BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 05, 2021

CASE Nos. 22054-22055, 22058

DEE OSBORNE 1930 STATE COM 111H, 121H, 135H WELLS DEE OSBORNE 1930 STATE COM 112H, 122H, 136H WELLS DEE OSBORNE 1930 STATE COM 201H, 202H WELLS

LEA COUNTY, NEW MEXICO



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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22054, 22055 and 22058

TABLE OF CONTENTS

- Matador Exhibit A: Compulsory Pooling Application Checklists
- Matador Exhibit B: Applications of Matador Production Company for Compulsory Pooling
- Matador Exhibit C: Affidavit of Nicholas Weeks, Landman
 - o Matador Exhibit C-1: C-102s
 - o Matador Exhibit C-2: Land Tract Map
 - o Matador Exhibit C-3: Working Interest Ownership
 - o Matador Exhibit C-4: Sample Well Proposal Letters with AFE
 - o Matador Exhibit C-5: Chronology of Contacts
- Matador Exhibit D: Affidavit of Jacob Harrington, Geologist
 - o Matador Exhibit D-1: Locator Map
 - o Matador Exhibit D-2: Bone Spring Structure & Cross-section Map
 - o Matador Exhibit D-3: Bone Spring Stratigraphic Cross-section
 - o Matador Exhibit D-4: Wolfcamp Structure & Cross-section Map
 - o Matador Exhibit D-5: Wolfcamp Stratigraphic Cross-section
- Matador Exhibit E: Notice Affidavit
- Matador Exhibit F: Affidavit of Publication for Each Case

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22054	APPLICANT'S RESPONSE					
Date: August 5, 2021						
Applicant	Matador Production Company					
Designated Operator & OGRID (affiliation if applicable)	228937					
Applicant's Counsel:	Holland & Hart, LLP					
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico					
Entries of Appearance/Intervenors:	None					
Well Family	Dee Osborne 1930 State Com wells					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Bone Spring					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	Bone Spring formation					
Pool Names and Pool Codes:	Wilson; Bone Spring pool [64560]					
Well Location Setback Rules:	Statewide rules					
Spacing Unit Size:	287.32-acres, more or less					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	287.32-acres, more or less					
Building Blocks:	quarter-quarter sections					
Orientation:	north/south					
Description: TRS/County	W/2 W/2 of Sections 19 and 30, Township 21 South Range 35 East, Lea County, New Mexico					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes					
Other Situations						
Depth Severance: Y/N. If yes, description	No					
	No					
Proximity Tracts: If yes, description						
Proximity Tracts: If yes, description Proximity Defining Well: if yes, description	No					
	No Exhibit C-3					

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status	Page 4 of
(standard or non-standard)	
Well #1	Dee Osborne 1930 State Com #111H well (API No. 30-025-pending): SHL: 190' FNL and 1433' FWL (Unit C) of Section 19, 215, 35E BHL: 100' FSL and 330' FWL (Lot 4) of Section 30, 215, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south Completion Location expected to be: standard
Well #2	Dee Osborne 1930 State Com #121H well (API No. 30-025-pending): SHL: 190' FNL and 1463' FWL (Unit C) of Section 19, 215, 35E BHL: 100' FSL and 990' FWL (Lot 4) of Section 30, 215, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south Completion Location expected to be: standard
Well #3	Dee Osborne 1930 State Com #135H well (API No. 30-025-pending): SHL: 190' FNL and 1351' FWL (Unit C) of Section 19, 215, 35E BHL: 100' FSL and 660' FWL (Lot 4) of Section 30, 215, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-4, D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
Listast threhestging n&13/218 Exhlibits A BMOA)	Exhibit C-3

Received by OCD: 8/3/2021 1:0/:51 PM	Page 3 of
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-2, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro	
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	Ann hell
Date:	31-Jul-21
	1

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22055	APPLICANT'S RESPONSE					
Date: August 5, 2021						
Applicant	Matador Production Company					
Designated Operator & OGRID (affiliation if applicable)	228937					
Applicant's Counsel:	Holland & Hart, LLP					
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico					
Entries of Appearance/Intervenors:	None					
Well Family	Dee Osborne 1930 State Com wells					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Bone Spring					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	Bone Spring formation					
Pool Names and Pool Codes:	Wilson; Bone Spring pool [64560]					
Well Location Setback Rules:	Statewide rules					
Spacing Unit Size:	320-acres, more or less					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	320-acres, more or less					
Building Blocks:	quarter-quarter sections					
Orientation:	north/south					
Description: TRS/County	E/2 W/2 of Sections 19 and 30, Township 21 South Range 35 East, Lea County, New Mexico					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes					
Other Situations						
Depth Severance: Y/N. If yes, description	No					
Proximity Tracts: If yes, description	No					
Proximity Defining Well: if yes, description	No					
Applicant's Ownership in Each Tract	Exhibit C-3					
Well(s)						

Received by OCD: 8/3/2021 1:07:51 PM Name & API (if assigned), surface and bottom hole location,	Page 7 o
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Dee Osborne 1930 State Com #112H well (API No. 30-025-pending): SHL: 219' FNL and 1433' FWL (Unit C) of Section 19, 21S, 35E BHL: 100' FSL and 1650' FWL (Unit N) of Section 30, 21S, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south Completion Location expected to be: standard
Well #2	Dee Osborne 1930 State Com #122H well (API No. 30-025-pending): SHL: 219' FNL and 1433' FWL (Unit C) of Section 19, 21S, 35E BHL: 100' FSL and 1650' FWL (Unit N) of Section 30, 21S, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south Completion Location expected to be: standard
Well #3	Dee Osborne 1930 State Com #136H well (API No. 30-025-pending): SHL: 219' FNL and 1353' FWL (Unit C) of Section 19, 21S, 35E BHL: 100' FSL and 1980' FWL (Unit N) of Section 30, 21S, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-4, D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below	n/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
Ristast Artochesigonyn & 18/218 Exhilloit A BMOA)	Exhibit C-3

RECEIVED BY OCD. 8/3/2021 1.0/.JI FM	ruge o of
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-2, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro-	vided in this checklist is complete and accurate.
	•
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	towhell
Date:	31-Jul-21

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22058	APPLICANT'S RESPONSE					
Date: August 5, 2021						
Applicant	Matador Production Company					
Designated Operator & OGRID (affiliation if applicable)	228937					
Applicant's Counsel:	Holland & Hart, LLP					
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico					
Entries of Appearance/Intervenors:	None					
Well Family	Dee Osborne 1930 State Com wells					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Wolfcamp formation					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	Wolfcamp formation					
Pool Names and Pool Codes:	Grama Ridge; Wolfcamp, North (Gas) pool [77715]					
Well Location Setback Rules:	Statewide rules					
Spacing Unit Size:	607.32-acres, more or less					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	607.32-acres, more or less					
Building Blocks:	quarter sections					
Orientation:	north/south					
Description: TRS/County	W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico					
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes					
Other Situations						
Depth Severance: Y/N. If yes, description	No					
Proximity Tracts: If yes, description	No					
Proximity Defining Well: if yes, description	No					
Applicant's Ownership in Each Tract	Exhibit C-3					
Well(s)						

Received by OCD: 8/3/2021 1:07:51 PM Name & API (if assigned), surface and bottom hole location,	Page 10 of
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Dee Osborne 1930 State Com #201H well (API No. 30-025-pending): SHL: 190' FNL and 1323' FWL (Unit C) of Section 19, 215, 35E
	BHL: 240' FSL and 330' FWL (Lot 4) of Section 30, 21S, 35E
	Completion Target: Wolfcamp formation Well Orientation: north/south
	Completion Location expected to be: standard
Well #2	<u>Dee Osborne 1930 State Com #202H well</u> (API No. 30-025-pending): SHL: 219' FNL and 1323' FWL (Unit C) of Section 19, 215, 35E BHL: 240' FSL and 1650' FWL (Unit N) of Section 30, 215, 35E
	Completion Target: Wolfcamp formation
	Well Orientation: north/south Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-4, D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Released to Linguing: 8/3/2021 1:16:54 PM	Exhibit C-4

CERTIFICATION: I nereby certify that the information provide	ied in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	drwhlull

31-Jul-21

Date:

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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22054

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced spacing unit to the following proposed initial wells: (1) the **Dee Osborne 1930 State Com #111H well**, (2) the **Dee Osborne 1930 State Com #121H well**, and (3) the **Dee Osborne 1930 State Com #135H well**, which are to be drilled from surface locations in the NW/4 NW/4 (Lot 1) of Section 19 to bottom hole locations in the SW/4 SW/4 (Lot 4) of Section 30.
- 3. The completed interval of the wells will comply with statewide setbacks for oil wells.

 BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. B
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021

- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial wells and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:____

Michael H. Feldewert Adam G. Rankin Julia Broggi Kaitlyn A. Luck Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@hollandhart.com

kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. 22055

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced spacing unit to the following proposed initial wells: (1) the **Dee Osborne 1930 State Com #112H well**, (2) the **Dee Osborne 1930 State Com #122H well**, and (3) the **Dee Osborne 1930 State Com #136H well**, which are to be drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 19 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 30.
- 3. The completed interval of the wells will comply with statewide setbacks for oil wells.

- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial wells and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

Bv:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NO. <u>22058</u>

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced spacing unit to the following proposed initial wells:
 - (1) the **Dee Osborne 1930 State Com #201H well**, to be drilled from a surface location in the NW/4 NW/4 (Lot 1) of Section 19 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 30; and
 - (2) the **Dee Osborne 1930 State Com #202H well**, to be drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30.

- 3. The completed interval of the wells will comply with statewide setbacks for oil wells.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial wells and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Wolfcamp formation and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22054, 22055 and 22058

AFFIDAVIT OF NICHOLAS WEEKS (Landman)

Nicholas Weeks, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Nicholas Weeks and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a landman. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. I am familiar with the applications filed by Matador in these consolidated cases and the status of the lands in the subject area.
- 2. In these consolidated cases, Matador seeks orders pooling two standard 320-acre, more or less, horizontal spacing units in the Bone Spring formation (Wilson; Bone Spring pool [64560]) and a standard 640-acre, more or less, horizontal spacing unit in the Wolfcamp formation (Grama Ridge; WC, North (Gas) pool [77715]) underlying the W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico as follows:
 - Under <u>Case 22054</u> Matador seeks to pool the W/2 W/2 of Sections 19 and 30 to initially dedicate this 287-acre, more or less, Bone Spring spacing unit to the proposed **Dee Osborne 1930 State Com #111H**, the **Dee Osborne 1930 State Com #121H** and the **Dee Osborne 1930 State Com #135H** wells to be drilled from surface locations in the NE/4 NW/4 of Section 19 to bottom hole locations in the SW/4 SW/4 (Lot 4) of Section 30.
 - Under <u>Case 22055</u> Matador seeks to pool the E/2 W/2 of Sections 19 and 30 to initially dedicate this 320-acre, more or less, Bone Spring spacing unit to the proposed **Dee Osborne 1930 State Com #112H**, the **Dee Osborne 1930 State Com #136H** wells, which are to

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY

ubmitted by: MATADOR PRODUCTION COM
Hearing Date: August 05, 2021

- be drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 19 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 30.
- Under <u>Case 22058</u> Matador seeks to pool the W/2 of Sections 19 and 30 and initially dedicate this 607-acre, more or less, Wolfcamp spacing unit to the proposed **Dee Osborne 1930 State Com #201H** well, to be drilled from a surface location in the NE/4 NW/4 of Section 19 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 30; and the **Dee Osborne 1930 State Com #202H** well, to be drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30.
- 3. **Matador Exhibit C-1** contains draft plats in numerical order for the proposed initial wells in each of these standard spacing units. These forms demonstrate that the completed interval for each well will meet the standard setback requirements for each respective well.
- 4. **Matador Exhibit C-2** is a general location map outlining each of the proposed horizontal spacing units in red and the lateral trajectory of the proposed wells with blue lines. This acreage is comprised of all State lands.
- 5. There are no depth severances within the Bone Spring or Wolfcamp formations underlying this acreage.
- 6. **Matador Exhibit C-3** identifies the working interest owners that Matador seeks to pool in each respective case. Matador has conducted a diligent search of the public records in the county where the property is located and was able to locate contact information for each of these parties.
- 7. **Matador Exhibit C-4** contains a sample of the well proposal letters and AFEs sent to the working interest owners in each case. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in these formations.

- 8. **Matador Exhibit C-5** contains a chronology of the contacts with the uncommitted working interest owners that Matador was able to locate. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners.
- 9. Matador requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.
- 10. I have provided the law firm of Holland & Hart LLP with the names and addresses (where available) of the mineral owners that Matador seeks to pool and instructed that they be notified of this hearing.
- 11. **Matador Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Nicholas Weeks

STATE OF TEXAS)
COUNTY OF DALLAS)

SUBSCRIBED and SWORN to before me this <u>28th</u> day of July 2021 by Nicholas Weeks.



My Commission Expires:

8-21-2023

EXHIBIT C-1

Page 25 of 71

Santa Fe, New Mexico Exhibit No. C1

Case Nos. 22054, 22055, 22058 Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: August 05, 2021

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

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

1625 N. French Dr., Hobbs, NM 88240

District I

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

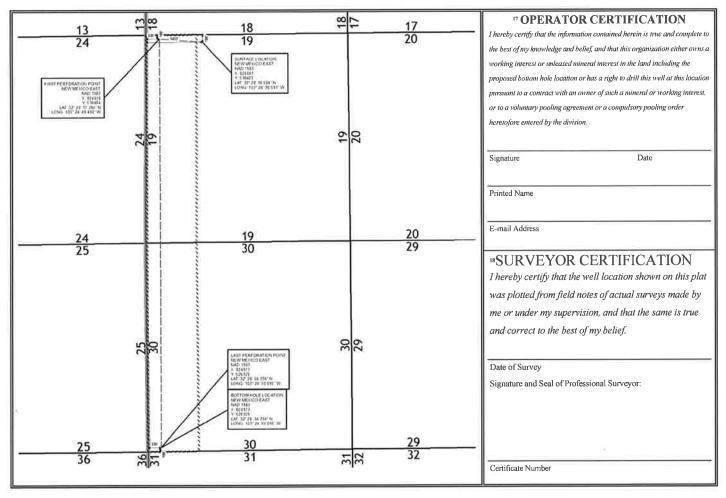
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number ² P		² Pool Code	³ Pool Name		
64560 WILSON; BONE SPRIN		G			
4 Property Code		5 Pr		⁶ Well Number	
		DEE OSBORN	80	#111H	
7 OGRID No.		8 OI		⁹ Elevation	
228937		MATADOR PRO			

Surface Location

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-S	35-E	*****	190	NORTH	1433	WEST	LEA
			л Во	ttom Ho	le Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
4	30	21-S	35-E		100	SOUTH	330	WEST	LEA
12 Dedicated Acres	13 Joint or	r Infill 14 C	Consolidation	Code 15 Or	der No.				
287.32	1								

