RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologi	cal & Engineering ancis Drive, Santa	<b>ATION DIVISION</b> g Bureau –	NUT OF NEW READ
	ADMINISTI KLIST IS MANDATORY FOR A			
		EQUIRE PROCESSING AT THE		
Applicant:				D Number:
Well Name:			API:	
Pool:			Pool C	Code:
SUBMIT ACCURATE	AND COMPLETE IN	FORMATION REQUI		HE TYPE OF APPLICATION
■NSL B. Check one [ I ] Commir □ DF [ II ] Injection	pacing Unit – Simul NSP@ only for [1] or [1] gling – Storage – M	taneous Dedicatio ROJECT AREA) DNS 1easurement LC PC C ure Increase – Enha	n P(proration unit) DLS OLM anced Oil Recove	
A. Offset op B. Royalty, o C. Applicati D. Notificati E. Notificati F. Surface o G. For all of	QUIRED TO: Check erators or lease ho overriding royalty o on requires publish on and/or concurr on and/or concurr owner the above, proof c e required	lders wners, revenue ow ed notice ent approval by SL ent approval by BL	vners O .M	Notice Complete Application Content Complete
administrative ap understand that <b>i</b>	hereby certify that proval is <b>accurate</b> <b>10 action</b> will be ta Jubmitted to the Div	and <b>complete</b> to t ken on this applica	he best of my kno	
Note: S	statement must be comple	eted by an individual with	managerial and/or supe	ervisory capacity.

Print or Type Name

Pathin

Signature

Date

Phone Number

e-mail Address



May 10, 2024

#### VIA ONLINE FILING

Dylan Fuge, Division Director (Acting) Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Application of Matador Production Company to amend NMOCD Order PLC-548, dismiss NMOCD Order PLC-547, and for administrative approval to surface commingle (lease) oil and gas production from spacing units comprising Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands")

Dear Mr. Fuge:

Matador Production Company (OGRID No. 228937) ("Matador"), pursuant to 19.15.12.10 NMAC, seeks to amend Administrative Order PLC-548 ("Order PLC-548"), dismiss and consolidate Administrative Order PLC-547 ("Order PLC-547") under amended Order PLC-548, and surface commingle (lease) oil and gas production at the **Charles Ling East Tank Battery** *insofar as all existing and future wells drilled in the following spacing units*:

Order PLC-548, included as **Exhibit 1**, authorizes surface (lease and pool) commingling and off-lease measurement, at the **Charles Ling East Tank Battery** *of production from all existing and future infill wells drilled in the following spacing units:* 

(a) The 160-acre spacing unit comprised of the W/2 E/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the **Charles Ling Federal Com Well No. 133H** (API: 30-025-45295);<sup>1</sup>

(b) The 160-acre spacing unit comprised of the E/2 E/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the **Charles Ling Federal Com Well No. 134H** (API: 30-025-45296);<sup>2</sup>

(c) The 160-acre spacing unit comprised of the W/2 E/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Federal Com Well No. 213H** (API: 30-025-45082);

(d) The 160-acre spacing unit comprised of the E/2 E/2 of Section 11, in the WC-

<sup>&</sup>lt;sup>1</sup> This well was not drilled.

<sup>&</sup>lt;sup>2</sup> This well was not drilled.



025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling** Federal Com Well No. 214H (API: 30-025-45083); and

(e) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling East Tank Battery with notice provided only to the interest owners whose interest in the production is to be added.

Order PLC-547, included as **Exhibit 1**, authorizes surface (lease and pool) commingling and off-lease measurement, at the **Charles Ling West Tank Battery** *of production from all existing and future infill wells drilled in the following spacing units:* 

(a) The 160-acre spacing unit comprised of the W/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the **Charles Ling Federal Com Well No. 131H** (API: 30-025-45301);<sup>3</sup>

(b) The 160-acre spacing unit comprised of the E/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the **Charles Ling Federal Com Well No. 132H** (API: 30-025-45294);<sup>4</sup>

(c) The 160-acre spacing unit comprised of the W/2 W/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Federal Com Well No. 211H** (API: 30-025-45080);

(d) The 160-acre spacing unit comprised of the E/2 W/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Federal Com Well No. 212H** (API: 30-025-45081); and

(e) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling West Tank Battery with notice provided only to the interest owners whose interest in the production is to be added.

Pursuant to 19.15.12.10.C(4)(g), Matador seeks to amend the terms of Order PLC-548, and add the terms of the production for the Wolfcamp wells under Order PLC-547, as well as add the additional production from *all existing and future infill wells drilled in the following spacing units*<sup>5</sup>:

(a) The 160-acre spacing unit comprised of the W/2 W/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Fed Com #211H** (API. No. 30-025-45080);

<sup>&</sup>lt;sup>3</sup> This well was not drilled.

<sup>&</sup>lt;sup>4</sup> This well was not drilled.

<sup>&</sup>lt;sup>5</sup> Matador did not drill the Bone Spring wells included under the original orders. Therefore, consolidation of production is for the drilled and producing Wolfcamp wells (lease commingle) under the requested amended order.



(b) The 160-acre spacing unit comprised of the E/2 W/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Fed Com #212H** (API. No. 30-025-45081);

(d) The 160-acre spacing unit comprised of the W/2 E/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Fed Com #213H** (API. No. 30-025-45082);

(c) The 160-acre spacing unit comprised of the E/2 E/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Fed Com #214H** (API. No. 30-025-45083); and

(e) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling East 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 **Charles Ling East Central Tank Battery** ("CTB") located in the NE/4 NE/4 of Section 11, Township 24 South, Range 33 East. Matador plans to use the well test method for metering. Production from the wellbores will either flow into a wellhead test separator or bulk separator, which will separate the oil, gas, and water. Gas production from the separators 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. Gas and oil production will then be allocated on a daily basis based on the most recent individual well tests of oil, gas, and water.

**Exhibit 2** is a land plat showing Matador's current development plan, flow lines, well pads, the TB ("Facility Pad") in the subject area, and common gathering line. The plat also identifies the wellbores and lease/spacing unit boundaries.

**Exhibit 3** is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Oscar Gonzalez, 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 4** is a C-102 for each of the wells currently permitted or drilled within the existing spacing units.

Exhibit 5 includes relevant communitization agreements.

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 6 is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified



mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the Bureau of Land Management since federal lands are involved.

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

Sincerely,

Paula M. Vance ATTORNEY FOR MATADOR PRODUCTION COMPANY

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary Designate

Gabriel Wade, Acting Director Oil Conservation Division



January 8, 2019

Surface Commingling Order PLC-548

#### MATADOR PRODUCTION COMPANY Attention: Ms. Jordan Kessler

Pursuant to your application received on December 18, 2018, Matador Production Company (OGRID 228937) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico;

RED HILLS; BONE SPRING, NORTH	OIL (96434)
WILDCAT; WOLFCAMP (OIL)	OIL (98135)

and from the following diversely owned federal wells and leases in said Section, Township, and Range in Lea County, New Mexico.

Lease:	Charles Ling Federal Com Well No. 134H Lease; Hearing R-Pending, Case No. 16255
Description:	E/2 E/2 of Section 11
Well: Pool:	Charles Ling Federal Com Well No. 134HAPI 30-025-45296Red Hills; Bone Spring, North (3rd Bone Spring Sand only)
Lease:	Charles Ling Federal Com Well No. 214H Lease; Hearing R-14571 E/2 E/2 of Section 11
Description: Well:	Charles Ling Federal Com Well No. 211H API 30-025-45083
Pool:	Wildcat; Wolfcamp (Oil)
Lease:	Charles Ling Federal Com Well No. 133H Lease; Hearing R-Pending, Case No. 16254
Description:	W/2 E/2 of Section 11
Description: Well:	W/2 E/2 of Section 11API 30-025-45295Charles Ling Federal Com Well No. 133HAPI 30-025-45295
-	W/2 E/2 of Section 11
Well: Pool: Lease:	W/2 E/2 of Section 11 Charles Ling Federal Com Well No. 133H API 30-025-45295 Red Hills; Bone Spring, North (3 <sup>rd</sup> Bone Spring Sand only) Charles Ling Federal Com Well No. 213H Lease; Hearing R-14570
Well: Pool:	W/2 E/2 of Section 11 Charles Ling Federal Com Well No. 133H API 30-025-45295 Red Hills; Bone Spring, North (3 <sup>rd</sup> Bone Spring Sand only)

1220 South St. Francis Drive - Santa Fe, New Mexico 87505

**EXHIBIT** 

1

Administrative Order PLC-548 Matador Production Company January 8, 2019 Page 2 of 2

The commingled oil and gas production from the wells shall be measured and sold at the Charles Ling Federal East Central Tank Battery (CTB), located in Unit A of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Also, if depth severances exist within leases, Applicant shall be mindful of these limitations if additional wells are requested.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

Gabriel/Wade Acting Director

GW/mam

cc: Oil Conservation Division District Office – Hobbs Bureau of Land Management – Carlsbad

## State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary Designate Gabriel Wade, Acting Director Oil Conservation Division



January 8, 2019

Surface Commingling Order PLC-547

#### MATADOR PRODUCTION COMPANY Attention: Ms. Jordan Kessler

Pursuant to your application received on December 18, 2018, Matador Production Company (OGRID 228937) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico;

RED HILLS; BONE SPRING, NORTH	OIL (96434)
WILDCAT; WOLFCAMP (OIL)	OIL (98135)

and from the following diversely owned federal wells and leases in said Section, Township, and Range in Lea County, New Mexico.

