

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

Pattm

Signature

Date

Phone Number

e-mail Address



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

October 4, 2023

VIA ONLINE FILING

Dylan Fuge, Division 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 for administrative approval to surface commingle (lease) gas production from spacing units comprised of the SE/4 of Section 3, S/2 of Section 2, and the SW/4, S/2 SE/4, and the NW/4 SE/4 of Section 1, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico (the "Lands")

Dear Mr. Fuge:

Matador Production Company (OGRID No. 228937), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (lease) diversely owned gas production at the **Jimmy Anderson Tank Battery** *insofar as all existing and future wells drilled in the following spacing units:*

(a) The 360-acre spacing unit comprised of the N/2 SE/4 of Section 3, N/2 S/2 of Section 2, and N/2 SW/4 and NW/4 SE/4 of Section 1, in the Hackberry; Bone Spring, North [97056] – currently dedicated to the **Jimmy Anderson 0301 Fed Com 127H** (API. No. 30-015-53902);

(b) The 400-acre spacing unit comprised of the S/2 SE/4 of Section 3, S/2 S/2 of Section 2, and S/2 S/2 of Section 1, in the Hackberry; Bone Spring, North [97056] – currently dedicated to the **Jimmy Anderson 0301 Fed Com 124H** (API. No. 30-015-53903); and

(c) Pursuant to 19.15.12.10.C(4)(g), *future additions of pools, leases or leases and pools to the Jimmy Anderson Tank Battery* with notice provided only to the owners of interests to be added.

Oil and gas production from these spacing units will be commingled and sold at the **Jimmy Anderson Tank Battery** located in the SW/4 SE/4 (Unit O) of Section 3, Township 19 South, Range 31 East. Gas production from the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using turbine meters; however, each well has its own oil train and tank batteries, so oil will not be commingled.



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

Exhibit 1 is a land plat showing Matador's current development plan, flow lines, well pads, and central tank battery ("Facility Pad") in the subject area. The plat also identifies the wellbores (including surface/bottomhole locations) and lease/spacing unit boundaries.

Exhibit 2 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Kenneth Dodson, Staff Production Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement) and an example gas analysis (Exhibit B to the statement).

Exhibit 3 is a C-102 for each of the wells currently permitted or drilled within the existing spacing units. Also included is a Sundry Notice for the Jimmy Anderson 0301 Fed Com 127H.

Exhibit 4 are the draft communitization agreements for the acreage subject to this application.

Ownership is diverse between the above-described spacing units, each of which are either subject to a pooling agreement or a pooling order and are therefore considered "leases" as defined by 19.15.12.7(C) NMAC. **Exhibit 5** 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 New Mexico State Land Office and Bureau of Land Management since state and 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,

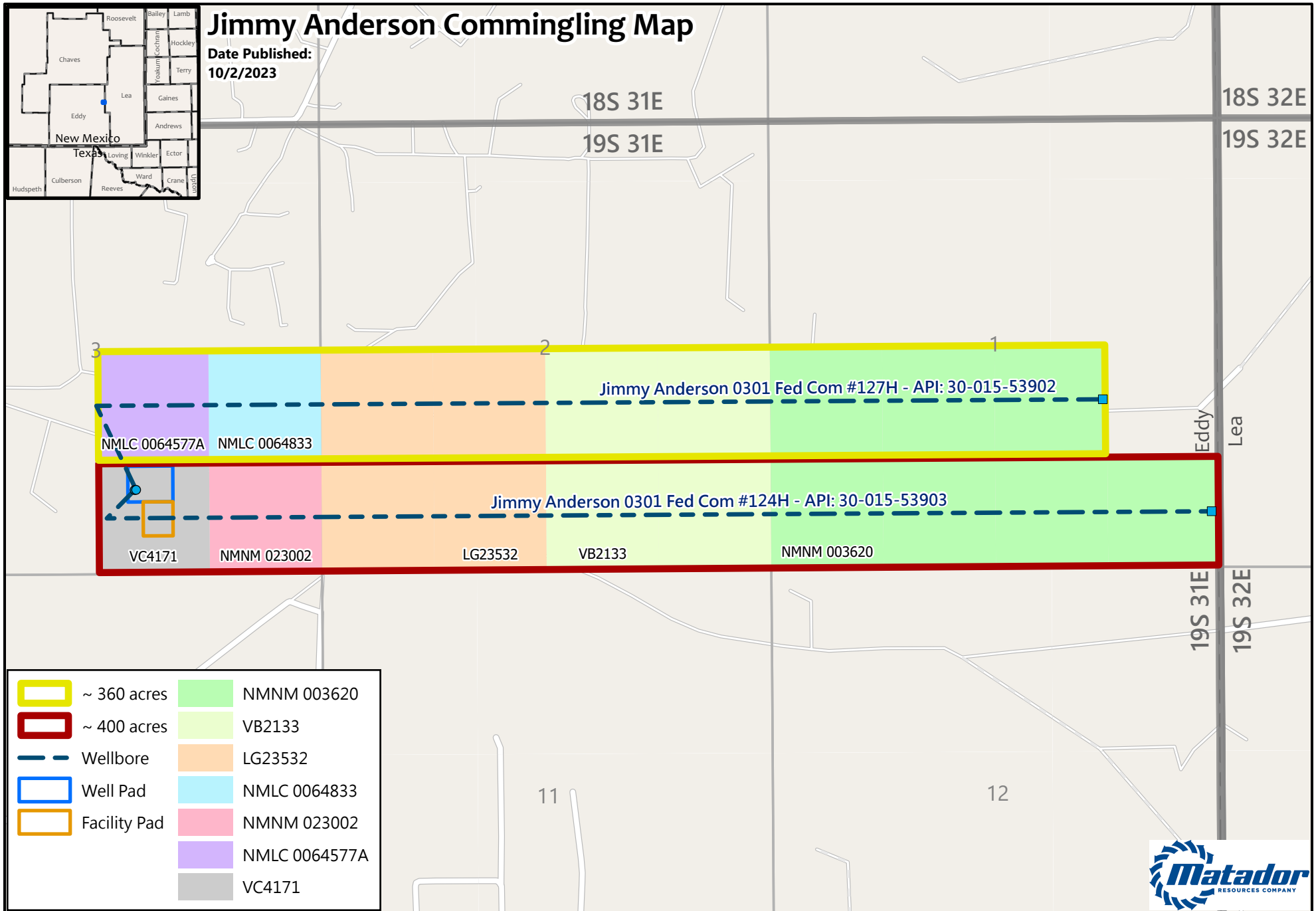
A handwritten signature in blue ink, appearing to read "Paula M. Vance", written over a horizontal line.

Paula M. Vance
**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**



Jimmy Anderson Commingling Map

Date Published:
10/2/2023



GIS Standard Map Disclaimer:

This cartographic product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

0 500 1,000 2,000 Feet

1:18,000

1 inch equals 1,500 feet

EXHIBIT

1

Map Prepared by: amercio.gamarras

Date: October 2, 2023

230801 Jimmy Anderson Commingling\Jimmy Anderson Commingling.aprx

Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet

Sources: IHS; ESRI; US DOI BLM Carlsbad, NM Field Office, GIS Department;

Texas Cooperative Wildlife Collection, Texas A&M University;

United States Census Bureau (TIGER);

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. _____

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 – [97056] Hackberry; Bone Spring, North

(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: Staff Facilities Engineer DATE: 27 July 2023

TYPE OR PRINT NAME Kenneth Dodson TELEPHONE NO.: (972) 371-5489

E-MAIL ADDRESS: kdodson@matadorresources.com

EXHIBIT
2

Matador Production Company

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

Voice 972.371.5489 • Fax 972.371.5201

kdodson@matadorresources.com

Kenneth Dodson
Staff Facilities Engineer

July 27, 2023

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) gas production from the spacing units comprised of the SE/4 of Section 3, the S/2 of Section 2, and the SW/4, S/2 SE/4, and NW/4 SE/4 of Section 1, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico (the “Lands”).

