

RECEIVED: <u>7/23/2017</u>	REVIEWER: <u>MAm</u>	TYPE: <u>PLC</u>	APP NO: <u>PMAN182004968</u>
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mm 7/18/2017

ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Matador Production Company **OGRID Number:** 228937
Well Name: surface lease commingle oil and gas production from the Bilbrey Basin **API:** _____
Pool: Bone Spring Pool, Wolfcamp Pool **Pool Code:** 5695 and 98258

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☒ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☒ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☒ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jordan L. Kessler

Print or Type Name

Signature

July 18, 2018

Date

505-988-4421

Phone Number

jlkessler@hollandhart.com

e-mail Address



July 18, 2018

VIA HAND DELIVERY

Heather Riley
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Matador Production Company for administrative approval for off-lease measurement and approval to surface commingle (pool-lease commingle) oil and gas production from the spacing units comprised of the W/2 of Section 3, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico.

Dear Ms. Riley,

Matador Production Company (OGRID No. 228937) seeks administrative approval for off-lease measurement and approval to surface commingle oil and gas production (pool-lease) from the Bilbrey Basin; Bone Spring Pool (5695) and the WC-025 S223203A; Wolfcamp (Gas) Pool (98258) *from all existing and future wells and existing and future leases* drilled in the following areas of diverse ownership in Township 22 South, Range 32 East, NMPM, in Lea County, New Mexico:

(a) The 159.92-acre standard spacing unit comprised of Lot 3, SE/4NW/4 and E/2SW/4 of Section 3. This spacing unit is currently dedicated to the Nina Cortell Fed Com No. 132H Well (API No. 30-025-44552). This well is currently producing from the Bilbrey Basin; Bone Spring Pool (5695).

(b) The 159.92-acre standard spacing unit comprised of Lot 4, SW/4NW/4 and W/2SW/4 of Section 3. This spacing unit is currently dedicated to the Nina Cortell Fed Com No. 121H Well (API No. 30-025-44548) and the Nina Cortell Fed Com No. 131H Well (API No. 30-025-44551). These wells are currently producing from the Bilbrey Basin; Bone Spring Pool (5695).

(c) The 319.84-acre standard spacing unit comprised of Lots 3 and 4, S/2NW/4 and SW/4 of Section 3. This spacing unit is currently dedicated to the Nina Cortell Fed Com No. 201H Well (API No. 30-025-44554) and the Nina Cortell Fed Com No. 202H Well (API No. 30-025-44555). These wells are currently producing from the WC-025 S223203A; Wolfcamp (Gas) Pool (98258).

Holland & Hart^{LLP}**Phone** [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐

HOLLAND & HART^{LLP}



Pursuant to NMAC 19.15.12.7, approved spacing units with diverse ownership are considered separate leases for surface commingling purposes. Matador seeks authority to surface commingle production according to the provisions of NMAC 19.15.12.10.C *from all existing and future wells* in these separate areas of diverse ownership at a surface facility located in the SW/4SW/4 (Unit M) of Section 3. Pursuant to 19.15.12.10(C)(4)(g), Matador also seeks authority to commingle production into the Longwood Midstream Delaware line from future leases with notice provided only to interest owners within future leases. Prior to commingling, gas production from each well will be separately metered using individual test separators with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each well will also be separately metered using a turbine meter.

Exhibit 1 is a land plat showing Matador's current development and gathering system in the subject area. The plat identifies the wellbores, the spacing units, and the common surface facility located in the SW/4SW/4 (Unit M) of Section 3. As depicted, the lands in the NW/4 of Section 3 are federal lands and the lands in the SW/4 of Section 3 are state lands.

Exhibit 2 is a completed Application for Surface Commingling (Diverse Ownership) and Off-Lease Measurement Form C-107-B with a statement from Benjamin D. Peterson, P.E., identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement) and a referenced gas sample (Exhibit B to the statement).

Exhibit 3 is a C-102 for each of the wells currently permitted or drilled within the existing spacing units with six-month production reports for these wells, if available.

Exhibit 4 is a diagram of the surface facilities.

Exhibit 5 is a list of the interest owners affected by this request for approval to off-lease measure and surface commingle production. A copy of this application with all attachments has been sent by certified mail to all affected parties advising them that if they have an objection they must file it in writing with the division within 20 days from the date the Division receives Matador's application.

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

Sincerely,

Jordan L. Kessler

ATTORNEY FOR

MATADOR PRODUCTION COMPANY

cc: Bureau of Land Management – Carlsbad Office
cc: New Mexico State Land Office

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate

Phone (505) 988-4421

Fax (505) 983-6043

jkessler@hollandhart.com

July 18, 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval for off-lease measurement and approval to surface commingle (pool-lease commingle) oil and gas production from the spacing units comprised of the W/2 of Section 3, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced amended application, which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Sherri Gore
Matador Production Company
972-371-5467
SGore@matadorresources.com

Sincerely,

Jordan L. Kessler

ATTORNEY FOR

MATADOR PRODUCTION COMPANY

Holland & Hart^{LLP}

Phone [505] 988-4421 **Fax** [505] 983-6043 **www.hollandhart.com**

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 **Mailing Address** P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ♻

District I
1625 N French Drive, Hobbs, NM 88240
District II
811 S First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Matador Production Company
OPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☒ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☒ Yes ☐ No

(A) POOL COMMINGLING

Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Value of Non- Commingled Production	Calculated Value of Commingled Production	Volumes
Bilbrey Basin; Bone Spring (5695)	38.7"	41.1" 1,262 BTU/scf	\$53.78/bbl	\$53.78/bbl \$2.092/mcf	1,800 bopd
Bilbrey Basin; Bone Spring (5695)	1,307 BTU/scf		\$2.167/mcf		1,200 mcf/d
WC-025 S223203A; Wolfcamp (98258)	43.3"		\$53.78/bbl		2,000 bopd
WC-025 S223203A; Wolfcamp (98258)	1,248 BTU/scf		\$2.069/mcf		4,000 mcf/d

