				Revised March 23, 2017
RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologia	above this table for occiding O OIL CONSERVA cal & Engineering ancis Drive, Santa	TION DIVISION Bureau –	SEE OF NEW MOREO
		ATIVE APPLICATIO		
THIS	CHECKLIST IS MANDATORY FOR AL REGULATIONS WHICH RE	L ADMINISTRATIVE APPLICATI QUIRE PROCESSING AT THE D		
Well Name:			API:_	ID Number:
P00I:			POOL	Code:
SUBMIT ACCUR	ATE AND COMPLETE INF	ORMATION REQUIR INDICATED BELOV		THE TYPE OF APPLICATION
A. Location	CATION: Check those v - Spacing Unit - Simult NSL □ NSP _{(PR}			SD
[1] Com [[11] Injed	ne only for [1] or [11] mingling – Storage – Mi DHC □CTB □PL ction – Disposal – Pressu WFX □PMX □SV	.C ∐PC ∐OL re Increase – Enhar	nced Oil Recove	
A. Offset B. Royal C. Appli D. Notific E. Notific F. Surfac G. For al	A REQUIRED TO: Check to operators or lease hold ty, overriding royalty overation requires published ation and/or concurred cation and/or concurred to the above, proof of otice required	ders vners, revenue owr ed notice ent approval by SLC ent approval by BLN) 1	FOR OCD ONLY Notice Complete Application Content Complete hed, and/or,
administrative understand th	N: I hereby certify that the approval is accurate and action will be taken in a submitted to the Div	and complete to th en on this applicat	e best of my kno	owledge. I also
N	ote: Statement must be comple	ted by an individual with n	nanagerial and/or sup	pervisory capacity.
			Date	
Print or Type Name				
Pakhiva			Phone Number	

e-mail Address

Signature



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

October 15, 2024

VIA ONLINE FILING

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

Re: Application of Matador Production Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of Lots 1-7, SE/4 NW/4, S/2 NE/4, E/2 SW/4 and SE/4 (All equivalent) of Section 6, Township 22 South, Range 33 East, and Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of Section 30 and Lots 1-4, E/2 W/2 and E/2 (All equivalent) of Section 31, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands")

Dear Mr. Razatos:

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

- (a) The 362.80-acre spacing unit comprised of Lots 3-4 (W/2 SW/4 equivalent) of Section 30 and Lots 1-4 (W/2 W/2 equivalent) of Section 31, T21S-R33E, and Lots 4-7 (W/2 W/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-07 S213330F; Bone Spring [97927] and Legg; Bone Spring [37870] currently dedicated to the **Paul Flowers State Com 111H** (API. No. 30-025-52686), **Paul Flowers State Com 131H** (API. No. 30-025-52689), **Paul Flowers State Com 145H** (API. No. 30-025-52692);
- (b) The 400.01-acre spacing unit comprised of the E/2 SW/4 of Section 30 and E/2 W/2 of Section 31, T21S-R33E, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of Section 6, T22S-R33E in the WC-025 G-07 S213330F; Bone Spring [97927] and Legg; Bone Spring [37870] currently dedicated to the **Paul Flowers State Com 112H** (API. No. 30-025-52687), **Paul Flowers State Com 132H** (API. No. 30-025-52690), **Paul Flowers State Com 152H** (API. No. 30-025-52693), and **Paul Flowers State Com 155H** (API. No. 30-025-52696);
- (c) The 400.03-acre spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, T21S-R33E, and Lot 2, SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-07 S213330F; Bone Spring [97927]



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

and Legg; Bone Spring [37870] – currently dedicated to the Charlie KS State Com 113H (API. No. 30-025-52731), Charlie KS State Com 147H (API. No. 30-025-53205) and Charlie KS State Com 153H (API. No. 30-025-52694);

- (d) The 400.03-acre spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31, T21S-R33E, and Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-07 S213330F; Bone Spring [97927] and Legg; Bone Spring [37870] currently dedicated to the Charlie KS State Com 114H (API. No. 30-025-52688), Charlie KS State Com 134H (API. No. 30-025-52691), Charlie KS State Com 148H (API. No. 30-025-52695), and Charlie KS State Com 158H (API. No. 30-025-52697);
- (e) The 400.03-acre spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31, T21S-R33E, and Lot 1, SE/4 NE/4 and E/2 SE/4 (E/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-10 S213328O; Wolfcamp [98033] currently dedicated to the **Charlie KS State Com 208H** (API. No. 30-025-52699);
- (f) The 400.03-acre spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, T21S-R33E, and Lot 2, SW/4 NE/4 and W/2 SE/4 (W/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-10 S213328O; Wolfcamp [98033] currently dedicated to the **Charlie KS State Com 203H** (API. No. 30-025-52698);
- (g) The 762.81-acre spacing unit comprised of Lots 3-4 and E/2 SW/4 (SW/4 equivalent) of Section 30 and Lots 1-4 and E/2 W/2 (W/2 equivalent) of Section 31, T21S-R33E, and Lots 3-7, SE/4 NW/4, and E/2 SW/4 (W/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-10 S213328O; Wolfcamp [98033] currently dedicated to the **Paul Flowers State Com 205H** (API. No. 30-025-52732); and
- (h) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Paul Flowers 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 **Paul Flowers Tank Battery** ("TB") located in the SW/4 SE/4 (Unit O) of Section 6, Township 22 South, Range 33 East. Each well is equipped with a three-phase separator and metered on lease before production is transferred to the TB. Gas production from the separator will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using turbine meters.

Exhibit 1 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.



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Exhibit 2 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 3 is a well list and C-102 for each of the wells currently permitted or drilled within the existing spacing units.

Exhibit 4 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 5** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the New Mexico State Land Office ("NMSLO") since state lands are involved.

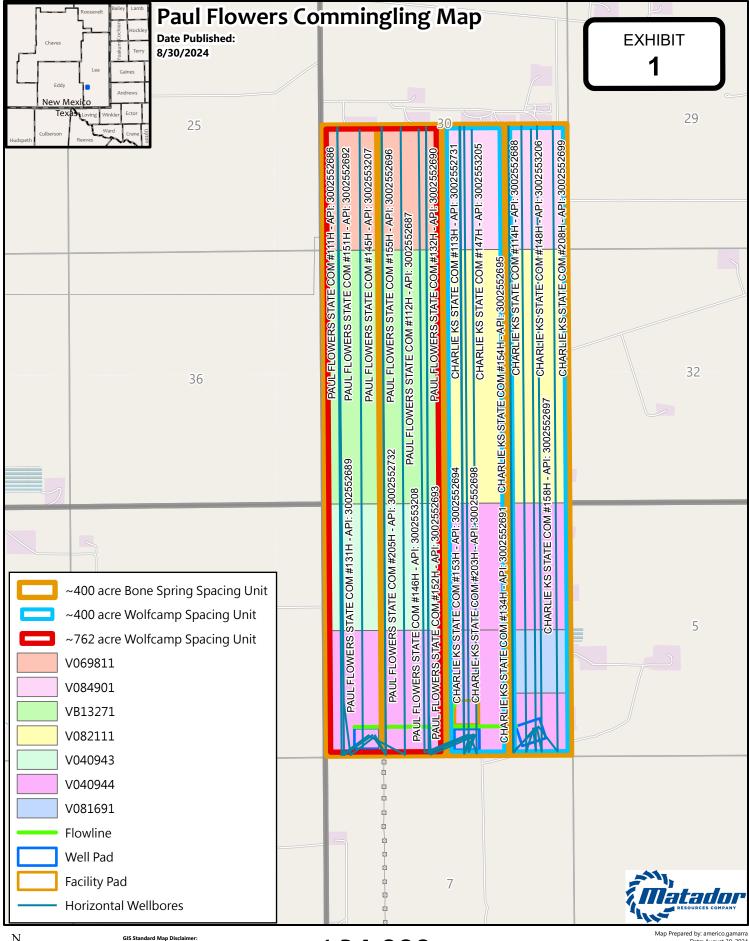
Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

COMPANY



GIS Standard Map Disclaimer:
This canopular powds are for international purposes and may not have been prepared for, or be suitable for legal, responsing or surveying purposes. User of this information blood levener or control that purposes were proposed to the purpose of the

1:24,000 1 inch equals 2,000 feet Map Prepared by: americo.gamarra Date: August 30, 2024
Project: \\gis\UserData\agamarra\~temp\20231129 Paul Flowers\Paul Flowers\part
Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet Sources: IHS; ESR; US DOI BLM Carlsbad, NM Field Office, GIS Department;
Texas Cooperative Wildlife Collection, Texas A&M University;
United States Census Bureau [TIGER]:

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

87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

APPLICATION FOR		MINGLING (DIV	VERSE OWNERSHIP)	
OPERATOR NAME: Matador Produc		0.0.11		
	vay Tower 1 Suite 150	0 Dallas, TX 75240		
APPLICATION TYPE:			114	0
Pool Commingling Lease Commingling AF		ng Utt-Lease Storage	and Measurement (Only if not Surface	e Comminglea)
LEASE TYPE: Fee State	Federal	-1!114		
Is this an Amendment to existing Order? ☐ Yes ☐ No				ingling
Plea		MMINGLING the following informa	ation	
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
[97927] WC-025 G-07 S213330F; BONE SPRING	36.6 °			7,000 bopd
[97927] WC-025 G-07 S213330F; BONE SPRING	1248 BTU/CF		\$80.03/bbl oil (price realization Q1 2024)	9,300 mcfd
[37870] LEGG; BONE SPRING	36,6°	37,26° oil 1,274 BTU/CF		7,000 bopd
[37870] LEGG; BONE SPRING	1242 BTU/CF	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	\$1.56/mcf (price realization Q1 2024)	9,300 mcfd
[98033] WC-025 G-10 S2133280; WOLFCAMP	40.35 °		/	3.000 bopd
[98033] WC-025 G-10 S2133280; WOLFCAMP	1392 BTU/CF			4,500 mcfd
 (2) Is all production from same source of supply? (3) Has all interest owners been notified by certifie (4) Measurement type: Metering Other 	d mail of the proposed of (Specify)		Yes No	(94)
		SE COMMINGLIN the following information to th		
(1) Complete Sections A and E.				
		GE and MEASURE the following inform		
(1) Is all production from same source of supply?(2) Include proof of notice to all interest owners.	□Yes □No			
		TION (for all appli the following informa		
 A schematic diagram of facility, including leg A plat with lease boundaries showing all well Lease Names, Lease and Well Numbers, and A 	and facility locations. Ir	clude lease numbers if Fe	ederal or State lands are involved.	
I hereby certify that the information above is true an	d complete to the best of	my knowledge and belie	f.	1.1
SIGNATURE: Oscar Jysly	TITLE:_			/18/202
TYPE OR PRINT NAME Oscar Gonzalez			THE PRINCIPLIC (ORD) (OD 014	
			TELEPHONE NO.: (972) 629-214	7
E-MAIL ADDRESS; ogonzalez@matadorresour	ces.com		TELEPHONE NO.:_(972) 629-214	EX

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.371.5427 • Fax 972.371.5201 ogonzalez@matadorresources.com

Oscar Gonzalez Production Engineer

April 18, 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 surface commingle (pool and lease) gas and oil production from the spacing units comprised of All of Section 06 of Township 22 South, Range 33 East and S/2 of Section 30 and All of Section 31 of Township 21 South, Range 33 East, NMPM, Lea County, New Mexico (the "Lands").

To Whom This May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to commingle oil and gas production from twenty (20) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the Pronto Midstream, LLC gathering line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

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

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. This PFD shows that the water, oil, and gas exit the wellbore and flow into a wellhead three-phase separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically in accordance with industry specifications by a third party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Association (API) Chapter 21.1. The gas is then sent into a gathering line where it is commingled

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

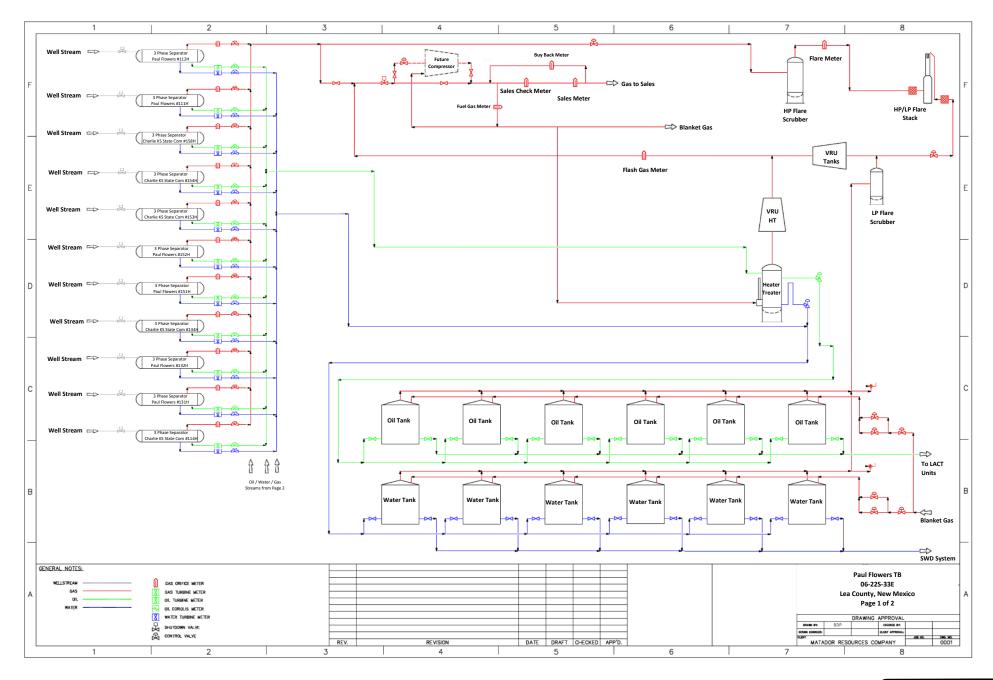
In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

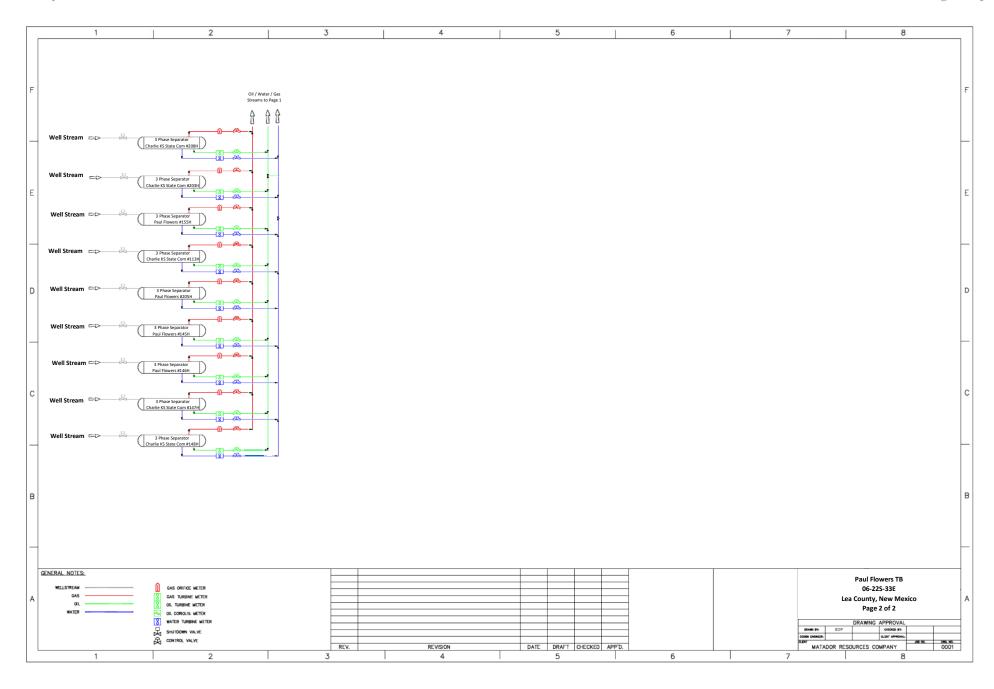
MATADOR PRODUCTION COMPANY

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: Nina Cotell Federal COM No. 201H

First Stage Separator

Spot Gas Sample @ 564 psig & 121 °F

Date Sampled: 01/03/2019 Job Number: 91026.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPN
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.784	
Carbon Dioxide	0.152	
Methane	75.730	
Ethane	13.338	3.652
Propane	5.526	1.559
Isobutane	0.560	0.188
n-Butane	1.433	0.463
2-2 Dimethylpropane	0.012	0.005
Isopentane	0.273	0.102
n-Pentane	0.317	0.118
Hexanes	0.297	0.125
Heptanes Plus	<u>0.578</u>	0.250
Totals	100.000	6.460

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity	3.496	(Air=1)
Molecular Weight	100.86	
Gross Heating Value	5355	BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity	0.748	(Air=1)
Compressibility (Z)	0.9961	
Molecular Weight	21.59	
Gross Heating Value		
Dry Basis	1307	BTU/CF
Saturated Basis	1285	BTU/CF

^{*}Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)

Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) Dennis Field

Analyst: NG Processor: RG Cylinder ID: G-248 EXHIBIT B

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

Released to Imaging: 4/30/2025 1:59:45 PM

Page 1 of 3

Job Number: 91026.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286 TOTAL REPORT

COMPONENT	MOL %	GPM		WT%
Hydrogen Sulfide*	< 0.001	.		< 0.001
Nitrogen	1.784			2.314
Carbon Dioxide	0.152			0.310
Methane	75.730			56.259
Ethane	13.338	3.652		18.572
Propane	5.526	1.559		11.284
Isobutane	0.560	0.188		1.507
n-Butane	1.433	0.463		3.857
2,2 Dimethylpropane	0.012	0.005		0.040
Isopentane	0.273	0.102		0.912
n-Pentane	0.317	0.118		1.059
2,2 Dimethylbutane	0.003	0.001		0.012
Cyclopentane	0.000	0.000		0.000
2,3 Dimethylbutane	0.030	0.013		0.120
2 Methylpentane	0.090	0.038		0.359
3 Methylpentane	0.049	0.020		0.196
n-Hexane	0.125	0.053		0.499
Methylcyclopentane	0.061	0.022		0.238
Benzene	0.021	0.006		0.076
Cyclohexane	0.085	0.030		0.331
2-Methylhexane	0.018	0.009		0.084
3-Methylhexane	0.020	0.009		0.093
2,2,4 Trimethylpentane	0.000	0.000		0.000
Other C7's	0.056	0.025		0.257
n-Heptane	0.047	0.022		0.218
Methylcyclohexane	0.077	0.032		0.350
Toluene	0.020	0.007		0.085
Other C8's	0.064	0.030		0.327
n-Octane	0.022	0.012		0.116
Ethylbenzene	0.003	0.001		0.015
M & P Xylenes	0.009	0.004		0.044
O-Xylene	0.002	0.001		0.010
Other C9's	0.031	0.016		0.181
n-Nonane	0.009	0.005		0.053
Other C10's	0.014	0.008		0.092
n-Decane	0.005	0.003		0.033
Undecanes (11)	<u>0.014</u>	0.009		0.097
Totals	100.000	6.460		100.000
Computed Real Characteristics of Total Sample		е		
Specific Gravity	0.748	(Air=1)		
Compressibility (Z)		0.9961	. ,	
		21.59		
Gross Heating Value				
~				

