

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

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



ADMINISTRATIVE APPLICATION CHECKLIST

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

Applicant: _____ **OGRID Number:** _____
Well Name: _____ **API:** _____
Pool: _____ **Pool Code:** _____

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

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location – Spacing Unit – Simultaneous Dedication
 NSL NSP (PROJECT AREA) NSP (PRORATION UNIT) SD
- B. Check one only for [I] or [II]
 [I] Commingling – Storage – Measurement
 DHC CTB PLC PC OLS OLM
 [II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.
 A. Offset operators or lease holders
 B. Royalty, overriding royalty owners, revenue owners
 C. Application requires published notice
 D. Notification and/or concurrent approval by SLO
 E. Notification and/or concurrent approval by BLM
 F. Surface owner
 G. For all of the above, proof of notification or publication is attached, and/or,
 H. No notice required

<u>FOR OCD ONLY</u>	
<input type="checkbox"/>	Notice Complete
<input type="checkbox"/>	Application Content Complete

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

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

_____ Date

Print or Type Name

 _____

Signature

_____ Phone Number

_____ e-mail Address



Adam G. Rankin
Phone (505) 954-7294
Fax (505) 819-5579
AGRankin@hollandhart.com

February 22, 2022

VIA ONLINE FILING

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

Re: Application of Matador Production Company for administrative approval to surface commingle (lease commingle) oil and gas production at the Jeff Hart West Tank Battery located in the SW/4SW/4 of Section 25, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, and to add additional wells.

Dear Ms. Sandoval:

Matador Production Company (OGRID No. 228937), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (lease commingle) diversely owned oil and gas production at the **Jeff Hart West Tank Battery** *insofar as all existing and future infill wells drilled in the following spacing units:*

(a) The 320-acre spacing unit comprised of the E/2W/2 of Sections 24 and 25 in the Antelope Ridge; Bone Spring (2200) – includes the **Jeff Hart Fed Com #112H well** (API. No. 30-025-49077), **Jeff Hart Fed Com #122H well** (API. No. 30-025-49143), **Jeff Hart Fed Com #132H well** (API. No. 30-025-49145);

(b) The 320-acre spacing unit comprised of the W/2W/2 of Sections 24 and 25 in the Antelope Ridge; Bone Spring (2200) – includes the **Jeff Hart Fed Com #111H well** (API. No. 30-025-49076), **Jeff Hart Fed Com #121H well** (API. No. 30-025-49142);

(c) The 160-acre spacing unit comprised of the W/2W/2 of Section 25 in the Antelope Ridge; Bone Spring (2200) – includes the **Jeff Hart State Com #131H well** (API. No. 30-025-49720); and

(d) pursuant to 19.15.12.10.C(4)(g), *future Antelope Ridge; Bone Spring (2200) spacing units within the W/2 of Sections 24 and 25 connected to the Jeff Hart West Tank Battery* with notice provided only to the owners of interests to be added.

Oil and gas production from these spacing units will be commingled and sold at the Jeff Hart West Tank Battery located in the SW/4SW/4 of Section 25. Gas production from each separator will be

separately metered with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each separator will also be separately metered using turbine meters.

Exhibit 1 is a land plat showing Matador's current development plan, flow lines, well pads, and central tank battery ("Facility Pad") in the subject area. The plat also identifies the wellbores (including surface/bottomhole locations) and lease/spacing unit boundaries.

Exhibit 2 is a C-102 for each of the wells currently drilled within the existing spacing units.

Exhibit 3 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Ryan Hernandez, Production Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (attachment A to the statement) and an example gas analysis (attachment B to the statement).

Exhibit 4 includes relevant federal and state communitization agreements and related documents.

Ownership is diverse between the above-described spacing units. **Exhibit 5** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing.

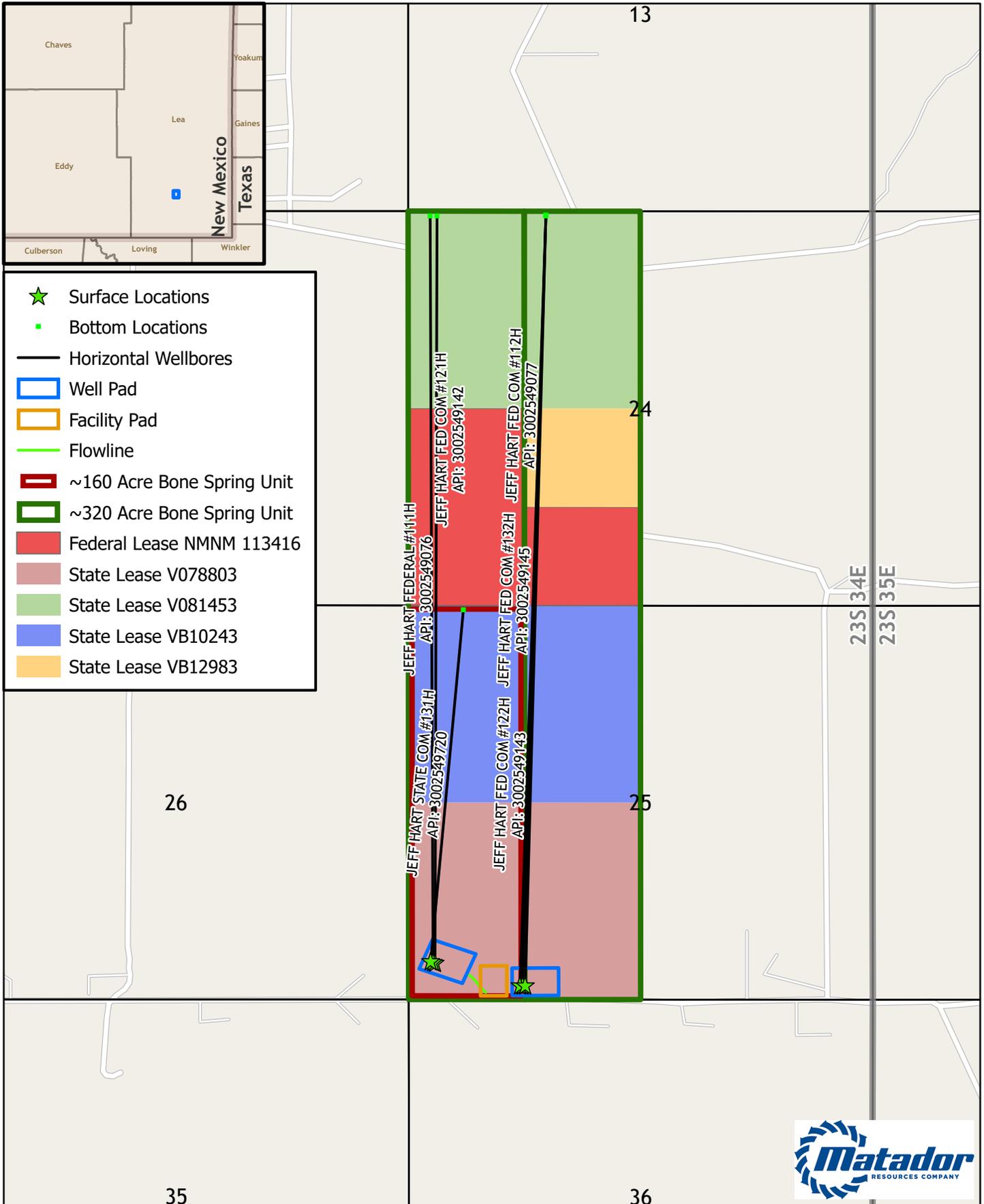
Thank you for your attention to this matter, and please feel free to call if you have any questions or require additional information.

Sincerely,



Adam G. Rankin
ATTORNEY FOR
MATADOR PRODUCTION COMPANY

Jeff Hart West Commingling Plat **Exhibit 1**

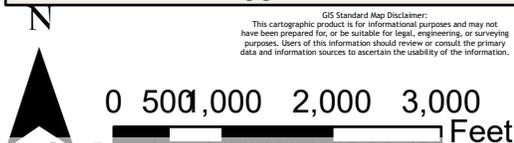


- ★ Surface Locations
- Bottom Locations
- Horizontal Wellbores
- Well Pad
- Facility Pad
- Flowline
- ~160 Acre Bone Spring Unit
- ~320 Acre Bone Spring Unit
- Federal Lease NMNM 113416
- State Lease V078803
- State Lease V081453
- State Lease VB10243
- State Lease VB12983



Southeast New Mexico

GIS Standard Map Disclaimer: This cartographic product is for informational purposes and may not have been prepared for, or be suitable for, legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.