- (2) Are any wells producing at top allowances? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.
(4) Measurement type: ☒ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING

Please attach sheets with the following information

- (1) Pool Name and Code-
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING

Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT

Please attached sheets with the following information

- (1) Is all production from same source of supply? ☐ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)

Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Ben Peterson TITLE: Senior Production Engineer DATE: 7/14/13

TYPE OR PRINT NAME Ben Peterson TELEPHONE NO.: (972) 371-5427

E-MAIL ADDRESS: bpeterson@matadorresources.com

EXHIBIT

tabbles

2

Matador Production Company

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

Benjamin D. Peterson, P.E.
Senior Production Engineer

July 11, 2018

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

Re: Application of Matador Production Company for the spacing units comprising W/2 Section 3, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico (the "Lands")

To Whom This May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to commingle current oil and gas production from five (5) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the Longwood Midstream Delaware line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

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

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

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

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

Very truly yours,

MATADOR PRODUCTION COMPANY

A handwritten signature in black ink, appearing to read 'B. Peterson', with a long horizontal flourish extending to the right.

Benjamin D. Peterson, P.E.
Sr. Production Engineer

FESCO, Ltd.
105 Medical Dr. - Ozona, Texas 76943

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

Sample: Florence 23 23 34 AR No. 202H
First Stage Separator
Spot Gas Sample @ 303 psig & 110°F

Date Sampled: 02/07/18 @ 14:05 CST

Job Number: 80084.101

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.387	
Carbon Dioxide	0.173	
Methane	78.616	
Ethane	11.376	3.036
Propane	5.167	1.420
Isobutane	0.563	0.184
n-Butane	1.432	0.451
2-2 Dimethylpropane	0.003	0.001
Isopentane	0.298	0.109
n-Pentane	0.346	0.125
Hexanes	0.232	0.095
Heptanes Plus	<u>0.407</u>	<u>0.162</u>
Totals	100.000	5.583

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity ----- 3.343 (Air=1)
Molecular Weight ----- 96.48
Gross Heating Value ----- 4934 BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity ----- 0.727 (Air=1)
Compressibility (Z) ----- 0.9964
Molecular Weight ----- 20.99
Gross Heating Value
Dry Basis ----- 1248 BTU/CF
Saturated Basis ----- 1227 BTU/CF

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

Results: 0.019 Gr/100 CF, 0.3 PPMV or <0.0001 Mol%

Base Conditions: 14.650 PSI & 60 Deg F

Sampled By: (08)Bryan McCollum

Analyst: BMc

Processor: BMc

Cylinder ID: T-5289

Certified: FESCO, Ltd. - Ozona, Texas

Tom Anderson 325-392-3773

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

TOTAL REPORT

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	1.387		1.851
Carbon Dioxide	0.173		0.363
Methane	78.616		60.074
Ethane	11.376	3.036	16.293
Propane	5.167	1.420	10.852
Isobutane	0.563	0.184	1.559
n-Butane	1.432	0.451	3.964
2,2 Dimethylpropane	0.003	0.001	0.010
Isopentane	0.298	0.109	1.024
n-Pentane	0.346	0.125	1.189
2,2 Dimethylbutane	0.003	0.001	0.012
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.029	0.012	0.119
2 Methylpentane	0.069	0.029	0.283
3 Methylpentane	0.041	0.017	0.168
n-Hexane	0.090	0.037	0.369
Methylcyclopentane	0.048	0.017	0.192
Benzene	0.035	0.010	0.130
Cyclohexane	0.068	0.023	0.272
2-Methylhexane	0.011	0.005	0.053
3-Methylhexane	0.015	0.007	0.072
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.040	0.017	0.189
n-Heptane	0.028	0.013	0.134
Methylcyclohexane	0.047	0.019	0.220
Toluene	0.029	0.010	0.127
Other C8's	0.035	0.016	0.184
n-Octane	0.011	0.006	0.060
Ethylbenzene	0.003	0.001	0.015
M & P Xylenes	0.006	0.002	0.030
O-Xylene	0.002	0.001	0.010
Other C9's	0.016	0.008	0.096
n-Nonane	0.003	0.002	0.018
Other C10's	0.007	0.004	0.047
n-Decane	0.002	0.001	0.014
Undecanes (11)	<u>0.001</u>	<u>0.001</u>	<u>0.007</u>
Totals	100.000	5.583	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.727	(Air=1)
Compressibility (Z) -----	0.9964	
Molecular Weight -----	20.99	

Gross Heating Value

Dry Basis -----	1248	BTU/CF
Saturated Basis -----	1227	BTU/CF

FESCO, Ltd.**105 Medical Dr. - Ozona, Texas 76943****Sample:** Florence 23 23 34 AR No. 202H

First Stage Separator

Spot Gas Sample @ 303 psig & 110°F

Date Sampled: 02/07/18 @ 14:05 CST

Job Number: 80084.101

GLYCALC FORMAT

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	0.173		0.363
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.387		1.851
Methane	78.616		60.074
Ethane	11.376	3.036	16.293
Propane	5.167	1.420	10.852
Isobutane	0.563	0.184	1.559
n-Butane	1.435	0.452	3.974
Isopentane	0.298	0.109	1.024
n-Pentane	0.346	0.125	1.189
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.090	0.037	0.369
Cyclohexane	0.068	0.023	0.272
Other C6's	0.142	0.058	0.582
Heptanes	0.142	0.059	0.640
Methylcyclohexane	0.047	0.019	0.220
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.035	0.010	0.130
Toluene	0.029	0.010	0.127
Ethylbenzene	0.003	0.001	0.015
Xylenes	0.008	0.003	0.040
Octanes Plus	<u>0.075</u>	<u>0.038</u>	<u>0.426</u>
Totals	100.000	5.583	100.000

