

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Brett Guitar Witherspoon
3811 Rutledge Street
Fort Worth, TX 76107

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Witherspoon:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

Oil Conservation Division
Case No. 415245
Exhibit No. 4

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Brett Guitar Witherspoon will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Brett Guitar Witherspoon shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Brett Guitar Witherspoon hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Brett Guitar Witherspoon hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Brett Guitar Witherspoon hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Brett Guitar Witherspoon

By: _____

Title: _____

Date: _____

OIL, GAS AND MINERAL LEASE

Notice of Confidentiality Rights: If you are a natural person, you may remove or strike any of the following information from this instrument before it is filed for record in the public records: Your [REDACTED] or your driver's license number.

THIS LEASE AGREEMENT is made effective the 13th day of October, 2014, between Brett Guitar Witherspoon, as the Lessor (whether one or more), whose address is 3811 Rutledge St., Fort Worth, TX 76107 and MRC PERMIAN COMPANY, as Lessee, whose address is One Lincoln Centre, 5400 LBJ Freeway Suite 1500 Dallas, Texas 75240.

All printed portions of this lease were prepared by Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. **Description.** Lessor, in consideration of Ten Dollars (\$10.00), in hand paid, of the royalties herein provided and the covenants herein contained, hereby grants, leases and lets exclusively to Lessee, for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non-hydrocarbon substances produced in association therewith including helium, carbon dioxide and other commercial gases as well as hydrocarbon gases (referred to herein as "covered minerals"), the following described land (the "leased premises") in EDDY County, New Mexico, to-wit:

Township 23 South, Range 27 East
Section 12: SW/4
containing 160 acres more or less
Eddy County, New Mexico

This lease also covers accretions and any small strips or parcels of land now or hereafter owned or claimed by Lessor which are contiguous or adjacent to the leased premises whether or not such parcels are known to exist by Lessor or Lessee, and for the aforementioned consideration, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, said land shall be deemed to be comprised of 160 acres whether it actually comprises more or less.

2. **Term of Lease.** This lease, which is a paid-up lease requiring no rentals, shall be in force for a primary term of THREE (3) years from the effective date hereof, and for as long thereafter as a covered mineral is produced in paying quantities from the leased premises or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. **Royalty.** Royalties on covered minerals produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's field separator facilities, the royalty shall be ONE-FIFTH (1/5) of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead posted price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) for production of similar grade and gravity less a proportionate part of ad valorem taxes and production, severance, or other excise taxes, (b) for gas (including casinghead gas) and all other covered minerals, the royalty shall be ONE-FIFTH (1/5) of the net proceeds realized by Lessee from the sale thereof, less a proportionate part of taxes and production, severance, or other excise taxes, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and (c) if, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing oil or gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee. If at any time or times after the expiration of the primary term, all such wells are shut-in for a period of ninety consecutive days, and during such time there are no operations on said land, then at or before the expiration of said ninety day period, Lessee shall pay or tender, by check or draft of Lessee, as royalty, a sum equal to one dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said ninety day period if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of the payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the **PAY DIRECT TO LESSOR AT ABOVE ADDRESS** or its successors, which shall continue as the depositories, regardless of changes in the ownership of shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as Lessee may elect. Any payment hereunder may be made by check or draft of Lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair Lessee's right to release as provided in paragraph 9 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the owners of this lease, severally as to acreage owned by each. Lessee shall have free use of oil, gas, water and other substances produced from said land, except water from Lessor's wells or ponds, for all operations hereunder, and Lessor's royalty shall be computed after deducting any so used.

