

Mike Gregory

From: Mike Gregory
Sent: Thursday, April 22, 2021 9:02 AM
To: Trey Goodwin
Cc: Jonathan Filbert
Subject: RE: EXT-RE: EXT-RE: EXT-RE: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

Trey,

Good talking with you as well. I've had the chance to discuss with our team, and while we appreciate you putting together an offer, it's just not compelling enough for us to sell at that price. We also believe it's far below market especially with the full 87.5% NRI.

We also don't agree that the Matador operatorship will prevent waste, minimize traffic, etc. There are multiple midstream options that we'd have the same access to where we could also minimize flaring and truck traffic. That is something that we take very seriously and would prioritize. In addition, the economics of our lease are superior to Matador's given the much higher NRI which would enable us to develop additional horizons that Matador may leave behind. Also, how can you honestly say that Matador will develop more cost-efficiently when you look at the well path and performance of the Norris-Thornton Com #204H?

We still believe the best solution is for Matador to operate the S/2 of Section 23 and for Flat Creek to operate the N/2. This would result in the most economic outcome for all involved since we would highly prioritize the inventory in the N/2 and Matador could operate within its existing footprint for the S/2. This is a compromise to our goal of operating the N480 acres in the section. Let me know if this is of interest to Matador and we're happy to work swiftly to get that done.

Thanks,
Mike

From: Trey Goodwin <TGoodwin@matadorresources.com>
Sent: Wednesday, April 21, 2021 9:13 AM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Cc: Jonathan Filbert <jfilbert@matadorresources.com>
Subject: EXT-RE: EXT-RE: EXT-RE: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

Mike,

Good speaking with you yesterday regarding our competing force pooling applications in Section 23, 23S, 27E. As discussed, pending title confirmation, Matador is willing to purchase Flat Creek's 160 nma of leasehold in Section 23 for [REDACTED]/acre, totaling a payment of \$ [REDACTED]

Alternatively, we remain open to Flat Creek signing a JOA with Matador as operator, and we think that benefits both companies. Matador already operates in this section, we have already built all of the necessary pads, and we have midstream access for all three streams to be on pipe from first production. We have also drilled many wells in the adjacent area. Accordingly, having Matador as operator will prevent waste, minimize potential flaring and truck traffic, minimize additional surface disturbances, and will result in the most cost-efficient development of this acreage.

We remain optimistic we can resolve this by agreement and hope we are able to do so before requiring a contested force pooling hearing. Please let us know your answer to the above offer no later than Wednesday, April 26 at 5pm, at which time we will turn our full attention to finalizing hearing preparations.

Thank you,

Trey Goodwin
Area Land Manager – Delaware Basin
Matador Resources Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240
972.371.5283 – Office
918.398.3537 – Cell
214.866.4883 – Fax
Email TGoodwin@matadorresources.com



From: Mike Gregory <mike.gregory@flatcreekresources.com>
Sent: Monday, April 19, 2021 3:01 PM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: EXT-RE: EXT-RE: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Thanks

From: Trey Goodwin <TGoodwin@matadorresources.com>
Sent: Monday, April 19, 2021 2:51 PM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Subject: EXT-RE: EXT-RE: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

Thanks Mike... that sounds good. I will call your cell at 11:30.

Trey
918 398 3537

From: Mike Gregory <mike.gregory@flatcreekresources.com>
Sent: Monday, April 19, 2021 2:29 PM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: EXT-RE: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Trey,

11:30 works for me for a call so lets plan on that. Do you want to call my cell (832-496-3833) around then?

Thanks,
Mike

From: Trey Goodwin <TGoodwin@matadorresources.com>
Sent: Monday, April 19, 2021 11:09 AM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Subject: EXT-RE: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

Mike,

Our board meetings are later this week and I just learned that I am needed in the prep session tomorrow and will need to reschedule our lunch. I wanted to see if you might be available for a quick call tomorrow around 11:30AM before my meeting starts? Our team is finalizing their numbers today and I should have an offer to go through with you then if you are available. I will be out of our board meeting prep session at 2:00 PM tomorrow so anytime after that works as well.