Lease:	Charles Ling Federal Com Well No. 131H Lease; Hearing R-Pending, Case No. 16252
Description:	W/2 W/2 of Section 11
Well:	Charles Ling Federal Com Well No. 131H API 30-025-45301
Pool:	Red Hills; Bone Spring, North (3 <sup>rd</sup> Bone Spring Sand only)
Lease: Description:	Charles Ling Federal Com Well No. 211H Lease; Hearing R-14568 W/2 W/2 of Section 11
Well:	Charles Ling Federal Com Well No. 211H API 30-025-45080
Pool:	Wildcat; Wolfcamp (Oil)
Lease:	Charles Ling Federal Com Well No. 132H Lease; Hearing R-Pending, Case No. 16253
Description:	E/2 W/2 of Section 11
Well:	Charles Ling Federal Com Well No. 131H API 30-025-45294
Pool:	Red Hills; Bone Spring, North (3 <sup>rd</sup> Bone Spring Sand on Diversity)
Lease: Description:	Charles Ling Federal Com Well No. 212H Lease; Hearing R-14569 E/2 W/2 of Section 11
Well:	Charles Ling Federal Com Well No. 212H API 30-025-45081
Pool:	Wildcat; Wolfcamp (Oil)

Administrative Order PLC-547 Matador Production Company January 8, 2019 Page 2 of 2

The commingled oil and gas production from the wells shall be measured and sold at the Charles Ling Federal West Central Tank Battery (CTB), located in Unit C of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

The allocation meters shall be calibrated quarterly in accordance with Division Rule 19.15.12.10.C (2) NMAC.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

Also, if depth severances exist within leases, Applicant shall be mindful of these limitations if additional wells are requested.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

• The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

Gabriel Wade

Gabriel Wade Acting Director

GW/mam

cc: Oil Conservation Division District Office – Hobbs Bureau of Land Management – Carlsbad Received by OCD: 5/10/2024 2:49:17 PM



Released to Imaging: 3/12/2025 11:48:53 AM

Form C-107-B Revised August 1, 2011

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

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:					
APPLICATION TYPE:					
Pool Commingling Lease C					
LEASE TYPE: 🛛 Fee	e 🗌 State 🛛 Federal				
Is this an Amendment to exist	ting Order? 🛛 Yes 🗌 No If "Y	es", please include the approximation of the second se	opriate Order No. PLC -		
	nagement (BLM) and State Land o	ffice (SLO) been notified in	writing of the proposed comn	ningling	
Yes No					
		COMMINGLING	4°		
	Please attach sheets v	with the following informat			
(1) Pool Names and Codes	Gravities / BTU of Non- Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes	
T					
		-			
		1			
(2) Are any wells producing at	top allowables? Yes No				
	n notified by certified mail of the propo	osed commingling? Yes	□No.		
(4) Measurement type: $\Box M$	letering Other (Specify)		and the first standard for an annual d		
(5) Will commingling decrease	e the value of production? Yes	_No If "yes", describe why c	ommingling should be approved		
		E COMMINGLING with the following informat	tion		
(1) Pool Name and Code- [981	35] WC-025 G-09 S243310P; UPPER				
	e source of supply? $\square$ Yes $\square$ No				
(3) Has all interest owners been	notified by certified mail of the propos		es 🔲 No		
(4) Measurement type:	etering 🛛 Other (Specify) Well Test	Method			
	(C) POOL and L	EASE COMMINGLIN	G		
		with the following informa			
(1) Complete Sections A and I	3				
r		DACE and MEASURE	MENT		
		RAGE and MEASURE with the following inform			
(1) Is all production from same	e source of supply? Yes No	inter the following informa-			
(2) Include proof of notice to a					
	(E) ADDITIONAL INFOR				
		with the following informa	tion		
	cility, including legal location.	. Include lease numbers if Fed	teral or State lands are involved		
<ul> <li>(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.</li> <li>(3) Lease Names, Lease and Well Numbers, and API Numbers.</li> </ul>					
l hereby certify that the informat	ion above is true and complete to the be	est of my knowledge and belief.		1	
SIGNATURE: Chan	hole TITI	LE:_ Production Engineer	DATE: 09	5/06/202	
V				17	
TYPE OR PRINT NAMEO	scar Gonzalez	7	ГЕLЕРНОМЕ NO.:_(972) 629-21	4/	
E-MAIL ADDRESS:ogonzal	lez@matadorresources.com			EXHIBIT	
				3	

# Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.587.4638 • Fax 972.371.5201 ogonzalez@matadorresources.com

Oscar Gonzalez Production Engineer

March 1, 2024

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

Re: Application of Matador Production Company for Administrative Approval to Amend Administrative Order PLC-548 to Surface Commingle (lease commingle) production from the spacing units comprising Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands")

To Whom This May Concern,

Under NMOCD Order No. **PLC-548**, Matador Production Company ("Matador"), OGRID: 228937, was authorized to surface commingle production from the E/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. Pursuant to this application, Matador seeks to amend Order No. **PLC-548** to add the authority to commingle production from additional Wolfcamp wells in the W/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and to allow for allocation of the commingled production via well test, as described below.

Specifically, Matador requests to surface commingle current and upcoming production from (4) wells located on the Lands and future production from the Lands as described herein. Production will be allocated on a daily basis based on the most recent individual well tests of oil, gas, and water. These well tests will last a minimum of 24 hours and will be conducted following the guidelines shown below:

Period	From:	То:	Test frequency per month
Initial Production		Peak production or 30 days after first	
Initial Production	First Production	production	10
	End of initial		
Plateau	production	Peak decline rate	3
Decline	End of Plateau	P&A	3

Gas exiting each test separator will flow into one gathering line, as depicted on **Exhibit A**, the Targa Resources line. Each test separator will have its own orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third-party measurement company in accordance with industry specifications.

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

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. The PFD shows that the water, oil, and gas leave the wellbore and flow into a wellhead test separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically in accordance with industry specifications by a third party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is commingled with each of the other wells' metered gas. 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. Targa Resources has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

The commingled oil tanks as well as a test separator and the bulk separator will be located at the existing facility pad in the NE/4 of Section 11. One test separator and a compressor will remain at the existing facility pad in the NW/4 of Section 11, until such future time as Matador potentially converts that well to rod lift in the future.

In conclusion, all the oil and 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

Osoar Jynly

Oscar Gonzalez Production Engineer



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

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

Sample: Charles Ling Federal Com No. 211H First Stage Separator Spot Gas Sample @ 240 psig & 121 °F

Date Sampled: 04/04/2019

Job Number: 191856.001

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.258	
Carbon Dioxide	0.185	
Methane	74.691	
Ethane	12.941	3.544
Propane	6.289	1.774
Isobutane	0.825	0.276
n-Butane	1.921	0.620
2-2 Dimethylpropane	0.021	0.008
Isopentane	0.439	0.164
n-Pentane	0.498	0.185
Hexanes	0.363	0.153
Heptanes Plus	<u>0.569</u>	0.229
Totals	100.000	6.955

#### **CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

#### **Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity	3.293	(Air=1)
Molecular Weight	94.98	
Gross Heating Value	4956	BTU/CF

#### **Computed Real Characteristics Of Total Sample:**

Specific Gravity	0.770	(Air=1)
Compressibility (Z)	0.9958	
Molecular Weight	22.22	
Gross Heating Value		
Dry Basis	1349	BTU/CF
Saturated Basis	1327	BTU/CF

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

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) D.Field Analyst: NG Processor: NG Cylinder ID: T-5973 Certified: FESCO, Ltd. - Alice, Texas

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

COMPONENT	MOL % < 0.001	G	PM	WT % < 0.001
Hydrogen Sulfide*	< 0.001 1.258			
Nitrogen				1.586
Carbon Dioxide	0.185			0.366
Methane	74.691	2.5	4.4	53.922
Ethane	12.941	3.5		17.512
Propane	6.289	1.7		12.480
Isobutane	0.825	0.2		2.158
n-Butane	1.921	0.6		5.025
2,2 Dimethylpropane	0.021	0.0		0.068
Isopentane	0.439	0.1		1.425
n-Pentane	0.498	0.1		1.617
2,2 Dimethylbutane	0.005	0.0		0.019
Cyclopentane	0.000	0.0		0.000
2,3 Dimethylbutane	0.034	0.0		0.132
2 Methylpentane	0.114	0.0		0.442
3 Methylpentane	0.060	0.0	25	0.233
n-Hexane	0.150	0.0	63	0.582
Methylcyclopentane	0.058	0.0	20	0.220
Benzene	0.045	0.0	13	0.158
Cyclohexane	0.121	0.0	42	0.458
2-Methylhexane	0.019	0.0	29	0.086
3-Methylhexane	0.021	0.0	10	0.095
2,2,4 Trimethylpentane	0.000	0.0	00	0.000
Other C7's	0.051	0.0	23	0.228
n-Heptane	0.045	0.0	21	0.203
Methylcyclohexane	0.080	0.0	33	0.354
Toluene	0.034	0.0	12	0.141
Other C8's	0.048	0.0	23	0.238
n-Octane	0.014	0.0	07	0.072
Ethylbenzene	0.002	0.0	D1	0.010
M & P Xylenes	0.007	0.0	03	0.033
O-Xylene	0.002	0.0	D1	0.010
Other C9's	0.015	0.0	28	0.085
n-Nonane	0.003	0.0	02	0.017
Other C10's	0.003	0.0	02	0.019
n-Decane	0.001	0.0		0.006
Undecanes (11)	0.000	0.0	00	0.000
Totals	100.000	6.9		100.000
Computed Real Charac	teristics of T	otal Sample		
Specific Gravity		-	70 (Air=1)	
Compressibility (Z)				

Speelile Gravity	0.110	(/ – / )
Compressibility (Z)	0.9958	
Molecular Weight	22.22	
Gross Heating Value		
Dry Basis	1349	BTU/CF
Saturated Basis	1327	BTU/CF

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#### FESCO, Ltd.

#### 1100 Fesco Ave. - Alice, Texas 78332

Sample: Charles Ling Federal Com No. 211H First Stage Separator Spot Gas Sample @ 240 psig & 121 °F

Date Sampled: 04/04/2019

Job Number: 191856.001

#### **GLYCALC FORMAT**

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	0.185		0.366
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.258		1.586
Methane	74.691		53.922
Ethane	12.941	3.544	17.512
Propane	6.289	1.774	12.480
Isobutane	0.825	0.276	2.158
n-Butane	1.942	0.628	5.093
Isopentane	0.439	0.164	1.425
n-Pentane	0.498	0.185	1.617
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.150	0.063	0.582
Cyclohexane	0.121	0.042	0.458
Other C6's	0.213	0.090	0.826
Heptanes	0.194	0.083	0.832
Methylcyclohexane	0.080	0.033	0.354
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.045	0.013	0.158
Toluene	0.034	0.012	0.141
Ethylbenzene	0.002	0.001	0.010
Xylenes	0.009	0.004	0.043
Octanes Plus	<u>0.084</u>	<u>0.042</u>	0.437
Totals	100.000	6.955	100.000

#### **Real Characteristics Of Octanes Plus:**

Specific Gravity	4.018	(Air=1)
Molecular Weight	115.88	
Gross Heating Value	6081	BTU/CF

#### **Real Characteristics Of Total Sample:**

Specific Gravity	0.770	(Air=1)
Compressibility (Z)	0.9958	
Molecular Weight	22.22	
Gross Heating Value		
Dry Basis	1349	BTU/CF
Saturated Basis	1327	BTU/CF