To Whom This May Concern,

Matador Production Company (“Matador”), OGRID: 228937, requests to commingle current 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 test separators with a gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the Pronto gathering line. Each well on the Lands will have its own test 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 SPL 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. Each well will have its own oil train and tank batteries, so oil will not be commingled. 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. Pronto 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 gas produced on the Lands is and 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,

MATADOR PRODUCTION COMPANY

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

Kenneth Dodson
Staff Facilities Engineer

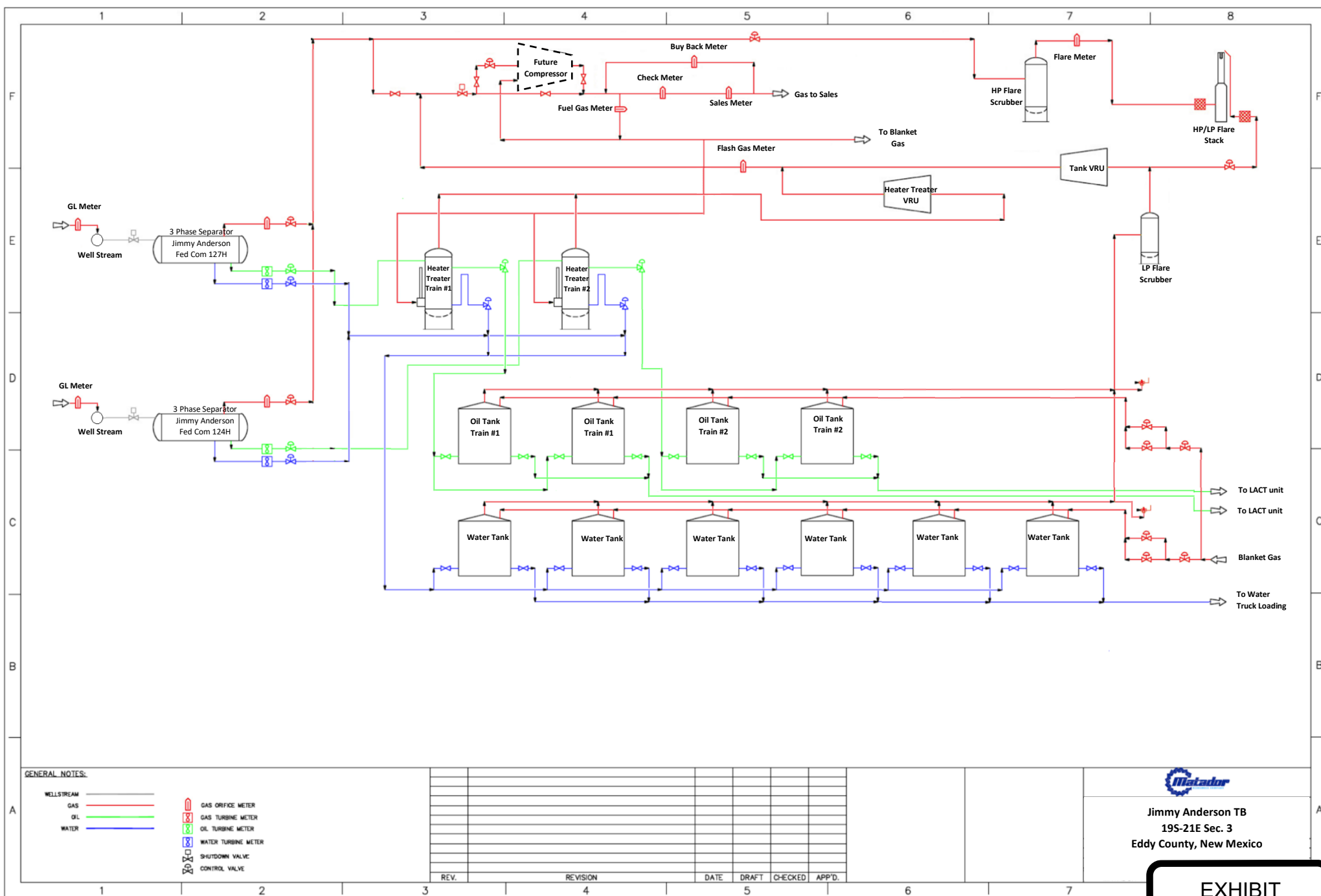


EXHIBIT
A



Certificate of Analysis

Number: 6030-20120189-002A

Artesia Laboratory

200 E Main St.

Artesia, NM 88210

Phone 575-746-3481

John Romano
Ascent Energy, LLC
1125 17th St.
Suite 410
Denver, CO 80202

Jan. 04, 2021

Station Name: Big Moose CTB Sales Check

Station Number: 0103901850

Station Location: Ascent

Sample Point: Meter Run

Instrument: 70104251 (Inficon GC-MicroFusion)

Last Inst. Cal.: 01/04/2021 0:00 AM

Analyzed: 01/04/2021 13:05:21 by PGS

Sampled By: Derek Sauder

Sample Of: Gas Spot

Sample Date: 12/23/2020

Sample Conditions: 78 psig, @ 72 °F Ambient: 50 °F

Effective Date: 12/23/2020

Method: GPA-2261M

Cylinder No: 1111-001212

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.696 psia		
Nitrogen	2.512	2.51392	2.722		GPM TOTAL C2+	9.970
Methane	63.010	63.06044	39.094		GPM TOTAL C3+	5.853
Carbon Dioxide	0.223	0.22328	0.380		GPM TOTAL iC5+	1.373
Ethane	15.336	15.34873	17.836	4.117		
Propane	10.132	10.14024	17.280	2.802		
Iso-butane	1.336	1.33677	3.003	0.439		
n-Butane	3.914	3.91735	8.799	1.239		
Iso-pentane	0.899	0.89972	2.509	0.330		
n-Pentane	1.034	1.03493	2.886	0.376		
Hexanes Plus	1.523	1.52462	5.491	0.667		
	99.919	100.0000	100.000	9.970		

Calculated Physical Properties

Relative Density Real Gas

Total

0.8981

C6+

3.2176

Calculated Molecular Weight

25.88

93.19

Compressibility Factor

0.9944

GPA 2172 Calculation:

Calculated Gross BTU per ft³ @ 14.696 psia & 60°F

Real Gas Dry BTU

1499

5129

Water Sat. Gas Base BTU

1474

5040

Ideal, Gross HV - Dry at 14.696 psia

1490.6

5129.2

Ideal, Gross HV - Wet

1464.6

5039.7

Comments: H2S Field Content 1.25 ppm

Hydrocarbon Laboratory Manager

Quality Assurance:

The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for
assurance, unless otherwise stated.

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Released to Imaging: 1/5/2024 3:22:07 PM

Page 2 of 5

EXHIBIT

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 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

¹ API Number		² Pool Code		³ Pool Name	
⁴ Property Code		⁵ Property Name JIMMY ANDERSON 0301 FED COM			⁶ Well Number 124H
⁷ GRID No.		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3596'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	3	19-S	31-E	-	990'	SOUTH	2211'	EAST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	1	19-S	31-E	-	660'	SOUTH	110'	EAST	EDDY

¹² Dedicated Acres 400	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=647067 Y=613187 LAT.: N 32.6848386 LONG.: W 103.8553310 NAD 1983 X=688246 Y=613250 LAT.: N 32.6849583 LONG.: W 103.8558340		DETAIL VIEW SCALE: 1" = 2000' 		LAST PERFORATION POINT/ BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=659733 Y=612938 LAT.: N 32.6839911 LONG.: W 103.8141678 NAD 1983 X=700913 Y=613001 LAT.: N 32.6841112 LONG.: W 103.8146700		¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or 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. Signature _____ Date _____ Printed Name _____ E-mail Address _____	
SEE DETAIL NAD27 X=646634.33 Y=613513.82 NAD83 X=687813.68 Y=613576.79 NAD27 X=646644.32 Y=612193.30 NAD83 X=687823.70 Y=612256.24 NAD27 X=649285.77 Y=612211.07 NAD83 X=690456.15 Y=612249.28 NAD27 X=651926.44 Y=612226.13 NAD83 X=693105.79 Y=612289.11 NAD27 X=654562.43 Y=612251.77 NAD83 X=695741.78 Y=612314.77 NAD27 X=657207.56 Y=612260.66 NAD83 X=698386.89 Y=612323.67 NAD27 X=659848.41 Y=612278.59 NAD83 X=701027.74 Y=612341.62		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief. Date of Survey 11/02/2022 Signature and Seal of Professional Surveyor 		EXHIBIT 3			
FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=646739 Y=612854 LAT.: N 32.6839282 LONG.: W 103.8564008 NAD 1983 X=687919 Y=612917 LAT.: N 32.6840479 LONG.: W 103.8569038		BLM PERF POINT 660' FSL NEW MEXICO EAST NAD 1927 X=647954 Y=612862 LAT.: N 32.6839347 LONG.: W 103.8524515 NAD 1983 X=689134 Y=612925 LAT.: N 32.6840544 LONG.: W 103.8529544		BLM PERF POINT 659' FSL NEW MEXICO EAST NAD 1927 X=649281 Y=612870 LAT.: N 32.6839416 LONG.: W 103.8481410 NAD 1983 X=690450 Y=614254 LAT.: N 32.6876904 LONG.: W 103.8486577		BLM PERF POINT 653' FSL NEW MEXICO EAST NAD 1927 X=654559 Y=612904 LAT.: N 32.6839677 LONG.: W 103.8309862 NAD 1983 X=695738 Y=612967 LAT.: N 32.6840877 LONG.: W 103.8314887	

Well Name: JIMMY ANDERSON 0301 FED COM	Well Location: T19S / R31E / SEC 3 / SWSE /	County or Parish/State:
Well Number: 127H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM23002	Unit or CA Name:	Unit or CA Number:
US Well Number:	Well Status: Approved Application for Permit to Drill	Operator: MATADOR PRODUCTION COMPANY

Notice of Intent

Sundry ID: 2737421

Type of Submission: Notice of Intent	Type of Action: APD Change
Date Sundry Submitted: 06/22/2023	Time Sundry Submitted: 03:20
Date proposed operation will begin: 06/26/2023	

Procedure Description: BLM Bond NMB001079 Surety Bond No.: RLB0015172 Matador respectfully requests to move the BHL location of the Jimmy Anderson 0301 114H with API# 30-015-53902, from 660' FSL and 110' FEL to 1980' FSL and 1370' FEL. Additionally, we would like to change the name of the well from the Jimmy Anderson 0301 Fed Com 114H to the Jimmy Anderson 0301 Fed Com 127H.

