BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 18, 2022

CASE Nos. 22747-22748

PONY EXPRESS FEDERAL COM 403H, 504H & 603H WELLS PONY EXPRESS FEDERAL COM 404H, 505H & 604H 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. 22747 & 22748

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22747	APPLICANT'S RESPONSE
Date	August 18, 2022
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 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:	N/A
Well Family	Pony Express
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Teas; Bone Spring, West [96399]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit Size:	320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2 E/2 of Sections 16 and 21, Township 20 South, Range 33 East, NMPM, 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	N/A
Applicant's Ownership in Each Tract	See Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Matador Production Company

Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D; D-3
HSU Cross Section	Exhibit D-3
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; C-4
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-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	rovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	Phon 1
Date:	18-Aug-22

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22748	APPLICANT'S RESPONSE
Date	August 18, 2022
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 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:	N/A
Well Family	Pony Express
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Teas; Bone Spring, West [96399]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit Size:	320 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	E/2 E/2 of Sections 16 and 21, Township 20 South, Range 33 East, NMPM, 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	N/A
Applicant's Ownership in Each Tract	See Exhibit C-3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

Aug-22

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

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

CASE NO. ____22747

APPLICATION

Matador Production Company ("Matador" or "Applicant"), 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 well spacing unit

comprised of the W/2 E/2 of Sections 16 and 21, Township 20 South, Range 33 East (NMPM),

Lea County New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in

the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit

to the proposed Pony Express Federal Com 403H, the Pony Express Federal Com 504H and

the Pony Express Federal Com 603H wells to be drilled from a surface location in the NW/4

NE/4 of Section 16 to a bottom hole location in the SW/4 SE/4 of Section 21.

3. Applicant has sought and been unable to obtain voluntary agreement for the

development of these lands from all working interest owners in the subject spacing unit.

4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent

waste, and will protect correlative rights.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production

Company Hearing Date: August 18, 2022 Case No. 22747 & 22748 5. To allow Applicant to obtain it's 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 horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on May 5, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit 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
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
agrankin@hollandhart.com
jbroggi@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

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

CASE NO. 22748

APPLICATION

Matador Production Company ("Matador" or "Applicant"), 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 well spacing unit comprised of the E/2 E/2 of Sections 16 and 21, Township 20 South, Range 33 East (NMPM), Lea County New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Pony Express Federal Com 404H**, the **Pony Express Federal Com 505H** and the **Pony Express Federal Com 604H** wells to be drilled from a surface location in the NE/4 NE/4 of Section 16 to a bottom hole location in the SE/4 SE/4 of Section 21.
- 3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. To allow Applicant to obtain it's 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 horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on May 5, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit 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 Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@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, 22747 and 22748

AFFIDAVIT OF ISAAC EVANS

Isaac Evans, of lawful age and being first duly sworn, states the following:

- My name is Isaac Evans and I am employed by MRC Energy Company, an affiliate 1. of Matador Production Company ("Matador"), as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. I understand my credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by Matador in these cases and the status of the lands in the subject area.
- In these consolidated cases, Matador seeks orders pooling the uncommitted 4. interests in the Bone Spring formation in the following standard horizontal spacing units:
 - In Case 22747, Matador seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Sections 16 and 21, Township 20 South, Range 33 East (NMPM), Lea County, New Mexico. The spacing unit will be initially dedicated to the proposed Pony Express Federal Com #403H, Pony Express Federal Com #504H, and Pony Express Federal Com #603H

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Matador Production Company Hearing Date: August 18, 2022 Case No. 22747 & 22748

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wells, each to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 16, to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 21.

- In Case 22748, Matador seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 E/2 of Sections 16 and 21, Township 20 South, Range 33 East (NMPM), Lea County, New Mexico. The spacing unit will be initially dedicated to the proposed Pony Express Federal Com #404H, to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 16, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 21, Pony Express Federal Com #505H and Pony Express Federal Com #604H wells, to be drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 9, to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 21.
- 5. **Matador Exhibit C-1** contains draft Form C-102's for the proposed initial wells in each of the standard horizontal spacing units. These forms demonstrate that the completed interval for each well will meet the standard setback requirements for horizontal oil wells.
- 6. For **Case Nos. 22747 and 22748**, Matador understands that these Bone Spring wells will be placed in the Teas; Bone Spring, West [96399] pool.
- 7. **Matador Exhibit C-2** identifies the tracts of land comprising each of the proposed horizontal spacing units. The subject acreage is comprised of federal and state acreage.
- 8. There are no depth severances within the Bone Spring formation underlying this acreage.
- 9. **Matador Exhibit C-3** identifies the working interest owner that Matador is seeking to pool in each of the proposed horizontal spacing units. As indicated in **Exhibit C-6**, Matador

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has been able to locate and has had discussions with each of the working interest owners it seeks to pool in an effort to reach voluntary joinder.

- 10. **Matador Exhibit C-4** identifies the overriding royalty interests that Matador is seeking to pool in each of the proposed horizontal spacing units.
- 11. **Matador Exhibit C-5** contains a sample of the well proposal letters and AFEs sent to the working interest owners Matador is seeking to pool. 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.
- 12. **Matador Exhibit C-6** contains a general summary of the contacts with the uncommitted working interest owners that Matador seeks to pool. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners.
- 13. 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.
- 14. Matador has provided the law firm of Holland & Hart LLP with the names and addresses (where available) of the parties that Matador seeks to pool and instructed that they be notified of this hearing.
- 15. **Matador Exhibits C-1 through C-6** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.

Isaac Evans

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STATE OF TEXAS)
COUNTY OF DALLAS))
SUBSCRIBED and SW	ORN to before me this day of 2022 by
Isaac Evans.	J ,
	MIME ARWAY Sanger
My Commission Expires:	
8/24/2025	Notary ID #131259323 My Commission Expires August 24, 2025

EXHIBIT C-1

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. C-1

Submitted by: Matador Production Company

Hearing Date: August 18, 2022

State of New Mexico

Case No. 22747 & 22748

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

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

District Office AMENDED REPORT

District 1 1625 N, French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S, First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 Visorict 111 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

WELL LOCATION AND ACREAGE DEDICATION PLAT



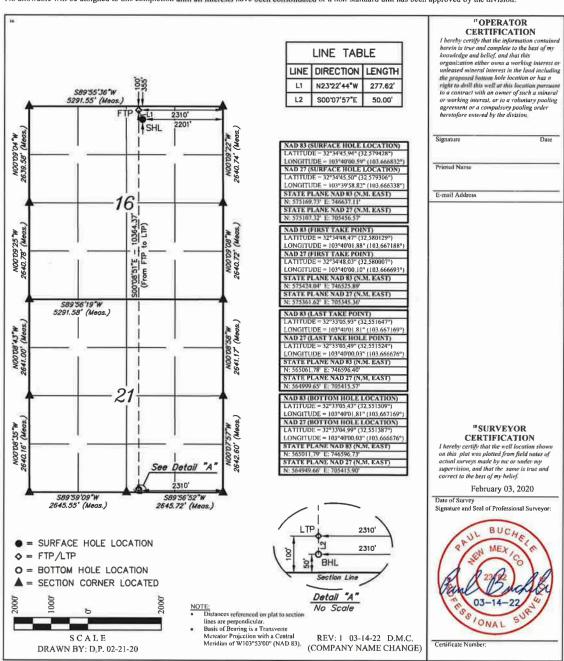
Surface Location

В	16	20S	33E		355	NORTH	2201	EAST	LEA
UL or let ne.	Section	Township	Range	Let ldn	Feet from the	North/South line	Feet from the	East/West line	County

"Bottom Hole Location If Different From Surface

UL or lot no.	Section 21	20S	Range 33E	Lot Idn	Feet from the 50	North/South line SOUTH	Feet from the 2310	East/West line EAST	County LEA
12 Dedicated Ac 320	res	¹³ Joint or Infill	14 Cons	olldation Code	15 Order No.				

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



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

Phone: (3/5) /48-1283 Fax: (3/5) /48-9/20 Distriet 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

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WELL LOCATION AND ACREAGE DEDICATION PLAT

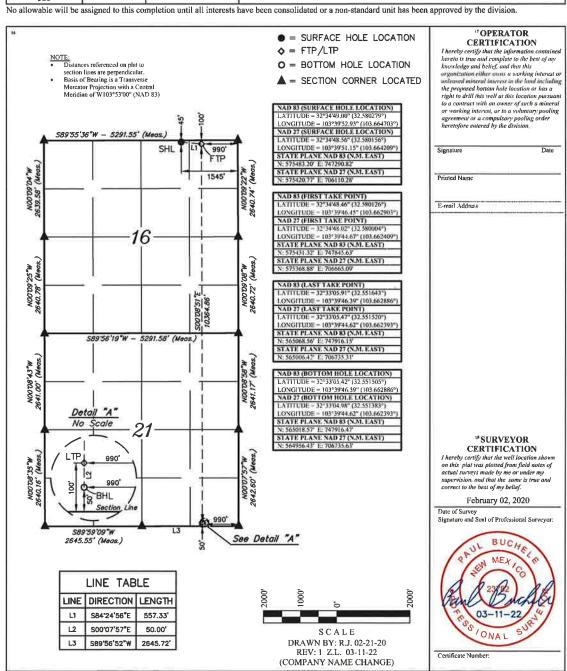
API Number	GG 395	Teas:	Bone Name	Socia	West
* Property Code		operty Name PRESS FED COM			Well Number 404H
70GRID No. 228937		DOUCTION COMPANY			Elevation 3542_9'
		C T d		***	

■ Surface Location

L	UL or lot no. B	Section 16	Township 20S	Range 33E	Lot Idn	Feet from the 45	North/South line NORTH	Feet from the 1545	Eust/West line EAST	County LEA
---	--------------------	---------------	-----------------	--------------	---------	---------------------	---------------------------	-----------------------	------------------------	---------------

"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 Ilne	County
P	21	20S	33E		50	SOUTH	990	EAST	LEA
12 Dedicated Acre 320	es 13 J	oint or Infili	¹⁴ Const	olidation Code	15 Order No.				



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

District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

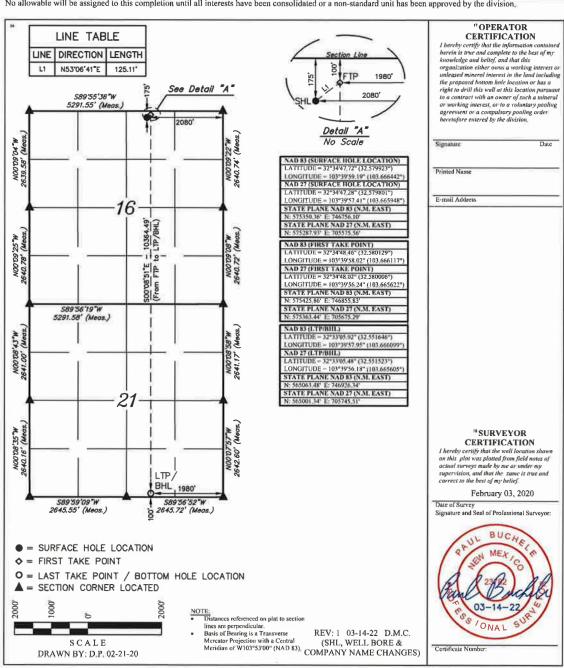
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1	API Number			2 Pool Code		Teas:	Pool N		to town		
1 Property (Code		9(0399 *Property Name PONY EXPRESS FED COM *Well Number 504H								
22 8°	37			MATA	⁸ Operator N ADOR RESOUR	ame CES COMPANY			⁹ Elevation 3542.0'		
					"Surface	Location					
UL or lot no. B	Section 16	Township 20S	Range 33E	Lot Idn	Feet from the 175	North/South line NORTH	Feet from the 2080	East/West line EAST	County LEA		
			11	Bottom Ho	le Location I	f Different From	Surface				
UL or lot no.	Section 21	Township 20S	Range 33E	Lot Idn	Feet from the	North/South line SOUTH	Feet from the 1980	East/West line EAST	County LEA		
Dedicated Acres 320		oint or Infill	14 Conso	lidation Code	15 Order No.						