Map Prepared by: agreeen
 Project: ComminglingPlat
 Date: 1/27/2022
 Coordinate System: GCS WGS 1984

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
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District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025- 30-025-49076		⁴ Pool Code 2200	³ Pool Name ANTELOPE RIDGE; BONE SPRING
⁴ Property Code 331063	⁵ Property Name JEFF HART FED COM		⁶ Well Number #111H
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 3398'

¹⁰Surface Location

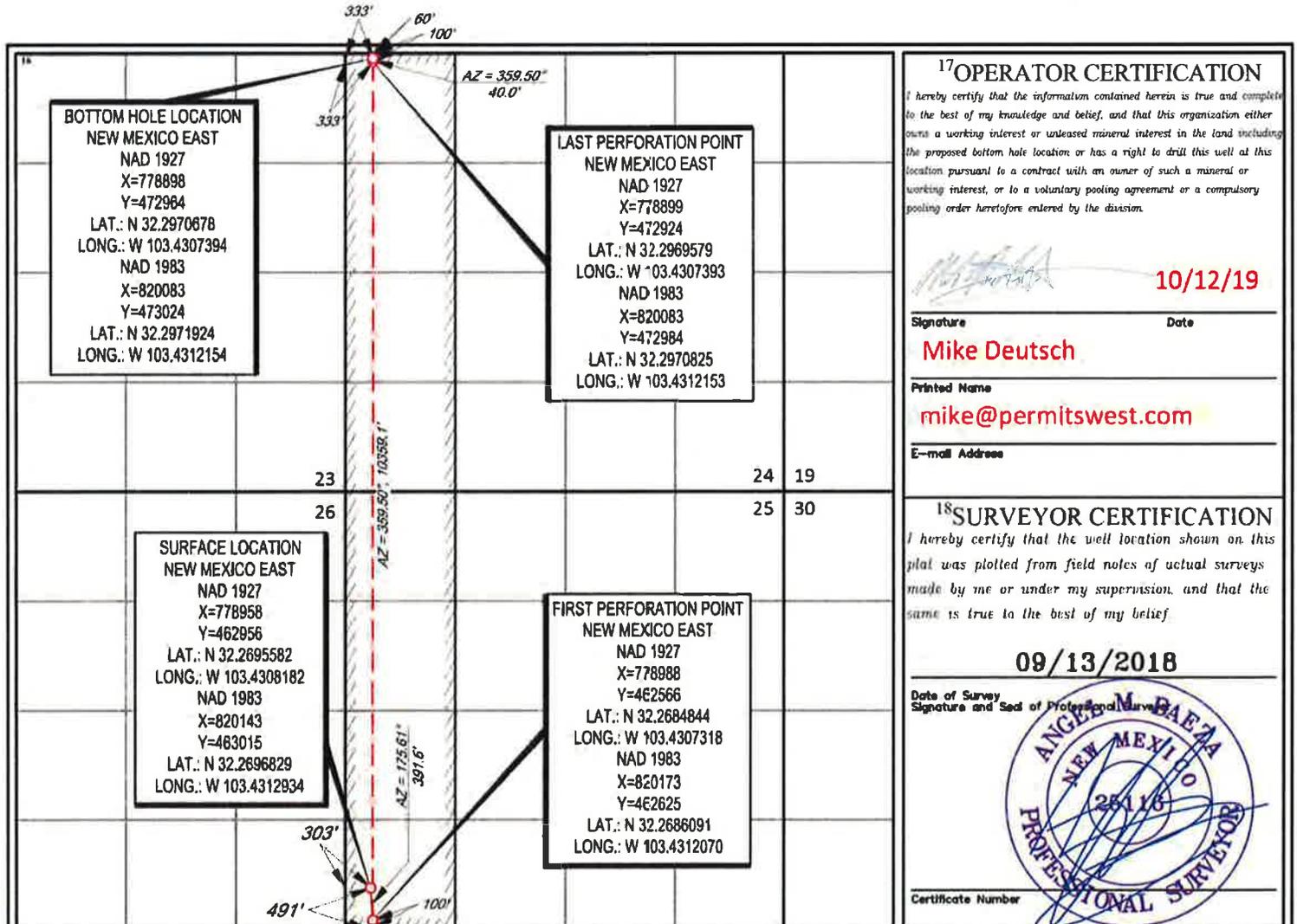
U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	23-S	34-E	-	491'	SOUTH	303'	WEST	LEA

¹¹Bottom Hole Location If Different From Surface

U/L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	24	23-S	34-E	-	60'	NORTH	333'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ 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.



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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-49142	² Pool Code 2200	³ Pool Name ANTELOPE RIDGE; BONE SPRING
⁴ Property Code 331063	⁵ Property Name JEFF HART FED COM	
⁷ OGRID No. 228937	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁶ Well Number #121H
		⁹ Elevation 3398'

¹⁰Surface Location

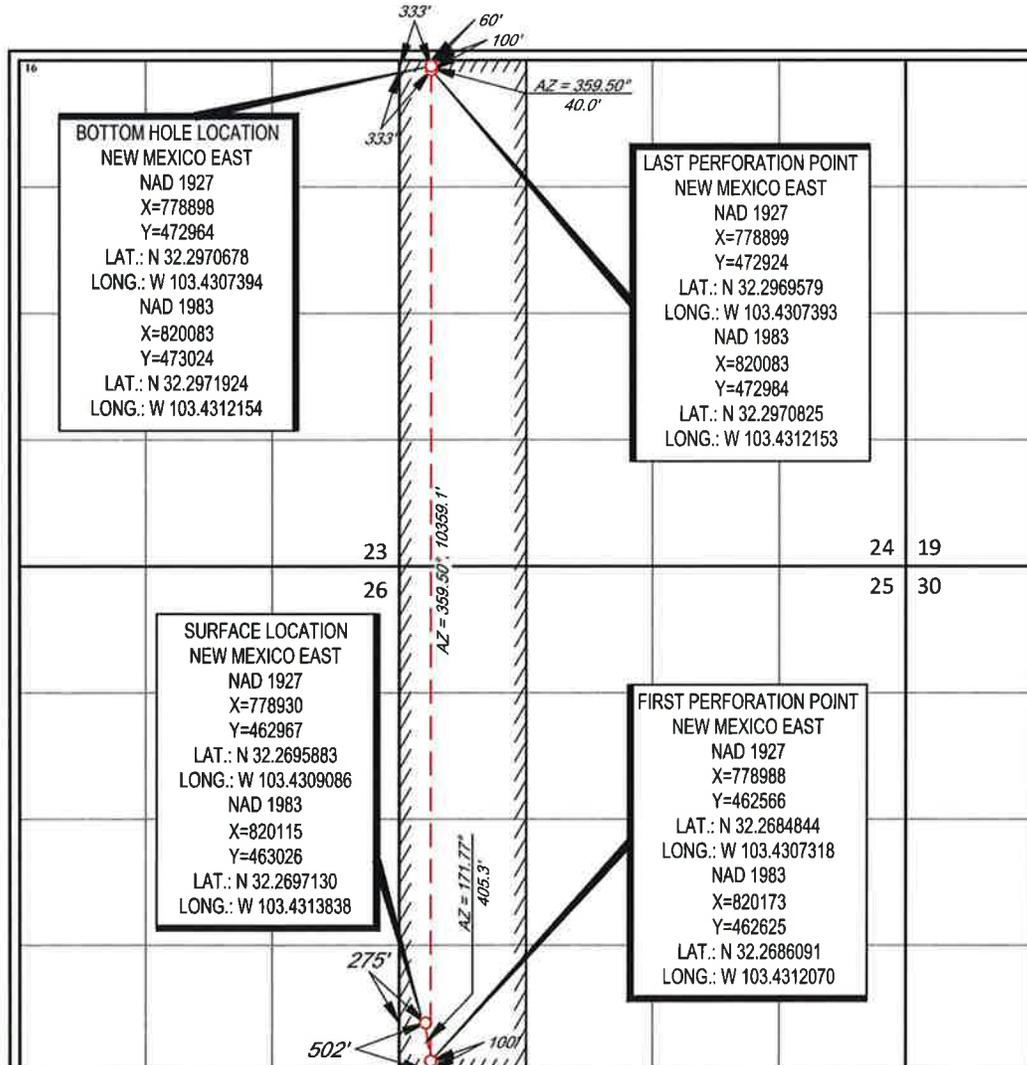
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	23-S	34-E	-	502'	SOUTH	275'	WEST	LEA

¹¹Bottom 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
D	24	23-S	34-E	-	60'	NORTH	333'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No.
---	-------------------------------	--	-------------------------

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¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Mike Deutsch 10/12/19

Signature Date

Mike Deutsch

Printed Name

mike@permitswest.com

E-mail Address

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

09/13/2018

Date of Survey

Angel M. Breza

Signature and Seal of Professional Surveyor

ANGEL M. BREZA
NEW MEXICO
28118
PROFESSIONAL SURVEYOR

Certificate Number

District I
1625 N. French Dr., Hobbs, NM 88240
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1220 South St. Francis Dr.
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FORM C-102
Revised August 1, 2011
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code	³ Pool Name
		2200	ANTELOPE RIDGE ; BONE SPRING
⁴ Property Code	⁵ Property Name		⁶ Well Number
	JEFF HART STATE COM		131H
⁷ OGRID No.	⁸ Operator Name		⁹ Elevation
228937	MATADOR PRODUCTION COMPANY		3398'