NOI Attachments

Procedure Description

- LO_JIMMY_ANDERSON_0301_FC_127H_REV1_S_20230622123145.pdf
- Jimmy_Anderson_Fed_Com_127H_Wall_Plot_20230622123113.pdf
- Jimmy_Anderson_Fed_Com_127H_Well_Plan_20230622123114.pdf
- Jimmy_Anderson_Fed_Com_127H_AC_20230622123113.pdf

Well Name: JIMMY ANDERSON 0301
FED COM

Well Location: T19S / R31E / SEC 3 /
SWSE /

County or Parish/State:

Well Number: 127H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM23002

Unit or CA Name:

Unit or CA Number:

US Well Number:

Well Status: Approved Application for
Permit to Drill

Operator: MATADOR
PRODUCTION COMPANY

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: NICKY FITZGERALD

Signed on: JUN 22, 2023 12:33 PM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS

State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 06/29/2023

Signature: Chris Walls

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

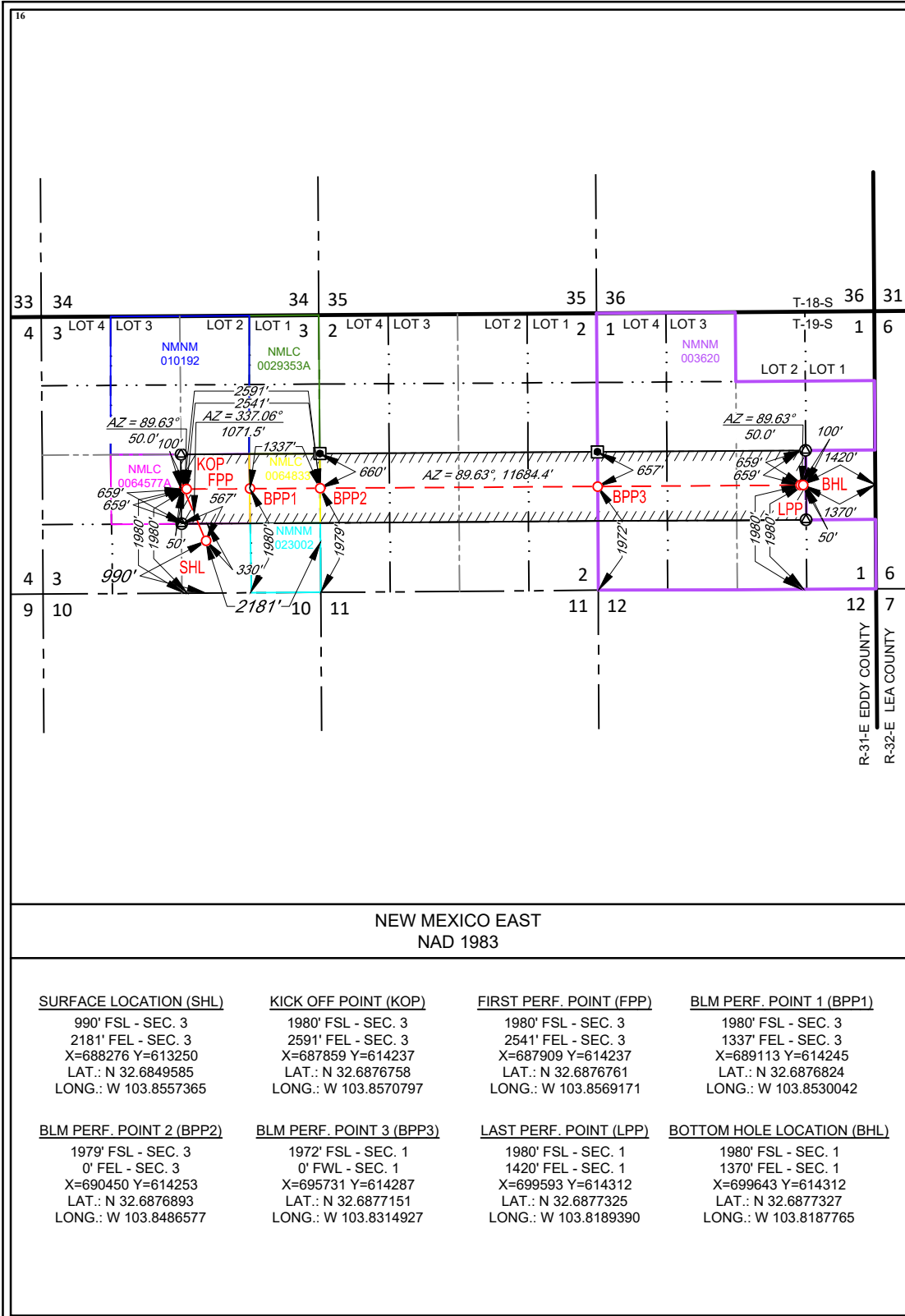
¹ API Number 30-015-53902	² Pool Code 97056	³ Pool Name HACKBERRY; BONE SPRING, NORTH
⁴ Property Code 334170	⁵ Property Name JIMMY ANDERSON 0301 FED COM	
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁶ Well Number 127H ⁹ Elevation 3596'

¹⁰ Surface Location									
UL or lot no. 0	Section 3	Township 19-S	Range 31-E	Lot Idn -	Feet from the 990'	North/South line SOUTH	Feet from the 2181'	East/West line EAST	County EDDY

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. J	Section 1	Township 19-S	Range 31-E	Lot Idn -	Feet from the 1980'	North/South line SOUTH	Feet from the 1370'	East/West line EAST	County EDDY

¹² Dedicated Acres 360	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



17OPERATOR
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.

Nicky Fitzgerald

6/22/2023

SignatureDate

Nicky Fitzgerald

Printed Name

nicky.fitzgerald@matadorresources.com

E-mail Address

18SURVEYOR
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.

11/02/2022

Date of Survey

Signature and Seal of Professional Surveyor

ANGEL M. BAEZA

NEW MEXICO

25118

PROFESSIONAL SURVEYOR

Certificate Number

NEW MEXICO EAST
NAD 1927

SURFACE LOCATION (SHL)

X=647097 Y=613187
LAT.: N 32.6848388
LONG.: W 103.8552335

FIRST PERF. POINT (FPP)

X=646729 Y=614174
LAT.: N 32.6875564
LONG.: W 103.8564140

BLM PERF. POINT 2 (BPP2)

X=649270 Y=614190
LAT.: N 32.6875695
LONG.: W 103.8481547

LAST PERF. POINT (LPP)

X=658414 Y=614249
LAT.: N 32.6876124
LONG.: W 103.8184366

KICK OFF POINT (KOP)

X=646679 Y=614174
LAT.: N 32.6875561
LONG.: W 103.8565765

BLM PERF. POINT 1 (BPP1)

X=647933 Y=614182
LAT.: N 32.6875627
LONG.: W 103.8525011

BLM PERF. POINT 3 (BPP3)

X=654551 Y=614224
LAT.: N 32.6875952
LONG.: W 103.8309901

BOTTOM HOLE LOCATION (BHL)

X=658464 Y=614249
LAT.: N 32.6876126
LONG.: W 103.8182741

Released to Imaging: 1/5/2024 3:22:07 PM

MATADOR_RESOURCES\JIMMY_ANDERSON_0301_03-19S-31E\FINAL_PRODUCTS\SILO_JIMMY_ANDERSON_0301_FC_127H_REV1.DWG 6/10/2023 8:35:53 AM adisabella

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of **July, 2023**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 19 South, Range 31 East, N.M.P.M

Section 1: N2S2

Section 2: N2S2

Section 3: N2SE4

Eddy County, New Mexico.

EXHIBIT

4

Containing **360.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of $1/8^{\text{th}}$ or $12 \frac{1}{2}$ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue

from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **July 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

Signature of Authorized Agent

By: Bryan A. Erman E.V.P. and General Counsel and Head of M&A
Name & Title of Authorized Agent

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS** §

COUNTY OF **DALLAS** §

On this ____ day of _____, 2023, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Bryan A. Erman - E.V.P. and General Counsel and Head of M&A
Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS** §

§

COUNTY OF **DALLAS** §

On this ____ day of _____, 2023, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Penroc Oil Company

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of **Penroc Oil Company**, the _____ that executed the foregoing instrument and acknowledged to me such _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

OXY USA WTP Limited Partnership

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of **OXY USA WTP Limited Partnership**, the _____ that executed the foregoing instrument and acknowledged to me such _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Jessica Wilma Cook

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the same person that executed the foregoing instrument and acknowledged to me that _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Stacey Suzanne Nardi

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the same person that executed the foregoing instrument and acknowledged to me that _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Melinda Beth Maxwell

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

§

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the same person that executed the foregoing instrument and acknowledged to me that _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of **Matador Production Company**, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____

Signature of office

Printed: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972) -371-5200

EXHIBIT “A”

Plat of communitized area covering 360.00 acres in

Township 19 South, Range 31 East, N.M.P.M

Section 1: NW4SE4, N2SW4

Section 2: N2S2

Section 3: N2SE4

Eddy County, New Mexico.