Real Characteristics Of Octanes Plus:

Specific Gravity -----	4.130	(Air=1)
Molecular Weight -----	119.19	
Gross Heating Value -----	6150	BTU/CF

Real Characteristics Of Total Sample:

Specific Gravity -----	0.727	(Air=1)
Compressibility (Z) -----	0.9964	
Molecular Weight -----	20.99	
Gross Heating Value		
Dry Basis -----	1248	BTU/CF
Saturated Basis -----	1227	BTU/CF

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 88209
Phone (575) 748-1283 Fax (575) 748-0720
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) 476-3461

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

30-025	¹ API Number 44546	² Pool Code 5695	³ Pool Name BILBREY BASIN; BONE SPRING
⁴ Property Code	⁵ Property Name NINA CORTELL FED COM		⁶ Well Number #121H
⁷ OGRID No 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 3807'

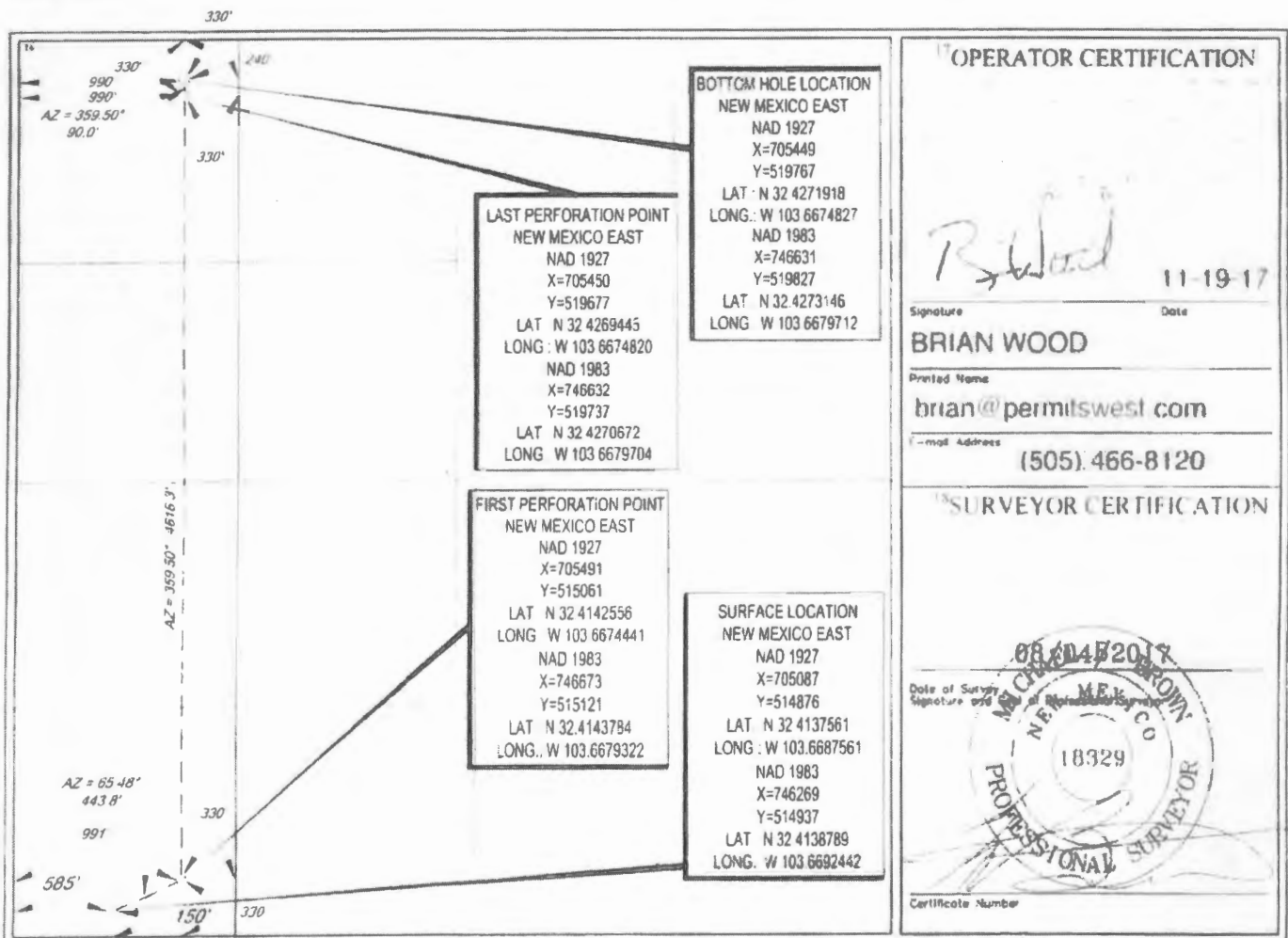
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	22-S	32-E	-	150'	SOUTH	585'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	3	22-S	32-E	-	240'	NORTH	990'	WEST	LEA

¹¹ Dedicated Acres 159.92	¹² Joint or Infill	¹³ Consolidation Code C	¹⁴ Order No
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division



HOBBS OCD

FORM C-102

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) 748-0720
District III
1000 Rio Brazos Road, A.Mec, 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

FEB 28 2018

RECEIVED

Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-44551	² Pool Code 5695	³ Pool Name BILBREY BASIN; BONE SPRING
⁴ Property Code 320841	⁵ Property Name NINA CORTELL FED COM	⁶ Well Number #131H
⁷ OGRIDNo. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3807'