4. **Operations.** If, after expiration of the primary term, Lessee drills a dry hole on the leased premises or if all production of covered minerals should permanently cease from any cause either voluntary or involuntary (and if this lease is not otherwise being maintained), this lease shall remain in effect if Lessee commences drilling, reworking or other operations on the leased premises within 90 days thereafter. If, at or after expiration of the primary term, this lease is not otherwise being maintained but Lessee is then engaged in drilling, reworking or other operations calculated to obtain or restore production from the leased premises, this lease shall remain in effect so long as such operations are conducted with no cessation of more than 90 consecutive days and, if such operations result in the production of a covered mineral, as long thereafter as there is production from the leased premises. After production has been established on the leased premises, Lessee shall drill such additional wells as a reasonably prudent operator would drill under the same or similar circumstances to (a) develop the leased premises as to formations then capable of producing in paying quantities on the leased premises or (b) protect the leased premises from uncompensated drainage by a well producing a covered mineral in paying quantities located on lands not pooled therewith within 330 feet of and draining the leased premises. There shall be no covenant to drill exploratory wells or any additional wells except as expressly provided herein.

5. **Pooling.** Lessee shall have the continuing recurring right, but not the obligation, to pool all or any part of the leased premises or interest therein with any other lands, leases or interests, as to any or all depths or zones, and as to any or all covered minerals, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently explore, develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands, leases or interests. The terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or by regulations of the governmental authority which has jurisdiction over such matters. The term "horizontal completion" shall mean an oil well or a gas well in which the horizontal component of the gross completion interval exceeds 100 feet in length. Lessee may pool or combine land covered by this lease or any portions thereof, as above provided as to oil in any one or more strata and as to gas in any one or more strata. Units formed by pooling as to any stratum or strata need not conform in size or area with units formed as to any other stratum or strata, and oil units need not conform as to area with gas units. To exercise its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit, and the effective date of pooling shall be the date of filing unless provided otherwise in such declaration. Lessee wholly at its option may exercise its authority to pool either before or after commencing operations for or completing an oil or gas well on lands lying within a unit and any unit may include lands or leases upon which a well producing or capable of producing oil or gas in paying quantities has theretofore been completed, or upon which operations have theretofore been commenced. Production, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises, regardless of whether such production was secured or such drilling or reworking operations were commenced before or after the execution of this lease or the instrument designating the pooled unit, shall be treated for all purposes (except the payment of royalties on production from the pooled unit) as if there were production, drilling or reworking operations on the leased premises and references herein to production from or operations on the leased premises shall be deemed to include production from or operations on any portion of such pooled unit; provided that if after creation of a pooled unit a well is drilled on land within the unit area (other than the leased premises) which well is not classified as the type of well for which the unit was created (oil, gas or other minerals as the case may be), such well shall be considered a dry hole for purposes of applying the additional drilling and reworking provisions hereof. If a gas well on a gas unit, which includes all or a portion of the leased premises, is reclassified as an oil well, with respect to all lands which are included within the unit (other than the lands on which the well is located), the date of such reclassification shall be considered as the date of cessation of production for purposes of applying the provisions of this lease covering additional drilling and reworking. The production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent that such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall, without the joinder of Lessor, have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or court order, or when to do so would, in the judgment of the Lessee, promote the conservation of covered minerals in and under and that may be produced from the leased premises. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and the effective date of the revision shall be the date of filing unless provided otherwise in such declaration. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly, and such adjustment shall be made effective as of the date of the revision. Lessee may at any time dissolve any unit formed hereunder by filing a written declaration describing the unit, and the effective date of dissolution shall be the date of filing unless provided otherwise in such declaration. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within the lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of the production as herein provided. As used herein the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises. Pooling hereunder shall not constitute a cross-conveyance of interests.

6. **Ancillary Rights.** In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises, in primary or enhanced recovery, Lessor hereby grants and conveys to Lessee the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and transport production. In exploring, developing, producing or marketing from the leased premises, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease, and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises. No surface location for a well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder without Lessor's consent, and Lessee shall pay for actual damage caused by its operations to buildings and other improvements now on the leased premises, or such other lands, and to the commercial timber and growing crops thereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

7. **Ownership.** The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change to the satisfaction of the Lessee. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate. If at any time two or more persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons, either jointly or separately, in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part, Lessee shall be relieved of all obligations thereafter arising with respect to transferred interest, and failure of the transferee to satisfy such obligations with respect to the transferred interest shall not affect the rights of Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shut-in royalties hereunder shall be divided between Lessee and the transferee in proportion to the net acreage interest in this lease then held by each.