Well Name/No.

Jimmy Anderson 0301 Fed Com 127H

		T19S R31E				T19S R31E				T19S R31E	
		Section 3				Section 2				Section 1	
		Tract 1 BLM NMNM-105511317 40 acs.	Tract 2 BLM NMNM-105708566 40 acs.	Tract 3 St. of NM LG-2353-2 80 acs.	Tract 4 St. of NM VB-0213-3 80 acs.	Tract 5 BLM NMNM-105443076 80 acs.	Tract 6 BLM NMNM-105443076 40 acs.				

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated July 1, 2023, embracing the following described land in the NW4SE4 and N2SW4 of Section 1, N2S2 of Section 2 and the N2SE4 of Section 3, Township 19 South, Range 31 East, N.M.P.M, Eddy County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:	United States of America NMNM-105511317	
Description of Land Committed:	Township 19 South, Range 31 East, N.M.P.M. Section 3: NW4SE4	
Number of Acres:	40.00	
Current Lessee of Record:	Penroc Oil Company	
Name and Percent of Working Interest Owners:	Penroc Oil Company	100.00%

Tract No. 2

Lease Serial Number:	United States of America NMNM-105708566	
Description of Land Committed:	Township 19 South, Range 31 East, N.M.P.M. Section 3: NE4SE4	
Number of Acres:	40.00	
Current Lessee of Record:	OXY USA WTP Limited Partnership	
Name and Percent of Working Interest Owners:	MRC Permian Company	81.05%
	Robert Broyles	10.00%
	Lazy T Royalty Management Ltd.	6.25%
	La Vida Energy Corporation	2.70%

Tract No. 3

Lease Serial Number:	State of New Mexico LG-2353-2	
Description of Land Committed:	Township 19 South, Range 31 East, N.M.P.M. Section 2: N2SW4	
Number of Acres:	80.00	
Current Lessee of Record:	Nadel and Gussman Permian, LLC	
Name and Percent of Working Interest Owners:	MRC Permian Company	100.00%

Tract No. 4

Lease Serial Number:	State of New Mexico VB-213-3	
Description of Land Committed:	Township 19 South, Range 31 East, N.M.P.M. Section 2: N2SE4	
Number of Acres:	80.00	
Current Lessee of Record:	MRC Permian Company	
Name and Percent of Working Interest Owners:	MRC Permian Company	100.00%

Tract No. 5

Lease Serial Number:	NMNM-105443076	
Description of Land Committed:	Township 19 South, Range 31 East, N.M.P.M. Section 1: N2SW4	
Number of Acres:	80.00	
Current Lessee of Record:	Jessica Wilma Cook Stacey Suzanne Nardi Melinda Beth Maxwell	
Name and Percent of Working Interest Owners:	MRC Delaware Resources, LLC	25.000000%
	MRC Permian Company	10.109280%
	Headington Oil Company, L.P.	42.390720%
	Chevron Midcontinent, LP	22.500000%

Tract No. 6

Lease Serial Number: NMNM-105443076

Description of Land Committed: Township 19 South, Range 31 East, N.M.P.M.
Section 1: NW4SE4

Number of Acres: 40.00

Current Lessee of Record: Jessica Wilma Cook
Stacey Suzanne Nardi
Melinda Beth Maxwell

Name and Percent of Working Interest Owners: MRC Permian Company 75.000000%
MRC Delaware Resources, LLC 25.000000%

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	11.111111%
2	40.00	11.111111%
3	80.00	22.222222%
4	80.00	22.222222%
5	80.00	22.222223%
6	40.00	11.111111%
Total	360.00	100.000000%

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 1st day of **July, 2023**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Township 19 South, Range 31 East, N.M.P.M

Section 1: S2S2

Section 2: S2S2

Section 3: S2SE4

Eddy County, New Mexico.

Containing **400.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of $1/8^{\text{th}}$ or $12 \frac{1}{2}$ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue

from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **July 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

Signature of Authorized Agent

By: Bryan A. Erman E.V.P. and General Counsel and Head of M&A
Name & Title of Authorized Agent

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

On this ____ day of _____, 2023, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Bryan A. Erman - E.V.P. and General Counsel and Head of M&A
Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

On this ____ day of _____, 2023, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron USA Inc.

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of **Chevron USA Inc.**, the _____ that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Nadel and Gussman Permian LLC

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the _____ of **Nadel and Gussman Permian LLC**, the _____ that executed the foregoing instrument and acknowledged to me such _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Jessica Wilma Cook

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the same person that executed the foregoing instrument and acknowledged to me that _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Stacey Suzanne Nardi

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the same person that executed the foregoing instrument and acknowledged to me that _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Melinda Beth Maxwell

By: _____

Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF _____ §

§

COUNTY OF _____ §

§

On this ____ day of _____, 2023, before me, a Notary Public for the State of _____, personally appeared _____, known to me to be the same person that executed the foregoing instrument and acknowledged to me that _____ executed the same.

(SEAL)

My Commission Expires

Notary Public

**SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING
INTEREST**

COMMUNITIZATION AGREEMENT: _____

I, the undersigned, hereby certify, on behalf of **Matador Production Company**, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME: _____

Signature of office

Printed: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972) -371-5200

EXHIBIT “B”

Attached to and made a part of that certain Communitization Agreement dated July 1, 2023, embracing the following described land in the S2S2 of Section 1, S2S2 of Section 2 and the S2SE4 of Section 3, Township 19 South, Range 31 East, N.M.P.M, Eddy County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number:	State of New Mexico VC-417-1
Description of Land Committed:	Township 19 South, Range 31 East, N.M.P.M. Section 3: SW4SE4
Number of Acres:	40.00
Current Lessee of Record:	MRC Permian Company
Name and Percent of Working Interest Owners:	MRC Permian Company 100.00%

Tract No. 2

Lease Serial Number:	United States of America NMNM-105559295
Description of Land Committed:	Township 19 South, Range 31 East, N.M.P.M. Section 3: SE4SE4
Number of Acres:	40.00
Current Lessee of Record:	Chevron U.S.A. Inc.
Name and Percent of Working Interest Owners:	Apache Corporation 100.00%

Tract No. 3

Lease Serial Number: State of New Mexico LG-2353-2

Description of Land Committed: Township 19 South, Range 31 East, N.M.P.M.
Section 2: S2SW4

Number of Acres: 80.00

Current Lessee of Record: Nadel and Gussman Permian, LLC

Name and Percent of Working Interest Owners: MRC Permian Company 100.00%

Tract No. 4

Lease Serial Number: State of New Mexico VB-213-3

Description of Land Committed: Township 19 South, Range 31 East, N.M.P.M.
Section 2: S2SE4

Number of Acres: 80.00

Current Lessee of Record: MRC Permian Company

Name and Percent of Working Interest Owners: MRC Permian Company 100.00%

Tract No. 5

Lease Serial Number: United States of America NMNM-105443076

Description of Land Committed: Township 19 South, Range 31 East, N.M.P.M.
Section 1: S2SW4

Number of Acres: 80.00

Current Lessee of Record: Jessica Wilma Cook
Stacey Suzanne Nardi
Melinda Beth Maxwell

Name and Percent of Working Interest Owners: MRC Delaware Resources, LLC 25.000000%
MRC Permian Company 10.109280%
Headington Oil Company, L.P. 42.390720%
Chevron Midcontinent, LP 22.500000%

Tract No. 6

Lease Serial Number: United States of America NMNM-105443076

Description of Land Committed: Township 19 South, Range 31 East, N.M.P.M.
Section 1: S2SE4

Number of Acres: 80.00

Current Lessee of Record: Jessica Wilma Cook
Stacey Suzanne Nardi
Melinda Beth Maxwell

Name and Percent of Working Interest Owners: MRC Permian Company 75.000000%
MRC Delaware Resources, LLC 25.000000%

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	10.00%
2	40.00	10.00%
3	80.00	20.00%
4	80.00	20.00%
5	80.00	20.00%
6	80.00	20.00%
Total	400.00	100.00%

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/FEDERAL OR
STATE/FEDERAL/FEE**

Revised August, 2021

ONLINE Version

COMMUNITIZATION AGREEMENT

API Initial Well: 30-0_____ - _____

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

W I T N E S S E T H:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Subdivisions **NW4SE4 and N2SW4 of Section 1, N2S2 of Section 2 and the N2SE4 of Section 3,**

T 19S, R 31, NMPM, Eddy County, NM containing **360.00** acres, more or less, and this agreement

shall include only the **Bone Spring** Formation or pool, underlying said lands and the **oil and gas**

(hereinafter referred to as "communitized substances") producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **July 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first written and have set opposite their respective names the date of execution.

