

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 03, 2021**

**CASE NOS. 21914-21916**

*COLONEL R. HOWARD FED COM #121H WELL  
COLONEL R. HOWARD FED COM #122H WELL  
NORRIS THORNTON FED COM #123H WELL*

**EDDY COUNTY, NEW MEXICO**



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

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

**CASE NOS. 21914, 21915, 21916**

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# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21914	APPLICANT'S RESPONSE
Date: June 3, 2021	
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	228937
Applicant's Counsel:	Holland & Hart, LLP
Case Title	Application of Matador Production Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Colonel R. Howard Fed Com #121H well
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	Cass Draw; Bone Spring Pool (10380)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320-acres, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	west-east
Description: TRS/County	N/2 N/2 of Sections 23 and 24, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	<p style="text-align: center;"><b>BEFORE THE OIL CONSERVATION DIVISION</b> Santa Fe, New Mexico Exhibit No. A Case Nos. 21914-21916 Submitted by: MATADOR PRODUCTION COMPANY Hearing Date: June 03, 2021</p>

Well #1	<p><b>Colonel R. Howard Fed Com #121H well</b> (API No. 30-015-pending): SHL: 390' FNL and 360' FWL (Unit D) of Section 23, 23S, 27E</p> <p>BHL: 993' FNL and 60' FEL (Unit A) of Section 24, 23S, 27E</p> <p>Completion Target: Bone Spring formation Well Orientation: west to east Completion Location expected to be: standard</p>
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-5, D-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-5
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibits C-3, C-4
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3, C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-2, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	


C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-4
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name (Attorney or Party Representative):</b>	Kaitlyn A. Luck
<b>Signed Name (Attorney or Party Representative):</b>	
<b>Date:</b>	1-Jun-21

# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 21915</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: June 3, 2021</b>	
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	<b>228937</b>
Applicant's Counsel:	Holland & Hart, LLP
Case Title	Application of Matador Production Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	<b>Colonel R. Howard Fed Com #122H well</b>
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	Cass Draw; Bone Spring Pool (10380)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320-acres, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	west-east
Description: TRS/County	S/2 N/2 of Sections 23 and 24, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-3
<b>Well(s)</b>	

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p><b>Colonel R. Howard Fed Com #122H well</b> (API No. 30-015-pending):  SHL: 1820' FNL and 220' FWL (Unit E) of Section 23, 23S, 27E</p> <p>BHL: 2320' FNL and 60' FEL (Unit H) of Section 24, 23S, 27E</p> <p>Completion Target: Bone Spring formation  Well Orientation: west to east  Completion Location expected to be: standard</p>
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-5, D-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-5
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibits C-3, C-4
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3, C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
<b>Geology</b>	

Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-2, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-4
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name (Attorney or Party Representative):</b>	Kaitlyn A. Luck
<b>Signed Name (Attorney or Party Representative):</b>	
<b>Date:</b>	1-Jun-21




# COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 21916	APPLICANT'S RESPONSE
Date: June 3, 2021	
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	228937
Applicant's Counsel:	Holland & Hart, LLP
Case Title	Application of Matador Production Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Norris Thornton Fed Com #123H well
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	Cass Draw; Bone Spring Pool (10380)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320-acres, more or less
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	west-east
Description: TRS/County	N/2 S/2 of Sections 23 and 24, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-3
<b>Well(s)</b>	

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<b>Norris Thornton Fed Com #123H well</b> (API No. 30-015-pending): SHL: 2067' FNL and 153' FWL (Unit L) of Section 23, 23S, 27E BHL: 2321' FNL and 60' FEL (Unit I) of Section 24, 23S, 27E  Completion Target: Bone Spring formation Well Orientation: west to east Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-5, D-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-5
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
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<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibits C-3, C-4
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3, C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
<b>Geology</b>	

Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-2, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3, C-4
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name (Attorney or Party Representative):</b>	Kaitlyn A. Luck
<b>Signed Name (Attorney or Party Representative):</b>	
<b>Date:</b>	1-Jun-21

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

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

**CASE NO. 21914**

**APPLICATION**

Matador Production Company (“Matador” or “Applicant”) (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 N/2 of Sections 23 and 24, Township 23 South, Range 27 East, Eddy County, New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial **Colonel R. Howard Fed Com #121H well**, to be drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 23 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 24.
3. The completed interval of the well will comply with statewide setbacks for oil wells.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B  
Case Nos. 21914-21916  
Submitted by: MATADOR PRODUCTION  
COMPANY  
Hearing Date: June 03, 2021**

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial well and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP



By: \_\_\_\_\_

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Adam G. Rankin  
Julia Broggi  
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**ATTORNEYS FOR MATADOR PRODUCTION  
COMPANY**

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

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

**CASE NO. 21915**

**APPLICATION**

Matador Production Company (“Matador” or “Applicant”) (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Sections 23 and 24, Township 23 South, Range 27 East, Eddy County, New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial **Colonel R. Howard Fed Com #122H well**, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 23 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 24.
3. The completed interval of the well will comply with statewide setbacks for oil wells.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial well and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division enter an order:

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



Respectfully submitted,

HOLLAND & HART LLP



By: \_\_\_\_\_

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Adam G. Rankin  
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**ATTORNEYS FOR MATADOR PRODUCTION  
COMPANY**

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

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

**CASE NO. 21916**

**APPLICATION**

Matador Production Company (“Matador” or “Applicant”) (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 S/2 of Sections 23 and 24, Township 23 South, Range 27 East, Eddy County, New Mexico. In support of its application, Matador states:

1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
2. Applicant seeks to dedicate the above-referenced spacing unit to the proposed initial **Norris Thornton Fed Com #123H well**, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 23 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24.
3. The completed interval of the well will comply with statewide setbacks for oil wells.
4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial well and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 3, 2021, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP



By: \_\_\_\_\_

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**ATTORNEYS FOR MATADOR PRODUCTION  
COMPANY**

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

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

**CASE NOS. 21914, 21915, 21916**

**AFFIDAVIT OF TREY GOODWIN**

Trey Goodwin, of lawful age and being first duly sworn, declares as follows:

1. My name is Trey Goodwin. I work for MRC Energy Company, an affiliate of Matador Production Company (“Matador”), as an Area Land Manager.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.

3. I am familiar with the applications filed by Matador in these cases, and I am familiar with the status of the lands in the subject area.

4. In these consolidated cases, Matador is seeking orders pooling all uncommitted interests in the following standard horizontal spacing units in the Bone Spring formation underlying Sections 23 and 24, Township 23 South, Range 27 East, NMPM, Eddy County, New Mexico:

- In **Case No. 21914**, a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 N/2 of Sections 23 and 24 to be dedicated to the proposed initial **Colonel R. Howard Fed Com #121H well**, to be drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 23 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 24.

**BEFORE THE OIL CONSERVATION  
DIVISION Santa Fe, New Mexico  
Exhibit No. C**

**Case Nos. 21914-21916**

**Submitted by: MATADOR PRODUCTION  
COMPANY Hearing Date: June 03, 2021**

- In **Case No. 21915**, a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Sections 23 and 24 to be dedicated to the proposed initial **Colonel R. Howard Fed Com #122H well**, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 23 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 24.
- In **Case No. 21916**, a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 S/2 of Sections 23 and 24 to be dedicated to the proposed initial **Norris Thornton Fed Com #123H well**, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 23 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24.

4. **Matador Exhibit C-1** contains the Form C-102 for each of the proposed wells, and reflect that these wells are assigned to the Cass Draw; Bone Spring Pool (10380). The land in the proposed spacing unit is comprised of fee and federal lands.

5. The completed intervals for the proposed wells will remain within the standard offset required by the statewide rules set forth in 19.15.16.15 NMAC.

6. **Matador Exhibit C-2** identifies the tracts of land comprising the proposed horizontal spacing units. The proposed wellbores are marked in blue inside the proposed horizontal spacing units which are outlined in red.

7. **Matador Exhibit C-3** identifies for each well the working interest owners that Matador is seeking to pool along with their respective ownership interest in each of the proposed horizontal spacing units.

8. In each case, Matador is also seeking to pool the overriding royalty interest owners identified on **Matador Exhibit C-4**.

9. There are no depth severances within the Bone Spring formation for this acreage.

10. **Matador Exhibit C-5** contains sample well proposal letters and AFE sent to working interest owners for each well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

11. In addition to sending well proposal letters and AFEs, Matador has spoken on the phone with of the working interest owner Matador seeks to pool and attempted to reach an agreement with them. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners that Matador seeks to pool in these cases.