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



District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

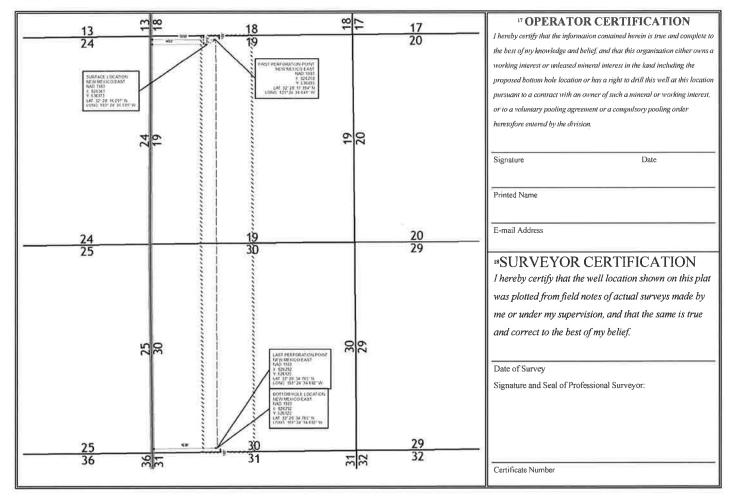
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code ³ Pool Nam		:	
		64560 WILSON; BONE SPRI		G	
4 Property Code			roperty Name	⁶ Well Number	
		DEE OSBORNE 1930 STATE COM		#112H	
⁷ OGRID No.		8 Operator Name			
228937		MATADOR PRODUCTION COMPANY			
		10 C11*	face Location		

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-5	35-E		219	NORTH	1433	WEST	LEA
			" Bo	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	21-S	35-E		100	SOUTH	1650	WEST	LEA
12 Dedicated Acres	13 Joint or	r Infill 14 C	Consolidation	Code 15 Or	der No.	,,			
320									

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



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

<u>District JII</u>
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

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

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

☐ AMENDED REPORT

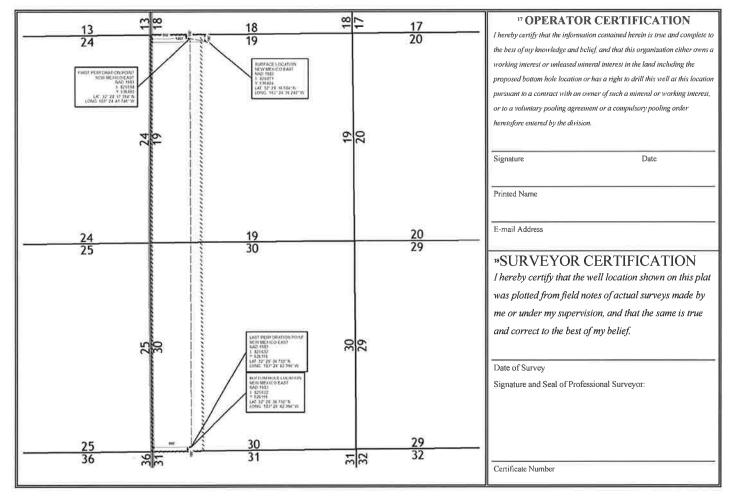
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Pool Code	³ Pool Name			
		64560	WILSON; BONE SPRING			
4 Property Code		5 Pr	Property Name 6 Well Number			
		DEE OSBORN	IE 1930 STATE COM	#121H		
⁷ OGRID N₀.		8 OI	perator Name	⁹ Elevation		
228937		MATADOR PRO	DDUCTION COMPANY			

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-S	35-E	******	190	NORTH	1463	WEST	LEA
			п Во	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	30	21-S	35-E		100	SOUTH	990	WEST	LEA
12 Dedicated Acres	13 Joint of	r Infill 14 (Consolidation	Code 15 Or	der No.				
287.32									

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



District 1
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: (573) 748-9720
District III

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

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

320

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

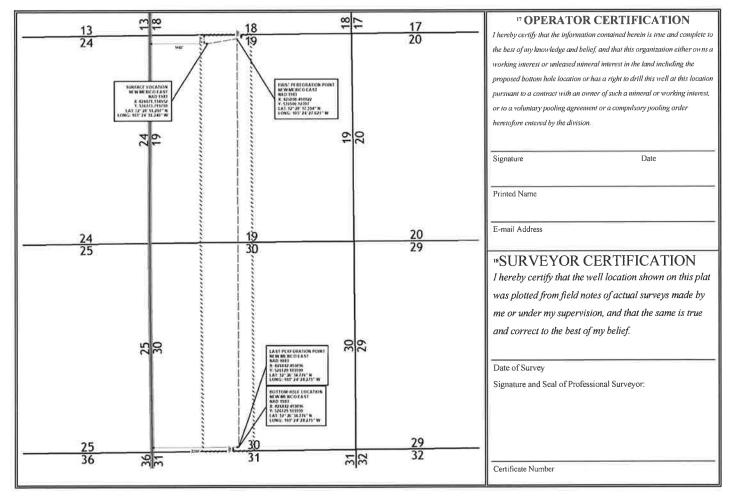
WELL LOCATION AND ACREAGE DEDICATION PLAT

•	² Pool Code	³ Pool Name		
	64560	WILSON; BONE SPRIN	PRING	
	5 P1	Property Name 6 Well		
	DEE OSBORN	IE 1930 STATE COM	#122H	
	8 O	perator Name	⁹ Elevation	
	MATADOR PRO	DDUCTION COMPANY		
		64560 S PI DEE OSBORN O	10010000	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-S	35-E	******	219	NORTH	1463	WEST	LEA
			" Bo	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	21-S	35-E		100	SOUTH	2200	WEST	LEA
12 Dodinated Agen	13 Toint or	India 14 C	ongolidation	Code 15 Or	der No				

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



District 1 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

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

287.32

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

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

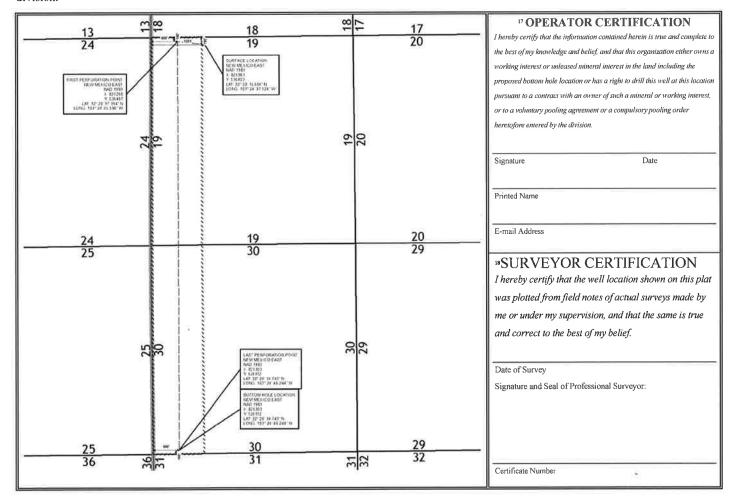
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numb	er	² Pool Code	³ Pool Name	
		64560	G	
⁴ Property Code		5 P1	roperty Name	⁶ Well Number
		DEE OSBORN	IE 1930 STATE COM	#135H
7 OGRID No.		8 O	perator Name	⁹ Elevation
228937		MATADOR PRO	DDUCTION COMPANY	
		10 Sur	face Location	

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
С	19	21-S	35-E		190	NORTH	1351	WEST	LEA	
-	¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
4	30	21-S	35-E		100	SOUTH	660	WEST	LEA	
12 Dedicated Acres	13 Joint of	r Infill 14 (Consolidation	Code 15 Or	der No.					

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



District1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District11
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

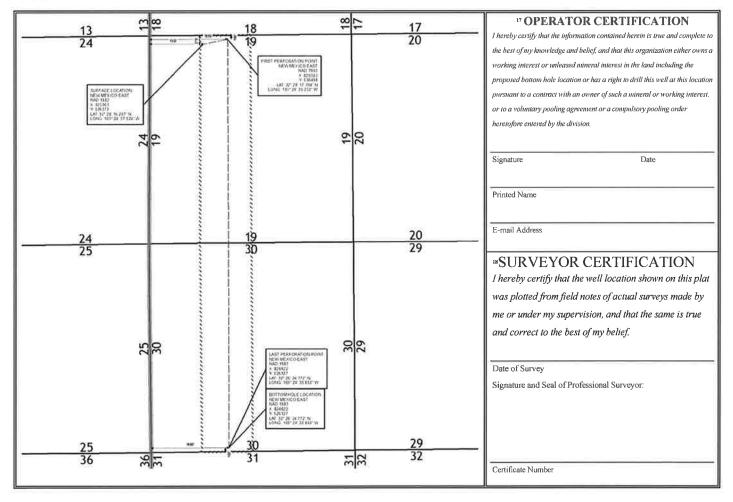
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Numbei	r		² Pool Code	³ Pool Name WILSON; BONE SPRING							
				64560			WILSON; BON	E SPRING				
⁴ Property Code DEE OSBORNE 1930 STATE COM								⁶ Well Number #136H				
⁷ OGRID	No.		⁸ Operator Name							9 Elevation		
22893	7			MATA	OOR PRODUC	TION COMPANY	•					
					¹⁰ Surface I	Location						
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/	West line	County		
С	19	21-S	35-E	******	219	NORTH	1353	WES	T	LEA		
	13	21-3				Different From		WES		LLA		

	Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
N	30	21-S	35-E	******	100	SOUTH	1980	WEST	LEA		
12 Dedicated Acres	13 Joint of	r Infill	¹⁴ Consolidation	Code 15 O	rder No.						
320											

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



District 1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

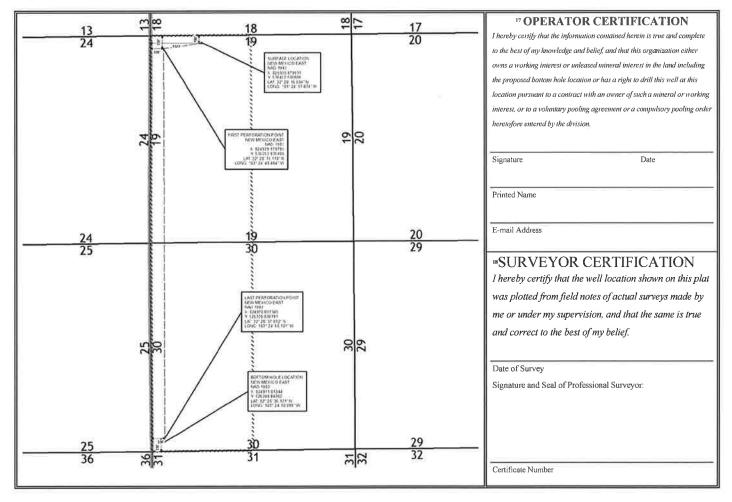
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Num	ber	² Pool Code	³ Pool Name		
		77715	GRAMA RIDGE; WC, NORTI	TH (GAS)	
4 Property Code		5 Pr	roperty Name	⁶ Well Number	
		DEE OSBORN	IE 1930 STATE COM	#201H	
⁷ OGRID No.		θ O ₁	perator Name	⁹ Elevation	
228937		MATADOR PRO	DDUCTION COMPANY		
	N.	10 Sur	face Location		

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-S	35-E		190	NORTH	1323	WEST	LEA
			" Во	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	30	21-S	35-E	V	240	SOUTH	330	WEST	LEA
12 Dedicated Acres 607.32	¹³ Joint or	r Infill 14 C	Consolidation	Code 15 Or	der No.				

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



District 1 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

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

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

■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Poot Code	³ Pool Name	³ Pool Name		
		77715	l (GAS)			
4 Property Code		⁵ Pr	Property Name 6 Well N			
		DEE OSBORN	IE 1930 STATE COM	#202H		
⁷ OGRID №.		8 O	perator Name	⁹ Elevation		
228937		MATADOR PRO	DDUCTION COMPANY			

Surface Location

					Surface i	Jocation			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	19	21-S	35-E	*****	219	NORTH	1323	WEST	LEA
		60	"Во	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	21-5	35-E	277777	240	SOUTH	1650	WEST	LEA
12 Dedicated Acres	13 Joint or	r Infill 14 C	Consolidation	Code 15 Or	der No.		, ,,,,		
607.32									

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

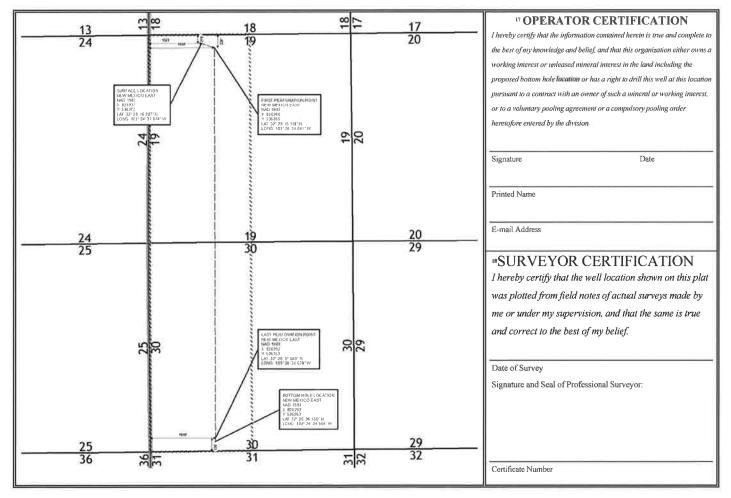
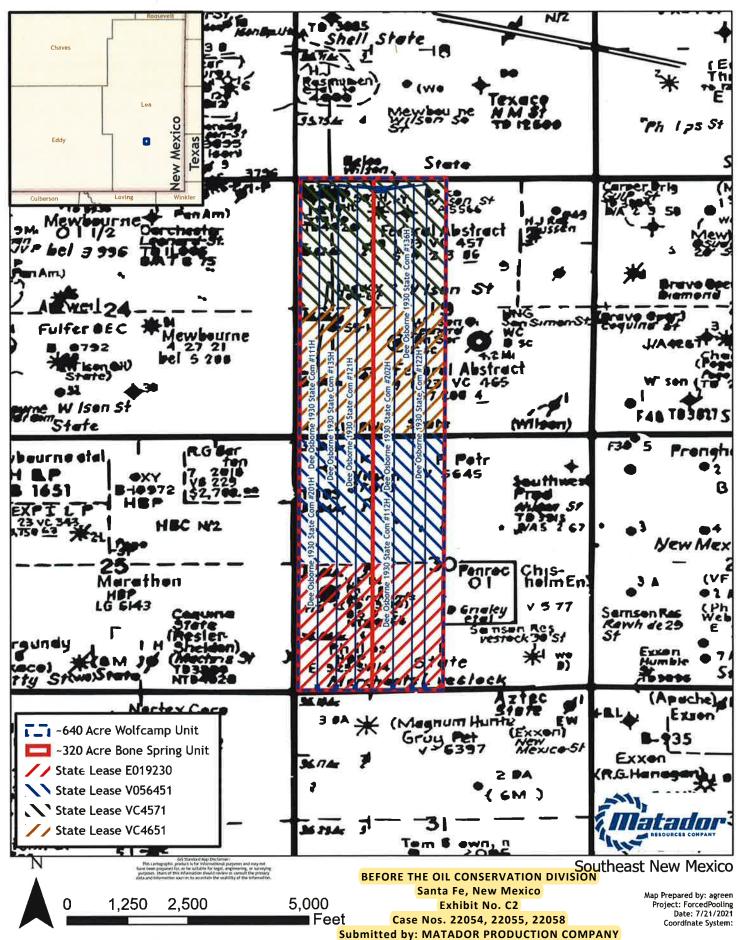


EXHIBIT C-2

19/30-21S-35E



Hearing Date: August 05, 2021

EXHIBIT C-3

CASE No. 22054

Matador (-3

Summary of Interests

MRC Permian Company	49.895586%		
Compulsory Pool:	50.104414%		
Interest Owner:	Description:	Interest:	
ConocoPhillips Company	Working Interest	25.076570%	
V-F Petroleum Inc.	Working Interest	25.027844%	

Matador

Dee Osborne 1930 State Com 111H, Dee Osborne 1930 State Com 121H, 1 Dee Osborne 1930 State Com 135H

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C3
Case Nos. 22054, 22055, 22058

Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021

CASE No. 22055

Matador Exhibit

Summary of Interests

MRC Permian Company		50.000000%
Compulsory Pool:		50.000000%
Interest Owner:	Description:	Interest:
ConocoPhillips Company	Working Interest	25.000000%
V-F Petroleum Inc	Working Interest	25.000000%



CASE No. 22058

Matador C

Summary of Interests

MRC Permian Company:		49.950602%		
Compulsory Pool:		50.049398%		
Interest Owner:	Description:	Interest:		
ConocoPhillips Company	Working Interest	25.036225%		
V-F Petroleum Inc.	Working Interest	25.013173%		



EXHIBIT C-4

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice (972)-371-5481• Fax (214).866.4981 nweeks@matadorresources.com

Nicholas Weeks Senior Landman

February 10, 2021

VIA CERTIFIED RETURN RECEIPT MAIL

V-F Petroleum, Inc. P.O. Box 1889 Midland, TX 79702

Re:

Dee Osborne 1930 State Com #111H, #112H, #121H, #122H, #135H, #136H, #201H & #202H

(the "Wells")

Participation Proposal

Sections 19&30, Township 21 South, Range 35 East

Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Dee Osborne 1930 State Com #111H, Dee Osborne 1930 State Com #121H, Dee Osborne 1930 State Com #122H, Dee Osborne 1930 State Com #135H, Dee Osborne 1930 State Com #136H, Dee Osborne 1930 State Com #201H, & Dee Osborne 1930 State Com #202H located in Sections 19 & 30, Township 21 South, Range 35 East, Lea County, New Mexico.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the eight (8) enclosed Authority for Expenditures ("AFE") dated January 25, 2021.
- Dee Osborne 1930 State Com #111H: to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,320' TVD) to a Measured Depth of approximately 19,670'.
- Dee Osborne 1930 State Com #112H: to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,320' TVD) to a Measured Depth of approximately 19,670'.
- Dee Osborne 1930 State Com#121H: to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,100' TVD) to a Measured Depth of approximately 20,450'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C4
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION
COMPANY

Hearing Date: August 05, 2021

Released to Imaging: 8/3/2021 1:16:54 PM

- Dee Osborne 1930 State Com #122H: to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,100' TVD) to a Measured Depth of approximately 20,450'.
- **Dee Osborne 1930 State Com #135H:** to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,750' TVD) to a Measured Depth of approximately 21,100'.
- Dee Osborne 1930 State Com #136H: to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,750' TVD) to a Measured Depth of approximately 21,100'.
- Dee Osborne 1930 State Com #201H: to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,860' TVD) to a Measured Depth of approximately 21,210'.
- **Dee Osborne 1930 State Com #202H:** to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,860° TVD) to a Measured Depth of approximately 21,210°.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

MRC requests that you indicate your election to participate in the drilling and completion of the Wells in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement. The proposed Operating Agreement dated August 1, 2019, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators, covers certain depths in the Lots 1 - 4 & E2W2 Section 19 and Lots 1 - 4 & E2W2 Section 30, Township 21 South, Range 35 East, Lea County, New Mexico, as previously mailed to you with the following general provisions:

- 100%/300%/300% Non-consenting penalty
 - \$8,000/\$800 Drilling and Producing rate
 - Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

MRC PERMIAN COMPANY

Nicholas Weeks

Nich Well

V-F Petroleum, Inc. hereby elects to:

	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #111H well. Not to participate in the Dee Osborne 1930 State Com #111H
_	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #112H well. Not to participate in the Dee Osborne 1930 State Com #112H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #121H well. Not to participate in the Dee Osborne 1930 State Com #121H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #122H well. Not to participate in the Dee Osborne 1930 State Com #122H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #135H well. Not to participate in the Dee Osborne 1930 State Com #135H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #136H well. Not to participate in the Dee Osborne 1930 State Com #136H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #201H well. Not to participate in the Dee Osborne 1930 State Com #201H
_	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #202H well. Not to participate in the Dee Osborne 1930 State Com #202H
	I / We are interested in selling our interest in the contract Area, please contact us atto discuss.