Operator: **Matador Production Company**

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President for Matador Production Company, on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President, for MRC Permian Company on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Penroc Oil Company

By: _____
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by _____, as
_____, for Penroc Oil Company on behalf of said _____.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

OXY USA WTP Limited Partnership

By: _____
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by _____, as
_____, for OXY USA WTP Limited Partnership on behalf of said
_____.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Nadel and Gussman Permian LLC

By: _____
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by _____, as
_____, for Nadel and Gussman Permian LLC on behalf of said
_____.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Jessica Wilma Cook

By: _____

Print Name

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by
_____.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Stacey Suzanne Nardi

By: _____

Print Name

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by
_____.

Signature of Notarial Officer

My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Melinda Beth Maxwell

By: _____

Name & Title of Authorized Agent

Print Name

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by
_____.

Signature of Notarial Officer

My commission expires _____

EXHIBIT A

To Communitization Agreement dated **July 1, 2023**

Plat of communitized area covering the:

Subdivisions NW4SE4 and N2SW4 of Section 1, N2S2 of Section 2 and the N2SE4 of Section 3,

T19S, R 31E, NMPM, Eddy County, NM.

		T19S R31E				T19S R31E				T19S R31E	
		Section 3			Section 2				Section 1		
		Tract 1 BLM NMNM-105511317 40 acs.	Tract 2 BLM NMNM-105708566 40 acs.	Tract 3 St. of NM LG-2353-2 80 acs.	Tract 4 St. of NM VB-0213-3 80 acs.	Tract 5 BLM NMNM-105443076 80 acs.	Tract 6 BLM NMNM-105443076 40 acs.				

EXHIBIT B

To Communitization Agreement dated July 1, 2023, embracing the Subdivisions NW4SE4 and N2SW4 of Section 1, N2S2 of Section 2 and the N2SE4 of Section 3, T 19S, R 31E, NMPM, Eddy County, NM.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.: NMNM-105511317
Lease Date: February 1, 1948
Lease Term: 5 years
Lessor: United States of America
Present Lessee: Penroc Oil Company
Description of Land Committed: Subdivisions NW4SE4, Section 3, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 40.00
Royalty Rate: 12.5%
Name of WIOwners: Penroc Oil Company

TRACT NO. 2

Lease Serial No.: NMNM-105708566
Lease Date: January 1, 1999
Lease Term: 20 years
Lessor: United States of America
Present Lessee: OXY USA WTP Limited Partnership
Description of Land Committed: Subdivisions NE4SE4, Section 3, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 40.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Permian Company, Robert Broyles, Lazy T Royalty Management Ltd.,
La Vida Energy Corporation

TRACT NO. 3

Lease Serial No.: LG-2353-2
Lease Date: November 1, 1974
Lease Term: 5 years
Lessor: State of New Mexico
Present Lessee: Nadel and Gussman Permian, LLC
Description of Land Committed: Subdivisions N2SW4, Section 2, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 80.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Permian Company

TRACT NO. 4

Lease Serial No.: VB-213-3
Lease Date: June 1, 1988
Lease Term: 5 years
Lessor: State of New Mexico
Present Lessee: MRC Permian Company
Description of Land Committed: Subdivisions N2SE4, Section 2, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 80.00
Royalty Rate: 18.75%
Name of WIOwners: MRC Permian Company

TRACT NO. 5

Lease Serial No.: NMNM-105443076
Lease Date: November 1, 1967
Lease Term: 10 years
Lessor: United States of America
Present Lessee: Jessica Wilma Cook, Stacey Suzanne Nardi, Melinda Beth Maxwell
Description of Land Committed: Subdivisions N2SW4, Section 1, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 80.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Delaware Resources, LLC; MRC Permian Company;
Headington Oil Company, L.P.; Chevron Midcontinent, LP

TRACT NO. 6

Lease Serial No.: NMNM-105443076
Lease Date: November 1, 1967
Lease Term: 10 years
Lessor: United States of America
Present Lessee: Jessica Wilma Cook, Stacey Suzanne Nardi, Melinda Beth Maxwell
Description of Land Committed: Subdivisions NW4SE4, Section 1, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 40.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Delaware Resources, LLC; MRC Permian Company

RECAPITULATION

Tract numbers	Number of Acres Committed	Percentage of Interest in Communitized Area
Tract No.1	<u>40.00</u>	<u>11.111111%</u>
Tract No.2	<u>40.00</u>	<u>11.111111%</u>
Tract No.3	<u>80.00</u>	<u>22.222222%</u>
Tract No.4	<u>80.00</u>	<u>22.222222%</u>
Tract No.5	<u>80.00</u>	<u>22.222223%</u>
Tract No.6	<u>40.00</u>	<u>11.111111%</u>

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/FEDERAL OR
STATE/FEDERAL/FEE**

Revised August, 2021

ONLINE Version

COMMUNITIZATION AGREEMENT

API Initial Well: 30-0_____ - _____

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

W I T N E S S E T H:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Subdivisions **S2S2 of Section 1, S2S2 of Section 2 and the S2SE4 of Section 3,**

T 19S, R 31, NMPM, Eddy County, NM containing **360.00** acres, more or less, and this agreement shall include only the Bone Spring Formation or pool, underlying said lands and the oil, gas and other hydrocarbons (hereinafter referred to as "communitized substances") producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **July 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first written and have set opposite their respective names the date of execution.

Operator: **Matador Production Company**

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President for Matador Production Company, on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2023, by Craig N. Adams, as Executive Vice President, for MRC Permian Company on behalf of said corporation.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Chevron USA, Inc.

By: _____
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by _____, as
_____, for OXY USA WTP Limited Partnership on behalf of said
_____.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Nadel and Gussman Permian LLC

By: _____
Name & Title of Authorized Agent

Signature of Authorized Agent

Acknowledgment in a Representative Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by _____, as
_____, for Nadel and Gussman Permian LLC on behalf of said
_____.

Signature of Notarial Officer
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Jessica Wilma Cook

By: _____

Print Name

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by
_____.

Signature of Notarial Officer

My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Stacey Suzanne Nardi

By: _____

Print Name

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by
_____.

Signature of Notarial Officer

My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Melinda Beth Maxwell

By: _____

Name & Title of Authorized Agent

Print Name

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2023, by
_____.

Signature of Notarial Officer

My commission expires _____

EXHIBIT ATo Communitization Agreement dated **July 1, 2023**

Plat of communitized area covering the:

Subdivisions S2S2 of Section 1, S2S2 of Section 2 and the S2SE4 of Section 3,T19S, R 31E, NMPM, Eddy County, NM.

		T19S R31E			T19S R31E				T19S R31E		
		Section 3			Section 2				Section 1		
		Tract 1 BLM NMNM-105511317 40 acs.	Tract 2 BLM NMNM-105708566 40 acs.	Tract 3 St. of NM LG-2353-2 80 acs.	Tract 4 St. of NM VB-0213-3 80 acs.		Tract 5 BLM NMNM-105443076 80 acs.		Tract 6 BLM NMNM-105443076 40 acs.		

EXHIBIT B

To Communitization Agreement dated July 1, 2023, embracing the Subdivisions NW4SE4 and N2SW4 of Section 1, N2S2 of Section 2 and the N2SE4 of Section 3, T 19S, R 31E, NMPM, Eddy County, NM.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.: VC-417-1
Lease Date: August 1, 2018
Lease Term: 5 years
Lessor: State of New Mexico
Present Lessee: MRC Permian Company
Description of Land Committed: Subdivisions SW4SE4, Section 3, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 40.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Permian Company

TRACT NO. 2

Lease Serial No.: NMNM-105559295
Lease Date: December 1, 1974
Lease Term: 5 years
Lessor: United States of America
Present Lessee: Chevron U.S.A. Inc.
Description of Land Committed: Subdivisions SE4SE4, Section 3, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 40.00
Royalty Rate: 12.5% - 25.0% Step-Scale Royalty Schedule "B."
Name of WIOwners: Apache Corporation

TRACT NO. 3

Lease Serial No.: LG-2353-2
Lease Date: November 1, 1974
Lease Term: 5 years
Lessor: State of New Mexico
Present Lessee: Nadel and Gussman Permian, LLC
Description of Land Committed: Subdivisions S2SW4, Section 2, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 80.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Permian Company

TRACT NO. 4

Lease Serial No.: VB-213-3
Lease Date: June 1, 1988
Lease Term: 5 years
Lessor: State of New Mexico
Present Lessee: MRC Permian Company
Description of Land Committed: Subdivisions S2SE4, Section 2, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 80.00
Royalty Rate: 18.75%
Name of WIOwners: MRC Permian Company

TRACT NO. 5

Lease Serial No.: NMNM-105443076
Lease Date: November 1, 1967
Lease Term: 10 years
Lessor: United States of America
Present Lessee: Jessica Wilma Cook, Stacey Suzanne Nardi, Melinda Beth Maxwell
Description of Land Committed: Subdivisions S2SW4, Section 1, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 80.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Delaware Resources, LLC; MRC Permian Company;
Headington Oil Company, L.P.; Chevron Midcontinent, LP