Thank you,

Trey Goodwin
Area Land Manager – Delaware Basin
Matador Resources Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240
972.371.5283 – Office
918.398.3537 – Cell
214.866.4883 – Fax
Email TGoodwin@matadorresources.com



From: Mike Gregory <mike.gregory@flatcreekresources.com>
Sent: Friday, April 16, 2021 11:17 AM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Yes I'm available. Lets do lunch next Tuesday (4/20) if that's good with you.

Thanks,
Mike

From: Trey Goodwin <TGoodwin@matadorresources.com>
Sent: Friday, April 16, 2021 10:52 AM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Subject: EXT-Re: [External Email]RE: FCR / MTDR Catch Up

Mike,

Yes, I am still the right contact for this. Are you available to discuss early next week? I could come your way for lunch Tuesday or Wednesday if that works for you.

We have been working through a counter for you guys and should have something for you then. Let me know if you can get free.

Thanks,

Trey Goodwin
918 398 3537

Sent from my iPhone

On Apr 8, 2021, at 10:56 AM, Mike Gregory <mike.gregory@flatcreekresources.com> wrote:

****EXTERNAL EMAIL****

Trey,

Just following up again on this. Are you still the right contact at Matador for this situation?

Thanks,
Mike

From: Mike Gregory
Sent: Monday, March 29, 2021 3:00 PM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: [External Email]RE: FCR / MTDR Catch Up

Trey,

Do you have time this week to catch up this week on this? I meant to respond to your note but it slipped past me.

Thanks,
Mike

From: Trey Goodwin <TGoodwin@matadorresources.com>
Sent: Friday, March 19, 2021 2:10 PM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Subject: [External Email]RE: FCR / MTDR Catch Up

Mike,

Sorry I did not get back to you sooner... I have been on the road and playing catch up today. I am working with the team on a counter offer and should have something over to you middle of next week. I will plant to follow up with you then if that works for you. Just let me know.

Thank you,

Trey Goodwin
Area Land Manager – Delaware Basin
Matador Resources Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240
972.371.5283 – Office
918.398.3537 – Cell

214.866.4883 – Fax
Email TGoodwin@matadorresources.com

<image001.png>

From: Mike Gregory <mike.gregory@flatcreekresources.com>
Sent: Monday, March 15, 2021 11:38 AM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Trey,

Just following up on our conversation from last week. Do you think you'll have something back to us this week?

Thanks,
Mike

From: Mike Gregory
Sent: Tuesday, March 2, 2021 10:03 AM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: FCR / MTDR Catch Up

Trey,

Do you have some time to catch up this week? Hopefully we can touch base and find a reasonable solution for both sides to avoid a contested hearing.

Thanks,
Mike

From: Mike Gregory
Sent: Wednesday, February 10, 2021 1:25 PM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: FCR / MTDR Catch Up

Trey,

Thanks for sending this over and good talking with you today. Below are our responses to your proposals:

1. We'd prefer options 2-4 unless this came with drilling commitments and operatorship transfer to Flat Creek should those commitments not be met. I understand there would need to be flexibility with permit timing.
2. [REDACTED]/ac for our full 87.5% NRI is considerably low. Our revised math shows a fair and reasonable valuation of \$[REDACTED]/ac based on Matadors 8 outstanding well proposals which isn't even all of the inventory here. We used current strip pricing, reasonable discount rates, and assumed the wells wouldn't come online until 2023 which should be plenty of time. Just wanting to be transparent

with how we evaluated it since we think it's a reasonable method. Oil has gone up quite a bit since we met for lunch but we'd still be selling this leasehold at a loss.

3. The only way we'd do a TA is if we reserved an ORRI. We can deliver a 77.5% at [REDACTED]/ac for a 2 + 1 with a CDC component.
4. I've been proposing trade ideas to Matador from September 2019 through October 2020 (half a dozen different ideas) and never received much feedback from them. If y'all have any ideas then we're happy to evaluate.