¹⁰Surface Location

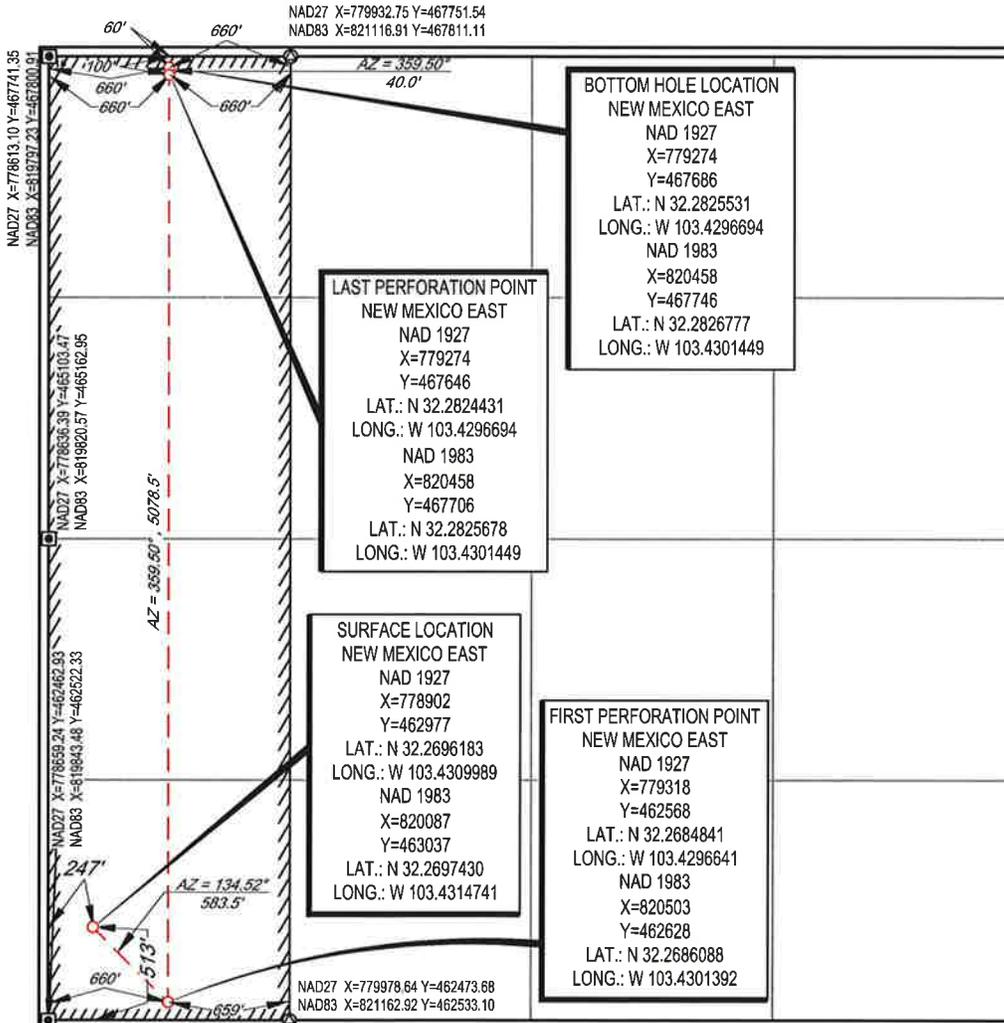
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	23-S	34-E	-	513'	SOUTH	247'	WEST	LEA

¹¹Bottom 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
D	25	23-S	34-E	-	60'	NORTH	660'	WEST	LEA

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
160			

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.



BOTTOM HOLE LOCATION
NEW MEXICO EAST
NAD 1927
X=779274
Y=467686
LAT.: N 32.2825531
LONG.: W 103.4296694
NAD 1983
X=820458
Y=467746
LAT.: N 32.2826777
LONG.: W 103.4301449

LAST PERFORATION POINT
NEW MEXICO EAST
NAD 1927
X=779274
Y=467646
LAT.: N 32.2824431
LONG.: W 103.4296694
NAD 1983
X=820458
Y=467706
LAT.: N 32.2825678
LONG.: W 103.4301449

SURFACE LOCATION
NEW MEXICO EAST
NAD 1927
X=778902
Y=462977
LAT.: N 32.2696183
LONG.: W 103.4309989
NAD 1983
X=820087
Y=463037
LAT.: N 32.2697430
LONG.: W 103.4314741

FIRST PERFORATION POINT
NEW MEXICO EAST
NAD 1927
X=779318
Y=462568
LAT.: N 32.2684841
LONG.: W 103.4296641
NAD 1983
X=820503
Y=462628
LAT.: N 32.2686088
LONG.: W 103.4301392

¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Brett Jennings 01/10/2022
Signature Date

Brett Jennings
Printed Name

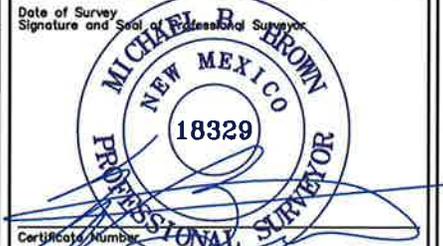
Brett.Jennings@matadorresources.com
E-mail Address

¹⁸SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

10/25/2021

Date of Survey
Signature and Seal of Professional Surveyor



Certificate Number

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-49077		² Pool Code 2200		³ Pool Name ANTELOPE RIDGE; BONE SPRING	
⁴ Property Code 331063		⁵ Property Name JEFF HART FED COM		⁶ Well Number #112H	
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 3394'	

¹⁰Surface Location

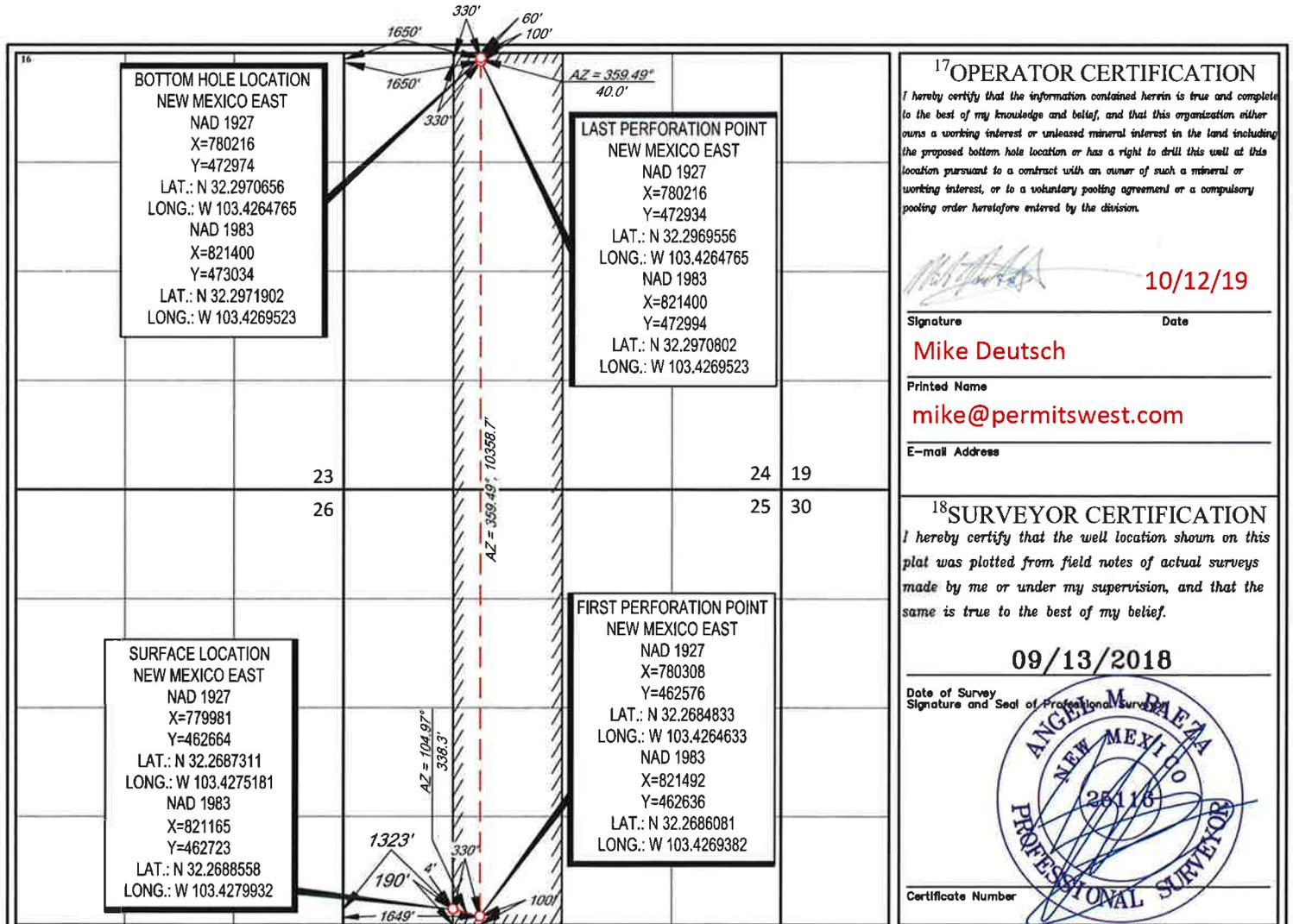
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	25	23-S	34-E	-	190'	SOUTH	1323'	WEST	LEA

¹¹Bottom 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
C	24	23-S	34-E	-	60'	NORTH	1650'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ 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.



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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-49143		² Pool Code 2200		³ Pool Name ANTELOPE RIDGE; BONE SPRING	
⁴ Property Code 331063		⁵ Property Name JEFF HART FED COM			⁶ Well Number #122H
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3394'