 Dry Basis ---- 1307
 BTU/CF

 Saturated Basis ---- 1285
 BTU/CF

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

Sample: Nina Cotell Federal COM No. 201H

First Stage Separator

Spot Gas Sample @ 564 psig & 121 °F

Date Sampled: 01/03/2019 Job Number: 91026.001

GLYCALC FORMAT

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	0.152		0.310
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.784		2.314
Methane	75.730		56.259
Ethane	13.338	3.652	18.572
Propane	5.526	1.559	11.284
Isobutane	0.560	0.188	1.507
n-Butane	1.445	0.467	3.897
Isopentane	0.273	0.102	0.912
n-Pentane	0.317	0.118	1.059
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.125	0.053	0.499
Cyclohexane	0.085	0.030	0.331
Other C6's	0.172	0.073	0.687
Heptanes	0.202	0.087	0.890
Methylcyclohexane	0.077	0.032	0.350
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.021	0.006	0.076
Toluene	0.020	0.007	0.085
Ethylbenzene	0.003	0.001	0.015
Xylenes	0.011	0.004	0.054
Octanes Plus	<u>0.159</u>	<u>0.084</u>	0.899
Totals	100.000	6.460	100.000

Real Characteristics Of Octanes Plus:

Specific Gravity	4.231	(Air=1)
Molecular Weight	122.08	
Gross Heating Value	6530	BTU/CF

Real Characteristics Of Total Sample:

iteal characteristics of Total Sample.		
Specific Gravity	0.748	(Air=1)
Compressibility (Z)	0.9961	
Molecular Weight	21.59	
Gross Heating Value		
Dry Basis	1307	BTU/CF
Saturated Basis	1285	BTU/CF

EXHIBIT

3

API	Well Name & Number	UL or Q/Q	S-T-R	Pool Code
30-025-52686	Paul Flowers State Com 111H	W/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		W/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		W/2 W/2	6-22S-R33E	
30-025-52689	Paul Flowers State Com 131H	W/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		W/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		W/2 W/2	6-22S-R33E	
30-025-53207	Paul Flowers State Com 145H	W/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		W/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		W/2 W/2	6-22S-R33E	
30-025-52692	Paul Flowers State Com 151H	W/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		W/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		W/2 W/2	6-22S-R33E	
30-025-52687	Paul Flowers State Com 112H	E/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 W/2	6-22S-R33E	
30-025-52690	Paul Flowers State Com 132H	E/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 W/2	6-22S-R33E	
30-025-53208	Paul Flowers State Com 146H	E/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 W/2	6-22S-R33E	
30-025-52693	Paul Flowers State Com 152H	E/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 W/2	6-22S-R33E	
30-025-52696	Paul Flowers State Com 155H	E/2 SW/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 W/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 W/2	6-22S-R33E	
30-025-52731	Charlie KS State Com 113H	W/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		W/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		W/2 E/2	6-22S-R33E	
30-025-53205	Charlie KS State Com 147H	W/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		W/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		W/2 E/2	6-22S-R33E	

30-025-52694	Charlie KS State Com 153H	W/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		W/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		W/2 E/2	6-22S-R33E	
30-025-52688	Charlie KS State Com 114H	E/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 E/2	6-22S-R33E	
30-025-52691	Charlie KS State Com 134H	E/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 E/2	6-22S-R33E	
30-025-53206	Charlie KS State Com 148H	E/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 E/2	6-22S-R33E	
30-025-52695	Charlie KS State Com 154H	E/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 E/2	6-22S-R33E	
30-025-52697	Charlie KS State Com 158H	E/2 SE/4	30-21S-33E	WC-025 G-07 S213330F; Bone Spring [97927]
		E/2 E/2	31-21S-33E	Legg; Bone Spring [37870]
		E/2 E/2	6-22S-R33E	
30-025-52699	Charlie KS State Com 208H	E/2 SE/4	30-21S-33E	WC-025 G-10 S213328O; Wolfcamp [98033]
		E/2 E/2	31-21S-33E	
		E/2 E/2	6-22S-R33E	
30-025-52698	Charlie KS State Com 203H	W/2 SE/4	30-21S-33E	WC-025 G-10 S213328O; Wolfcamp [98033]
		W/2 E/2	31-21S-33E	
		W/2 E/2	6-22S-R33E	
30-025-52732	Paul Flowers State Com 205H	SW/4	30-21S-33E	WC-025 G-10 S213328O; Wolfcamp [98033]
		W/2	31-21S-33E	
		W/2	6-22S-R33E	

District I 1625 N., French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rto Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. 3L Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-5482 State of New Mexico
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Pool Code

Pool Code

Santa Fe, NM 87505

 'API Number
 'Pool Code
 'Pool Code
 'Pool Name
 'Pool Name
 'Book
 Spring

 'Property Code
 PAUL FLOWERS STATE COM
 112H

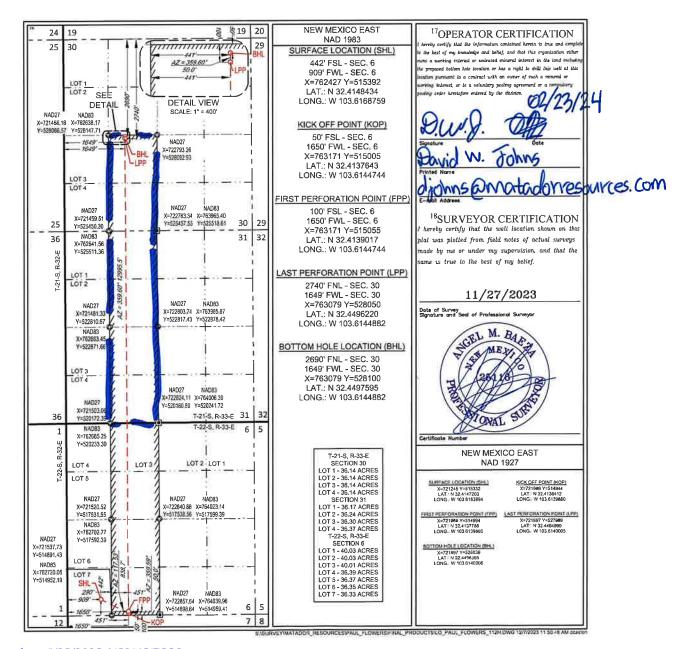
 'OGRID No.
 *Operator Name
 *Elevation

 70 Surface Location
 3614'

East/West Feet from th UL or lot no Township Rang Lot Idi Feet from t 22-S 442' SOUTH 909 WEST LEA 7 6 33-E

11Bottom Hole Location If Different From Surface East/West li Feet from t North/South Feet from th WEST K 30 21-S 33-E 2690' NORTH 1649 LEA Dedleated Acres Joint or Infill Consolidation Code Order No 400:01

240



160.01

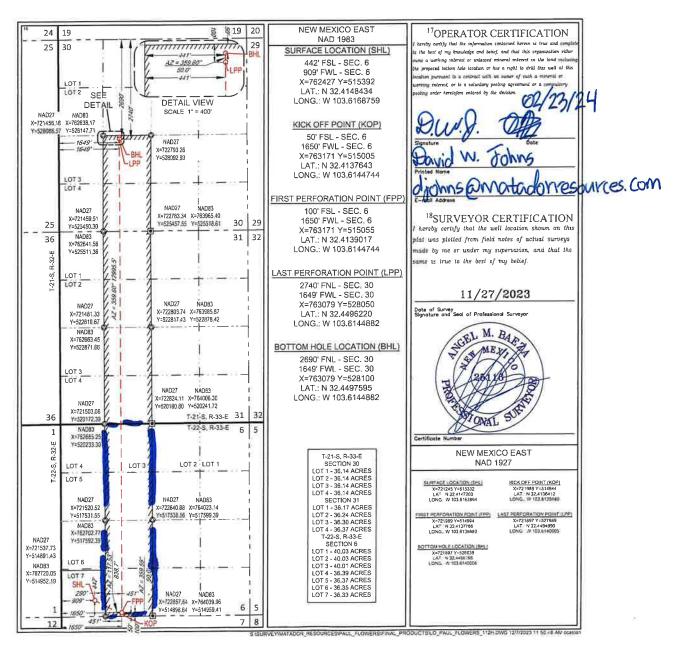
District I 625 N. French Dr., Hobbs, NM 88240 Phone: (575) 939-6161 Feat (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Faxt (575) 748-9720 District III 600 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Faxt (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Faxt (505) 476-3462 State of New Mexico
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Bone 37870 Property Code 112H PAUL FLOWERS STATE COM OGRID No. Operator Name 3614 MATADOR PRODUCTION COMPANY 229937 10 Surface Location East/West lin Ul. or lot no. 442' SOUTH 909' WEST **LEA** 6 22-S 33-E 7 11 Bottom Hole Location If Different From Surface East/West li UL or lot no Township Feet from th WEST LEA 2690' 1649' 30 21-S 33-E NORTH K Joint or Infill Dedicated Acres 400.01



217.36

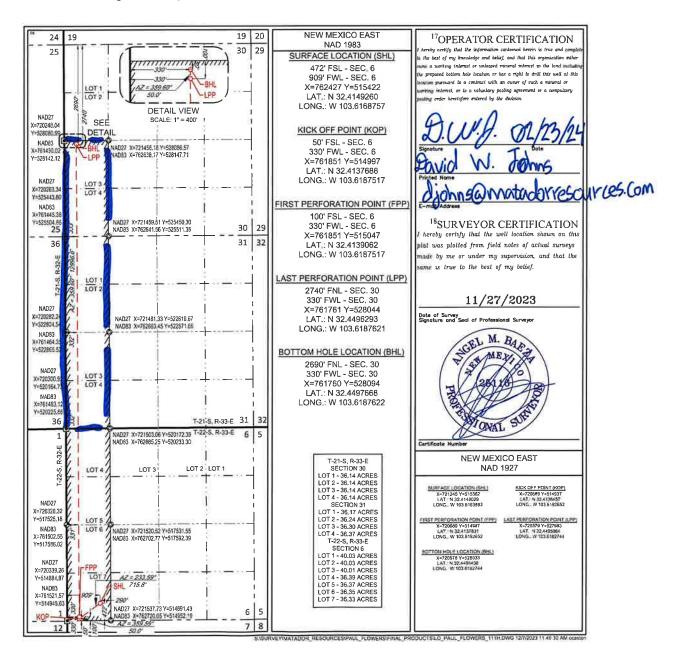
District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (573) 748-1283 Fax: (575) 748-9720 District III 1000 Rro Brazos Road, Azice, NM 87410 Phone: (503) 334-6178 Fax: (505) 334-6170 District IV 1220 S. 31, Francis Dr., Santa Fc, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 97927 5213330 F WC-025 Property Code PAUL FLOWERS STATE COM 111H ⁹Elevation OGRID No. Operator Name MATADOR PRODUCTION COMPANY 3614 228937 OSurface Location East/West lin Feet from th Feet from th 22-S 33-E 472' SOUTH 909 WEST LEA 7 6 11Bottom Hole Location If Different From Surface ect from th East/West lin 3 30 21-S 33-E 2690' NORTH 330 WEST LEA Order No. 362.80



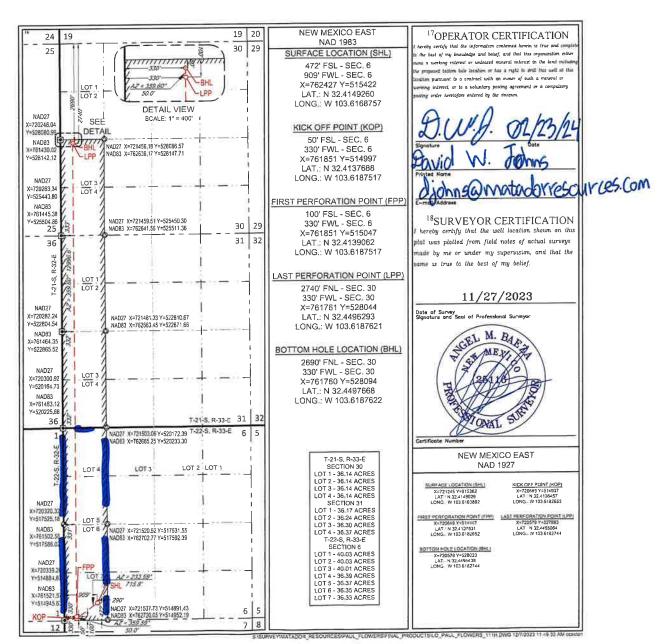
District I 1625 N. French Dr., Ilobbs, NM 88240 Phone: (575) 93-6161 Fax: (575) 393-0720 District II 811 S First St., Artesia, NM 88210 Phone: (573) 748-1283 Fax: (575) 748-9720 District III 1000 Rto Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S, St. Francis Dr., Santa Fe, NM 8750 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 37870 Well Numbe Property Name Property Code 111H PAUL FLOWERS STATE COM Elevation *Operator Name OGRID No. 3614 MATADOR PRODUCTION COMPANY 22893 10 Surface Location Rung Lot Idr Feet from th UL or lot no 909 WEST **LEA** 472 SOUTH 22-S 33-E 7 6 11Bottom Hole Location If Different From Surface ownship Feet from ti North/South UL or lot no. 330' WEST LEA 2690' NORTH 30 21-S 33-E 3 Dedicated Acres Order No. 362.80 145.44



240

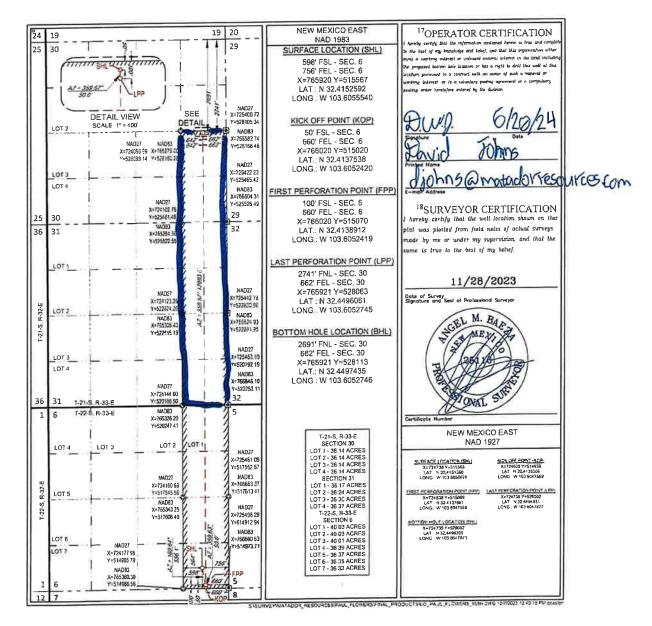
District I 1625 N French Dr. 110bb. NM 88240 Phone: (575) 393-6101 Fax: (575) 393-0720 Phone: 1875 Jay 1-0720 Phone: (575) 393-0720 Phone: (575) 748-1283 Fax: (575) 748-9720 Phine: (575) 748-1283 Fax: (575) 748-9720 Phine: (505) 334-6176 Fax: (505) 334-6176 Fax: (505) 334-6170 Phone: (505) 334-6360 Fax: (505) 476-3460 Phone: (505) 476-3460 Fax: (505) 476-3460

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT 'API Number 30-025-5269 5213330F Bone WC-025 6-07 97927 CHARLIE KS STATE COM 158H Elevatio OGRID No. Operator Name 3618 MATADOR PRODUCTION COMPANY 22 8937 10 Surface Location Feet from th East/AVest li Lit. or lot no 756 EAST LEA SOUTH 598 22-S 33-E P 6 Bottom Hole Location If Different From Surface Feet from th East/Wes LEA **EAST** NORTH 662' 2691 21-S 33-E 30 400.03



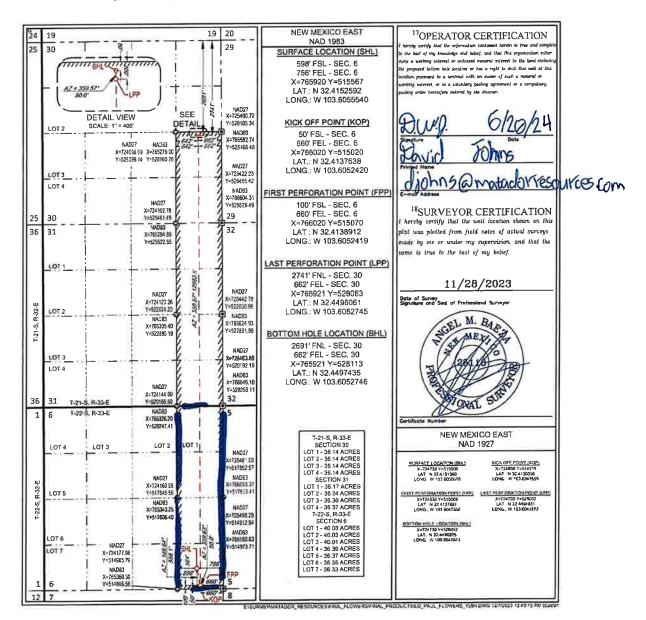
District.1
1623 N. French Dr., Hobbs., NM 88240
Phone: (575) 393-6161 hax: (575) 393-0720
District.11
811 S. Frat St., Aucsia, NM 88210
Phone: (575) 745-1285 Fax: (575) 748-9720
District.11
1000 Rio Brazos Road, Artee, NM 87410
Phone: (505) 334-6176 Fax: (505) 334-6170
District.17
1220 S. St. Francis Dr., Sante Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 30-025-5269 37870 Well Number roperty Cod **CHARLIE KS STATE COM** 158H OGRID No. Operator Name Elevation 3618' MATADOR PRODUCTION COMPANY 228937 10 Surface Location Enst/West R Feet from th Feet from th UL or lot no. 756' EAST LEA P 6 22-S 33-E 598 SOUTH 11 Bottom Hole Location If Different From Surface East/West Township Let It Feet from t 2691' NORTH 662 **EAST** LEA 21-S 33-E I 30 400.03 160.03



240

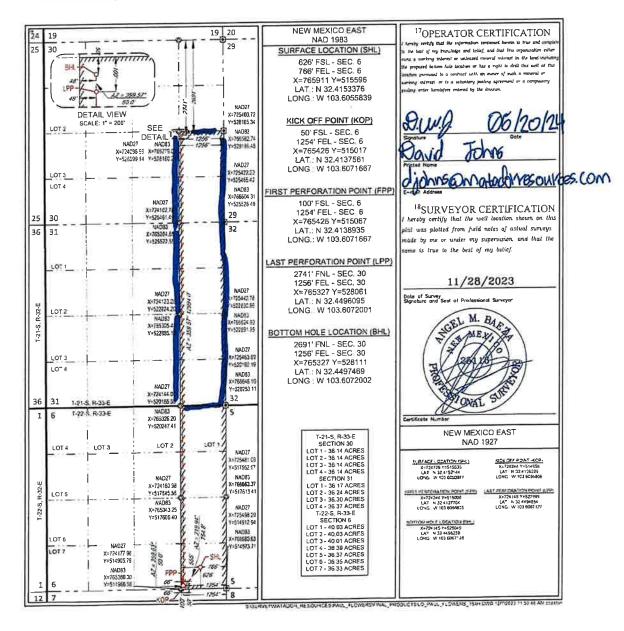
District I
625 N. French Dr. 11cbb. NM 88240
Phone: (575) 395-0161 Fax (575) 393-0720
District II
811 S. Frat St. Antexia, NM 88210
Phone: (578) 746-1285 Fax: (575) 748-9720
District III
1000 Rio Brazzos Roud, Artee, NM 87410
District III
1000 Rio Brazzos Roud, Artee, NM 87410
District IV
1220 S. St. Francis Dr. Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 416-3462