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



District 1
1623 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) 748-1285 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV

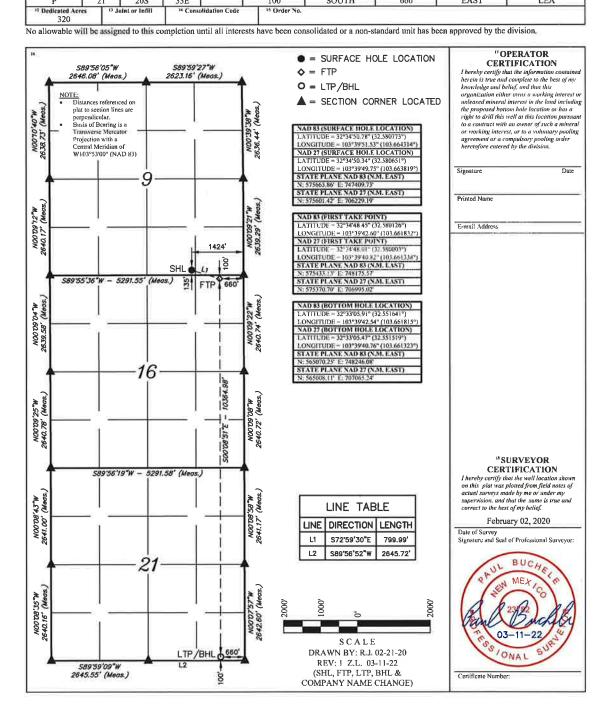
District IV 1220 S. St. Francis Dr., Sante Fe, NM 87505 Phone: (505) 476-3460 Fex: (505) 476-3462 State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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WELL LOCATION AND ACREAGE DEDICATION PLAT

17	API Number			Pool Code	9	Teas:	Bone	Socie	~	West	
4 Property C	ode			• Well Number 505H							
2289	*Operator Name MATADOR PRODUCTION COMPANY									Elevation 3544.4'	
					"Surface	Location					
UL or lot no, O	Section 9	Township 20S	Range 33E	Lot Idn	Feet from the 135	North/South line SOUTH	Feet from the 1424	Enst/Wes EAS		County LEA	
				Bottom H	ole Location I	f Different From	Surface				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Wes		County	



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

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

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	94399	Tegs.	Bo Pool Nam	Saci	~ West
* Property Code		rty Name ESS FED COM			° Well Number 603H
228937		tor Name OURCES COMPANY			9 Elevation 3541.7'

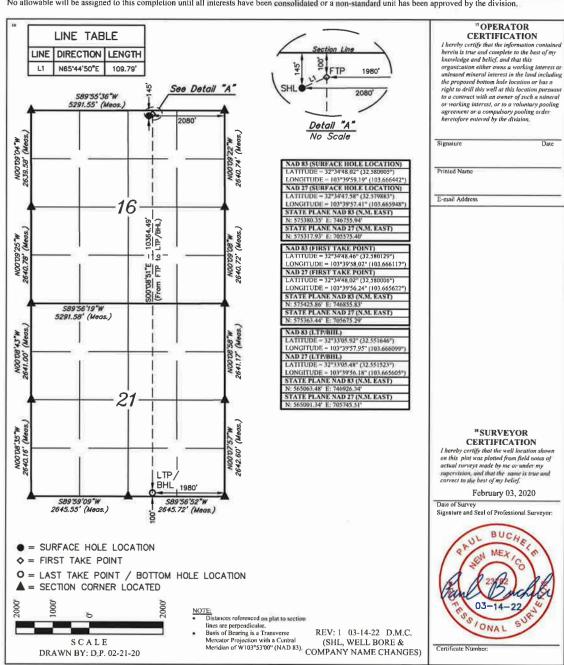
Surface Location

UL or lot no. B	Section 16	Township 20S	Runge 33E	Lot Idn	Feet from the 145	North/South line NORTH	Feet from the 2080	East/West line EAST	County LEA

"Bottom Hole Location If Different From Surface

O O	Section 21	20S	33E	Lof Idn	Feet from the 100	SOUTH	Feet from the 1980	EAST EAST	County LEA
12 Dedicated Acre 320	cs 13	Joint or Infill	14 Cons	lidation Code	15 Order No.			-	

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



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 District III

<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., Sunta Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

Township 20S Range 33E Lot Idn

93-0720 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

State of New Mexico

*	API Number			9 (39	9	Tegs;	Back	Sociar .	Wost	
4 Property C			_1	FProperty N PONY EXPRESS	vame /		1	⁶ Well Number 604H		
778937				MATA		perator Name ODUCTION COMPANY			*Elevation 3544.7'	
					¹⁰ Surface	Location				
UL or lot no. O	Section 9	Township 20S	Range 33E	Lot Idn	Feet from the 165	North/South line SOUTH	Feet from the 1424	East/West line EAST	County LEA	
			u	Bottom Ho	ole Location I	f Different From	Surface			

SOUTH

Feet from the

East/West line

320

Feet from the

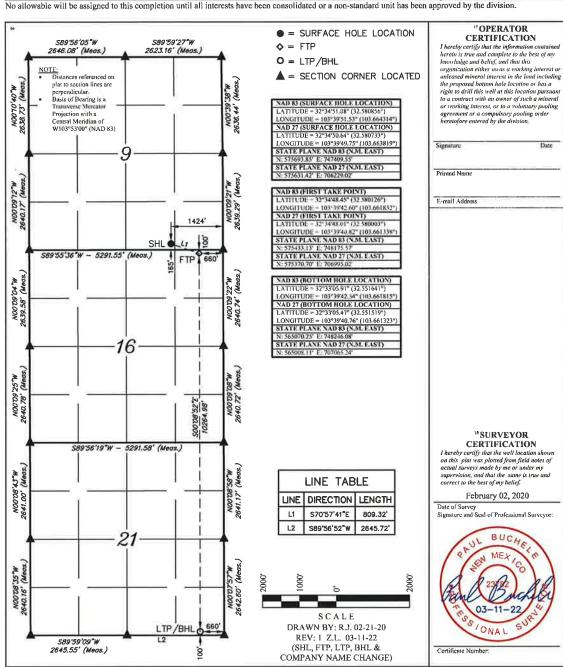


EXHIBIT C-2

Map Prepared by: thudgins

Coordinate System: GCS WGS 1984

Project: ForcedPooling Date: 6/27/2022

Pony Express W2E2 Tract Plat

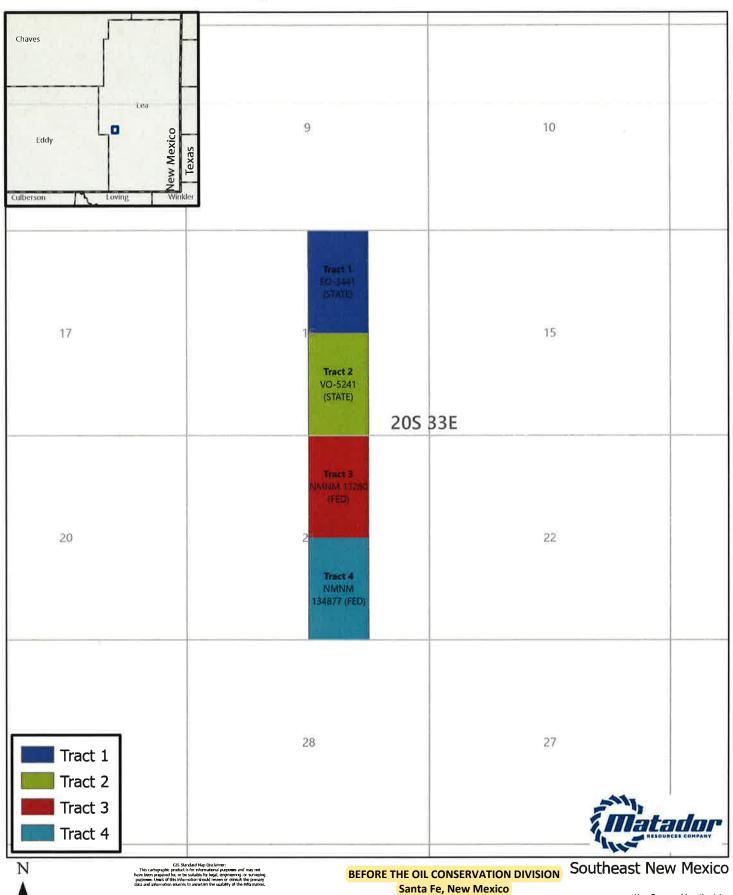


Exhibit No. C-2

Hearing Date: August 18, 2022 Case No. 22747 & 22748

Feet Submitted by: Matador Production Company

1,500

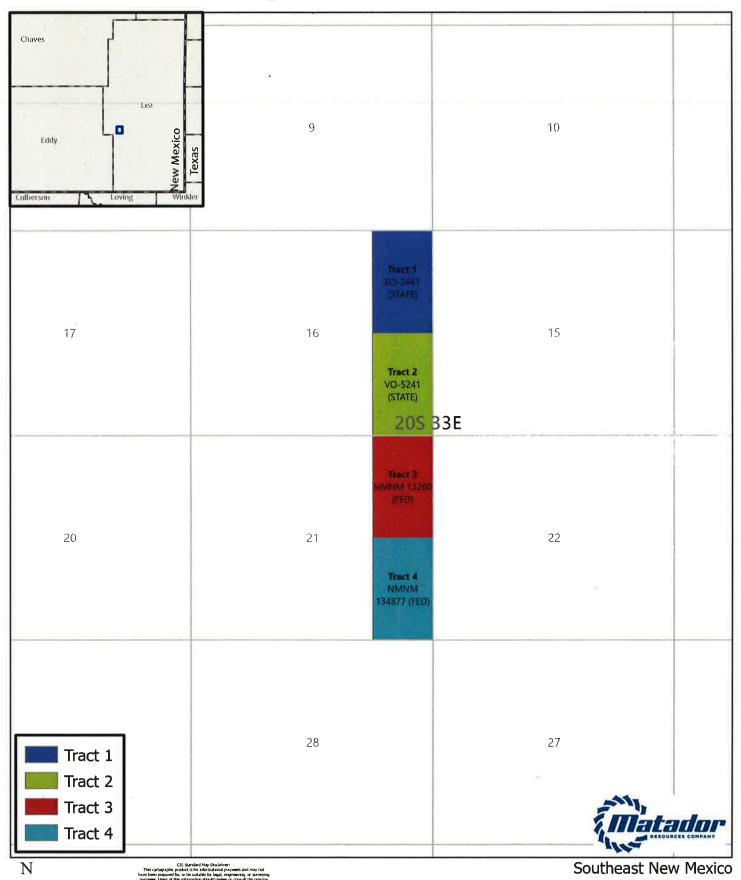
3,000

6,000

Map Prepared by: thudgins

Project: ForcedPooling Date: 6/27/2022 Coordinate System: GCS WGS 1984

Pony Express E2E2 Tract Plat



1,500

3,000

6,000

■ Feet

EXHIBIT C-3

Summary of Interests

(CASE No. 22747)

MRC Permian Company Working Interest			50.000000%
Voluntary Joinder			22.918750%
Compulsory Pool Interest Total:			27.081250%
Interest Owner:	Description:	Tract	Interest:
ConocoPhillips Company	Voluntary Joinder	3	12.500000%
COG Operating, LLC	Voluntary Joinder	3	10.418750%
	Uncommitted Working Interest Owner		
Devon Energy Production Co LP		2	25.000000%
DXY USA WTP Limited	Uncommitted Working Interest Owner	3	2.081250%

EFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C-3
mitted by: Matador Production Company

Hearing Date: August 18, 2022

Case No. 22747 & 22748



Summary of Interests (Case No. 22748)

MRC Permian Company Working Interest			50.000000%
Voluntary Joinder	22.918750%		
Compulsory Pool Interest Total:			27.081250%
Interest Owner:	Description:	Tract	Interest:
ConocoPhillips Company	Voluntary Joinder	3	12.500000%
COG Operating, LLC	Voluntary Joinder	3	10.418750%
Devon Energy Production Co LP	Uncommitted Working Interest Owner	2	25.000000%
OXY USA WTP Limited Partnership	Uncommitted Working Interest Owner	3	2.081250%

EXHIBIT C-4

<u>Summary of ORRI Owners – Pony Express Fed Com W2E2</u>

(Case 22747)

ORRI

- 1. MRC Permian Company
- 2. Claudia Neal Young
- 3. Laura Neal Barbaree
- 4. Avant Operating, LLC
- 5. PEO Permian LLC
- 6. John Brickey
- 7. Jack Erwin
- 8. Alan Peters
- Deborah S. Moore, SSP
- 10. Eric D. Fein
- 11. Keaton Brickey
- 12. Burlington Resources Oil & Gas Company LP
- 13. Gilbert C. Wheat
- 14. Southern Petroleum Exploration, Inc.
- 15. George H. Etz, Jr., Trustee
- 16. Etz Oil Properties, Ltd
- 17. Higgins Trust, Inc
- 18. Antonia Dean
- 19. Mary Dupuis
- 20. Thomas Rapkoch
- 21. Jennifer E. Deland and Leroy E. Deland Revocable Trust
- 22. Michael Rapkoch
- 23. Karen Irish, fka Karen Rapkoch
- 24. Daniel Rapkoch
- 25. Jennifer Deland
- 26. Marc Ducharme
- 27. Denise Crimmins
- 28. Michelle Deane
- 29. Celeste Martley
- 30. Aimee Ducharme
- 31. Vince Holdings, LLC
- 32. Russell J. Cox
- 33. Carl A. Robinson Production, Ltd.
- 34. Estate of Betty Kyte Dreessen aka Betty M. Dreessen
- 35. Cecil Bond Kyte
- 36. C & I Powell Revocable Living Trust
- 37. Edward T. Dreessen and Kathleen Dreessen Living Trust
- 38. Cecil Marie Dreessen
- 39. Braille Institute of America, Inc.
- 40. Diamond Lil Properties, LLC
- 41. Spirit Trail, LLC
- 42. Marilyn Corn Coll
- 43. Katheryn Joyce Coll
- 44. Max W. Coll III

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4
Submitted by: Matador Production Company
Hearing Date: August 18, 2022
Case No. 22747 & 22748

Summary of ORRI Owners - Pony Express Fed Com E2E2

(case 22748)