¹⁰Surface Location

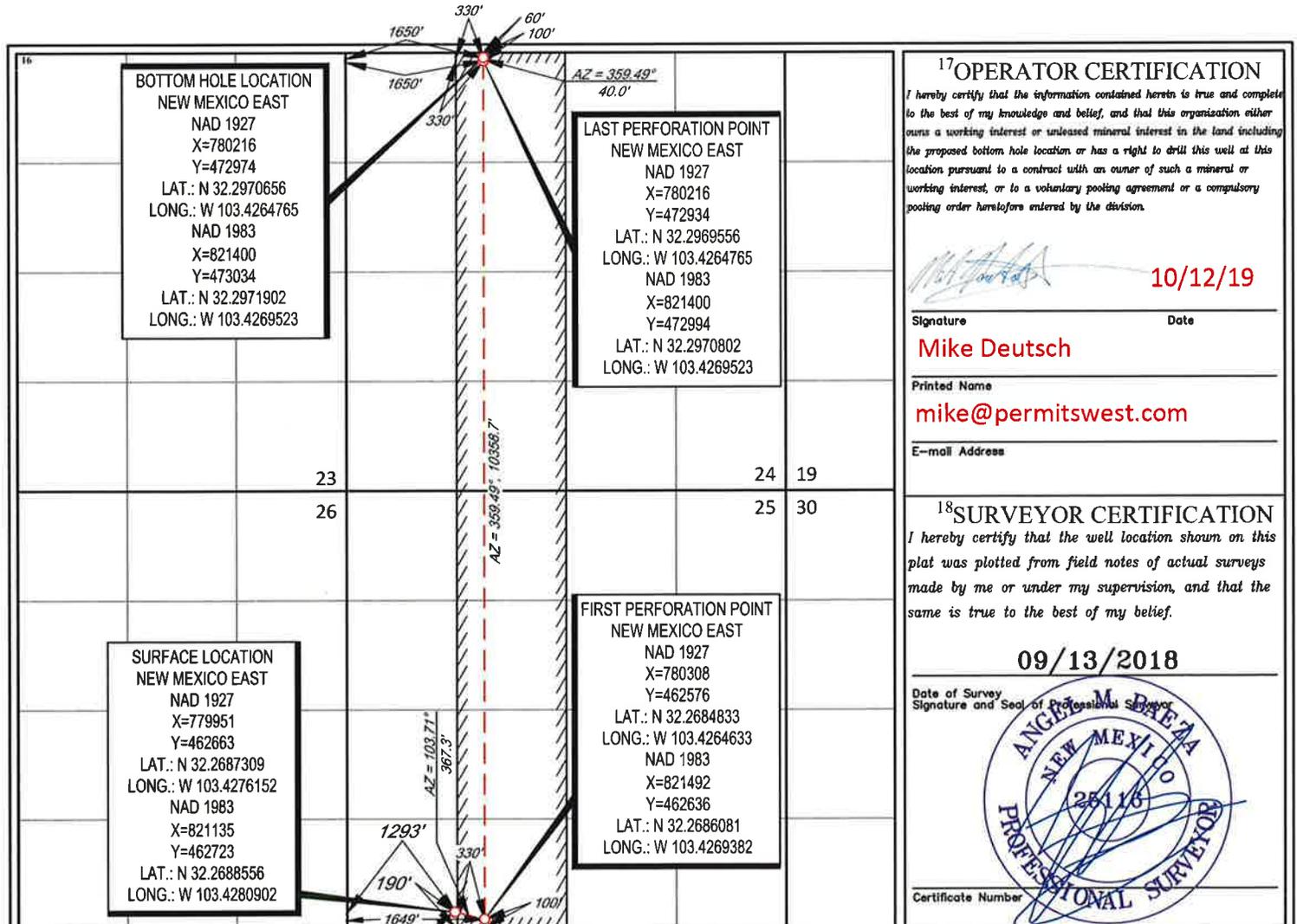
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	23-S	34-E	-	190'	SOUTH	1293'	WEST	LEA

¹¹Bottom 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
C	24	23-S	34-E	-	60'	NORTH	1650'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No.
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¹⁷OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Mike Deutsch 10/12/19
Signature Date

Mike Deutsch

Printed Name
mike@permitswest.com

E-mail Address

¹⁸SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

09/13/2018
Date of Survey

Angela M. Brea
Signature and Seal of Professional Surveyor

ANGELA M. BREA
NEW MEXICO
PROFESSIONAL SURVEYOR
25116

Certificate Number

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WELL LOCATION AND ACREAGE DEDICATION PLAT

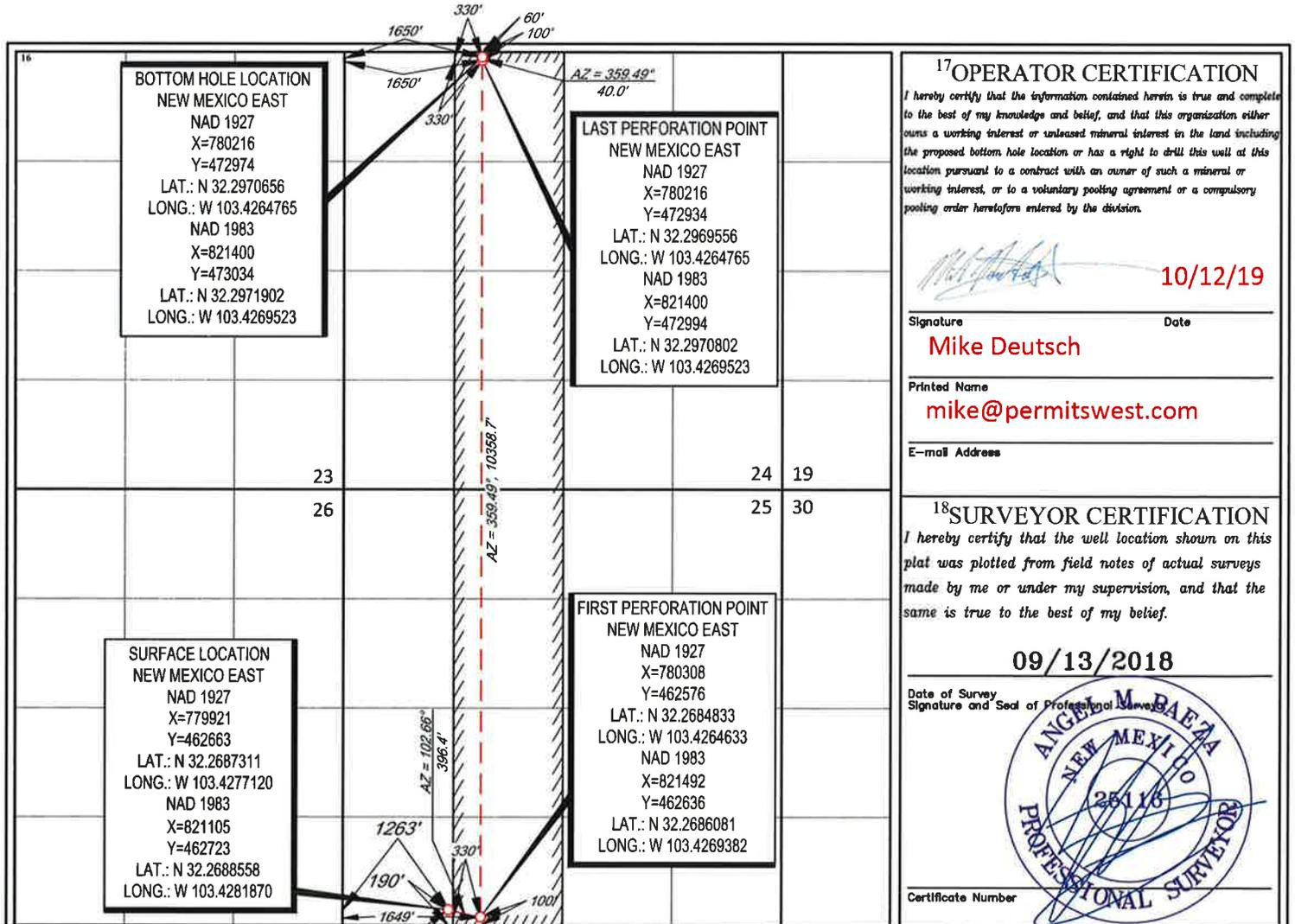
¹ API Number 30-025-49145		² Pool Code 2200		³ Pool Name ANTELOPE RIDGE; BONE SPRING	
⁴ Property Code 331063		⁵ Property Name JEFF HART FED COM		⁶ Well Number #132H	
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation 3394'	

10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	25	23-S	34-E	-	190'	SOUTH	1263'	WEST	LEA

11 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
C	24	23-S	34-E	-	60'	NORTH	1650'	WEST	LEA

¹² Dedicated Acres 320	¹³ Joint or Infill	¹⁴ Consolidation Code C	¹⁵ Order No.
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87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

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

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

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

APPLICATION TYPE:
 Pool Commingling Lease Commingling Pool and Lease Commingling Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: Fee State Federal

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

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes

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

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code- [2200] ANTELOPE RIDGE; BONE SPRING
 (2) Is all production from same source of supply? Yes No
 (3) Has all interest owners been notified by certified mail of the proposed commingling? Yes No
 (4) Measurement type: Metering Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

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

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

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

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

SIGNATURE:  TITLE: Production Engineer DATE: 2-2-22
 TYPE OR PRINT NAME Ryan Hernandez TELEPHONE NO.: (972) 619-1276
 E-MAIL ADDRESS: rhernandez@matadorresources.com

Matador Production Company

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

Voice 972.371.5427 • Fax 972.371.5201

rhernandez@matadorresources.com

Ryan Hernandez
Production Engineer

February 8, 2022

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

Re: Application of Matador Production Company for administrative approval to surface commingle (lease) gas and oil production from the spacing units comprised of W/2 of Section 24 & 25, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico (the "Lands").

To Whom This May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to commingle current oil and gas production from six (6) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the Enterprise Products Partners, L.P. gathering line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

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

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

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

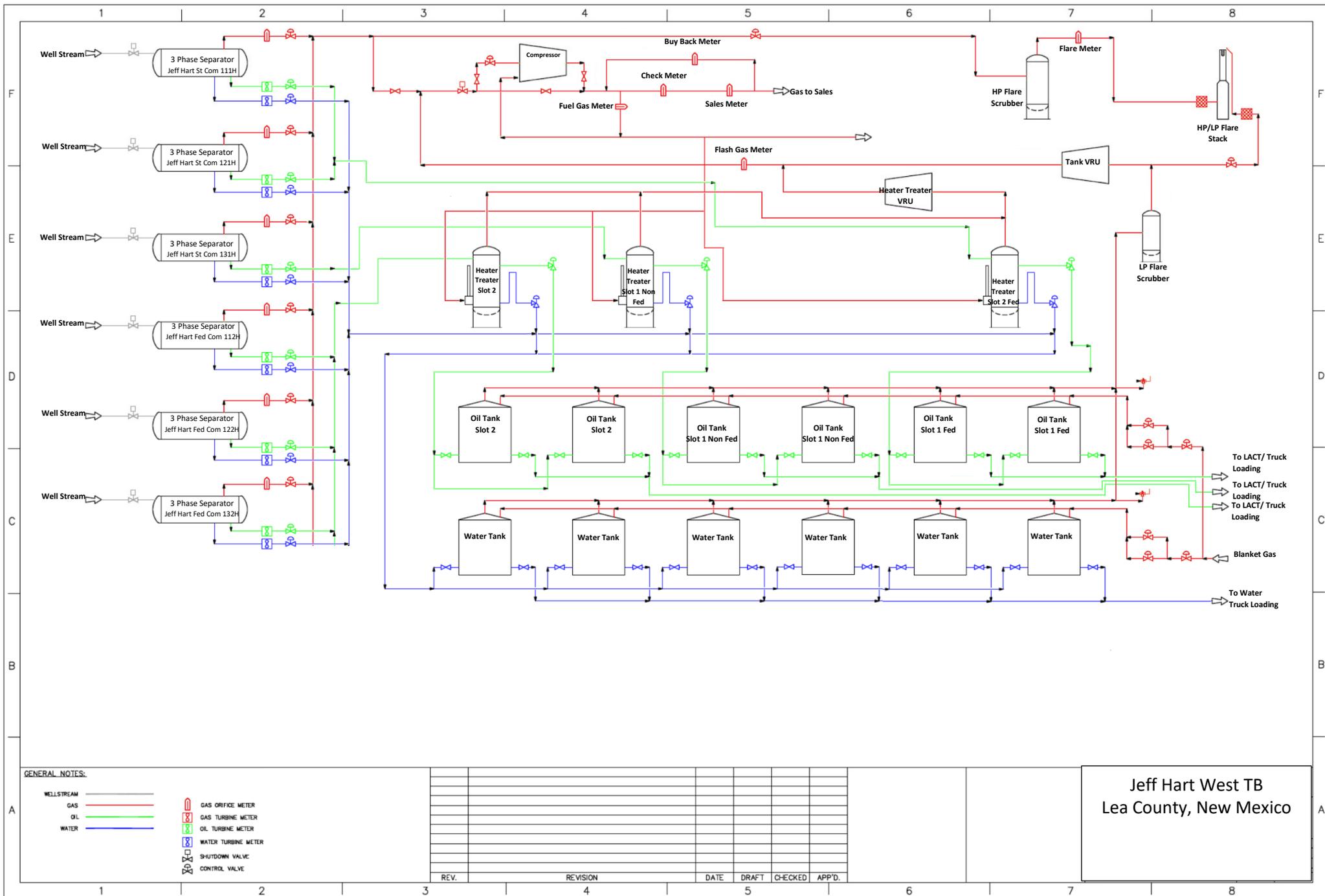
In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

MATADOR PRODUCTION COMPANY

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

Ryan Hernandez
Production Engineer



FESCO, Ltd.
1100 Fesco Ave. - Alice, Texas 78332

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

Sample: Jeff Hart State COM No. 134H
 First Stage Separator Gas
 Spot Gas Sample @ 270 psig & 133 °F

Date Sampled: 09/01/2019

Job Number: 193060.001

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.486	
Carbon Dioxide	0.242	
Methane	75.950	
Ethane	11.689	3.201
Propane	5.967	1.683
Isobutane	0.694	0.233
n-Butane	1.825	0.589
2-2 Dimethylpropane	0.006	0.002
Isopentane	0.438	0.164
n-Pentane	0.461	0.171
Hexanes	0.445	0.188
Heptanes Plus	<u>0.797</u>	<u>0.317</u>
Totals	100.000	6.549

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity ----- 3.292 (Air=1)
 Molecular Weight ----- 94.94
 Gross Heating Value ----- 4947 BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity ----- 0.766 (Air=1)
 Compressibility (Z) ----- 0.9958
 Molecular Weight ----- 22.10
 Gross Heating Value
 Dry Basis ----- 1337 BTU/CF
 Saturated Basis ----- 1314 BTU/CF

*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377)
 Results: <0.013 Gr/100 CF, <0.2 PPMV or <0.001 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (16) D. Field
 Analyst: NG
 Processor: RG
 Cylinder ID: T-4498

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286
TOTAL REPORT**

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	1.486		1.884
Carbon Dioxide	0.242		0.482
Methane	75.950		55.134
Ethane	11.689	3.201	15.904
Propane	5.967	1.683	11.906
Isobutane	0.694	0.233	1.825
n-Butane	1.825	0.589	4.800
2,2 Dimethylpropane	0.006	0.002	0.020
Isopentane	0.438	0.164	1.430
n-Pentane	0.461	0.171	1.505
2,2 Dimethylbutane	0.004	0.002	0.016
Cyclopentane	0.067	0.029	0.213
2,3 Dimethylbutane	0.000	0.000	0.000
2 Methylpentane	0.132	0.056	0.515
3 Methylpentane	0.079	0.033	0.308
n-Hexane	0.163	0.069	0.636
Methylcyclopentane	0.088	0.031	0.335
Benzene	0.100	0.029	0.353
Cyclohexane	0.138	0.048	0.525
2-Methylhexane	0.021	0.010	0.095
3-Methylhexane	0.028	0.013	0.127
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.070	0.031	0.314
n-Heptane	0.048	0.023	0.218
Methylcyclohexane	0.088	0.036	0.391
Toluene	0.070	0.024	0.292
Other C8's	0.063	0.030	0.314
n-Octane	0.018	0.009	0.093
Ethylbenzene	0.007	0.003	0.034
M & P Xylenes	0.010	0.004	0.048
O-Xylene	0.003	0.001	0.014
Other C9's	0.024	0.012	0.137
n-Nonane	0.005	0.003	0.029
Other C10's	0.011	0.007	0.070
n-Decane	0.002	0.001	0.013
Undecanes (11)	<u>0.003</u>	<u>0.002</u>	<u>0.020</u>
Totals	100.000	6.549	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.766	(Air=1)
Compressibility (Z) -----	0.9958	
Molecular Weight -----	22.10	
Gross Heating Value		
Dry Basis -----	1337	BTU/CF
Saturated Basis -----	1314	BTU/CF

FESCO, Ltd.

1100 Fesco Ave. - Alice, Texas 78332

Sample: Jeff Hart State COM No. 134H
 First Stage Separator Gas
 Spot Gas Sample @ 270 psig & 133 °F

Date Sampled: 09/01/2019

Job Number: 193060.001

GLYCALC FORMAT

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	0.242		0.482
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.486		1.884
Methane	75.950		55.134
Ethane	11.689	3.201	15.904
Propane	5.967	1.683	11.906
Isobutane	0.694	0.233	1.825
n-Butane	1.831	0.592	4.820
Isopentane	0.438	0.164	1.430
n-Pentane	0.461	0.171	1.505
Cyclopentane	0.067	0.029	0.213
n-Hexane	0.163	0.069	0.636
Cyclohexane	0.138	0.048	0.525
Other C6's	0.215	0.091	0.839
Heptanes	0.255	0.108	1.089
Methylcyclohexane	0.088	0.036	0.391
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.100	0.029	0.353
Toluene	0.070	0.024	0.292
Ethylbenzene	0.007	0.003	0.034
Xylenes	0.013	0.005	0.062
Octanes Plus	<u>0.126</u>	<u>0.065</u>	<u>0.676</u>
Totals	100.000	6.549	100.000

Real Characteristics Of Octanes Plus:

Specific Gravity ----- 4.118 (Air=1)
 Molecular Weight ----- 118.77
 Gross Heating Value ----- 6270 BTU/CF

Real Characteristics Of Total Sample:

Specific Gravity ----- 0.766 (Air=1)
 Compressibility (Z) ----- 0.9958
 Molecular Weight ----- 22.10
 Gross Heating Value
 Dry Basis ----- 1337 BTU/CF
 Saturated Basis ----- 1314 BTU/CF

Exhibit 4

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 17th day of **November, 2021**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

W2W2 of Sections 25 & 24, Township 23S, Range 34E, Lea County, New Mexico.

Containing **320.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A

successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of $1/8^{\text{th}}$ or $12 \frac{1}{2}$ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases

subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **November 17, 2021**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in

interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

Signature of Authorized Agent

By: Craig N. Adams Executive Vice President
Name & Title of Authorized Agent

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ____ day of _____, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Craig N. Adams Executive Vice President
Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ___ day of _____, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

EXHIBIT "A"

Plat of communitized area covering **320.00** acres in **W2W2** of Sections **25 & 24**, Township **23** South, Range **34** East, **Lea** County, New Mexico.