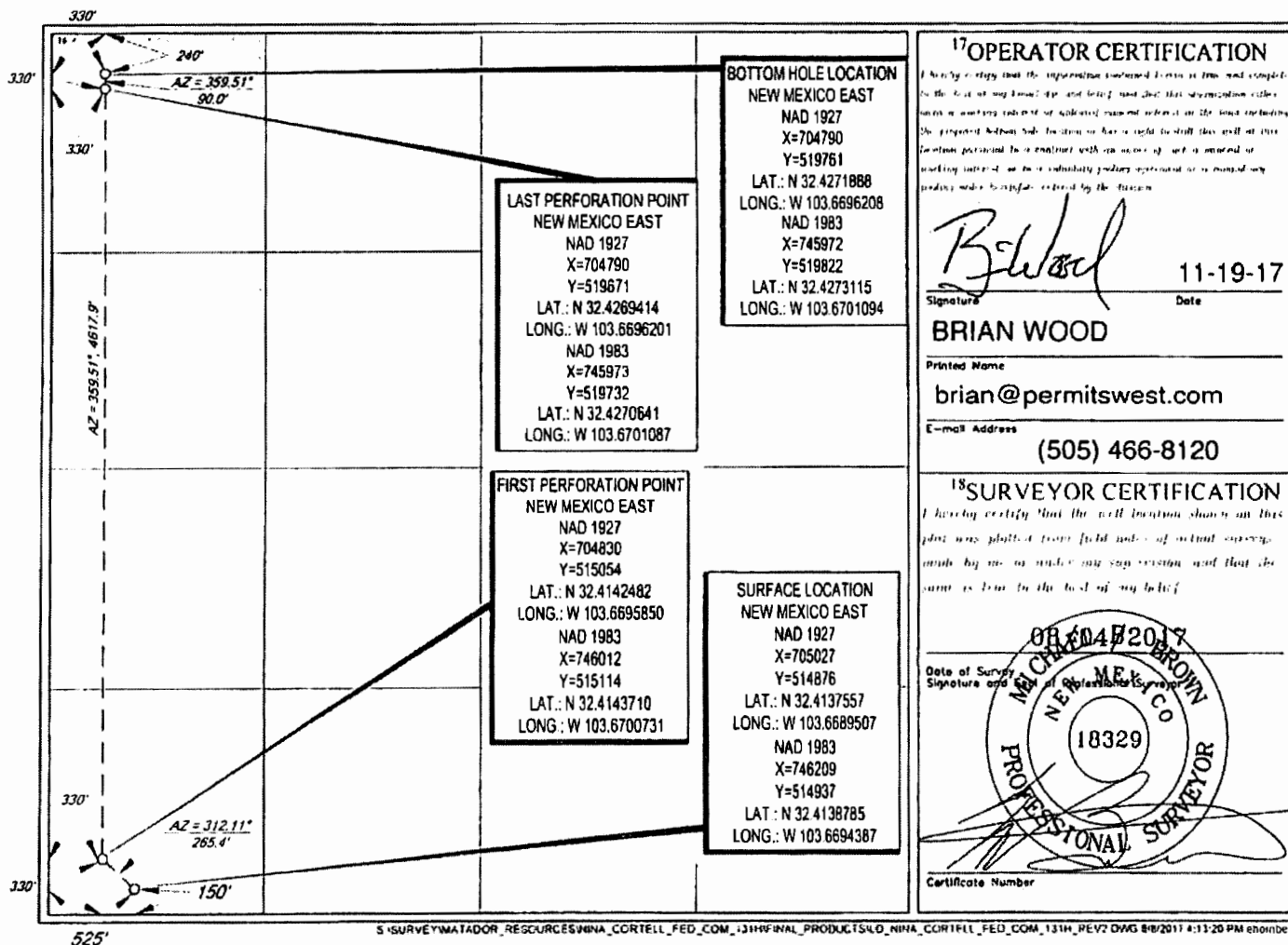
¹⁰Surface Location

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	22-S	32-E	-	150'	SOUTH	525'	WEST	LEA

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	3	22-S	32-E	-	240'	NORTH	330'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
159.92		C	

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 I
1623 N French Dr., Hobbs, NM 88240
Phone: (575) 391-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025- 84552	² Pool Code 5695	³ Pool Name BILBREY BASIN; BONE SPRING
⁴ Property Code 720841	⁵ Property Name NINA CORTELL FED COM	⁶ Well Number #132H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3808'