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Sa13330F 30-025-97927 WC-025 154H CHARLIE KS STATE COM 'Elevatio OGRID No. 3618 MATADOR PRODUCTION COMPANY 228937 ¹⁰Surface Location East/West lin Feel from th Section Township EAST LEA 766' 626' SOUTH 22-S 33-E p 6 Bottom Hole Location If Different From Surface Fast/West II Feet from UL or lot go LEA 12561 EAST NORTH 21-S 33-E 2691 30 A Consolidation Code 400.03



160.03

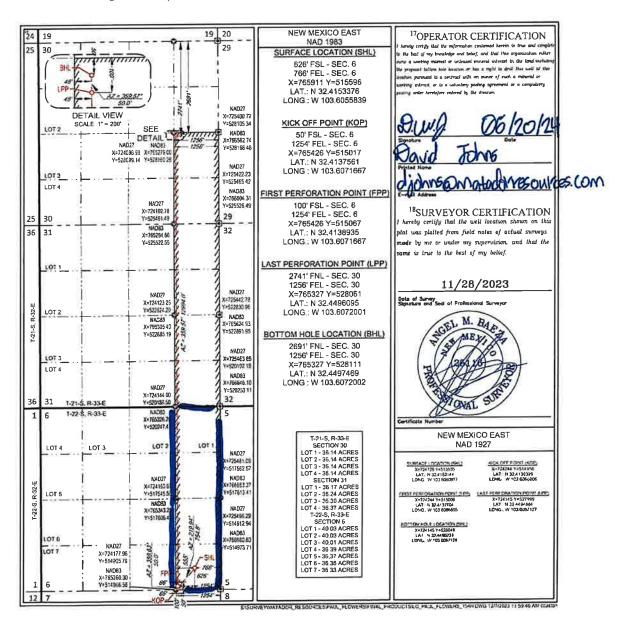
<u>District I</u>
1635 N. French Dr., Hobbs. NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District III</u>
811 S. Fina I. Artesia, NM 88210
Phone: (575) 748-1287 Fax: (575) 748-9720
<u>District III</u>
1000 Rio Brazos Road, Aziec, NM 87410
Phone: (503) 334-6178 Fax: (505) 334-6170
<u>District IV</u>
1220 S. St. Francis Dr., Santa Fe, NM 875456
Phone: (505) 476-3460 Fax: (505) 476-3460

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■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 30-025-5269 37870 Lego Property Cod CHARLIE KS STATE COM 154H Elevation OGRID No. 3618 MATADOR PRODUCTION COMPANY 228937 10 Surface Location Enst/West fit Feet Irom ti LEA 766 EAST 22-S 626 SOUTH P 6 33-E 11Bottom Hole Location If Different From Surface Let Id Feet from t North South 2691' 1256 EAST LEA NORTH A 30 21-S 33-E Dedleated A 400.03

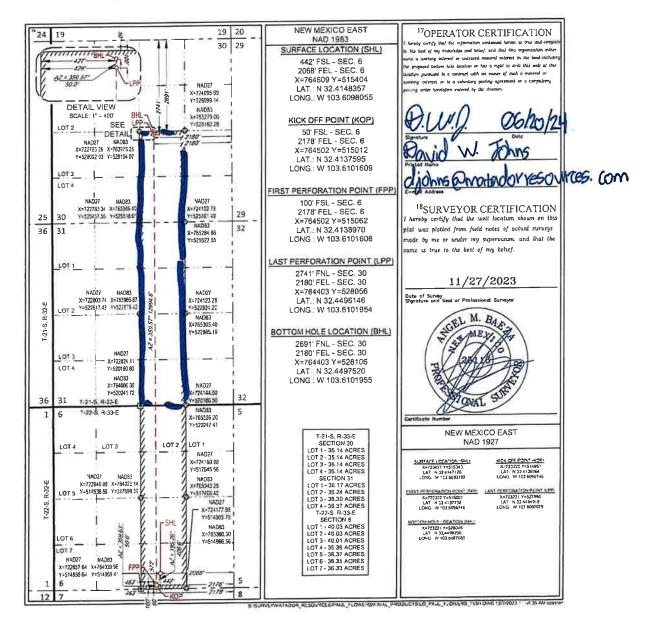


District I (625 N. French Dr. Hobbs, NM 84240 Phone, (575) 993-6161 Fax: (575) 393-0720 District II 811 S. Firat St. Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazus Road, Arter, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fc, NM 87504 Phone: (503) 476-3460 Fax: (503) 476-3462 State of New Mexico
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Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT API Numbe Pnol Code WC-025 (+-07 Sa13330F; 30-025-5269 79 27 CHARLIE KS STATE COM 153H Elevation Operator Name OGRID No. 3617 MATADOR PRODUCTION COMPANY 228937 ¹⁰Surface Location East/West In Verth/South fin Feet from th UL or lot no Cownship Runge EAST LEA 2068 442' SOUTH 22-S 33-E 0 6 ¹¹Bottom Hole Location If Different From Surface East/Wes Feet from II North/South lit UL or lot no 2180' EAST LEA 2691 30 21-S 33-E NORTH J Consolidation Code 400.03 240



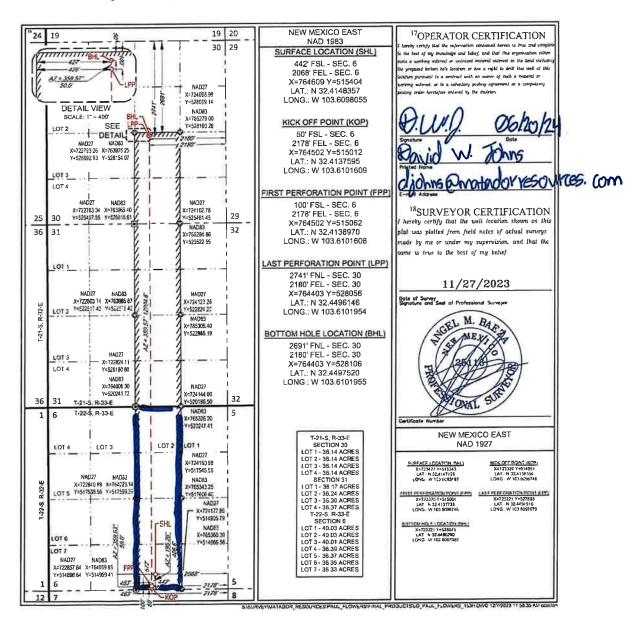
District I
1623 N. French Dr., Hobbs, NM 88240
Phone: (573) 393-6161 Fn.: (575) 393-0720
District II
811 S. First St., Anesia, NM 88210
Phone: (575) 746-1283 Fax: (575) 746-9720
District III
1000 Rio Braxos Road, Aziec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District III
1220 S. St. Prancis Dr., Santa Fe, NM 87505
Phone: (503) 476-3460 Fax: (505) 476-3460

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 30-025-52696 37870 153H CHARLIE KS STATE COM Elevation Operator Name 3617 MATADOR PRODUCTION COMPANY 228937 10 Surface Location Feet from the North/South lie Feet from th UL or lot no 442' 2068' EAST LEA 6 22-S 33-E SOUTH 0 11Bottom Hole Location If Different From Surface Township Lat 1d Feet from t 2691 2180' EAST LEA NORTH J 30 21-S 33-E 400.03 160.03



District I 1625 N. French Dr., Hobbs, NM 8R240 Phone: (575) 393-6161 Fax: (575) 393-0720 District III 811 S. First St., Artesia, NM 8R210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rto Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 331-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 8754 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
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1220 South St. Francis Dr.

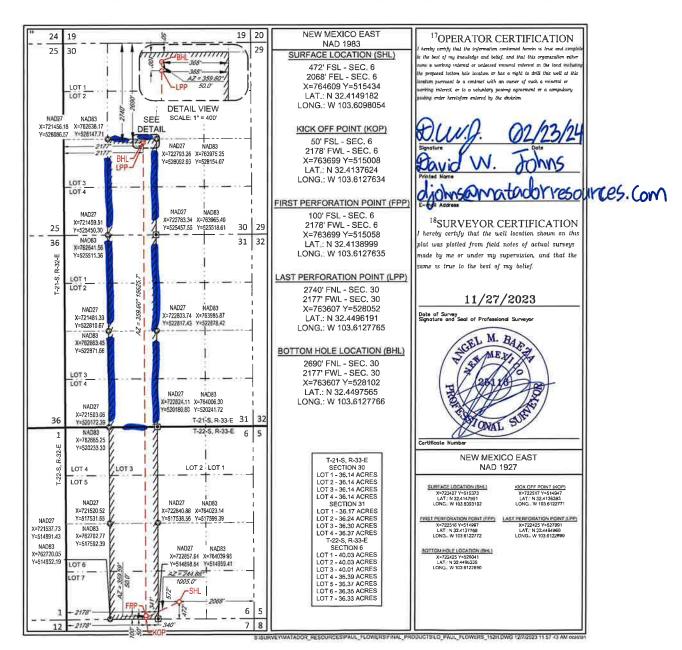
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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Sal 3330F: Blone Sping 97927 6-07 Property Code Property Name PAUL FLOWERS STATE COM 152H OGRID No. Operator Name Elevation 3617 MATADOR PRODUCTION COMPANY 228937 10 Surface Location East/West lin Feet from Lot Idn Feet from th UL or lot no Fownship Rang **EAST** 0 6 22-S 33-E 472' SOUTH 2068 LEA 11Bottom Hole Location If Different From Surface Fect from t UL or lot no. Lot Id Feet from t 2690' 2177 21-S 33-E NORTH WEST LEA K 30 Dedleated Acres Order No 400.01

240



District I
f625 N. French Dr., Ilobbs, NM 8R240
Phone; (575) 393-0161 Fax (575) 393-0720
District II
S First St., Artesia, NM 88210
Phone: (573) 748-1283 Fax: (575) 748-9720
District III
f000 Rto Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
f1220 S., St., Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3465

Joint or Infill

Consolidation Code

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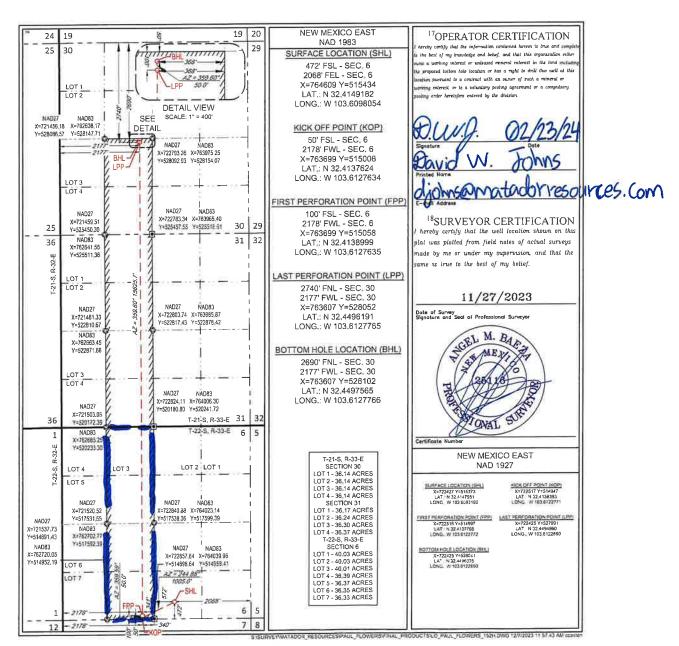
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 37870 Well Number Property Code PAUL FLOWERS STATE COM 152H OGRID No. Operator Name 3617 MATADOR PRODUCTION COMPANY 228937 ¹⁰Surface Location East/West II UL or lot no Lot Id 472' SOUTH 2068' EAST LEA 22-S 33-E 0 6 11 Bottom Hole Location If Different From Surface East/West li UL or lot no Feet from th 2177' WEST LEA 30 21-S 33-E 2690 NORTH

160.01

Dedicated Acre

400.01



Bone Spring

District I 622 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesin, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Azice, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3465 State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT Page 1 Page 1 Page 2 P

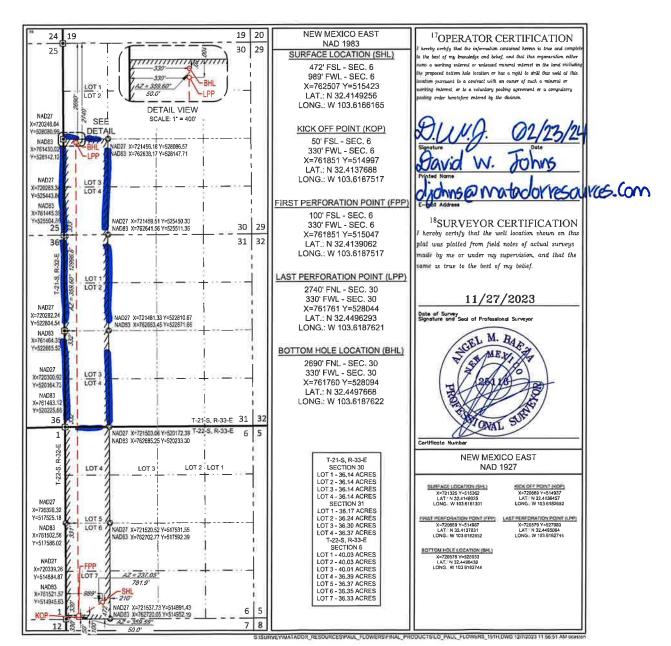
Santa Fe, NM 87505

'Al'I Number	Pool Code	Pool Code Pool Name		:	
1	97927	WC-025	6-07	Sal 333 OF;	
*Property Code		Well Number			
	PAU	PAUL FLOWERS STATE COM			
7OGRID No.	*O	⁹ Elevation			
728937	MATADOR PRODUCTION COMPANY				
	10000	face I ocation			

	Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
7	6	22-S	33-E	-	472'	SOUTH	989'	WEST	LEA			
			- 44									

¹¹Bottom Hole Location If Different From Surface Feet from th North/South li Feet from th East/West lin 21-S 2690' NORTH 330 WEST LEA 3 30 33-E Dedicated Acres Joint or Infill Order No. 362.80

217.36



145.44

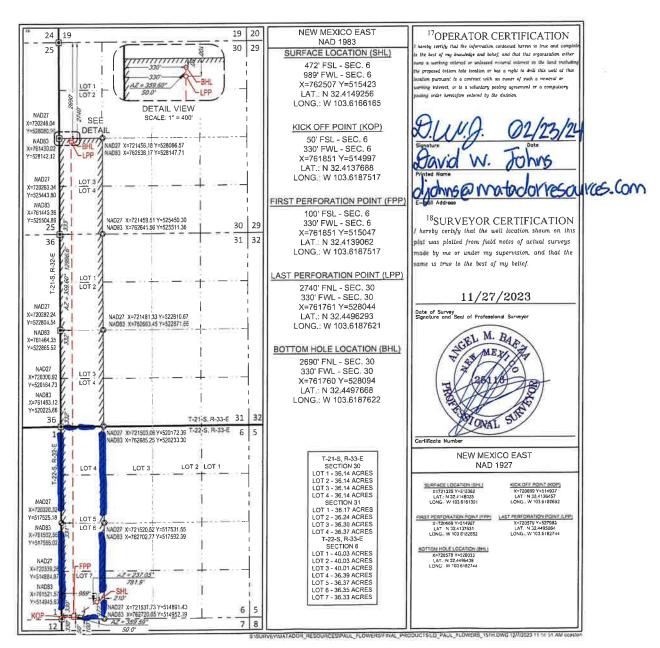
District I (625 N. French Dr. Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S First St., Artesia, NM 88210 Phome: (575) 748-1285 Fax: (575) 748-9720 District III (600 Rto Brazos Road, Artec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 2220 S, 91, Francis Dr., Santa Fo, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3465 State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 37870 Well Number Property Code PAUL FLOWERS STATE COM 151H Flevation Operator Name OGRID No. MATADOR PRODUCTION COMPANY 3614 228937 10 Surface Location East/West lin Feet from th 472' WEST LEA 7 6 22-S 33-E SOUTH 989' 11 Bottom Hole Location If Different From Surface East/West III Ul. or lot no Section Township 330' WEST LEA 2690' NORTH 21-S 33-E 3 30 362.80



Distinct 1
1625 N. French Dr. Hobbs, NM 88240
Phone: (575) 393-0161 Fax: (575) 393-0720
District 11
811 S. Frist St., Antesta, NM 88210
Phone: (578) 748-1283 Fax: (575) 748-9720
District 11
1000 Rto Brazas Road, Azice, NM, 87410
Phone: (505) 234-6178 Fax: (505) 334-6170
District 11V
1220 S. St. Francis Dr., Santa Fe, NM 87545
Phone: (503) 476-3460 Fax: (505) 476-3462

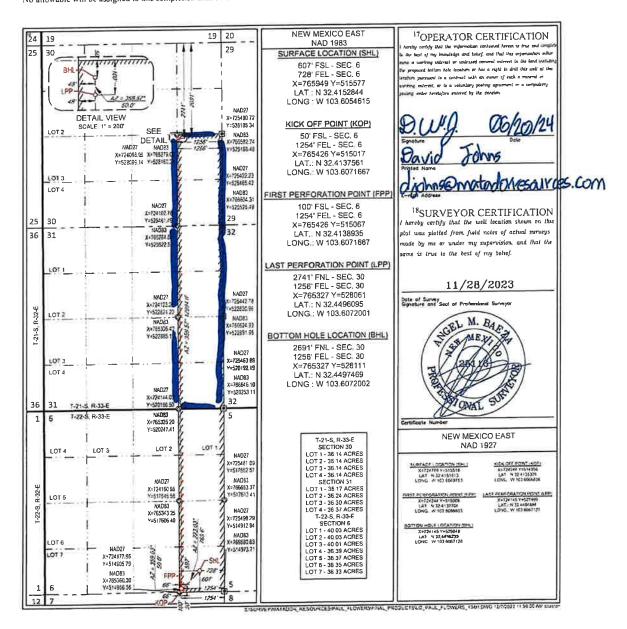
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Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT 'API Number Sa13330F: WC-025 97927 30-025-5269 CHARLIE KS STATE COM 134H Operator Name OGRID No 3618 MATADOR PRODUCTION COMPANY 228937 OSurface Location Feet from the East/West III Feet from th EAST LEA SOUTH 728 607' P 6 22-S 33-E Bottom Hole Location If Different From Surface Feet from North/South li Feet from t UL or lot no EAST LEA 1256' 21-S 33-E 2691 NORTH 30 I Order No. 400.03

240



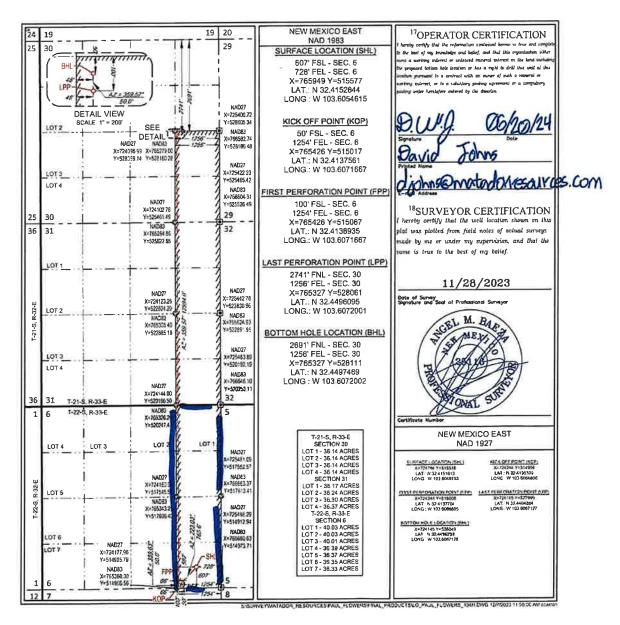
District 1
625 N. French Dr., Hobbs, NM, RR240
Phone: (575) 393-0161 Fav: (575) 393-0720
District II
811 S. Frist St., Artessa, NM RR210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rise Hrazos Road, Aztec, NM R7410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Sante Fe, NM R7505
Phone: (505) 476-3460 Fax: (505) 476-3462

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Santa Fe, NM 87505

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7	30-025-52691					1.	RQ.			
		5264	1 31	870		Leg	19, B	one Spi	Nuprber	
*Property	*Property Code			CHARLIE KS STATE COM						
228°			М	*Operator Name MATADOR PRODUCTION COMPANY					'Elevation 3618'	
					10 Surface Loc	ation				
UL or lot no.	Section 6	Township 22-S	33-E	Lat ida	Feet from the	North/South Bac SOUTH	Feet from the	East/West line EAST	LEA	
			11B	ottom Hol	Location If Di	ferent From Surf	ace			
UL or tot no.	Section 30	Township 21-S	33-E	1,et Ide	Feet from the 2691'	North/South Mere NORTH	1256'	EAST	LEA	
**Bediested Acres 400.03	Joint or	тяли I*Ce	nsolidatian Code	13 Order	No.					