		
): -		

		ESTIMATE OF COSTS AN	ND AUTHORIZATION FO	R EXPENDITURE		
DATE:	January 25, 2021			AFE NO.:		
VELL NAME:	Dee Osborne 1930 Sta	ate Com #111H		FIELD:	-	
OCATION:	Sections 19 & 30, 21S	-35E		MD/TVD:	-	19,670'/9,320'
OUNTY/STATE:	Lea County, New Mex	ico		LATERAL LENGTH:	=	9,800'
IRC WI:					-	
SEOLOGIC TARGET:	1st Bone Spring					
REMARKS:	Drill, complete and equ	uip a horizontal 1st Bone	Spring well			
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS 46.50
and / Legal / Regulatory ocation, Surveys & Dame	anna Anna	36,500 94,000	13,000	15.000	\$ 10,000 25,000	147,00
rilling	4900	714,225	10,000	10,000	20,000	714,22
ementing & Float Equip		224,000				224,00
ogging / Formation Evalu	uation		5,000	3,000		8,00
lowback - Labor	t-			23,400 20,304		23,40
owback - Surface Rental lowback - Rental Living (20,304		20,30
ud Logging	equal (e) S	12,000				12,00
lud Circulation System		37,900				37,90
ud & Chemicals		150,000	49,000	6,000		205,0
ud / Wastewater Disposi	al	125,500	-		1,000	126,5
eight / Transportation		7,500	19,500			27,0
ig Supervision / Engines	ning	84,500	112,000	4,350	14,400	215,2
rill Bits		86,500				86,50
rill Bit Purchase uel & Power		58,500	8,000			66,50
later		25,000	756,250	3,000	1,000	785,2
rates rig & Completion Overhe	aad	13,000	10,000	0,000	1,000	23,0
lugging & Abandonment			10,000			
irectional Drilling, Surve	ys	187,960				187,9
ompletion Unit, Swab, C	πu		130,000	13,500		143.5
erforating, Wireline, Slici	kline		180,000			180,0
igh Pressure Pump Truc	:k		64,000	6,000		70,0
timulation	1		1,872,750	195.000		1,872,7
timulation Flowback & D surance	usp	35,568	15,500	193,000		35,5
abor		89,500	62,500	15,000	5,000	172.0
ental - Surface Equipme	nt	60.770	315,890	10,000	5,000	391.6
ental - Downhole Equipm		78,800	80,000	6,000		164,8
ental - Living Quarters		23,650	48,050	-	5,000	76.6
ontingency		64,358	186,869	16,028	6.640	273.6
perations Center		27,950				27.9
	TOTAL INTANGIBLES >	2,237,581	3,928,309	336,582	73,040	6,575,8
		DRILLING	COMPLETION	BROBLISMON		TOTAL
TANCIBLE	CORTR			PRODUCTION	FACILITY COSTS	
TANGIBLE urface Casing	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
urface Casing	COSTS				FACILITY COSTS	COSTS 59,60
iurface Casing ntermediate Casing hilling Liner	COSTS	69,660 144,645			FACILITY COSTS	COSTS \$ 59,66 144,6
iurface Casing ntermediate Casing hilling Liner roduction Casing	COSTS	COSTS 69,660			FACILITY COSTS	COSTS \$ 59,66 144,6
iurface Casing htermediate Casing hilling Liner froduction Casing froduction Liner	COSTS	69,660 144,645		COSTS 5	FACILITY COSTS	COSTS 5 69,66 144,6 421,21
iurface Casing ntermediate Casing chiling Liner troduction Casing troduction Liner ubing	COSTS	69,660 144,645 421,286		\$	FACILITY COSTS	COSTS 5 69,64 144,6 - 421,21 43,24
urface Casing stermediate Casing rilling Liner roduction Casing roduction Liner ubing	COSTS	69,660 144,645	COSTS 5	COSTS 5	FACILITY COSTS S	COSTS 5 69,64 144,6 - 421,2 43,24 69,5
urface Casing Itermediate Casing Alliing Liner roduction Casing roduction Liner ubing Alliing Allied ackers, Liner Hangers	COSTS	69,660 144,645 421,286		\$	\$	COSTS 5 69.64 144.6- 421.21 43.24 69.55 67.33
urface Casing itermediate Casing willing Liner roduction Casing roduction Liner ubing fellhead ackers, Liner Hangers anks	COSTS	69,660 144,645 421,286	COSTS 5	\$	29,900	COSTS 5 69.66 144.6- 421.21 43.24 69.53 67.33 28.9
urface Casing termediate Casing rilling Liner roduction Casing roduction Liner ubing felihead ackers, Liner Hangers anks roduction Vessels	COSTS	69,660 144,645 421,286	COSTS 5	\$	\$	\$ 69,60 144,6
urface Casing termediate Casing rilling Liner roduction Casing roduction Liner ubing fellihead ackers, Liner Hangers anks roduction Vessels row Lines od string	COSTS	COSTS 69,660 144,645 	COSTS 5	COSTS \$	29,900	COSTS 58.6 144.6 144.6 421.2 43.2 685.5 67.3 28.9 119.6 120.0
urface Casing termediate Casing rilling Liner roduction Casing roduction Liner ubing feilibed ackers, Liner Hangers anks roduction Vessels low Lines od opport	COSTS	COSTS 69,660 144,645 	COSTS 5	\$	29,900 119,638 120,000	COSTS 5 69.6 144.6 421.2 432.2 69.5 67.3 28.9 119.6 120.0
urface Casing termediate Casing rilling Liner roduction Casing roduction Liner ubling fellhead ackers, Liner Hangers anks roduction Vessels fow Lines od string rifficial Lift Equipment ompressor	COSTS	COSTS 69,660 144,645 	COSTS 5	COSTS \$ 43.200 23,500 275,600	29,600 119,638 120,000	COSTS 5 59.6 144.6
urface Casing themediate Casing riding Liner roduction Casing roduction Casing roduction Liner ubing leithemediate Casing roduction Liner ubing leithemediate Casing Casin	COSTS	COSTS 69,660 144,645 	COSTS 5	COSTS \$ 43,200 23,500	29,900 119,638 120,000 42,500 96,000	COSTS 59.6 144.6 421.2 43.2 68.5 67.3 29.9 119.6 120.0 275.0 42.5 96.0
urface Casing turface Casing roduction Casing roduction Liner ubing leilhead ackers, Liner Hangers anks roduction Vessels low Lines od string trifficial LIR Equipment ompressor stallation Costs urface Pumps	COSTS	COSTS 69,660 144,645 	COSTS 5	COSTS \$ 43,200 23,500 275,000 2,500	29,900 119,638 120,000 42,500 96,000 26,250	COSTS 5 59.6 144.6
urface Casing termediate Casing ribling Liner roduction Casing roduction Liner ubing leithead ackers, Liner Hangers anke ackers, Liner Hangers anke do string rifficial LIR Equipment ompressor estallation Costs urface Pumps on controllable Surface	\$	COSTS 69,660 144,645 	COSTS 5	COSTS 43,200 23,500 275,000 2,500	29,900 119,638 120,000 42,500 96,000	COSTS \$ 69.8 144.6 421.2 432.2 665.5 67.3 729.9 119.6 120.0 275.0 42.5 86.0 720.7
urface Casing termediate Casing rilling Liner roduction Casing roduction Liner ubing feilhead ackers, Liner Hangers anks roduction Vessels low Lines od string irrificial LIR Equipment ompressor stallation Coste urface Pumps on-controllable Surface on-controllable Surface on-controllable Surface	\$	COSTS 69,660 144,645 	COSTS 5	COSTS \$ 43,200 23,500 275,000 2,500	29,900 119,638 120,000 42,500 96,000 26,250	COSTS 5 59.6 144.6
urface Casing termediate Casing rilling Liner roduction Casing roduction Liner bing leithead ackers, Liner Hangers anks roduction Vessels ow Lines od string rifficial LIff Equipment ompressor stallation Costa urface Pumps on-controllable Downhoo worklole Pumps on-controllable Downhoo worklole Pumps	łe	COSTS 69,660 144,645 	COSTS 5	COSTS \$ 43,200 23,500 275,000 2,500	29,900 119,638 120,000 42,500 96,000 26,250	COSTS 5 59.6 144.6 144.6 421.2 43.2 69.5 67.3 28.9 119.6 120.0 42.5 86.0 28.7 2.0
urface Casing termediate Casing rilling Liner roduction Casing roduction Liner ubing leithead ackers, Liner Hangers anks roduction Vessels low Lines od etring trificial Lift Equipment ompressor stellation Coste urface Pumps on-controllable Surface on-controllable Downho ownhole Pumps essurement & Meter Inst	ele Kallation	COSTS 69,660 144,645 	COSTS 5	COSTS 43,200 23,500 275,000 2,500	29,600 119,638 120,000 42,500 96,000 26,250 2,000	COSTS 5 59.6 144.6 144.6 421.2 43.2 69.5 67.3 28.9 119.6 120.0 42.5 86.0 28.7 2.0
urface Casing termediate Casing termediate Casing termediate Casing roduction Casing roduction Liner ubing felihead ackers, Liner Hangers anks roduction Vessels low Lines od string trifficial Lift Equipment ompressor stellation Coste urface Pumps on-controllable Surface on-controllable Surface on-controllable Surface on-controllable Downho ownhole Pumps essurement & Meter Insi as Conditioning / Dehyd as Conditioning / Dehyd as Conditioning / Dehyd	ele tallation iretion	COSTS 69,660 144,645 	COSTS 5	COSTS 43,200 23,500 275,000 2,500	29,600 119,638 120,000 42,500 96,000 26,250 2,000	COSTS 59.6 144.6 421.2 43.2 43.2 43.2 45.5 69.5 67.3 28.9 119.6 275.0 42.5 98.0 228,7 2.0
urface Casing themediate Casing riding Liner roduction Casing roduction Casing roduction Liner ubing feithead ackers, Liner Hangers anks roduction Vessels low Lines od string irrificial LIR Equipment empressor statellation Costs urface Pumps on-controllable Surface on-controllable Downho ownhole Pumps lessurement & Meter Insies Conditioning / Dehyd terconnecting Facility P athering / Bulk Lines	ele tallation Iretion Iping	COSTS 69,660 144,645 	COSTS 5	COSTS 43,200 23,500 275,000 2,500	29,900 119,638 120,000 42,500 96,000 26,250 2,000	COSTS 59.6 144.6 421.2 43.2 43.2 43.2 45.5 69.5 67.3 28.9 119.6 275.0 42.5 98.0 228,7 2.0
urface Casing the the the casing reduction Casing reduction Liner coduction Liner ubling coduction Liner ubling coduction Liner ubling coduction Liner ubling coduction Vessels low Lines od etring rifficial Lift Equipment compressor compressor controllable Surface on-controllable Downhole Pumps on-controllable Downhole sac Conditioning / Dehyd terconnecting Facility P stibering / Bulk Lines sives, Dumps, Controllable Surface on-controllable Surface on-controllable Surface on-controllable Downhole Pumps on-controllable Downhole Pumps on-controllable Downhole Pumps sac Conditioning / Dehyd terconnecting Facility P stibering / Bulk Lines sives, Dumps, Controlle	ele tallation Instion Ipling ra	COSTS 69,660 144,645 	COSTS 5	275,000	29,600 119,638 120,000 42,500 96,000 26,280 2,000 49,000	COSTS 5 69,6 144,6 421,2 43,2 69,5 67,3, 28,9 119,6 120,0 42,5 86,0, 28,7 2,0 550,0
urface Casing termediate Casing reduction Casing reduction Casing roduction Liner production Vessels on Lines of et al. (1997) and et al. (1997)	ele tallation Instion Ipling ra	COSTS 69,660 144,645 	COSTS 5	COSTS \$ 43,200 23,500	29,900 119,638 120,000 42,500 96,000 26,250 2,000 49,000 	COSTS
urface Casing termediate Casing tilling Liner roduction Casing roduction Liner ubing felithead ackers, Liner Hangers anks roduction Vessels low Lines de stilling Liner tirificial LIR Equipment ompressor stallation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Surface sesurement & Meter Insi as Conditioning / Dehyd terconnecting Facility P attering / Bulk p attering / Bulk p ank / Facility Containme are Stack	ele tallation Instion Ipling ra	COSTS 69,660 144,645 	COSTS 5	275,000	29,900 119,638 120,000 42,500 96,000 26,250 2,000 49,000 62,500 11,250 20,000	COSTS \$ 69.5 144.6 421.2 421.2 69.5 69.5 67.3 20.9 119.6 120.0 275.0 28.9 29.0 55.0
urface Casing termediate Casing infling Liner roduction Casing roduction Casing roduction Liner ubing liner could continue the case of the	ele tailation restion ipling ra	COSTS 69,660 144,645 	COSTS 5	COSTS \$ 43,200 23,500 275,000 10,000 10,000 30,000	29,900 119,638 120,000 42,500 96,000 26,250 2,000 49,000 62,500 11,250 20,000 16,000	COSTS 59.6 144.6 144.6 421.2 43.2 69.5 67.3 28.9 119.6 120.0 225.0 28.7 2.0 62.5
urface Casing termediate Casing rilling Liner roduction Casing roduction Casing roduction Liner production Liner using roduction Liner using cases. Liner Hangers anks roduction Vessels on string od string rillicial LIR Equipment ompressor stabilation Costs urface Pumps on-controllable Surface on-controllable Downho ownhole Pumps easurement & Mater Instance of the Casing of Casing Indiana Casin	ele tailation restion ipling ra	COSTS 69,660 144,645 	COSTS 5	275,000	29,900 119,638 120,000 42,500 96,000 26,250 2,000 49,000 	COSTS 5 69,64 144,6 421,20 43,24 669,55 67,33 28,99 119,6,6 120,0 275,0 42,5 96,0 28,7 2,0
urface Casing termediate Casing rilling Liner roduction Casing roduction Casing roduction Liner production Liner using roduction Liner using cases. Liner Hangers anks roduction Vessels on string od string rillicial LIR Equipment ompressor stabilation Costs urface Pumps on-controllable Surface on-controllable Downho ownhole Pumps easurement & Mater Instance of the Casing of Casing Indiana Casin	ele tallation Instrum Iping ra nt	COSTS 69,660 144,645 144,645 421,286	COSTS 5	COSTS \$ 43,200 23,500 275,000 10,000 10,000 30,000	29,900 119,638 120,000 42,500 96,000 26,250 2,000 49,000 62,500 11,250 20,000 16,000	
urface Casing termediate Casing telemediate Casing telemediate Casing dilling Liner oduction Casing oduction Liner oduction Liner bibing cellihead ackers, Liner Hangers anks conduction Vessels ow Lines od etring did telement of the Line Casing Lines on controllable Surface Pumps on controllable Downhowhole Pumps assurement & Meter Instead Conduction (Pumps assurement & Meter Instead Casing C	ele tailation restion ipling ra	COSTS 69,660 144,645 144,645 421,286 46,000	67,350	COSTS 43,200 23,500 275,000 2,500	29,000 119,638 120,000 42,500 96,000 26,280 2,000 49,000 	COSTS
urface Casing termediate Casing riding Liner roduction Casing roduction Liner abing leithead ackers, Liner Hangers and ackers, Liner Hangers and ackers and ackers acker	ele tallation redon ipling rs nt TOTAL TANGIBLES	COSTS 69,660 144,645 1421,286	67,350 67,350	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,900 119,638 120,000 96,000 26,250 2,000 49,000 	COSTS
urface Casing thermediate Casing ritiling Liner rootaction Casing ritiling Liner production Liner ubling conduction Liner ubling conduction Liner ubling cases. Liner Hangers anks roduction Vessels tow Unes od etring ritiline Lift Equipment ompressor established Coste urface Pumps on controllable Downhot end on controllable Downhot workhole Pumps lessurement & Meter Lines less Conditioning I behydreterconnecting Facility Pathering I Bulk Lines elseve, Dumps, Controlle ank / Facility Containme lare Stack lectrical / Grounding ommunications / ScAD/strumentation / Safety PARED BY MATADOR	tallation fretton lping rs nt A TOTAL TANGIBLES > TOTAL COSTS >	COSTS 69,660 144,645	67.350 67.350 57.350	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,900 119,638 120,000 96,000 26,250 2,000 49,000 	COSTS 5 69,6 144,6 421,2 43,2 69,5 67,3,3 28,9 119,6 120,0 42,5 96,0 28,7 2,0 59,0 11,2 20,0 46,0 6,5 55,7
urface Casing termediate Casing infling Liner roduction Casing roduction Casing roduction Casing roduction Liner ubing liner conduction Liner ubing liner conduction Liner ubing casing	Ne tallation reation fipling ra nt TOTAL TANGIBLES: TOTAL COSTS: PRODUCTION COMPAN	COSTS 69,660 144,645 1421,286	67.350 67.350 57.350	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,900 119,638 120,000 96,000 26,250 2,000 49,000 	COSTS 5 69,6 144,6 421,2 43,2 69,5 67,3,3 28,9 119,6 120,0 42,5 96,0 28,7 2,0 59,0 11,2 20,0 46,0 6,5 55,7
urface Casing termediate Casing rilling Linar oduction Casing roduction Casing roduction Linar John Garden Linar Linar Garden Linar Linar Garden Linar Linar Linar Garden Linar Gard	He tallation (retton flping nt TOTAL TANGIBLES: TOTAL COSTS: PRODUCTION COMPAN Per: Tyter Brooking Per: Garrett Hum	COSTS 69,660 144,645	67.350 67.350 57.350	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,900 119,638 120,000 96,000 26,250 2,000 49,000 	COSTS 5 68.6 144.6 142.2 43.2 68.5 67.3 119.6 120.0 275.0 29.9 59.0 62.5 11,7 60.6 65.5
urface Casing termediate Casing riting Linar oduction Casing roduction Linar oduction Casing roduction Linar abing self-based cases. Liner Hangers and ackers, Liner Hangers and string riting Lift Equipment compressor stallation Costs urface Pumps on controllable Downhole Pumps on controllable Downhole Pumps ackers and acknowledge on controllable Downhole Pumps assurement & Meter Inse acconditioning / Bulk Lines acconditioning / Bulk Lines alves, Dumps, Controlle and / Facility Containment are Stack sectrical / Grounding ommunications / SCAD/strumentation / Safety ARED BY MATADOR Drilling Engine Completions Engine Production Engine	Ne tallation retion lipling re nt TOTAL TANGIBLES: TOTAL COSTS: PRODUCTION COMPAN PET: Tylar Brooking PET: Garnett Hurt PET: George Malloy	COSTS 69,660 144,645	67.350 67.350 57.350	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,900 119,638 120,000 96,000 26,250 2,000 49,000 	COSTS \$ 68.5 144.6 1421.2 43.2 69.5 67.3 29.9 119.6 120.0 275.0 69.0 28.7 2.0 59.0 62.5 11.2 20.0 65.5 65.7
urface Casing termediate Casing ribling Liner roduction Casing roduction Casing roduction Casing roduction Liner using Control Casing C	He tallation fretton fpling ra nt A TOTAL TANGIBLES: TOTAL COSTS: PRODUCTION COMPAN PET: Tyler Brooking PET: George Malloy COMPANY APPROVAL:	COSTS 69,660 144,645	67,350 67,350 57,350 3,995,659	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,000 119,638 120,000 42,500 96,000 26,280 2,000 49,000 11,250 20,000 16,000 2,500 55,750 653,288 726,328	COSTS \$ 69.5 144.6 421.2 421.2 69.5 67.3 20.9 119.6 120.0 275.0 28.0 29.0 20.0 40.0 65.5 55.7 1,790.0 8,365.4
urface Casing termediate Casing riting Linar oduction Casing roduction Linar oduction Casing roduction Linar abing self-based cases. Liner Hangers and ackers, Liner Hangers and string riting Lift Equipment compressor stallation Costs urface Pumps on controllable Downhole Pumps on controllable Downhole Pumps ackers and acknowledge on controllable Downhole Pumps assurement & Meter Inse acconditioning / Bulk Lines acconditioning / Bulk Lines alves, Dumps, Controlle and / Facility Containment are Stack sectrical / Grounding ommunications / SCAD/strumentation / Safety ARED BY MATADOR Drilling Engine Completions Engine Production Engine	tallation reation righting ra nt A TOTAL TANGIBLES: TOTAL COSTS: PRODUCTION COMPAN eer: Tyler Brooking eer: Garnett Hurri eer: George Malloy COMPANY APPROVAL:	COSTS 69,660 144,645	67,350 67,350 57,350 3,995,659	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,900 119,638 120,000 96,000 26,250 2,000 49,000 	COSTS
urface Casing Lemediate Casing Hilling Linar roduction Casing Hilling Linar roduction Linar John Gelithead Leckers, Liner Hangers Liner Liner Hangers Liner Line	tallation fretton flping a TOTAL TANGIBLES: TOTAL COSTS: PRODUCTION COMPAN Per: Tyler Brooking Per: George Malloy COMPANY APPROVAL: FO DEL	COSTS 69,660 144,645	67,350 67,350 67,350 3,995,659	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,000 119,638 120,000 42,500 96,000 26,280 2,000 49,000 11,250 20,000 16,000 2,500 55,750 653,288 726,328	COSTS \$ 69.5 144.6 421.2 421.2 69.5 67.3 20.9 119.6 120.0 275.0 28.0 29.0 20.0 40.0 65.5 55.7 1,790.0 8,365.4
urface Casing termediate Casing termediate Casing termediate Casing dilling Linar oduction Casing oduction Liner bing elithead ackers, Liner Hangers into the Casing of th	tallation freston fiping raint A TOTAL TANGIBLES TOTAL COSTS TOTAL COSTS CONTROL COSTS CONTROL COSTS CONTROL COSTS CONTROL COSTS CONTROL COSTS CONTROL COSTS COST	COSTS 69,660 144,645	67,350 67,350 67,350 3,995,659	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,000 119,638 120,000 42,500 96,000 26,280 2,000 49,000 11,250 20,000 16,000 2,500 55,750 653,288 726,328	COSTS
iurface Casing nutermediate Casing initing Liner roduction Casing roduction Liner roduction Liner ubing Wellhead Packers, Liner Hangers anks roduction Vessels Tow Lines tool string urificial Lift Equipment Compressor instellation Costs iurface Pumps con-controllable Surface Pumps leasurement & Meter Installation Costs iurface Pumps leasurement & Meter Installation Powerhole Pumps leasurement & Meter Installation (Pacific Meteromecting Facility Pathering / Bulk Lines fallations / Scholations / Scholati	tallation readon lipling raint A TOTAL TANGIBLES: TOTAL COSTS: PRODUCTION COMPAN cer: Tylar Brooking per: Garrett Hurri leri: George Malloy COMPANY APPROVAL: FO DEL gal CA	COSTS 69,660 144,645	67,350 67,350 67,350 3,995,659	COSTS 43,200 23,500 275,000 275,000 10,000 10,000 10,000 30,000 4,000 388,200	\$ 29,000 119,638 120,000 42,500 96,000 26,280 2,000 49,000 11,250 20,000 16,000 2,500 55,750 653,288 726,328	COSTS 5 69.64 144.6 421.21 43.22 69.52 67.33 29.93 119.6 275.00 42.54 96.07 22.00

Working Interest (%) Tax ID: Company Name Signed by: Approval Yes Trtle:

No (mark one)

NON OPERATING PARTNER APPROVAL:

		STIMATE OF COSTS	AND AUTHORIZATION FO	OR EXPENDITURE		
	January 25, 2021			AFE NO.:		
	Dee Osborne 1930 State			FIELD:	-	
	Sections 19 & 30, 21S-3			MD/TVD:	-	20,450'/10,100'
	Lea County, New Mexico			LATERAL LENGTH:		9,800'
IRC WI:						
	2nd Bone Spring					
REMARKS:	Drill, complete and equip	a horizontal 2nd Bor	ne Spring well			
		DBULLEY	COME: Total			
INTANGIBLE CO	STS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
and / Legal / Regulatory	\$	36,600	\$	\$.	\$ 10,000	\$ 46,50
осаtion, Surveys & Damages	•	94,000	13,000	15,000	25,000	147,00
Orilling	· ·	739,475				739,47
ementing & Float Equip ogging / Formation Evaluation	an -	229,000	5,000	3,000		229,00 8,00
lowback - Labor	_			23,400		23,40
Towback - Surface Rentals	. =			20,304		20,30
iowback - Rental Living Qua Jud Logging	rters	12,000		•		10.00
lud Circulation System	-	38,550				12,00 38,55
lud & Chemicals	-	150,000	49,000	6,000		205,00
lud / Wastewater Disposal		125,500			1,000	126,50
reight / Transportation tig Supervision / Engineering		7,500 87,750	19,500	4.350	14400	27,00
og odporvision i Engineering Irill Bits	' -	86,500	112,000	4,350	14,400	218,50 86,50
rill Bit Purchase	_					
uel & Power	_	60.750	8,000		·	68,75
Vater Orig & Completion Overhead	_	25,000 13,500	756,250	3,000	1,000	785,25
lugging & Abandonment	-	13,500	10,000		<u>·</u>	23,50
Directional Drilling, Surveys	_	194,675				194,67
Completion Unit, Swab, CTU	_	•	130,000	13,500		143,50
erforating, Wirellne, Slickline ligh Pressure Pump Truck	-		180,000	6 000		180,00
itimulation	-	:	1,872,750	6,000		70,00
Stimulation Flowback & Disp	-		15,500	195,000		210,50
neurance	_	35,990	95.500			36,99
.abor Rental - Surface Equipment	_	89,500 62,855	62,500 315,890	15,000	5,000	172,00 393,74
Rental - Downhole Equipment		78,600	80,000	6,000		164,80
Rental - Living Quarters	-	24,125	48,050	-	5,000	77,17
Contingency	-	109,649	186,869	16,028	6,640	319,18
perations Center	TOTAL INTANCIBLES	29,025	2 222 222		70.040	29,02
	TOTAL INTANGIBLES >	2,331,644	3,928,309	336,582	73,040	6,669,57
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COS	STS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
urface Casing	*_	69,660 144,645	•	\$	1	\$ 69,66
ntermediate Casing Prilling Liner	-	164,045				144,64
roduction Casing	_	438,204				438,20
roduction Liner		•				-
'ubing Velihead	_	46,000		43,200 23,500		43,20
ackers, Liner Hangers	-	40,000	67,350	23,500		69,50 67,35
anks	_	-			29,900	29,900
roduction Vessels					119,638	119,63
llow Lines Rod string	-				120,000	120,000
vtificial Lift Equipment	-	-		275,000		275.000
Compressor	-			210,000	42,500	42,50
etallation Costs		· ·			96,000	96,00
urface Pumps ion-controllable Surface	_	•		2,500	26,250	28,75
ion-controllable Downhole	-			-	2,000	2,00
Downhole Pumps	_			-		-
feasurement & Meter installa	_			10,000	49,000	59,00
iss Conditioning / Dehydration Interconnecting Facility Piping					60 500	62,50
lathering / Bulk Lines					62,500	62,50
alves, Dumps, Controllers	-				-	
ank / Facility Containment	2				11,250	11,25
lare Stack lectrical / Grounding	2			30,000	20,000	20,00
Communications / SCADA	-			4,000	16,000	46,000 6,500
estrumentation / Safety	_				55,750	55,75
	TOTAL TANGIBLES >	698,509	87,350	388,200	653,288	1,807,34
	TOTAL COSTS >	3,030,152	3,995,659	724,782	726,328	8,476,92
ARED BY MATADOR PR	ODUCTION COMPANY					
			nan.			
Drilling Engineer	Tyler Brooking	Team Lead - WTX/	NM			
Completions Engineer: Production Engineer.	Gerreit Hunt		- JTG			
Fruduction Engineer.	George Malloy					
DOR RESOURCES COM	PANY APPROVAL:					
Executive VP, COO/CFO	DEL	VP - Res Engineer			VP - Dri	illing
Eventually Up 1	DEL	Even Die Cont	BMR			8G
Executive VP, Legal	CA	Exec Dir - Explore	NLF			
President			, to			
i realidate	MVH					
OPERATING PARTNER A	PPROVAL:					
Company Name:			Working Interest (%):			