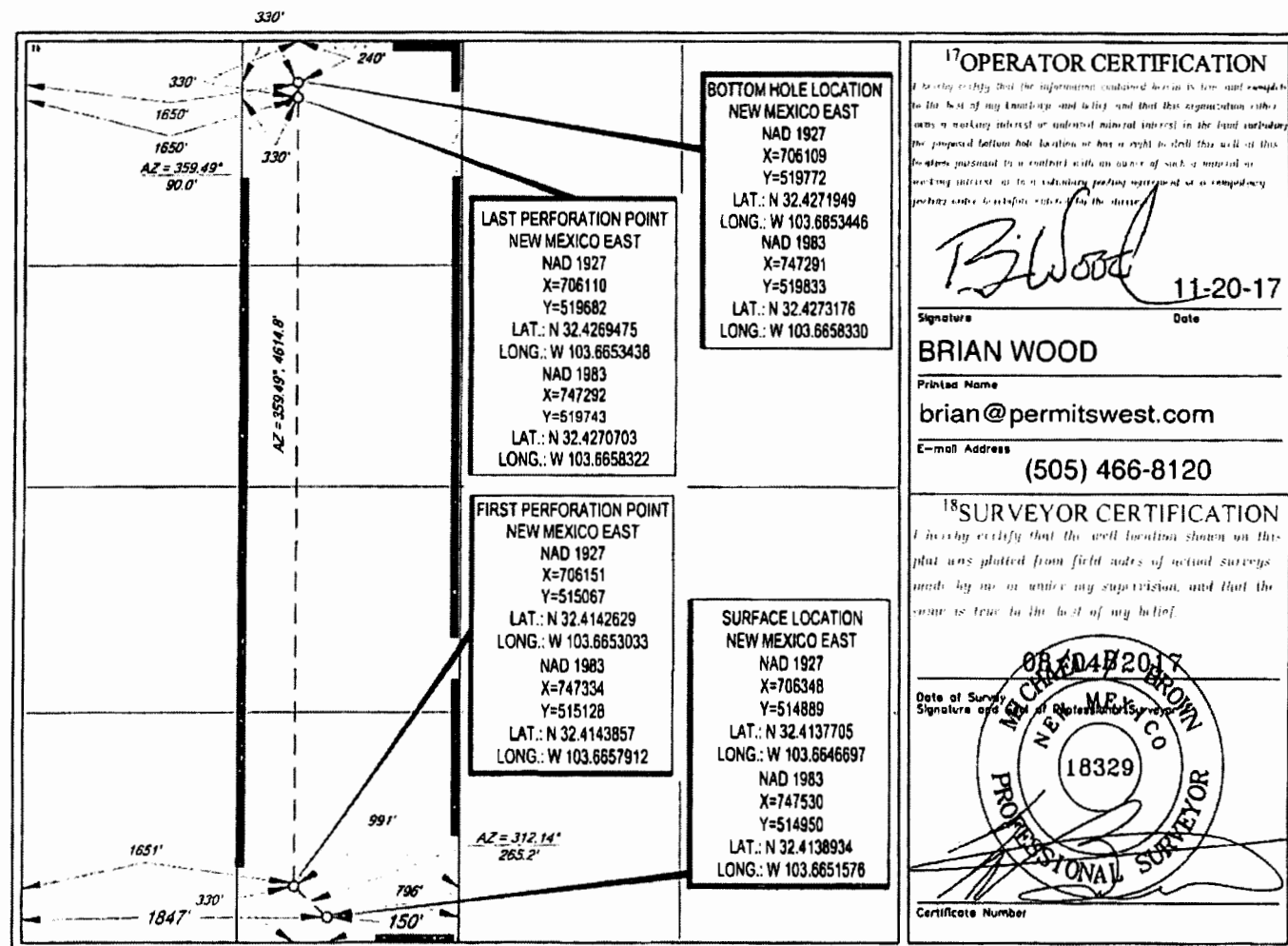
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	3	22-S	32-E	-	150'	SOUTH	1847'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	22-S	32-E	-	240'	NORTH	1650'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
159.92	C		

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 I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-1280
District III
1000 Rio Brazos Road, Aztec, NM 87401
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Sante Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

RECEIVED
FEB 28 2018

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-44444	² Pool Code 98258	³ Pool Name WC-025 S223203A; Wolfcamp (Gas)
⁴ Property Code 320841	⁵ Property Name NINA CORTELL FED COM	⁶ Well Number #201H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3807'

¹⁰Surface Location

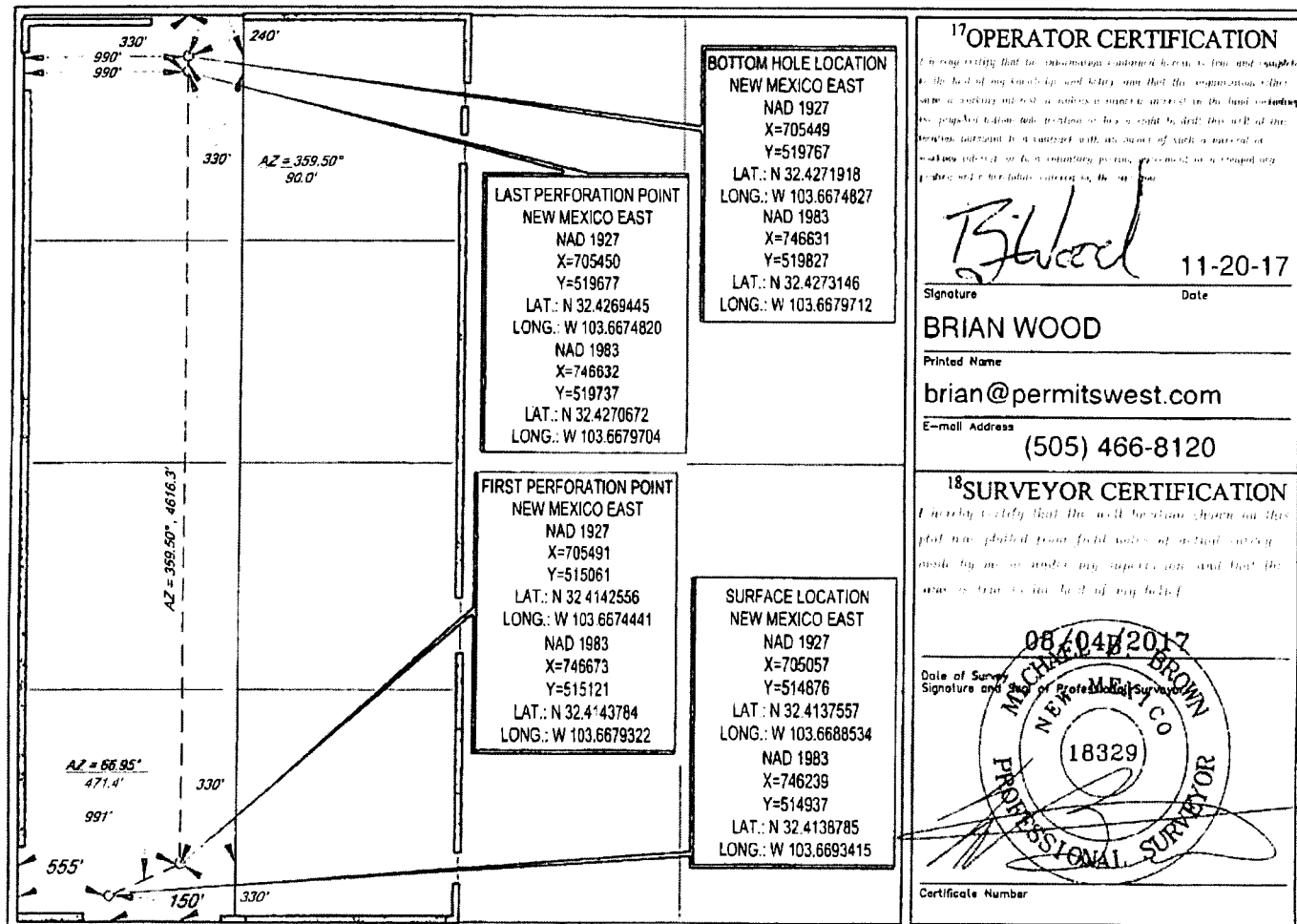
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	22-S	32-E	-	150'	SOUTH	555'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	3	22-S	32-E	-	240'	NORTH	990'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
319.84		C	

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.