District I f625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rto Brazos Road, Aziec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe., NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3465 State of New Mexico
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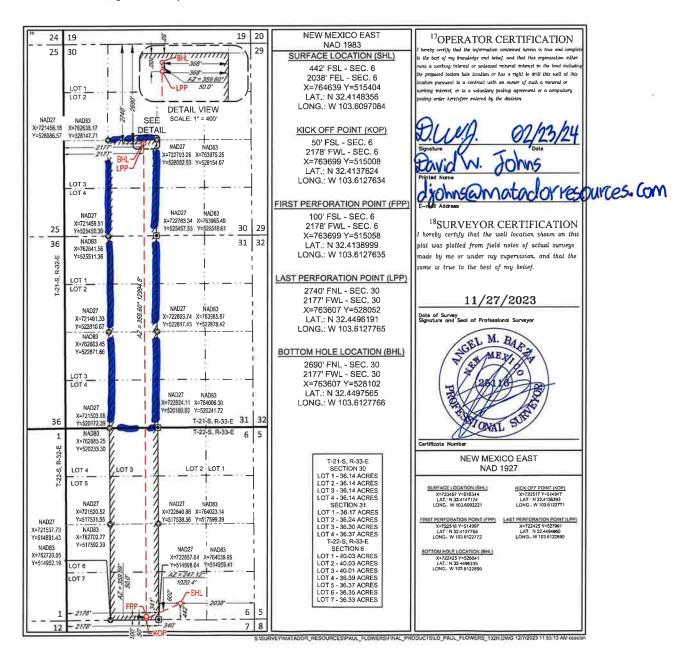
WELL LOCATION AND ACREAGE DEDICATION PLAT

Santa Fe, NM 87505

	'API Number			Pool Code		Pool Name					
			9-	1927	1 1	NC-025	6-07	5213330	1=; Bu		
*Property Co	ode	PAUL FLOWERS STATE COM 132H									
70GRID N 2289			*Operator Name MATADOR PRODUCTION COMPANY						Elevation 3617'		
					10 Surface Lo	cation					
or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
0	6	22-S	33-E	-	442'	SOUTH	2038'	EAST	LEA		
			11 _E	ottom Hol	e Location If D	ifferent From Sur	face				
or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Enst/West line	County		
K	30	21-S	33-E	-	2690'	NORTH	2177'	WEST	LEA		

240

400.01



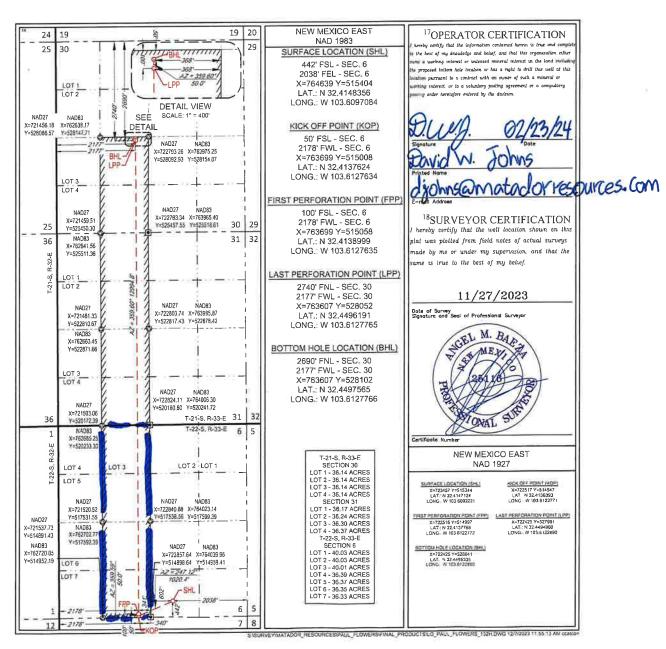
District 1
6625 N., French Dr., Hobbs, NM 88240
Phome: (575) 393-6161 Fav. (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phome: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rto Brazos Road, Aztee, NM 87410
Phome: (505) 334-6178 Fav: (505) 334-6170
District IV
1220 S. St., Francis Dr., Santa Fe, NM 87505
Phome: (505) 476-3460 Fav: (505) 476-3462

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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 37870 Well Number Property Code 132H PAUL FLOWERS STATE COM Elevation ⁸Operator Name OGRID No. MATADOR PRODUCTION COMPANY 3617 228937 10 Surface Location Feet from th UL or lot no. EAST LEA 2038 442 SOUTH 0 6 22-S 33-E 11Bottom Hole Location If Different From Surface North/South li Feet from th East/West lin UL or lot no Cownship 2177 33-E 2690' NORTH WEST **LEA** 21-S 30 K Dedicated Acres -400.01160.01



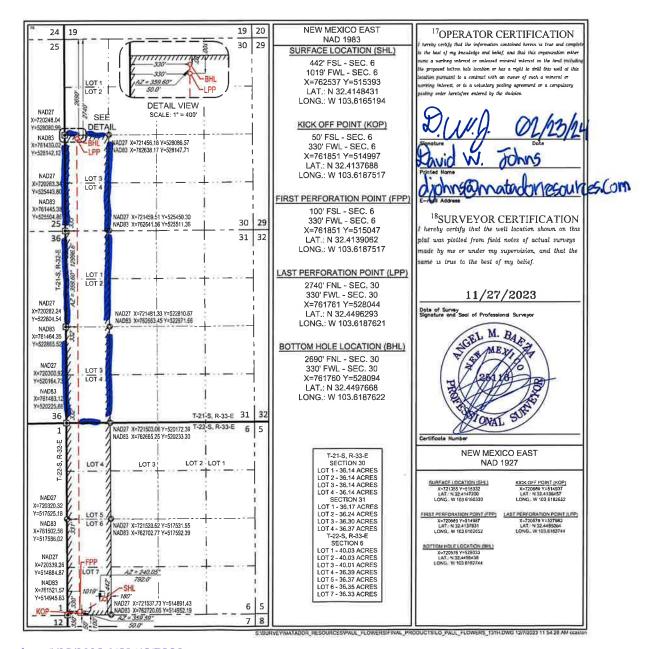
District I 1625 N., French Dr., Hobbs, NM 88240 Phone: (375) 393-6161 Fax: (375) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road. Aztec. NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87050 Phone: (505) 476-3460 Fax: (505) 476-3462

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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number S213330P: 97927 NC-025 Property Code PAUL FLOWERS STATE COM 131H OGRID No Operator Name Elevation MATADOR PRODUCTION COMPANY 3614 728937 10 Surface Location Feet from th East/West lin UL or lot no Township Rang Lot Idr Feet from tl 6 22-S 33-E 442' SOUTH 1019 WEST LEA 7 11Bottom Hole Location If Different From Surface UL or lot no Lot Ide Feet from th North/South Feet from the East/West lin 21-S 3 30 33-E 2690' NORTH 330 WEST LEA Dedicated Acre Joint or Infill Order 362.80 a17.36

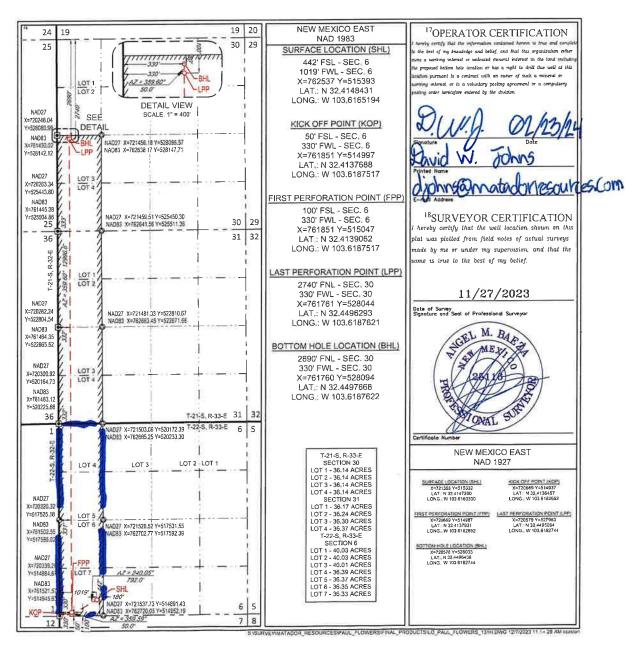


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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 37870 Well Number Property Code PAUL FLOWERS STATE COM 131H OGRID No. Operator Name 3614 MATADOR PRODUCTION COMPANY ZZ 8937 ¹⁰Surface Location East/West lin Ut, or let no. Section Township Range 442' SOUTH 1019' WEST **LEA** 22-S 33-E 7 6 ¹¹Bottom Hole Location If Different From Surface East/West li UL or lot no Secti Feet from th 330' WEST LEA 2690' 30 21-S 33-E NORTH Dedicated Acres Joint or Infill 362.80 45.4



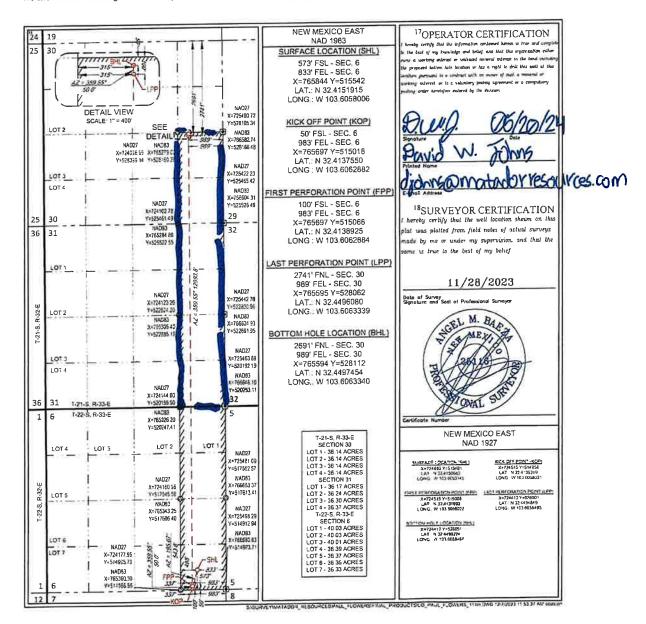
District | 1625 N French Dr., 116bbs, NM 88240 Pilone (575) 393-6161 Fas: (575) 393-0720 <u>District II</u> 811 S Fust St, Artesia, NM 88210 Phone: (575) 748-1285 Fas: (575) 748-9720 <u>District III</u> 1000 Rto Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (503) 476-3460 Fax: (503) 476-3462 State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT Sa13330F WC-025 30-025-524 97927 114H **CHARLIE KS STATE COM** OGRID No. 3617 MATADOR PRODUCTION COMPANY 228937 10 Surface Location Cotynsblp 833' EAST LEA 573 SOUTH 33-E 6 22-S P Bottom Hole Location If Different From Surface Fasi/West UL or lot no LEA 989' EAST NORTH 21-S 33-E 2691 30 Ι 400.03

240

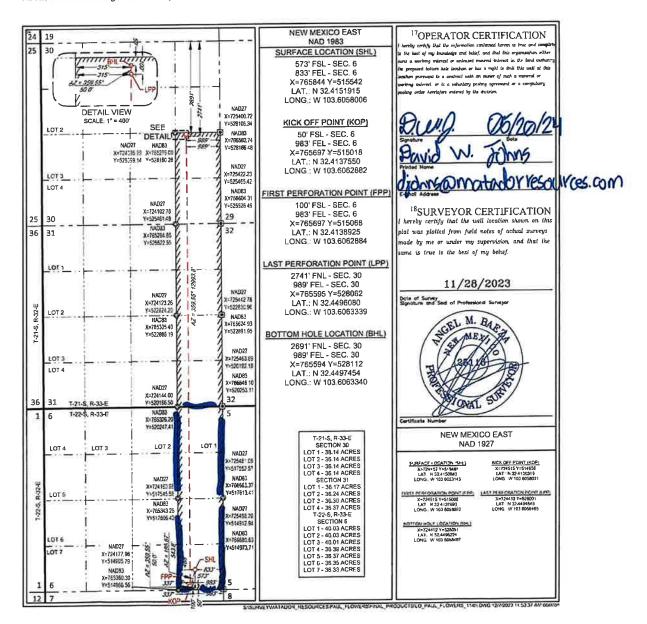


District I 1625 N Trench Dr., Hobbs, NM RK240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 311 S. Fist St., Arnesia, NM RR210 Phone: (575) 74E-1285 Fax: (575) 748-9720 District III 1000 Rio Brazus Road, Aztec, NM R7410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1720 S. St. Francis Dr., Santa Fc., NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3460 State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT 37870 30-025-114H **CHARLIE KS STATE COM** Operator Name 'Elevation OGRID No MATADOR PRODUCTION COMPANY 3617 228937 10 Surface Location Enst/West fi Founshle LEA SOUTH 833' EAST 573' 22-S 33-E P 6 11Bottom Hole Location If Different From Surface 989 EAST LEA 21-S 33-E 2691 NORTH 30 I 400.03 160.03

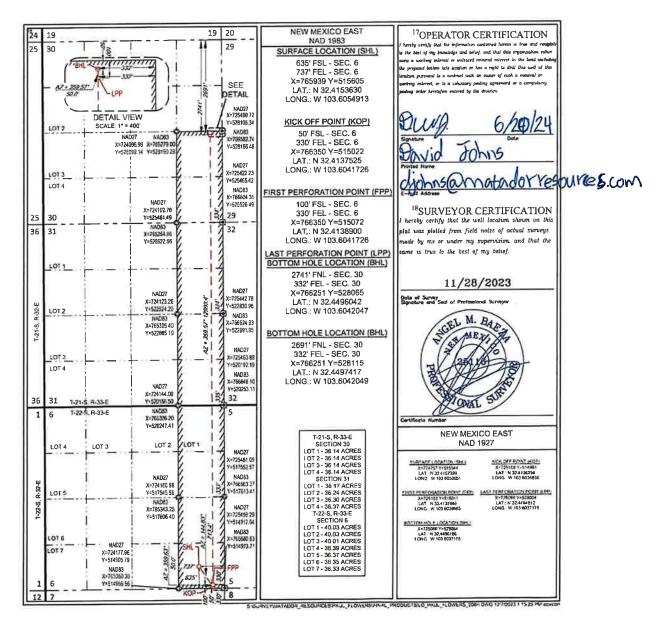


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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 30-025-52699 98033 WC-025 G-10 S2133280 CHARLIE KS STATE COM 208H OGRID No 3618 MATADOR PRODUCTION COMPANY 228937 10 Surface Location awnsblu Feet from th 635' SOUTH 737' EAST LEA P 6 22-S 33-E 11Bottom Hole Location If Different From Surface East/West I UL or lat po 2691' NORTH 332' EAST LEA 21-S 30 33-E Ι 400.03

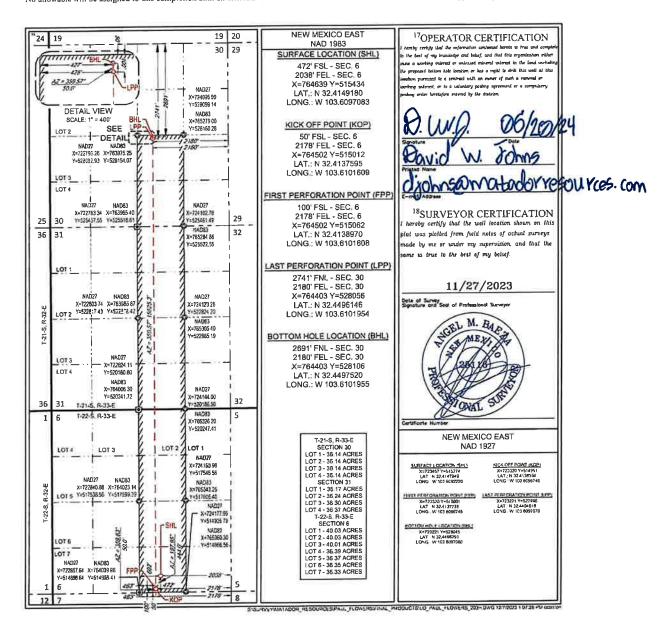


District 1 (625 N. French Dr., Hotbs. NM 80240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 311 5 First St., Artesia, NM 88210 Phone: (575) 748-1285 Fax: (575) 748-9720 District III 1000 Rie Brazos Road, Azice, NM K7410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT ADI Number 33280 30-025-52698 98033 521 WC-025 Property Cod **CHARLIE KS STATE COM** 203H *Elevation OGRID No. 3617' MATADOR PRODUCTION COMPANY 728937 10 Surface Location East/West 1 Feel from th Lil. or let no Township 2038 EAST LEA 472' SOUTH 6 22-S 33-E 0 11Bottom Hole Location If Different From Surface 2180' EAST LEA 2691 NORTH 30 21-S 33-E J Dedicated Acres 400.03



District I
(625 N, French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811'S First St., Artesia, NM 88210
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District III
1000 Rto Brazos Road, Azlec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S, St, Francis Dr., Santa Fe, NM 8754
Phone: (507) 476-3460 Fax: (505) 476-3462

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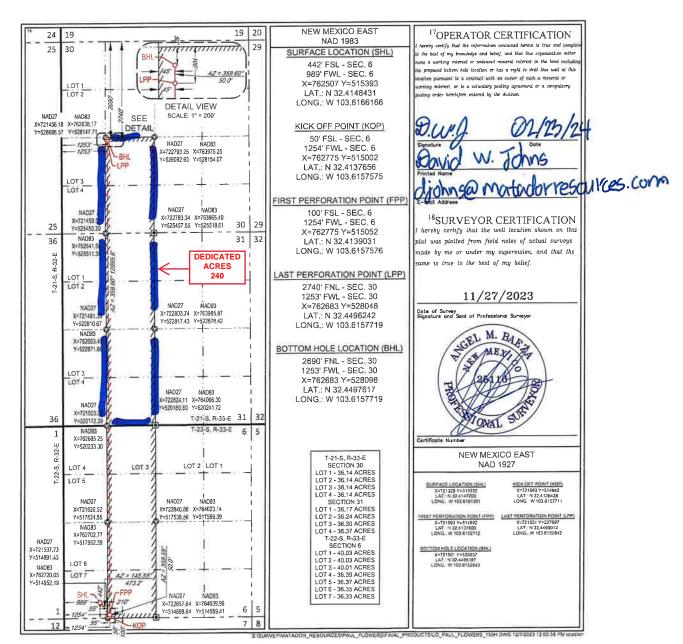
WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	² Pool Code						_
	97927	WC-025	6-07	Sal	333 6F:	Bone	Spring
*Property Code		operty Name			"Well Number		
1110	PAUL FLOWE	ERS STATE COM			155H		
OGRID No.	*O ₁	perator Name			⁹ Elevation		
728937	MATADOR PRO	DUCTION COMPANY	7		3614'		
	100	C 1 .41					

11Bottom Hole Location If Different From Surface

UL or lot no.	Section 30	Township 21-S	33-E	Los Ido	Feet from the 2690'	North/South line NORTH	Feet from the 1253'	East/West line WEST	LEA
⁷² Dedicated Acres 400.01	¹³ Joint or	infill li*Co	onsolidation Code C	: ISOrde	er No.				