The contract of the Contract o

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240 Phone (972) 371-5200 • Fax (972) 371-5201

	hone (972) 371-5200 • Fax (972) 371-5201	
ESTIMATE C	F COSTS AND AUTHORIZATION FOR EXPENDITURE	

DATE:	January 25, 2021	AFE NO.:	
WELL NAME;	Dee Osborne 1930 State Com #135H	FIELD:	
LOCATION:	Sections 19 & 30, 21S-35E	MD/TVD:	21,100710,750
COUNTY/STATE:	Lea County, New Mexico	LATERAL LENGTH:	9,800'
MRC WI:			
GEOLOGIC TARGET:	3rd Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 3rd Bone Spring	well	

INTANGIBLE COSTS	DRILLING		COMPLETION		PRODUCTION	FAC	ILITY COSTS		TOTAL
Land / Legal / Regulatory \$	36,500	5		•		4	10,000		46,500
Location, Surveys & Damages	94,000	_	13,000	-	15.000	-	25,000	-	147,000
Drilling	764,725	_	10,000	_	10,000	_	25,000	-	764,725
Cementing & Float Egulp	274,000	_		-		_		_	274,000
Logging / Formation Evaluation		_	5,000	_	3,000	_		_	8,000
Flowback - Labor		_		_	23,400	_		_	23,400
Flowback - Surface Rentals		_		_	20,304	_		_	20,304
Flowback - Rental Living Quarters		_	$\overline{}$	_	25,551	_		_	20,004
Mud Logging	12,000	_		_		_		_	12,000
Mud Circulation System	39.200	_		_		_		_	39,200
Mud & Chemicals -	170,000	_	49,000	_	6.000	_		_	225.000
Mud / Wastewater Disposal	135,000	_		_	-,	_	1.000	_	136,000
Freight / Transportation	7,500	_	19,500	_		_	1,000	_	27,000
Rig Supervision / Engineering	91.000	_	112,000	_	4,350	_	14,400	_	221,750
Drill Bits	95,000		***************************************	_	1,000		17,400	_	95,000
Drill Bit Purchase		_		_		_		_	00,000
Fuel & Power —	84,000	_	8,000	_		_		_	92.000
Water —	25,000	_	756,250	_	3,000	_	1,000	_	785,250
Drig & Completion Overhead —		_	10,000	_		_	1,000	_	10,000
Plugging & Abandonment		_		_		_		_	10,000
Directional Drilling, Surveys	199,775	_		_		_		_	199.775
Completion Unit, Swab, CTU	-	_	130,000	_	13,500	_		-	143,500
Perforating, Wireline, Stickline		_	180,000	_	7.0,000	_		-	180,000
High Pressure Pump Truck		_	64,000	_	6,000	_		_	70,000
Stimulation		_	1,872,750	_	-,000	_		-	1.872.750
Stimulation Flowback & Disp		_	15.500	_	195,000	_		_	210,500
Insurance	38,070	_		_		_		_	38.070
Labor	89,500	_	62,500	_	15,000		5,000	_	172,000
Rental - Surface Equipment	64,940	_	315,890	_	10.000	_	5.000	_	395 830
Rental - Downhole Equipment	78,800	_	80,000	_	6,000		- 5,555	_	164,800
Rental - Living Quarters	24,700	-	48,050	_			5.000	_	77.750
Contingency	116,186		186,869	_	16,028		6,640	_	325,722
Operations Center	30,100	_		_		_			30.100
TOTAL INTANGIBLES >	2,469,996	_	3,928,309	_	336,582		73,040	_	6,807,926

TANGIBLE COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Surface Casing 5	69,660	\$	\$	\$	\$ 69,660
Intermediate Casing	144,645		0	©	144,645
Drilling Liner					-
Production Casing	456,976				456,976
Production Liner				_	-
Tubing	-		43,200		43.200
Wellhead	46,000		23,500		69.500
Packers, Liner Hangers	-	67,350			67.350
Tanks				29,900	29,900
Production Vessels	-			119.639	119,638
Flow Lines				120,000	120,000
Rod string -					
Artificial Lift Equipment	-		275,000		275,000
Compressor	•			42.500	42,500
Installation Costs				96,000	96,000
Surface Pumps			2,500	26.250	28,750
Non-controllable Surface	•			2,000	2,000
Non-controllable Downhole	-				-
Downhole Pumps —			-		
Measurement & Meter Installation			10,000	49,000	59,000
Gas Conditioning / Dehydration —					
Interconnecting Facility Piping				62.500	62,500
Gathering / Bulk Lines			-		- :
Valves, Dumps, Controllers					
Tank / Facility Containment			*	11,250	11,250
Flare Stack				2D.000	20,000
Electrical / Grounding			30,000	16,000	46,000
Communications / SCADA			4,000	2,500	6.500
Instrumentation / Şafety				55,750	55,750
TOTAL TANGIBLES >	717,281	67,350	388,200	653,288	1,626,118
TOTAL COSTS >	3,187,276	3,995,659	724,782	726,328	8,634,044

PREPARED BY MATADOR PRODUCTION COMPANY: Drilling Engineer: Tyler Brooking Completions Engineer: Garrett Hual Production Engineer: George Mailey Team Lead - WTX/NM JTG JTG

OOR RESOURCES COMPANY APPROV	/AL:	
Executive VP, COO/CFO	VP - Res Engineering	VP - Drilling
Executive VP, Legal	Exec Dir - Exploration	BG
CA President	NLF	

OPERATING PARTNER APPROVAL:		
Company Name	Working Interest (%)	Tax ID:
Signed by:	Date:	
Title:	Approval Yes	No (mark one)

DATE:		ESTIMATE OF COSTS AI	371-5200 • Fax (972) 371• ND AUTHORIZATION FO			
	January 25, 2024	ESTIMATE OF GUSTS AT	NO HU I TORIZATION FOR			
	January 25, 2021	to Com distant		AFE NO.:	-	
WELL NAME:	Dee Osborne 1930 Str			FIELD:		
LOCATION:	Sections 19 & 30, 21S			MD/TVD:	· -	19,670'/9,320'
COUNTY/STATE:	Lea County, New Mex	co		LATERAL LENGTH:	_	9,800′
MRC WI:						
GEOLOGIC TARGET:	1st Bone Spring					
REMARKS:	Drill, complete and equ	ip a horizontal 1st Bone	Spring well			
		W.S. Company				
INTANGIBLE C	nere	DRILLING	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory	3	36,500	\$	\$ -	\$ 10,000	\$ 46,500
Location, Surveys & Damage	18	94,000	13,000	15,000	25,000	147,000
Drilling		714,225			2000000	714,225
Cementing & Float Equip		224,000				224,000
Logging / Formation Evaluat	ion		5,000	3,000		8,000
Flowback - Labor Flowback - Surface Rentals				23,400		23,400
Flowback - Sental Living Qui	arters			20,304		20,304
Mud Logging		12,000				12,000
Mud Circulation System		37,900				37,900
Mud & Chemicals		150,000	49,000	6,000		205,000
Mud / Wastewater Disposal		125,500			1,000	126,500
Freight / Transportation		7,500	19,500			27,000
Rig Supervision / Engineerin	9	84,500	112,000	4,350	14,400	215,250
Orill Bits Orill Bit Purchase		86,500			-	86,500
Fuel & Power		58,500	8 000			66,500
Water		25,000	756,250	3,000	1,000	785,250
Drig & Completion Overhead		13,000	10,000	-	11000	23,000
Plugging & Abandonment			-	-		
Directional Drilling, Surveys		187,960	4			187,960
Completion Unit, Swab, CTU		.+	130,000	13,500		143,500
Perforating, Wireline, Slicklin	0		180,000	W808		180,000
High Pressure Pump Truck Stimulation			1,872,750	6,000		70,000
Stimulation Stimulation Flowback & Disp			1,672,750	195,000		1,872,750
nsurance		35,568	10,000	130,000		35,568
Labor		89,500	62,500	15,000	5,000	172,000
Rental - Surface Equipment		60,770	315,890	10,000	5,000	391,660
Rental - Downhole Equipmen	ıt	78,800	80,000	6,000		164,600
Rental - Living Quarters		23,550	48,050		5,000	76,600
Contingency		64,358	185,869	16,028	6,640	273,895
Operations Center		27,950	-	-	- ALEXENDER OF THE PROPERTY OF	27,950
	TOTAL INTANGIBLES >	2,237,581	3,928,309	336,582	73,040	6,575,512
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE CO	ST\$	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing	- 1	69,660	\$	\$	\$	\$ 69,660
Intermediate Casing		144,645		×		, 144,645
Drilling Liner		-				
Production Casing		421,286				421,286
Production Liner Tubing		<u>.</u>		43,200		42.000
Nellhead		46,000		23,500		43,200 69,500
Packers, Liner Hangers		10,000	67,350			67,350
Fanks				-	29,900	29,900
Production Vessels				·	119,638	119,63B
Flow Lines					120,000	120,000
Rod string						
Artificial Lift Equipment				275,000		275,000
Compressor netallation Costs						
					42,500	42,500
				2 500	96,000	96,000
Surface Pumps		===		2,500	96,000 26,250	96,000 28,750
Surface Pumps Non-controllable Surface				2,500	96,000	96,000
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps				-	95,000 26,250 2,000	96,000 28,750 2,000
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurament & Meter Install				2,500	96,000 26,250	96,000 28,750
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Gas Conditioning / Dehydrati	on			-	96,000 26,250 2,000 49,000	96,000 28,750 2,000 59,000
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir	on		- T/	-	95,000 26,250 2,000 49,000	96,000 28,750 2,000 59,000
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install 3as Conditioning / Dehydrati Interconnecting Facility Pipir Sathering / Bulk Lines	on			-	96,000 26,250 2,000 49,000	96,000 28,750 2,000 59,000
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers	on			-	96,000 26,250 2,000 49,000	96,000 28,750 2,000 59,000
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install, Sas Conditioning / Dehydration Interconnecting Facility Pipin Sathering / Bulk Lines Jalves, Dumps, Controllers Fank / Facility Controllers Fank / Facility Controllers	on			-	96,000 26,250 2,000 49,000	96,000 28,750 2,000 59,000
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	on			-	96,000 26,250 2,000 49,000 62,500	96,000 28,750 2,000 59,000 62,500
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Meaaurement & Meter Install Sas Conditioning / Dehydrat Interconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Electrical / Grounding	on			10,000	96,000 26,250 2,000 49,000 62,500 11,250 29,000	96,000 28,750 2,000 59,000 62,500 11,250 20,000
Surface Pumps Von-controllable Surface Von-controllable Downhole Downhole Pumps Weasurement & Meter Install. Sas Conditioning / Dehydratin Heating / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Lectrical / Grounding Dommunications / SCADA	ion ng			10,000 30,000 4,000	95,000 26,250 2,000 49,000 	96,000 28,750 2,000 59,000 62,500 11,250 28,000 45,000 55,750
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Gas Conditioning / Dehydratin Intelligent of Surface Javes, Dumps, Controllers Fank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	TOTAL TANGIBLES		67,350	30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 55,750
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Gas Conditioning / Dehydratin Intelligent of Surface Javes, Dumps, Controllers Fank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	ion ng	681,591 2,919,172	67,350 3,995,659	10,000 30,000 4,000	95,000 26,250 2,000 49,000 	96,000 28,750 2,000 59,000 62,500 11,250 28,000 45,000 55,750
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Sas Conditioning / Dehydrate Interconnecting Facility Pipir Gathering / Bulk Lines valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA instrumentation / Safety PARED BY MATADOR PF	TOTAL TANGIBLES >	2,919,172		30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 55,750
Surface Pumps Non-controllable Downhole Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Gas Conditioning / Dehydratinterconnecting Facility Pipir Suthering / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Communications / SCADA Instrumentation / Safety PARED BY MATADOR PR	TOTAL TANGIBLES > TOTAL COSTS >	2,919,172 Y:	3,995,659	30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 6,500 55,750
Surface Pumps Non-controllable Downhole Non-controllable Downhole Downhole Pumps Measurement 6. Meter Install. Sas Conditioning / Dehydrate Install. Sas Conditioning / Sathering / Bulk Lines / Jaives, Dumps, Controllers Install Facility Containment - Iare Stack Electrical / Grounding Communications / SCADA instrumentation / Safety PARED BY MATADOR PR Drilling Engineer.	TOTAL TANGIBLES > TOTAL COSTS > CODUCTION COMPAN	2,919,172	3,995,659	30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 55,750
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Sas Conditioning / Dehydrate Interconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Electrical / Grounding Dommunications / SCADA Instrumentation / Safety PARED BY MATADOR PR Drilling Engineer. Completions Engineer.	TOTAL TANGIBLES > TOTAL COSTS	2,919,172 Y:	3,995,659	30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 55,750
Surface Pumps Non-controllable Downhole Non-controllable Downhole Downhole Pumps Measurement 6. Meter Install. Sas Conditioning / Dehydrate Install. Sas Conditioning / Sathering / Bulk Lines / Jaives, Dumps, Controllers Install Facility Containment - Iare Stack Electrical / Grounding Communications / SCADA instrumentation / Safety PARED BY MATADOR PR Drilling Engineer.	TOTAL TANGIBLES > TOTAL COSTS > CODUCTION COMPAN	2,919,172 Y:	3,995,659	30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 55,750
Surface Pumps Mon-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Gas Conditioning / Dehydratinterconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Communications / SCADA Instrumentation / Safety PARED BY MATADOR PR Drilling Engineer: Completions Engineer: Production Engineer:	TOTAL TANGIBLES > TOTAL COSTS > CODUCTION COMPAN Tyter Brooking Garrett Hunt George Malloy	2,919,172 Y:	3,995,659	30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 6,500 55,750
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Sas Conditioning / Dehydratin netrconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Electrical / Grounding Dommunications / SCADA instrumentation / Safety PARED BY MATADOR PR Drilling Engineer. Completions Engineer. Production Engineer: ADOR RESOURCES COM	TOTAL TANGIBLES > TOTAL COSTS > CODUCTION COMPAN Tyter Brooking Garrett Hunt George Malloy	2.919.172 Y: Toam Lead - WTX/N	3,995,659	30,000 4,000 388,200	95,000 26,250 2,000 49,000 62,500 11,250 20,000 16,000 2,500 55,760 653,286 726,328	96,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 65,750 1,790,429 8,385,841
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Sas Conditioning / Dehydrate Interconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Electrical / Grounding Dommunications / SCADA Instrumentation / Safety PARED BY MATADOR PR Drilling Engineer. Completions Engineer.	TOTAL TANGIBLES > TOTAL COSTS > CODUCTION COMPAN Tyler Brooking Garrett Hunt George Malloy MPANY APPROVAL:	2,919,172 Y:	3,995,659	30,000 4,000 388,200	95,000 28,280 2,000 49,000 52,500 11,259 20,000 16,000 2,500 55,760 653,286	96,000 28,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500 1,790,429 8,385,941
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install, 3as Conditioning / Dehydrate nierconnecting Facility Pipir Sathering / Bulk Lines Jalves, Dumps, Controllers Fank / Facility Containment Fare Stack Electrical / Grounding Dommunications / SCADA nistrumentation / Safety PARED BY MATADOR PR Drilling Enginser. Completions Engineer: Production Engineer: ADOR RESOURCES COM Executive VP, COO/CFO	TOTAL TANGIBLES > TOTAL COSTS > CODUCTION COMPAN Tyter Brooking Garrett Hunt George Malloy	2,919,172 Y: Team Lead - WTX/Ni VP - Res Engineerin	3,995,659	30,000 4,000 388,200	95,000 26,250 2,000 49,000 62,500 11,250 20,000 16,000 2,500 55,760 653,286 726,328	95,000 28,750 2,000 59,000 62,500 11,250 20,000 45,000 6,500 55,750 1,790,426 8,385,941
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Sas Conditioning / Dehydratin netrconnecting Facility Pipir Sathering / Bulk Lines Valves, Dumps, Controllers Fank / Facility Containment Flare Stack Electrical / Grounding Dommunications / SCADA instrumentation / Safety PARED BY MATADOR PR Drilling Engineer. Completions Engineer. Production Engineer: ADOR RESOURCES COM	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN Tyler Brooking Garrett Hunt George Malloy APANY APPROVAL: DEL	2.919.172 Y: Toam Lead - WTX/N	3,995,659	30,000 4,000 388,200	95,000 26,250 2,000 49,000 62,500 11,250 20,000 16,000 2,500 55,760 653,286 726,328	96,000 28,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500 1,790,429 8,385,941
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install. Sas Conditioning / Dehydrate Install. Sas Conditioning / Dehydrate Install. Sas Conditioning / Dehydrate Install. Sas Conditioning / Bulk Lines Jaives, Dumps, Controllers Tank / Facility Containment Tare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR PR Drilling Engineer. Completions Engineer. Production Engineer: ADOR RESOURCES CON Executive VP, COO/CFO Executive VP, Legal	TOTAL TANGIBLES > TOTAL COSTS > CODUCTION COMPAN Tyler Brooking Garrett Hunt George Malloy MPANY APPROVAL:	2,919,172 Y: Team Lead - WTX/Ni VP - Res Engineerin	3,995,659	30,000 4,000 388,200	95,000 26,250 2,000 49,000 62,500 11,250 20,000 16,000 2,500 55,760 653,286 726,328	96,000 28,750 2,000 59,000 62,500 62,500 62,500 63,500 64,5000 65,500 11,790,429 83,385,941
Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install, 3as Conditioning / Dehydrate nierconnecting Facility Pipir Sathering / Bulk Lines Jalves, Dumps, Controllers Fank / Facility Containment Fare Stack Electrical / Grounding Dommunications / SCADA nistrumentation / Safety PARED BY MATADOR PR Drilling Enginser. Completions Engineer: Production Engineer: ADOR RESOURCES COM Executive VP, COO/CFO	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN Tyler Brooking Garrett Hunt George Malloy APANY APPROVAL: DEL	2,919,172 Y: Team Lead - WTX/Ni VP - Res Engineerin	3,995,659	30,000 4,000 388,200	95,000 26,250 2,000 49,000 62,500 11,250 20,000 16,000 2,500 55,760 653,286 726,328	96,000 28,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500 1,790,429 8,385,941