12. Matador has made an estimate of overhead and administrative costs for drilling and producing the proposed wells. It is \$8,000/month while drilling, and \$800/month while producing. These costs are consistent with what other operators are charging in this area for these types of wells. Matador respectfully requests that these administrative and overhead costs be incorporated into any orders entered by the Division in these consolidated cases.

13. If Matador reaches an agreement with any of the proposed pooled parties before the Division enters an order, I will let the Division know that Matador is no longer seeking to pool those parties.

14. I provided the law firm of Holland & Hart LLP a list of names and addresses for the parties that Matador is seeking to pool. In compiling these notice lists, Matador conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

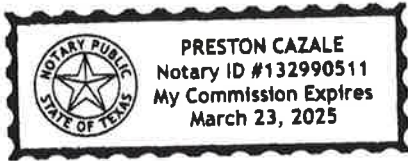
15. **Matador Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Trey Goodwin  
Trey Goodwin

STATE OF TEXAS            )  
  )  
COUNTY OF DALLAS        )

SUBSCRIBED and SWORN to before me this   1   day of June 2021 by Trey Goodwin.



Preston Cazale  
NOTARY PUBLIC

My Commission Expires:  
  3/23/2025



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

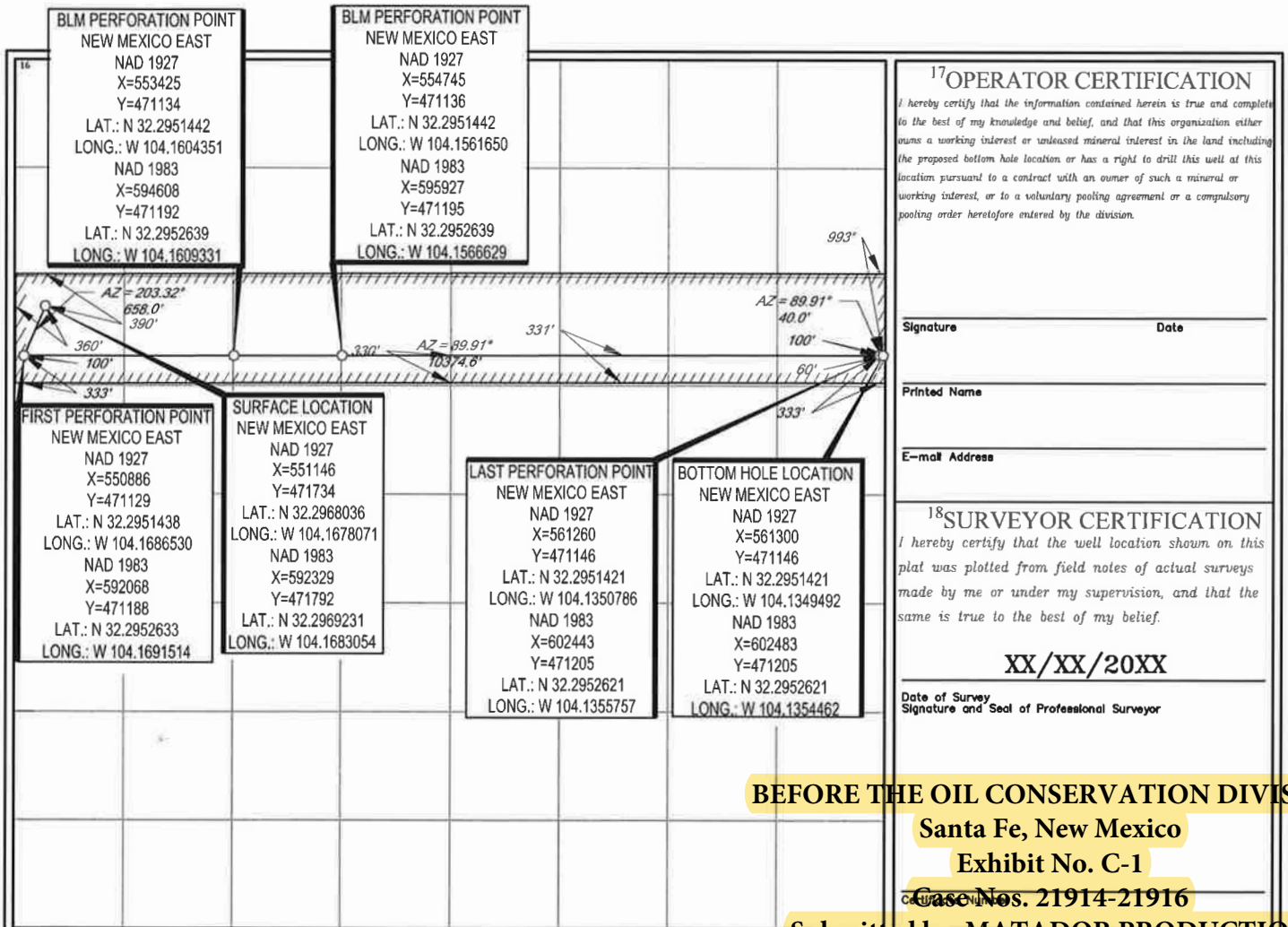
State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name					
<sup>4</sup> Property Code		<sup>5</sup> Property Name COLONEL R. HOWARD FED COM						<sup>6</sup> Well Number 121H	
<sup>7</sup> GRID No.		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY						<sup>9</sup> Elevation XXXX'	
<sup>10</sup> Surface Location									
UL or lot no. D	Section 23	Township 23-S	Range 27-E	Lot Idn -	Feet from the 390'	North/South line NORTH	Feet from the 360'	East/West line WEST	County EDDY
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. A	Section 24	Township 23-S	Range 27-E	Lot Idn -	Feet from the 993'	North/South line NORTH	Feet from the 60'	East/West line EAST	County EDDY
<sup>12</sup> Dedicated Acres 320		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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



BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-1  
Case Nos. 21914-21916  
Submitted by: MATADOR PRODUCTION COMPANY  
Hearing Date: June 03, 2021

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name	
<sup>4</sup> Property Code		<sup>5</sup> Property Name COLONEL R. HOWARD FED COM			<sup>6</sup> Well Number 122H
<sup>7</sup> GRID No.		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY			<sup>9</sup> Elevation XXXX'

<sup>10</sup>Surface Location

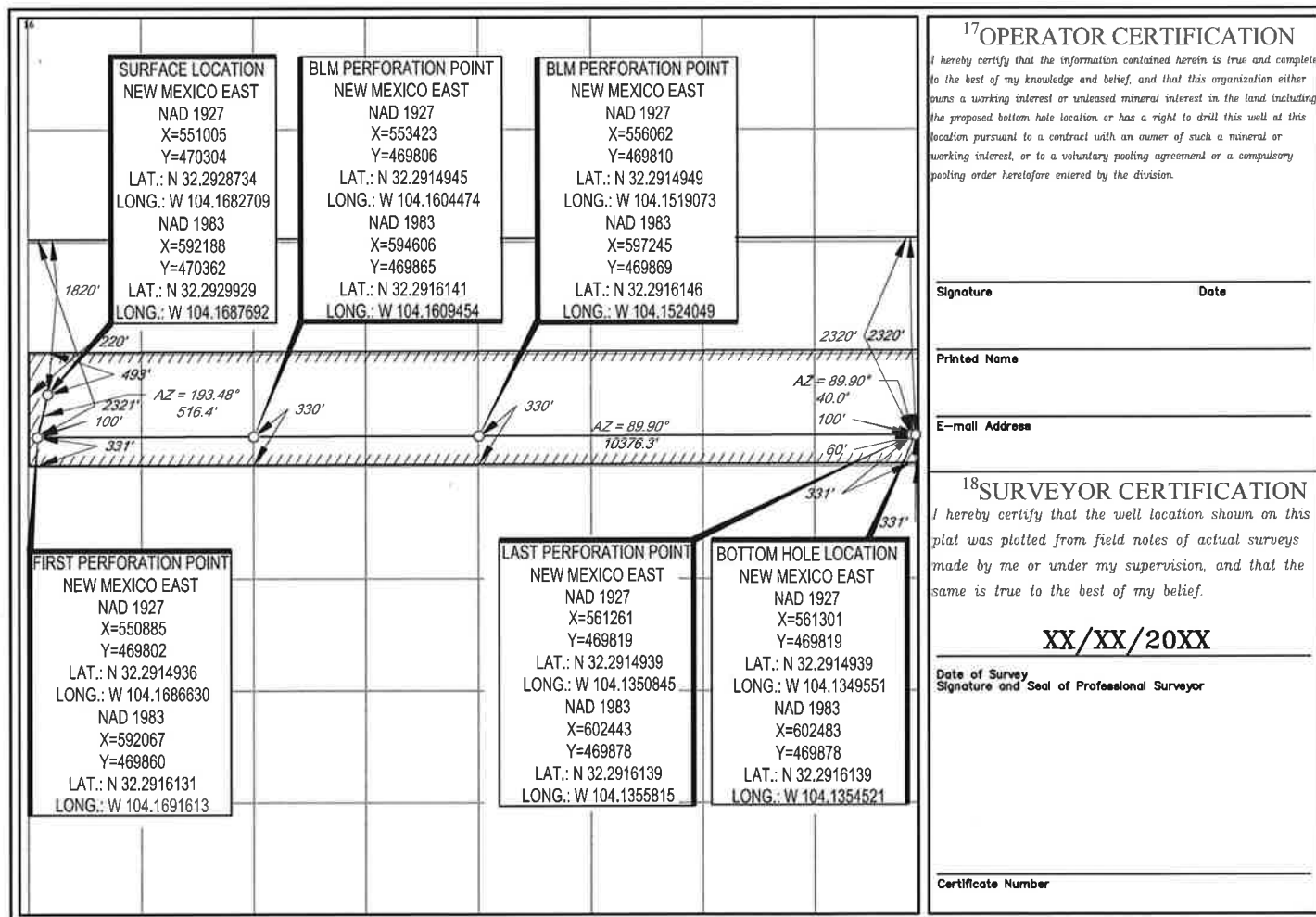
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	23	23-S	27-E	-	1820'	NORTH	220'	WEST	EDDY