Page 18 1         Page 18 1 <th< th=""><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th></th><th>-</th><th></th></th<>									-	
1625 N French Dr., Hobbs, NM 88240       Battle Of New Wickled       Revised August 1, 201         District II       811 S Frax St, Artexia, NM 88210       Department       Submit one copy to appropriate         Minne, (53) 344-1233 Fax; (55) 748-9720       Department       Submit one copy to appropriate         District III       000 Ris Brazes Road, Aztec, NM 87410       District Of New (S05) 334-6170       District Of New (S05) 334-6170         District IV       1220 South St. Francis Dr.       Santa Fe, NM 87505       X AMENDED REPORT         WELL LOCATION AND ACREAGE DEDICATION PLAT       AS DRILLED         *Pool Name         30-025-45080       98135       WC-025 G-09 S243310P; UPPER WOLFCAMP         *Property Code       *Property Name       *Well Number         322239       CHARLES LING FED COM       211H         'OGRID No.       *Operator Name       *Elevation         228937       MATADOR PRODUCTION COMPANY       3611'	ived by OCD:	5/10/202	24 2:49:17	РМ					EXHIBIT	Page 18
Phone: (505) 334-6178       Fax: (505) 334-6170       1220 South St. Francis Dr.         District IV       Santa Fe, NM 87505       AMENDED REPORT         VELL LOCATION AND ACREAGE DEDICATION PLAT       AS DRILLED         *Point: (505) 476-3462         WELL LOCATION AND ACREAGE DEDICATION PLAT         *Point: (505) 476-3462         WELL LOCATION AND ACREAGE DEDICATION PLAT         ***********************************	1625 N French Dr., Hobbs, NM 88240       State of 14cw Mexico         Phone: (375) 393-6161 Fax (375) 393-0720       Energy, Minerals & Natural R         District II       Department         District III       OIL CONSERVATION DIV					Natural Resoutment			evised August 1, 201 e copy to appropriat	
<sup>1</sup> API Number <sup>3</sup> Pool Code <sup>3</sup> Pool Name         30-025-45080       98135       WC-025 G-09 S243310P; UPPER WOLFCAMP <sup>4</sup> Property Code <sup>3</sup> Property Name <sup>6</sup> Well Number         322239       CHARLES LING FED COM       211H <sup>7</sup> OGRID No. <sup>8</sup> Operator Name <sup>9</sup> Elevation         228937       MATADOR PRODUCTION COMPANY       3611'         10 Surface Location         UL or lut no.       Section       Township       Range       Lut Idn       Feet from the       North/South line       Feet from the       County	Phone: (505) 334-617 District IV 1220 S. SL. Francis Dr	<ul> <li>B Fax: (505) 33</li> <li>, Sante Fe, NM</li> </ul>	14-6170 187505 16-3462			Santa Fe, N	VM 87505			
*Property Code     *Property Name     *Well Number       322239     CHARLES LING FED COM     211H       'OGRID No.     *Operator Name     *Elevation       228937     MATADOR PRODUCTION COMPANY     3611'       10 Surface Location       UL or lut no.     Section       Township     Range       Lut Idn     Feet from the     North/South line					<sup>2</sup> Puol Code			<sup>3</sup> Pool N	ame	
228937     MATADOR     PRODUCTION     COMPANY     3611'       IOSurface Location       UL or lut no.     Section     Township     Range     Lut Idn     Feet from the     North/South line     Feet from the     East/West line     County	Property (	Code		00		<sup>a</sup> Property (	Name			Well Number
UL or lut no. Section Township Range Lut Idn Feet from the North/South line Feet from the East/West line County					MATADO	•		NY		
	_				Lut Idn —					

UL or fot no. M	Section 11	Township 24-S	Range 33-E	Lot Idn —	Feet from the 102'	North/South line	Feet from the 325'	East/West line <b>WEST</b>	County LEA
<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or I	nfill <sup>14</sup> Co	nsolidation Cod	e <sup>jis</sup> Orde	er 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.



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eceived by OCD: 5/10/2024 2:4	9:17 PM			Page 19 of 95			
District I 1625 N. French Dr., Hobbs, NM 88240	State of		FORM C-102				
Phone: (575) 393-6161 Fax: (575) 393-0720 District II	Energy, Minera	Energy, Minerals & Natural Resources					
811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720	D	Department					
District III 1000 Rio Brazos Road, Aztec, NM 87410	OIL CONSER		District Office				
Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Sante Fe, NM 87505 Phone: (505) 476-3460 Fax. (505) 476-3462	1220 Sou Santa	X	AMENDED REPORT				
	WELL LOCATION AND	ACREAGE DEDICATION PLAT	1	AS DRILLED			
<sup>I</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name					
30-025-45081	98135 WC 025 G09 S243310P UPPER WOLECAMP						

	10001			00100	V	VC 025, G09 (	52455105,1	UFFER	VVOL	
<sup>4</sup> Property C			<sup>3</sup> Property Name <sup>6</sup> Well Number							Vell Number
322239	9			CH	ARLES LINC	G FED COM				212H
<sup>7</sup> OGRID N	ło.				<sup>8</sup> Operator I	Name				<sup>9</sup> Elevation
228937	,			MATADO	R PRODUC	TION COMPAN	NY			3611'
<sup>10</sup> Surface Location										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Eas	t/West line	County
C	11	24-S	33-E	-	360'	NORTH	1845'	WES	ST	LEA
UL or lot no.	Section	Township	Range	Lot Idn		North/South line	Feet from the	Eas	t/West line	County
N	11	24-S	33-E	-	101'	SOUTH	1717'	WES	ST	LEA
<sup>rz</sup> Dedicated Acres	<sup>13</sup> Joint or I	nfill <sup>14</sup> Con	solidation Co	de <sup>15</sup> Ord	er No.					
160										

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



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PR\_RESOURCES/CHARLES\_LING\_FED\_COM\_02-24S-33EFINAL\_PRODUCTS/AD\_CHARLES\_LING\_FED\_COM\_212H\_REV1.DWG 4/28/2020 8:45:49 AM adisabelia

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District I 1625 N. French Dr., Hobbs, NM 88240

811 S First St., Artesia, NM 88210

District II

District IV

Phone: (575) 393-6161 Fax: (575) 393-0720

Phone: (575) 748-1283 Fax: (575) 748-9720

Phone: (505) 334-6178 Fax: (505) 334-6170

1220 S. St. Francis Dr., Sante Fe, NM 87505

Phone: (505) 476-3460 Fax: (505) 476-3462

District III 1000 Rio Brazos Road, Aztec, NM 87410 Page 20 of 95

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

District Office

X AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT AS DRILLED

	API Number	r		<sup>2</sup> Pool Code			<sup>3</sup> Pool Na		
30-025	45082		98	135	V	VC025; G09 S	243310P; U	IPPER WOLF	-CAMP
<sup>4</sup> Property C	Code				<sup>5</sup> Property I	lame		6	Well Number
322239				CHA	RLES LING	FED COM			213H
<sup>7</sup> OGRID N	Vo.				<sup>8</sup> Operator 1	Name			<sup>9</sup> Elevation
228937			Ν	<b>(ATADO</b>	R PRODUC	TION COMPAN	NY		3616'
	<sup>10</sup> Surface Location								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	11	24-S	33-E	-	596'	NORTH	1937'	EAST	LEA
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	e County
0	11	24-S	33-E	-	94'	SOUTH	2235'	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or 1	nfill <sup>14</sup> Co	solidation Code	e <sup>15</sup> Orde	er No.				
160									

State of New Mexico

Energy, Minerals & Natural Resources

Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

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



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District I 1625 N French Dr., Hobbs, NM 88240	State of New Mexico		FORM C-102
Phone (575) 393-6161 Fax: (575) 393-0720 District II	Energy, Minerals & Natural Resources		Revised August 1, 2011
811 S First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720	Department	Submit	one copy to appropriate
District III 1000 Rio Brazos Road, Aztec, NM 87410	OIL CONSERVATION DIVISION		District Office
Phone: (505) 334-6178 Fax: (505) 334-6170 District IV	1220 South St. Francis Dr.	_	
1220 S St Francis Dr., Sante Fe, NM 87505 Phone (505) 476-3460 Fax: (505) 476-3462	Santa Fe, NM 87505	X	AMENDED REPORT
	WELL LOCATION AND ACREAGE DEDICATION PLAT	AS	DRILLED

#### API Number <sup>2</sup>Pool Code <sup>3</sup>Pool Name WC025; G09; S243310P; UPPER WOLFCAMP 30-025-45083 98135 Property Code **Property** Name Well Number CHARLES LING FED COM 214H 322239 OGRID No. **Operator** Name <sup>9</sup>Elevation MATADOR PRODUCTION COMPANY 3626 228937 <sup>10</sup>Surface Location East/West line UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the County 330' 791' A 11 24-S 33-E NORTH EAST LEA UL or lot no. East/West line Section Township Lot Idn Feet from the North/South line Feet from the County Range Ρ 24-S 101' 11 33-E SOUTH 1000' EAST LEA <sup>2</sup>Dedicated Acres <sup>3</sup>Joint or Infill <sup>5</sup>Order No. <sup>4</sup>Consolidation Code 160

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



SASURVEYMATADOR\_RESOURCESICHARLES\_LING\_FED\_COM\_02-24S-33EVFINAL\_PRODUCTSVAD\_CHARLES\_LING\_FED\_COM\_214H\_REV1.DWG 4/28/2020 8:49:32 AM adisabelik Released to Imaging: 3/12/2025 11:48:53 AM Received by OCD: 5/10/2024 2:49:17 PM



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 <u>https://www.blm.gov/new-mexico</u>



In Reply Refer To: NMNM105770674 3105.2 (NM920)

Reference: Communitization Agreement Charles Ling Fed Com 211H Section 11: W2W2; T.24 S., R.33 E., N.M.P.M. Lea County, NM

Matador Production Co. 5400 LBJ Freeway Suite 1500 Dallas TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM105770674 involving 80.00 acres of Federal land in lease NMLC0063798 and 80.00 acres of fee land, Lea County, New Mexico, which comprise a 160.00 acre well spacing unit.

The agreement communitizes all rights to oil and gas from the Wolfcamp formation beneath the W2W2 of Sec. 11 of T. 24 S., R. 33 E., NMPM, Lea County, NM, and is effective November 2, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

ехнівіт **5** 

INTERIOR REGION 5 · MISSOURI BASIN Kansas, Most of Montana, North Dakota, Nebraska, South Dakota Released to Imaging: 3/12/2025 11:48:53 AM INTERIOR REGION 6 · ARKANSAS-RIO GRANDE-TEXAS GULF Oklahoma, Texas INTERIOR REGION 7 · UPPER COLORADO BASIN Colorado, New Mexico, Utah, Wyoming If you have any questions regarding this approval, please contact Jordan Yawn by email at jyawn@blm.gov or by phone (505) 954-2138. Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Enclosure:
 Communitization Agreement

cc: ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (P0220-CFO, File Room) NMSO (NM925, File) NM STATE LAND COMM.

#### **DETERMINATION - APPROVAL - CERTIFICATION**

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 266(j), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM105770674 involving Federal Lease(s) NMLC0063798. This Communitization Agreement is in Sec. 11, T. 24 S., R. 33 E., NMPM, Lea County, New Mexico, for production of oil and gas producible from the Wolfcamp Formation.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Effective: November 2, 2018 Contract No.: NMNM105770674

#### RECEIVED

#### Federal Communitization Agreement

JUN - 9 2022

## Contract No. <u>NMNIN 105770674</u>

BLM, NMSO SANTA FE

THIS AGREEMENT entered into as of the 2<sup>nd</sup> day of November, 2018, 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 f aid lands are located; and

Slip sheet WHEREAS. 1 mineral interests in 1 010011 producing communiti SINTACTURE agreement:

#### BIN NOW, THEREFOR

ommunitize and pool their respective nt for the purpose of developing and with the terms and conditions of this

be 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:

#### W2W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Containing 160.00 acres, and this agreement shall include only the Wolfcamp 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

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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<sup>th</sup> or 12<sup>1</sup>/<sub>2</sub> 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<sup>th</sup> 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

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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.

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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 **November 2, 2018**, 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 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 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. <u>Nondiscrimination</u>. 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: Craig N. Adams Executive Vice President Name & Title of Authorized Agent

Date:

## ACKNOWLEDGEMENT

#### STATE OF TEXAS)

COUNTY OF DALLAS)

On this day of \_\_\_\_\_\_, 2022, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

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My Commission Expires

Notary Public

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

## **EXHIBIT "A"**

Plat of communitized area covering 160.00 acres in the W2W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Well Name/No.

Charles Ling Fed Com 11-24S-33E # 211



#### **EXHIBIT "B"**

To Communitization Agreement Dated November 2, 2018 embracing the following described land in W2W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Operator of Communitized Area: Matador Production Company

#### DESCRIPTION OF LEASES COMMITTED

#### Tract No. 1

Lease Serial Number:

Description of Land Committed:

Number of Acres:

Current Lessee of Record:

Name of Working Interest Owners:

Name of Overriding Royalty Interest Owners: United States of America NMLC 0063798

W2NW4 of Section 11, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico

80

Devon Energy Production Company, LP

MRC Permian Company Tap Rock Resources, LLC XTO Holdings, LLC COG Operating, LLC (Force Pooled Party) Murchison Oil & Gas, LLC (Force Pooled Party)

See Exhibit "C"

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#### Tract No. 2

#### Fee Leases

Description of Land Committed:

Number of Acres:

Authority for Pooling:

Range 33 East, N.M.P.M., Lea County, New Mexico

W2SW4, Section 11, Township 24 South,

100 80.00 200

Leases contain a provision authorizing pooling in accordance with the acreage requirement of the agreement

Current Lessee of Record:

MRC Permian Company

MRC Permian Company

Name of Working Interest Owners:

Name of Overriding Royalty Interest Owners:

Energex

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80	50.0000%
2	80	50.0000%
	160.00	100.0000%

## Exhibit "C"

To Communitization Agreement Dated November 21, 2019 embracing the following described land in W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

#### **Overriding Royalty Interest Owners**

MRC Permian Company COG Operating LLC Concho Oil & Gas LLC Clifford M. Randel, Trustee of the Ralph M. Randel Trust dated March 10, 1995 Fortis Minerals II, LLC Santa Elena Minerals IV, LP Ewell H. Muse III Tumbler Energy Partners, LLC Thru Line O&G Multi State, LLC SRB1 O&G Multi State, LLC LMBI O&G Multi State, LLC Keystone O&G Multi State, LLC John C. Thomas KWCL Properties Joe John Bond Betsy Bond Claire Chilton Lopez Tap Rock Resources, LLC J.P. Murchison Interest, Inc. Tap Rock Minerals LP Devon Energy Production Company, L.P.

John Lawrence Chilton John C. Ryan, IV **Richard Royall Ryan** Jamie E. Jennings and George J. Lee, Trustees of the Jennings-Lee Trust dated September 18, 2017 Katherine K. McIntyre Nancy J. Allen Susan J. Croft Susan Ryan SRBMT I BPEOR NM, LLC SRBMT II BPEOR NM, LLC Fine Line BPEOR NM, LLC Keystone (RMB) BPEOR NM, LLC Keystone (CTAM) BPEOR NM, LLC 820MT I BPEOR NM, LLC 820MT II BPEOR NM, LLC MEC Petroleum Corp. CEMOF AIV L.P. CEMOF -A AIV L.P. CEMOF Convestment, L.P. Carlyle Energy Mezzanine Opportunities Fund-Q, L.P. Received by OCD: 5/10/2024 2:49:17 PM



## United States Department of the Interior

BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 <u>https://www.blm.gov/new-mexico</u>



In Reply Refer To: NMNM105770673 3105.2 (NM920)

Reference: Communitization Agreement Charles Ling Fed Com 212H Section 11: E2W2; T.24 S., R.33 E., N.M.P.M. Lea County, NM

Matador Production Co. 5400 LBJ Freeway Suite 1500 Dallas TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM105770673 involving 80.00 acres of Federal land in lease NMLC0063798 and 80.00 acres of fee land, Lea County, New Mexico, which comprise a 160.00 acre well spacing unit.

The agreement communitizes all rights to oil and gas from the Wolfcamp formation beneath the E2W2 of Sec. 11 of T. 24 S., R. 33 E., NMPM, Lea County, NM, and is effective November 2, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

INTERIOR REGION 6 • ARKANSAS-RIO GRANDE-TEXAS GULF Oklahoma, Texas If you have any questions regarding this approval, please contact Jordan Yawn by email at jyawn@blm.gov or by phone (505) 954-2138. Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Enclosure:
 Communitization Agreement

cc: ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (P0220-CFO, File Room) NMSO (NM925, File) NM STATE LAND COMM.

#### **DETERMINATION - APPROVAL - CERTIFICATION**

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 266(j), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM105770673 involving Federal Lease(s) NMLC0063798. This Communitization Agreement is in Sec. 11, T. 24 S., R. 33 E., NMPM, Lea County, New Mexico, for production of oil and gas producible from the Wolfcamp Formation.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Effective: November 2, 2018 Contract No.: NMNM105770673

•
### RECEIVED

JUN - 9 2022

### Federal Communitization Agreement

SANTA FE

Contract No. <u>MMNM 105</u>770673

THIS AGREEMENT entered into as of the 2<sup>nd</sup> day of November, 2018, 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 cocordance with the terms and conditions of this

agreement: NOW, THEREFO to the parties hereto, it is m as follows: Signature pg5 by a

1. The lands cover W BUN area") are described as follows: emises and the mutual advantages by and between the parties hereto

fter referred to as "communitized

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#### E2W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Containing **160.00** acres, and this agreement shall include only the Wolfcamp 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

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Dage 37 of 95

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<sup>th</sup> or 12 <sup>1</sup>/<sub>2</sub> 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<sup>th</sup> 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.

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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 November 2, 2018, 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 2year 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

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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. <u>Nondiscrimination.</u> 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: Craig N. Adams Executive Vice President Name & Title of Authorized Agent

Date:

### ACKNOWLEDGEMENT

### STATE OF TEXAS)

COUNTY OF DALLAS)

On this day of \_\_\_\_\_\_, 2022, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

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My Commission Expires

Notary Public

### **EXHIBIT "A"**

Plat of communitized area covering **160.00** acres in the E2W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Well Name/No.

### Charles Ling Fed Com 11-24S-33E # 212

Tract 2 Fee Leases 80 Acres	Tract 1 NMLC 063798 BLM 80 Acres	
Fee Leases		
	Fee Leases	

Page 42 of 95

### **EXHIBIT "B"**

To Communitization Agreement Dated November 2, 2018 embracing the following described land in E2W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Operator of Communitized Area: Matador Production Company

### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

80

Lease Serial Number:

Description of Land Committed:

United States of America NMLC 0063798

E2NW4, Section 11, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico

Number of Acres:

Current Lessee of Record:

Name of Working Interest Owners:

Devon Energy Production Company, LP

MRC Permian Company Tap Rock Resources XTO Holdings, LLC COG Operating, LLC (Force Pooled) Murchison Oil & Gas, Inc (Force Pooled)

Name of Overriding Royalty Interest Owners:

See Exhibit "C"

### Tract No. 2

## Fee Leases

Description of Land Committed:	E2SW4, Section 11, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico
Number of Acres:	80
Authority for Pooling:	Leases contain a provision authorizing pooling in accordance with the acreage requirement of the agreement
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Name of Overriding Royalty Interest Owners:	Energex, LLC

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	50.00%
2	80.00	50.00%
Total	000.00	100.00%

### Exhibit "C"

To Communitization Agreement Dated November 2, 2018 embracing the following described land in E2W2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

#### **Overriding Royalty Interest Owners**

MRC Permian Company	John Lawrence Chilton
COG Operating LLC	John C. Ryan, IV
Concho Oil & Gas LLC	Richard Royall Ryan
Clifford M. Randel, Trustee of the Ralph M. Randel Trust dated	Jamie E. Jennings and George J. Lee, Trustees of the
March 10, 1995	Jennings-Lee Trust dated September 18, 2017
Fortis Minerals II, LLC	Katherine K. McIntyre
Santa Elena Minerals IV, LP	Nancy J. Allen
Ewell H. Muse III	Susan J. Croft
Tumbler Energy Partners, LLC	Susan Ryan
Thru Line O&G Multi State, LLC	SRBMT I BPEOR NM, LLC
SRBI O&G Multi State, LLC	SRBMT II BPEOR NM, LLC
LMBI O&G Multi State, LLC	Fine Line BPEOR NM, LLC
Keystone O&G Multi State, LLC	Keystone (RMB) BPEOR NM, LLC
John C. Thomas	Keystone (CTAM) BPEOR NM, LLC
KWCL Properties	820MT I BPEOR NM, LLC
Joe John Bond	820MT II BPEOR NM, LLC
Betsy Bond	MEC Petroleum Corp.
Claire Chilton Lopez	CEMOF AIV L.P.
Tap Rock Resources, LLC	CEMOF -A AIV L.P.
J.P. Murchison Interest, Inc.	CEMOF Coinvestment, L.P.
Tap Rock Minerals LP	Carlyle Energy Mezzanine Opportunities Fund-Q, L.P.
Devon Energy Production Company, L.P.	