Working Interest (%): Tax ID Approval: ____Yes Title: No (mark one)

MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 76240

			2) 371-5200 • Fax (972) 371			
DATE-	Isnuary 25, 2024	ESTIMATE OF COSTS	AND AUTHORIZATION FO			
	January 25, 2021 Dee Osbome 1930 St	ate Com #122H		AFE NO.: FIELD:	÷	
	Sections 19 & 30, 21S			MD/TVD:	-	20,450'/10,100'
	Lea County, New Mex			LATERAL LENGTH:	-	9,800'
MRC WI:	,,				-	
GEOLOGIC TARGET:	2nd Bone Spring					
REMARKS:	Drill, complete and equ	uip a horizontal 2nd Bo	ne Spring well			
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE CO	STS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory Location, Surveys & Damage		36,500 94,000	13.000	15,000	\$ 10,000 25,000	\$ 46,500 147,000
Drilling		739,475				739.475
Cementing & Float Equip Logging / Formation Evaluation	on	229,000	5,000	3,000		229,000 8,000
Flowback - Labor				23,400		23,400
Flowback - Surface Rentals Flowback - Rental Living Qua				20,304		20.304
Mud Logging	rters	12,000				12,000
Mud Circulation System		38,550			-	38,550
Mud & Chemicals Mud / Wastewater Disposal		150,000	49,000	6,000	1,000	205,000 126,500
Freight / Transportation		7,500	19,500		- 1,000	27,000
Rig Supervision / Engineering	1	87,750	112,000	4,350	14,400	218,500
Drill Bits Drill Bit Purchase		86,500				86,500
Fuel & Power		60,750	B,000			68,750
Water Drig & Completion Overhead		25,000 13,500	756,250 10,000	3 000	1,000	785,250 23,500
Plugging & Abandonment		**	10,000			23,300
Directional Drilling, Surveys		194,675	4 200 400	28/30/		194,675
Completion Unit, Swab, CTU Perforating, Wireline, Slickline			130,000	13,500		143,500
High Pressure Pump Truck			64,000	6,000		70,000
Stimulation Stimulation Flowback & Disp		===	1,872,750	125,375		1,872,750
Insurance		36,990	15,500	195,000		210,500 35,990
Labor		89,500	62,500	15,000	5,000	172,000
Rental - Surface Equipment Rental - Downhole Equipment	:	62,855 78,800	315,890	10,000	5,000	393,745 164,800
Rental - Living Quarters	•	24,125	48,050	0,000	5,000	77,175
Contingency		109,649 29,025	186,869	16,028	6,640	319,185
Operations Center	TOTAL INTANGIBLES >		3,928,309	336,582	73,040	29,025 6,669,574
	TOTAL INTANGUELS	2,037,044	5,566,500	330,302	10,040	0,003,074
TANGIDI E 001	7.0	DRILLING COSTS	COMPLETION	PRODUCTION	EACH ITY CORTS	TOTAL
TANGIBLE COS Surface Casing	515	69,660	COSTS	COSTS	FACILITY COSTS	COSTS 59,660
Intermediate Casing		144,645		-		144,645
Drilling Liner Production Casing		438 204				438 204
Production Liner		130.201				430,204
Tubing				43,200		43,200
Wellhead Packers, Liner Hangers		46,000	67,350	23,500		69,500 67,350
Tanks			- 000,10		29,900	29,900
Production Vessels					119,638	119,638
Flow Lines Rod string					120,000	120,000
Artificial Lift Equipment				275,000		275,000
Compressor Installation Costs					42,500 56,000	42.500 96,000
Surface Pumps				2,500	26,250	28,750
Non-controllable Surface				-	2,000	2,000
Non-controllable Downhole Downhole Pumps						
Measurement & Meter Installa		$\overline{}$		10,000	49,600	59,000
Gas Conditioning / Dehydratic				· · ·	#2 ENA**	62.500
Interconnecting Facility PipIn Gathering / Bulk Lines	4				02.000	62,300
Valves, Dumps, Controllers						
Tank / Facility Containment Flare Stack					11,250	11,250
Electrical / Grounding				30,000	16,000	48,000
Communications / SCADA				4,000	2,500	6,500
Instrumentation / Safety	TOTAL TANGIBLES >	698,509	67,350	388,200	55,750 653,268	55,750 1,807,346
	TOTAL COSTS >		3,995,659	724,782	726,328	8,476,920
EPARED BY MATADOR PR	ODUCTION COMPAN	IY:				
			OHA NO			
Drilling Engineer. Completions Engineer.	Tyler Brooking Garrett Hunt	Team Lead - WTX	- 250 —			
Production Engineer:	George Malloy					
TADOR RESOURCES COM	PANY APPROVAL:					
Executive VP, COO/CFQ		VP - Res Enginee	rring		VP - Drill	ng
	DEL		DMR			BG
Executive VP, Legal	CA	Exec Dir - Explora	NLF			
President	=:-					
	MVH					
N OBERATING BARRIES	DDDOVAL					
N OPERATING PARTNER A	APPROVAL:					
Company Name:			Working Interest (%):		Tax	.D:
Signed by:			Date:			
Title:			Approval:	Yes		No (mark one)
riue.			Approval.	100		140 (malk bile)

ONE LINCOLN CENTRE - 5400 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 75240 Phone (972) 371-5200 - Fax (972) 371-5201

DATE:	January 25, 2021	AFE NO.:	
WELL NAME:	Dee Osborne 1930 State Com #136H	FIELD:	
LOCATION:	Sections 19 & 30, 21S-35E	MD/TVD:	21,100'/10,750'
COUNTY/STATE:	Lea County, New Mexico	LATERAL LENGTH:	9,800'
MRC WI:			
GEOLOGIC TARGET:	3rd Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 3rd Bone Spring	well	

INTANGIBLE COSTS	DRILLING	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
Land / Legal / Regulatory \$	36,500	\$	\$	\$ 10,000	46.500
Location, Surveys & Damages	94,000	13,000	15,000	25,000	147,000
Drilling	764,725				764,725
Cementing & Float Equip	274,000				274,000
Logging / Formation Evaluation		5,000	3,000		8,000
Flowback - Labor			23,400		23,400
Flowback - Surface Rentals			20,304		20,304
Flowback - Rental Living Quarters	,		-		-
Mud Logging	12,000				12,000
Mud Circulation System	39,200				39,200
Mud & Chemicals	170,000	49.000	6,000		225,000
Mud / Wastewater Disposal	135,000	-		1,000	135,000
Freight / Transportation	7,500	19,500		-	27,000
Rig Supervision / Engineering	91,000	112,000	4,350	14,400	221,750
Drill Bits	95,000				95,000
Drill Bit Purchase					
Fuel & Power	84,000	8,000			92,000
Water	25,000	756,250	3,000	1,000	785,250
Drig & Completion Overhead		10,000	0.5	•	10,000
Plugging & Abandonment					
Directional Drilling, Surveys	199,775				199,775
Completion Unit, Swab, CTU		130,000	13,500		143,500
Perforating, Wireline, Slickline	- 3	180,000			180,000
High Pressure Pump Truck	(4)	64,000	6,000	-	70,000
Stimulation		1,872,750			1,872,750
Stimulation Flowback & Disp		15,500	195,000		210,500
Insurance	38,070				38,070
Labor	89,500	62,500	15,000	5,000	172.000
Rental - Surface Equipment	64,640	315,890	10,000	5,000	395,830
Rental - Downhole Equipment	78,600	80,000	6,000		164,800
Rental - Living Quarters	24,700	48,050	•	5,000	77,750
Contingency	116,186	186,869	16,028	6,640	325,722
Operations Center	30,100				30,100
TOTAL INTANGIBLES >	2,469,996	3,928,309	336,582	73,040	6,807,926

TANGIBLE COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	COSTS
Surface Casing \$	69,860	\$	\$	5 5	69,660
Intermediate Casing	144,645				144,645
Drilling Liner	-				
Production Casing	456,976				456,976
Production Liner					
Tubing			43,200		43,200
Wellhead	46,000		23,500		69,500
Packers, Liner Hangers		67,350	- 3		67,350
Tanks	-		- 3	29,900	29,900
Production Vessels	•			119.638	119,638
Flow Lines	· · · · · · · · · · · · · · · · · · ·			120,000	120,000
Red string	-				,
Artificial Lift Equipment			275,000		275,000
Compressor				42.500	42,500
Installation Costs			-	96,000	96,000
Surface Pumps	-		2,500	26,250	28,750
Non-controllable Surface				2.000	2,000
Non-controllable Downhole	- 3		-		-
Downhole Pumps			-		-
Measurement & Meter Installation			10,000	49,000	59,000
Gas Conditioning / Dehydration					-
Interconnecting Facility Piping				62,500	62,500
Gathering / Bulk Lines					
Valves, Dumps, Controllers			-		
Tank / Facility Containment				11,250	11,250
Flare Stack			-	20,000	20,000
Electrical / Grounding			30,000	16,000	46,000
Communications / SCADA			4.000	2.500	6.500
Instrumentation / Safety				55,750	55,750
TOTAL TANGIBLES >	717,281	67,350	388,200	653,280	1,826,118
TOTAL COSTS >	3,187,278	3,895,859	724,782	726,328	8,634,044

	TOTAL TANGIBLES >	717,281	67,350	388,200	653,280	1,826,118
	TOTAL COSTS >	3,187,278	3,895,859	724,782	726,328	8,634,044
RED BY MATADOR PR	ODUCTION COMPANY:					
Drilling Engineer:	Tyler Brooking	Team Lead - WTX/NM	245			
Completions Engineer.	Garrett Hunt	_	JTG			
Production Engineer:	George Malloy					
OR RESOURCES COM	PANY APPROVAL:					
Executive VP, COO/CFO	DEL	VP - Res Engineering	600		VP - Drilling	
Executive VP, Legal	DEL	Exec Dir - Exploration	BMR			BG
	CA	_	NLF			
President						
	MVH					
PERATING PARTNER A	PPROVAL:					
Company Name:		Wo	rking Interest (%):		Tax ID;	
Signed by		4	Dale;		8	
Title			Approval: Yes		N	o (mark one)