ORRI

- 1. MRC Permian Company
- 2. Claudia Neal Young
- 3. Laura Neal Barbaree
- 4. Avant Operating, LLC
- 5. PEO Permian LLC
- 6. John Brickey
- 7. Jack Erwin
- 8. Alan Peters
- 9. Deborah S. Moore, SSP
- 10. Eric D. Fein
- 11. Keaton Brickey
- 12. Burlington Resources Oil & Gas Company LP
- 13. Gilbert C. Wheat
- 14. Southern Petroleum Exploration, Inc.
- 15. George H. Etz, Jr., Trustee
- 16. Etz Oil Properties, Ltd
- 17. Higgins Trust, Inc.
- 18. Antonia Dean
- 19. Mary Dupuis
- 20. Thomas Rapkoch
- 21. Jennifer E. Deland and Leroy E. Deland Revocable Trust
- 22. Michael Rapkoch
- 23. Karen Irish, fka Karen Rapkoch
- 24. Daniel Rapkoch
- 25. Jennifer Deland
- 26. Marc Ducharme
- 27. Denise Crimmins
- 28. Michelle Deane
- 29. Celeste Martley
- 30. Aimee Ducharme
- 31. Vince Holdings, LLC
- 32. Russell J. Cox
- 33. Carl A. Robinson Production, Ltd.
- 34. Estate of Betty Kyte Dreessen aka Betty M. Dreessen
- 35. Cecil Bond Kyte
- 36. C & I Powell Revocable Living Trust
- 37. Edward T. Dreessen and Kathleen Dreessen Living Trust
- 38. Cecil Marie Dreessen
- 39. Braille Institute of America, Inc.
- 40. Diamond Lil Properties, LLC
- 41. Spirit Trail, LLC
- 42. Marilyn Corn Coll
- 43. Katheryn Joyce Coll
- 44. Max W. Coll III

EXHIBIT C-5

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.587.4628 • Fax 214.866.4883

isaac.evans@matadorresources.com

Isaac Evans Landman

February 10, 2022

VIA CERTIFIED RETURN RECEIPT MAIL

Devon Energy Production Co LP 333 West Sheridan Avenue Oklahoma City, OK 73102

Re:

Pony Express Federal Com #403H, #404H, #504H, #505H, #603H, & #604H (the "Wells")

Participation Proposal

E/2 of Sections 16 & 21, Township 20 South, Range 33 East

Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Pony Express Federal Com #403H, Pony Express Federal Com #504H, Pony Express Federal Com #505H, Pony Express Federal Com #603H, & Pony Express Federal Com #604H wells, located in the E/2 of Sections 16 & 21, Township 20 South, Range 33 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 six (6) enclosed Authority for Expenditures ("AFE") dated February 4, 2022.
- Pony Express Federal Com #403H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SW/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #404H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SE/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #504H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SW/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,367' TVD) to a Measured Depth of approximately 21,656'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-5
Submitted by: Matador Production Company
Hearing Date: August 18, 2022

Case No. 22747 & 22748

Released to Imaging: 8/17/2022 9:19:42 AM

- Pony Express Federal Com #505H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SE/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,367' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #603H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SW/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,266' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #604H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SE/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,277' TVD) to a Measured Depth of approximately 21,656'.

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, which is enclosed for your review. The proposed Operating Agreement dated February 1, 2022, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators, covers certain depths in the E/2 of Sections 16 & 21, Township 20 South, Range 33, Lea County, New Mexico, being 640.00 acres, more or less, and has 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

Isaac Evans

Devon Energy Production Co LP hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Pony Express Federal Com #403H well. Not to participate in the Pony Express Federal Com #403H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Pony Express Federal Com #404H well. Not to participate in the Pony Express Federal Com #404H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Pony Express Federal Com #504H well. Not to participate in the Pony Express Federal Com #504H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Pony Express Federal Com #505H well. Not to participate in the Pony Express Federal Com #505H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Pony Express Federal Com #603H well. Not to participate in the Pony Express Federal Com #603H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Pony Express Federal Com #604H wellNot to participate in the Pony Express Federal Com #604H
Devon Energy Production Co LP
Ву:
Title:
Date:
Contact Number

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.587.4628 • Fax 214.866.4883

isaac.evans@matadorresources.com

Isaac Evans Landman

February 11, 2022

VIA CERTIFIED RETURN RECEIPT MAIL

OXY USA WTP Limited Partnership 5 Greenway Plaza, Suite 110 Houston, TX 77046-0521

Re:

Pony Express Federal Com #403H, #404H, #504H, #505H, #603H, & #604H (the "Wells")

Participation Proposal

E/2 of Sections 16 & 21, Township 20 South, Range 33 East

Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Pony Express Federal Com #403H, Pony Express Federal Com #504H, Pony Express Federal Com #505H, Pony Express Federal Com #603H, & Pony Express Federal Com #604H wells, located in the E/2 of Sections 16 & 21, Township 20 South, Range 33 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 six (6) enclosed Authority for Expenditures ("AFE") dated February 4, 2022.
- Pony Express Federal Com #403H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SW/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #404H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SE/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #504H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SW/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,367' TVD) to a Measured Depth of approximately 21,656'.

- Pony Express Federal Com #505H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SE/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,367' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #603H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SW/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,266' TVD) to a Measured Depth of approximately 21,656'.
- Pony Express Federal Com #604H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 16-20S-33E and a proposed bottom hole location in the SE/4SE/4 of Section 21-20S-33E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,277' TVD) to a Measured Depth of approximately 21,656'.

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, which is enclosed for your review. The proposed Operating Agreement dated February 1, 2022, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators, covers certain depths in the E/2 of Sections 16 & 21, Township 20 South, Range 33, Lea County, New Mexico, being 640.00 acres, more or less, and has 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

Isaac Evans

OXY USA WTP Limited Partnership hereby elects to:

Practicipate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Pony Express Federal Com #403H well. Not to participate in the Pony Express Federal Com #403H
Nor to participate in the Folly Express rederat Canh #40.50
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Pony Express Federal Com #404H well.
Not to participate in the Pony Express Federal Com #404H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Pony Express Federal Com #504H well.
Not to participate in the Pony Express Federal Com #504H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Pony Express Federal Com #505H well.
Not to participate in the Pony Express Federal Com #505H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Pony Express Federal Com #603H well.
Not to participate in the Pony Express Federal Com #603H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Pony Express Federal Com #604H well.
Not to participate in the Pony Express Federal Com #604H
OXY USA WTP Limited Partnership
By:
Title:
Title.
Date:
Contact Number:

		ESTIMATE OF COSTS AN	ID AUTHORIZATION FO	R EXPENDITURE		
ATE:	February 4, 2022			AFE NO.:		
VELL NAME:	Pony Express Federa	al Com #403H		FIELD:	-	
OCATION:	Section 21 &16, 20S-			MD/TVD:		21,656'/9,500'
COUNTY/STATE:	Lea, New Mexico			LATERAL LENGTH:		9,980'
ARC WI:					-	
EOLOGIC TARGET:	1st Bone Spring					
REMARKS:		quip a horizontal 1st Bone	Spring well			
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBL		COSTS	costs	costs	FACILITY COSTS	COSTS
and / Legal / Regulatory		\$ 75,000	5	\$	\$ 10,000 20,000	\$ 85,0 164,0
ocation, Surveys & Dan Filling	ages	116,000	13,600	15,000	20,000	1,107,4
ementing & Float Equip		283,000		-		283,0
ogging / Formation Eval		-	3,780	3,000	9	6,7
lowback - Labor				23,400		23,4
lowback - Surface Rent				20,304		20,3
flowback - Rental Living Mud Logging	Quarters	28,000				28.0
Aud Circulation System		78.250	-	-		78.2
Aud & Chemicals		305,000	53,900	6,000		304,9
Aud / Wastewater Dispos	ual	185,000			1,000	186.0
reight / Transportation		18,000	40,975			58,9
Rig Supervision / Engine	ering	156,000	97,900	4,350	1,800	200,0
Orill Bits Orill Bit Purchase		120,500				120,5
rill Bit Purchase ruel & Power		185,250	470,035			655,2
Water		76,250	708,750	3,000	1,000	789.0
Orig & Completion Overfi		16,250		- Alliana		16,2
Plugging & Abandonmen	ı	1925000				
Directional Drilling, Surv		260,270				280,2
Completion Unit, Swab, (Perforating, Wireline, Sile			165,000 188,070	13,500		178,5
Perforating, Wireline, Sile High Pressure Pump Tru			57,750	6,000		63,7
Stimulation	137		1,929,489	0.000		1,929,4
Stimulation Flowback & I	Disp		17,050	338,000		355,0
nsurance	and the second	17,325				17,3
Labor	005	218,500	66,000	15,000	5,000	304,5
Rental - Surface Equipm		108,763	306,807	10,000	5,000	430.5 278.7
Rental - Downhole Equip Rental - Living Quarters	ment	184,103 57,600	94,600		5,000	106,7
Contingency		180,825	218,210	22,878	4,880	426,7
Operations Center		31,395				31,3
	TOTAL INTANGIBLES	> 3,828,730	4,475,453	480,432	53,680	6,838,
- and a second second	- named	DRILLING	COMPLETION	PRODUCTION	EACH ITY COSTS	TOTAL
TANGIBLE Surface Casing	CUSTS	COSTS \$ 215,500	COSTS	COSTS	FACILITY COSTS	COSTS \$ 215,6
Surface Casing Intermediate Casing		335,703	•	·	•	335,7
Drilling Liner		281,250				281,2
Production Casing		823,667				823,6
Production Liner						
Tubing				43,200		43,2
Wellhead Packers, Liner Hangers		166,000	67,344	45,000		211.0
Tanks			- 01,514		81,000	81,0
Production Vessels					133,463	133,4
Flow Lines					120,000	120,0
Rod string		8 (41.5)				8
Artificial Lift Equipment						
NAME OF TAXABLE PARTY.		- T		275,000	*** 000	
					11,000	11,0
installation Costs					40,000	11.0
nstallation Costs Surface Pumps						11,0 40,0 31,0
Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downh				2,500	40,000 26,500	11.0 40.0 31.0 2.0
installation Costs Surface Pumps Non-controllable Surface Non-controllable Downh Downhole Pumps	ole			2,500	40,000 26,500 2,000	11.0 40.0 31.0 2.0
installation Costs Surface Pumps Non-controllable Surface Non-controllable Downh Downhole Pumps Measurement & Meter In	ole stallation			2,500	40,000 26,500	11.0 40.0 31.0 2.0
Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter in Gas Conditioning / Dehy	ole stallation dration			2,500	40,000 28,500 2,000 77,500	11.0 40.0 31.0 2,0
nstallation Costs Surface Pumps Non-controllable Surface Non-controllable Downth Downhole Pumps Measurement & Meter in Gas Conditioning / Dehy Interconnecting Facility	ole stallation dration			2,500	40,000 26,500 2,000	11.0 40,0 31,0 2,0 67,5
installation Costs Surface Pumps Non-controllable Surface Non-controllable Downth Downhole Pumps Measurement & Meter in Gas Conditioning / Dehy Interconnecting Facility I Gathering / Bulk Lines	ole stallation dration Piping			2,500	40,000 26,500 2,000 77,500	11.0 40.0 31.0 2.0 67.5
nstallation Costs Surface Pumps Non-controllable Surface Non-controllable Downholownhole Pumps Measurement & Meter in Gas Conditioning / Dehy Interconnecting Facility I Sathering / Bulk Lines Yalves, Dumps, Controll	ole stallation dration Piping			2,500	40,000 20,500 2,500 77,500 62,500	11.0 40.0 31.0 2.0 67.5 62.5
installation Costs Surface Pumps Non-controllable Surface Non-controllable Downh Downhole Pumps Measurement & Meter in Gas Conditioning / Delty interconnecting Facility ! Gathering / Bulk Lines valves, Dumps, Controll Tank / Facility Containm Flare Stack	ole stallation dration Piping			2,500	40,000 20,500 2,000 77,500 62,500 5,400 24,760	11.0 40,0 31,0 2,0 87,4 62,5 5,4 24,7
installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter in Jae Conditioning / Delty Gathering / Bulk Lines Javies, Dumps, Controll Fank / Facility Containm Plare Stack Electrical / Grounding	ole stallation dration Piping ers			2,500	40,000 28,500 2,000 77,500 	11,0 40,0 31,0 2,0 67,5 62,5 5,4 24,7 95,5
installation Costs Surface Pumpa Non-controllable Downho Downhole Pumpa Measurement & Meter in Jas Conditioning / Dehy Mentromecting / Facility / Gathering / Bulk Lines Javes, Dumps, Controllin Tank / Facility Containm Flare Stack Electrical / Grounding Continunications / SCAD	ole stallation dration Piping ers			2,500	40,000 20,500 2,000 77,500 62,500 5,400 24,760	11.0 40.0 31.0 2.0 67.5 62.5 5.4 24.7 95.5 6.0
installation Costs Surface Pumps Von-controllable Surface Von-controllable Downholo Downhole Pumps Measurement & Meter in Jas Conditioning / Delhy Gathering / Bulk Lines Jaives, Dumps, Controllin Tank / Facility Containm Tank / Facility Containm Tare Stack Bectrical / Grounding Communications / SCAD	ole stallation dration Piping ers		67,344	2,500	40,000 20,500 2,000 77,500 	275.0 11.0,0 40.0 31.0 2.0 67.5 62.5 5.4 24.7 85.5 6.0 28.2 2.88
installation Costs Surface Pumpa Non-controllable Downho Downhole Pumpa Measurement & Meter in Jas Conditioning / Dehy Mentromecting / Facility / Gathering / Bulk Lines Javes, Dumps, Controllin Tank / Facility Containm Flare Stack Electrical / Grounding Continunications / SCAD	ole stallation dration Piping nrs sent	1,822,110	67,344 4,542,797	2,500 	40,000 28,500 2,000 77,500 62,500 	11.0 40.0 31.0 2.0 67.5 62.5 5.4 24.7 85.5 6.0 24.2 2.981,
installation Costs Surface Pumps Von-controllable Downhi- Von-controllable Downhi- Downhole Pumps Measurement & Meter In Jas Conditioning / Dehy Interconnecting Facility I Sathering / Bulk Lines Zalves, Dumps, Controllar Facility Containmi Jare Stack Electrical / Grounding Communications / SCAD Instrumentation / Safety	ote stallation dration Piping ses ent A TOTAL TANGIBLES TOTAL COSTS	3 1,922,110 5,650,840		2,500 	40,000 28,500 2,000 77,500 	11.6 40,0 31.0 2.0 87.4 62.5 5.4 24.7 85.5 6.0 2.881,2
installation Costs Surface Pumps Von-controllable Downhi- Von-controllable Downhi- Downhole Pumps Measurement & Meter In Jas Conditioning / Dehy Interconnecting Facility I Sathering / Bulk Lines Zalves, Dumps, Controllar Facility Containmi Jare Stack Electrical / Grounding Communications / SCAD Instrumentation / Safety	ole stallation dration Piping ers ent A TOTAL TANGIBLES	3 1,922,110 5,650,840		2,500 	40,000 28,500 2,000 77,500 	11.0 40.0 31.0 2.0 67.5 62.5 5.4 24.7 85.5 6.0 24.2 2.981,
installation Costs Surface Pumps Son-controllable Surface Son-controllable Downh Jownhole Pumps Measurement & Meter in Jas Conditioning / Dehy Bathering / Bulls Lines Salves, Dumps, Controll Tank / Facility Containm Face Stack Bectrical / Grounding Jomnumications / Safety PARED BY MATADOF	stallation dration Piping ses ent A TOTAL TANGIBLES TOTAL COSTS	1,822,110 > 5,850,840	4,542,797	2,500 	40,000 28,500 2,000 77,500 	11.0 40.0 31.0 2.0 67.5 62.5 5.4 24.7 85.5 6.0 24.2 2.981,
installation Costs fourface Pumps fion-controllable Surface fion-controllable Downhi bownhole Pumps feasurement & Meter in fast Conditioning / Dehy interconnecting Facility sathering / Bulk Lines raives, Dumps, Controll rank / Facility Containm raives, Dumps, Controll rank / Facility Containm raives Surface lectrical / Grounding communications / SCAD nstrumentation / Safety PARED BY MATADOF Drilling Engin	ataliation dration Piping ers ent A TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPA eer: TB	3 1,922,110 5,650,840	4,542,797 M_AW	2,500 	40,000 28,500 2,000 77,500 	11.6 40,0 31.0 2.0 87.4 62.5 5.4 24.7 85.5 6.0 2.881,2
installation Costs juriace Pumps ton-controllable Surface fon-controllable Downh ton-controllable Downh townhole Pumps teasurement & Meter in tass Conditioning / Detry tastering / Buft Lines takes, Dumps, Controlla taker / Facility Containm tare Stack leatrical / Grounding communications / SCAD instrumentation / Safety PARED BY MATADOF Orilling Engin Completions Engin	atallation dration Piping lass and TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: TB GGT GH	1,822,110 > 5,850,840	4,542,797	2,500 	40,000 28,500 2,000 77,500 	11.6 40,0 31.0 2.0 87.4 62.5 5.4 24.7 85.5 6.0 2.881,2
stallation Costs urface Pumps on-controllable Surface on-controllable Downh ownhole Pumps leasurement & Meter in as Conditioning / Delty sterconnecting Facility stathering / Bulk Lines alves, Dumps, Controlla ank / Facility Containmi lare Stack lectrical / Grounding ommunications / ScAd sstrumentation / Safety CARED BY MATADOR Orilling Engin	atallation dration Piping lass and TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: TB GGT GH	1,822,110 > 5,850,840	4,542,797 M_AW	2,500 	40,000 28,500 2,000 77,500 	11.6 40,0 31.0 2.0 87.4 62.5 5.4 24.7 85.5 6.0 2.881,2
installation Costs surface Pumps con-controllable Surface fon-controllable Downh townhole Pumps leasurement & Meter in isa Conditioning / Dehy interconnecting Facility sathering / Bulk Lines raives, Dumps, Controlla raives, Dumps, Controlla raives, Dumps, Controlla raives, Surgas, Controlla raives,	ataliation dration Piping sers ent TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPAGE: TB eer: GH eer: GL	1,822,110 > 1,822,110 > 5,650,840 NY: Team Lead - WTX/N	4,542,797 M_AW	2,500 	40,000 28,500 2,000 77,500 	11.6 40,0 31.0 2.0 87.4 62.5 5.4 24.7 85.5 6.0 2.881,2
usurface Pumps lon-controllable Surface lon-controllable Downh lon-controllable Downh low-controllable Downh low-controllable Downh low-controllable Downh loss Conditioning / Dehy loterconnecting Facility last Conditioning / Dehy loterconnecting Facility last Conditioning / Dehy lattering / Bulk Lines lark / Facility Containm lare Stack lectrical / Grounding lonmmunications / ScAb loss / ScAb lo	atallation dration Piping lass and TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: TB GGT GH	1,822,110 > 1,822,110 > 5,650,840 NY: Team Lead - WTX/N	4,542,797 M_AW	2,500 	40,000 28,500 2,000 77,500 	11.6 40,0 31.0 2.0 87.4 62.5 5.4 24.7 85.5 6.0 2.881,2
installation Costs Surface Pumps Son-controllable Surface Son-controllable Downh Jownhole Pumps Measurement & Meter in Jase Conditioning / Delty Sathering / Bulk Lines Javes, Dumps, Controlls Tank / Facility Containm Jare Stack Bectrical / Grounding Communications / SCAD Instrumentation / Safety PARED BY MATADOF Oriling Engin Completions Engin Production Engin ADOR RESOURCES (atallation dration piping sets and TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: GH GET	1,822,110 > 1,822,110 > 5,650,840 NY: Team Lead - WTX/N	4,542,797 M_AW	2,500 	40,000 28,500 2,000 77,500 	11.5 40,6 31.6 2.0 87,5 62.5 5,4 24,7 85,5 6,2 2,881,11,819,
usurface Pumps lon-controllable Surface lon-controllable Downh lon-controllable Downh low-controllable Downh low-controllable Downh low-controllable Downh loss Conditioning / Dehy loterconnecting Facility last Conditioning / Dehy loterconnecting Facility last Conditioning / Dehy lattering / Bulk Lines lark / Facility Containm lare Stack lectrical / Grounding lonmmunications / ScAb loss / ScAb lo	atallation dration piping sets and TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: GH GET	1,822,110 > 1,822,110 > 5,650,840 NY: Team Lead - WTX/N	4,542,797 M_AW	2,500 	40,000 28,500 2,000 77,500 	11.6 40.6 31.7 2.0 87.4 62.1 5.5, 24.1 95.5 2.841, 11,819,
installation Costs surface Pumps ion-controllable Surface ion-controllable Downh lower Committee Downh lower C	atallation dration Piping Bris Bris Bris Bris Bris Bris Bris Bris	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797	2,500 	40,000 28,500 2,000 77,500 	11.6 40.6 31.6 31.6 2.6 67.1 62.1 5.6 6.6 2.9 11.819
ustaliation Costs surface Pumps surface Pumps surface Pumps surface Controllable Surface surfa	atallation dration Piping Bris Bris Bris Bris Bris Bris Bris Bris	1,822,110 > 1,822,110 > 5,650,840 NY: Team Lead - WTX/N	4,542,797	2,500 	40,000 28,500 2,000 77,500 	11.6 40.6 31.6 2.6 67.1 62.1 5.6 2.4 24.1 95.5 6.6 2.981 11,819
urface Pumps on-controllable Surface fon-controllable Downho fon-controllable fon-c	atallation dration Piping sers ent TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPAGE: GEORGIA	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797 M AW APW	2,500 	40,000 28,500 2,000 77,500 	11.6 40.6 31.6 2.6 67.1 62.1 5.6 2.4 24.1 95.5 6.6 2.981 11,819
stallation Costs urface Pumps on-controllable Surface on-controllable Downho on-controllable on-cont	atallation dration Piping sers ent TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPAGE: GEORGIA	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797 M AW APW	2,500 	40,000 28,500 2,000 77,500 	11.6 40.6 31.6 2.6 67.1 62.1 5.6 2.4 24.1 95.5 6.6 2.981 11,819
stallation Costs urface Pumps an-controllable Surface an-controllable Downhownhole Pumps easurement & Meter in as Conditioning / Dehysterconnecting Facility streeting Facility streeting Facility streeting Facility streeting Facility streeting Facility streeting / Bulk Lines are Stack streeting / Gounding ammunications / ScAd strumentation / Safety ARED BY MATADOF Orilling Engin Completions Engin Production Engin Production Engin DOR RESOURCES (Executive VP, LOO/C Executive VP, L	atallation dration Piping liss sent TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: GH BBF: GH BBF: GL COMPANY APPROVAL: COMPANY APPROVAL: CFO	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797 M AW APW	2,500 	40,000 28,500 2,000 77,500 	11.1 40.0 31.1 2.1 67.1 62.1 5,6 24.1 95.5 6,1 22.981,11,819,
stallation Costs urface Pumps an-controllable Surface an-controllable Downho an-controllable Downho an-controllable Downho an-controllable Downho as Expenses assurement & Meter in as Conditioning / Dehy terconnecting Facility as Conditioning / Bulk Lines at Controllable are Stack actical / Grounding ammunications / ScAd strumentation / Safety ARED BY MATADOF Orilling Engin Completions Engin Production Engin DOR RESOURCES I Executive VP, COO/C Executive VP, L Presi	atallation dration Piping sers and TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: GL COMPANY APPROVAL: COMPANY APPROVAL: CFO	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797 M AW APW	2,500 	40,000 28,500 2,000 77,500 	11.6 40,0 31.0 2.0 67.2 62.5 5,4 24.7 95.5 6,0 2.981, 11,819,
stallation Costs urface Pumps on-controllable Surface on-controllable Downho on-controllable Downho on-controllable Downho on-controllable Downho on-controllable Downho on-controllable Downho on-controllable on-controllabl	atallation dration piping sent a TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPA Ser: GL COMPANY APPROVAL: COMPANY APPROVAL: COMPANY APPROVAL: CFO	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797 M APW APW NLF	2,500 	40,000 28,500 2,000 2,000 77,500	11.5 40,6 31.5 2.0 87,5 62,5 5,4 24,7 85,5 28,2 2,881, 11,819,
installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Non-controllable Downho Downhole Pumps Measurement & Meter in Gas Conditioning / Dehy Interconnecting Facility I Gathering / Bulk Lines Valves, Dumps, Controll Tank / Facility Containme Flare Stack Electrical / Grounding Communications / SaCAD Instrumentation / Safety PARED BY MATADOF Orilling Engin Completions Engin Production Engin Resources Executive VP, COO/C Executive VP, L Executive VP, L	atallation dration piping sent a TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPA Ser: GL COMPANY APPROVAL: COMPANY APPROVAL: COMPANY APPROVAL: CFO	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797 M AW APW	2,500 	40,000 28,500 2,000 2,000 77,500	11.0 40.0 31.0 2.0 67.5 62.5 5.4 24.7 95.5 6.0 28.2 2.981.1
installation Costs Surface Pumps Von-controllable Surface Von-controllable Downho Von-controllable Downho Downhole Pumps Measurement & Meter in Ses Conditioning / Dehy Interconnecting Facility Sathering / Bulk Lines Zelves, Dumps, Controlla Sathering / Bulk Lines Zelves, Dumps, Controlla Sathering / Bulk Lines Zelves, Dumps, Controlla Sank / Facility Containmental Sark Stack Bectrical / Grounding Communications / Safety PARED BY MATADOF Drilling Engin Completions Engin Production Engin Production Engin Executive VP, COOR Executive VP, COOR Executive VP, L Presi	atallation dration Piping sent TOTAL TANGIBLES TOTAL COSTS R PRODUCTION COMPARED: GL COMPANY APPROVAL: CFO	1,822,110 5,650,840 NY: Team Lead - WTX/N	4,542,797 M APW APW NLF	2,500 	40,000 28,500 2,000 2,000 77,500	11.0 40,00 31.0 31.0 2,0 67.5 62.5 5.4 24.7 85.5 6.0 28.2 2,981,1 11,819,