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## United States Department of the Interior

BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 <u>https://www.blm.gov/new-mexico</u>



In Reply Refer To: NMNM105770675 3105.2 (NM920)

Reference: Communitization Agreement Charles Ling Fed Com 213H Section 11: W2E2; T.24 S., R.33 E., N.M.P.M. Lea County, NM

Matador Production Co. 5400 LBJ Freeway Suite 1500 Dallas TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM105770675 involving 80.00 acres of Federal land in lease NMLC0063798 and 80.00 acres of fee land, Lea County, New Mexico, which comprise a 160.00 acre well spacing unit.

The agreement communitizes all rights to oil and gas from the Wolfcamp formation beneath the W2E2 of Sec. 11 of T. 24 S., R. 33 E., NMPM, Lea County, NM, and is effective November 2, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

INTERIOR REGION 6 • ARKANSAS-RIO GRANDE-TEXAS GULF Oklahoma, Texas If you have any questions regarding this approval, please contact Jordan Yawn by email at jyawn@blm.gov or by phone (505) 954-2138. Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Enclosure:
Communitization Agreement

cc: ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (P0220-CFO, File Room) NMSO (NM925, File) NM STATE LAND COMM.

#### **DETERMINATION - APPROVAL - CERTIFICATION**

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 266(j), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM105770675 involving Federal Lease(s) NMLC0063798. This Communitization Agreement is in Sec. 11, T. 24 S., R. 33 E., NMPM, Lea County, New Mexico, for production of oil and gas producible from the Wolfcamp Formation.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Effective: November 2, 2018 Contract No.: NMNM105770675

### RECEIVED

JUN - 9 2022

### Federal Communitization Agreement

BLM, NMBO SANTA FE

## Contract No. NMNM 105 770675

THIS AGREEMENT entered into as of the 2<sup>nd</sup> day of November, 2018, 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 Original us to the parties hereto, it is mut as follows: Signature P95

1. The lands covered W/ 61 area") are described as follows. ises and the mutual advantages y and between the parties hereto

er referred to as "communitized

#### W2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Containing **160.00** acres, and this agreement shall include only the Wolfcamp 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 Released to Imaging: 3/12/2025 11:48:53 AM

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<sup>th</sup> or 12<sup>1</sup>/<sub>2</sub> 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<sup>th</sup> 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.

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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 **November 2, 2018**, 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 2year 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. <u>Nondiscrimination</u>. 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: Craig N. Adams Executive Vice President Name & Title of Authorized Agent

Date:

### ACKNOWLEDGEMENT

### STATE OF TEXAS)

COUNTY OF DALLAS)

On this day of \_\_\_\_\_\_, 2022, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

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My Commission Expires

Notary Public

### **EXHIBIT "A"**

Plat of communitized area covering 160.00 acres in the W2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Well Name/No.

### Charles Ling Fed Com 11-24S-33E #213

Tract 1 BLM NMLC 063798 80 Acres	
Tract 2 Fee Leases 80 Acres	

Page 54 of 95

### **EXHIBIT "B"**

To Communitization Agreement Dated November 2, 2018 embracing the following described land in W2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Operator of Communitized Area: Matador Production Company

### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

Lease Serial Number:	United States of America NMLC 0063798
Description of Land Committed:	W2NE4 Section 11, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico
Number of Acres:	80
Current Lessee of Record:	Devon Energy Production Company, LP
Name of Working Interest Owners:	MRC Permian Company Tap Rock Resources XTO Holdings, LLC COG Operating, LLC (Force Pooled) Murchison Oil & Gas, Inc (Force Pooled)
Name of Overriding Royalty Interest Owners:	See Exhibit "C"

Page 55 of 95

### Tract No. 2

### Fee Leases

Description of Land Committed:	W2SE4, Section 11, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico
Number of Acres:	80
Authority for Pooling:	Leases contain a provision authorizing pooling in accordance with the acreage requirement of the agreement
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Name of Overriding Royalty Interest Owners:	Energex, LLC

## **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	50.00%
2	80.00	50.00%
Total	00.00	100.00%

### Exhibit "C"

To Communitization Agreement Dated November 2, 2018 embracing the following described land in W2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

### **Overriding Royalty Interest Owners**

MRC Permian Company	John Lawrence Chilton
COG Operating LLC	John C. Ryan, IV
Concho Oil & Gas LLC	Richard Royall Ryan
Clifford M. Randel, Trustee of the Ralph M. Randel Trust dated	Jamie E. Jennings and George J. Lee, Trustees of the
March 10, 1995	Jennings-Lee Trust dated September 18, 2017
Fortis Minerals II, LLC	Katherine K. McIntyre
Santa Elena Minerals IV, LP	Nancy J. Allen
Ewell H. Muse III	Susan J. Croft
Tumbler Energy Partners, LLC	Susan Ryan
Thru Line O&G Multi State, LLC	SRBMT I BPEOR NM, LLC
SRBI O&G Multi State, LLC	SRBMT II BPEOR NM, LLC
LMBI O&G Multi State, LLC	Fine Line BPEOR NM, LLC
Keystone O&G Multi State, LLC	Keystone (RMB) BPEOR NM, LLC
John C. Thomas	Keystone (CTAM) BPEOR NM, LLC
KWCL Properties	820MT I BPEOR NM, LLC
Joe John Bond	820MT II BPEOR NM, LLC
Betsy Bond	MEC Petroleum Corp.
Claire Chilton Lopez	CEMOF AIV L.P.
Tap Rock Resources, LLC	CEMOF -A AIV L.P.
J.P. Murchison Interest, Inc.	CEMOF Coinvestment, L.P.
Tap Rock Minerals LP	Carlyle Energy Mezzanine Opportunities Fund-Q, L.P.
Devon Energy Production Company, L.P.	

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## United States Department of the Interior

BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 <u>https://www.blm.gov/new-mexico</u>



In Reply Refer To: NMNM105770676 3105.2 (NM920)

Reference: Communitization Agreement Charles Ling Fed Com 214H Section 11: E2E2; T.24 S., R.33 E., N.M.P.M. Lea County, NM

Matador Production Co. 5400 LBJ Freeway Suite 1500 Dallas TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM105770676 involving 80.00 acres of Federal land in lease NMLC0063798 and 80.00 acres of fee land, Lea County, New Mexico, which comprise a 160.00 acre well spacing unit.

The agreement communitizes all rights to oil and gas from the Wolfcamp formation beneath the E2E2 of Sec. 11 of T. 24 S., R. 33 E., NMPM, Lea County, NM, and is effective November 2, 2018. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

INTERIOR REGION 6 • ARKANSAS-RIO GRANDE-TEXAS GULF Oklahoma, Texas If you have any questions regarding this approval, please contact Jordan Yawn by email at jyawn@blm.gov or by phone (505) 954-2138. Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Enclosure:
Communitization Agreement

cc: ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (P0220-CFO, File Room) NMSO (NM925, File) NM STATE LAND COMM.

#### **DETERMINATION - APPROVAL - CERTIFICATION**

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 266(j), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM105770676 involving Federal Lease(s) NMLC0063798. This Communitization Agreement is in Sec. 11, T. 24 S., R. 33 E., NMPM, Lea County, New Mexico, for production of oil and gas producible from the Wolfcamp Formation.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

Kyle Paradis Branch Chief of Reservoir Management Division of Minerals

Effective: November 2, 2018 Contract No.: NMNM105770676

### RECEIVED

JUN - 9 2022

### Federal Communitization Agreement

Contract No. NMNM 105 770 676

THIS AGREEMENT entered into as of the 2<sup>nd</sup> day of November, 2018, 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 purpose of this agreement:

agreement: NOW, THEREFORE, in cor to the parties hereto, it is mutually co as follows: 1. The lands covered by this Sip Shutt Dright Signature PgS Signature pgS

area") are described as fol.

1 the mutual advantages tween the parties hereto

d to as "communitized

#### E2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Containing **160.00** acres, and this agreement shall include only the Wolfcamp 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

Page 61 of 95

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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<sup>th</sup> or 12 <sup>1</sup>/<sub>2</sub> 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<sup>th</sup> 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.

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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 November 2, 2018, 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 2year 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

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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. <u>Nondiscrimination</u>. 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:** <u>Matador Production Company</u>

Signature of Authorized Agent

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

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

### ACKNOWLEDGEMENT

### STATE OF TEXAS)

COUNTY OF DALLAS)

On this day of \_\_\_\_\_\_, 2022, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President 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

## **EXHIBIT "A"**

# Plat of communitized area covering **160.00** acres in the E2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Well Name/No.

### Charles Ling Fed Com 11-24S-33E #214

Tract 1 NMLC 0063798 BLM 80 Acres Tract 2 Fee Leases 80 Acres		
Fee Leases		NMLC 0063798 BLM
		Fee Leases

Page 66 of 95

### **EXHIBIT "B"**

To Communitization Agreement Dated November 2, 2018 embracing the following described land in E2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

Operator of Communitized Area: Matador Production Company

### DESCRIPTION OF LEASES COMMITTED

### Tract No. 1

80

Lease Serial Number:

Description of Land Committed:

United States of America NMLC 0063798

E2NE4, Section 11, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico

Number of Acres:

Current Lessee of Record:

Name of Working Interest Owners:

Devon Energy Production Company, LP

MRC Permian Company Tap Rock Resources XTO Holdings, LLC COG Operating, LLC (Force Pooled) Murchison Oil & Gas, Inc (Force Pooled)

Name of Overriding Royalty Interest Owners:

See Exhibit "C"

### Tract No. 2

### Fee Leases

Description of Land Committed: E2SE4, Section 11, Township 24 South, Range 33 East, N.M.P.M., Lea County, New Mexico Number of Acres: 80 Authority for Pooling: Leases contain a provision authorizing pooling in accordance with the acreage requirement of the agreement Current Lessee of Record: MRC Permian Company Name of Working Interest Owners: MRC Permian Company Name of Overriding Royalty Interest Owners: Energex, LLC

### **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	50.00%
2	80.00	50.00%
Total	000.00	100.00%

### Exhibit "C"

To Communitization Agreement Dated November 2, 2018 embracing the following described land in E2E2 of Section 11, Township 24 South, Range 33 East, N.M.P.M, Lea County, New Mexico

#### **Overriding Royalty Interest Owners**

MRC Permian Company	John Lawrence Chilton
COG Operating LLC	John C. Ryan, IV
Concho Oil & Gas LLC	Richard Royall Ryan
Clifford M. Randel, Trustee of the Ralph M. Randel Trust dated March 10, 1995	Jamie E. Jennings and George J. Lee, Trustees of the Jennings-Lee Trust dated September 18, 2017
Fortis Minerals II, LLC	Katherine K. McIntyre
Santa Elena Minerals IV, LP	Nancy J. Allen
Ewell H. Muse III	Susan J. Croft
Tumbler Energy Partners, LLC	Susan Ryan
Thru Line O&G Multi State, LLC	SRBMT I BPEOR NM, LLC
SRBI O&G Multi State, LLC	SRBMT II BPEOR NM, LLC
LMBI O&G Multi State, LLC	Fine Line BPEOR NM, LLC
Keystone O&G Multi State, LLC	Keystone (RMB) BPEOR NM, LLC
John C. Thomas	Keystone (CTAM) BPEOR NM, LLC
KWCL Properties	820MT I BPEOR NM, LLC
loe John Bond	820MT II BPEOR NM, LLC
Betsy Bond	MEC Petroleum Corp.
Claire Chilton Lopez	CEMOF AIV L.P.
Tap Rock Resources, LLC	CEMOF -A AIV L.P.
I.P. Murchison Interest, Inc.	CEMOF Coinvestment, L.P.
Tap Rock Minerals LP	Carlyle Energy Mezzanine Opportunities Fund-Q, L.P
Devon Energy Production Company, L.P.	