240



160.01

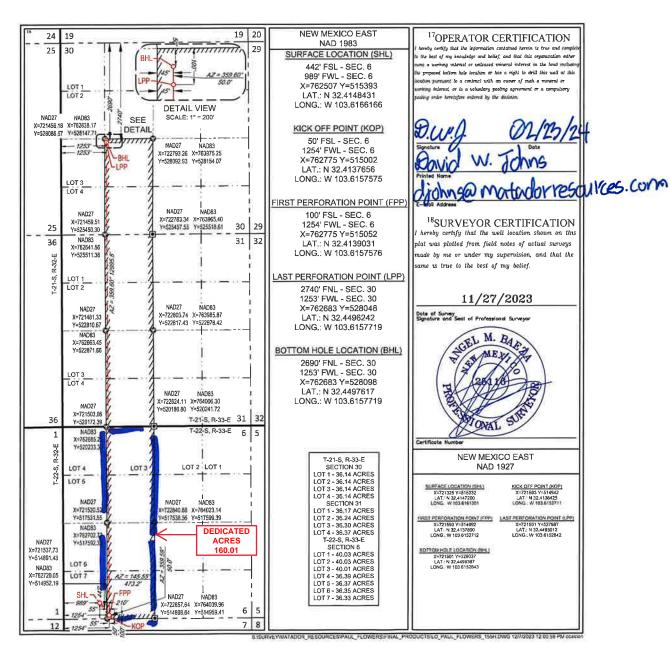
District I 1625 N. French Dr., Hobbs, NM 8R240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3465 State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT TAPI Number 3787*0* 130 ne Property Code PAUL FLOWERS STATE COM 155H OGRID No Operator Name Elevation MATADOR PRODUCTION COMPANY 3614 228937 ¹⁰Surface Location UL or lot no Range Lot Id Feet from th 7 6 22-S 33-E 442' SOUTH 989' WEST LEA 11Bottom Hole Location If Different From Surface East/West lin UL or lot no Feet from th Feet from t 33-E 1253' K 30 21-S 2690 NORTH WEST LEA ²Dedicated Acres Joint or Infil Order No 400.01 C



240

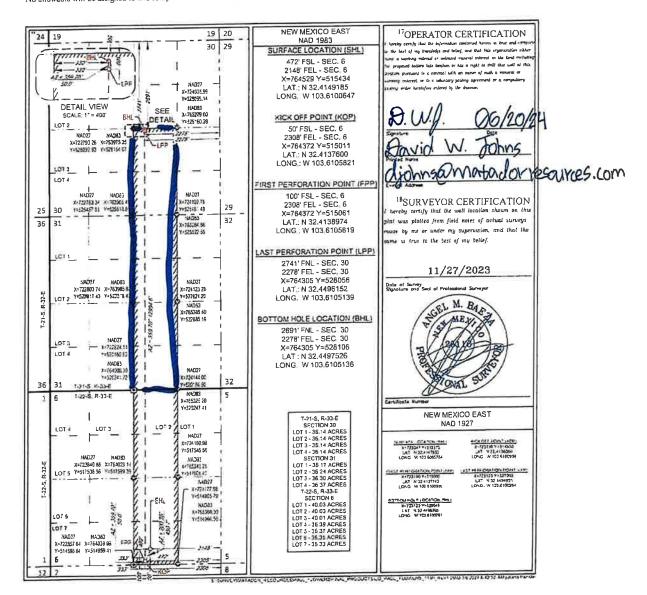
District 1
622 N. French Dr., Hinbbs, NM RP240
Phone: (C793) 393-8161 Fav: (579) 393-9720
District II
RTI S. Frent SL., Annessa, NM RE210
Phome: (579) 74R-1283 Fav: (575) 748-9720
District III
RTI S. Frent SL., Annessa, NM RE210
Phome: (509) 313-6178 Fax: (509) 333-6170
District IV
1220 S. St., Frencis Dr., Senia Fe., NM 87305
Phome: (509) 347-63406 Fax: (5393 476-3462

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WELL LOCATION AND ACREAGE DEDICATION PLAT 'API Number Sa13330F 30-025-52731 WC-025 G-07 97927 113H CHARLIE KS STATE COM "Elevalloc Operator Name OGRID No 3617 MATADOR PRODUCTION COMPANY **228937** OSurface Location Feet from I EsseNest for EAST LEA SOUTH 2148 472 6 22-S 33-E 0 Bottom Hole Location If Different From Surface Fers from 2278 2691 EAST LEA NORTH 30 21-S 33-E J 400:03



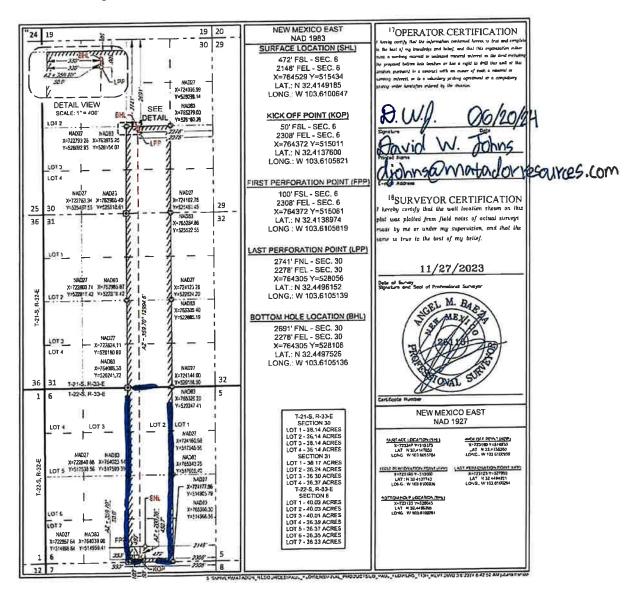
District 1
625 N French Dr., Hobbs, NM 88240
Phone: (175) 393-4161 Fax: (575) 293-0720
Patrict II
815 Fire: St., Antesis, NM IRC10
Pinne: (575) 744-123 Fax: (575) 748-9720
District II
0000 Riu B Brazos Kond, Artec, NM 87410
Phone: (505) 313-6176 Fax: (505) 313-6170
Datrict IV
1220 S. St. Francis Dr., Safat Fc., NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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WELL LOCATION AND ACREAGE DEDICATION PLAT 'API Number 37870 30-025-5273 CHARLIE KS STATE COM 113H OGRID No. 3617 MATADOR PRODUCTION COMPANY 728937 10 Surface Location Feet from the UL ar lot pu 2148 EAST LEA 4721 SOUTH 0 6 22-S 33-E Bottom Hole Location If Different From Surface 2278 EAST LEA NORTH 2691 30 21-S 33-E J 400:03 160.03



<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505

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

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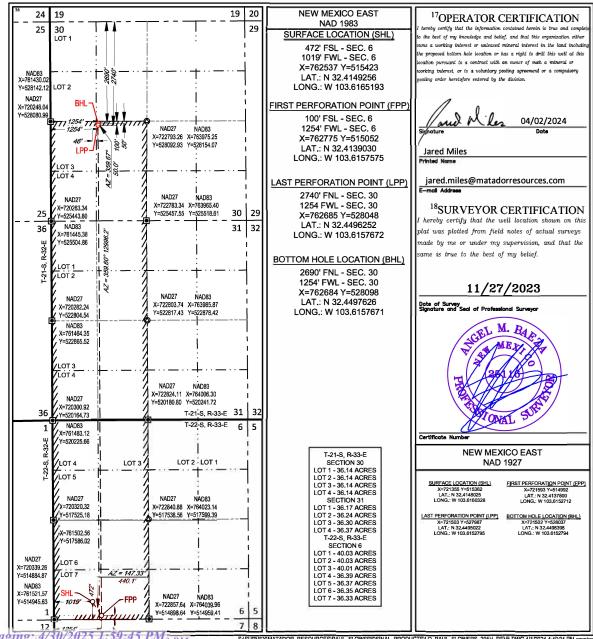
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WELL LOCATION AND ACREAGE DEDICATION PLAT

WEED DO CHILD WITH TO HOUSE DED TO CHILD WITH THE											
	¹ API Number	er ² Pool Code ³ Pool Name		Pool Code ³ Pool Name				7			
				98033 WC-025 G-10 S2133280; Wolfca			WC-025 G-10 S2133280; Wolfcamp				
Property C	Code	5 _P			⁵ Property I	Property Name **Well Number				Well Number	
		PAUL FLOWERS STATE (WERS STATE COM 205H				205H		
OGRID I	No.	⁸ Operator Name ⁹ Elevation					*Operator Name ⁹ Elevation			⁹ Elevation	
22893	37		MATADOR PRODUCTION COMPANY 3614'					ODUCTION COMPANY 3614'			
¹⁰ Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	Ea	st/West line	County	
M	6	22-S	33-E	<u></u>	472'	SOUTH	1019'	WE	ST	LEA	

¹¹Bottom Hole Location If Different From Surface UL or lot no. Feet from th 30 21-S 33-E 2690' NORTH 1254' WEST LEA Order No. Dedicated Acres 762.81

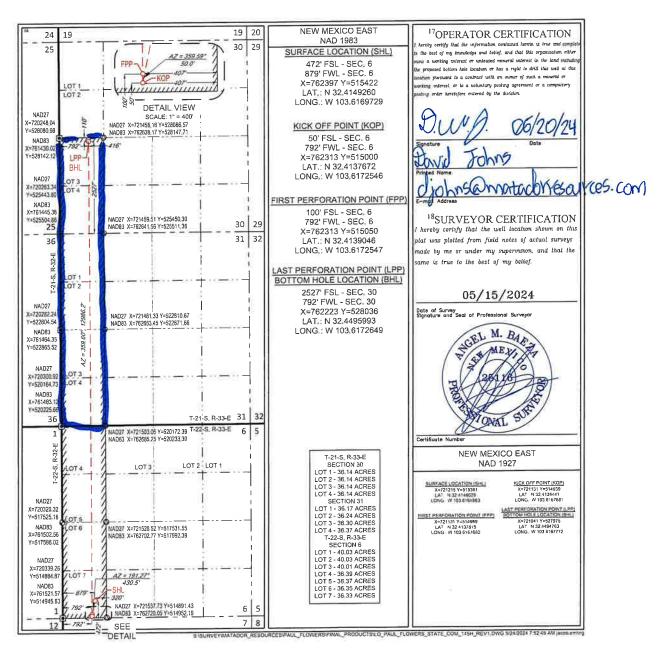


District I (AZS N, French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S, First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Bruzos Road, Aziec, NM 87410 Phone: (505) 334-6179 Fax: (505) 334-6170 District IV 1220 S, St. Francis Dr., Santa Fc, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
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WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 5213330F WC-025 Cr-07 97927 Property Code 145H PAUL FLOWERS STATE COM ⁹Elevation BOperator Name OGRID No. MATADOR PRODUCTION COMPANY 3614 77**813**7 10 Surface Location Feet from th Rang Lot ld UL or lot no. WEST LEA 879' 33-E 472' SOUTH 7 6 22-S ¹¹Bottom Hole Location If Different From Surface East/West lin North/South lin Feet from the UL or lot no. 792' WEST 2527 SOUTH LEA 21-S 33-E 30 3 Dedicated Acres 362,80 217.36



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District 11</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fc, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

Property Code

OGRID No.

22893

API Number

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Well Number

145H

Elevation

3614

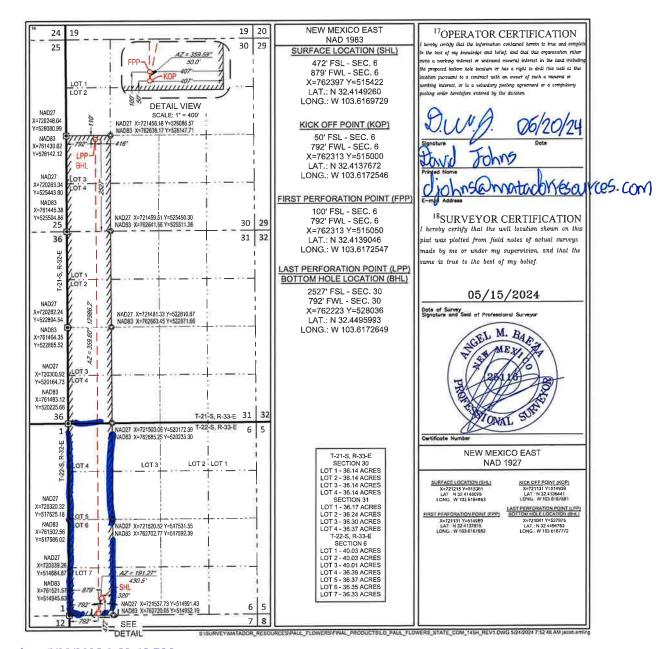
1220 South St. Francis Dr. Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT 37870 PAUL FLOWERS STATE COM Operator Name

¹⁰Surface Location Feet from th East/West lis UL or lot no Rans Lot Id: Feet from th 879' WEST 33-E 472' SOUTH LEA 7 6 22-S

MATADOR PRODUCTION COMPANY

Bottom Hole Location If Different From Surface Feet from t Feet from

East/West 3 30 21-S 33-E 2527 SOUTH 792 WEST LEA Dedicated Acres Joint or Infill Order No 145.44 362.80

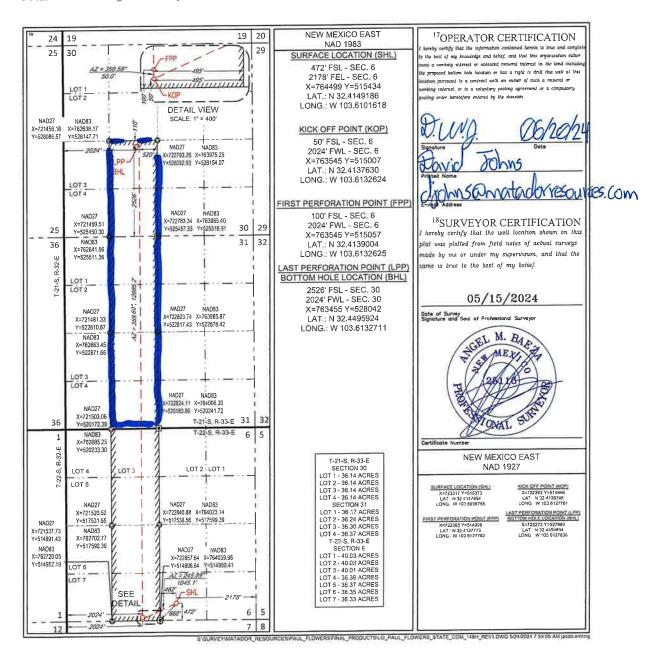


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WELL LOCATION AND ACREAGE DEDICATION PLAT TAPI Number wc-oas Sa13330F: 9792-Property Name Property Code 146H PAUL FLOWERS STATE COM ⁹Elevation OGRID No Operator Name 3618 MATADOR PRODUCTION COMPANY 728937 OSurface Location North/South line Feet from th East/West lin Lot Id Feet from Rang UL or lot no Sectio Township 2178 EAST LEA 6 22-S 33-E 472' SOUTH 0 11 Bottom Hole Location If Different From Surface East/West lin Rans Feet from th LEA 2526' SOUTH 2024 WEST 21-S K 30 33-E ented Acres 400.01 240

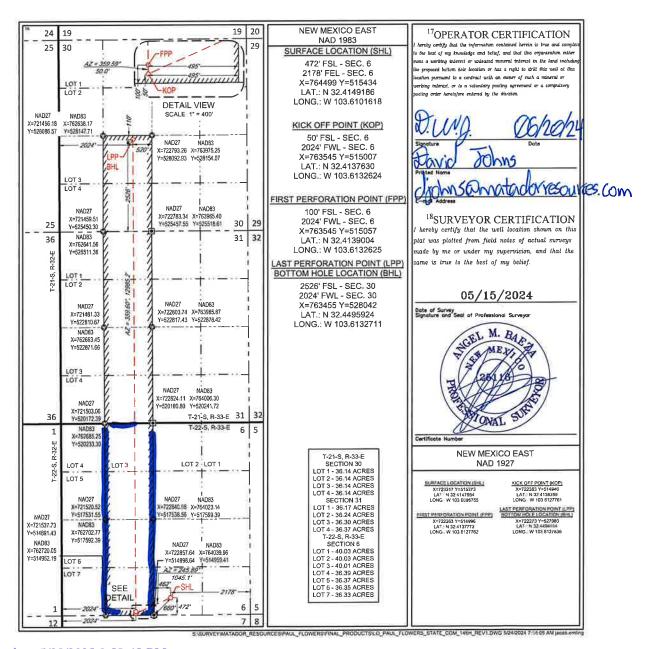


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WELL LOCATION AND ACREAGE DEDICATION PLAT API Numbe Pool Code 37870 Property Code PAUL FLOWERS STATE COM 146H Operator Name Elevation OGRID No. MATADOR PRODUCTION COMPANY 3618 228937 10 Surface Location East/West lin UL or lot no Lot Ide Feet from th Feet from th 472' 2178' EAST 6 22-S 33-E SOUTH LEA 0 ¹¹Bottom Hole Location If Different From Surface East/West lin Feet from t Feet from U K 30 21-S 33-E 2526 SOUTH 2024 WEST LEA ²Dedicated Acres 5Order 400.01 160.00