8. **Third Party Offering.** In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of fifteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

9. **Warranty of Title.** Lessor hereby warrants and agrees to defend title to the interest conveyed to Lessee hereunder. Lessee, at its option, may pay or discharge any tax, mortgage or lien existing against the leased premises and, in the event that it does so, Lessee shall be subrogated to the rights of the party to whom payment is made and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. If Lessor owns less than the full mineral estate in all or any part of the leased premises, payment of royalties and shut-in royalties hereunder shall be reduced proportionately to the amount that Lessor's interest in the leased premises bears to the entire mineral estate in the leased premises. To the extent any royalty or other payment attributable to the mineral estate covered by this lease is payable to someone other than Lessor, such royalty or other payment shall be deducted from the corresponding amount otherwise payable to Lessor hereunder.

10. **Release of Lease.** Lessee may, at any time and from time to time, deliver to the Lessor or file of record a written release of this Lease as to a full or undivided interest in all or any portion of the leased premises or any depths or zones thereunder, and shall thereafter be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shut-in royalties shall be proportionately reduced in accordance with the net acreage interest retained hereunder.

11. **Regulation and Delay.** Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction, including restrictions on the drilling and production of wells and regulation of the price or transportation of oil, gas and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, adverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any provisions or implied covenants of this lease when drilling, production or other operations are so prevented or delayed.

12. **Breach or Default.** An alleged breach or default by Lessee of any obligation hereunder or the failure of Lessee to satisfy any condition or limitation contained herein shall not work as a forfeiture or termination of this lease nor cause a termination or reversion of the estate created hereby nor be grounds for cancellation hereof in whole or in part, and no litigation shall be initiated by Lessor with respect to any alleged breach or default by Lessee hereunder, for a period of at least ninety (90) days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy or commence to remedy the breach or default within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless the Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so. Nothing in this instrument or in the relationship created hereby shall be construed to establish a fiduciary relationship, a relationship of trust or confidence or a principle-agent relationship between Lessor and Lessee for any purpose.

13. **Option to Extend.** For the above consideration, Lessee is granted the option to renew this lease under the same provisions for a second primary term of Two (2) years, commencing on or before the expiration date hereof, and continuing as long thereafter as oil or gas is produced from said land or land pooled therewith. Lessee may exercise this option by paying or tendering to the Lessor or Lessor's credit in the heretofore named depository bank, the sum of Five Hundred Dollars (\$500.00) per net mineral acre covered by this lease on or before the expiration of the primary term hereof. It is agreed and understood that all delay rental payments shall be deemed "Paid-Up" and said delay rental payments are included in any lease bonus payments tendered by the Lessee.

IN WITNESS WHEREOF, this lease is executed effective the date first above written, and upon execution shall be binding upon the signatory party whether or not the lease has been executed by all parties named herein as Lessor.

Lessor:

Brett Guitar Witherspoon

ACKNOWLEDGEMENT

STATE OF _____

COUNTY OF _____

This instrument was acknowledged before me this _____ day of _____, 2014, by .

Notary Public, State of _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

**Chris Carleton
Landman**

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Curtis L. Neeley Management Trust
206 Blue Ground 8992
Horseshoe Bay, TX 78657

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Curtis L. Neeley Management Trust:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Curtis L. Neeley Management Trust will own an approximate 2.132813% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Curtis L. Neeley Management Trust shall be responsible for 2.132813% of all costs incurred.

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MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

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Curtis L. Neeley Management Trust

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust
5528 Tahoe Lane
Fairway, KS 66205

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust:

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MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

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Gayle N. Nicolay, Trustee of the Gayle N. Nicolay Revocable Trust

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

**Chris Carleton
Landman**

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Guitar Holdings Company, L.P.
P.O. Box 58
Abilene, TX 79604

Re: Matador Production Company -- Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

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In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Guitar Holdings Company, L.P. will own an approximate 17.1875% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Guitar Holdings Company, L.P. shall be responsible for 17.1875% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Guitar Holdings Company, L.P. hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Guitar Holdings Company, L.P. hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Guitar Holdings Company, L.P. hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Guitar Holdings Company, L.P.