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820MT I BPEOR NM, LLC	201 Main Street, Suite 2300	Fort Worth	ТХ	76102
Betsy Bond	43-10 48th Ave., Apt 3U	Woodside	NY	11377
	Regions Bank, Agent			
Betty Jean Holland	PO Box 23100	Jackson	MS	39225-3100
Civitas DE Basin Resources LLC	555 17th St Ste 3700	Denver	CO	80202-3906
Claire Chilton Lopez	5162 S. Quintero St	Centennial	CO	80015
	Marital Trust U/W/O Ralph M Randel			
Clifford M Randel	PO Box 1421	Keller	ТХ	76244-1421
COG Operating LLC	PO BOX 849929	Dallas	ΤХ	75284-9929
Concho Oil & Gas LLC	PO Box 849929	Dallas	ТΧ	75284-9929
	Susan, Katie, Justin Croft, Co-Tstees			
Croft Living Trust	11700 Preston Rd Ste 660 PMB 390	Dallas	ТХ	75230-2739
Devon Energy Production Co LP	PO Box 842485	Dallas	ТΧ	75284-2485
Ewell H Muse III	Ellen Cassin Muse POA 230 W Sunset Rd #1128	San Antonio	ТΧ	78209
Fine Line BPEOR NM, LLC	201 Main Street, Suite 2300	Fort Worth	ТΧ	76102
FORTIS MINERALS II LLC	PO Box 470788	Fort Worth	ΤХ	76147
JD Murchison Interests, Inc	7250 Dallas Pkwy, Ste. 1400	Plano	ТΧ	75024
Jennings-Lee Trust	Jamie Jennings & George Lee Trtee P. O. Box 20204	Hot Springs	AR	20204-0204
Joe and Lela Williams	2001 Family Trust 1602 Mission Ave.	Carlsbad	NM	88220
Joe John Bond	1159 Oak Forest Dr	Ft. Worth	ТΧ	76114
John C Ryan IV	6229 Genoa Rd	Ft. Worth	ΤХ	76116
John C Thomas	PO Box 6881	San Antonio	ТΧ	78209
John Lawrence Chilton	4949 Corriente Lane	Ft. Worth	ТΧ	76126
Katherine K. McIntyre	512 THUNDER CREST	EL PASO	ТХ	79912
Keystone O&G Multi-State, LLC	201 Main St., Ste 2700	Fort Worth	ТХ	76102
KWCL Properties	307 W 7th St., Ste 1705	Ft. Worth	ΤХ	76102
LMBI O&G Multi-State, LLC	201 MAIN STREET, SUITE 2700	FT. WORTH	ТΧ	76102
MEC Petroleum Corp	500 W. Illinois Suite 610	Midland	ΤХ	79701-4234
MRC Permian Company	5400 LBJ Freeway Ste 1500	Dallas	ТΧ	75240
	c/o Spicewood Mineral Partners LP			
MSH Family Real Estate Pship II LLC	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294
Murchison Oil & Gas LLC	7250 Dallas Parkway Suite 1400	Plano	ТХ	75024-5002
Nancy J. Allen	3623 OVERBROOK DRIVE	Dallas	ТХ	75205
Office of Natural Resources	PO Box 25627	Denver	CO	80225-0627

ЕХНІВІТ **6**  7

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Pegasus Resources LLC	P O Box 733980	Dallas	ТХ	75373-3980
Pegasus Resources NM LLC	P.O. Box 470698	Fort Worth	ТХ	76147
Richard Royall Ryan	106 Morningview Circle	Boerne	ΤХ	78006
RMB BPEOR NM, LLC	201 Main St., Ste. 2700	Fort Worth	ΤХ	76102
Santa Elena Minerals IV, LP	P.O Box 470788	Fort Worth	ΤХ	76147
	c/o Spicewood Mineral Partners LP			
SMP Sidecar Titan Min Holdings LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294
	c/o Spicewood Mineral Partners LP			
SMP Titan Flex LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294
	c/o Spicewood Mineral Partners LP			
SMP Titan Mineral Holdings LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294
SRBI O&G Multi-State, LLC	201 Main Street, Suite 2700	Fort Worth	ТХ	76102
SRBMT I BPEOR NM, LLC	201 Main Street, Suite 2300	Forth Worth	ТХ	76102
SRBMT II BPEOR NM, LLC	201 Main Street, Suite 2300	Fort Worth	ТХ	76102
Susan Ryan	5805 Tracyne Dr	Westworth Village	ТХ	76114-4123
Tap Rock Minerals LP	523 Park Point Dr, Ste 200	Golden	CO	80401
TD Minerals Inc.	8111 Westchester Dr Ste 900	Dallas	ТХ	75225-6146
Thru Line O&G Multi-State LLC	201 Main St., Ste.2300	Fort Worth	ТΧ	76102



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

May 9, 2024

### <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

### TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company to amend NMOCD Order PLC-548, dismiss NMOCD Order PLC-547, and for administrative approval to surface commingle (lease) oil and gas production from spacing units comprising Section 11, Township 24 South, Range 33 East, NMPM, Lea 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,

Paula M. Vance ATTORNEY FOR MATADOR PRODUCTION COMPANY

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Montana Utah Colorado Nevada Washington, D.C. Idaho New Mexico Wyoming
9414811898765465577054	820MT I BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465577023	Betsy Bond	4310 48th Ave Apt 3U	Woodside	NY	11377-6202	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
	,					, <u> </u>
						Your shipment was
						received at 3:41 pm on
						May 9, 2024 in
	Betty Jean Holland Regions Bank					DENVER, CO 80217. The acceptance of your
9414811898765465577092		PO Box 23100	Jackson	MS	39225-3100	package is pending.
5414011050705405577052	here				55225 5100	package is perioding.
						Your shipment was
						received at 3:41 pm on
						May 9, 2024 in
						DENVER, CO 80217.
9/1/811898765/65577085	Civitas DE Basin Resources LLC	555 17th St Ste 3700	Denver	со	80202-3906	The acceptance of your package is pending.
2414011020102402211002	Civitas DE Dasin Resources ELC	555 17 (11 5) 5) 6 57 00			00202-3300	package is periolity.
						Your shipment was
						received at 3:41 pm on
						May 9, 2024 in
						DENVER, CO 80217.
						The acceptance of your
9414811898765465577078	Claire Chilton Lopez	5162 S Quintero St	Centennial	CO	80015-2450	package is pending.

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Received by OCD: 5/10/2024 2:49:17 PM

Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
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DENVER, CO 80217.
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package is pending.
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Your shipment was
received at 3:41 pm on
May 9, 2024 in
DENVER, CO 80217.
The acceptance of your package is pending.

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9414811898765465577566	Ellen Cassin Muse Poa Ewell H Muse III	230 W Sunset Rd Apt 1128	San Antonio	тх	78209-2690	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465577504	Fine Line BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	тх	76102-3137	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465577542	FORTIS MINERALS II LLC	PO Box 470788	Fort Worth	ТХ	76147-0788	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465577573	JD Murchison Interests, Inc	7250 Dallas Pkwy Ste 1400	Plano	ТХ	75024-5002	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576255	Jennings-Lee Trust Jamie Jennings & George Lee Trtee	PO Box 20204	Hot Springs	AR	71903-0204	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

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9414811898765465576262	2001 Family Trust Joe and Lela Williams	1602 Mission Ave	Carlsbad	NM	88220-9644	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
0414011000705405570204	lee John Bond	1150 Ook Forort Dr	Fort Month	TV	70114 4540	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your
9414811898765465576224	loe louu Roug	1159 Oak Forest Dr	Fort Worth	ТΧ	76114-4549	package is pending.
9414811898765465576200	John C Ryan IV	6229 Genoa Rd	Fort Worth	ТХ	76116-2025	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576293	John C Thomas	PO Box 6881	San Antonio	ТХ	78209-0881	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576248	John Lawrence Chilton	4949 Corriente Ln	Fort Worth	ТХ	76126-1853	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

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9414811898765465576286	Katherine K. McIntyre	512 Thunder Crest Ln	El Paso	тх	79912-4251	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
0/1/911909765/65576221	Keystone O&G Multi-State, LLC	201 Main St Ste 2700	Fort Worth	тх	76102,2121	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
5414011050705405570251					10102-3131	Pacinage is perioding.
9414811898765465576279	KWCL Properties	307 W 7th St Ste 1705	Ft Worth	ТХ	76102-5103	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576811	LMBI O&G Multi-State, LLC	201 Main St Ste 2700	Fort Worth	ТХ	76102-3131	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576866	MEC Petroleum Corp	500 W Illinois Ave Ste 610	Midland	тх	79701-4679	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9414811898765465576828	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576804	Msh Family Real Estate Pship II LLC c/o Spicewood Mineral Partners LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576897	Murchison Oil & Gas LLC	7250 Dallas Pkwy Ste 1400	Plano	ТХ	75024-5002	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576842	Nancy J. Allen	3623 Overbrook Dr	Dallas	TX	75205-4326	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576835	Office of Natural Resources	PO Box 25627	Denver	со	80225-0627	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