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	24	23-S	27-E	-	2320'	NORTH	60'	EAST	EDDY

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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



District I  
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State of New Mexico  
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OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
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FORM C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name		
<sup>4</sup> Property Code		<sup>5</sup> Property Name			<sup>6</sup> Well Number	
		NORRIS-THORNTON FED COM			123H	
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name			<sup>9</sup> Elevation	
		MATADOR PRODUCTION COMPANY			XXXX'	

<sup>10</sup>Surface Location

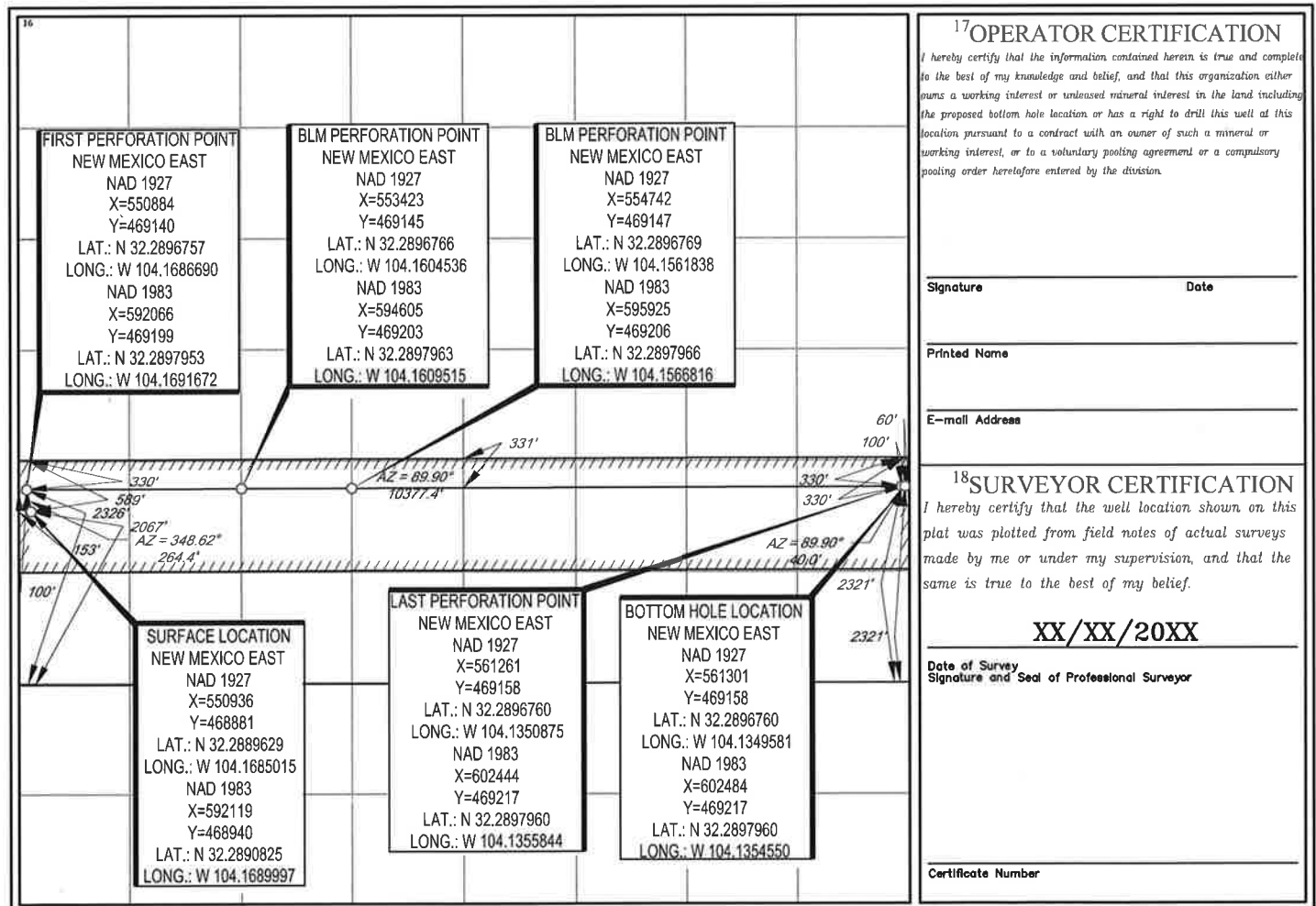
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	23	23-S	27-E	-	2067'	SOUTH	153'	WEST	EDDY

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	24	23-S	27-E	-	2321'	SOUTH	60'	EAST	EDDY

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

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





## Summary of Interests

<b>MRC Permian Company:</b>		<b>87.5000%</b>
<b>Compulsory Pool:</b>		<b>12.5000%</b>
<b>Interest Owner:</b>	<b>Description:</b>	<b>Interest:</b>
State Line Operating, LLC	Uncommitted Working Interest	12.5000%

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C3  
Case Nos. 21914-21916  
Submitted by: MATADOR PRODUCTION COMPANY  
Hearing Date: June 03, 2021



## Summary of Interests

<b>MRC Permian Company:</b>		<b>75.0000%</b>
<b>Compulsory Pool:</b>		<b>25.0000%</b>
Interest Owner:	Description:	Interest:
State Line Operating, LLC	Uncommitted Working Interest	25.0000%

## Summary of Interests

<b>MRC Permian Company:</b>		<b>87.5000%</b>
<b>Compulsory Pool:</b>		<b>12.5000%</b>
Interest Owner:	Description:	Interest:
State Line Operating, LLC	Uncommitted Working Interest	12.5000%

**Overriding Royalty Owner to be Pooled**  
**In Case Nos. 21914, 21915 and 21916**

1. Stateline Royalties, LP

**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. C4**  
**Case Nos. 21914-21916**  
**Submitted by: MATADOR PRODUCTION COMPANY**  
**Hearing Date: June 03, 2021**



# MRC Permian Company

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

Voice 972.371.5446 • Fax 214.866.4946

[shartsfield@matadorresources.com](mailto:shartsfield@matadorresources.com)

**Sara Hartsfield**  
**Senior Landman**

January 20, 2021

VIA CERTIFIED RETURN RECEIPT MAIL

Flat Creek Resources  
777 Main Street, Suite 3600  
Fort Worth, Texas 76102

Re: Colonel R Howard Fed Com #121H, #122H, Norris Thornton Fed Com #123H & Norris Thornton #124H  
(the "Wells")  
Participation Proposal  
Sections 23&24, Township 23 South, Range 27 East  
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Colonel R Howard Fed Com #121H, Colonel R Howard Fed Com #122H, Norris Thornton Fed Com #123H & Norris Thornton #124H wells, located in Sections 23&24, Township 23 South, Range 27 East, Eddy County, New Mexico, to the Bone Spring formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the four (4) enclosed Authority for Expenditures ("AFE") dated January 14, 2021.
- **Colonel R Howard Fed Com #121H:** to be drilled from a legal location with a proposed surface hole location in the NW/4NW/4 of Section 23-23S-27E and a proposed bottom hole location in the NE/4NE/4 of Section 24-23S-27E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~7,350' TVD) to a Measured Depth of approximately 17,600'.
- **Colonel R Howard Fed Com#122H:** to be drilled from a legal location with a proposed surface hole location in the SW/4NW/4 of Section 23-23S-27E and a proposed bottom hole location in the SE/4NE/4 of Section 24-23S-27E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~7,350' TVD) to a Measured Depth of approximately 17,600'.
- **Norris Thornton Fed Com #123H:** to be drilled from a legal location with a proposed surface hole location in the NW/4SW/4 of Section 23-23S-27E and a proposed bottom hole location in the NE/4SE/4 of Section 24-23S-27E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~7,350' TVD) to a Measured Depth of approximately 17,600'.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C5

Case Nos. 21914-21916

Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: June 03, 2021

- **Norris Thornton #124H:** to be drilled from a legal location with a proposed surface hole location in the SW/4SW/4 of Section 23-23S-27E and a proposed bottom hole location in the SE/4SE/4 of Section 24-23S-27E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~7,350' TVD) to a Measured Depth of approximately 17,600'.