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		ESTIMATE OF COSTS A	ND AUTHORIZATION FO			
DATE:	February 4, 2022			AFE NO.:		
VELL NAME:		ederal Com #404H		FIELD:		
OCATION:	Section 21 & 16,	20\$-33E		MD/TVD:		21,656'/9,500'
COUNTY/STATE:	Lea, New Mexico			LATERAL LENGTH:		9,980
IRC WI:					.=	
SEOLOGIC TARGET:	1st Bone Spring					
REMARKS:	Drill, complete an	nd equip a horizontal 1st Bone	Spring well			
		500000000	150000000000000000000000000000000000000			
INTANGIBL	COSTS	DHILLING	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
and / Legal / Regulatory	COSTS		5	\$.	\$ 10,000	\$ 65.0
ocation, Surveys & Dam	ages	116,000	13,000	15,000	20,000	164,0
Prilling		1,107,450				1,107,4
ementing & Float Equip	THE STOP	283,000				283,0
ogging / Formation Eval	noita		3,780	3,000		6,7
łowback - Labor łowback - Surface Renti	te	***************************************	-	23,400 20,304		23,4
lowback - Rental Living		7		- 20,004		
fud Logging		28,000				28,0
tud Circulation System		78,250	<u> </u>			78.2
Aud & Chemicals	3	305,000	53,900	6,000		364,6
lud / Wastewater Dispos	AT:	185,000	40.975		1,000	186,0
reight / Transportation lig Supervision / Engine	rina	18,000 156,000	97,900	4,350	1,800	260,0
rill Bits		120,500	01,000	4,000	1,000	120,6
orill Bit Purchase						
uel & Power		185,250	470,035			655,2
Vater	297-w1.	76,250	708,750	3,000	1,000	789,0
orlg & Completion Overh		16,250				16,2
Hugging & Abandonmen Birectional Drilling, Surve		280.270	-	5	-	280,3
Directional Drilling, Surve Completion Unit, Swab, C		280,270	165,000	13,500		178,5
erforating, Wireline, Stic			188,070			188.0
tigh Pressure Pump True			57,750	6,000		63,7
Stimulation		3.0	1,929,489			1,929,4
Stimulation Flowback & C	lsp	47 ANE	17,050	338,000		355.0
nsurance abor		17.325 218,500	66,000	15,000	5,000	304,
abor tental - Surface Equipme	nt	108,763	306,807	10,000	5,000	430.5
tental - Downhole Equip		184,103	94,600			278,7
Rental - Living Quarters		57,600	44,138		5,000	106,7
Contingency		180,825	218,210	22,878	4,880	426,7
Operations Center		31,395				31,3
	TOTAL INTANGIB	ILES > 3,828,730	4,475,453	480,432	53,680	8,838,
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing		\$ 215,500	\$	5	\$	\$ 215,5
ntermediate Casing		335,703				335,7
Orilling Liner		281,250			-	261,2
Production Casing Production Liner		823,657				873,6
Freduction Liner		7.00		43,200		43,2
Wellhead		168,000		45,000		211,0
Packers, Liner Hangers		4	67,344			67,3
fanks		- 37		(E)	81,000	81,0
Production Vessels					133,463	133,4
Flow Lines Rod string		· · · · · · · · · · · · · · · · · · ·			120,000	120.0
rod string Artificial Lift Equipment				275,000		275.0
Compressor		-		\$10,000	11,000	11,0
nstallation Costs					40,000	40,0
Surface Pumps				2,500	28,500	31,0
Von-controllable Surface		•			2,000	2,0
ion-controllable Downho	16					8
Downhole Pumps Measurement & Meter In:	taliation	-		10,000	77,500	87,5
Bas Conditioning / Dehye				10,000	77,000	
nterconnecting Facility F				100	62,500	62,
Sathering / Bulk Lines				-		
raives, Dumps, Controlle				- 185		
Tank / Facility Containme Tare Stack	M				5,400	5,4
lare Stack Sectrical / Grounding				30,000	24,750 65,500	95.5
Communications / SCAD	0			4,000	2,000	6,0
nstrumentation / Safety		2000			28,250	28.2
	TOTAL TANGIB	T1111	67,344	409,700	681,863	2,981,
	TOTAL CO	STS > 5,650,840	4,542,797	890,132	735,543	11,819,
	PRODUCTION CO.	MDANV.				
ADED DV 44	PRODUCTION COM	WEART:	41.7			
PARED BY MATADOR		Team Lead - WTX/N	M AW			
PARED BY MATADOR Drilling Engine	eer: TB		APW			
Drilling Engin						
	eer: GH					
Drilling Engine Completions Engine	eer: GH					
Drilling Engin Completions Engin Production Engin	eer: GH eer: GL	AL:				
Drilling Engin Completions Engin Production Engin	BER: GH BER: GL COMPANY APPROVA	AL:				
Drilling Engin Completions Engin Production Engin	BER: GH BER: GL COMPANY APPROVA	AL:			VP - Dri	
Drilling Engin Completions Engin Production Engin ADOR RESOURCES (Executive VP, COO/O	BORT GH BORT GL COMPANY APPROVA FO DEL				VP - Dri	lingBG
Drilling Engin Completions Engin Production Engin	eer: GH eer: GL COMPANY APPROV FO DEL	AL: - Exec Dir - Exploratio	on		VP - Dri	
Drilling Engin Completions Engin Production Engin DOR RESOURCES (Executive VP, COO/C Executive VP, La	eer: GH eer: GL COMPANY APPROV FO DEL Gal CA		onNLF		VP - Dri	
Drilling Engin Completions Engin Production Engin DOR RESOURCES (Executive VP, COO/C	BOMPANY APPROVA FO DEL Gal CA ant		onNLF		VP - Dri	
Drilling Engin Completions Engin Production Engin DOR RESOURCES (Executive VP, COO/C Executive VP, La	eer: GH eer: GL COMPANY APPROV FO DEL Gal CA		onNLF		VP - Dri	
Drilling Engin Completions Engin Production Engin Production Engin DOR RESOURCES (Executive VP, COO/C Executive VP, Le	EOMPANY APPROVA FO DEL CA Both MVH		OnNLF		VP - Drá	
Drilling Engin Completions Engin Production Engin Production Engin DOR RESOURCES (Executive VP, COO/C Executive VP, Le Presic	eer: GH eer: GL COMPANY APPROVA FO DEL GBI CA ent MYH ER APPROVAL:		NLF		VP - Dri	
Completions Engine Production Engine ADOR RESOURCES (Executive VP, COO/O Executive VP, Le	eer: GH eer: GL COMPANY APPROVA FO DEL GBI CA ent MYH ER APPROVAL:		onNLF			
Drilling Engin Completions Engin Production Engin Production Engin ADOR RESOURCES (Executive VP, COO/C Executive VP, Le Presic	ERF: GH ERF: GL EMPANY APPROVA FO DEL GOA		NLF			BG

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		ESTIMATE OF COSTS	AND AUTHORIZATION FO	R EXPENDITURE		
DATE:	February 4, 2022			AFE NO.:		
WELL NAME:	Pony Express Federa	I Com #504H		FIELD:	-	
LOCATION:	Section 21 & 16, 20S-			MD/TVD:) =	21,656'/10,367'
COUNTY/STATE:	Lea, New Mexico			LATERAL LENGTH:		9,980'
MRC WI:),	
GEOLOGIC TARGET:	2nd Bone Spring					
REMARKS:	Drill, complete and eq	uip a horizontal 2nd 8o	ne Spring well			
		San Line	COMPLETION	anonic non		7074
INTANGIBLE C	OSTS	COSTS	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
Land / Legal / Regulatory		75,000	\$	\$	\$ 10,000	\$ 85,000
Location, Surveys & Damage Drilling	15	116,000	13,000	15,000	20,000	164,000
Cementing & Float Equip		283,000				283,000
Logging / Formation Evaluati	ion		3,780	3,000		6,780
Flowback - Labor				23,400		23,400
Flowback - Surface Rentals Flowback - Rental Living Qui	arters			20,304		20,304
Mud Logging		28,000				26,000
Mud Circulation System		78,250	FR 000			78,250
Mud & Chemicals Mud / Wastowater Disposal		305,000	53,900	6,000	1,000	354,900 186,000
Freight / Transportation		18,000	40,563			58,563
Rig Supervision / Engineerin	g	156,000	96,140	4,350	1,800	258,290
Orill Bits		120,500				120,500
Drill Bit Purchase Fuel & Power		185,250	470,035	(-	655,285
Water		76,250	708,750	3,000	1,000	789,000
Drig & Completion Overhead	E	16,250		(16,250
Plugging & Abandonment Directional Drilling, Surveys		280,270			-	280,270
Completion Unit, Swab, CTU		- 100,210	165,000	13,500		178,500
Perforating, Wireline, Slicklin			188,070			188,070
High Pressure Pump Truck			56,595	6.000		62,595
Stimulation Stimulation Flowback & Disp	í.		1,883,837	338,000		1,883,837 355,050
Insurance		17,325				17,325
Labor		218,500	65,175	15,000	5,000	303,675
Rental - Surface Equipment Rental - Downhole Equipmen	M.	108,763	351.277 94,600	10,000	5,000	475,039 278,703
Rental - Living Quarters		57,600	41,522		5,000	104,122
Contingency		180,825	221,637	22,878	4,880	430,220
Operations Center		31,395			-	31,395
	TOTAL INTANGIBLES	3,628,730	4,470,931	480,432	53,680	8,833,773
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE CO	OSTS	COSTS 215,500	costs	COSTS	FACILITY COSTS	COSTS \$ 215,500
Intermediate Casing	8	335,703	-			335,703
Drilling Liner		281,250				281,250
Production Casing		823,657				823,657
Production Liner Tubing				43,200		43,200
Wellhead		166,000		45,000	3 - 3	211,000
Packers, Liner Hangers		- 000	67,344			67,344
Tanks Production Vessels					81,000 133,463	81,000 133,463
Flow Lines				2		120,000
					120,000	
Rod string			2		120,000	
Artificial Lift Equipment		7.0		275,000		275,000
Artificial Lift Equipment Compressor				275,000	11,000	275,000
Artificial Lift Equipment				275,000		275,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface				2,500	11,000	275,000 11,000 40,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole				2,500	11,000 40,000 28,500	275,000 11,000 40,000 31,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	lation			2,500	11,000 40,000 28,500 2,000	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrati	ion			2,500	11,000 40,000 28,500 2,000	275,000 11,000 40,000 31,000 2,000 87,500
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Townhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipi	ion			2,500	11,000 40,000 28,500 2,000 77,500 62,500	275,000 11,000 40,000 31,000 2,000 - - - - 67,500
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines	ion			2,500	11,000 40,000 26,500 2,000 77,500	275,000 11,000 40,000 31,000 2,000 87,500 62,500
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipis	ion			2,500	11,000 40,000 28,500 2,000 77,500 62,500	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	ion			2,500	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipi Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	ion			2.500	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500	275,000 11,000 40,000 31,000 2,000 - - - - - - - - - - - - - - - - - -
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	ion			2,500	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility, Containment Flare Stack Electrical / Grounding Communications / SCADA	ION TOTAL TANGIBLES	1,822,110	67,344	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stacks Electrical / Grounding Communications / SCADA	ion ng	1,822,110	67,344 4,538,275	2.500 10,000 10,000 30,000 4,000	11,000 40,000 28,500 2,000 77,500 	275,000 11,000 40,000 31,000 2,000 - - - 62,500 - - 5,400 24,750 55,500 0,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flace Stack Communications / SCADA Instrumentation / Safety	TOTAL TANGIBLES TOTAL COSTS	1,822,110		2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrati Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility, Containment Flare Stack Dectrical / Grounding Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PR	TOTAL TANGIBLES: TOTAL COSTS:	1,822,110 5,650,840 NY:	4,638,275	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flace Stack Communications / SCADA Instrumentation / Safety	TOTAL TANGIBLES TOTAL COSTS: RODUCTION COMPAN	1,822,110	4,638,275	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipi Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH	1,822,110 5,650,840 NY:	4,538,275 /NM AW	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Ownhole Pumps Gase Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / ScADA Instrumentation / Safety PARED BY MATADOR PR Oriling Engineer. Completions Engineer.	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH	1,822,110 5,650,840 NY:	4,538,275 /NM AW	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PR Oriling Engineer. Completions Engineer: Production Engineer:	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH GL	1,822,110 5,650,840 NY:	4,538,275 /NM AW	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PR Oriling Engineer. Completions Engineer: Production Engineer:	TOTAL TANGIBLES TOTAL COSTS: TOTAL COSTS: TB GH GL MPANY APPROVAL:	1,822,110 5,650,840 NY:	4,538,275 /NM AW	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863	275,000 11,000 40,000 31,000 2,000 - - - 62,500 - - - 5,400 24,750 95,500 0,000 28,250 2,981,016 11,814,789
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR PR Oriling Engineer. Completions Engineer. Production Engineer: Production Engineer: TADOR RESOURCES COM Executive VP, COO/CFO	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH GL MPANY APPROVAL:	1,822,110 5,650,840 NY:	4,538,275 /NM AW	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PF Orilling Engineer. Completions Engineer. Production Engineer. Production Engineer.	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH GL MPANY APPROVAL:	1,822,110 5,650,840 NY:	4,538,278 /NM	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipi Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PE Orilling Engineer. Completions Engineer: Production Engineer: Production Engineer: TADOR RESOURCES COI Executive VP, COO/CFO Executive VP, Legal	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH GL MPANY APPROVAL: DEL CA	1,822,110 5,650,840 NY:	4,539,275 /NMAW APW	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipir Gathering / Bulk Lines Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR PR Oriling Engineer. Completions Engineer. Production Engineer: Production Engineer: TADOR RESOURCES COM Executive VP, COO/CFO	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH GL MPANY APPROVAL: DEL CA	1,822,110 5,650,840 NY:	4,538,278 /NM	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipi Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PE Orilling Engineer. Completions Engineer: Production Engineer: Production Engineer: TADOR RESOURCES COI Executive VP, COO/CFO Executive VP, Legal	TOTAL TANGIBLES: TOTAL COSTS: TOTAL COSTS: RODUCTION COMPAN TB GH GL MPANY APPROVAL: DEL CA	1,822,110 5,650,840 NY:	4,538,278 /NM	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000 - - - 62,500 - - - 5,400 24,750 95,500 0,000 28,250 2,981,016 11,814,789
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipi Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Gounding Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PE Orilling Engineer. Completions Engineer: Production Engineer: Production Engineer: TADOR RESOURCES COI Executive VP, COO/CFO Executive VP, Legal	TOTAL TANGIBLES: TOTAL COSTS: RODUCTION COMPAI TB GH GL MPANY APPROVAL: DEL CA	1,822,110 5,650,840 NY:	4,538,278 /NM	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 2,000 77,500 62,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000 - - - 62,500 - - - 5,400 24,750 95,500 0,000 28,250 2,981,016 11,814,789
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Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PS Orilling Engineer. Compilations Engineer: Production Engineer: Production Engineer: Production Engineer: Executive VP, COO/CFO Executive VP, COO/CFO Executive VP, COO/CFO Executive VP, COO/CFO Executive VP, Legal President N OPERATING PARTNER Company Name:	TOTAL TANGIBLES: TOTAL COSTS: TOTAL COSTS: RODUCTION COMPAI TB GH GL MPANY APPROVAL: CA MVH APPROVAL:	1,822,110 5,650,840 NY:	A,538,275 /NM APW APW APW Working Interest (%):	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 28,500 2,000 77,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000 - - - - - - - - - - - - - - - - - -
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Install Gas Conditioning / Dehydrat Interconnecting Facility Pipin Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety EPARED BY MATADOR PE Orilling Engineer. Completions Engineer. Production Engineer. TADOR RESOURCES COI Executive VP, COO/CFO Executive VP, Legal President N OPERATING PARTNER	TOTAL TANGIBLES: TOTAL COSTS: TOTAL COSTS: RODUCTION COMPAI TB GH GL MPANY APPROVAL: CA MVH APPROVAL:	1,822,110 5,650,840 NY:	4,538,278 /NM	2.500 10.000 10.000 30.000 4.000	11,000 40,000 28,500 28,500 2,000 77,500 5,400 24,750 65,500 2,000 28,250 651,863 735,543	275,000 11,000 40,000 31,000 2,000 - - - - - - - - - - - - - - - - - -