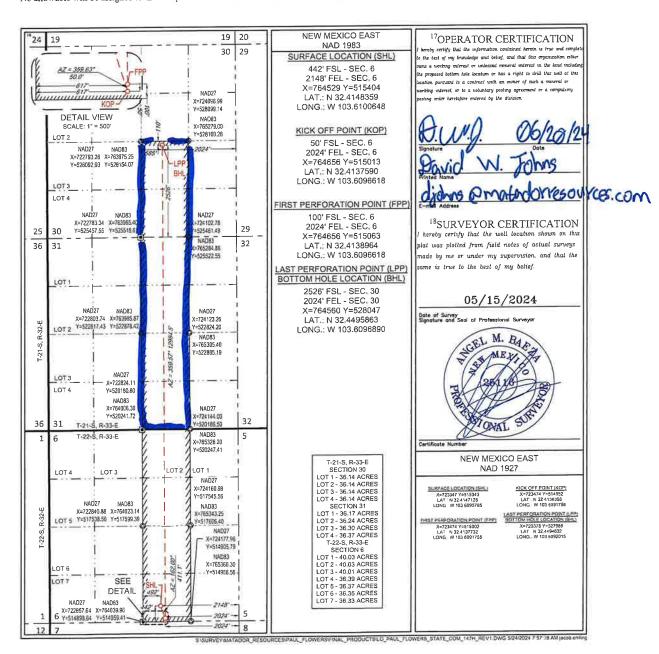
Distinct I (1625 N., Fronch Dr., Hobbs, NM, 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S., First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aziec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IIV 1220 S. St. Francis Dr., Sauta Fe. NM 87505 Phone: (505) 346-3460 Fax: (505) 476-3460 State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 521 333 OF 97927 NC-025 Property Code **CHARLIE KS STATE COM** 147H ⁹Elevatio OGRID No. 8Operator Name 3617 MATADOR PRODUCTION COMPANY 778937 ¹⁰Surface Location North/South lin Feet from th East/West lin Lot Id: Feet from th Range UL or lot no. Section Township 2148 EAST LEA 6 22-S 33-E 442' SOUTH 0 ¹¹Bottom Hole Location If Different From Surface East/West lin Feet from th Fownship Rang LEA 2024 EAST 2526 SOUTH 30 21-S 33-E Joint or Infil Dedicated Acres 400.03

240

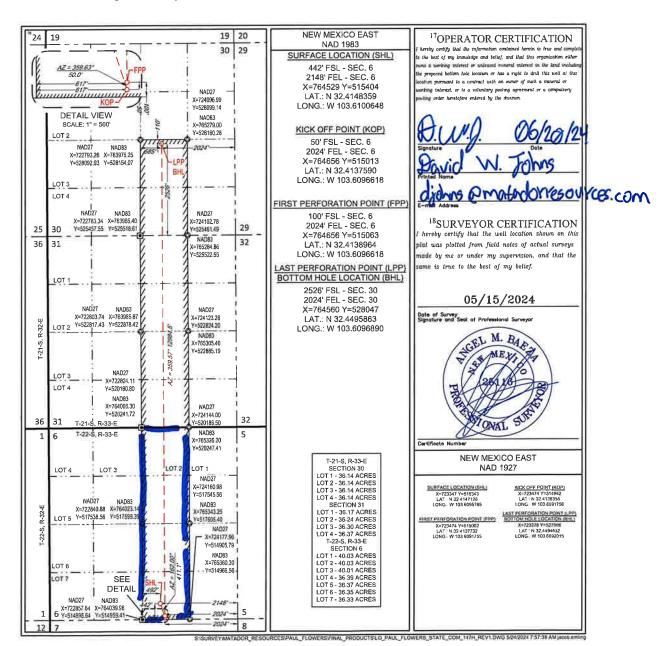


District I 1625 N, French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S, First St., Artesia, NM 88210 Phone: (573) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (503) 334-6178 Fax: (505) 334-6170 District IV 1220 S, Ir. Francis Dr., Santa Fe, NM 87505 State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 37870 Property Code **CHARLIE KS STATE COM** 147H Elevation Operator Name OGRID No. MATADOR PRODUCTION COMPANY 3617 228937 10 Surface Location Feet from th Feet from the East/West In UL or lot no. 442' SOUTH 2148' EAST LEA 6 22-S 33-E 0 Bottom Hole Location If Different From Surface Fast/West lin UL or lot no. Secti Township 30 21-S 33-E 2526' SOUTH 2024 EAST LEA J Dedicated Acre /60.03 400.03



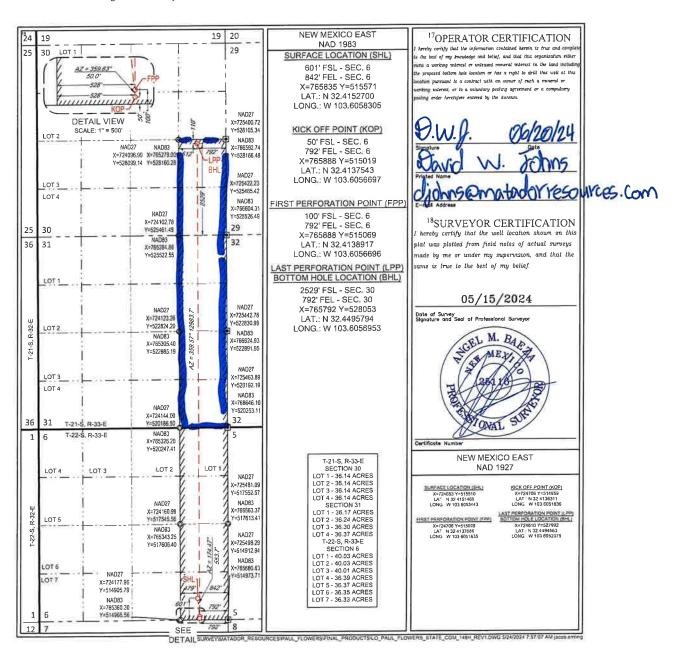
District I 1625 N, French Dr., Hobbs. NM 88240 Phome: (575) 393-6161 Fax: (575) 393-0720 District II 811 S, Frist St., Artesia, NM 88210 Phome: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aziec, NM 87410 Phome: (505) 134-6178 Fax: (505) 334-6170 District IV 1220 S, St., Francis Dr., Santa Pc. NM 87505 Phome: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT TAPI Number Bone Well Number WC-025 97927 5213330F. 6-07 Property Code CHARLIE KS STATE COM 148H Operator Nami Elevation OGRID No. MATADOR PRODUCTION COMPANY 3618 728937 10 Surface Location Feet from th Lot 1d Feet from th 842' EAST LEA 6 22-S 33-E 601' SOUTH P 11 Bottom Hole Location If Different From Surface East/West lin Feet from t Feet from th Rang UL or lot no. Secti `ownship 30 21-S 33-E 2529 SOUTH 792 EAST LEA T Dedicated Acres 400.03

240



District I
Id25 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
I000 Rio Brazzos Road, Azice, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
I220 S. St. Francis Dr., Santa Fe. NM 87546
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 37870 Property Code **CHARLIE KS STATE COM** 148H Operator Nam OGRID No. MATADOR PRODUCTION COMPANY 3618 228937 ¹⁰Surface Location Feet from the East/West lin UL or lot no. Rang 601' 842 EAST **LEA** P 6 22-S 33-E SOUTH ¹Bottom Hole Location If Different From Surface Fast/West lin Feet from th UL or lot no. Secti Township Rang 30 21-S 33-E 2529' SOUTH 792 EAST LEA I Dedicated Acres 160.03 400.03

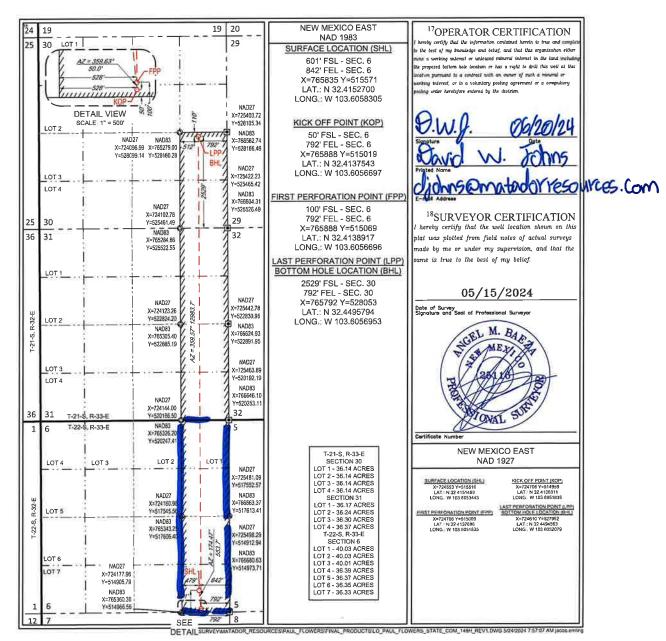


EXHIBIT **4**

New Mexico State Land Office Oil. Gas. & Minerals Division

STATE/STATE OR STATE/FEE

Revised July 2023

COMMUNITIZATION AGREEMENT ONLINE Version

API#: <u>30-</u> _____

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this __1st __ [day] of ___May __ [month]) ______, 20_24, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the <u>Bone Spring</u> formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: <u>E2SW4 of Section 30-21S-33E</u>, <u>E2W2 of Section 31-21S-33E</u>, <u>Lot 3 (NE4NW4)</u>, SE4NW4, E2SW4 of Section 6-22S-33E

0f Sect(s): 30 & 31, 6 Twp: 2 1 S , 2 2 S Rng: 3 3 E NMPM Lea County, NM

Containing <u>400.01</u> acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

- 4. <u>Matador Production Company</u> shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by <u>Matador Production Company</u>. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.
- 5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.
- 9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

- 10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement
- 11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.
- 13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.
- 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 instruments, 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. 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.

- 16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19.7.64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19.7.64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.
- 17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

first above written.		

Commissioner of Public Lands: ______ Date: _____

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for Matador Production Company, on behalf of said corporation.
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Hat Mesa, LLC
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires

EXHIBIT "A"

Plat of communitized area covering 400.01 acres in the E2SW4 of Section 30 & E2W2 of Section 31, Township 21 South, Range 33 East, and Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Paul Flowers State Com #112H

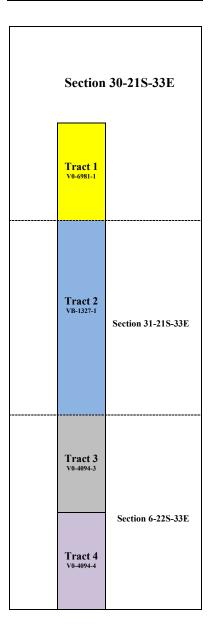


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated May 1, 2024, embracing the following described land in the E2SW4 of Section 30 & E2W2 of Section 31, Township 21 South, Range 33 East, and Lot 3 (NE4NW4), SE4NW4, E2SW4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: V0-6981-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 30: E2SW4

Number of Acres: 80.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 2

Lease Serial Number: VB-1327-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 31: E2W2

Number of Acres: 160.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 3

Lease Serial Number: V0-4094-0003

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lot 3 (NE4NW4), SE4NW4

Number of Acres: 80.01

Current Lessee of Record: OXY USA, Inc.

Name and Percent of Working Interest Owners: OXY USA, Inc.

Tract No. 4

Lease Serial Number: V0-4094-0004

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: E2SW4

Number of Acres: 80.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	20.00%
2	160.00	39.99%
3	80.01	20.01%
4	80.00	20.00%
Total	400.01	100.00%

New Mexico State Land Office Oil. Gas. & Minerals Division

STATE/STATE OR STATE/FEE

Revised July 2023

COMMUNITIZATION AGREEMENT

ONLINE Version	
API #: <u>30-</u>	

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this __1st __ [day] of ___May__ [month]) _______, 20_24, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the <u>Bone Spring</u> formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: Lots 3 & 4 (W2SW4) of Section 30-21S-33E, Lots 1, 2, 3 & 4 (W2W2) of Section 31-21S-33E, Lots 4, 5, 6 & 7 (W2W2) of Section 6-22S-33E

0f Sect(s): 30 & 31, 6 Twp: 2 1 S , 2 2 S Rng: 3 3 E NMPM Lea County, NM

Containing <u>362.80</u> acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

- 4. <u>Matador Production Company</u> shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by <u>Matador Production Company</u>. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.
- 5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.
- 9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

- 10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement
- 11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.
- 13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.
- 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 instruments, 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. 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.

- 16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19.7.64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19.7.64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.
- 17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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Commissioner of Public Lands: ______ Date: _____

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year

Paul Flowers State Com #111H - State Comm Agreement

first above written.

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for Matador Production Company, on behalf of said corporation.
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Hat Mesa, LLC
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires

EXHIBIT "A"

Plat of communitized area covering 362.80 acres in Lots 3 & 4 (W2SW4) of Section 30 & Lots 1, 2, 3 & 4 (W2W2) of Section 31, Township 21 South, Range 33 East, and Lots 4, 5, 6 & 7 (W2W2) of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Paul Flowers State Com #111H

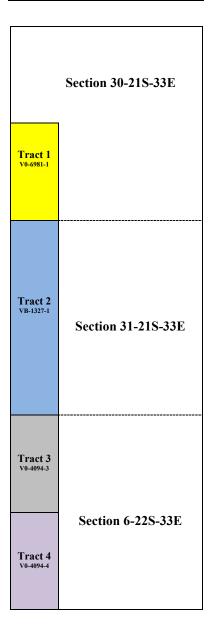


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated May 1, 2024, embracing the following described land in Lots 3 & 4 (W2SW4) of Section 30 & Lots 1, 2, 3 & 4 (W2W2) of Section 31, Township 21 South, Range 33 East, and Lots 4, 5, 6 & 7 (W2W2) of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: V0-6981-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 30: Lots 3 & 4 (W2SW4)

Number of Acres: 72.28

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 2

Lease Serial Number: VB-1327-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 31: Lots 1, 2, 3 & 4 (W2W2)

Number of Acres: 145.08

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 3

Lease Serial Number: V0-4094-0003

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lots 4 & 5 (W2NW4)

Number of Acres: 72.76

Current Lessee of Record: OXY USA, Inc.

Name and Percent of Working Interest Owners: OXY USA, Inc.

Tract No. 4

Lease Serial Number: V0-4094-0004

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lots 6 & 7 (W2SW4)

Number of Acres: 72.68

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	72.28	19.92%
2	145.08	39.99%
3	72.76	20.06%
4	72.68	20.03%
Total	362.80	100.00%

New Mexico State Land Office Oil. Gas. & Minerals Division

STATE/STATE OR STATE/FEE

Revised July 2023

COMMUNITIZATION AGREEMENT ONLINE Version

OT LETT LE VOISION	
API #: 30-	

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this __1st __ [day] of ___May __ [month]) ______, 20 24, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the <u>Bone Spring</u> formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

Charlie KS State Com #114H – State Comm Agreement

Charlie KS State Com #114H - State Comm Agreement

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E2SE4 of Section 30-21S-33E, E2E2 of Section 31-21S-33E, Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 6-22S-33E

0f Sect(s): 30 & 31, 6 Twp: 2 1 S , 2 2 S Rng: 3 3 E NMPM Lea County, NM

Containing <u>400.03</u> acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

- 4. <u>Matador Production Company</u> shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by <u>Matador Production Company</u>. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.
- 5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.
- 9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

- 10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement
- 11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.
- 13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.
- 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 instruments, 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. 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.

- 16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19.7.64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19.7.64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.
- 17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

first above written.			

Commissioner of Public Lands: ______ Date: _____

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel
Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Hat Mesa, LLC
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires

EXHIBIT "A"

Plat of communitized area covering 400.03 acres in the E2SE4 of Section 30 & E2E2 of Section 31, Township 21 South, Range 33 East, and Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Charlie KS State Com #114H

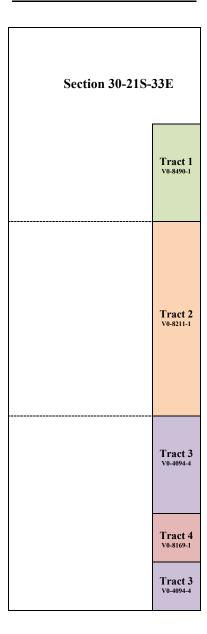


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated May 1, 2024, embracing the following described land in the E2SE4 of Section 30 & E2E2 of Section 31, Township 21 South, Range 33 East, and Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: V0-8490-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 30: E2SE4

Number of Acres: 80.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 2

Lease Serial Number: V0-8211-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 31: E2E2

Number of Acres: 160.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 3

Lease Serial Number: V0-4094-0004

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lot 1 (NE4NE4), SE4NE4, SE4SE4

Number of Acres: 120.03

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 4

Lease Serial Number: V0-8169-0001

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: NE4SE4

Number of Acres: 40.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	20.00%
2	160.00	40.00%
3	120.03	30.00%
4	40.00	10.00%
Total	400.03	100.00%

New Mexico State Land Office Oil. Gas. & Minerals Division

STATE/STATE OR STATE/FEE

Revised July 2023

COMMUNITIZATION AGREEMENT

ONLINE Version

API #: 30-

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the <u>Bone Spring</u> formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2SE4 of Section 30-21S-33E, W2E2 of Section 31-21S-33E, Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 6-22S-33E

0f Sect(s): 30 & 31, 6 Twp: 2 1 S , 2 2 S Rng: 3 3 E NMPM Lea County, NM

Containing <u>400.03</u> acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

- 4. Matador Production Company shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by Matador Production Company . If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.
- 5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.
- 9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

- 10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement
- 11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.
- 13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.
- 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 instruments, 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. 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.

- 16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19.7.64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19.7.64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.
- 17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

first above written.		
Commissioner of Public Lands:	Date:	

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for Matador Production Company, on behalf of said corporation
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Hat Mesa, LLC
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires

EXHIBIT "A"

Plat of communitized area covering 400.03 acres in the W2SE4 of Section 30 & W2E2 of Section 31, Township 21 South, Range 33 East, and Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Charlie KS State Com #113H

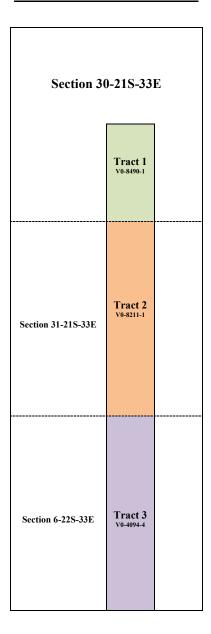


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated May 1, 2024, embracing the following described land in the W2SE4 of Section 30 & W2E2 of Section 31, Township 21 South, Range 33 East, and Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: V0-8490-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 30: W2SE4

Number of Acres: 80.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 2

Lease Serial Number: V0-8211-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 31: W2E2

Number of Acres: 160.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 3

Lease Serial Number: V0-4094-0004

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lot 2 (NW4NE4), SW4NE4, W2SE4

Number of Acres: 160.03

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	20.00%
2	160.00	40.00%
3	160.03	40.00%
Total	400.03	100.00%

New Mexico State Land Office Oil. Gas. & Minerals Division

STATE/STATE OR STATE/FEE

Revised July 2023

COMMUNITIZATION AGREEMENT

	ONLINE V	Version	
API #: <u>30</u> -			
<u></u>			

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this __1st __ [day] of ___May __ [month]) ______, 20_24, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Wolfcamp formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: E2SE4 of Section 30-21S-33E, E2E2 of Section 31-21S-33E, Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 6-22S-33E

0f Sect(s): 30 & 31, 6 Twp: 2 1 S , 2 2 S Rng: 3 3 E NMPM Lea County, NM

Containing <u>400.03</u> acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

- 4. Matador Production Company shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by Matador Production Company . If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.
- 5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.
- 9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

- 10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement
- 11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.
- 13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.
- 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 instruments, 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. 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.

- 16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19.7.64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19.7.64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.
- 17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

first above written.			