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Guy Pittman Witherspoon, III
4704 Birchman Ave.
Fort Worth, TX 76107

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Witherspoon, III:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Guy Pittman Witherspoon, III will own an approximate 0.781250% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Guy Pittman Witherspoon, III shall be responsible for 0.781250% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Guy Pittman Witherspoon, III hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Guy Pittman Witherspoon, III hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Guy Pittman Witherspoon, III hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Guy Pittman Witherspoon, III

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

John Guitar Witherspoon, Jr.
3104 N. 6th Street
McAllen, TX 78501

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Witherspoon, Jr.:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. John Guitar Witherspoon, Jr. will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, John Guitar Witherspoon, Jr. shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ John Guitar Witherspoon, Jr. hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ John Guitar Witherspoon, Jr. hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ John Guitar Witherspoon, Jr. hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

John Guitar Witherspoon, Jr.

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

John Kelly Guitar
P.O. Box 1628
Big Spring, TX 79721

Re: Matador Production Company -- Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Guitar:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. John Kelly Guitar will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, John Kelly Guitar shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ John Kelly Guitar hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ John Kelly Guitar hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ John Kelly Guitar hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

John Kelly Guitar

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Judy Guitar Uhey
P.O. Box 632
Elizabethtown, KY 42702

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. Uhey:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Judy Guitar Uhey will own an approximate 0.625000% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Judy Guitar Uhey shall be responsible for 0.625000% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Judy Guitar Uhey hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Judy Guitar Uhey hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Judy Guitar Uhey hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Judy Guitar Uhey

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Lee M. Neeley
17710 Delta Springs Lane
Houston, TX 77084

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Neeley:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Lee M. Neeley will own an approximate 1.562500% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Lee M. Neeley shall be responsible for 1.562500% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY

Chris Carleton



Enclosure(s)

Please elect one of the following and return to sender:

____ Lee M. Neeley hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

____ Lee M. Neeley hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

____ Lee M. Neeley hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Lee M. Neeley

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Lesli Guitar Nichols
P.O. Box 327
Big Spring, TX 79721

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. Nichols:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Lesli Guitar Nichols will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Lesli Guitar Nichols shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Lesli Guitar Nichols hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Lesli Guitar Nichols hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Lesli Guitar Nichols hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Lesli Guitar Nichols

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Melissa McGee
P.O. Box 334
Buffalo Gap, TX 79508

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. McGee:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Melissa McGee will own an approximate 0.625000% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Melissa McGee shall be responsible for 0.625000% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Melissa McGee hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Melissa McGee hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Melissa McGee hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Melissa McGee

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5430 • Fax 972-371-5201
ccarleton@matadorresources.com

**Chris Carleton
Landman**

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998
1528 Sussex Dr.
Plano, TX 75075

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 will own an approximate 1.562500% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 shall be responsible for 1.562500% of all costs incurred.

Sincerely,
MRC PERMIAN COMPANY


Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998 hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Nancy H. Neeley and James Joel Neeley, as Trustees of The Claude E. Neeley and Nancy H. Neeley Revocable Trust, U/T/A dated September 29, 1998

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

**Chris Carleton
Landman**

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Pressley Hudson Guitar
P.O. Box 20485
Dallas, TX 75220

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Guitar:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Pressley Hudson Guitar will own an approximate 0.781250% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Pressley Hudson Guitar shall be responsible for 0.781250% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Pressley Hudson Guitar hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Pressley Hudson Guitar hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Pressley Hudson Guitar hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Pressley Hudson Guitar

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Sally Guitar
10 Woodhaven Circle
Abilene, TX 79605

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. Guitar:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of *this letter to the undersigned*.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Sally Guitar will own an approximate 1.250000% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Sally Guitar shall be responsible for 1.250000% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Sally Guitar hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Sally Guitar hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Sally Guitar hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Sally Guitar

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Sharon Guitar Ellis
P.O. Box 105
Snoqualmie Pass, WA 98068