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Phone (972) 371-5200 • Fax (972) 371-5201

STIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	February 4, 2022		AFE NO.:	
WELL NAME:	Pony Express Federal Com #505H		FIELD:	
LOCATION:	Section 21 & 16, 20S-33E		MD/TVD:	21,656'/10,367'
COUNTY/STATE:	Lea, New Mexico		LATERAL LENGTH:	9,980'
MRC WI:				7=
GEOLOGIC TARGET:	2nd Bone Spring			
REMARKS:	Drill, complete and equip a horizontal 2nd E	Bone Spring well		
	DRILLING	COMPLETION	PRODUCTION	TOTAL

	DRILLING COSTS	COMPLETION	PRODUCTION	FACILITY COSTS	TOTAL
INTANGIBLE COSTS			\$ -		
Land / Legal / Regulatory \$	75,000	*	*	10(-00	(windship)
Location, Surveys & Damages	116,000	13,000	15,000	20,000	164,000
Drilling	1,107,450				1,107,450
Cementing & Float Equip	283,000				283,000
Logging / Formation Evaluation		3,780	3,000		6,780
Flowback - Labor			23,400		23,400
Flowback - Surface Rentals			20,304		20,304
Flowback - Rental Living Querters					22724
Mud Logging	28,000				28,000
Mud Circulation System	78,250				78,250
Mud & Chemicals	305,000	53,900	6,000		364,900
Mud / Wastewater Disposal	185,000			1,000	186,000
Freight / Transportation	18,000	40,563			58,563
Rig Supervision / Engineering	156,000	96,140	4,350	1,800	258,290
Drill Bits	120,500				120,500
Drill Bit Purchase					
Fuel & Power	185,250	470,035			655,285
Water	76,250	708,760	3,000	1,000	789,000
Drig & Completion Overhead	16,250				16,250
Plugging & Abandonment					
Directional Drilling, Surveys	280.270				280,270
Completion Unit, Swab, CTU	- PARTITION I	165,000	13,500		178,500
Perforating, Wireline, Stickline	2.5	188,070			188,070
High Pressure Pump Truck		56,595	6,000	-	62,595
Stimulation	19	1,883,837			1,883,837
Stimulation Flowback & Disp		17,050	338,000		355,050
Insurance	17,325				17,325
Labor	218,500	65,175	15,000	5,000	303,675
Rental - Surface Equipment	108,763	351,277	10,000	5,000	475,039
Rental - Downhole Equipment	184,103	94,600	•	-	276,703
Rental - Living Quarters	57,600	41.522		5,000	104,122
Contingency	180,825	221,637	22,878	4.880	430,220
Operations Center	31,395	421,007		-4000	31,395
TOTAL INTANGIBLES >	3,828,730	4,470,931	480,432	53,680	6,833,773

TANGIBLE COSTS	DRILLING	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Surface Casing	\$ 215,500	\$	\$	\$	215,500
Intermediate Casing	335,703			0.0	335,703
Drilling Liner	281,250		-		281,250
Production Casing	823,657				823,657
Production Liner	-	-			-
Tubing			43,200		43,200
Wellhead	166.000		45,000		211.000
Packers, Liner Hangers	-	67.344			67,344
Tanks				51,000	81,000
Production Vessels				133,463	133,463
Flow Lines	54			120,000	120,000
Rod string			-		
Artificial Lift Equipment			275,000		275,000
Compressor				11,000	11,000
Installation Costs				40.000	40,000
Surface Pumps			2,500	28,500	31,000
Non-controllable Surface				2.000	2,000
Non-controllable Downhole					
Downhole Pumps			(4)		(46)
Measurement & Meter Installation			10,000	77,500	87,500
Gas Conditioning / Dehydration	-			-	
Interconnecting Facility Piping	**		-	62,500	62,500
Gathering / Bulk Lines					
Valves, Dumps, Controllers	-		300	-	
Tank / Facility Containment		3 - 6		5,400	5,400
Flare Stack	-			24,750	24,750
Electrical / Grounding	***		30,000	65,500	95,500
Communications / SCADA			4,000	2,000	6,000
Instrumentation / Safety	**			28,250	28,250
TOTAL TANGIBLES	> 1,822,110	67,344	409,700	681,863	2,981,016
TOTAL COSTS	> 5.650,840	4,539,275	890,132	735,543	11,814,789

PREPARED BY MATADOR PRODUCTION COMPANY:

Production Engineer: GL		Orilling Engineer: Completions Engineer: Production Engineer:	TB GH	Team Lead - WTX/NM	
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MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO		VP - Drilling
Executive VP, LegalCA	Exec Dir - Exploration NLF	
President MVH		

NON OPERATING PARTNER APPROVAL:						

Company Name:	Working Interest (%):	Tax ID:	
Signed by	Date:		
Tide:_	Approval:	YesNo	(mark one)
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		ESTIMATE OF COSTS A	AND AUTHORIZATION FO	REXPENDITURE		
DATE: F	ebruary 4, 2022			AFE NO.:		
	ony Express Feder	ral Com #603H		FIELD:	-	
	Section 21 & 16, 20			MD/TVD:	-	21,656'/11,266'
-	ea. New Mexico			LATERAL LENGTH:	-	9,980'
MRC WI:					-	-,
-	ord Bone Spring					
-		quip a horizontal 3rd Bon	e Spring well			
-		**				
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE CO	STS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory Location, Surveys & Damages		\$ 75,000 116,000	13,000	15,000	\$ 10,000	\$ 85,000 164,000
Drilling		1,107,450	13,000	15,000	20,000	1,107,450
Cementing & Float Equip		283,000	-			263,000
Logging / Formation Evaluation	n	5 1 7	3,780	3,000		6,780
Flowback - Labor				23,400		23,400
Flowback - Surface Rentals Flowback - Rental Living Quar	tors		-	20,304		20,304
Mud Logging		28,000				28,000
Mud Circulation System		78,250				78,250
Mud & Chemicals		305,000	53,900	6,000		384,900
Mud / Wastewater Disposal		185,000	40.000		1,000	188,000
Freight / Transportation Rig Supervision / Engineering		18,000	40,563 96,140	4,350	1,800	58,563 258,290
Drill Bits		120,500			1,000	120,500
Drill Bit Purchase			32			
Fuel & Power		185,250	470,035			655,285
Water Drig & Completion Overhead		76,250 16,250	708,750	3,000	1,000	789,000 16,250
Plugging & Abandonment		10,200				10,200
Directional Drilling, Surveys		280,270				280,270
Completion Unit, Swab, CTU			165,000	13,500		178,500
Perforating, Wireline, Slickline	te.		188,070			188,070
High Pressure Pump Truck Stimulation			56,595 1,883,837	6,000		62,595 1,883,837
Stimulation Flowback & Disp			17,050	338,000	7	355,050
Insurance		17,325				17,325
Labor		218,500	65,175	15,000	5,000	303,675
Rental - Surface Equipment Rental - Downhole Equipment		108,763	351,277 94,600	10,000	5,000	475,039 276,703
Rental - Living Quarters		57,600	41,522	-	5,000	104,122
Contingency		180,825	221,637	22,878	4,880	430,220
Operations Center		31,395				31,395
	TOTAL INTANGIBLES	3,828,730	4,470,931	480,432	53,680	8,833,773
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COS	TS	COSTS	CONFLETION	COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing		\$ 215,500	\$	\$	S	\$ 215,500
Intermediate Casing		335,703	8			335,703
Drilling Liner		281,250				281,250
Production Casing Production Liner		823,657	-			823,657
Tubing				43,200		43,200
Wellhead		166,000		45,000		211,000
Packers, Liner Hangers			67,344			67,344
Tanks Production Vessels			-		81,000 133,463	81,000 133,463
Flow Lines		54			120,000	120,000
Rod string						- 1
Artificial Lift Equipment				275,000		275,000
Compressor Installation Costs					40,000	11,000
Surface Pumps		-		2,500	28.500	31,000
Non-controllable Surface		(3)	-		2.000	2,000
Non-controllable Downhole						
Downhole Pumps	100	- 4	-			
Measurement & Meter Installat Gas Conditioning / Dehydratio				10,000	77,500	67,500
Interconnecting Facility Piping				-	62,500	62,500
Gathering / Bulk Lines						
Valves, Dumps, Controllers		74				
Tank / Facility Containment Flare Stack					5,400 24,750	5,400 24,750
Electrical / Grounding		-	-	30,000	65,500	95,500
Communications / SCADA			5 3	4,000	2,000	6,000
Instrumentation / Safety		Y			28,250	28.250
	TOTAL TANGIBLES		67,344	409,700	681,863	2,981,016
	TOTAL COSTS	3 > 5,860,840	4,538,275	890,132	735,643	11,814,789
PARED BY MATADOR PRO	DUCTION COMP	ANY:				
		SHARE	Mil			
Drilling Engineer:	ТВ	Team Lead - WTX/	***************************************			
Completions Engineer:	GH		APW			
Production Engineer:	GL					
ADOD DESOURCES COM	DANY ADDOOUSE					
ADOR RESOURCES COM	PANT APPROVAL	Ý				
Executive VP, COO/CFO_					VP - Dril	ling
,	DEL					BG
Executive VP, Legal_		Exec Dir - Explorat	ion			
25	CA		NLF			
President	1001					
	MVH					
ODERATING DARRINGS 11						
OPERATING PARTNER A			Working Interest (%):		Tax	ID:
I OPERATING PARTNER A Company Name: Signed by:	PPROVAL:		Working Interest (%):		Tax	ID:

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			=		
9					
and equip a horizontal 3rd Bo	ne Spring well				
	6, 20S-33E co	6, 20S-33E co	6, 20S-33E MDITVD: CO LATERAL LENGTH:	6, 20S-33E MD/TVD: CO LATERAL LENGTH:	

INTANGIBLE COSTS	DRILLING	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Land / Legal / Regulatory \$	75,000	\$	\$.	\$ 10,000	\$ 85,000
Location, Surveys & Damages	116,000	13,000	15,000	20,000	164,000
Orilling	1,107,450			- CONTACTOR	1,107,450
Comenting & Float Equip	283,000				283,000
Logging / Formation Evaluation		3,780	3,000		6,780
Flowback - Labor			23,400		23,400
Flowback - Surface Rentals			20,304		20,304
Flowback - Rental Living Quarters			-		
Mud Logging	28,000				28,000
Mud Circulation System	78,250				78.250
Mud & Chemicals	305,000	53,900	6,000		384,900
Mud / Wastewater Disposal	185,000			1,000	185,000
Freight / Transportation	18,000	40,563			58,563
Rig Supervision / Engineering	156,000	96,140	4,350	1,800	258,290
Orill Bits	120,500				120,500
Drill Bit Purchase					
Fuel & Power	185,250	470,035	-	-	655,285
Water	76,250	708,750	3,000	1,000	789,000
Drig & Completion Overhead	16,250	*			15,250
Plugging & Abandonment					
Directional Drilling, Surveys	280,270				280,270
Completion Unit, Swab, CTU		185,000	13,500		178,500
Perforating, Wireline, Stickline		188,070			188,070
High Pressure Pump Truck		56,595	5,000	- 2	62,595
Stimulation		1,683,837			1,883,837
Stimulation Flowback & Disp		17,050	338,000		355,050
Insurance	17,325				17,325
Labor	218,500	65,175	15,000	5,000	303,675
Rental - Surface Equipment	108,763	351,277	10,000	5,000	475,039
Rental - Downhole Equipment	184,103	94,600	100000	-	278,703
Rental - Living Quarters	57,600	41,522		5,000	104,122
Contingency	180,825	221,637	22,878	4,880	430,220
Operations Center	31,395				31,395
TOTAL INTANGIBLES >	3,828,730	4,470,931	480,432	53,680	8,833,773

TANGIBLE COSTS	DRILLING	COMPLETION	PRODUCTION	FACILITY COSTS	TOTAL
Surface Casing \$	215,500	\$	\$	\$	\$ 215,500
Intermediate Casing	335.703	-		**	335,703
Drilling Liner —	281,250				281,250
Production Casing	823,657				823,657
Production Liner	*				-
Tubing			43,200		43,200
Wellhead	166,000		45,000		211,000
Packers, Liner Hangers		67,344	-		67,344
Tanks	-			81,000	81,000
Production Vessels	-			133,463	133,463
Flow Lines	-			120,000	120,000
Rod string					-
Artificial Lift Equipment			275,000		275,000
Compressor	-			11,000	11,000
Installation Costs	-			40,000	40,000
Surface Pumps			2,500	28,500	31,000
Non-controllable Surface				2,000	2,000
Non-controllable Downhole			-		
Downhole Pumpa					
Measurement & Meter Installation			10,000	77,500	87,500
Ges Conditioning / Dehydration					-
Interconnecting Facility Piping				62,500	62,500
Gathering / Bulk Lines					-
Valves, Dumps, Controllers					-
Tank / Facility Containment				5,400	5,400
Flare Stack				24,750	24,750
Electrical / Grounding			30,000	65,500	95,500
Communications / SCADA			4,000	2,000	6,000
Instrumentation / Safety				28,250	28,250
TOTAL TANGÍBLES >	1,822,110	67,344	409,700	681,663	2,981,016
TOTAL COSTS >	5,650,840	4,538,275	890,132	735,543	11,814,789

PREPARED BY MATADOR PRODUCTION COMPANY: AW Team Lead - WTX/NM_ Drilling Engineer: Completions Engineer: Production Engineer: GH GL

MATADOR RESOURCES COMPANY APPROVAL:		
Executive VP, COO/CFODEL	()	VP - DrillingBG
Executive VP, LegalCA	Exec Dir - ExplorationNLF	
PresidentMVH		

NON OPERATING PARTNER A	APPROVAL:		
Company Name:	Warking Interest (%);	Tex ID:	
Signed by:	Date:		
Title:	Approval:Yes	No	(mark one)
Personal or this APE assessment on environmental transfer.	not be religious any specific to the rest statement of the proper. Noting established assembly the AVI may be delegated as one of the same constitute in consisting the AVI, the Participant agrees the	cay it amendment the	of acid rest room.

