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

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 21108 ORDER NO. R-21697-A

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

ORDER OF THE DIVISION

<u>BY THE DIVISION</u>:

This case came on for hearing May 20, 2021.

On May 26, 2021, the Division Director issued Order R-21697 in this case.

NOW, on this 10th day of June 2021, the Division Director,

FINDS THAT:

(1) XTO Holdings, LLC, was mistakenly omitted from the special payment provisions embodied in paragraph 23a of Order R-21697.

<u>IT IS THEREFORE ORDERED THAT</u>:

(1) The special payment provision embodied in paragraph 23a of Order R-21697 is modified as follows:

Notwithstanding paragraphs 22 and 23, above, by stipulation of the parties, Operator grants EOG Resources and XTO Holdings, LLC, the ability to sequentially elect to pay its share of costs for each proposed well. Applicant agrees to submit an AFE to EOG no sooner than 60 days before the commencement of the drilling of each well, and EOG shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for each well. (2) In all other respects, Order R-21697 shall remain in full force and effect as originally written.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated