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. Ellis:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Sharon Guitar Ellis will own an approximate 0.625000% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Sharon Guitar Ellis shall be responsible for 0.625000% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Sharon Guitar Ellis hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Sharon Guitar Ellis hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Sharon Guitar Ellis hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Sharon Guitar Ellis

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust
2601 Lakewood Circle
Tuscaloosa, AL 35405

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Virginia Nevill Hoff, as Trustee of the Virginia Nevill Hoff Management Trust

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Wende Witherspoon Morgan
1004 W. 8th Street
Westlaco, TX 78596

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Ms. Morgan:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Wende Witherspoon Morgan will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Wende Witherspoon Morgan shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Wende Witherspoon Morgan hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Wende Witherspoon Morgan hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Wende Witherspoon Morgan hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Wende Witherspoon Morgan

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Whitten Guitar Witherspoon
3824 Arroyo Rd.
Fort Worth, TX 76109

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Witherspoon:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Whitten Guitar Witherspoon will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Whitten Guitar Witherspoon shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Whitten Guitar Witherspoon hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Whitten Guitar Witherspoon hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Whitten Guitar Witherspoon hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Whitten Guitar Witherspoon

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5430 • Fax 972-371-5201
ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Xplor Resources, LLC
1104 North Shore Dr.
Carlsbad, NM 88220

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Xplor Resources, LLC:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Xplor Resources, LLC will own an approximate 12.500000% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Xplor Resources, LLC shall be responsible for 12.500000% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Xplor Resources, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Xplor Resources, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

Xplor Resources, LLC

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 972-371-5201

ccarleton@matadorresources.com

Chris Carleton
Landman

October 13, 2014

VIA CERTIFIED RETURN RECEIPT MAIL

Brett Guitar Witherspoon
3824 Arroyo Rd.
Fort Worth, TX 76109

Re: Matador Production Company – Tom Walters 12-23S-27E RB #203H
Participation Proposal/Offer to Lease
Section 12, Township 23-South, Range 27-East
Eddy County, New Mexico

Mr. Witherspoon:

MRC Permian Company ("MRC") proposes the drilling of the Matador Production Company's Tom Walters 12-23S-27E RB #203H Well, located in Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico, to the Wolfcamp formation.

MRC is requesting that you indicate below your election of whether to participate in the drilling and completion of this proposed well as set out herein, or agree to lease your minerals pursuant to the enclosed lease. Please indicate your election in the space provided below, sign and return one (1) copy of this letter to the undersigned.

In connection with the above, please note the following:

1. The estimated cost of drilling, testing, completing, and equipping the subject well is \$8,962,469 as itemized on the enclosed Authority for Expenditure ("AFE") dated October 1, 2014.
2. The proposed surface location of the subject well is approximately 2280' FSL and 250' FWL of Section 12, Township 23-South, Range 27-East, Eddy County, New Mexico. The proposed point of penetration of the subject well is approximately 2280' FSL and 330' FWL. The proposed bottomhole location of the subject well is 2280' FSL and 240' FEL; see the enclosed plat for more detail.

3. In this well, there is a targeted interval within the Wolfcamp formation. We will drill horizontally in the Wolfcamp A "Y" (~9,150' TVD) to a Total Measured Depth of approximately 13,650' resulting in a productive lateral of approximately 4,600' that will require 18 frac stages to be completed.
4. Brett Guitar Witherspoon will own an approximate 0.390625% working interest in the proposed well, subject to title verification.

If your election is to participate in the drilling and completion of the proposed well, please sign and return a copy of the enclosed AFE within 30 days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and in electing to participate in the proposed well, Brett Guitar Witherspoon shall be responsible for 0.390625% of all costs incurred.

Sincerely,

MRC PERMIAN COMPANY



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender:

_____ Brett Guitar Witherspoon hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Brett Guitar Witherspoon hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE for the Matador Production Company Tom Walters 12-23S-27E RB #203H Well, located in Eddy County, New Mexico.

_____ Brett Guitar Witherspoon hereby elects to lease our minerals for \$1,500/acre, 20% royalty, and a 3 year term on the lease form enclosed.

Brett Guitar Witherspoon

By: _____

Title: _____

Date: _____