EXHIBIT C-6

Summary of Communications - Pony Express Fed Com W2E2

((asa 22747)

Uncommitted Working Interest:

1. OXY USA WTP Limited Partnership

In addition to sending well proposals, Matador had discussions with OXY USA WTP Limited Partnership regarding this project and potential voluntary joinder.

2. Devon Energy Production Co LP

In addition to sending well proposals, Matador had discussions with Devon Energy Production Co LP regarding this project and potential voluntary joinder.

Summary of Communications - Pony Express Fed Com E2E2 ((ase 22748)

Uncommitted Working Interest:

1. OXY USA WTP Limited Partnership

In addition to sending well proposals, Matador had discussions with OXY USA WTP Limited Partnership regarding this project and potential voluntary joinder.

2. Devon Energy Production Co LP

In addition to sending well proposals, Matador had discussions with Devon Energy Production Co LP regarding this project and potential voluntary joinder.

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. 22747 and 22748

AFFIDAVIT OF ANDREW PARKER

Andrew Parker, of lawful age and being first duly sworn, declares as follows:

1. My name is Andrew Parker and I am employed by MRC Energy Company, an

affiliate of Matador Production Company ("Matador"), as a Vice President of Geology.

2. I have previously testified before the New Mexico Oil Conservation Division as an

expert witness in petroleum geology. 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.

3. 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.

4. The target interval for the initial wells in these proposed spacing units is the First

Bone Spring, Second Bone Spring and Third Bone Spring, respectively, of the Bone Spring

Formation.

5. **Matador Exhibit D-2** is a subsea structure map that I prepared for the top of the

Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring

formation gently dipping to the south. 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.

6. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

- 7. **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, when available: gamma ray, caliper, resistivity, and porosity. The proposed target interval 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 interval, within the Bone Spring formation, is consistent in thickness across the entirety of the proposed spacing unit.
- 8. 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.
- 9. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.
- 10. 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.
- 11. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 12. **Matador Exhibits D-1 through 3** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT

ANDREW PARKER

STATE OF TEXAS

COUNTY OF DAWIS

SUBSCRIBED and SWORN to before me this day of July 2022 by

JAIME JAKEWAY GRANGER Notary ID #131259323 My Commission Expires August 24, 2025

Andrew Parker.

My Commission Expires:

3

Received by OCD: 8/16/2022 3:08:13 PM

Locator Map

Exhibit D-1

										Lea						-	-	-
Eddy	175 23E	175.24E	175 256	175 260	175.270	175 28E	175 296	175 306	Abo	Reef	175 33E	175 34E	175 350	175.361	175 3 TE	175 38E	175)	BLK AB
185 2 1 E	185 230	16 2€	185.2%	105 265	185 276	185 286	185 29E	185-300	185.31E	185 325	185 336	1853€	185390	185.365	185 TF	185 30E	185]	Gaine
195216	195 23E	1952€	195.258	195268	195 276	195 28E	195290	195 a08 YO	ungest	Goat S	eep	19534E	19539E	195,342	(195.37E)	1953RE	1953	BLK A12
105 2 1 E	205 23E	205 246	205 258	205 265	20127E	205 28E	205.2%	205 306	205 31E	Aquifer 205 32E	21 335	Pony Proje	Expre	ess 205 34E	20537E	205 38E	205)	BLX A28
1.55I DE 5.21E	20155 22E 215 22E	20:55 13C 2:5 23E	215 246	215252	215 26E	215 27E	215 28E	215296	ounges	t Capita	n 254,324	21533E	215-34E	215361	1215 36E	215-37E	217	
5 216	235 27E	225 23€	25 245	225 25 2	nsan	225 271	225 281	225-291	225 30E	225 31E	225 32E	225 138	225 34E	225190	225 36E	225.37E	225 380	Andre
21E	133,271	216 216	235.24E	215 251	235-26€	235 27E	235 28E	235 29€	23530E	235 316	235 32E	28 3E	235348	235 35£	\$3534E	235 37E	235 380 =	SLK A 45
5.21E	245 22E	24S 23E	245 24E	245 251	245 26E	245 27E	245 28E	245.29E	245 30E	245316	245.326	245 331	245 34E	265 USE	245 JAE	245 37E	246 3 RE	BLK A52
5 21E	255.716	25%,23E	255.246	255 250	255 26E	255 270	255.281	255 290	255 305	255 31E	255 320	255 336	255 34E	255 351	255 360	255 376	255 30E	BLK ASS
215	35,22F	26523E	265 24E	265 25E	265 26E	265 276	265 265	100 New Mexi	000ftUS	2035710	125	265.330	265 346	265 356	265 36E	265 37E	265 34E	BLK A56

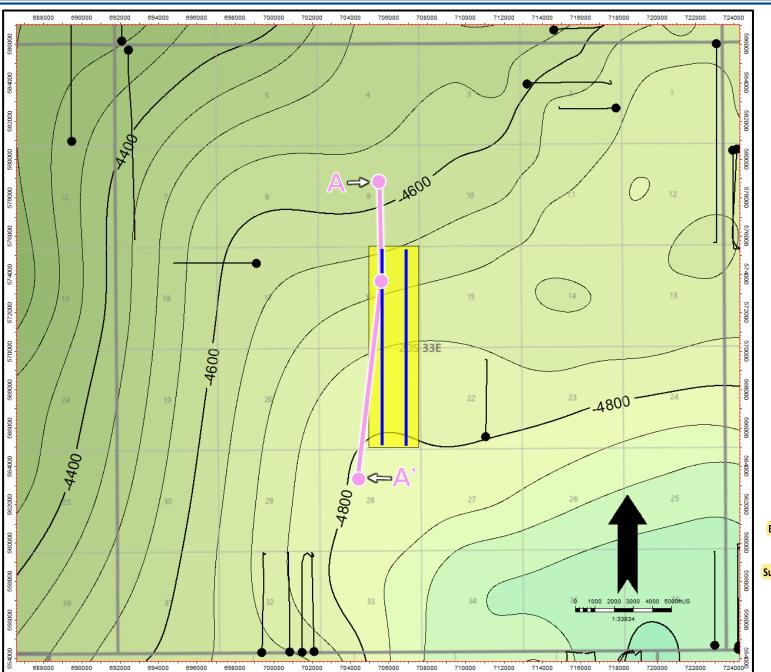
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-1
Submitted by: Matador Production Company
Hearing Date: August 18, 2022

Case No. 22747-22748



TEAS; BONE SPRING, WEST [96399] Structure Map (Bone Spring Subsea) A – A' Reference Line

Exhibit D-2



Map Legend

Pony Express Wells

Bone Spring Wells

Project Area

C. I. = 50'

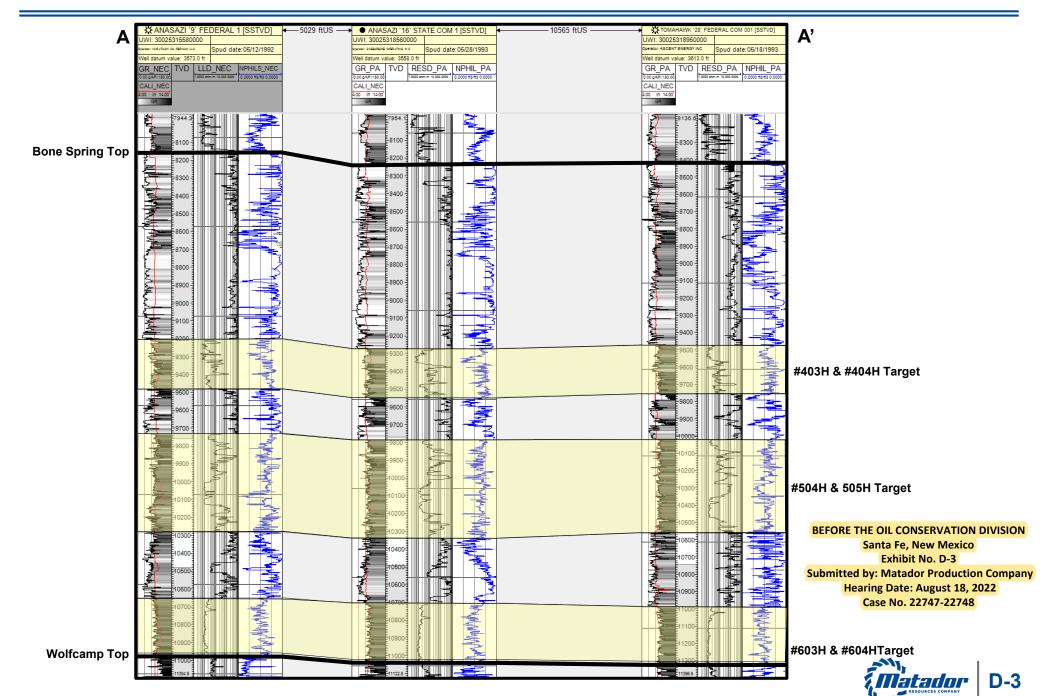
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-2

Submitted by: Matador Production Company Hearing Date: August 18, 2022 Case No. 22747-22748



TEAS;BONE SPRING, WEST [96399] Structural Cross-Section A – A'

Exhibit D-3



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. 22747 & 22748

SELF-AFFIRMED STATEMENT OF MICHAEL H. FELDEWERT

- I am attorney in fact and authorized representative of Matador Production Company ("MRC"), the Applicant herein.
- 2. The above-referenced applications and notice of the hearing on these applications were sent by certified mail to the affected parties on the date set forth in the letter attached hereto.
- 3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.
- 4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of August 16, 2022.
- 5. I caused a notice to be published to all parties subject to these compulsory pooling proceedings on April 19, 2022, and July 29, 2022. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit F.
- 6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Matador Production Company
Hearing Date: August 18, 2022
Case No. 22747 & 22748

Released to Imaging: 8/17/2022 9:19:42 AM

8/16/22

Date



Michael H. Feldewert Partner Phone 505.954.7287 mfeldewert@hollandhart.com

April 15, 2022

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico.

County, New Mexico.

Pony Express Federal Com 403H, 504H and 603H 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. Applicant has requested a hearing for this matter on May 5, 2022, beginning at 8:15 a.m. To monitor this case and to participate in the electronic hearing, please see the instructions posted on the OCD Hearings website at: http://www.emrd.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 at the Division, by mail at 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505 or by email at OCD.Hearings@state.nm.us, 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 Isaac Evans at (972) 587-4628 or at isaac.evans@matadorresources.com.

Sincerely,

Michael H. Feldewert

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.



Michael H. Feldewert Partner Phone 505.954.7287 mfeldewert@hollandhart.com

April 15, 2022

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.

Pony Express Federal Com 404H, 505H and 604H 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.

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If you have any questions about this matter, please contact Isaac Evans at (972) 587-4628 or at isaac.evans@matadorresources.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR MATADOR PRODUCTION

COMPANY



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

July 29, 2022

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico: Pony Express Federal Com 403H, 504H and 603H 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. The hearing originally scheduled for May 5, 2022, has been rescheduled for August 18, 2022, before a Division Examiner, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

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If you have any questions about this matter, please contact Isaac Evans at (972) 587-4628 or issac.evans@matadorresources.com.

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

COMPANY



Paula M. Vance **Associate Phone** (505) 988-4421 Email pmvance@hollandhart.com

July 29, 2022

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Application of Matador Production Company for compulsory pooling, Lea County, New Mexico: Pony Express Federal Com 404H, 505H and 604H 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. The hearing originally scheduled for May 5, 2022, has been rescheduled for August 18, 2022, before a Division Examiner, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/.

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If you have any questions about this matter, please contact Isaac Evans at (972) 587-4628 or issac.evans@matadorresources.com.