TRACT NO. 6

Lease Serial No.: NMNM-105443076
Lease Date: November 1, 1967
Lease Term: 10 years
Lessor: United States of America
Present Lessee: Jessica Wilma Cook, Stacey Suzanne Nardi, Melinda Beth Maxwell
Description of Land Committed: Subdivisions S2SE4, Section 1, Twp 19S, Rng 31E, NMPM, Eddy County, NM
Number of Acres: 80.00
Royalty Rate: 12.5%
Name of WIOwners: MRC Delaware Resources, LLC; MRC Permian Company

RECAPITULATION

Tract numbers	Number of Acres Committed	Percentage of Interest in Communitized Area
Tract No.1	<u>40.00</u>	<u>10.000000%</u>
Tract No.2	<u>40.00</u>	<u>10.000000%</u>
Tract No.3	<u>80.00</u>	<u>20.000000%</u>
Tract No.4	<u>80.00</u>	<u>20.000000%</u>
Tract No.5	<u>80.00</u>	<u>20.000000%</u>
Tract No.6	<u>80.00</u>	<u>20.000000%</u>

Amity Oil Company, Inc. c/o Robert D. Pulliam CPA	6116 N Central Expy Ste 1000	Dallas	TX	75206
Ashley Katherine Prather, Trustee of the Ashley Katherine Prather Revocable Declaration of Trust dated 6/5/2014	1110 Belvins Trace Drive	Durham	NC	27703
Baish Limited Partnership	3020 Fishing Creek Valley Road	Harrisburg	PA	17112
Bank of America, NA, as Trustee of the Selma E. Andrews Perpetual Charitable Trust	P.O. Box 830308	Dallas	TX	75283-0308
Bank of America, NA, as Trustee of the Selma E. Andrews Trust for the benefit of Peggy Barrett	P.O. Box 830308	Dallas	TX	75283-0308
Bovina Ltd. Liability Company	P.O. Box 1772	Hobbs	NM	88241
Braille Institute of America, Inc.	741 North Vermont Avenue	Los Angeles	CA	90029-3594
C. B. Rust	152 Crown Ridge Ct.	Fort Worth	TX	76121
Chevron Midcontinent, LP Attn: Land Manager	1400 Smith Street	Houston	TX	77002
COG Operating, LLC	600 W. Illinois Ave.	Midland	TX	79705
Concho Oil & Gas, LLC	600 W. Illinois Ave.	Midland	TX	79705
Davi Smithson	625 W. 6th Avenue	Mesa	AZ	85210
Douglas L. McBride, Trustee of the Ernest A. and Beulah I. Hanson Revocable Trust	400 N Pennsylvania Ave	Roswell	NM	88201-4754
Eric S. Strohmeyer	25290 E. Navajo Trl.	Benson	AZ	85602
Estate of Beulah Irene Hanson	400 N Pennsylvania Ave	Roswell	NM	88201-4754
Fidelity Exploration and Production Company	1700 Lincoln, Suite 2800	Denver	CO	80203
Galley NM Assets, LLC	P.O. Box 2588	Roswell	NM	82202-2588
Guadalupe Land & Minerals, LLC	17521 Arratia	El Paso	TX	79938
Hanson-McBride Petroleum Company	400 N Pennsylvania Ave	Roswell	NM	88201-4754
Headington Oil Company, L.P.	1501 N Hardin Blvd Ste 100	McKinney	TX	75071
J. R. Wallingford and Martha W. West, Trustees of the J. K. Wallingford Trust	3711 San Felipe, Apt. 14B	Houston	TX	77027
James W. Tecklenburg	P.O. Box 768	Zuni	NM	87327
Jessica Wilma Cook	700 West Scharbauer Dr., Apt. 425	Midland	TX	79705-8954
JPMorgan Chase Bank, N.A., Trustee of the Beta-Flag Royalty Trust	500 West Wall Street	Midland	TX	79701
Katelyn M. Means	13728 W. 2nd Ave.	Orofino	ID	83544
Katherine Mary Scott	809 Sheridan St.	Altoona	PA	16602-5440

EXHIBIT

5

Kenneth C. Dickeson and Janis S. Dickeson, JTWROS	P.O. Box 52470	Midland	TX	79710
Kenneth Graham Austin and Mary Elizabeth Austin, Trustees of the Kenneth and Mary Austin Living Trust dated 4/27/2018	15771 Carrie Lane	Huntington Beach	CA	92647
La Vida Energy Corporation	400 North Marienfeld, Suite 210	Midland	TX	79701
Lazy T Royalty Management Ltd.	3300 South 14th Street, Suite 322	Abilene	TX	79605
Lurae McCollum	P.O. Box 2243	Gallup	NM	87305
Lynn Pierce	P.O. Box 6027	Chandler	AZ	85246
Margaret Susan Kinter	261 N Spring St	Blairsville	PA	15717
Mary Elizabeth Baish	220 Fran St.	Lilly	PA	15938-5813
Melinda Beth Maxwell	5010 Purdue Avenue	Dallas	TX	75209
Mesa-Croft, LLC	11 Cloudleap Place	The Woodlands	NM	77381
Michael J. Strohmeyer	150 Piedra Loop	Los Alamos	NM	87544
MRC Delaware Resources, LLC	5400 LBJ Freeway, Ste. 1500	Dallas	TX	75240
MRC Permian Company	5400 LBJ Freeway, Ste. 1500	Dallas	TX	75240
MTT, LLC	2706 Gaye Drive	Roswell	NM	88201
Nadel and Gussman Permian LLC	15 East 5th Street, Suite 3300	Tulsa	OK	74103
Oxy USA WTP Limited Partnership	5 Greenway Plaza, Suite 110	Houston	TX	77046
Patricia Ann Barber	18 Oriole Ln	Brownsville	TX	78521
Paula J. Strohmeyer	1525 N. Alamo Pl.	Tucson	AZ	85712
Penasco Petroleum LLC	P.O. Box 2292	Roswell	NM	88202-2292
Penroc Oil Corporation	P.O. Box 2769	Hobbs	NM	88241
Rebecca Ruth Cutright	10180 E. Sweetleaf Dr.	Tucson	AZ	85748
Regen Royalty Corp	P.O. Box 210	Artesia	NM	88211
Richard C. Austin and Sharon E. Austin, Trustees of the Austin Family Trust dated 3/27/2018	15771 Carrie Lane	Huntington Beach	CA	92647
Robert Edward Grounds	1512 W. Sendero Cuatro	Tucson	AZ	85704
Robin Johnson	119 Broken Bridge Lane	Platte City	MO	64079
Rolla R. Hinkle, III	P.O. Box 2292	Roswell	NM	88202-2292
Ross Duncan Properties LLC	P.O. Box 647	Artesia	NM	88211
Roy L. McKay and Charlotte M. McKay, Trustees of the McKay Living Trust	P.O. Box 2014	Roswell	NM	88202-2014
John Rufus Wallingford	3711 San Felipe, Apt. 14B	Houston	TX	77027
Show Goat Capital, L.P.	P.O. Box 50576	Austin	TX	78763
Slayton Investments, LLC	P.O. Box 2035	Roswell	NM	88202-2035

Stacey Suzanne Nardi	6016 Chestnut Hill Drive	Glen Allen	VA	23059
State of New Mexico - Commisioner of Public Lands	P.O. Box 1148	Santa Fe	NM	87504
State of New Mexico - Commisioner of Public Lands	310 Old Santa Fe Trail	Santa Fe	NM	87501
Suzzane M. Charles Harrington	2634 Lookout Pt. NE	Kannapolis	NC	28083
The Eastland Oil Company	P.O. Drawer 3488	Midland	TX	79702
United States of America - Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508
Unknown Heirs of Chas. J. Grayson	181 Monroe Road	Hattiesburg	MS	39401-9727
Unknown Heirs of Robert Broyles	P.O. Box 16513	Fort Worth	TX	76162
Thomas Broyles	8916 Green Leaves	Granbury	TX	76049
Deborah Herron	427 S. Camp Rd.	Grand Junction	CO	81507
Estate of Helen P. Broyles Thomas Broyles, Executor	8916 Green Leaves	Granbury	TX	76049
Estate of Robert W. Broyles Thomas Broyles, Executor	8916 Green Leaves	Granbury	TX	76049
Apache Corporation	2000 Post Oak Blvd, Ste 100	Houston	TX	77056
Chevron USA, Inc. Attn: Land Manager	1400 Smith Street	Houston	TX	77002



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

September 26, 2023

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval to surface commingle (lease) gas production from spacing units comprised of the SE/4 of Section 3, S/2 of Section 2, and the SW/4, S/2 SE/4, and the NW/4 SE/4 of Section 1, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico (the "Lands")

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 the date this application is received by 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:

Kyle Perkins
Matador Production Company
(972) 371-5202
kperkins@matadorresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance", written over a horizontal line.