		ESTIMATE OF COSTS	AND AUTHORIZATION FO			
DATE:	January 25, 2021	0		AFE NO.:	9=	
WELL NAME:	Sections 19 & 30,	State Com #201H		FIELD:	: <u>-</u>	94 940U49 BBC1
LOCATION: COUNTY/STATE:	Lea County, New /			MD/TVD: LATERAL LENGTH:		21,210'/10,860' 9,800'
MRC WI:	Lea County, New /	viexico		LATERAL LENGTH:	-	9,000
GEOLOGIC TARGET:	Wolfcamp A					
REMARKS:		equip a horizontal Wolfcar	mp A well			
INTANGIBLE	COSTS	DRILLING	COMPLETION COSTS	PRODUCTION	FACILITY COSTS	COSTS
Land / Legal / Regulatory	Carrier III	\$ 36,500	5	s	\$ 10,000	\$ 46,500
Location, Surveys & Dam Drilling	ages	94,000 764,725	13,000	15,000	25,000	147,000 764,725
Cementing & Float Equip		274,000				274,000
Logging / Formation Eval	uation		5,000	3,000		8,000
Flowback - Labor	The			23,400		23,400
Flowback - Surface Renta Flowback - Rental Living				20,304		20,304
Mud Logging	Consticts	12,000				12,000
Mud Circulation System		39,200		2		39,200
Mud & Chemicals	1	170,000	49,000	6,000		225,000
Mud / Wastewater Dispos Freight / Transportation	al	135,000	19,500		1,000	136,000
Rig Supervision / Engine	pring	91,000	112,000	4,350	14,400	221,790
Orill Bits	on-es es :	95,000				95,000
Drill Bit Purchase			~~~~~~~~			70000
Fuel & Power Water		84,000 25,000	8,000 756,250	3,000	1,000	92,000 785,250
Drig & Completion Overh	ead	8.0,000	10,000	5,000	7,000	10,000
Plugging & Abandonmen	ÚŤ.					
Directional Drilling, Surve		201,985				201,98
Completion Unit, Swab, C Perforating, Wireline, Slice			130,000	13,500		143,500 180,000
High Pressure Pump Truc			64,000	6,000	5	70.000
Stimulation)*	1,872,750			1,872,750
Stimulation Flowback & C	Hsp		15,500	195,000		210,500
Insurance Labor		38,538 89,500	62,500	15,000	5,000	38,638 172,000
Rental - Surface Equipme	nt	64,940	315,890	10,000	5,000	395.830
Rental - Downhole Equipo		78,800	80,000	6,000	-	164,800
Rental - Living Quarters Contingency		24,700 116,319	48,050 186,869	16,028	5,000	77,750 325,856
Operations Center		30,100	160,809	10,026	6,640	30,100
	TOTAL INTANGIBLE		3,928,309	336,582	73,040	6,810,73
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing Intermediate Casing		\$ 69,560 144,645	\$	1	5	\$ 69,660 144,645
Drilling Liner		190,040				199,090
Production Casing		460,972				460,972
Production Liner		-		45.555		-
Tubing Wellhead		46,000		43,200 23,500		43,200
Packers, Liner Hangers		+0,000	67,350	8,90,0000		67,350
Tanks		•			29,900	29,900
Production Vessels Flow Lines					119,638	119,638
Rod string		-			120,000	120,000
Artificial Lift Equipment				275,000		275,000
Compressor		-			42,500	42,500 96,000
Installation Costs Surface Pumps		-		2,500	96,000 26,250	28,750
Non-controllable Surface		-		- 2,500	2,000	2,00
Non-controllable Downho	le					-
Downhole Pumps	erent entre en			40.000	40.000	59.000
Measurement & Meter Ins Gas Conditioning / Dehyo				10,000	49,000	59,000
interconnecting Facility P					62,500	52,500
Gathering / Bulk Lines				-		
Valves, Dumps, Controlle				-	11,250	11,25
Tank / Facility Containme Flare Stack	m				20,000	20,00
Electrical / Grounding				30,000	16,000	46,00
Communications / SCAD/	4			4,000	2,500	6,50
Instrumentation / Safety	TOTAL TANCIDI	ES > 721,277	67,350	388,200	55,750 653,288	55,75 1,830,11
	TOTAL TANGIBLE		3,995,659	724,782	726,328	8,640,85
	TO TAL COS	10 0,104,004	3,555,005	124,102	114,020	0,040,03
PARED BY MATADOR	PRODUCTION COM	PANY:				
Drilling Engine	er: Tyler Brooking	Team Lead - WTX	/NM			
Completions Engine	er, Garrett Hunl		JTG			
Production Engine	er. George Malloy					
ADOR RESOURCES O	OMPANY ADDROVA	14				
Executive VP, COO/C	FODEL	VP - Res Engines	BMR		VP - Dr	illingBG
Executive VP, Le	gal	Exec Dir + Explora	ilion			
	CA		NLF			
Presid	HVM Ine					
	94.611					
OPERATING PARTNE	R APPROVAL:					
Company Nar	ne:		Working Interest (%):		Tax	x ID:
		72	Working Interest (%):		Tax	x ID:

ONE LINCOLN CENTRE - 5400 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 75240
Phone (972) 371-5200 - Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDING

		ESTIM	ATE OF COSTS	AND AUTHORIZATIO	N FOR EXPENDITURE					
DATE:	January 25, 2021	January 25, 2021			AFE NO,:					
WELL NAME:	Dee Osborne 1930 State Com #202H Sections 19 & 30, 21S-35E			FIELD:						
LOCATION:					MD/TV	D:		21,210/10,860		
COUNTY/STATE: Lea County, New Mexico				LATERAL LENGTH:					9,800'	
MRC WI:										
GEOLOGIC TARGET:	Wolfcamp A									
REMARKS:	Drill, complete an	d equip a ho	rizontal Wolfca	imp A well						
I Company of the Comp	na control control		RILLING	COMPLETION					TOTAL	
INTANGIBL	E COSTS		COSTS	COSTS	COSTS		FACILITY COSTS		COSTS	
Land / Legal / Regulatory	S	\$	36,500	\$	s .	5	10,000	5_	46,500	
			0.4.650	42.00	30		56,000		147 00	

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Land / Legal / Regulatory \$	36,500	*	\$.	\$ 10,000 S	46,500
Location, Surveys & Damages	94,000	13,000	15,000	25,000	147,000
Drilling	764,725	13,000	10,000	20,000	764,725
Cementing & Float Equip	274,000				274,000
Logging / Formation Evaluation	214,000	5,000	3.000		8,000
Flowback - Labor		3,000	23,400		23,400
Flowback - Surface Rentals			20,304		20,304
Flowback - Rental Living Quarters			20,004		20,001
Mud Logging	12.000				12,000
Mud Circulation System	39,200			-	39,200
Mud & Chemicals	170,000	49,000	6,000		225,000
Mud / Wastewater Disposal	135,000	43,000	0,000	1.000	136,000
Freight / Transportation	7,500	19,500		1,000	27,000
Rig Supervision / Engineering	91.000	112,000	4,350	14,400	221,750
Drill Bibs	95.000	112,000	4,000	14,400	95,000
Drill Bit Purchase	25,000				10,000
Fuel & Power	84.000	8,000			92,000
Water	25,000	756,250	3,000	1,000	785,250
	25,000	10,000	3,000	1,000	10,000
Drig & Completion Overhead Plugging & Abandonment		10,000		<u> </u>	10,000
Directional Drilling, Surveys	201,985				201,985
Completion Unit, Swab, CTU	201,300	130,000	13,500		143,500
Perforating, Wireline, Slickline		180,000	13,500		180,000
High Pressure Pump Truck		64,000	6.000		70,000
Stimulation		1,872,750	0,000		1.872.750
Stimulation Flowback & Disp		15,500	195.000		210 500
Insurance	38.538	13,000	180,000		38,538
Labor	89,500	62.500	15,000	5,000	172,000
Rontal - Surface Equipment	64,940	315,890	10,000	5,000	395.830
	78,800	80,000	6,000	3,000	164,800
Rental - Downhole Equipment	24,700	48.050	6,000	5,000	77,750
Rental - Living Quarters	116,319	186.869	16,028	6,640	325,856
Contingency Operations Center	30.100	100,009	10,020	6,040	30,100
TOTAL INTANGIBLES >	2,472,807	3,928,309	336,582	73,040	6,810,738

TANGIBLE COSTS	DRILLING	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing \$	69.660	\$	\$	\$	\$ 69,660
Intermediate Casing	144,645	/2		~	144,645
Drilling Liner					
Production Casing	460,972				460,972
Production Liner					•
Tubing	597		43,200		43,200
Wellhead	46,000		23,500		69,500
Packers, Liner Hangers		67,350			67,350
Tanks	7.00		-	29,900	29,900
Production Vessels				119,638	119,638
Flow Lines	1:45			120,000	120,000
Rod string					
Artificial Lift Equipment			275,000	-	275,000
Compressor				42 500	42,500
Installation Costs				96,000	96,000
Surface Pumps			2,500	26.250	28,750
Non-controllable Surface			-	2,000	2,000
Non-controllable Downhole					-
Downhole Pumps				-	.
Measurement & Meter Installation	7.8		10,000	49,000	59,000
Gas Conditioning / Dehydration					
Interconnecting Facility Piping				62,500	62,500
Gathering / Bulk Lines			-		
Valves, Dumps, Controllers					
Tank / Facility Containment				11,250	11,250
Flare Stack				20,000	20,000
Electrical / Grounding			30,000	16,000	46,000
Communications / SCADA			4,000	2 500	6,500
Instrumentation / Safety				55,750	55,750
TOTAL TANGIBLES >	721,277	67,350	388,200	653,288	1,830,114
TOTAL COSTS >	3,194,084	3,995,659	724,782	726,328	8,640,852

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer Completions Engineer Production Engineer	Garrett Hunt	Team Lead - WTX/NM

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO	VP - Res Engineering BMR	VP - DrillingBG
Executive VP, LegalCA	Exec Dir - Exploration NLF	
PresidentMVH		

NON OPERATING PARTNER APPROVAL:

		7 .0	
Company Name:	Working Interest (%):	Tax ID.	
Signed by:	Date:		
Title:	Approval:	YesNo (mark one)	

EXHIBIT C-5

Summary of Communication

V-F Petroleum Inc. (Working Interest)

- 2/11/2021: Proposals mailed via certified mail.
- 2/19/2021: Proposals delivered. (Received signed return receipt)
- 3/11/2021 3/14/2021: Spoke with V-F Petroleum Inc. by phone and exchanged emails regarding proposals, timing of wells, general development concepts and interests of parties.
- 5/5/2021: Joint Operating Agreement mailed.
- 5/17/2021: Spoke with V-F Petroleum Inc. by phone. V-F requested some information on their interest. Followed up by email with the information requested.
- 7/14/2021 7/20/2021: Spoke with V-F Petroleum Inc. by phone and exchanged emails regarding this project.

ConocoPhillips Company (WI)

- 2/11/2021: Proposals mailed via certified mail.
- 2/23/2021: Proposals delivered. (Received signed return receipt)
- 3/10/2021: Spoke with ConocoPhillips Company by phone regarding proposals, timing of wells, general development concepts and interests of parties.
- 5/5/2021: Joint Operating Agreement mailed.
- 7/14/2021 7/19/2021: Spoke with ConocoPhillips Company by phone and exchanged emails regarding this project.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C5
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22054, 22055 and 22058

AFFIDAVIT OF JACOB HARRINGTON

Jacob Harrington, of lawful age and being first duly sworn, declares as follows:

1. My name is Jacob Harrington and I am employed by MRC Energy Company, an

affiliate of Matador Production Company ("Matador"), as a petroleum geologist.

2. I graduated from Ohio State University with a degree in Earth Sciences in 2015.

After graduating, I went to Stanford University and pursued a Master of Science Degree in

Geological Sciences, which I completed in 2017. After graduating from Ohio State and while

studying at Stanford, I interned with Shell Exploration and Production Company as a geologist

intern in the Summer of 2015 and the Summer of 2016. After receiving my Masters of Science in

2017, I began working as a geologist at Matador. Since beginning at Matador, I have worked as a

geologist with a focus in Eddy and Lea Counties, New Mexico. I am a member of AAPG (the

American Association of Petroleum Geologists), as well as the Dallas Geological Society and West

Texas Geological Society. In addition, since beginning work at Matador, I have been required to

complete at least 40 hours of continuing education studies each year.

3. I am familiar with the applications filed by Matador in these consolidated cases and

have conducted a geologic study of the lands in the subject area.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. D

Case Nos. 22054, 22055, 22058

Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: August 05, 2021

- 4. The target intervals for the initial wells in the proposed spacing units are the First, Second, and Third Bone Spring intervals of the Bone Spring formation and the Wolfcamp A interval of the Wolfcamp formation.
- 5. **Matador Exhibit D-1** is a locator map outlining the horizontal spacing units with a black box shaded in yellow, with the larger area identified in a red box.

Bone Spring Formation

- 6. In case nos. **22054 and 22055**, Matador intends to develop the Bone Spring formation.
- 7. **Matador Exhibit D-2** is a subsea structure map that I prepared on the top of the Bone Spring formation. The proposed spacing units are outlined in black and shaded yellow. The contour interval is 50 feet. The structure map shows the Bone Spring formation gently dipping to the southwest. The structure appears consistent across the proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.
 - 8. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.
- 9. **Matador Exhibit D-3** is a structural cross-section that I prepared displaying openhole logs run over the Bone Spring formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, resistivity, and porosity. The proposed target intervals of each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring formation, are consistent in thickness across the entirety of the proposed spacing unit.

- 10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Bone Spring formation in the area of the spacing units proposed in these cases.
- 11. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.
- 12. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.
- 13. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

Wolfcamp Formation

- 14. In case no. 22058, Matador intends to develop the Wolfcamp formation.
- 15. **Matador Exhibit D-4** is a subsea structure map that I prepared on the top of the Wolfcamp formation. The proposed spacing unit is outlined in black and shaded yellow. The contour interval is 50 feet. The structure map shows the Wolfcamp formation gently dipping to the southwest. The structure appears consistent across the proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.
 - 16. Also included on Matador Exhibit D-4 is a line of cross section from A to A'.
- 17. **Matador Exhibit D-5** is a structural cross-section that I prepared displaying openhole logs run over the Wolfcamp formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, resistivity, and porosity. The proposed target intervals of each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted

intervals, within the Wolfcamp formation, are consistent in thickness across the entirety of the proposed spacing unit.

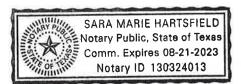
- 18. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Wolfcamp formation in the area of the spacing units proposed in these cases.
- 19. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.
- 20. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.
- 21. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 22. The standup orientation of these wells is the preferred orientation in this area because of the stress orientation in the area.
- 23. **Matador Exhibits D-1 through D-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

JACOB HARRINGTON

COUNTY OF DAUAS

SUBSCRIBED and SWORN to before me this day of July 2021 by Jacob Harrington.