Jeff Hart Fed Com 25&24-23S-34E #111H & #121H

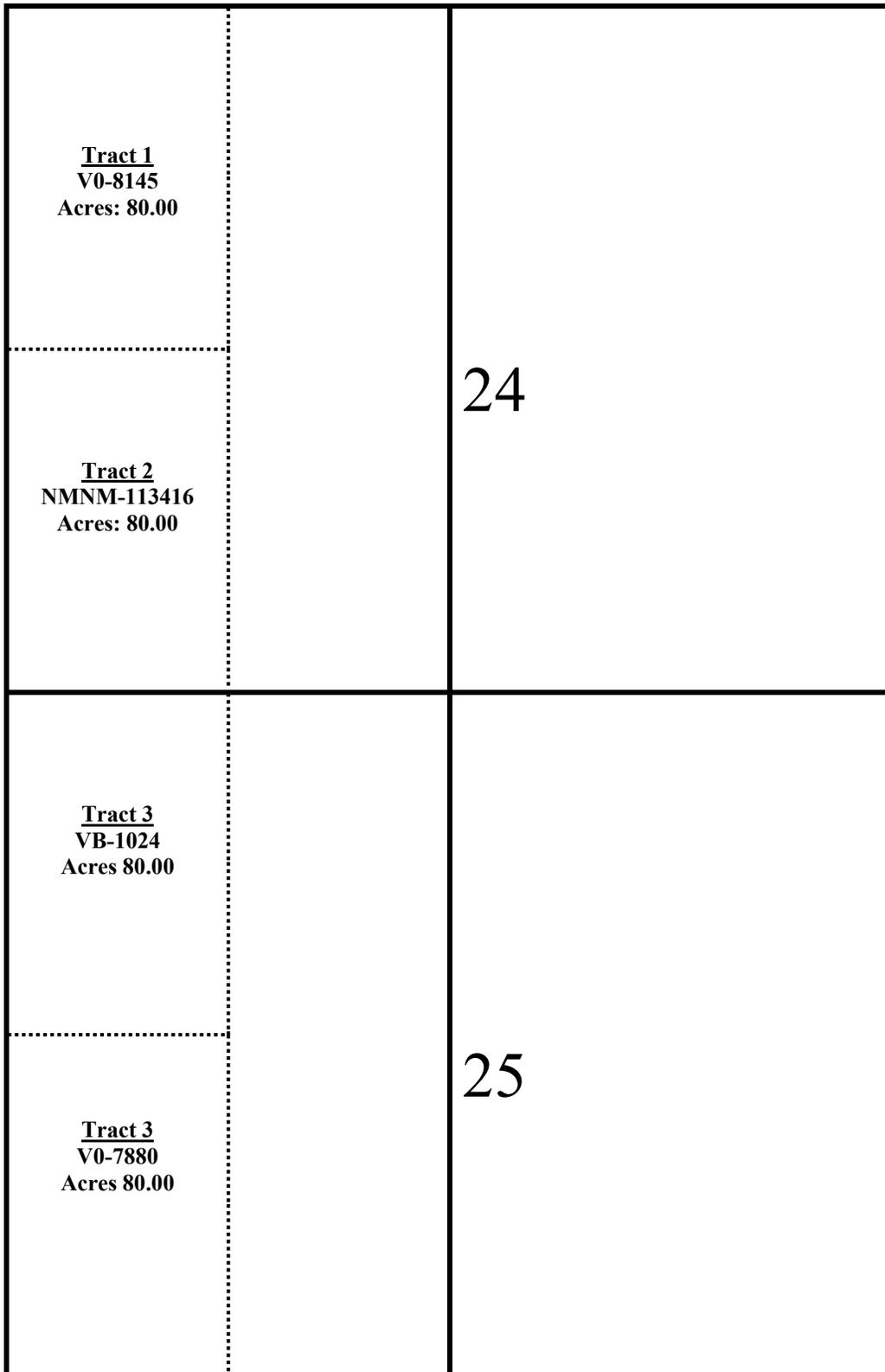


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated November 17, 2021, embracing the following described land in the E2W2 of sections 25 and 24 of Township 23 South, Range 34 East, Lea County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	V0-8145
Lessor:	State of New Mexico
Current Lessee of Record:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: W/2NW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 2

Lease Serial No.:	NMNM-113416
Lessor:	Bureau of Land Management
Current Lessee of Record:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: W/2SW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 3

Lease Serial No.:	VB-1024
Lessor:	State of New Mexico
Current Lessee of Record:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: W/2NW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 4

Lease Serial No.:	V0-7880
Lessor:	State of New Mexico
Current Lessee of Record:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: W/2SW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	25.00%
2	80.00	25.00%
3	80.00	25.00%
4	80.00	25.00%
Total	320.00	100.00%

18244117_v1

Federal Communitization Agreement

Contract No. _____

THIS AGREEMENT entered into as of the 17th day of **November, 2021**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

E2W2 of Sections 25 & 24, Township 23S, Range 34E, Lea County, New Mexico.

Containing **320.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A

successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.

4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of $1/8^{\text{th}}$ or $12 \frac{1}{2}$ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases

subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.

7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **November 17, 2021**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in

interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.

- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

Signature of Authorized Agent

By: Craig N. Adams Executive Vice President
Name & Title of Authorized Agent

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ____ day of _____, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Craig N. Adams Executive Vice President
Print Name

Date: _____

ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this ___ day of _____, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

My Commission Expires

Notary Public

EXHIBIT "A"

Plat of communitized area covering **320.00** acres in **E2W2** of Sections **25 & 24**, Township **23** South, Range **34** East, **Lea** County, New Mexico.

Jeff Hart Fed Com 25&24-23S-34E #122H & #132H

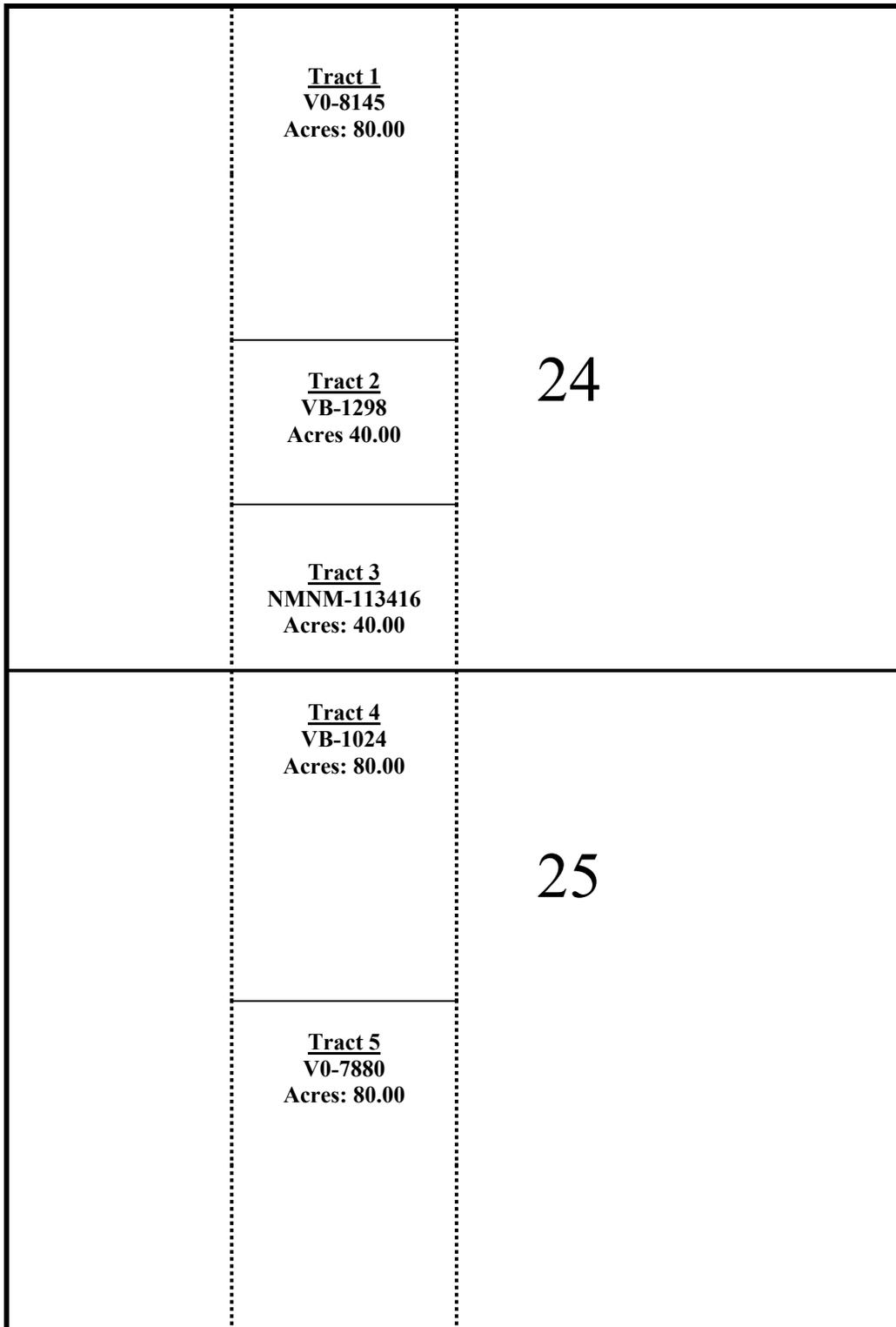


EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated November 17, 2021, embracing the following described land in the E2W2 of sections 25 and 24 of Township 23 South, Range 34 East, Lea County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	V0-8145
Lessor:	State of New Mexico
Current Lessee of Record:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: E/2NW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 2

Lease Serial No.:	VB-1298
Lessor:	State of New Mexico
Current Lessee of Record:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: NE/4SW/4
Number of Acres:	40.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 3

Lease Serial No.:	NMNM-113416
Lessor:	Bureau of Land Management
Current Lessee of Record:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: SE/4SW/4
Number of Acres:	40.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 4

Lease Serial No.:	VB-1024
Lessor:	State of New Mexico
Current Lessee of Record:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: E/2NW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 5

Lease Serial No.:	V0-7880
Lessor:	State of New Mexico
Current Lessee of Record:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: E/2SW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	25.00%
2	40.00	12.50%
3	40.00	12.50%
4	80.00	25.00%
5	80.00	25.00%
Total	320.00	100.00%

18244119_v1

NM State Land Office
Oil, Gas, & Minerals Division

STATE/FEDERAL OR
STATE/FEDERAL/FEE
Revised Feb. 2013

ONLINE Version
COMMUNITIZATION AGREEMENT

Contract No. _____

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

W I T N E S S E T H:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Subdivisions W2W2 _____,

Sect 25&24, T 23S, R 34E, NMPM Lea _____ County NM

containing 320.00 acres, more or less, and this agreement shall include only the

Bone Spring _____ Formation

underlying said lands and the crude oil and associated natural gas _____ (hereinafter

referred to as "communitized substances") producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **November** _____ Month **17th** Day, **2021** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2021, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

Signature

Name (Print)
My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Print Name

Date: _____

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2021, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

Signature

Name (Print)
My commission expires _____

EXHIBIT A

To Communitization Agreement dated **November 17, 2021**

Plat of communitized area covering the **W2W2**, of Sections **25 & 24, T23 South, R 34 East**, NMPM, **Lea** County, NM.