330'



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) 476-3463

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-44555	² Pool Code 98258	³ Pool Name WC-025 S223203A; Wolfcamp (Gas)
⁴ Property Code 72084	⁵ Property Name NINA CORTELL FED COM	⁶ Well Number #202H
⁷ GRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3808'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	3	22-S	32-E	-	150'	SOUTH	1876'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	22-S	32-E	-	240'	NORTH	2309'	WEST	LEA

¹¹ Dedicated Acres	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
319.84		C	

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.

17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest in, or has a right to drill this well at this location, pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
Signature: *Brian Wood* Date: 11-20-17
Printed Name: BRIAN WOOD
E-mail Address: brian@permitswest.com
(505) 466-8120

18 SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true to the best of my belief.
Date of Survey: 08/04/2017
Signature and Seal of Professional Surveyor: *Michael Brown*
Certificate Number: 18329

BOTTOM HOLE LOCATION
NEW MEXICO EAST
NAD 1927
X=706769
Y=519777
LAT.: N 32.4271978
LONG.: W 103.6632064
NAD 1983
X=747951
Y=519838
LAT.: N 32.4273206
LONG.: W 103.6636948

LAST PERFORATION POINT
NEW MEXICO EAST
NAD 1927
X=7068770
Y=519687
LAT.: N 32.4269505
LONG.: W 103.6632056
NAD 1983
X=747952
Y=519748
LAT.: N 32.4270733
LONG.: W 103.6636939

FIRST PERFORATION POINT
NEW MEXICO EAST
NAD 1927
X=706812
Y=515074
LAT.: N 32.4142702
LONG.: W 103.6631624
NAD 1983
X=747994
Y=515135
LAT.: N 32.4143931
LONG.: W 103.6636503

SURFACE LOCATION
NEW MEXICO EAST
NAD 1927
X=706378
Y=514890
LAT.: N 32.4137707
LONG.: W 103.6645726
NAD 1983
X=747580
Y=514950
LAT.: N 32.4138936
LONG.: W 103.6650606

Adrian L. Dawe, SP
Unknown

Christopher A. Broderick, SP
2204 Northeast Chipman Road Lees Summit
MO 64063

CTH Royalties, LLC
P.O. Box 52521
Midland, TX 79710

James R. Eubank
601 E Nadine Rd.
Hobbs, NM 88240

Janice E. Tumlinson
23103 Holly Hollow St
Tomball, TX 77377

Jeanne Rocco
2350 CR 165
Plains, TX 79355

Estate of Ted Collins, Jr
P.O. Box 27
Midland, TX 79702

Jean Ann Tully Stell
3316 Mars Rd. NE
Albuquerque, NM 87107

JWD Resources, LLC
P.O. Box 51908
Midland, TX 79710

Kathleen L. George, SP
2004 S.W. Brighton Place
Blue Springs, MO 64015

NM Royalty, LLC
P.O. Box 51908
Midland, TX 79710

Ross A. Broderick Revocable Inter Vivos Trust, with
Ross A. Broderick, as Trustee
4285 SE 1147 Rd.
Osceola, MO 64776

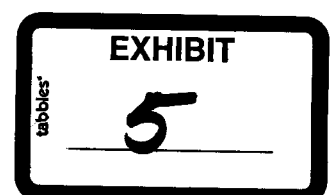
Theresa A. Broderick, widow
1371 SW Heartwood Dr.
Lees Summit, MO 64081

Venable Royalty, Ltd.
5910 North Central Expressway Suite 1470
Dallas, TX 75206

Venro, Ltd.
5910 North Central Expressway Suite 1470
Dallas, TX 75206

Wallace Family Partnership, LP
508 W. Wall St. Suite 1200
Midland, TX 79701

WBA Resources, Ltd.
P.O. Box 50468
Midland, TX 79710





Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Matador Production Co - Commingle Bilbrey Bason
CM# 79102.0002 20180719
Interested parties list

Shipment Date: 07/17/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	16
Total	16

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

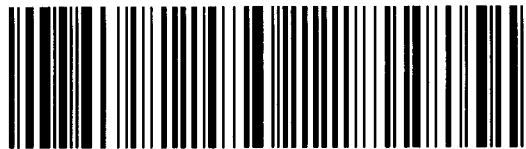
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0009 3721 38



Firm Mailing Book For Accountable Mail

Name and Address of Sender Holland & Hart LLP 110 N Guadalupe St # 1 Santa Fe NM 87501		Check type of mail or service <input type="checkbox"/> Adult Signature Required <input type="checkbox"/> Priority Mail Express <input type="checkbox"/> Adult Signature Restricted Delivery <input type="checkbox"/> Registered Mail <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Certified Mail Restricted Delivery <input type="checkbox"/> Signature Confirmation <input type="checkbox"/> Collect on Delivery (COD) <input type="checkbox"/> Signature Confirmation Restricted Delivery <input type="checkbox"/> Insured Mail <input type="checkbox"/> Priority Mail		Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.												
USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)		Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
1. 9214 8901 9403 8307 8725 93	Christopher A Broderick 2204 Northeast Chipman Road Lees Summit MO 64063		2.05	3.45	Handling Charge - if Registered and over \$50,000 in value							1.50				
2. 9214 8901 9403 8307 8726 09	CTH Royalties LLC PO BOX 52521 Midland TX 79710		2.05	3.45								1.50				
3. 9214 8901 9403 8307 8726 16	James Eubank 601 E Nadine Rd Hobbs NM 88240		2.05	3.45								1.50				
4. 9214 8901 9403 8307 8726 23	Janice Turnlinson 23103 Holly Hollow St Tomball TX 77377		2.05	3.45								1.50				
5. 9214 8901 9403 8307 8726 30	Jeanne Rocco 2350 CR 165 Plains TX 79355		2.05	3.45								1.50				
6. 9214 8901 9403 8307 8726 47	Estate of Ted Collins Jr PO BOX 27 Midland TX 79702		2.05	3.45								1.50				
7. 9214 8901 9403 8307 8726 54	Jean Ann Tully Stell 3316 Mars Rd NE Albuquerque NM 87107		2.05	3.45								1.50				
8. 9214 8901 9403 8307 8726 61	JWD Resources LLC PO BOX 51908 Midland TX 79710		2.05	3.45								1.50				
Total Number of Pieces Listed by Sender 16	Total Number of Pieces Received at Post Office	Postmaster, Per (Name of receiving employee)														



Firm Mailing Book For Accountable Mail

Name and Address of Sender		Check type of mail or service	Affix Stamp Here (if issued as an international certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt.													
USPS Tracking/Article Number		Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
9.	9214 8901 9403 8307 8726 78	Kathleen George 2004 S W Brighton Place Blue Springs MO 64015	2.05	3.45	Handling Charge - if Registered and over \$50,000 in value							1.50				
10.	9214 8901 9403 8307 8726 85	NM Royalty LLC PO BOX 51908 Midland TX 79710	2.05	3.45									1.50			
11.	9214 8901 9403 8307 8726 92	Ross A Broderick Trust w/ Ross Broderick Trustee 4285 SE 1147 Rd Osceola MO 64776	2.05	3.45								1.50				
12.	9214 8901 9403 8307 8727 08	Theresa Broderick 1371 SW Heartwood Dr Lees Summit MO 64081	2.05	3.45												
13.	9214 8901 9403 8307 8727 15	Venable Royalty Ltd 5910 North Central Expressway suite 1470 Dallas TX 75206	2.05	3.45												
14.	9214 8901 9403 8307 8727 22	Venro Ltd 5910 North Central Expressway suite 1470 Dallas TX 75206	2.05	3.45												
15.	9214 8901 9403 8307 8727 39	Wallace Family Partnership LP 508 W Wall St Suite 1200 Midland TX 79701	2.05	3.45												
16.	9214 8901 9403 8307 8727 46	WBA Resources Ltd PO BOX 50468 Midland TX 79710	2.05	3.45												
Total Number of Pieces Listed by Sender 16		Total Number of Pieces Received at Post Office		Postmaster, Per (Name of receiving employee)												



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Matador Production Co - Commingle Bilbrey Basin
CM# 79102.0002 20180718
BLM & SLO

Shipment Date: 07/17/2018

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	2
Total	2

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

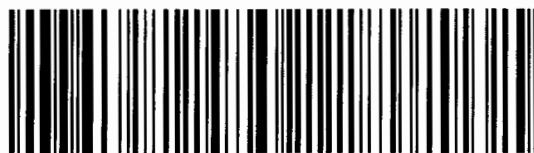
B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0009 3733 26



Holland & Hart LLP
110 N Guadalupe St # 1
Santa Fe NM 87501

☐ Adult Signature Required ☐ Priority Mail Express
☐ Adult Signature Restricted Delivery ☐ Registered Mail
☒ Certified Mail ☐ Return Receipt for Merchandise
☐ Certified Mail Restricted Delivery ☐ Signature Confirmation
☐ Collect on Delivery (COD) ☐ Signature Confirmation Restricted Delivery
☐ Insured Mail
☐ Priority Mail

Affix Stamp Here
(if issued as an international
certificate of mailing or for
additional copies of this receipt).
Postmark with Date of Receipt.

PS Form **3877**, April 2015 (Page 1 of 1) Complete in Ink Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy.
PSN 7530-02-000-9098

McMillan, Michael, EMNRD

From: Jordan L. Kessler <JLKessler@hollandhart.com>
Sent: Monday, July 23, 2018 10:41 AM
To: McMillan, Michael, EMNRD
Subject: Nina Cortell commingling notice of publication
Attachments: 33034 holland notice.pdf; ATT00001.txt