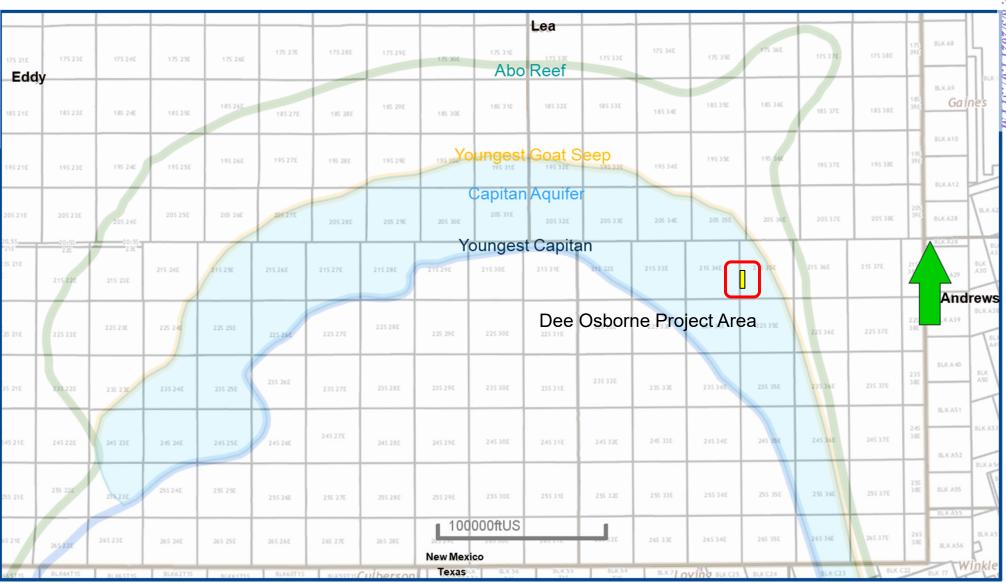
Sara Marie Hartsfellel NOTARY PUBLIC

My Commission Expires:

8-21-2023

Locator Map

Exhibit D-1



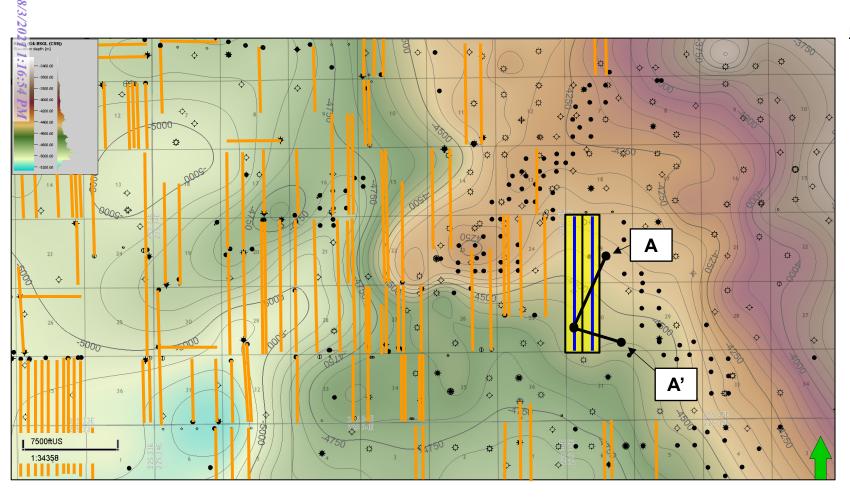
BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. D1
Case Nos. 22054, 22055, 22058

Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021



Wilson; Bone Spring (Pool Code 64560) **Exhibit D-2** Structure Map (Top Bone Spring Subsea) A – A' Reference Line



Map Legend

Dee Osborne Wells

Bone Spring Wells

Project Areas



C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D2 Case Nos. 22054, 22055, 22058

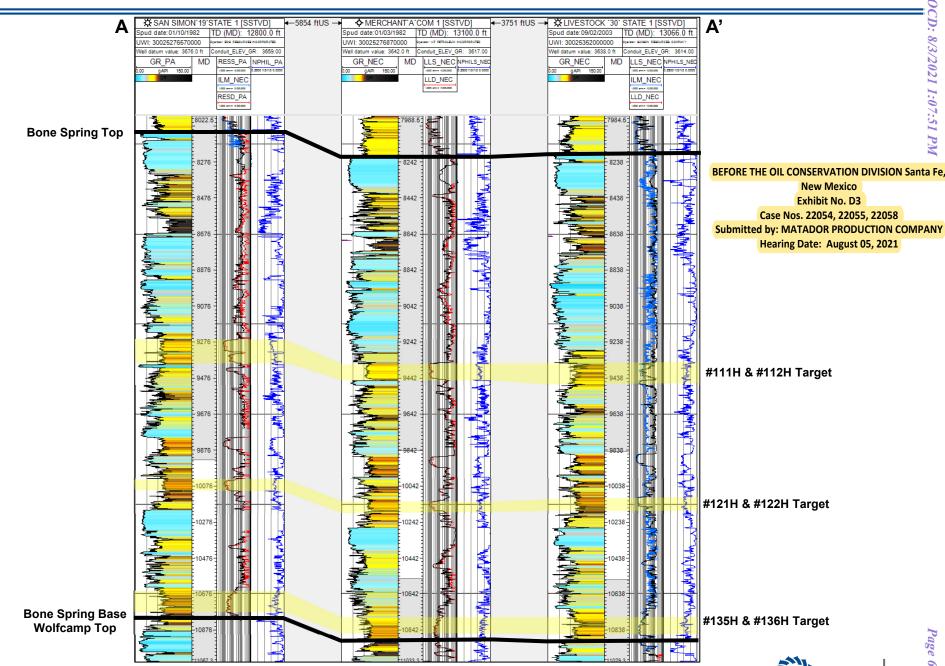
Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: August 05, 2021



Wilson; Bone Spring (Pool Code 64560) Structural Cross-Section A – A'

Exhibit D-3 received



Grama Ridge; WC (Gas) (Pool Code 77715) Structure Map (Top Wolfcamp Subsea) A – A' Reference Line

Exhibit D-

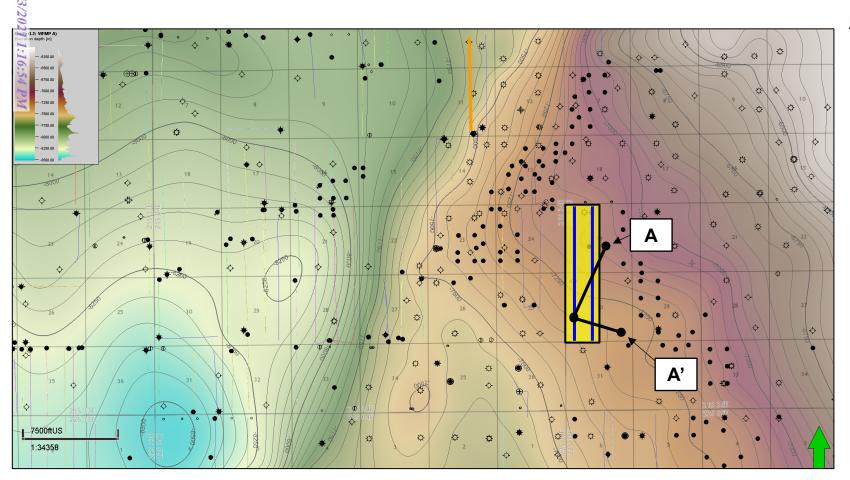
Map Legend

Dee Osborne Wells

Wolfcamp Wells

Project Area

<u>C. I. = 50'</u>



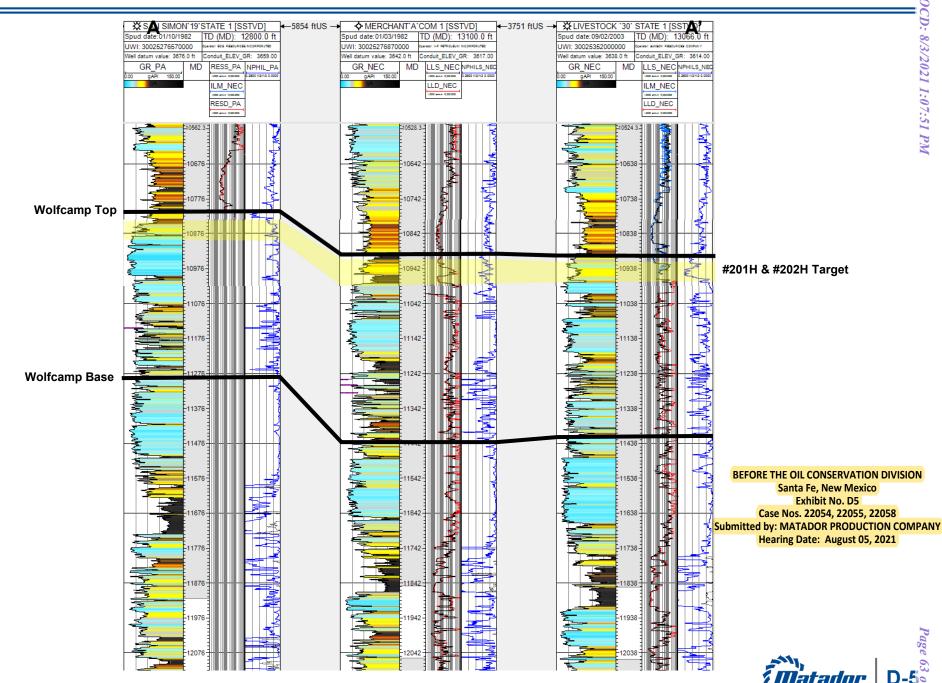
Santa Fe, New Mexico
Exhibit No. D4

Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021

Matador D-

Grama Ridge; WC (Gas) (Pool Code 77715) Structural Cross-Section A - A'

Exhibit D-5



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

APPLICATIONS OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 22054, 22055, 22058

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Kaitlyn A. Luck, attorney in fact and authorized representative of Matador Production Company, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 2nd day of August, 2021 by Kaitlyn A.

My Commission Expires:

Luck.

Nov. 12, 2023

OFFICIAL SEAL
Carla Garcia
NOTARY PUBLIC - STATE OF NEW MEXICO
My Commission Expires: NOV 12, 2023

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021



Kaitlyn A. Luck Phone (505) 988-4421 kaluck@hollandhart.com

July 16, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling,

Lea County, New Mexico.

Dee Osborne 1930 State Com #111H, #121H, #135H wells

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Nick Weeks, at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

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

Alaska Colorado Montana Nevada Utah
Washington, D.C.
Wyoming



Kaitlyn A. Luck Phone (505) 988-4421 kaluck@hollandhart.com

July 16, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling,

Lea County, New Mexico.

Dee Osborne 1930 State Com #112H, #122H, #136H wells

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Nick Weeks, at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

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

Alaska Colorado Montana Nevada Utah Washington, D.C. Wyoming



Kaitlyn A. Luck Phone (505) 988-4421 kaluck@hollandhart.com

July 16, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling,

Lea County, New Mexico.

Dee Osborne 1930 State Com #201H, #202H wells

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Nick Weeks, at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

ATTORNEY FOR MATADOR PRODUCTION COMPANY

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

Alaska Colorado

Montana Nevada New Mexico Utah
Washington, D.C.
Wyoming

Received by OCD: 8/3/2021 1:07:51 PM

Matador_Dee Osborne 111H-112H, 121H-122H, 135H-136H, 201H-202H Case Nos. 22054-22055, 22058 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered at 1:02 pm on July 21,
9414811898765804645826	V-F Petroleum Inc.	PO Box 1889	Midland	TX	79702-1889	2021 in MIDLAND, TX 79702.
						Your item was picked up at a postal facility at 7:28
9414811898765804645802	ConocoPhillips Company	PO Box 2197	Houston	TX	77252-2197	am on July 23, 2021 in HOUSTON, TX 77002.

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 July 22, 2021 and ending with the issue dated July 22, 2021.

Publisher

Sworn and subscribed to before me this 22nd day of July 2021.

Business Manager

My commission expires

January 29 2023 - The Transmitter of the Market of the Control of

(Seal)



OFFICIAL GEAL **GUSSIE BLACK** Notary Public State of New Mexico
My Commission Expires 1-29-23

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

LEGAL NOTICE July 22, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, August 5, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than July 25, 2021. 659-1779, no later than July 25, 2021.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12d56bf176d7f28

0e15d2923570bbb1c

Event number: 146 234 7684 Event password: u47kXsERRb4

Join by video: 1462347684@nmemnrd.webex.com

Numeric Password: 949758

You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 146 234 7684

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: V-F Petroleum Inc. and ConocoPhillips Company.

Case No. 22054: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Dee Osborne 1930 State Com #111H well, (2) the Dee Osborne 1930 State Com #121H well, and (3) the Dee Osborne 1930 State Com #135H well, which are to be drilled from surface locations in the NW/4 NW/4 (Lot 1) of Section 19 to bottom hole locations in the SW/4 SW/4 (Lot 4) of Section 30. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located 14 miles east of Eunice, New Mexico. wells. Said area is located 14 miles east of Eunice, New Mexico. #36668

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208 00256481

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. F Case Nos. 22054, 22055, 22058 **Submitted by: MATADOR PRODUCTION COMPANY**

Hearing Date: August 05, 2021

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 July 22, 2021 and ending with the issue dated July 22, 2021.

Publisher

Sworn and subscribed to before me this 22nd day of July 2021.

Business Manager

My commission expires Hanuary 29, 2023

OFFICIAL SEAL GUSSIE BLACK Notary Public State of New Mexico

My Commission Expires

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

LEGAL NOTICE July 22, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday**, **August 5**, **2021**, **beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us/Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than **July 25**, **2021**.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12d56bf176d7f28 0e15d2923570bbb1c

Event number: 146 234 7684 Event password: u47kXsERRb4

Join by video: 1462347684@nmemnrd.webex.com

Numeric Password: 949758
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free Access code: 146 234 7684

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: V-F Petroleum Inc. and ConocoPhillips Company.

Case No. 22055: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 21 South; Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Dee Osborne 1930 State Com #112H well, (2) the Dee Osborne 1930 State Com #122H well, and (3) the Dee Osborne 1930 State Com #136H well, which are to be drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 19 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 30. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located 14 miles east of Eunice, New Mexico. #36670 #36670

67100754

00256482

HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208

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 July 23, 2021 and ending with the issue dated July 23, 2021.

Publisher

Sworn and subscribed to before me this 23rd day of July 2021.

Business Manager

My commission expression (Seal)

OFFICIAL GEAL

GUSSIE BLACK

Notary Public

State of New Mexico

My Commission Expires 23

Black

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

LEGAL

LEGAL

LEGAL

LEGAL NOTICE July 23, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on **Thursday**, **August 5**, **2021**, **beginning at 8:15 a.m**. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://codimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than **July 25**, **2021**.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12d56bf176d7f28

0e15d2923570bbb1c Event number: 146 234 7684 Event password: u47kXsERRb4

Join by video: 1462347684@nmemnrd.webex.com

Numeric Password: 949758

You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 146 234 7684

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: V-F Petroleum Inc. and ConocoPhillips Company.

Case No. 22058: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Dee Osborne 1930 State Com #201H well, to be drilled from a surface location in the NW/4 NW/4 (Lot 1) of Section 19 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 30; and (2) the Dee Osborne 1930 State Com #202H well, to be drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located 14 miles east of Eunice, New Mexico.

67100754

** 100 S

00256488

HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208