Jeff Hart Fed Com 25&24-23S-34E #111H & #121H

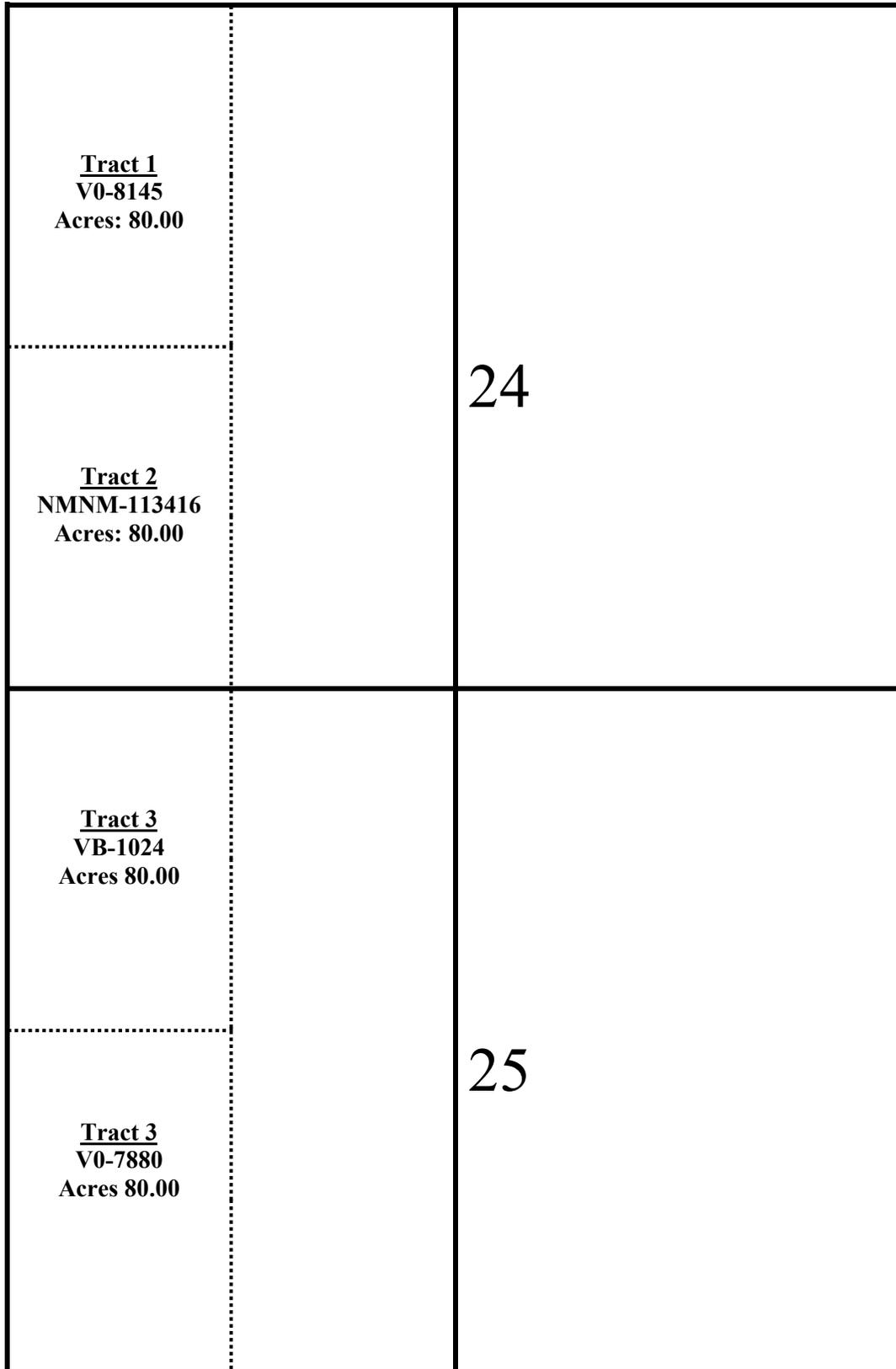


EXHIBIT B

To Communitization Agreement dated **November 17, 2021**, embracing the Subdivisions **W2W2** of Sections **25 & 24**, T **23S**, R**34E**, N.M.P.M., **Lea** County, NM

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	V0-8145
Lease Date:	11/1/2007
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: W/2NW/4
Number of Acres:	80.00
Royalty Rate:	1/6 th
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 2

Lease Serial No.:	NMNM-113416
Lease Date:	3/1/2005
Present Lessee:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: W/2SW/4
Number of Acres:	80.00
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 3

Lease Serial No.:	VB-1024
Lease Date:	10/1/2006
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: W/2NW/4
Number of Acres:	80.00
Royalty Rate:	3/16 th
Name and WIOwners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 4

Lease Serial No.:	V0-7880
Lease Date:	10/1/2006
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: W/2SW/4
Number of Acres:	80.00
Royalty Rate:	1/6 th
Name and WIOwners:	Advance Energy Partners, LLC MRC Permian Company

RECAPITULATION

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	80.00	25%
Tract 2	80.00	25%
Tract 3	80.00	25%
Tract 4	80.00	25%
Total Acreage	320.00	100%

18244125_v1

NM State Land Office
Oil, Gas, & Minerals Division

STATE/FEDERAL OR
STATE/FEDERAL/FEE
Revised Feb. 2013

ONLINE Version
COMMUNITIZATION AGREEMENT

Contract No. _____

THIS AGREEMENT, entered into as of the date shown in Section 10 hereof by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto,"

W I T N E S S E T H:

WHEREAS, the Act of February 25, 1920, 41 Stat. 437, as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a federal oil and gas lease, or any portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

WHEREAS, the Commissioner of Public Lands of the State of New Mexico, herein called "the Commissioner", is authorized to consent to and approve agreements pooling state oil and gas leases or any portion thereof, when separate tracts under such state leases cannot be independently developed and operated economically in conformity with well-spacing and gas proration rules and regulations established for the field or area and such pooling is determined to be in the public interest; and,

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of the agreement;

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

Subdivisions E2W2 _____,

Sect 25&24, T 23S, R 34E, NMPM Lea _____ County NM

containing 320.00 acres, more or less, and this agreement shall include only the

Bone Spring _____ Formation

underlying said lands and the crude oil and associated natural gas _____ (hereinafter

referred to as "communitized substances") producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes, is Exhibit "B" designating the operator of the communitized area and showing the acreage, percentage, and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. All matters of operation shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and three (3) executed copies of a designation of successor operator shall be filed with the Authorized Officer and three (3) additional executed copies thereof shall be filed with the Commissioner.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, and the Commissioner, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties, and such other reports as are deemed necessary to compute monthly the royalty due the United States and the State of New Mexico, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety with the understanding and agreement between the parties hereto that all communitized substances produced therefrom shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of leasehold bears to the entire acreage interest committed to this agreement.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any federal lease bearing a sliding-or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **November** _____ Month **17th** Day, **2021** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

- 12. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
- 13. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first written and have set opposite their respective names the date of execution.

Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President
Name & Title of Authorized Agent

Signature of Authorized Agent

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2021, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

Signature

Name (Print)

My commission expires _____

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Print Name

Date: _____

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on _____, 2021, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

Signature

Name (Print)
My commission expires _____

EXHIBIT A

To Communitization Agreement dated **November 17, 2021**

Plat of communitized area covering the **E2W2**, of Sections **25 & 24, T23 South, R 34 East**, NMPM, **Lea** County, NM.