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

Flat Creek Resources will own an approximate 0.125 working interest in each Well, subject to title verification.

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

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement dated January 15, 2021, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering all of Sections 23&24, Township 23 South, Range 27 East, Eddy County, New Mexico, and has the following general provisions:

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

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

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

Sincerely,

**MRC PERMIAN COMPANY**



Sara Hartsfield

**Flat Creek Resources hereby elects to:**

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Colonel R Howard Fed Com #121H** well, in the estimated amount of **\$902,153.25**.

\_\_\_\_\_ Not to participate in the **Colonel R Howard Fed Com #121H**.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Colonel R Howard Fed Com #122H** well, in the estimated amount of **\$902,153.25**.

\_\_\_\_\_ Not to participate in the **Colonel R Howard Fed Com #122H**.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Norris Thornton Fed Com #123H** well, in the estimated amount of **\$902,153.25**.

\_\_\_\_\_ Not to participate in the **Norris Thornton Fed Com #123H**.

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Norris Thornton #124H** well, in the estimated amount of **\$902,153.25**

\_\_\_\_\_ Not to participate in the **Norris Thornton #124H**.

**Flat Creek Resources**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Contact Number: \_\_\_\_\_

# MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

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

## ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 14, 2021	AFE NO.:	
WELL NAME:	Colonel R Howard Fed Com 121H	FIELD:	
LOCATION:	Sections 23&24-23S-27E	MD/TVD:	17600'/7350'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	10,000
MRC WI:			
GEOLOGIC TARGET:	Second Bone Spring Sand		
REMARKS:	Drill and complete a horizontal 2 mile long Second Bone Spring sand target with about 47 frac stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000	\$ -	\$ 50,000	\$ 10,000	\$ 118,000
Location, Surveys & Damages	123,333	13,000	25,000	25,000	186,333
Drilling	634,750	-	-	-	634,750
Cementing & Float Equip	180,000	-	-	-	180,000
Logging / Formation Evaluation	-	4,000	3,000	-	7,000
Flowback - Labor	-	-	20,000	-	20,000
Flowback - Surface Rentals	-	-	141,525	-	141,525
Flowback - Rental Living Quarters	-	-	-	-	-
Mud Logging	11,250	-	-	-	11,250
Mud Circulation System	45,975	-	-	-	45,975
Mud & Chemicals	65,000	49,000	3,000	-	117,000
Mud / Wastewater Disposal	105,000	-	-	-	105,000
Freight / Transportation	12,750	19,500	-	-	32,250
Rig Supervision / Engineering	104,000	96,000	10,000	12,600	222,600
Drill Bits	73,700	-	-	-	73,700
Fuel & Power	66,150	7,500	-	-	73,650
Water	35,000	570,500	2,000	-	607,500
Drig & Completion Overhead	10,000	13,500	-	-	23,500
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	138,700	-	-	-	138,700
Completion Unit, Swab, CTU	-	116,000	9,000	-	125,000
Perforating, Wireline, Slickline	-	155,500	-	-	155,500
High Pressure Pump Truck	-	38,250	8,000	-	46,250
Stimulation	-	1,590,360	-	-	1,590,360
Stimulation Flowback & Disp	-	15,500	50,400	-	65,900
Insurance	31,680	-	-	-	31,680
Labor	125,500	60,000	10,000	-	195,500
Rental - Surface Equipment	85,385	260,665	10,000	-	356,050
Rental - Downhole Equipment	175,125	68,000	2,000	-	245,125
Rental - Living Quarters	43,680	40,125	-	-	83,805
Contingency	63,749	152,704	34,393	-	250,846
<b>TOTAL INTANGIBLES &gt;</b>	<b>2,188,728</b>	<b>3,270,104</b>	<b>378,318</b>	<b>47,600</b>	<b>5,884,749</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 13,739	\$ -	\$ -	\$ -	\$ 13,739
Intermediate Casing	76,490	-	-	-	76,490
Drilling Liner	-	-	-	-	-
Production Casing	313,848	-	-	-	313,848
Production Liner	-	-	-	-	-
Tubing	-	-	74,250	-	74,250
Wellhead	58,000	-	21,250	-	79,250
Packers, Liner Hangers	-	58,500	6,000	-	64,500
Tanks	-	-	-	31,400	31,400
Production Vessels	-	-	-	115,000	115,000
Flow Lines	-	-	-	250,000	250,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	26,000	-	26,000
Compressor	-	-	-	10,000	10,000
Installation Costs	-	-	-	64,000	64,000
Surface Pumps	-	-	5,000	16,250	21,250
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	11,000	25,000	36,000
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	95,000	95,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	-	2,000
Tank / Facility Containment	-	-	-	-	-
Flare Stack	-	-	-	8,750	8,750
Electrical / Grounding	-	-	2,000	15,000	17,000
Communications / SCADA	-	-	12,000	-	12,000
Instrumentation / Safety	-	-	-	22,000	22,000
<b>TOTAL TANGIBLES &gt;</b>	<b>462,077</b>	<b>58,500</b>	<b>159,500</b>	<b>652,400</b>	<b>1,332,477</b>
<b>TOTAL COSTS &gt;</b>	<b>2,650,805</b>	<b>3,328,604</b>	<b>537,818</b>	<b>700,000</b>	<b>7,217,226</b>

**PREPARED BY MATADOR PRODUCTION COMPANY:**

Drilling Engineer:	Blake Hermes	Team Lead - WTX/NM	<u>WTE</u>
Completions Engineer:	Garrett Hunt		WTE
Production Engineer:	Kyle Christy		

**MATADOR RESOURCES COMPANY APPROVAL:**

Executive VP, COO/CFO	EVP CTO - Res Engineering	EVP COO- Drilling, Completion and Production
DEL	BMR	BG
Executive VP, Legal	SVP Geoscience	
CA	NLF	
President		
MVH		

**NON OPERATING PARTNER APPROVAL:**

Company Name:	Working Interest (%):	Tax ID:
Signed by:	Date:	
Title:	Approval: <input type="checkbox"/> Yes <input type="checkbox"/> No (mark one)	

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.