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

MRC - Pony Express 403H-404H, 504H-505H Cases 22747-22748 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was picked up at a postal facility at 8:23 am on
9414811898765875823987	COG Operating, LLC	600 W Illinois Ave	Midland	TX	79701-4882	April 19, 2022 in MIDLAND, TX 79701.
						Your item was picked up at a postal facility at 8:23 am on
9414811898765875823932	ConocoPhillips Company	600 W Illinois Ave	Midland	TX	79701-4882	April 19, 2022 in MIDLAND, TX 79701.
						Your item has been delivered to an agent for final
						delivery in HOUSTON, TX 77046 on April 18, 2022 at
9414811898765875823970	OXY USA WTP Limited Partnership	5 Greenway Plz Ste 100	Houston	TX	77046-0506	12:03 pm.
						Your item was picked up at a postal facility at 8:19 am on
9414811898765875823611	Devon Energy Production Co. LP	333 W Sheridan Ave	Oklahoma City	ОК	73102-5010	April 18, 2022 in OKLAHOMA CITY, OK 73102.

Received by OCD: 8/16/2022 3:08:13 PM

MRC - Pony Express Cases 22787-22748 ORRI Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765871486216	MRC Permian Company	5400 Lyndon B Johnson Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to an individual at the address at 9:22 am on August 2, 2022 in DALLAS, TX 75240.
9414811898765871486858	Eric D. Fein	16206 Red Cedar Trl	Dallas	TX	75248-3940	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765871486865	Keaton Brickey	5211 Preston Dr	Midland	TX	79707-5104	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765871486827	Burlington Resources Oil & Gas Company LP	600 W Illinois Ave Attn Nm Obo Land	Midland	TX	79701-4882	Your item was picked up at a postal facility at 7:48 am on August 8, 2022 in MIDLAND, TX 79702.
9414811898765871486803	Gilbert C. Wheat, c/o Wheat Company Trust, Margery M. Wheat Huyck and Richard J. Huyck Trustees	441 Baltusrol Dr	Aptos	CA	95003-5407	Your item was delivered to an individual at the address at 2:13 pm on August 2, 2022 in APTOS, CA 95003.
9414811898765871486896	Sabine Oil & Gas Corporation	1415 Louisiana St Ste 1600	Houston	TX	77002-7490	Your item was delivered to an individual at the address at 1:16 pm on August 5, 2022 in HOUSTON, TX 77002.
9414811898765871486841	George H. Etz, III, Trustee	1105 Xanthisma Ave	McAllen	TX	78504-3519	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765871486889	Etz Oil Properties, Ltd	1307 W 3rd St	Roswell	NM	88201-2048	Your item arrived at the SANTA FE, NM 87504 post office at 9:17 am on August 15, 2022 and is ready for pickup.
9414811898765871486872	HTI Resources, Inc.	PO Box 10690	Savannah	GA	31412-0890	Your item was delivered at 12:29 pm on August 9, 2022 in SAVANNAH, GA 31412.
9414811898765871486711	Antonia Dean	2381 Brother Abdon Way	Santa Fe	NM	87505-5798	Your item was delivered to an individual at the address at 12:28 pm on August 4, 2022 in SANTA FE, NM 87505.
9414811898765871486759	Mary Dupuis	3119 3rd Ave S	Great Falls	MT	59405-3357	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765871486261	Claudia Neal Young	4140 N Apodaca St	Hobbs	NM	88240-0960	Your item was delivered to an individual at the address at 8:50 am on August 1, 2022 in HOBBS, NM 88240.
9414811898765871486766	Thomas Rapkoch	2527 38th Ave	San Francisco	CA	94116-2855	Your item was delivered to an individual at the address at 10:28 am on August 3, 2022 in SAN FRANCISCO, CA 94116.
9414811898765871486728	Jennifer E. Deland and Leroy E. Deland Revocable Trust	9951 Baker Lake Rd	Minocqua	WI	54548-9128	Your item was delivered to an individual at the address at 11:35 am on August 3, 2022 in MINOCQUA, WI 54548.
9414811898765871486704	Michael Rapkoch	2527 38th Ave	San Francisco	CA	94116-2855	Your item was delivered to an individual at the address at 10:28 am on August 3, 2022 in SAN FRANCISCO, CA 94116.
9414811898765871486797	Karen Irish, fka Karen Rapkoch	320 Old Hickory Blvd Apt 711	Nashville	TN	37221-1309	Your item has been delivered to an agent for final delivery in NASHVILLE, TN 37221 on August 8, 2022 at 12:53 pm.

MRC - Pony Express Cases 22787-22748 ORRI Postal Delivery Report

						Your item was delivered to an individual at the address
9414811898765871486742	Daniel Rapkoch	900 W Silver St	Butte	MT	59701-1550	at 9:54 am on August 4, 2022 in BUTTE, MT 59701.
						Your item was delivered to an individual at the address
						at 11:35 am on August 3, 2022 in MINOCQUA, WI
9414811898765871486780	Jennifer Deland	9951 Baker Lake Rd	Minocqua	WI	54548-9128	54548.
						Your item was delivered to an individual at the address
9414811898765871486735	Marc Ducharme	7 Xavier Ter	Newport	RI	02840-2331	at 3:03 pm on August 5, 2022 in NEWPORT, RI 02840.
						Your item was delivered to an individual at the address
						at 12:50 pm on August 5, 2022 in MIDDLETOWN, RI
9414811898765871486773	Denise Crimmins	108 Riverview Ave	Middletown	RI	02842-5323	02842.
						W
044 4044 000765074 406040	Mishalla Dana	207 Highland Bd	Ti	D.	02070 4446	Your item was delivered to an individual at the address
9414811898765871486919	Michelle Deane	307 Highland Rd	Tiverton	RI	02878-4416	at 10:08 am on August 4, 2022 in TIVERTON, RI 02878. Your item was delivered to an individual at the address
						at 1:04 pm on August 5, 2022 in PORTSMOUTH, RI
9414811898765871486957	Calasta Martley	663 Union St	Portsmouth	RI	02871-2211	
5414611656765671460557	celeste Martiey	003 Official St	rortsmouth	IXI	02871-2211	Your item was delivered to an individual at the address
						at 9:02 am on August 2, 2022 in LEXINGTON, GA
9414811898765871486223	Laura Neal Barbaree	623 Athens Rd	Lexington	GA	30648-1909	
						Your item was refused by the addressee at 10:48 am
						on August 11, 2022 in SANTA FE, NM 87501 and is
9414811898765871486964	Aimee Ducharme	16 Congdon Ave	Newport	RI	02840-2131	being returned to the sender.
			·			Your item was picked up at the post office at 2:43 pm
9414811898765871486926	Vince Holdings, LLC	PO Box 65318	Lubbock	TX	79464-5318	on August 8, 2022 in LUBBOCK, TX 79464.
						Your item was delivered to an individual at the address
9414811898765871486902	Russell J. Cox	4853 Fallon Pl	Dallas	TX	75227-2935	at 7:08 pm on August 1, 2022 in DALLAS, TX 75227.
						This is a reminder to arrange for redelivery of your
9414811898765871486995	Carl A. Robinson Production, Ltd.	908 W Berry St	Fort Worth	TX	76110-3506	item or your item will be returned to sender.
	Estate of Betty Kyte Dreessen aka Betty M.					
	Dreessen, c/o Edward T. Dreessen, Jr., Ingrid					Your item was picked up at the post office at 12:15 pm
9414811898765871486940	Dreessen Powell and Cecile Marie Dreessen	PO Box 1390	Grants Pass	OR	97528-0115	on August 8, 2022 in GRANTS PASS, OR 97526.
						Your item was delivered at 3:10 pm on August 12, 2022
9414811898765871486988	Cecil Bond Kyte	PO Box 30864	Santa Barbara	CA	93130-0864	in SANTA BARBARA, CA 93105.
0414011000765074406022	C 9 Dawell Bayesahla Friend	114 Los Dricos Dr	Manta	C4	02040 7644	Your item was delivered at 12:48 pm on August 2, 2022
9414811898/658/1486933	C & I Powell Revocable Living Trust	114 Las Brisas Dr	Monterey	CA	93940-/611	in MONTEREY, CA 93940.
	Edward T. Droosson and Kathleen Drossson Living					Your item was refused by the addressee at 10:48 am
0/1/011000765071/06613	Edward T. Dreessen and Kathleen Dreessen Living	PO Box 830	Palo Cedro	CA	06072 0020	on August 11, 2022 in SANTA FE, NM 87501 and is being returned to the sender.
9414811898765871486612	i i ust	FO BOX 000	raio ceuro	CA	30073-0830	being returned to the sender.
						Your item was picked up at the post office at 3:19 pm
9414811898765871486667	Cecil Marie Dreessen	PO Box 1370	Poulsbo	WA	98370-0136	on August 1, 2022 in POULSBO, WA 98370.
3 .1 .3110307 0307 1 700007	Braille Institute of America, Inc., c/o Bank of		. 301300	100,	23370 0130	Your item was picked up at a postal facility at 9:23 am
9414811898765871486629		PO Box 830308	Dallas	TX	75283-0308	on August 2, 2022 in DALLAS, TX 75283.
	, , , , , , ,			1		J ,

Received by OCD: 8/16/2022 3:08:13 PM

MRC - Pony Express Cases 22787-22748 ORRI Postal Delivery Report

					1	
						Your package will arrive later than expected, but is still
9414811898765871486209	Avant Operating, LLC	1515 Wynkoop St Ste 700	Denver	со	80202-2062	on its way. It is currently in transit to the next facility.
						Your item was picked up at the post office at 12:51 pm
9414811898765871486698	Diamond Lil Properties, LLC	PO Box 1818	Roswell	NM	88202-1818	on August 8, 2022 in ROSWELL, NM 88201.
						Your item was picked up at the post office at 12:51 pm
9414811898765871486643	Spirit Trail, LLC	PO Box 1818	Roswell	NM	88202-1818	on August 8, 2022 in ROSWELL, NM 88201.
						This is a reminder to arrange for redelivery of your
0/1/811808765871/86681	Marilyn Corn Coll, c/o Scott Welton Coll, et al	5330 San Mateo Blvd NE Apt B48	Albuguergue	NM	87100 <u>-</u> 6273	item or your item will be returned to sender.
3414011030703071400001	warnyn com con, c/o scott weiton con, ct ar	5550 Sull Mateo Biva NE Apt 840	Albuquerque	IVIVI	07103 0273	item of your item will be returned to sender.
						Your item was delivered to an individual at the address
9414811898765871486636	Katheryn Joyce Coll	83 La Barbaria Trl	Santa Fe	NM	87505-9008	at 3:29 pm on August 4, 2022 in SANTA FE, NM 87505.
						Your package will arrive later than expected, but is still
9414811898765871486674	Max W. Coll III	7625 El Centro Blvd Unit 1	Las Cruces	NM	88012-9313	on its way. It is currently in transit to the next facility.
						Your package will arrive later than expected, but is still
9414811898765871486292	PEO Permian LLC	16400 Dallas Pkwy Ste 400	Dallas	TX	75248-2643	on its way. It is currently in transit to the next facility.
						Your package will arrive later than expected, but is still
9414811898765871486285	John Brickey	4821 Rangewood	Midland	TX	79707-2630	on its way. It is currently in transit to the next facility.
						This is a reminder to pick up your item before August
						19, 2022 or your item will be returned on August 20,
0414011000765071406330	lack Envin	DO Day 51903	Midland	TV	70710 1002	2022. Please pick up the item at the MIDLAND, TX 79710 Post Office.
9414811898765871486230	Jack El Will	PO Box 51802	Midland	TX	/9/10-1802	Your item was delivered at 12:24 pm on August 8, 2022
9414811898765871486278	Alan Peters	PO Box 52002	Midland	TX	79710-2002	in MIDLAND, TX 79705.
J+1+0110J0/UJ0/1400Z/0	Maii reteis	1 O BOX 32002	Iviiuiaiiu	11/	7 37 10-2002	III WIIDLAND, 1A 73703.
						Your package will arrive later than expected, but is still
9414811898765871486810	Deborah S. Moore, SSP	2010 Sinclair Ave	Midland	TX	79705-8647	on its way. It is currently in transit to the next facility.
	·			_		,

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 April 19, 2022 and ending with the issue dated April 19, 2022.

Sworn and subscribed to before me this 19th day of April 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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 April 19, 2022

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**, **May 5**, **2022**, **beginning at 8:15 a.m.** To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.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 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 April 25, 2022.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e6e26820a221263

e14d01babebf368598 Event number: 2499 239 2503 Event password: : DEpewUbj2232

Join by video: 24992392503@nmemnrd.webex.com

Numeric Password: 903575 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: : 2499 239 2503

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 interest owners subject to pooling proceedings, including: COG Operating, LLC; ConocoPhillips Company; OXY USA WTP Limited Partnership; and Devon Energy Production Co. LP.

Case No. 22747: Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 E/2 of Sections 16 and 21, Township 20 South, Range 33 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Pony Express Federal Com 403H, the Pony Express Federal Com 504H and the Pony Express Federal Com 603H wells to be drilled from a surface location in the NW/4 NE/4 of Section 16 to a bottom hole location in the SW/4 SE/4 of Section 21. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, 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 approximately 4 miles northeast of Halfway, New Mexico. New Mexico. #37566

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208 00265895

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico **Exhibit No. F Submitted by: Matador Production Company**

Hearing Date: August 18, 2022 Case No. 22747 & 22748

STATE OF NEW MEXICO COUNTY OF LEA

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67100754

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

STATE OF NEW MEXICO COUNTY OF LEA

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Publisher

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Business Manager

My commission expires January 29, 2023

(Seal)

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(flussell

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