Paula M. Vance
**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**

MRC - Jimmy Anderson 124H and 127H Commingling
Postal Delivery Report

9414811898765495887772	Amity Oil Company, Inc. c/o Robert D. Pulliam CPA	6116 N Central Expy Ste 1000	Dallas	TX	75206-5101	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887918	Ashley Katherine Prather, Trustee of the Ashley Katherine Prather Revocable Declaration of Trust dated 6/5/2014	1110 Belvins Trace Dr	Durham	NC	27703-7847	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887925	Baish Limited Partnership	3020 Fishing Creek Valley Rd	Harrisburg	PA	17112-9635	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887949	Bank of America, NA, as Trustee of the Selma E. Andrews Perpetual Charitable Trust	PO Box 830308	Dallas	TX	75283-0308	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887932	Bank of America, NA, as Trustee of the Selma E. Andrews Perpetual Charitable Trust Peggy Barrett	PO Box 830308	Dallas	TX	75283-0308	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887659	Bovina Ltd. Liability Company	PO Box 1772	Hobbs	NM	88241-1772	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887604	Braille Institute of America, Inc.	741 N Vermont Ave	Los Angeles	CA	90029-3514	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887642	C. B. Rust	152 Crown Ridge Ct	Fort Worth	TX	76108-9642	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887635	Chevron Midcontinent, LPAttn Land Manager	1400 Smith St	Houston	TX	77002-7327	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887116	COG Operating, LLC	600 W Illinois Ave	Midland	TX	79701-4882	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887161	Concho Oil & Gas, LLC	600 W Illinois Ave	Midland	TX	79701-4882	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887192	Davi Smithson	625 W 6th Ave	Mesa	AZ	85210-2309	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887185	Douglas L. McBride, Trustee of the Ernest A. and Beulah I. Hanson Revocable Trust	400 N Pennsylvania Ave	Roswell	NM	88201-4754	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887178	Eric S. Strohmeier	25290 E Navajo Trl	Benson	AZ	85602-7237	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Jimmy Anderson 124H 127H Commingling
Postal Delivery Report

9414811898765495887352	Estate of Beulah Irene Hanson	400 N Pennsylvania Ave	Roswell	NM	88201-4754	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887321	Fidelity Exploration and Production Company	1700 N Lincoln St Ste 2800	Denver	CO	80203-4535	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887345	Guadalupe Land & Minerals, LLC	17521 Arratia Ave	El Paso	TX	79938-0639	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887017	Hanson-McBride Petroleum Company	400 N Pennsylvania Ave	Roswell	NM	88201-4754	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887062	Headington Oil Company, L.P.	1501 N Hardin Blvd Ste 100	McKinney	TX	75071-2343	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887000	J. R. Wallingford and Martha W. West, Trustees of the J. K. Wallingford Trust	3711 San Felipe St Unit 14B	Houston	TX	77027-4040	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887093	James W. Tecklenburg	PO Box 768	Zuni	NM	87327-0768	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887086	Jessica Wilma Cook	700 W Scharbauer Dr Apt 425	Midland	TX	79705-8954	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887079	JPMorgan Chase Bank, N.A., Trustee of the Beta-Flag Royalty Trust	500 W Wall St	Midland	TX	79701-5096	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887413	Katelyn M. Means	13728 W 2nd Ave	Orofino	ID	83544-9108	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887451	Katherine Mary Scott	809 Sheridan St	Altoona	PA	16602-5440	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887468	Kenneth C. Dickeson and Janis S. Dickeson, JTWROS	PO Box 52470	Midland	TX	79710-2470	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887406	Kenneth Graham Austin & Mary Elizabeth Austin, Trustees of the Kenneth and Mary Austin Living Trust dated 4/27/2018	15771 Carrie Ln	Huntington Beach	CA	92647-2827	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887499	La Vida Energy Corporation	400 N Marienfeld St Ste 210	Midland	TX	79701-4300	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Jimmy Anderson 124H 127H Commingling
Postal Delivery Report

9414811898765495887444	Lazy T Royalty Management Ltd.	3300 S 14th St Ste 322	Abilene	TX	79605-5052	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887482	Lurae McCollum	PO Box 2243	Gallup	NM	87305-2243	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887475	Lynn Pierce	PO Box 6027	Chandler	AZ	85246-6027	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887512	Margaret Susan Kinter	261 N Spring St	Blairsville	PA	15717-1306	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887550	Mary Elizabeth Baish	220 Fran St	Lilly	PA	15938-5813	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887505	Melinda Beth Maxwell	5010 Purdue Ave	Dallas	TX	75209-3316	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887543	Mesa-Croft, LLC	11 Cloudleap Pl	The Woodlands	TX	77381-4170	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887581	Michael J. Strohmeyer	150 Piedra Loop	Los Alamos	NM	87547-3837	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887536	MRC Delaware Resources, LLC	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495887574	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886218	MTT, LLC	2706 Gaye Dr	Roswell	NM	88201-3429	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886256	Nadel and Gussman Permian LLC	15 E 5th St Ste 3300	Tulsa	OK	74103-4340	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886263	Oxy USA WTP Limited Partnership	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886225	Patricia Ann Barber	18 Oriole Ln	Brownsville	TX	78521-1601	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Jimmy Anderson 124H 127H Commingling
Postal Delivery Report

9414811898765495886249	Paula J. Strohmeyer	1525 N Alamo Pl	Tucson	AZ	85712-4356	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886287	Penasco Petroleum LLC	PO Box 2292	Roswell	NM	88202-2292	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886270	Penroc Oil Corporation	PO Box 2769	Hobbs	NM	88241-2769	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886850	Rebecca Ruth Cutright	10180 E Sweetleaf Dr	Tucson	AZ	85748-7868	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886829	Regen Royalty Corp	PO Box 210	Artesia	NM	88211-0210	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886898	Richard C. Austin and Sharon E. Austin, Trustees of the Austin Family Trust dated 3/27/2018	15771 Carrie Ln	Huntington Beach	CA	92647-2827	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886843	Robert Edward Grounds	1512 W Sendero Cuatro	Tucson	AZ	85704-2050	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886881	Robin Johnson	119 Broken Bridge Ln	Platte City	MO	64079-8200	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886836	Rolla R. Hinkle, III	PO Box 2292	Roswell	NM	88202-2292	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886874	Ross Duncan Properties LLC	PO Box 647	Artesia	NM	88211-0647	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886713	Roy L. McKay and Charlotte M. McKay, Trustees of the McKay Living Trust	PO Box 2014	Roswell	NM	88202-2014	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886751	John Rufus Wallingford	3711 San Felipe St Unit 14B	Houston	TX	77027-4040	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886768	Show Goat Capital, L.P.	PO Box 50576	Austin	TX	78763-0576	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886720	Slayton Investments, LLC	PO Box 2035	Roswell	NM	88202-2035	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Jimmy Anderson 124H 127H Commingling
Postal Delivery Report

9414811898765495886706	Stacey Suzanne Nardi	6016 Chestnut Hill Dr	Glen Allen	VA	23059-6987	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886782	State of New Mexico -Commisioner of Public Lands	PO Box 1148	Santa Fe	NM	87504-1148	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886737	State of New Mexico - Commisioner of Public Lands	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886775	Suzzane M. Charles Harrington	2634 Lookout Point Rd	Kannapolis	NC	28083-7813	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886911	The Eastland Oil Company	PO Box 3488	Midland	TX	79702-3488	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886959	United States of America -Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886966	Unknown Heirs of Chas. J. Grayson	181 Monroe Rd	Hattiesburg	MS	39401-9727	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886928	Unknown Heirs of Robert Broyles	PO Box 16513	Fort Worth	TX	76162-0513	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886997	Thomas Broyles	8916 Green Leaves Dr	Granbury	TX	76049-4713	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886980	Deborah Herron	427 S Camp Rd	Grand Junction	CO	81507-2541	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886935	Thomas Broyles, Executor Estate of Helen P. Broyles	8916 Green Leaves Dr	Granbury	TX	76049-4713	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886614	Thomas Broyles, Executor Estate of Helen P. Broyles	8916 Green Leaves Dr	Granbury	TX	76049-4713	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886652	Apache Corporation	2000 Post Oak Blvd Ste 100	Houston	TX	77056-4497	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765495886621	Chevron USA, Inc.Attn Land Manager	1400 Smith St	Houston	TX	77002-7327	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Jimmy Anderson 124H 127H Commingling
Postal Delivery Report

9414811898765495809873	Galley NM Assets, LLC	PO Box 2588	Roswell	NM	82202-2588	Your shipment was received at 3:23 pm on September 26, 2023 in DENVER, CO 80217. The acceptance of your package is pending.
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From: [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)
To: [Paula M. Vance](#)
Cc: [McClure, Dean, EMNRD](#); [Rikala, Ward, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle O](#); [Walls, Christopher](#); [Lamkin, Baylen L.](#)
Subject: Approved Administrative Order CTB-1111
Date: Friday, January 5, 2024 2:55:20 PM
Attachments: [CTB1111 Order.pdf](#)

NMOCD has issued Administrative Order CTB-1111 which authorizes Matador Production Company (228937) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-53902	Jimmy Anderson 0301 Federal Com #127H	J K L	1-19S-31E	97056
		N/2 S/2	2-19S-31E	
		N/2 SE/4	3-19S-31E	
30-015-53903	Jimmy Anderson 0301 Federal Com #124H	S/2 S/2	1-19S-31E	97056
		S/2 S/2	2-19S-31E	
		S/2 SE/4	3-19S-31E	

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. If you have any questions regarding this matter, please contact me.