# MATADOR PRODUCTION COMPANY

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

## ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 14, 2021	AFE NO.:	
WELL NAME:	Colonel R Howard Fed Com 122H	FIELD:	
LOCATION:	Sections 23&24-23S-27E	MD/TVD:	17600/7350'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	10,000
MRC WI:			
GEOLOGIC TARGET:	Second Bone Spring Sand		
REMARKS:	Drill and complete a horizontal 2 mile long Second Bone Spring sand target with about 47 frac stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000	\$ -	\$ 50,000	\$ 10,000	\$ 118,000
Location, Surveys & Damages	123,333	13,000	25,000	25,000	186,333
Drilling	634,750	-	-	-	634,750
Cementing & Float Equip	180,000	-	-	-	180,000
Logging / Formation Evaluation	-	4,000	3,000	-	7,000
Flowback - Labor	-	-	20,000	-	20,000
Flowback - Surface Rentals	-	-	141,525	-	141,525
Flowback - Rental Living Quarters	-	-	-	-	-
Mud Logging	11,250	-	-	-	11,250
Mud Circulation System	45,975	-	-	-	45,975
Mud & Chemicals	65,000	49,000	3,000	-	117,000
Mud / Wastewater Disposal	105,000	-	-	-	105,000
Freight / Transportation	12,750	19,500	-	-	32,250
Rig Supervision / Engineering	104,000	96,000	10,000	12,600	222,600
Drill Bits	73,700	-	-	-	73,700
Fuel & Power	66,150	7,500	-	-	73,650
Water	35,000	570,500	2,000	-	607,500
Drig & Completion Overhead	10,000	13,500	-	-	23,500
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	138,700	-	-	-	138,700
Completion Unit, Swab, CTU	-	116,000	9,000	-	125,000
Perforating, Wireline, Slickline	-	155,500	-	-	155,500
High Pressure Pump Truck	-	38,250	8,000	-	46,250
Stimulation	-	1,590,360	-	-	1,590,360
Stimulation Flowback & Disp	-	15,500	50,400	-	65,900
Insurance	31,680	-	-	-	31,680
Labor	125,500	60,000	10,000	-	195,500
Rental - Surface Equipment	85,385	260,665	10,000	-	356,050
Rental - Downhole Equipment	175,125	68,000	2,000	-	245,125
Rental - Living Quarters	43,680	40,125	-	-	83,805
Contingency	63,749	152,704	34,393	-	250,846
<b>TOTAL INTANGIBLES &gt;</b>	<b>2,188,728</b>	<b>3,270,104</b>	<b>378,318</b>	<b>47,600</b>	<b>5,884,749</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 13,739	\$ -	\$ -	\$ -	\$ 13,739
Intermediate Casing	76,490	-	-	-	76,490
Drilling Liner	-	-	-	-	-
Production Casing	313,848	-	-	-	313,848
Production Liner	-	-	-	-	-
Tubing	-	-	74,250	-	74,250
Wellhead	58,000	-	21,250	-	79,250
Packers, Liner Hangers	-	58,500	6,000	-	64,500
Tanks	-	-	-	31,400	31,400
Production Vessels	-	-	-	115,000	115,000
Flow Lines	-	-	-	250,000	250,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	26,000	-	26,000
Compressor	-	-	-	10,000	10,000
Installation Costs	-	-	-	64,000	64,000
Surface Pumps	-	-	5,000	16,250	21,250
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	11,000	25,000	36,000
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	95,000	95,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	-	2,000
Tank / Facility Containment	-	-	-	-	-
Flare Stack	-	-	-	8,750	8,750
Electrical / Grounding	-	-	2,000	15,000	17,000
Communications / SCADA	-	-	12,000	-	12,000
Instrumentation / Safety	-	-	-	22,000	22,000
<b>TOTAL TANGIBLES &gt;</b>	<b>462,077</b>	<b>58,500</b>	<b>159,500</b>	<b>652,400</b>	<b>1,332,477</b>
<b>TOTAL COSTS &gt;</b>	<b>2,650,805</b>	<b>3,328,604</b>	<b>537,818</b>	<b>700,000</b>	<b>7,217,226</b>

**PREPARED BY MATADOR PRODUCTION COMPANY:**

Drilling Engineer:	Blake Hermes	Team Lead - WTX/NM	<u>WTE</u>
Completions Engineer:	Garrett Hunt		WTE
Production Engineer:	Kyle Christy		

**MATADOR RESOURCES COMPANY APPROVAL:**

Executive VP, COO/CFO	EVP CTO - Res Engineering	EVP COO- Drilling, Completion and Production
DEL	BMR	BG
Executive VP, Legal	SVP Geoscience	
CA	NLF	
President		
MVH		

**NON OPERATING PARTNER APPROVAL:**

Company Name: _____	Working Interest (%): _____	Tax ID: _____
Signed by: _____	Date: _____	
Title: _____	Approval: <input type="checkbox"/> Yes <input type="checkbox"/> No (mark one)	

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.

# MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

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

## ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 14, 2021	AFE NO.:	
WELL NAME:	Norris-Thornton Fed Com 123H	FIELD:	
LOCATION:	Sections 23&24-23S-27E	MD/TVD:	17600/7350'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	10,000
MRC WI:			
GEOLOGIC TARGET:	Second Bone Spring Sand		
REMARKS:	Drill and complete a horizontal 2 mile long Second Bone Spring sand target with about 47 frac stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000	\$ -	\$ 50,000	\$ 10,000	\$ 118,000
Location, Surveys & Damages	123,333	13,000	25,000	25,000	186,333
Drilling	634,750	-	-	-	634,750
Cementing & Float Equip	180,000	-	-	-	180,000
Logging / Formation Evaluation	-	4,000	3,000	-	7,000
Flowback - Labor	-	-	20,000	-	20,000
Flowback - Surface Rentals	-	-	141,525	-	141,525
Flowback - Rental Living Quarters	-	-	-	-	-
Mud Logging	11,250	-	-	-	11,250
Mud Circulation System	45,975	-	-	-	45,975
Mud & Chemicals	65,000	49,000	3,000	-	117,000
Mud / Wastewater Disposal	105,000	-	-	-	105,000
Freight / Transportation	12,750	19,500	-	-	32,250
Rig Supervision / Engineering	104,000	96,000	10,000	12,600	222,600
Drill Bits	73,700	-	-	-	73,700
Fuel & Power	68,150	7,500	-	-	73,650
Water	35,000	570,500	2,000	-	607,500
Drig & Completion Overhead	10,000	13,500	-	-	23,500
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	138,700	-	-	-	138,700
Completion Unit, Swab, CTU	-	116,000	9,000	-	125,000
Perforating, Wireline, Slickline	-	155,500	-	-	155,500
High Pressure Pump Truck	-	38,250	8,000	-	46,250
Stimulation	-	1,590,360	-	-	1,590,360
Stimulation Flowback & Disp	-	15,500	50,400	-	65,900
Insurance	31,680	-	-	-	31,680
Labor	125,500	60,000	10,000	-	195,500
Rental - Surface Equipment	85,385	260,665	10,000	-	356,050
Rental - Downhole Equipment	175,125	68,000	2,000	-	245,125
Rental - Living Quarters	43,680	40,125	-	-	83,805
Contingency	63,749	152,704	34,393	-	250,846
<b>TOTAL INTANGIBLES &gt;</b>	<b>2,188,728</b>	<b>3,270,104</b>	<b>378,318</b>	<b>47,600</b>	<b>5,884,749</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 13,739	\$ -	\$ -	\$ -	\$ 13,739
Intermediate Casing	76,490	-	-	-	76,490
Drilling Liner	-	-	-	-	-
Production Casing	313,848	-	-	-	313,848
Production Liner	-	-	-	-	-
Tubing	-	-	74,250	-	74,250
Wellhead	58,000	-	21,250	-	79,250
Packers, Liner Hangers	-	58,500	6,000	-	64,500
Tanks	-	-	-	31,400	31,400
Production Vessels	-	-	-	115,000	115,000
Flow Lines	-	-	-	250,000	250,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	26,000	-	26,000
Compressor	-	-	-	10,000	10,000
Installation Costs	-	-	-	64,000	64,000
Surface Pumps	-	-	5,000	16,250	21,250
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	11,000	25,000	36,000
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	95,000	95,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	-	2,000
Tank / Facility Containment	-	-	-	-	-
Flare Stack	-	-	-	8,750	8,750
Electrical / Grounding	-	-	2,000	15,000	17,000
Communications / SCADA	-	-	12,000	-	12,000
Instrumentation / Safety	-	-	-	22,000	22,000
<b>TOTAL TANGIBLES &gt;</b>	<b>462,077</b>	<b>58,500</b>	<b>159,500</b>	<b>652,400</b>	<b>1,332,477</b>
<b>TOTAL COSTS &gt;</b>	<b>2,650,805</b>	<b>3,328,604</b>	<b>537,818</b>	<b>700,000</b>	<b>7,217,226</b>

**PREPARED BY MATADOR PRODUCTION COMPANY:**

Drilling Engineer:	Blake Hermes	Team Lead - WTX/NM	<u>WTE</u>
Completions Engineer:	Garrett Hunt		WTE
Production Engineer:	Kyle Christy		

**MATADOR RESOURCES COMPANY APPROVAL:**

Executive VP, COO/CFO	EVP CTO - Res Engineering	EVP COO- Drilling, Completion and Production
DEL	BMR	BG
Executive VP, Legal	SVP Geoscience	
CA	NLF	
President		
MVH		

**NON OPERATING PARTNER APPROVAL:**

Company Name: _____	Working Interest (%): _____	Tax ID: _____
Signed by: _____	Date: _____	
Title: _____	Approval: <input type="checkbox"/> Yes	<input type="checkbox"/> No (mark one)

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of spud.