We're willing to negotiate as well and as I mentioned on the phone we've certainly proposed a handful of solutions to Matador over the past 12+ months. I assume you weren't aware of those emails/discussions but glad to start getting some traction. We're also preparing for the hearing but would likewise prefer to work something out before we get there. Obviously Matador has the larger asset base in NM but we've been much more active trying to get development going and working towards a commercial resolution.

Our goal is to be great partners with our counterparties and I think we've been pretty successful doing that all over the Delaware. If we can get some reasonable terms then we can definitely make something happen here.

Thanks,
Mike

From: Trey Goodwin <TGoodwin@matadorresources.com>
Sent: Wednesday, February 10, 2021 9:51 AM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Subject: RE: FCR / MTDR Catch Up

Mike,

Thanks for reaching out. We have been working through the drill schedule on our end to address any issues that might arise from the recent Executive Order that was executed. We are still working through our BLM Permits and plan to have them filed soon. It has obviously become more difficult for us to be able to guarantee the development and timing of new Federal wells on this acreage due to not knowing if/when BLM Permits might be approved. That being said, I would like to present several options below for Flat Creek to consider with regards to the Norris Thornton acreage:

1. Should Flat Creek execute a mutually agreeable JOA with Matador that covers this Leasehold, Matador would include Flat Creek in the current producing horizontal wells underlying the JOA. Flat Creek would receive revenue dated back to first production after paying their proportionate share of Capex for the drilling and completion of the wells. Flat Creek would have the right to participate in any future wells drilled within the JOA; or
2. Matador will pay Flat Creek [REDACTED] acre for its leasehold in the Norris Thornton Section; or
3. Matador would be willing to accept a 3 year Term Assignment with 2 year Extension for [REDACTED] acre whereby Flat Creek would assign its Leasehold to Matador for all formations of which Matador is able to drill and produce within the Term. At expiration, Matador would assign all formations that do not include a well capable of production back to Flat Creek; or

4. Matador would be willing to transact on a like acreage trade with Flat Creek where Matador would receive Flat Creeks acreage in the Norris Thornton section. We have had success with acre for acre trades and understand there are places in the basin that might require a higher trade multiple.

I believe that any of the ideas above could work for Matador. We have been willing to negotiate a fair agreement on this acreage with Flat Creek from the start and really haven't received any fair ideas or offers from you guys. Still we are willing to work together with Flat Creek to find and explore any options might work for both parties.

Please let us know if you are willing to consider any of the options above or might have any ideas or options of your own. Our team has already started preparing for the hearing with the NMOCD, and given our majority interest, significant operating history in the area including in one of these spacing units, and existing infrastructure, among other things, we are confident that we would prevail at hearing. Like you, we would certainly prefer to resolve this by agreement beforehand. I am sure we will continue to run into each other in the basin and I think it would be great if we could get things worked out.

Please feel free to reach out any time with questions or concerns.

Thank you,

Trey Goodwin
Area Land Manager – Delaware Basin
Matador Resources Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240
972.371.5283 – Office
918.398.3537 – Cell
214.866.4883 – Fax
Email TGoodwin@matadorresources.com

<image001.png>

From: Mike Gregory <mike.gregory@flatcreekresources.com>
Sent: Monday, February 08, 2021 4:36 PM
To: Trey Goodwin <TGoodwin@matadorresources.com>
Subject: FW: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Trey,

Give me a ring when you get a minute to discuss the 23S-27E situation (832-496-3833). Our team is willing to give it until the end of the week before turning our focus to the March 4th hearing. I'd personally like to work something out ahead of that if possible.

Thanks,
Mike

From: Mike Gregory
Sent: Thursday, January 28, 2021 1:39 PM
To: Trey Goodwin <TGoodwin@matadorresources.com>; Jonathan Filbert

<jfilbert@matadorresources.com>

Cc: Sara Hartsfield <SHartsfield@matadorresources.com>; Adam Smith

<adam.smith@flatcreekresources.com>

Subject: RE: FCR / MTDR Catch Up

Trey,

Do you have some time to hop on the phone and discuss this situation further? I know we've traded phone calls this week so I figured I'd email to set something up. Mostly curious if y'all plan to send over a proposal as we discussed or if we need to have the hearing.