Commissioner of Public Lands: ______ Date: _____

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Hat Mesa, LLC
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Hat Mesa, LLC on behalf of said limited liability company.
Signature of Notarial Officer My commission expires

EXHIBIT "A"

Plat of communitized area covering 400.03 acres in the E2SE4 of Section 30 & E2E2 of Section 31, Township 21 South, Range 33 East, and Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Charlie KS State Com #208H

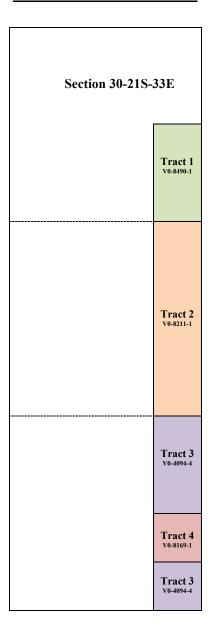


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated May 1, 2024, embracing the following described land in the E2SE4 of Section 30 & E2E2 of Section 31, Township 21 South, Range 33 East, and Lot 1 (NE4NE4), SE4NE4, E2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: V0-8490-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 30: E2SE4

Number of Acres: 80.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 2

Lease Serial Number: V0-8211-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 31: E2E2

Number of Acres: 160.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 3

Lease Serial Number: V0-4094-0004

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lot 1 (NE4NE4), SE4NE4, SE4SE4

Number of Acres: 120.03

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 4

Lease Serial Number: V0-8169-0001

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: NE4SE4

Number of Acres: 40.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	20.00%
2	160.00	40.00%
3	120.03	30.00%
4	40.00	10.00%
Total	400.03	100.00%

New Mexico State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised July 2023

COMMUNITIZATION AGREEMENT

	ONLINE Version	
API #: 30-		
<u></u>		

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this __1st __ [day] of ___May__ [month])________, 20 24, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Wolfcamp formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: W2SE4 of Section 30-21S-33E, W2E2 of Section 31-21S-33E, Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 6-22S-33E

0f Sect(s): 30 & 31, 6 Twp: 2 1 S , 2 2 S Rng: 3 3 E NMPM Lea County, NM

Containing <u>400.03</u> acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.

- 4. Matador Production Company shall be the operator of the said communitized area ("Operator") and all matters of operation shall be determined and performed by Matador Production Company . If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.
- 5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.
- 9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

- 10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement
- 11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.
- 13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.
- 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 instruments, 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. 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.

- 16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19.7.64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19.7.64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.
- 17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

first above written.		-	•	Ū

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year

Commissioner of Public Lands	: Date:	
------------------------------	---------	--

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Hat Mesa, LLC
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Hat Mesa, LLC on behalf of said limited liability company.
Signature of Notarial Officer My commission expires

EXHIBIT "A"

Plat of communitized area covering 400.03 acres in the W2SE4 of Section 30 & W2E2 of Section 31, Township 21 South, Range 33 East, and Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Charlie KS State Com #203H

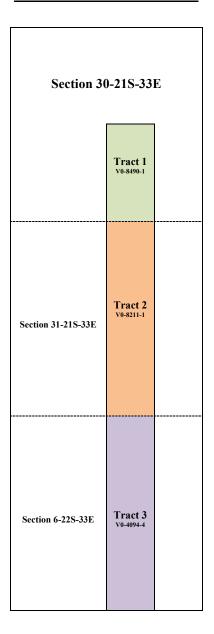


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated May 1, 2024, embracing the following described land in the W2SE4 of Section 30 & W2E2 of Section 31, Township 21 South, Range 33 East, and Lot 2 (NW4NE4), SW4NE4, W2SE4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: V0-8490-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 30: W2SE4

Number of Acres: 80.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 2

Lease Serial Number: V0-8211-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 31: W2E2

Number of Acres: 160.00

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 3

Lease Serial Number: V0-4094-0004

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lot 2 (NW4NE4), SW4NE4, W2SE4

Number of Acres: 160.03

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	20.00%
2	160.00	40.00%
3	160.03	40.00%
Total	400.03	100.00%

New Mexico State Land Office Oil, Gas, & Minerals Division

STATE/STATE OR STATE/FEE

Revised July 2023

COMMUNITIZATION AGREEMENT

ONLINE Version	
API #: <u>30-</u>	

THIS COMMUNITIZATION AGREEMENT ("Agreement") [which is NOT to be used for carbon dioxide or helium] is entered into and made effective this __1st __ [day] of ___May__ [month])________, 20 24, by and between the parties signing below ("Parties"):

WHEREAS, the Commissioner of Public Lands of the State of New Mexico ("Commissioner") is authorized by the Legislature, as set forth in Section 19-10-53, NMSA 1978, in the interest of development of oil and gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil and gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department ("OCD") where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner to be fair and equitable.

WHEREAS, the Parties own working, royalty, or other leasehold or other interests or operating rights under the oil and gas leases and lands subject to this Agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules and regulations, which leases, along with the well(s) on each lease to be encompassed by this Agreement, are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Wolfcamp formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well-spacing program established for such formation in and under said lands; and

WHEREAS, the Parties hereto desire to communitize and pool their respective interests in said leases subject to this Agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

Paul Flowers State Com #205H – State Comm Agreement

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

1. The lands described in Exhibit A (or B) covered by this Agreement (hereinafter referred to as the "communitized area") are described as follows:

Subdivisions: Lots 3 & 4 (W2SW4), E2SW4 of Section 30-21S-33E, Lots 1, 2, 3 & 4 (W2W2), E2W2 of Section 31-21S-33E, Lots 3, 4, 5, 6 & 7 (W2W2 & NE4NW4), SE4NW4, E2SW4 of Section 6-22S-33E

0f Sect(s): 30 & 31, 6 Twp: 2 1 S , 2 2 S Rng: 3 3 E NMPM Lea County, NM

Containing <u>762.81</u> acres, more or less. It is the judgment of the Parties that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the OCD, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the Parties do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this Agreement for all purposes, is Exhibit A showing the acreage, depths communitized, and ownership (lessees of record) of all leases within the communitized area.

- 2. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the Parties that all communitized substances produced therefrom shall be allocated among the leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
- 3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals or performance of other lease obligations under the terms of said leases shall not be affected by this Agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this Agreement shall remain in full force and effect as originally issued and amended.
- 4. Matador Production Company shall be the operator of the said communitized area

 Paul Flowers State Com #205H State Comm Agreement

("Operator") and all matters of operation shall be determined and performed by <u>Matador Production Company</u>. If more than one Operator operates wells subject to this Agreement, the Commissioner reserves the right to require one or more or all operators who added infill wells to this Agreement to obtain a new agreement.

- 5. The Commissioner hereafter is entitled to the right to take in kind the Commissioner's share for the communitized substances allocated to such tract, and the Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
- 6. There shall be no obligation upon the Parties to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the Parties shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
- 7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
- 8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws.
- 9. This Agreement shall be effective as of the date hereinabove written upon execution by the Parties, notwithstanding the date of execution, and upon approval by the Commissioner, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all applicable State laws, rules, and regulations; provided, that this Agreement shall not expire if there is a well producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this Agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this Agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well located within the physical boundaries of that specific lease assignment. Provided further, however, that prior to production in paying quantities from the communitized area, and upon fulfillment of all requirements of the Commissioner with respect to any dry hole or abandoned well drilled upon the communitized area, this Agreement may be terminated at any time by mutual agreement of the Parties.

- 10. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement
- 11. Operator shall furnish the Commissioner and the OCD, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.
- 12. It is agreed between the Parties that the Commissioner, or the Commissioner's duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State Land Office and the OCD.
- 13. If any order of the OCD upon which this Agreement is predicated or based is in anyway changed or modified, then in such event said Agreement is likewise modified to conform thereto.
- 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 instruments, 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. 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.

- 16. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19.7.64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19.7.64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.
- 17. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

first above written.		
Commissioner of Public Lands:	Date:	

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year

Operator: Matador Production Company
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on
Signature of Notarial Officer My commission expires
WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD
MRC Hat Mesa, LLC
By: Kyle Perkins – Senior Vice President & Assistant General Counsel Name & Title of Authorized Agent
Signature of Authorized Agent
Acknowledgment in a Representative Capacity
STATE OF TEXAS) §
COUNTY OF DALLAS) §
This instrument was acknowledged before me on, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Hat Mesa, LLC on behalf of said limited liability company.
Signature of Notarial Officer My commission expires

EXHIBIT "A"

Plat of communitized area covering 762.81 acres in Lots 3 & 4 (W2SW4), E2SW4 of Section 30, Township 21 South, Range 33 East, Lots 1, 2, 3 & 4 (W2W2), E2W2 of Section 31, Township 21 South, Range 33 East, Lots 3, 4, 5, 6 & 7 (W2W2 & NE4NW4), SE4NW4, E2SW4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Paul Flowers State Com #205H

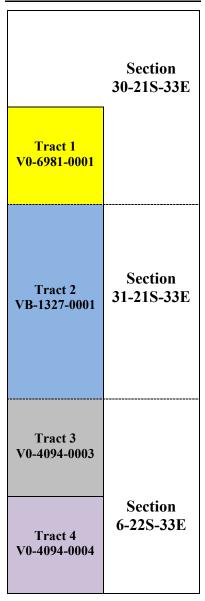


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated May 1, 2024, embracing the following described land in Lots 3 & 4 (W2SW4), E2SW4 of Section 30, Township 21 South, Range 33 East, Lots 1, 2, 3 & 4 (W2W2), E2W2 of Section 31, Township 21 South, Range 33 East, Lots 3, 4, 5, 6 & 7 (W2W2 & NE4NW4), SE4NW4, E2SW4 of Section 6, Township 22 South, Range 33 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: V0-6981-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 30: Lots 3 & 4 (W2SW4), E2SW4

Number of Acres: 152.28

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 2

Lease Serial Number: VB-1327-0001

Description of Land Committed: Township 21 South, Range 33 East,

Section 31: Lots 1, 2, 3 & 4 (W2W2), E2W2

Number of Acres: 305.08

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

Tract No. 3

Lease Serial Number: V0-4094-0003

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lots 3, 4 & 5 (NE4NW4, W2NW4),

SE4NW4

Number of Acres: 152.77

Current Lessee of Record: OXY USA, Inc.

Name and Percent of Working Interest Owners: OXY USA, Inc.

Tract No. 4

Lease Serial Number: V0-4094-0004

Description of Land Committed: Township 22 South, Range 33 East,

Section 6: Lots 6 & 7 (W2SW4), E2SW4

Number of Acres: 152.68

Current Lessee of Record: MRC Hat Mesa, LLC

Name and Percent of Working Interest Owners: MRC Hat Mesa, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	152.28	19.96%
2	305.08	39.99%
3	152.77	20.03%
4	152.68	20.02%
Total	762.81	100.00%

AEPXCON Management, LLC	2619 Robinhood Street	Houston	TX	77005
Charis Royalty F, LP	P.O. Box 470158	Fort Worth	TX	76147
DG Royalty, LLC	110 N Marienfeld St Ste 200	Midland	TX	79701-4412
EOG Resources, Inc.	5509 Champions Drive	Midland	TX	79706
O'Neill Properties Ltd., d/b/a O'Neill Royalty Properties	P.O. Box 2840	Midland	TX	79702
OXY USA, Inc.	5 Greenway Plaza	Houston	TX	77046
Oxy Y-1 Company	5 Greenway Plaza	Houston	TX	77046
State of New Mexico	310 Old Santa Fe Trail	Santa Fe	NM	87501
Texas Redhand, LLC	P.O. Box 2840	Midland	TX	79702

5

Received by OCD: 10/15/2024 3:03:22 PM



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

October 11, 2024

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

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of Lots 1-7, SE/4 NW/4, S/2 NE/4, E/2 SW/4 and SE/4 (All equivalent) of Section 6, Township 22 South, Range 33 East, and Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of Section 30 and Lots 1-4, E/2 W/2 and E/2 (All equivalent) of Section 31, Township 21 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. Division rules require that a copy of this application be provided to you (there are no documents in this notice packet for you to sign). 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:

David Johns Matador Production Company (972) 691-1259 djohns@matadorresources.com

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

Received by OCD: 10/15/2024 3:03:22 PM

Matador - Paul Flowers Commingling Postal Delivery Report

9414811898765480245730	AEPXCON Management, LLC	2619 Robinhood St	Houston	TX	77005-2431	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480245778	Charis Royalty F, LP	PO Box 470158	Fort Worth	TX	76147-0158	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480245914	DG Royalty, LLC	110 N Marienfeld St Ste 200	Midland	TX	79701-4412	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:22 pm. The item is currently in transit to the destination.
9414811898765480245952	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:22 pm. The item is currently in transit to the destination.

Received by OCD: 10/15/2024 3:03:22 PM

Matador - Paul Flowers Commingling Postal Delivery Report

9414811898765480245969	ONeill Properties Ltd., d/b/a ONeill I	PO Box 2840	Midland	TX	79702-2840	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 13, 2024 at 8:22 pm. The item is currently in transit to the destination.
9414811898765480245921	OXY USA, Inc.	5 Greenway Plz	Houston	TX	77046-0526	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480245907	Oxy Y-1 Company	5 Greenway Plz	Houston	TX	77046-0526	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765480245945	State of New Mexico	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on October 14, 2024 at 9:32 pm. The item is currently in transit to the destination.

Received by OCD: 10/15/2024 3:03:22 PM

Matador - Paul Flowers Commingling Postal Delivery Report

						Your item arrived at our
						MIDLAND TX DISTRIBUTION
						CENTER destination facility on
						October 13, 2024 at 8:22 pm.
						The item is currently in transit
9414811898765480245983	Texas Redhand, LLC	PO Box 2840	Midland	TX	79702-2840	to the destination.

Received by OCD: 10/15/2024 3:03:22 PM Page 122 of 133

Tracking Number:

9414811898765480245945



Copy Add to Informed Delivery

Latest Update

Your item was picked up at a postal facility at 7:41 am on October 16, 2024 in SANTA FE, NM 87501.

Get More Out of USPS Tracking:





Delivered, Individual Picked Up at Postal Facility

Remove X

SANTA FE, NM 87501 October 16, 2024, 7:41 am

See All Tracking History

What Do USPS Tracking Statuses Mean?

Text & Email Updates	~
Return Receipt Electronic	~
USPS Tracking Plus®	~
Product Information	_

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

> Beginning with the issue dated October 24, 2024 and ending with the issue dated October 24, 2024.

Publisher

Sworn and subscribed to before me this 24th day of October 2024.

Notary

My commission expires

August 09, 2025

(Seal)

PAULA GUELL Notary Public - State of New Mexico Commission # 1135156 My Comm. Expires Aug 9, 2025

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE October 24, 2024

To: All affected parties, including all heirs, devisees, and successors of: State of New Mexico Commissioner of Public Lands; Anadarko E&P Onshore LLC; Burlington Resources Oil & Gas Company, LP; Collins & Jones Investments, LLC; ConocoPhillips Company; Crump Energy Partners II, LLC; David W. Cromwell; Deanne Durham; Federal Abstract Company; Good News Minerals, LLC; H. Jason Wacker; the Estate of Joan Fontaine, c/o Deborah Dozier Potter; Kaleb Smith; LMC Energy LLC; Marathon Oil Permian LLC; MCT Energy Ltd.; Mike Moytett; Oak Valley Mineral and Land, LP; Pegasus Resources II, LLC; Post Oak Crown IV-B, LLC; Post Oak Mavros II, LLC; R.E. Harding, Jr. Residuary Trust, Patrick H. Admire, Trustee; Sitlo Permian, LLC; Sortida Resources, LLC.

Application of Matador Production Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of All of Sections 16 and 21 of Township 18 South, Range 34 East, NMPM, Lea County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador"), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the Iggles State Tank Battery insofar as all existing and future wells drilled in the following spacing units:

(a) The 240-acre spacing unit comprised of the W/2 SW/4 of Section 16 and the W/2 W/2 of Section 21, in the Vacuum; Bone Spring, West [61910] – currently dedicated to the Iggles State Com 1H (API. No. 30-025-42377);

(b) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] – currently dedicated to the **Iggles State Com 131H** (API. No. 30-025-53142);

(c) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] — currently dedicated to the Iggles State Com 122H (API. No. 30-025-53139) and Iggles State Com 132H (API. No. 90-025-53143);

(d) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] — currently dedicated to the Iggles State Com 123H (API. No. 30-025-53140) and Iggles State Com 133H (API. No. 30-025-53144);

(e) The 320-acre spacing unit comprised of the E/2 E/2 of Sections 16 and 21, in the Vacuum; Bone Spring, West [61910] — currently dedicated to the Iggles State Com 124H (API. No. 30-025-53141) and Iggles State Com 134H (API. No. 30-025-53145);

(f) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 16 and 21, in the E-K; Wolfcamp [21670] – currently dedicated to the Iggles State Com 241H (ARI: No. 30-025-53146);

(g) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 16 and 21, in the E-K; Wolfcamp [21670] – currently dedicated to the Iggles State Com 242H (APL No. 30-025-53147);

(fi) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 16 and 21, in the E-K; Wolfcamp [21670] – currently dedicated to the **Iggles State Com 243H** (API. No. 30-025-53148);

(i) The 320-acre spacing unit comprised of the E/2 E/2 of Sections 16 and 21, in the E-K; Wolfcamp [21670] – currently dedicated to the **Iggles State Com 244H** (API: No. 30-025-53149); and

(i) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Iggles State Tank Battery (located in the SW/4 SE/4 (Unit O) of Section 21, Township 18 South, Range 34 East) 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 that Division. If you have any questions about this application, please contact Clay Wooten, Matador Production Company, (972) 587-4624 or clay wooten@matadorresources.com.

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HOLLAND & HART LLC 110 N GUADALUPE ST., STE, 1 SANTA FE, NM 87501

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

October 24, 2024 and ending with the issue dated October 24, 2024.

Publisher

Sworn and subscribed to before me this 24th day of October 2024.

Notary

My commission expires August 09, 2025

(Seal)

PAULA GUELL Notary Public - State of New Mexico Commission # 1135156 My Comm. Expires Aug 9, 2025

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

To: All affected parties, including all heirs, devisees, and successors of: State of New Mexico Commissioner of Public Lands; AEPXCON Management, LLC; Charis Royalty F, LP; DG Royalty, LLC; EOG Resources, Inc.; O'Neill Properties Ltd., d/b/a O'Neill Royalty Properties; OXY USA, Inc.; OXY Y-1 Company; Texas Redhand, LLC.