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

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

**CASE NOS. 21914, 21915, 21916**

**AFFIDAVIT OF ANDREW PARKER**

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

1. My name is Andrew Parker. I work for MRC Energy Company, an affiliate of Matador Production Company (“Matador”), as a Vice President of Geology.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Matador in these cases, and I have conducted a geologic study of the lands in the subject area.
4. In **Case Nos. 21914, 21915, and 21916**, Matador intends to develop the Bone Spring formation.
5. **Matador Exhibit C-1** is a locator map outlining the horizontal spacing units with a black box shaded in yellow, with the larger area identified in a red box.
6. **Matador Exhibit C-2** is a subsea structure map that I prepared off the top of the Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring formation gently dipping to the Southeast. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. D

Case Nos. 21914-21916

Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: June 03, 2021

7. **Matador Exhibit D-3** shows a line of cross section from A to A'.

8. **Matador Exhibit D-4** is a structural cross-section that I prepared displaying open-hole logs run over the Bone Spring formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, resistivity, and porosity. The proposed target interval for all of the proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted interval, within the Bone Spring formation, is consistent in thickness, across the entirety of the proposed spacing unit.

9. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area of the spacing units proposed in these cases.

10. In my opinion, each quarter-quarter section will be productive and contribute more-or-less equally to production from each respective horizontal spacing unit.

11. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

12. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

13. **Matador Exhibits D-1 through D-4** were either prepared by me or compiled under my direction and supervision.



FURTHER AFFIANT SAYETH NOT.

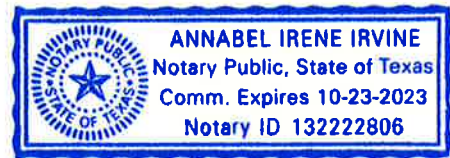
  
\_\_\_\_\_  
ANDREW PARKER

STATE OF TEXAS            )  
  )  
COUNTY OF DALLAS        )

SUBSCRIBED and SWORN to before me this 27 day of May 2021 by  
Andrew Parker.

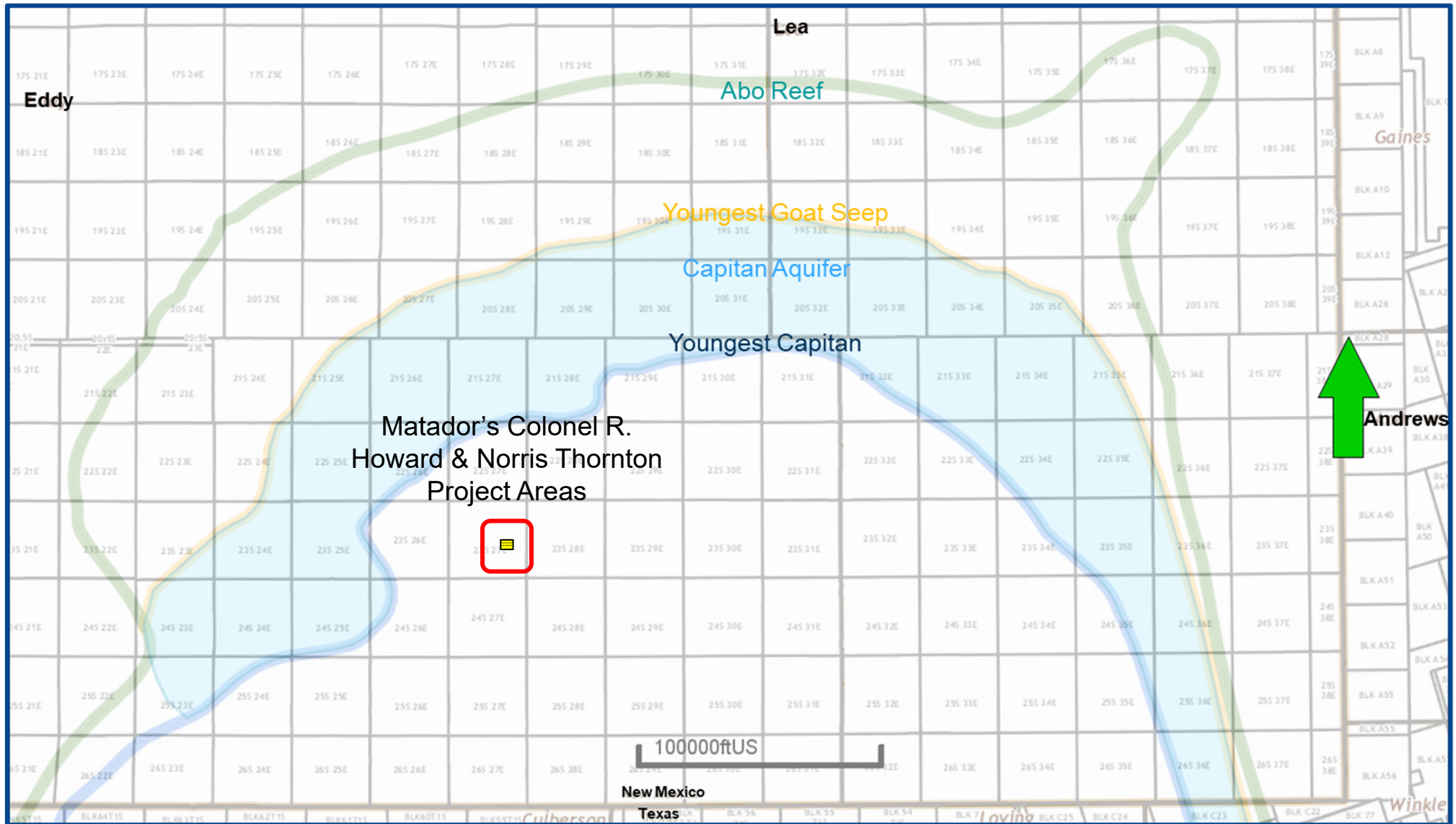
  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:  
10/23/2023