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

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005841549


This is not an invoice

HOLLAND AND HART
PO BOX 2208

SANTA FE, NM 87504-2208

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 in editions dated as follows:

10/10/2023



Legal Clerk

Subscribed and sworn before me this October 31,
2023:



State of WI, County of Brown
NOTARY PUBLIC

4-6-27

My commission expires

DENISE ROBERTS
Notary Public
State of Wisconsin

Ad # 0005841549

PO #:

of Affidavits: 1

This is not an invoice

Legal Notice (Publication)

To: All affected parties, including: Amity Oil Company, Inc.; Ashley Katherine Prather, Trustee of the Ashley Katherine Prather Revocable Declaration of Trust dated 6/5/2014; Baish Limited Partnership; Bank of America, NA, as Trustee of the Selma E. Andrews Perpetual Charitable Trust; Bank of America, NA, as Trustee of the Selma E. Andrews Trust for the benefit of Peggy Barrett; Bovina Ltd. Liability Company; Braille Institute of America, Inc.; C. B. Rust, his or her heirs and devisees; Chevron Midcontinent, LP; COG Operating, LLC; Concho Oil & Gas, LLC; Davi Smithson, his or her heirs and devisees; Douglas L. McBride, Trustee of the Ernest A. and Beulah I. Hanson Revocable Trust; Eric S. Strohmeier, his heirs and devisees; Estate of Beulah Irene Hanson, her heirs and devisees; Fidelity Exploration and Production Company; Galley NM Assets, LLC; Guadalupe Land & Minerals, LLC; Hanson-McBride Petroleum Company; Headington Oil Company, L.P.; J. R. Wallingford and Martha W. West, Trustees of the J. K. Wallingford Trust; James W. Tecklenburg, his heirs and devisees; Jessica Wilma Cook, her heirs and devisees; JPMorgan Chase Bank, N.A., Trustee of the Beta-Flag Royalty Trust; Katelyn M. Means, her heirs and devisees; Katherine Mary Scott, her heirs and devisees; Kenneth C. Dickeson and Janis S. Dickeson, JTWR0S, their heirs and devisees; Kenneth Graham Austin and Mary Elizabeth Austin, Trustees of the Kenneth and Mary Austin Living Trust dated 4/27/2018; La Vida Energy Corporation; Lazy T Royalty Management Ltd.; Lurae McCollum, her heirs and devisees; Lynn Pierce, his or her heirs and devisees; Margaret Susan Kinter, her heirs and devisees; Mary Elizabeth Baish, her heirs and devisees; Melinda Beth Maxwell, her heirs and devisees; Mesa-Croft, LLC; Michael J. Strohmeier, his heirs and devisees; MRC Delaware Resources, LLC; MRC Permian Company; MTT, LLC; Nadel and Gussman Permian LLC; Oxy USA WTP Limited Partnership; Patricia Ann Barber, her heirs and devisees; Paula J. Strohmeier, her heirs and devisees; Penasco Petroleum LLC; Penroc Oil Corporation; Rebecca Ruth Cutright, her heirs and devisees; Regen Royalty Corp; Richard C. Austin and Sharon E. Austin, Trustees of the Austin Family Trust dated 3/27/2018; Robert Edward Grounds, his heirs and devisees; Robin Johnson, his or her heirs and devisees; Rolla R. Hinkle, III, his heirs and devisees; Ross Duncan Properties LLC; Roy L. McKay and Charlotte M. McKay, Trustees of the McKay Living Trust; John Rufus Wallingford, his heirs and devisees; Show Goat Capital, L.P.; Slayton Investments, LLC; Stacey Suzanne Nardi, her heirs and devisees; State of New Mexico - Commissioner of Public Lands; Suzzane M. Charles Harrington, her heirs and devisees; The Eastland Oil Company; United States of America - Bureau of Land Management; Unknown Heirs of Chas. J. Grayson, his or her heirs and devisees; Unknown Heirs of Robert Broyles, his heirs and devisees; Thomas Broyles, his heirs and devisees; Deborah Herron, her heirs and devisees; Estate of Helen P. Broyles Thomas Broyles, Executor, her heirs and devisees; Estate of Robert W. Broyles Thomas Broyles, Executor, his heirs and devisees; Apache Corporation, and Chevron USA, Inc.

Application of Matador Production Company for administrative approval to surface commingle (lease) gas production from spacing units comprised of the SE/4 of Section 3, S/2 of Section 2, and the SW/4, S/2 SE/4, and the NW/4 SE/4 of Section 1, Township 19 South, Range 31 East, NMPM, Eddy County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (lease) diversely owned gas production at the **Jimmy Anderson Tank Battery** insofar as all existing and future wells drilled in the following spacing units:

- (a) The 360-acre spacing unit comprised of the N/2 SE/4 of Section 3, N/2 S/2 of Section 2, and N/2 SW/4 and NW/4 SE/4 of Section 1, in the Hackberry; Bone Spring, North [97056] – currently dedicated to the **Jimmy Anderson 0301 Fed Com 127H** (API. No. 30-015-53902);
- (b) The 400-acre spacing unit comprised of the S/2 SE/4 of Section 3, S/2 S/2 of Section 2, and S/2 S/2 of Section 1, in the Hackberry; Bone Spring, North [97056] – currently dedicated to the **Jimmy Anderson 0301 Fed Com 124H** (API. No. 30-015-53903); and
- (c) Pursuant to 19.15.12.10.C(4)(g), future additions of pools, leases or leases and pools to the Jimmy Anderson Tank Battery with notice provided only to the owners of interests to be added.

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 Kyle Perkins, Matador Production Company, (972) 371-5202 or KP.erkins@matadorresources.com.

#5841549, Current Argus, October 10, 2023

**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-1111

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 the gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the 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.
4. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
5. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
6. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, 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.
7. 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 acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

8. 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, 19.15.12. NMAC, and 19.15.23. NMAC.

9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
12. Commingling of 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) NMAC and 19.15.12.10.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 gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

Applicant is authorized to surface commingle gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery or gas title transfer meter described 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 gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a 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 commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.


Applicant shall allocate the 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 until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

3. The allocation of 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 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.
4. The gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
6. Applicant shall calibrate the meters used to measure or allocate gas production in accordance with 19.15.12.10.C.(2) NMAC.
7. If the commingling of gas production from any pool, lease, or well reduces the value of the commingled 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 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.
8. 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 in accordance with 19.15.12.10.C.(4)(g) NMAC,

provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.

9. If a well is not included in Exhibit A but produces from a pool and 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, proposed method to determine the allocation of gas production to it, and the location(s) that commingling of its production will occur.
10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



DYLAN M. FUGE
DIRECTOR (ACTING)

DATE: 1/5/24

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: **CTB-1111**

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

Central Tank Battery: **Jimmy Anderson Tank Battery**

Central Tank Battery Location: **UL O, Section 3, Township 19 South, Range 31 East**

Gas Title Transfer Meter Location: **UL O, Section 3, Township 19 South, Range 31 East**

Pools

Pool Name	Pool Code
HACKBERRY; BONE SPRING, NORTH	97056

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
NMNM 105443076 (003620)	S/2 minus I	1-19S-31E
VB 0213 0003	SE/4	2-19S-31E
LG 2353 0002	SW/4	2-19S-31E
NMNM 105708566 (0064833)	NE/4 SE/4	3-19S-31E
NMNM 105511317 (0064577A)	NW/4 SE/4	3-19S-31E
NMNM 105559295 (023002)	SE/4 SE/4	3-19S-31E
VC 0417 0001	SW/4 SE/4	3-19S-31E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-53902	Jimmy Anderson 0301 Federal Com #127H	J K L	1-19S-31E	97056
		N/2 S/2	2-19S-31E	
		N/2 SE/4	3-19S-31E	
30-015-53903	Jimmy Anderson 0301 Federal Com #124H	S/2 S/2	1-19S-31E	97056
		S/2 S/2	2-19S-31E	
		S/2 SE/4	3-19S-31E	

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: **CTB-1111**
Operator: **Matador Production Company (228937)**

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring BLM	J K L	1-19S-31E	360	A
	N/2 S/2	2-19S-31E		
	N/2 SE/4	3-19S-31E		
CA Bone Spring BLM	S/2 S/2	1-19S-31E	400	B
	S/2 S/2	2-19S-31E		
	S/2 SE/4	3-19S-31E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 105443076 (003620)	J K L	1-19S-31E	120	A
VB 0213 0003	N/2 SE/4	2-19S-31E	80	A
LG 2353 0002	N/2 SW/4	2-19S-31E	80	A
NMNM 105708566 (0064833)	NE/4 SE/4	3-19S-31E	40	A
NMNM 105511317 (0064577A)	NW/4 SE/4	3-19S-31E	40	A
NMNM 105443076 (003620)	S/2 S/2	1-19S-31E	160	B
VB 0213 0003	S/2 SE/4	2-19S-31E	80	B
LG 2353 0002	S/2 SW/4	2-19S-31E	80	B
NMNM 105559295 (023002)	SE/4 SE/4	3-19S-31E	40	B
VC 0417 0001	SW/4 SE/4	3-19S-31E	40	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 272452

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 272452
	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.	1/5/2024