Application of Matador Production Company for administrative approval to surface commingle (pool and lease commingle) oil and gas production from spacing units comprised of Lots 1-7, SE/4 NW/4, S/2 NE/4, E/2 SW/4 and SE/4 (All equivalent) of Section 6, Township 22 South, Range 33 East, and Lots 3-4, E/2 SW/4 and SE/4 (S/2 equivalent) of Section 30 and Lots 1-4, E/2 W/2 and E/2 (All equivalent) of Section 31, Township 21 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 administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the Paul Flowers Tank Battery insofar as all existing and future wells drilled in the following spacing units:

- (a) The 362.80-acre spacing unit comprised of Lots 3-4 (W/2 SW/4 equivalent) of Section 30 and Lots 1-4 (W/2 W/2 equivalent) of Section 31, T21S-R33E, and Lots 4-7 (W/2 W/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-07 S213330F; Bone Spring [97927] and Legg; Bone Spring [37870] currently dedicated to the Paul Flowers State Com 111H (API. No. 30-025-52686), Paul Flowers State Com 131H (API. No. 30-025-52689), Paul Flowers State Com 145H (API. No. 30-025-53207), and Paul Flowers State Com 151H (API. No. 30-025-52692);
- (b) The 400.01-acre spacing unit comprised of the E/2 SW/4 of Section 30 and E/2 W/2 of Section 31, T21S-R33E, and Lot 3, SE/4 NW/4, and E/2 SW/4 (E/2 W/2 equivalent) of Section 6, T22S-R33E in the WC-025 G-07 S213330F; Bone Spring [97927] and Legg; Bone Spring [37870] currently dedicated to the Paul Flowers State Com 112H (API. No. 30-025-52687), Paul Flowers State Com 132H (API. No. 30-025-52690), Paul Flowers State Com 146H (API. No. 30-025-53208), Paul Flowers State Com 152H (API. No. 30-025-52693), and Paul Flowers State Com 155H (API. No. 30-025-52696);
- (c) The 400.03-acre spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, T21S-R33E, and Lot 2, SW/4 NE/4, and W/2 SE/4 (W/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-07 S213330F; Bone Spring [97927] and Legg; Bone Spring [37870] currently dedicated to the Charlie KS State Com 113H (API, No. 30-025-52731), Charlie KS State Com 147H (API, No. 30-025-53205) and Charlie KS State Com 153H (API, No. 30-025-52694);
- (d) The 400.03-acre spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31, T21S-R33E, and Lot 1, SE/4 NE/4, and E/2 SE/4 (E/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-07 S213330F; Bone Spring [97927] and Legg; Bone Spring [37870] currently dedicated to the Charlie KS State Com 114H (API. No. 30-025-52688), Charlie KS State Com 134H (API. No. 30-025-52691), Charlie KS State Com 148H (API. No. 30-025-53206), Charlie KS State Com 154H (API. No. 30-025-52695), and Charlie KS State Com 158H (API. No. 30-025-52697);
- (e) The 400.03-acre spacing unit comprised of the E/2 SE/4 of Section 30 and E/2 E/2 of Section 31, T21S-R33E, and Lot 1, SE/4 NE/4 and E/2 SE/4 (E/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-10 S213328O; Wolfcamp [98033] currently dedicated to the **Charlie KS State Com 208H** (API. No. 30-025-52699);
- (f) The 400.03-acre spacing unit comprised of the W/2 SE/4 of Section 30 and W/2 E/2 of Section 31, T215-R33E, and Lot 2, SW/4 NE/4 and W/2 SE/4 (W/2 E/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-10 S213328O; Wolfcamp [98033] currently dedicated to the Charlie KS State Com 203H (API. No. 30-025-52698);
- (g) The 762.81-acre spacing unit comprised of Lots 3-4 and E/2 SW/4 (SW/4 equivalent) of Section 30 and Lots 1-4 and E/2 W/2 (W/2 equivalent) of Section 31, T21S- R33E, and Lots 3-7, SE/4 NW/4, and E/2 SW/4 (W/2 equivalent) of Section 6, T22S-R33E, in the WC-025 G-10 S213328O; Wolfcamp [98033] currently dedicated to the **Paul Flowers State Com 205H** (API. No. 30-025-52732); and
- (h) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Paul Flowers Tank Battery (located in the SW/4 SE/4 (Unit O) of Section 6, Township 22 South, Range 33 East) 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 David Johns, Matador Production Company, (972) 691-1259 or djohns@matadorresources.com.

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

the clipping attached hereto was published newspaper, and not a supplement thereof Hobbs, New Mexico, solemnly swear that , Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at in the regular and entire issue of said for a period of 1 issue(s)

and ending with the issue dated Beginning with the issue dated October 24, 2024 October 24, 2024

Publisher

Sworn and subscribed to before me this 24th day of October 2024

Notary

My commission expires August 09, 2025

intervals of

Corp. Pogo Acquisitions I. L.C.; Pago Resources, L.C.; Aimee Ducharme; Andy arka Richard A. Bogert E. Vicki Bogert E. Barnett Properties, Inc.; Blue Star Royalty, L.C.; Bogert Energy Partners, L.C.; Carl Analysis Brond Properties, Inc.; Blue Star Royalty, L.C.; Bogert Energy Partners, L.C.; Carl Bond Kyre; Cecile Marie Dreesen; Celeste Martiey; Mon English Royalts L.C.; Cross Timbers Energy, L.C.; Daniel Rapkoch; Denise Crimmins SP; Diamond Lil Properties, L.C.; Cross Timbers Energy, L.C.; Daniel Rapkoch; Denise Crimmins SP; Diamond Lil Properties, L.C.; Cross Timbers Energy, L.C.; Daniel Rapkoch; Denise Crimmins SP; Diamond Lil Properties, L.C.; Cross Timbers Energy, L.C.; Daniel Rapkoch; Denise Crimmins SP; Diamond Lil Properties, L.C.; Cross Timbers Energy, L.C.; Daniel Rapkoch; Denise Crimmins SP; Diamond Lil Properties, L.C.; Marry H. Porter, Jr.; Hatch Royalty L.C.; HERV Oil, L.C.; HTI Resources, Inc.; Ingrid Powers, General Partner; Gene Shume Company, L.C.; Harry H. Porter, Jr.; Hatch Royalty L.C.; HERV Oil, L.C.; HTI Resources, Inc.; Ingrid Powers, Gompany, L.C.; Harry H. Porter, Jr.; Hatch Royalty L.C.; HERV Oil, L.C.; HTI Resources, Inc.; Ingrid Powers, General Partner; Gene Shume Company, L.C.; Mark T. Manning and Carol J. Manning as Co-Trustees of the Amended and Restated Mark Repkoch DeLand; John A. Starck, Jon F. Coll. II; Karen Rapkoch Gush; M. C., Mark T. Manning and Carol J. Manning as Co-Trustees of the Amended and Restated Mark Manning and Carol J. Manning and Carol J. Manning Special Sp.; Mongoose Minerals L.C.; Nearburg Producing Company foo Nearburg Producing Company Employee Fund; Patrick M. Rapkoch, PBEX, L.C.; Sabine Oil & Gas Corporation; Show Goat Capital L.P.; Special Producing Company Bernoles, Show Goat Capital L.P.; Special L.C.; Summit Overseas Exploration, Inc.; Transfered L.C.; School L.C.; School L.C.; Sabine Oil & Gas Corporation; Show Goat Capital L.C.; Porter L.C.; Summit Overseas Exploration, Inc.; Transfered L.C.; Summit Overseas Exploration L.C.; School L.C.; Summit Ove Received hy OCD: 10/15/2024 3:03:22 PM To Minerals, LLC; Teckla Oil Co., LLC Monica Haufler, managing member: Ted F. Gawloski; Testamentary Trust uwo F. A. Andrews, Deceased; Albuquerque National Bank Trustee; Testamentary Trust uwo Max W Coll, fbo Catherine Coll, by Catherine Coll, Trustee; The Selma E. Andrews Perpetual Charitable Trust; Bank of America, Sole Trustee; The Wheat Company, a Trust, Margery W. Huyck, Richard J. Huyck and Jefferds R. Huyck, Co-Trustees; Thomas Rapkoch; Thomas Wiley Didlake, Trustee of the Living Trust of Glenn R, Gentle dated February 20, 1997; Vince Holdings LLC; Wright Family Minerals, LLC; Ard Oil, Ltd; Frost Bank Partners I, LP, Merit Energy Partners D-III LP, Merit Energy Partners III, LP; Nortex Corporation; The Roy T. Elliot and Holly Elliot family Limited Partnership: Thunderbolt Petroleum; Timothy MacDonald; Tode Corporation, Vadon L. McIlwain, Trustee of the McIlwain 2015 Trust; William W. Saunders; Willischild Oil & Corporation; Barret Wilson Day, SP; Chevron USA, Inc.; Conoco Phillips Company; Estate of M. A. Cus WB Working Interests; Paul R. Wright; Roger T. and Holly L. Elliot Family LP; Timothy R. MacDonald; Tom Wilson, XTO Holdings; Gene Shumante; Thunderbolt Petroleum, LLC; Avant Operating, LLC; Axis Englorps; Cross, Timbers Energy, LLC (XTO), Double Cabin Minerals; Legion Production Partners, Penroc Partners, Ltd; ConocoPhillips Co.; and their successors and assigns, that the New Mexico Oil Conservation ant, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NN To participate virtually, see the instructions posted on the OCD Hearings website Carol Shumante; Chev Division will conduct a hearing on an application submitted by Permian Resources Operating, LLC (Gas Nos. 24932, 24934, 24935, 24936, 24937, and 24938). The hearings will be conducted on November Natural tterested parties, including; Conoco Phillips Co.; Chevron Mid-inergy Holdings LLC; Axis Energy Corp.; Barret Wilson Day; Marathon Oil Permian, 2024, in a hybrid fashion, both virtually and in-person at the Energy, Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Trustee of the Josephine T. Hudson Testamentary Trust DBO J. Gene Shumate; https://www.emnrd.nm.gov/ocd/hearing-info/ In Case No. 24932, Permian Resources Operat JSA, Inc.; Desert Rainbow, LLC;

uncommitted interests in the First Bone Spring Interval of the Bone Spring formation underlying a 320-acre. South, Range 33 East, Lea County, New Maxico. The Unit will be dedicated to the Anaconda Federal Com 1111 well, which will produce from a first take point in the NW/4 NW/4 (Unit D) of Section 11 to a last take point in the SW/4 SW/4 (Unit D) of Section 11 to a last take point in the SW/4 SW/4 (Unit D) will be orthodox. Due to a last take death accordance in the NW/4 NW/4 (Unit D) of Section 11 to a last take death accordance in the NW/4 SW/4 (Unit D) of Section 14. The completed interval of the well will be orthodox. Due to a depth severance in the unit, Applicant seeks to pool uncommitted interests from the top of the First Bone Spring interval to the base of the First Bone Spring interval at a stratigraphic equivalent of approximately 9,675° TVD as shown on the Mahaffey Arc Federal #001 (API # 30-025-01735) well log. In Case No. 24934, Applicant applies for an order pooling all uncommitted interests in the First Bone Spring In Case No. 24932, Permian Resources Operating, LLC ("Applicant") applies for an order uncommitted interests in the First Bone Spring interval of the Bone Spring formation underlying

interval of the Bone Spring formation underlying a 320-acre, more or less, standard, horizontal spacing unit comprised of the E/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico. The unit will be dedicated to the **Anaconda Federal Com 112H** well, which will produce from a first take point in the NE/4 NW/4 (Unit C) of Section 11 to a last take point in the SE/4 SW/4 (Unit N) of Section 14. The completed interval of the well will be orthodox. Due to a depth severance in the Unit, Applicant seeks TVD as shown on the Mahaffey Arc to pool uncommitted interests from the top of the First Bone Spring interval to the base of the First Spring interval at a stratigraphic equivalent of approximately 9,675° TVD as shown on the Mahaffe Federal #001 (API # 30-025-01735) well log.

Page 125 of 133 In Case No. 24935, Applicant applies for an order pooling all uncommitted interests in the Second and Third intervals of the Bone Spring formation underlying a 320-scre, more or less, standard, horizontal spacing unit comprised of the W/2 W/2 of Sections 11 and 14, Township 20 South, Range 33 East, Lea County, New Mexico. The unit will be dedicated to the Anaconda Federal Com 121H well, which will produce from a first 14. The completed interval of the well will be orthodox. Due to a depth severance in the unit, Applicant seeks approximately 9,675° TVD as shown on the Mahaffey Arc Federal #001 (API # 30-025-01735) well log to the No. 24936, Applicant applies for an order pooling all uncommitted interests in the Second and Thirds of the Bone Spring formation underlying a 320-acre. more or less, standard horizontal specific means. to pool uncommitted interests from the top of the Second Bone Spring interval at a stratigraphic equivalent take point in the NW/4 NW/4 (Unit D) of Section 11 to a last take point in the SW/4 SW/4 In Case

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

APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY MATADOR PRODUCTION COMPANY

ORDER NO. PLC-967

ORDER

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

FINDINGS OF FACT

- 1. Matador Production Company ("Applicant") submitted a complete application to surface commingle the 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 certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
- 6. 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.
- 7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease 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.

Order No. PLC-967 Page 1 of 4

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

ORDER

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. 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.

Order No. PLC-967 Page 2 of 4

- 3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
- 4. 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.
- 5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
- 6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.
- 7. 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.
- 8. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10 C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 9. If a well is not included in Exhibit A but produces from a pool and lease 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.
- 10. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 11. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).

Order No. PLC-967 Page 3 of 4

12. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

GERASIMOS RAZATOS DIRECTOR (ACTING) **DATE:** 4/30/2025

Order No. PLC-967 Page 4 of 4

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-967

Operator: Matador Production Company (228937)

Central Tank Battery: Paul Flowers Tank Battery

Central Tank Battery Location: UL O, Section 6, Township 22 South, Range 33 East

Gas Title Transfer Meter Location:

Pools

Pool Name Pool Code
LEGG;BONE SPRING 37870
WC-025 G-07 S213330F;BONE SPRING 97927
WC-025 G-10 S213328O;WOLFCAMP 98033

Leases as defined in 19.15.12.7(C) NMAC UL or Q/Q S-T-R Lease **SLO Lease V0-6981-0001 SW/4** 30-21S-33E **SLO Lease V0-8490-0001 SE/4** 30-21S-33E **SLO Lease VB-1327-0001** W/231-21S-33E **SLO Lease V0-8211-0001** E/231-21S-33E **SLO Lease V0-4094-0003 NW/4** 6-22S-33E **SLO Lease V0-4094-0004** SW/4, NE/4, J, O, P 6-22S-33E **SLO LeaseV0-8169-0001 NE/4 SE/4** 6-22S-33E W/2 W/26-22S-33E **CA Bone Spring SLO 205053 PUN 1406333** W/2 SW/4 30-21S-33E 31-21S-33E W/2 W/26-22S-33E W/2 W/2**CA Bone Spring SLO 205054 PUN 1406341** W/2 SW/4 30-21S-33E W/2 W/231-21S-33E **SW/4** 30-21S-33E **CA Wolfcamp SLO 205060 PUN 1406436** W/231-21S-33E W/26-22S-33E 6-22S-33E E/2 W/2**CA Bone Spring SLO 205055 PUN 1406355** E/2 SW/4 30-21S-33E E/2 W/231-21S-33E E/2 W/26-22S-33E **CA Bone Spring SLO 205056 PUN 1406362** E/2 SW/4 30-21S-33E E/2 W/231-21S-33E W/2 E/26-22S-33E **CA Wolfcamp SLO 205071 PUN 1406518** W/2 SE/4 30-21S-33E W/2 E/231-21S-33E E/2 E/231-21S-33E **CA Bone Spring SLO 205075 PUN 1407086** E/2 SE/4 30-21S-33E E/2 E/26-22S-33E

		E/2 E/2	6-22S-33E	
(CA Wolfcamp SLO 205070 PUN 1406500		30-21S-33E	
		E/2 E/2	31-21S-33E	
	Wells			
Well API	Well Name	UL or Q/Q	S-T-R	Pool
		W/2 SW/4	30-21S-33E	07027
30-025-52686	PAUL FLOWERS STATE COM #111H	W/2 W/2	31-21S-33E	97927
		W/2 W/2	6-22S-33E	37870
		E/2 SW/4	30-21S-33E	97927
30-025-52687	PAUL FLOWERS STATE COM #112H	E/2 W/2	31-21S-33E	71721
		E/2 W/2	6-22S-33E	37870
		E/2 SE/4	30-21S-33E	97927
30-025-52688	CHARLIE KS STATE COM #114H	E/2 E/2	31-21S-33E	
		E/2 E/2	6-22S-33E	37870
		W/2 SW/4	30-21S-33E	97927
30-025-52689	PAUL FLOWERS STATE COM #131H	W/2 W/2	31-21S-33E	71721
		W/2 W/2	6-22S-33E	37870
		E/2 SW/4	30-21S-33E	97927
30-025-52690	PAUL FLOWERS STATE COM #132H	E/2 W/2	31-21S-33E	91941
		E/2 W/2	6-22S-33E	37870
		E/2 SE/4	30-21S-33E	97927
30-025-52691	CHARLIE KS STATE COM #134H	E/2 E/2	31-21S-33E	91941
		E/2 E/2	6-22S-33E	37870
		W/2 SW/4	30-21S-33E	97927
30-025-52692	PAUL FLOWERS STATE COM #151H	W/2 W/2	31-21S-33E	91941
		W/2 W/2	6-22S-33E	37870
		E/2 SW/4	30-21S-33E	97927
30-025-52693	PAUL FLOWERS STATE COM #152H	E/2 W/2	31-21S-33E	91921
		E/2 W/2	6-22S-33E	37870
		W/2 SE/4	30-21S-33E	97927
30-025-52694	CHARLIE KS STATE COM #153H	W/2 E/2	31-21S-33E	91921
		W/2 E/2	6-22S-33E	37870
		E/2 SE/4	30-21S-33E	07027
30-025-52695	CHARLIE KS STATE COM #154H	E/2 E/2	31-21S-33E	97927
		E/2 E/2	6-22S-33E	37870
		E/2 SW/4	30-21S-33E	07027
30-025-52696	PAUL FLOWERS STATE COM #155H	E/2 W/2	31-21S-33E	97927
		E/2 W/2	6-22S-33E	37870
		E/2 SE/4	30-21S-33E	05025
30-025-52697	CHARLIE KS STATE COM #158H	E/2 E/2	31-21S-33E	97927
		E/2 E/2	6-22S-33E	37870
		E/2 SE/4	30-21S-33E	
30-025-52698	CHARLIE KS STATE COM #203H	E/2 E/2	31-21S-33E	98033
		E/2 E/2	6-22S-33E	
		E/2 SE/4	30-21S-33E	
30-025-52699	CHARLIE KS STATE COM #208H	E/2 E/2	31-21S-33E	98033

		E/2 E/2	6-22S-33E	
		W/2 SE/4	30-21S-33E	97927
30-025-52731	CHARLIE KS STATE COM #113H	W/2 E/2	31-21S-33E	91941
		W/2 E/2	6-22S-33E	37870
		SW/4	30-21S-33E	
30-025-52732	30-025-52732 PAUL FLOWERS STATE COM #205H	W/2	31-21S-33E	98033
	W/2	6-22S-33E		
30-025-53205 CHARLIE KS STATE COM #147H		W/2 SE/4	30-21S-33E	97927
	W/2 E/2	31-21S-33E	91941	
		W/2 E/2	6-22S-33E	37870
		E/2 SE/4	30-21S-33E	97927
30-025-53206	CHARLIE KS STATE COM #148H	E/2 E/2	31-21S-33E	91921
		E/2 E/2	6-22S-33E	37870
		W/2 SW/4	30-21S-33E	97927
30-025-53207	PAUL FLOWERS STATE COM #145H	W/2 W/2	31-21S-33E	91941
		W/2 W/2	6-22S-33E	37870
		E/2 SW/4	30-21S-33E	97927
30-025-53208 PAUL FLOWERS STATE COM #146H	E/2 W/2	31-21S-33E	91941	
		E/2 W/2	6-22S-33E	37870

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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

Action 392862

CONDITIONS

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	392862
	Action Type:
	[C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By		Condition Date
sarah.clelland	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.	4/30/2025