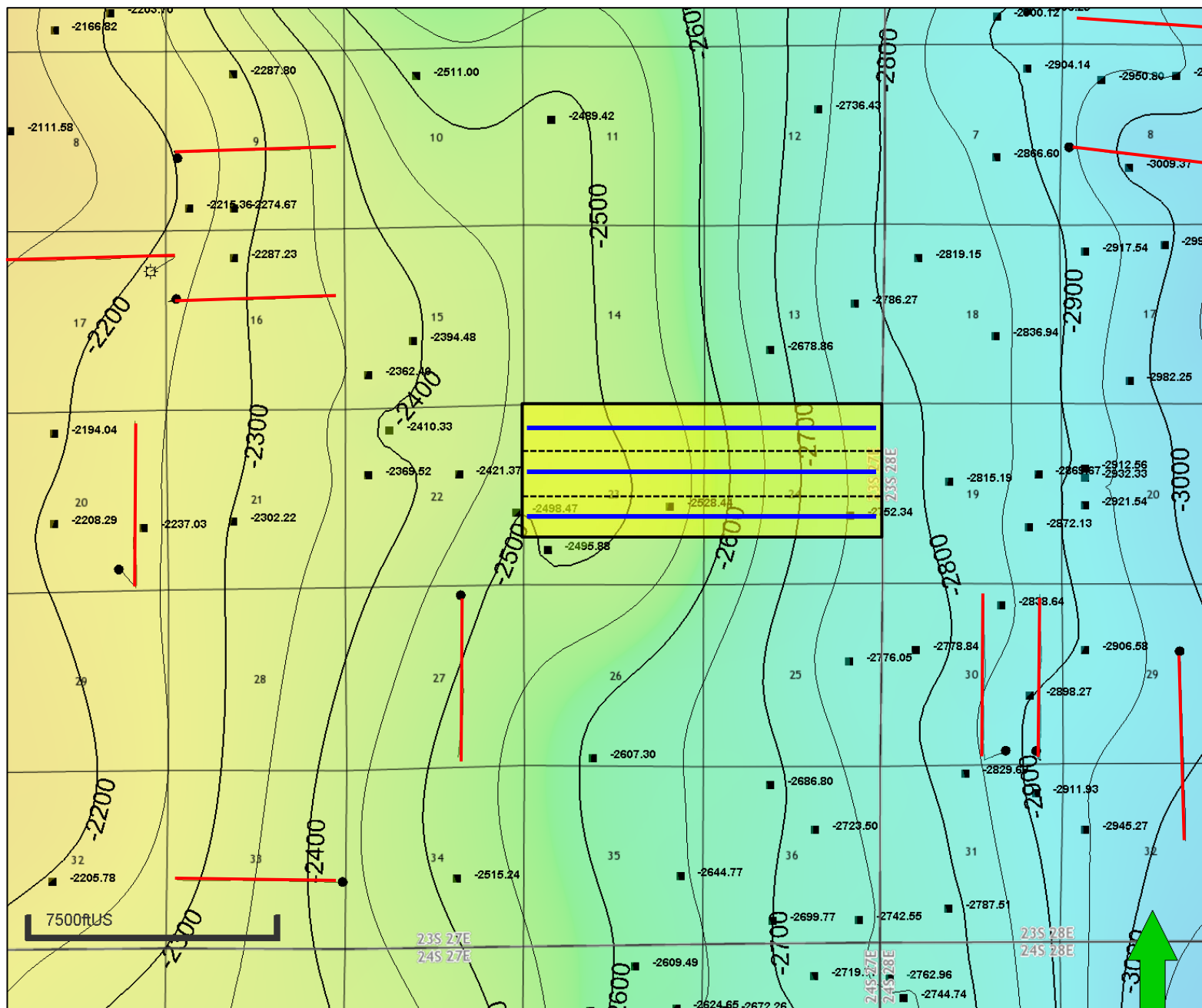
# Locator Map

Exhibit C-1



# Cass Draw; Bone Spring (Pool Code 10380) Structure Map (Bone Spring Lime Subsea)

Exhibit C-2



## Map Legend

**Matador's Colonel Howard  
& Norris Thornton Wells**



**Horizontal Bone Spring  
Wells**



**Spacing Units**



**Subsea Data Points**

-XXXX.XX

**C. I. = 50'**

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. D2

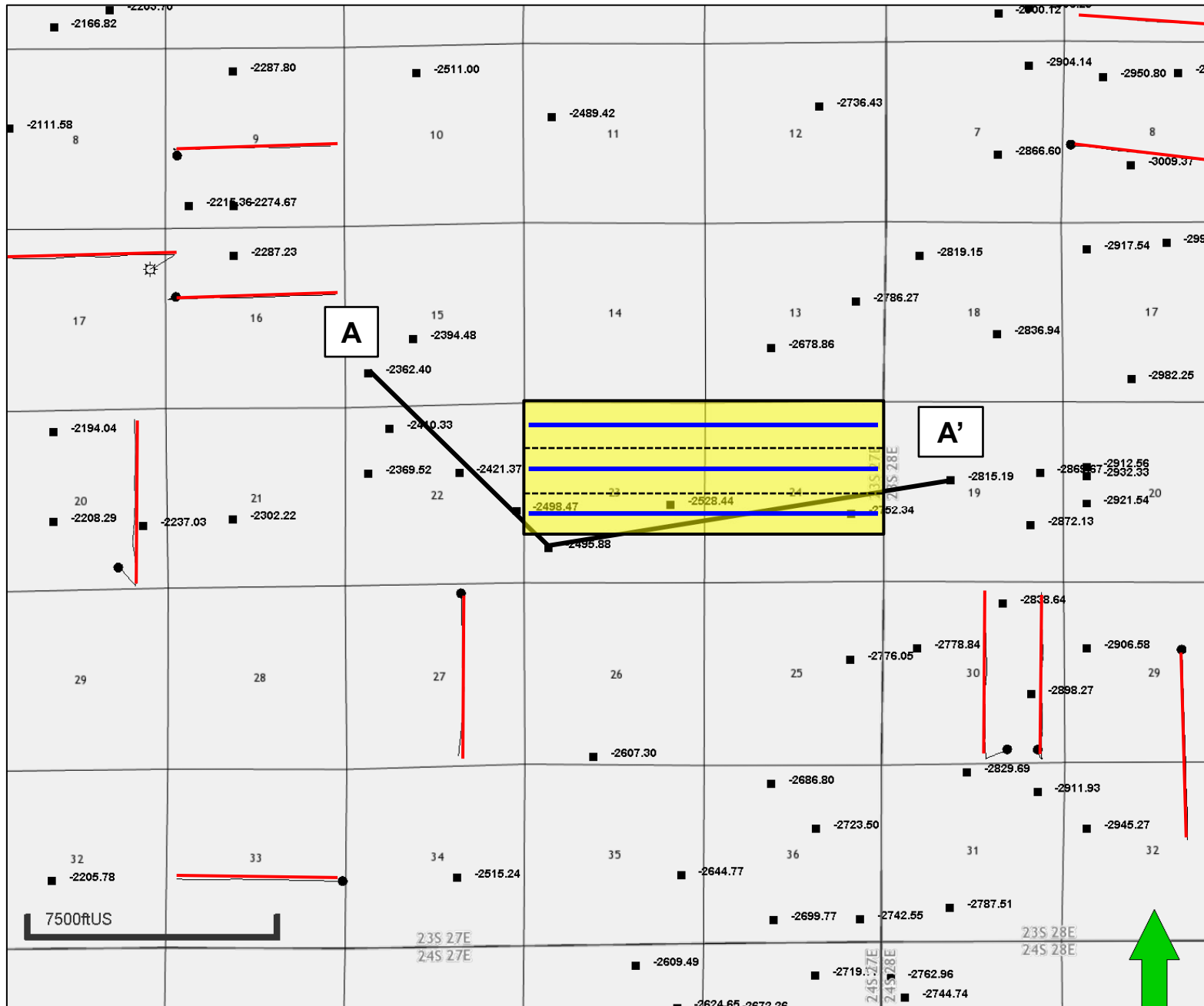
Case Nos. 21914-21916

Submitted by: MATADOR PRODUCTION  
COMPANY

Hearing Date: June 03, 2021

# Cass Draw; Bone Spring (Pool Code 10380) A – A' Reference Line

Exhibit C-3



## Map Legend

**Matador's Colonel Howard & Norris Thornton Wells**



**Horizontal Bone Spring Wells**



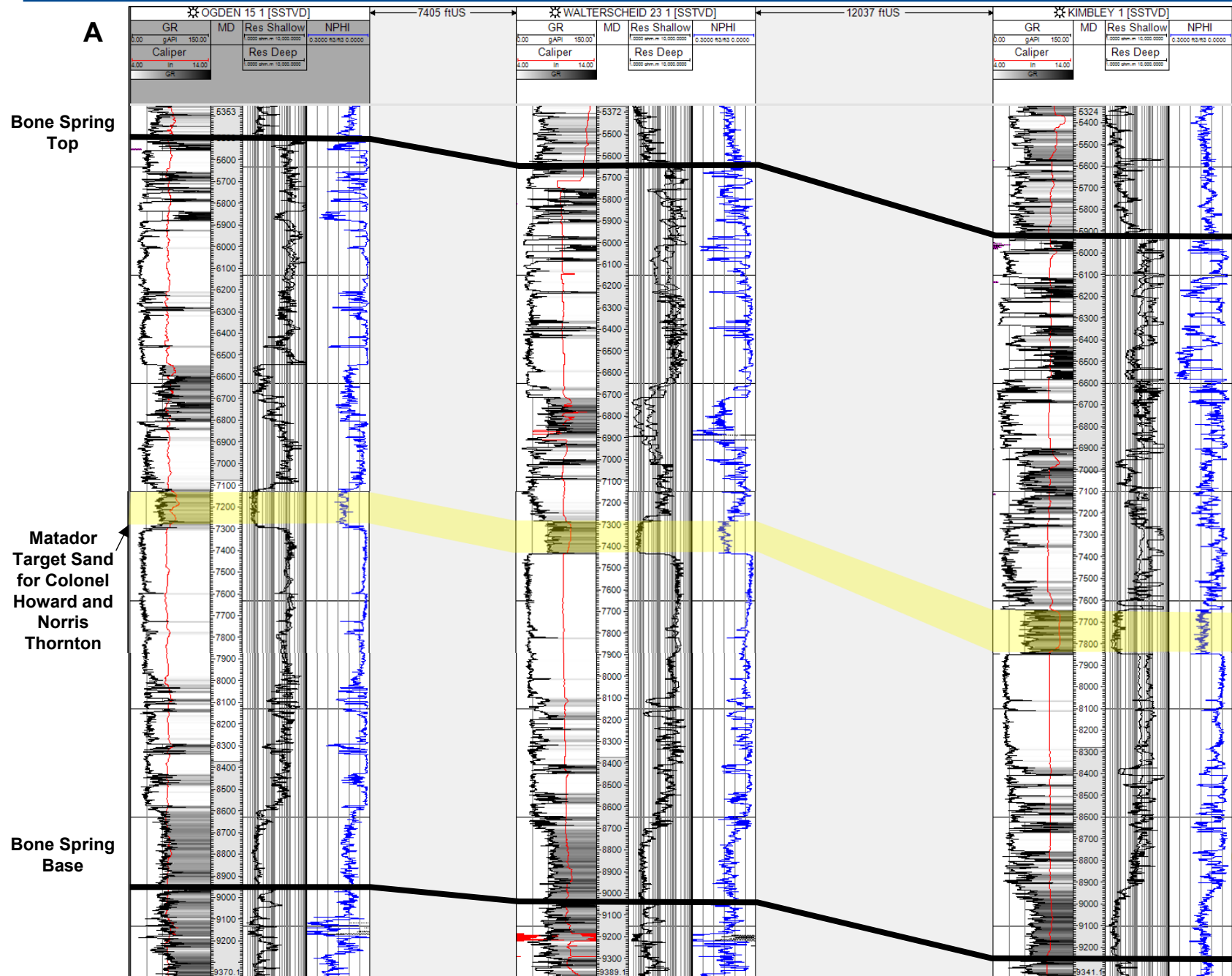
**Spacing Units**



BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. D3  
 Case Nos. 21914-21916  
 Submitted by: MATADOR PRODUCTION COMPANY  
 Hearing Date: June 03, 2021

# Cass Draw; Bone Spring (Pool Code 10380) Structural Cross-Section A – A'

Exhibit C-4



BEFORE THE OIL CONSERVATION  
DIVISION  
Santa Fe, New Mexico  
Exhibit No. D4  
Case Nos. 21914-21916  
Submitted by: MATADOR PRODUCTION  
COMPANY  
Hearing Date: June 03, 2021

Matador's Colonel R. Howard Fed Com #121H & #122H and Norris Thornton Fed Com #123H





May 14, 2021

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Matador Production Company for compulsory pooling,  
Eddy County, New Mexico.  
Colonel R. Howard Fed Com #121H well**

Ladies & Gentlemen:

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

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on June 3, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

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

If you have any questions about this matter, please contact Sara Hartsfield, at (972) 371-5446 or [shartsfield@matadorresources.com](mailto:shartsfield@matadorresources.com).

Sincerely,



**ATTORNEY FOR MATADOR PRODUCTION  
COMPANY**

May 14, 2021

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Matador Production Company for compulsory pooling,  
Eddy County, New Mexico.  
Colonel R. Howard Fed Com #122H well**

Ladies & Gentlemen:

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

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on June 3, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

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If you have any questions about this matter, please contact Sara Hartsfield, at (972) 371-5446 or [shartsfield@matadorresources.com](mailto:shartsfield@matadorresources.com).

Sincerely,



**ATTORNEY FOR MATADOR PRODUCTION  
COMPANY**



May 14, 2021

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of Matador Production Company for compulsory pooling,  
Eddy County, New Mexico.  
Norris Thornton Fed Com #123H well**

Ladies & Gentlemen:


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

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on June 3, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <http://www.emnrd.state.nm.us/OCD/announcements.html>.**

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If you have any questions about this matter, please contact Sara Hartsfield, at (972) 371-5446 or [shartsfield@matadorresources.com](mailto:shartsfield@matadorresources.com).

Sincerely,



**ATTORNEY FOR MATADOR PRODUCTION  
COMPANY**

Matador - Colonel Howard 121H-122H, Norris Thornton  
123H-124H Cases 21914-21916 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765893374164	Stateline Royalties, LP	777 Main St Ste 3600	Fort Worth	TX	76102-5341	We attempted to deliver your item at 10:29 am on May 20, 2021 in FORT WORTH, TX 76102 and a notice was left because an authorized recipient was not available.
9414811898765893374126	Stateline Operating, LLC	777 Main St Ste 3600	Fort Worth	TX	76102-5341	We attempted to deliver your item at 10:29 am on May 20, 2021 in FORT WORTH, TX 76102 and a notice was left because an authorized recipient was not available.

**Affidavit of Publication**

Ad # 0004738087

**This is not an invoice**

**HOLLAND AND HART**  
POBOX 2208


**SANTA FE, NM 87504**

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

**05/19/2021**

  
Legal Clerk

Subscribed and sworn before me this May 19, 2021:

  
State of WI, County of Brown  
NOTARY PUBLIC

1-7-25  
My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0004738087  
PO #: NOP Matador Colonel Howard 121H  
# of Affidavits 1

**This is not an invoice**

**BEFORE THE OIL CONSERVATION DIVISION**  
Santa Fe, New Mexico  
Exhibit No. F  
Case Nos. 21914-21916  
Submitted by: MATADOR PRODUCTION COMPANY  
Hearing Date: June 03, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, June 3, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OC/ hearings.html> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/ imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than May 23, 2021.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=ec1d641c6ace40cc7558b1e0da816030e>  
