### Noticed Persons

Date	Person	Certified Tracking Number	Status
4/28/2021	MRC Permian Company	9414811898765896705903	In-Transit
4/26/2021	Mewbourne Oil Company	9414811898765896705606	Delivered
4/26/2021	EOG Resources, Inc.	9414811898765896705644	Delivered
4/22/2021	Devon Energy Production	9414811898765896705682	Delivered
4/22/2021	Marathon Oil Permian LLC	9414811898765896705637	Delivered
4/23/2021	Santo Legado LLC	9414811898765896705675	Delivered
4/26/2021	Yates Industries LLC	9414811898765896705118	Delivered
4/21/2021	Jalapeno Corporation	9414811898765896705156	Delivered
4/26/2021	Trigg Oil & Gas LP	9414811898765896705163	Delivered
4/26/2021	Trigg Oil & Gas Limited	9414811898765896705125	Delivered
5/11/2021	Veritas Permian Resources, LLC	9414811898765896705101	Returned
4/27/2021	MRC Delaware Resources, LLC	9414811898765896705996	In-Transit
4/26/2021	Curtis W. Mewbourne	9414811898765896705194	Delivered
4/21/2021	Jalapeno Corporation	9414811898765896705149	Delivered
4/21/2021	PetroYates Inc	9414811898765896705187	Delivered
4/23/2021	Yates Energy Corporation	9414811898765896705132	Delivered
5/11/2021	Abby Corporation	9414811898765896705170	Returned
4/28/2021	Spiral, Inc.	9414811898765896705316	Delivered
4/23/2021	Explorers Petroleum	9414811898765896705354	Delivered
5/11/2021	Jetta-X2, L.P.	9414811898765896705361	Returned
4/26/2021	Waikiki Partners, L.P.	9414811898765896705323	Delivered
4/29/2021	Platform Energy III, LLC	9414811898765896705309	Delivered
4/26/2021	Mewbourne Development	9414811898765896705989	Delivered
4/29/2021	Monty D. McLane and	9414811898765896705392	Delivered
4/22/2021	Alan Jochimsen	9414811898765896705347	Delivered
5/11/2021	Claremont Corporation	9414811898765896705385	Returned
5/11/2021	Paul R. Barwis	9414811898765896705330	Returned
5/11/2021	Jareed Partners, Ltd.	9414811898765896705378	Returned
4/26/2021	CrownRock Minerals, L.P.	9414811898765896705019	Delivered
4/23/2021	John Kyle Thoma,	9414811898765896705057	Delivered
	C. Mark Wheeler	9414811898765896705064	Returned
	Penwell Employee Royalty Pool	9414811898765896705026	Returned
4/23/2021	Ross Duncan Properties	9414811898765896705002	Delivered
4/26/2021	CWM 2000-B II, Ltd.	9414811898765896705934	Delivered
4/23/2021	Featherstone	9414811898765896705095	Delivered
4/23/2021	Prospector, LLC	9414811898765896705040	Delivered
5/11/2021	Big Three Energy Group, LLC	9414811898765896705088	Returned



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

**APPLICATION FOR SURFACE COMMINGLING**

**SUBMITTED BY MATADOR PRODUCTION COMPANY**

**ORDER NO. CTB-997**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle and off-lease measure the oil and gas production ("Application") from the pools, leases, and wells identified in Exhibit A.
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7(B) NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant in the notice for the Application stated that it sought authorization to add additional pools, leases, and wells and identified the parameters to make such additions.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the leases to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

### **CONCLUSIONS OF LAW**

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, and 19.15.12 NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10(A)(2), (C)(4)(c), and (C)(4)(e) NMAC, as applicable.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10(B)(1) or (C)(1) NMAC, as applicable.
12. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10(B)(3) and (C)(4)(h) NMAC.
13. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10(C)(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
14. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle and off-lease measure oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to surface commingle and off-lease measure, as applicable, oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.
3. No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the approved Agreement(s). If OCD denies the new surface commingle application, this Order shall terminate on the date of such action.

4. Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B.
5. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
6. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
7. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.
8. Applicant shall measure the commingled gas at a central delivery point or central tank battery described in Exhibit A in accordance with 19.15.19.9 NMAC, provided however that if the gas is flared, and regardless of whether OCD has granted an exception pursuant to 19.15.18.12(B) NMAC, Applicant shall report the gas in accordance with 19.15.18.12(F) NMAC.
9. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10(C)(2) NMAC.
10. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
11. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B via the OCD Fee Portal in accordance with 19.15.12.10(C)(4)(g) NMAC.
12. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well and proposed method to determine the allocation of oil and gas production to it.

13. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
14. OCD retains jurisdiction and reserves the right to modify or revoke this Order as it deems necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
\_\_\_\_\_  
**ADRIENNE SANDOVAL**  
**DIRECTOR**  
AS/dm

**DATE:** 6/14/2021

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **CTB-997**

Operator: **Matador Production Company (228937)**

Central Tank Battery: **Ted Paup Tank Battery**

Central Tank Battery Location: **Units D E, Section 33, Township 20 South, Range 29 East**

Gas Title Transfer Meter Location: **Units D E, Section 33, Township 20 South, Range 29 East**

### Pools

Pool Name	Pool Code
<b>GETTY; BONE SPRING</b>	<b>27470</b>

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
<b>NMNM 129261</b>	<b>N/2</b>	<b>32-20S-29E</b>
<b>NMNM 098175</b>	<b>NE/4</b>	<b>31-20S-29E</b>
<b>NMNM 473817</b>	<b>E/2 NW/4</b>	<b>31-20S-29E</b>
<b>NMNM 004825</b>	<b>W/2 NW/4</b>	<b>31-20S-29E</b>

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool Code
<b>30-015-44924</b>	<b>Pennzoil 3231 Federal Com #125H</b>	<b>N/2 N/2</b>	<b>31-20S-29E</b>	<b>27470</b>
		<b>N/2 N/2</b>	<b>32-20S-29E</b>	
<b>30-015-44574</b>	<b>Pennzoil 3231 Federal Com #126H</b>	<b>S/2 N/2</b>	<b>31-20S-29E</b>	<b>27470</b>
		<b>S/2 N/2</b>	<b>32-20S-29E</b>	

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit B

Order: **CTB-997**  
Operator: **Matador Production Company (228937)**

### Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring BLM	N/2 N/2	31-20S-29E	318.3	A
	N/2 N/2	32-20S-29E		
CA Bone Spring BLM	S/2 N/2	31-20S-29E	318.8	B
	S/2 N/2	32-20S-29E		

### Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 129261	N/2 N/2	32-20S-29E	160	A
NMNM 098175	N/2 NE/4	21-20S-29E	80	A
NMNM 473817	NE/4 NW/4	21-20S-29E	40	A
NMNM 004825	Lot 1 (D)	21-20S-29E	38.3	A
NMNM 129261	S/2 N/2	32-20S-29E	160	B
NMNM 098175	S/2 NE/4	21-20S-29E	80	B
NMNM 473817	SE/4 NW/4	21-20S-29E	40	B
NMNM 004825	Lot 2 (E)	21-20S-29E	38.8	B

**District I**

1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-6161 Fax:(575) 393-0720

**District II**

811 S. First St., Artesia, NM 88210  
Phone:(575) 748-1283 Fax:(575) 748-9720

**District III**

1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**

1220 S. St Francis Dr., Santa Fe, NM 87505  
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 24899

**CONDITIONS**

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 24899
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

**CONDITIONS**

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	6/14/2021