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9414811898765465576873	Pegasus Resources LLC	PO Box 733980	Dallas	ТХ	75373-3980	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
						Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your
9414811898765465576750	Pegasus Resources NM LLC	PO Box 470698	Fort Worth	тх	76147-0698	package is pending.
9414811898765465576767	Richard Royall Ryan	106 Morningview Cir	Boerne	тх	78006-9414	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576705		201 Main St Ste 2700	Fort Worth	тх		Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576743	Santa Elena Minerals IV 1 P	PO Box 470788	Fort Worth	тх	76147-0788	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9414811898765465576781	Smp Sidecar Titan Min Holdings Lp c/o Spicewood Mineral Partners LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576774	Smp Titan Flex Lpc/o Spicewood Mineral Partners LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576910	Smp Titan Mineral Holdings Lp c/o Spicewood Mineral Partners LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576958	SRBI O&G Multi-State, LLC	201 Main St Ste 2700	Fort Worth	ТХ	76102-3131	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576965	SRBMT I BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	ТХ	76102-3137	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9414811898765465576927	SRBMT II BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	тх	76102-3137	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
04149119097654655576002	Sucan Pyan	E20E Tracuma Dr	Washwarth Villago	TV	76114 4122	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576903	Susali Ryali	5805 Tracyne Dr	Westworth Village	ТХ	70114-4123	package is perioring.
9414811898765465576996	Tap Rock Minerals LP	523 Park Point Dr Ste 200	Golden	со	80401-9387	Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576941		8111 Westchester Dr Ste 900	Dallas	ТХ		Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765465576929	Thru Line O&G Multi-State LLC	201 Main St Ste 2300	Fort Worth	тх		Your shipment was received at 3:41 pm on May 9, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

From:	McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD
To:	Paula M. Vance
Cc:	McClure, Dean, EMNRD; Clelland, Sarah, EMNRD; Kautz, Paul, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; kparadis@blm.gov; cwalls@blm.gov
Subject:	Approved Administrative Order CTB-1123
Date:	Wednesday, March 12, 2025 11:38:39 AM
Attachments:	CTB1123 Order.pdf

NMOCD has issued Administrative Order CTB-1123 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
30-025-45080	<b>Charles Ling Federal Com #211H</b>	W/2 W/2	11-24S-33E	98135
30-025-45081	<b>Charles Ling Federal Com #212H</b>	E/2 W/2	11-24S-33E	98135
30-025-45082	<b>Charles Ling Federal Com #213H</b>	W/2 E/2	11-24S-33E	98135
30-025-45083	Charles Ling Federal Com #214H	E/2 E/2	11-24S-33E	98135

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



Holland & Hart LLP P.O. Box 2208 Santa Fe, NM 87504-2208



9214 8901 9403 8302 1305 82

Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508

Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508



Released to Imaging: 3/12/2025 11:48:53 AM

Publisher



Duties include answering phones, dispatching, bookkeeping, custome assistance, data entry, classifieds and other general office duties. The right candidate should love numbers and love customers. We're looking for someone with a background in basic bookkeeping, ability to navigate computer software and being self-driven and troubleshoot problems - and a willingness to learn. Bilingual a plus. Our employees learn to do several jobs and are

trained in several positions. Five days a week.

Submit your resume or get an application at 201 N. Thorp. Contact Gussie at 575-391-5415 or administration@hobbsnews.com

LEGAL	LEGAL	LEGAL	LEGAL
LEGAL NOTICE May 10, 2024		LEGAL N	

This is to notify all interested parties, including Broughton Petroleum Inc.; Hay Family Trust dated 06/24/2005; OXY USA WTP Limited Partnership; Slash Exploration Limited Partnership; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by BTA Oil Producers, LLC (Case No. 24489). The hearing will be conducted on June 13, 2024, in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website https://www.emnrd.nm.gov/ocd/hearing-info/. BTA Oil Producers, LLC ("Applicant") seeks an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 279.37acre, more or less, standard horizontal spacing unit comprised of the W/2 W/2 of Section 34, Township 16 South, Range 36 East, and Lot 4 (NW/4 NW/4 equivalent), SW/4 NW/4, and NW/4 SW/4 of irregular Section 3, Township 17 South, Range 36 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the **Capitan 22301 34-3 State Com #13H** well ("Well"), which will be drilled from a surface hole location in the NW/4 NW/4 (Unit D) of Section 34. Township 16 South, Range 36 East, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 3, Township 17 South, Range 36 East. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 3 miles south of Lovington, New Mexico. #00290160

#### LEGAL NOTICE May 10, 2024

This is to notify all interested parties, including ZPZ Delaware I, LLC and their successors and assigns that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No. 24495). The hearing will be conducted on June 13, 2024, in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebÉx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website https://www.emird.nm.gov/ocd/hearing-info/. Mewbourne Oil Company ("Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the W/2 E/2 of Sections 21 and 28, Township 18 South, Range 35 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Belgian Blue 28/21 State Com #526H (B2OB) well ("Well") to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 28 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 21. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs, the designation of Applicant as the operator of the Well a a 20 arge for the risk invo

### May 10, 2024

daytime phone number,

and we will get back to

you by next business day.

subscribe@

hobbsnews.com

or call 391-5448

This is to notify all interested parties, including OXY USA WTP Limited Partnership; and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by BTA Oil Producers, LLC (Case No. 24490). The hearing will be conducted on June 13, 2024, in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resource's Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/. BTA Oil Producers, LLC ("Applicant") seeks an order pooling all uncommitted interests in the Pennsylvanian Shale formation underlying a 319.42acre, more or less, standard horizontal spacing unit comprised of the E/2 W/2 of Section 34, Township 16 South, Range 36 East, and Lot 3 (NE/4 NW/4 equivalent), SE/4 NW/4, and E/2 SW/4 of Section 3, Township 17 South, Range 36 East, Lea County, New Mexico ("Unit"). The Unit will be dedicated to the Capitan 22301 34-3 State Com #14H well ("Well"), which will be drilled from a surface hole location in the NE/4 NW/4 (Unit C) of Section 34. Township 16 South, Range 36 East, to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 3, Township 17 South, Range 36 East. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the cost, the designation of Applicant as operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 3 miles south of Lovington, New Mexico #00290162

#### LEGAL NOTICE May 10, 2024

This is to notify all interested parties, including ZPZ Delaware I, LLC and their successors and assigns, that the New Mexico Oil Conservation Division will conduct a hearing on an application submitted by Mewbourne Oil Company (Case No. 24494). The hearing will be conducted on June 13, 2024, in a hybrid fashion, both in-person at the Energy Minerals, Natural Resources Department, Wendel Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate virtually, see the instructions posted on the OCD H e a r i n g s w e b s i t e https://www.emnrd.nm.gov/ocd/hearing-info/ Mewbourne Oil Company ("Applicant") applies for an order pooling all uncommitted interests in the Bone Spring formation underlying a 320-acre, more or less, standard horizontal spacing unit comprised of the E/2 E/2 of Sections 21 and 28, Township 18 South, Range 35 East, Lea County, New Mexico The Unit will be dedicated to the Belgian 'Unit"). Blue 28/21 State Com #508H (B2PA) well ("Well") to be drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 28 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 21. The completed interval of the Well will be orthodox. Also to be considered will be the cost of drilling and completing the Well and the allocation of the costs the designation of Applicant as the operator of the Well, and a 200% charge for the risk involved in drilling and completing the Well. The Well is located approximately 17 miles west of Hobbs, New Mexico. #00290163

LEGAL LEGAL

Page 85 of 95 LEGAL LEGAL

HOBBS NEWS-SUN 15

LEGAL NOTICE May 10, 2024

To: All affected parties, including: 820MT I BPEOR NM, LLC; Betsy Bond, her heirs and devisees; Betty Jean Holland, her heirs and devisees; Civitas DE Basin Resources LLC; Claire Chilton Lopez, her heirs and devisees; Clifford M. Randel, Trustee; COG Operating LLC; Concho Oil & Gas LLC; Croft Living Trust; Devon Energy Production Co., LP; Ewell H. Muse III, his or her heirs and devisees; Fine Line BPEOR NM, LLC; FORTIS Minerals II LLC; JD Murchison Interests, Inc.; Jennings-Lee Trust; Joe and Lela Williams, their heirs and devisees; Joe John Bond, his heirs and devisees; John C. Byten W. his heirs and devisees; John C. Theman, his heirs and devisees; John C. Ryan IV, his heirs and devisees; John C. Thomas, his heirs and devisees; John Bond, his heirs and devisees; John Aurence Chilton, his heirs and devisees; Katherine K. McIntyre, her heirs and devisees; Keystone O&G Multi-State, LLC; KWCL Properties; LMBI O&G Multi-State, LLC; MEC Petroleum Corp., MSH Family Real Estate Pship II LLC; Murchison Oil & Gas LLC; Nancy J. Allen, her heirs and devisees; Colorado Office of Natural Resources; Prgasus Resources LLC; Pegasus Resources NM LLC; Richard Royall Ryan, his heirs and devisees; RMB BPEOR NM, LLC; Santa Elena Minerals IV, LP; SMP Sidecar Titan Mineral Heldinge LP: SMP Titan Mineral Heldinge LP: SMP Sidecar Titan Mineral Holdings LP; SMP Titan Flex LP; SMP Titan Mineral Holdings LP; SRBI O&G Multi-State, LLC; SRBMT I BPEOR NM, LLC; SRBMT II BPEOR NM, LLC; Susan Ryan; Tap Rock Minerals LP; TD Minerals LLC Thru Line O&G Multi-State LLC, and Bureau of Land Management.

Application of Matador Production Company to amend NMOCD Order PLC-548, dismiss NMOCD Application of Matador Production Company to surface commingle (lease) oil and gas production from spacing units comprising Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador"), pursuant to 19.15.12.10 NMAC, seeks to amend Administrative Order PLC-548 ("Order PLC-548"), dismiss and consolidate Administrative Order PLC-547") under amended Order PLC-548, and surface commingle (heave) is and company (the company of the Charles Line Rest are under a company (the company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under a company of the Charles Line Rest are under the commingle (lease) oil and gas production at the Charles Ling East Tank Battery insofar as all existing and future wells drilled in the following spacing units:

Order PLC-548 authorizes surface (lease and pool) commingling and off-lease measurement, at the Charles Ling East Tank Battery of production from all existing and future infill wells drilled in the following spacing units

(a) The 160-acre spacing unit comprised of the W/2 E/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the Charles Ling Federal Com Well No. 133H (API: 30-025-45295);

(b) The 160-acre spacing unit comprised of the E/2 E/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the Charles Ling Federal Com Well No. 134H (API: 30-025-45296);

(c) The 160-acre spacing unit comprised of the W/2 E/2 of Section 11, in the WC-025 G-09 S243310P Upper Wolfcamp [98135] – currently dedicated to the Charles Ling Federal Com Well No. 213H (API: 30-025-45082);

(d) The 160-acre spacing unit comprised of the E/2 E/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] – currently dedicated to the Charles Ling Federal Com Well No. 214H (API: 30-025-45083); and

(e) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling East Tank Battery with notice provided only to the interest owners whose interest in the production is to be added.

Order PLC-547 authorizes surface (lease and pool) commingling and off-lease measurement, at the Charles Ling West Tank Battery of production from all existing and future infill wells drilled in the following spacing units:

(a) The 160-acre spacing unit comprised of the W/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the Charles Ling Federal Com Well No. 131H (API: 30-025-45301);

(b) The 160-acre spacing unit comprised of the E/2 W/2 of Section 11, in the Red Hills; Bone Spring, North [96434] – currently dedicated to the Charles Ling Federal Com Well No. 132H (API: 30-025-45294);

(c) The 160-acre spacing unit comprised of the W/2 W/2 of Section 11, in the WC-025 G-09 S243310P Upper Wolfcamp [98135] – currently dedicated to the Charles Ling Federal Com Well No. 211H (API: 30-025-45080);

(d) The 160-acre spacing unit comprised of the E/2 W/2 of Section 11, in the WC-025 G-09 S243310P Upper Wolfcamp [98135] - currently dedicated to the Charles Ling Federal Com Well No. 212H (API: 30-025-45081); and

(e) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling West Tank Battery with notice provided only to the interest owners whose interest in the production is to be added.

Pursuant to 19.15.12.10.C(4)(g), Matador seeks to amend the terms of Order PLC-548, and add the terms of the production for the Wolfcamp wells under Order PLC-547, as well as add the additional production from *all existing and future infill wells drilled in the following spacing units:* 

(a) The 160-acre spacing unit comprised of the W/2 W/2 of Section 11, in the WC-025 G-09 S243310P كَوْلَاتِ المَالِعَةِ اللهُ المَالِقَة (API. No. 30-025- المَالِي للمَالِي للمَالِي المَالِي للمَالِ 45080):

(b) The 160-acre spacing unit comprised of the E/2 W/2 of Section 11, in the WC-025 G-09 S243310P Upper Wolfcamp [98135] – currently dedicated to the **Charles Ling Fed Com #212H** (API. No. 30-025-45081);

(d) The 160-acre spacing unit comprised of the W/2 E/2 of Section 11, in the WC-025 G-09 S243310P: Upper Wolfcamp [98135] - currently dedicated to the **Charles Ling Fed Com #213H** (API. No. 30-025-45082);

(c) The 160-acre spacing unit comprised of the E/2 E/2 of Section 11, in the WC-025 G-09 S243310P; Upper Wolfcamp [98135] - currently dedicated to the Charles Ling Fed Com #214H (API. No. 30-025-45083); and

(e) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Charles Ling East 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 KPerkins@matadorresources.com. #00290175

# Subscribe Today! Call 391-5448

drilling and completing the Well. The Well is located approximately 17 miles west of Hobbs, New Mexico. #00290164





From:	Paula M. Vance
То:	McClure, Dean, EMNRD
Cc:	Clelland, Sarah, EMNRD
Subject:	RE: [EXTERNAL] RE: Action ID: 343079; CTB-1123
Date:	Monday, February 24, 2025 4:50:48 PM
Attachments:	Banner 9214890194038302130582.pdf
	Expedite Commingling Template - 2023 06 07 Matador 2-24-25.xlsx

Dean,

Sorry. Attached is the tracking information for the notice sent to the BLM for Action ID: 343079. Also attached is the expedite with the correct Action ID: 385224 for the Charles Ling North PLC Commingling.

#### **Paula Vance**

Associate, Holland & Hart LLP

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pmvance@hollandhart.com | T: (505) 954-7286 | M: (337) 280-9055
CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.
```

From: McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>
Sent: Monday, February 24, 2025 4:43 PM
To: Paula M. Vance <PMVance@hollandhart.com>
Cc: Clelland, Sarah, EMNRD <Sarah.Clelland@emnrd.nm.gov>
Subject: RE: [EXTERNAL] RE: Action ID: 343079; CTB-1123

**External Email** 

I think this is one of the applications for which the federal royalty office in Denver got noticed.

Please check the action ID. That submission is a C-104 for EOG.

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

From: Paula M. Vance <<u>PMVance@hollandhart.com</u>>
Sent: Monday, February 24, 2025 3:18 PM
To: McClure, Dean, EMNRD <<u>Dean.McClure@emnrd.nm.gov</u>>
Cc: Clelland, Sarah, EMNRD <<u>Sarah.Clelland@emnrd.nm.gov</u>>
Subject: [EXTERNAL] RE: Action ID: 343079; CTB-1123
Importance: High

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on

links or opening attachments.

#### Dean,

Thank you for the follow up. I'm working on sending out a copy of the application to BLM (not sure how that got missed). I'll follow up with the tracking information once I have it. Additionally, I've reached out to Matador regarding the sundries needing to be filed. I'll let you know once that has been done.

Also, I realized I gave you the wrong priority Charles Ling Commingling application. The priority Charles Ling application is Action ID: 243079. I've attached an updated expedite sheet. Sorry for the confusion. Thank you for your consideration.

Paula Vance Associate, Holland & Hart LLP

pmvance@hollandhart.com | T: (505) 954-7286 | M: (337) 280-9055 CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.

From: McClure, Dean, EMNRD <<u>Dean.McClure@emnrd.nm.gov</u>>
Sent: Thursday, February 20, 2025 5:07 PM
To: Paula M. Vance <<u>PMVance@hollandhart.com</u>>
Cc: Clelland, Sarah, EMNRD <<u>Sarah.Clelland@emnrd.nm.gov</u>>
Subject: Action ID: 343079; CTB-1123

**External Email** 

To whom it may concern (c/o Paula Vance for Matador Production Company),

Action ID	343079
Admin No.	CTB-1123
Applicant	Matador Production Company (228937)
Title	Charles Ling East Tank Battery
Sub. Date	5/10/2024

The Division is reviewing the following application:

Please provide the following additional supplemental documents:

•

Please provide additional information regarding the following:

- Please confirm that the BLM has received notice of this application.
- It appears that the HSU on file for each of the wells is incorrect. Please submit change of plans to update the HSU. Once submitted, please provide me with the action ID for each submission.

Additional notes:

•

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the submittal of a new application by the applicant once it is prepared to address each of the topics raised.

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

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

# APPLICATION FOR SURFACE COMMINGLINGSUBMITTED BY MATADOR PRODUCTION COMPANYORDER NO. CTB-1123

#### <u>ORDER</u>

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 oil and gas production from the pools, leases, and wells as described in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 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, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease as described 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 ("CA Pooled Area"), as described in Exhibit A.

#### **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.
- 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.
- 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 oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10 B.(3) 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.

#### <u>ORDER</u>

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells as described in Exhibit A.

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

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

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A at a central tank battery or gas title transfer meter described in Exhibit A.

- 2. This Order supersedes Orders PLC-547 and PLC-548.
- 3. For each CA Pooled Area described in Exhibit A, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

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 CA 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 the formation or dedicated lands are modified or if a modification is made that will affect this Order. If Applicant fails to submit the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the CA 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.

- 4. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
- 5. The allocation of oil and gas production shall be based on the production life of each well as measured for three periods: (a) the initial production period shall be measured from the first production until the earlier of either the peak production rate or thirty (30) days after the first production; (b) the plateau period shall be measured from the end of the initial production period to the peak decline rate; and (c) the decline period shall be measured from the end of the plateau period until the well is plugged and abandoned.

During the initial production period, the oil and gas production for each well identified in Exhibit A shall be allocated using a production curve calculated from a minimum of ten (10) well tests per month, except that any day in which a well test cannot achieve an accurate result due to a temporary change in oil and gas production shall not be included in the computation of time determining the well test schedule. The production curve shall be calculated by interpolating daily production for each day using the known daily production obtained by well tests and shall use a method of interpolation that is at minimum as accurate as maintaining a constant rate of change for each day's production between the known daily production values.

During the plateau period, the oil and gas production for each well identified in Exhibit A shall be allocated using a minimum of three (3) well tests per month.

During the decline period, the oil and gas production for each well identified in Exhibit A shall be allocated as follows: (a) a minimum of three (3) well tests per month when the decline rate is greater than twenty-two percent (22%) per month; (b) a minimum of two (2) well tests per month when the decline rate is between twenty-two percent (22%) and ten percent (10%) per month; and (c) a minimum of one (1) well test per month when the decline rate is less than ten percent (10%) per month.

Upon OCD's request, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that contains the decline rate curve and other relevant information demonstrating the production life of a well.

Applicant shall conduct a well test by separating and metering the oil and gas production from that well for either (a) a minimum of twenty-four (24) consecutive hours; or (b) a combination of nonconsecutive periods that meet the following conditions: (i) each period shall be a minimum of six (6) hours; and (ii) the total duration of the nonconsecutive periods shall be a minimum of eighteen (18) hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than fifteen (15) days until the well commences production.

- 6. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 7. 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.
- 8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
- 9. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 10. 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.

- 11. If a well is not included in Exhibit A but produces from a pool and lease as described 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 oil and gas production to it, and the location(s) that commingling of its production will occur.
- 12. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 13. 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).
- 14. 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

DATE: 3/12/2025

GERASIMOS RAZATOS DIRECTOR (ACTING) State of New Mexico Energy, Minerals and Natural Resources Department

## **Exhibit A**

Order: CTB-1123 Operator: Matador Production Company (228937) Central Tank Battery: Charles Ling East Tank Battery Central Tank Battery Location: UL A, Section 11, Township 24 South, Range 33 East Central Tank Battery: Charles Ling West Tank Battery Central Tank Battery Location: UL C, Section 11, Township 24 South, Range 33 East Gas Title Transfer Meter Location: UL A, Section 11, Township 24 South, Range 33 East

#### Pools

Pool NamePool CodeWC-025 G-09 S243310P; UPPER WOLFCAMP98135

Leases as defined in 19.15.12.7(C) NMAC		
Lease	UL or Q/Q	S-T-R
PROPOSED CA Wolfcamp NMNM 105770674	W/2 W/2	11-24S-33E
PROPOSED CA Wolfcamp NMNM 105770673	E/2 W/2	11-24S-33E
PROPOSED CA Wolfcamp NMNM 105770675	W/2 E/2	11-24S-33E
CA Wolfcamp NMNM 105770676	E/2 E/2	11-24S-33E

#### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-45080	<b>Charles Ling Federal Com #211H</b>	W/2 W/2	11-24S-33E	98135
30-025-45081	<b>Charles Ling Federal Com #212H</b>	E/2 W/2	11-24S-33E	98135
30-025-45082	<b>Charles Ling Federal Com #213H</b>	W/2 E/2	11-24S-33E	98135
30-025-45083	<b>Charles Ling Federal Com #214H</b>	E/2 E/2	11-24S-33E	98135

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Operator:	OGRID:	
MATADOR PRODUCTION COMPANY	228937	
One Lincoln Centre	Action Number:	
Dallas, TX 75240	343079	
	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 email us at OCD.Engineer@emnrd.nm.gov.	3/12/2025

CONDITIONS

Action 343079