Event number: 187 817 6036  
Event password: 9i7hAhEhqh5

Join by video: 1878176036@nmemnrd.webex.com  
Numeric Password: 235514  
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726  
United States Toll Free  
Access code: 187 817 6036

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

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

To: All overriding royalty interest owners and pooled parties, including: Stateline Royalties, LP and Stateline Operating, LLC.

Case No. 21914:  
Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 N/2 of Sections 23 and 24, Township 23 South, Range 27 East, Eddy County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial Colonel R. Howard Fed Com #121H well, to be drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 23 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 24. The completed interval of the well will comply with statewide setbacks for oil wells.

Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 8 miles south of Carlsbad, New Mexico.  
#4738087, Current Argus, May 19, 2021

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**Affidavit of Publication**

Ad # 0004738113

**This is not an invoice**

**HOLLAND AND HART**  
POBOX 2208

**SANTA FE, NM 87504**

I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

05/19/2021

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this May 19, 2021:

  
\_\_\_\_\_  
State of WI, County of Brown  
NOTARY PUBLIC

1-7-25  
\_\_\_\_\_  
My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0004738113  
PO #: NOP Matador Colonel Howard 122H  
# of Affidavits 1

**This is not an invoice**

STATE OF NEW MEXICO  
ENERGY, MINERALS AND  
NATURAL RESOURCES DEPART-  
MENT  
OIL CONSERVATION DIVISION  
SANTA FE, NEW MEXICO

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, June 3, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us). Documents filed in the case may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@state.nm.us](mailto:Marlene.Salvidrez@state.nm.us), or the New Mexico Relay Network at 1-800-659-1779, no later than May 23, 2021.

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

<https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=ec1d641c6ace40cc7558b1e0da816030e>  
Event number: 187 817 6036  
Event password: 9i7hAhEhqh5

Join by video: 1878176036@nmemnrd.webex.com  
Numeric Password: 235514  
You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726  
United States Toll Free  
Access code: 187 817 6036

**STATE OF NEW MEXICO TO:**

All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

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

To: All overriding royalty interest owners and pooled parties, including: Stateline Royalties, LP and Stateline Operating, LLC.

Case No. 21915:  
Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the S/2 N/2 of Sections 23 and 24, Township 23 South, Range 27 East, Eddy County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial Colonel R. Howard Fed Com #122H well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 23 to a bottom hole location in the SE/4 NE/4 (Unit H) of Section 24. The completed interval of the well will comply with statewide setbacks for oil wells.

Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 8 miles south of Carlsbad, New Mexico.  
#4738113, Current Argus, May 19, 2021



**Affidavit of Publication**

Ad # 0004738125

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**HOLLAND AND HART**  
POBOX 2208

**SANTA FE, NM 87504**

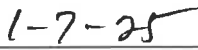
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

**05/19/2021**

  
\_\_\_\_\_  
Legal Clerk

Subscribed and sworn before me this May 19, 2021:

  
\_\_\_\_\_  
State of WI, County of Brown  
NOTARY PUBLIC

  
\_\_\_\_\_  
My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0004738125  
PO #: NOP Matador Norris Thornton 123H  
# of Affidavits 1

**This is not an invoice**

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

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**STATE OF NEW MEXICO TO:**

All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

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

To: All overriding royalty interest owners and pooled parties, including: Stateline Royalties, LP and Stateline Operating, LLC.

**Case No. 21916:**

Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 S/2 of Sections 23 and 24, Township 23 South, Range 27 East, Eddy County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial Norris Thornton Fed Com #123H well, to be drilled from a surface location in the NW/4 SW/4 (Unit L) of Section 23 to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 24. The completed interval of the well will comply with statewide setbacks for oil wells.

Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located approximately 8 miles south of Carlsbad, New Mexico.  
#4738125, Current Argus, May 19, 2021