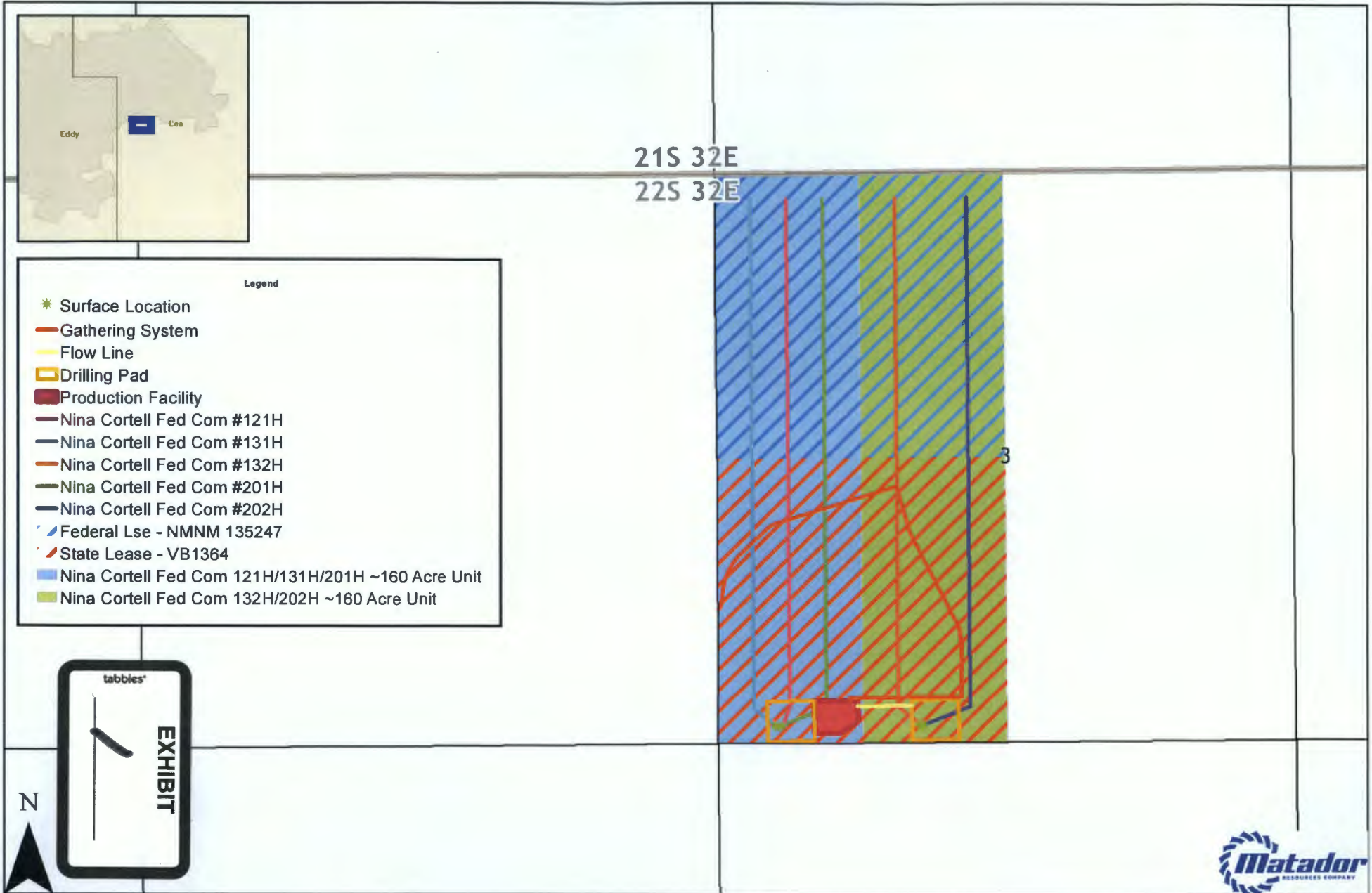
Michael, please see attached and let me know if you have any questions. Thanks!

LEGAL NOTICE
July 24, 2018

To: Adrian L. Dawe, his heirs and devisees; Christopher A. Broderick, his heirs and devisees; CTH Royalties, LLC; James R. Eubank, his heirs and devisees; Janice E. Tumlinson, her heirs and devisees; Jeanne Rocco, her heirs and devisees; Estate of Ted Collins, Jr., his heirs and devisees; Jean Ann Tully Stell, her heirs and devisees; JWD Resources, LLC; Kathleen L. George, her heirs and devisees; NM Royalty, LLC; Ross A. Broderick Revocable Inter Vivos Trust, with Ross A. Broderick, as Trustee; Theresa A. Broderick, her heirs and devisees; Venable Royalty, Ltd.; Venro, Ltd.; Wallace Family Partnership, LP; WBA Resources, Ltd.

Application of Matador Production Company for administrative approval for off-lease measurement and approval to surface commingle oil and gas production (pool-lease) from the Bilbrey Basin; Bone Spring Pool (5695) and the WC-025 S223203A; Wolfcamp (Gas) Pool (98258) from all existing and future wells and existing and future leases in the spacing units comprised of the W/2 of Section 3, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico pursuant to 19.15.23.9(A). Pursuant to 19.15.12.10(C)(4)(g), Matador also seeks authority to commingle gas production into the Longwood Gathering Line from all future leases with notice provided only to interest owners within future leases. Matador seeks authority to surface commingle production according to the provisions of NMAC 19.15.12.10.C from all existing and future wells in these separate areas of diverse ownership at a surface facility located in the SW/4SW/4 (Unit M) of Section 3. Any objection to this application must be filed in writing within twenty days from date of publication with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division. If you have any questions about this application, please contact Sherri Gore, Matador Production Company, 5400 LBJ Freeway, Suite 1500, Dallas, TX 75240, (972) 371-5467, sgore@matadorresources.com.
#33034

Nina Cortell Land Plat



Southeast New Mexico

McMillan, Michael, EMNRD

From: Jordan L. Kessler <JLKessler@hollandhart.com>
Sent: Friday, August 10, 2018 9:35 AM
To: McMillan, Michael, EMNRD
Subject: RE: Matador Dr. Scrivner Surface application

Michael, no compulsory pooling orders for these spacing units/wells. The unlocatable folks are royalty owners from old leases, whose interests are in suspense. Let me know if you have other questions.

Thanks!
Jordan

From: McMillan, Michael, EMNRD <Michael.McMillan@state.nm.us>
Sent: Wednesday, August 8, 2018 11:53 AM
To: Jordan L. Kessler <JLKessler@hollandhart.com>
Subject: Matador Dr. Scrivner Surface application

Jordan:

Were any of the wells subject to compulsory pooling-it seems odd since there were unlocatables.

Did your newspaper add include everyone? If not can you e-mail me verification that the affected parties were sent certified mail the application (you listed the names and addresses but no post office ID)

Can you provide the last 6 month's monthly production for the wells that have production.

Mike

Michael McMillan
1220 South St. Francis
Santa Fe, New Mexico
505-476-3448
Michael.mcmillan@state.nm.us