Thanks,
Mike

From: Trey Goodwin <TGoodwin@matadorresources.com>

Sent: Thursday, January 14, 2021 2:46 PM

To: Mike Gregory <mike.gregory@flatcreekresources.com>; Jonathan Filbert <jfilbert@matadorresources.com>

Cc: Sara Hartsfield <SHartsfield@matadorresources.com>; Adam Smith <adam.smith@flatcreekresources.com>

Subject: RE: FCR / MTDR Catch Up

Mike,

Thanks again for meeting us. It was definitely great catching up with and meeting Adam.

We will follow up soon with more information on our development plan and timing. We are also exploring a few of the alternative ideas we discussed regarding offers, trades, etc.

Can you tell me if your Sec 31-26S-31E state line acreage is on the table for a deal here? I am working on a trade proposal now... but it would really hinge on that tract. Let me know your thoughts and feel free to reach out any time if you guys have any questions for us.

Thank you,

Trey Goodwin
Area Land Manager – Delaware Basin
Matador Resources Company
5400 LBJ Freeway, Suite 1500
Dallas, Texas 75240
972.371.5283 – Office
918.398.3537 – Cell
214.866.4883 – Fax
Email TGoodwin@matadorresources.com

<image001.png>

From: Mike Gregory <mike.gregory@flatcreekresources.com>

Sent: Tuesday, January 12, 2021 4:26 PM

To: Jonathan Filbert <jfilbert@matadorresources.com>

Cc: Sara Hartsfield <SHartsfield@matadorresources.com>; Trey Goodwin

<TGoodwin@matadorresources.com>; Adam Smith <adam.smith@flatcreekresources.com>

Subject: RE: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Enjoyed getting together for lunch today. As a follow up, we'd be interested to see Matador's development plan, permit timing, etc. to see if something can be worked out in advance of the hearing. I think we'd need some type of agreement in place to make sure development happens timely. As alternatives, we'd consider an offer from Matador to purchase our 160 ac tract or an opportunity to purchase Matador's interest in this block and surrounding leasehold. I think if we were to consider acquiring anything from Matador it would have to come with decent scale (6+ sections?).

Look forward to trying to work something out.

Mike

From: Jonathan Filbert <jfilbert@matadorresources.com>

Sent: Monday, January 11, 2021 5:44 PM

To: Mike Gregory <mike.gregory@flatcreekresources.com>

Cc: Sara Hartsfield <SHartsfield@matadorresources.com>; Trey Goodwin

<TGoodwin@matadorresources.com>; Adam Smith <adam.smith@flatcreekresources.com>

Subject: RE: FCR / MTDR Catch Up

Sounds good to us. We will see yall there.

From: Mike Gregory [<mailto:mike.gregory@flatcreekresources.com>]

Sent: Monday, January 11, 2021 5:19 PM

To: Jonathan Filbert <jfilbert@matadorresources.com>

Cc: Sara Hartsfield <SHartsfield@matadorresources.com>; Trey Goodwin

<TGoodwin@matadorresources.com>; Adam Smith <adam.smith@flatcreekresources.com>

Subject: RE: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Adam will be joining us. What about Pappadeaux in Grapevine (121 & 114)? If you have any other suggestions you won't hurt my feelings! 11:45?

Looking forward to it.

From: Jonathan Filbert <jfilbert@matadorresources.com>

Sent: Monday, January 11, 2021 9:36 AM

To: Mike Gregory <mike.gregory@flatcreekresources.com>

Cc: Michael McCracken <michael.mccracken@flatcreekresources.com>; Sara Hartsfield

<SHartsfield@matadorresources.com>; Trey Goodwin <TGoodwin@matadorresources.com>

Subject: RE: FCR / MTDR Catch Up

Mike,

Sounds good. Let's meet half way and yes please bring Adam. Sara and Trey will also be with me.

Let me know if you want to pick the spot or if you want me to.

Thanks, Jon

From: Mike Gregory [<mailto:mike.gregory@flatcreekresources.com>]
Sent: Friday, January 08, 2021 5:08 PM
To: Jonathan Filbert <jfilbert@matadorresources.com>
Cc: Michael McCracken <michael.mccracken@flatcreekresources.com>; Sara Hartsfield <SHartsfield@matadorresources.com>; Trey Goodwin <TGoodwin@matadorresources.com>
Subject: Re: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

McCracken isn't available on Tuesday but that works for me. Plan on meeting somewhere half way? Depending on who comes from your side I can bring Adam Smith who's a Landman with us.

Mike

Get [Outlook for iOS](#)

From: Jonathan Filbert <jfilbert@matadorresources.com>
Sent: Friday, January 8, 2021 4:22:10 PM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Cc: Michael McCracken <michael.mccracken@flatcreekresources.com>; Sara Hartsfield <SHartsfield@matadorresources.com>; Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: FCR / MTDR Catch Up

Mike,

Thanks for reaching out and hope you had a Merry Christmas. Does next Tuesday work to meet for lunch?

Thanks, Jon

From: Mike Gregory [<mailto:mike.gregory@flatcreekresources.com>]
Sent: Friday, January 08, 2021 11:39 AM
To: Jonathan Filbert <jfilbert@matadorresources.com>
Cc: Michael McCracken <michael.mccracken@flatcreekresources.com>; Sara Hartsfield <SHartsfield@matadorresources.com>; Trey Goodwin <TGoodwin@matadorresources.com>
Subject: RE: FCR / MTDR Catch Up

****EXTERNAL EMAIL****

Jon,

Hope you enjoyed the holidays. What day works for y'all in the next couple weeks to get together for lunch?

Thanks,
Mike

From: Jonathan Filbert <jfilbert@matadorresources.com>
Sent: Tuesday, December 15, 2020 10:14 AM
To: Mike Gregory <mike.gregory@flatcreekresources.com>
Cc: Michael McCracken <michael.mccracken@flatcreekresources.com>; Sara Hartsfield

<SHartsfield@matadorresources.com>; Trey Goodwin <TGoodwin@matadorresources.com>

Subject: Re: FCR / MTDR Catch Up

Mike,

Thanks for reaching out and hope all is well. Yes, let's plan on getting together soon. With Christmas next week, let's plan on getting together the first few weeks of January.

Thanks, Jon

Jonathan Filbert
Senior Vice President - Land

Matador Resources Company
One Lincoln Centre
[5400 LBJ Freeway](#)
[Suite 1500](#)
[Dallas, Texas 75240](#)

Phone: [972-371-5275](tel:972-371-5275)
Cell: [972-814-6347](tel:972-814-6347)
jfilbert@matadorresources.com

Sent from my iPhone

On Dec 14, 2020, at 1:36 PM, Mike Gregory <mike.gregory@flatcreekresources.com> wrote:

****EXTERNAL EMAIL****

Jonathan,

Hope all is well! It's been a while since we grabbed lunch between Fort Worth and Dallas so we wanted to reach out to see if we could catch up again. Flat Creek and Matador have a contested pooling hearing coming up in March that we've been trying to find a solution for. It's in 23S-27E and I've been working with Sara. Also curious to hear about what Matador has planned for 2021.

Are you able to grab lunch or would a call be better? We'd be happy to head your way so just let us know.

Thanks,

Mike Gregory, CPL
Vice President – Land
777 Main St., Suite 3600
Fort Worth, TX 76102
O: (817) 310-8572
C: (832) 496-3833
<image001.jpg>

This message is strictly confidential and is for the sole use of the intended recipient. If you are not the intended recipient of this message, you may not disclose, print, copy, disseminate or otherwise use this message or the information included herein. If you are not the intended recipient, please reply and notify the sender (only) and promptly delete the message.