Jeff Hart Fed Com 25&24-23S-34E #122H & #132H

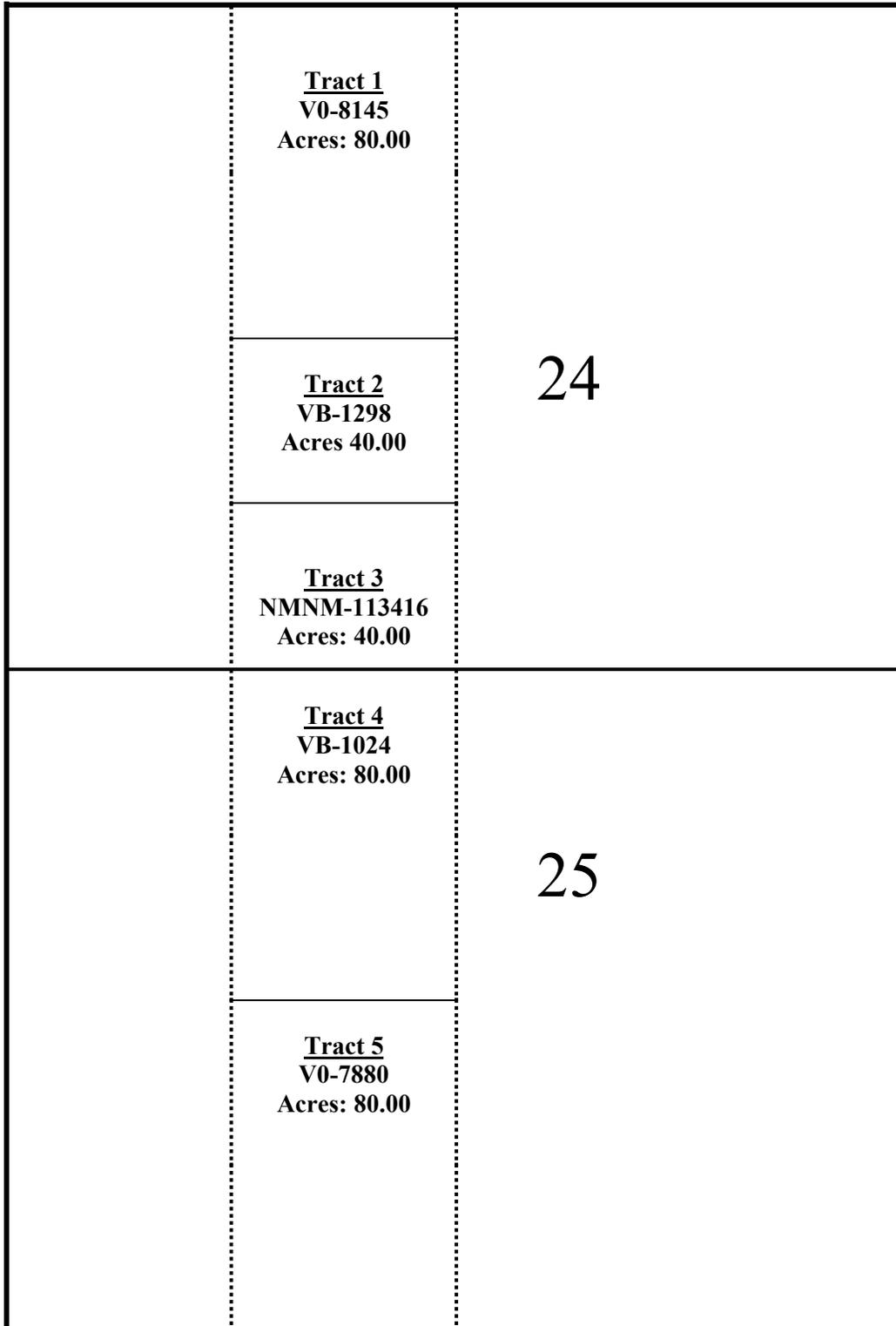


EXHIBIT B

To Communitization Agreement dated **November 17, 2021**, embracing the Subdivisions **E2W2** of Sections **25 & 24**, T **23S**, R**34E**, N.M.P.M., **Lea** County, NM

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED**TRACT NO. 1**

Lease Serial No.:	V0-8145
Lease Date:	11/1/2007
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: E/2NW/4
Number of Acres:	80.00
Royalty Rate:	1/6 th
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 2

Lease Serial No.:	VB-1298
Lease Date:	12/1/2007
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: NE/4SW/4
Number of Acres:	40.00
Royalty Rate:	3/16 th
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 3

Lease Serial No.:	NMNM-113416
Lessor:	Bureau of Land Management
Present Lessee:	ADVANCE ENERGY PARTNERS HAT MESA, LLC
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 24: SE/4SW/4
Number of Acres:	40.00
Name and WIOwners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 4

Lease Serial No.:	VB-1024
Lease Date:	10/1/2006
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: E/2NW/4
Number of Acres:	80.00
Royalty Rate:	3/16 th
Name and WIOwners:	Advance Energy Partners, LLC MRC Permian Company

TRACT NO. 5

Lease Serial No.:	V0-7880
Lease Date:	10/1/2006
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 23 South, Range 34 East, Section 25: E/2SW/4
Number of Acres:	80.00
Royalty Rate:	1/6 th
Name and WI Owners:	Advance Energy Partners, LLC MRC Permian Company

RECAPITULATION

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	80.00	25.00%
Tract 2	40.00	12.50%
Tract 3	40.00	12.50%
Tract 4	80.00	25.00%
Tract 5	80.00	25.00%
Total Acreage	320.00	100%

18244126_v1

NEW MEXICO STATE LAND OFFICE

CERTIFICATE OF APPROVAL

COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

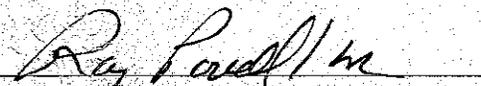
**Regeneration Energy, Corporation
State R Com Well No. 1
Lea County, New Mexico
All, Section 25, Township 23 South, Range 34 East
Bone Spring**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced agreement, dated **September 1, 2011** which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said agreement, the Commissioner finds:

- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

NOW, THEREFORE, by virtue of the authority conferred upon me under Sections 19-10-45, 19-10-46, 19-10-47, New Mexico Statutes Annotated, 1978 Compilation, I, the undersigned Commissioner of Public Lands of the State of New Mexico, for the purpose of more properly conserving the oil and gas resources of the State, do hereby consent to and approve the said agreement, and any leases embracing lands of the State of New Mexico within the area shall be and the same are hereby amended to conform with the terms thereof, and shall remain in full force and effect according to the terms and conditions of said agreement. This approval is subject to all of the provisions of the aforesaid statutes.

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 23rd day of September, 2011.



COMMISSIONER OF PUBLIC LANDS

of the State of New Mexico

STATE LAND OFFICE DATA ACCESS

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communitization agreement

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Communitization Name:

STATE R COM WELL #1H

Current Operator:

Original Operator: REGENERATION ENERGY, CORPORATION [[Operator Details](#)]

PUN: 1324859

Status: APP

Institution: CS

OCD Order Number 0

Approval Date: 09-23-2011

Effective Date: 09-01-2011

Termination Date: 12-31-9999

Termination Reason:

Remarks: COM COVERS BS

Location:

LEA County

Section Township Range STR Location

25 23S 34E ALL [[Land Details](#)]

Acreage:

Fee: 0

Indian: 0

State: 640

Federal: 0

Total: 640

Leases in this agreement:

V0-7880-0002 [[Lease Information](#)]

VB-1024-0002 [[Lease Information](#)]

Wells in this agreement:

API Number	Well Number	Township	Range	Section	Unit	Lot	Pool Name	Property Name
3002525269	001H	23S	34E	25	C		ANTELOPE RIDGE;BONE SPRING	STATE R COM

Exhibit 5

ADDR1	ADDR2	ADDR3	ADDR4	ADDR5	ADDR6
Advance Energy Partners, LLC	11490 Westheimer Road	Suite 950	Houston	TX	77077
ALLAR DEVELOPMENT LLC	PO BOX 1567		Graham	TX	76450
BARRETT PROPERTIES INC	PO BOX 1185		Alto	NM	88312
MARTIN JOYCE K	PO BOX 2142		Roswell	NM	88202
McMullen Minerals LLC	PO Box 470857		Fort Worth	TX	76147
Merrion Oil & Gas Corporation	610 Reilly Ave		Farmington	NM	87401
NESTEGG ENERGY CORPORATION	2308 SIERRA VISTA ROAD		Artesia	NM	88210
New Mexico State Land Office	P O Box 1148		Santa Fe	NM	87504
Pegasus Resources LLC	P O Box 733980		Dallas	TX	75373
Viper Energy Partners LLC	515 CENTRAL PARK DR	STE 100	Oklahoma City	OK	73105
WALTER KURT FINKBEINER	PO Box 5052		Midland	TX	79704
Bureau of Land Management	301 Dinosaur Trail		Santa Fe	NM	87508
Bureau of Land Management	620 E Greene St.		Carlsbad	NM	88220



Adam G. Rankin
Phone (505) 954-7294
Fax (505) 819-5579
AGRankin@hollandhart.com

February 17, 2022

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval to surface commingle (lease commingle) oil and gas production at the Jeff Hart West Tank Battery located in the SW/4SW/4 of Section 25, Township 23 South, Range 34 East, NMPM, Lea County, New Mexico, and to add additional wells.

Ladies and Gentlemen:

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

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

Kyle Perkins
Matador Production Company
(972) 371-5202
kperkins@matadorresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read 'A.G. Rankin'.

Adam G. Rankin
ATTORNEY FOR
MATADOR PRODUCTION COMPANY

Parent ID	Mail Date	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/17/2022	Advance Energy Partners, LLC	11490 Westheimer Rd Ste 950	Houston	TX	77077-6841	Certified with Return Receipt (Signature)	9414811898765 847564313	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 1
31309	02/17/2022	ALLAR DEVELOPMENT LLC	PO Box 1567	Graham	TX	76450-7567	Certified with Return Receipt (Signature)	9414811898765 847564351	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 2
31309	02/17/2022	BARRETT PROPERTIES INC	PO Box 1185	Alto	NM	88312-1185	Certified with Return Receipt (Signature)	9414811898765 847564368	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 3
31309	02/17/2022	MARTIN JOYCE K	PO Box 2142	Roswell	NM	88202-2142	Certified with Return Receipt (Signature)	9414811898765 847564320	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 4
31309	02/17/2022	McMullen Minerals LLC	PO Box 470857	Fort Worth	TX	76147-0857	Certified with Return Receipt (Signature)	9414811898765 847564306	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 5
31309	02/17/2022	Merrion Oil & Gas Corporation	610 Reilly Ave	Farmington	NM	87401-2634	Certified with Return Receipt (Signature)	9414811898765 847564399	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 6
31309	02/17/2022	NESTEGG ENERGY CORPORATION	2308 Sierra Vista Rd	Artesia	NM	88210-9409	Certified with Return Receipt (Signature)	9414811898765 847564344	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 7
31309	02/17/2022	New Mexico State Land Office	PO Box 1148	Santa Fe	NM	87504-1148	Certified with Return Receipt (Signature)	9414811898765 847564382	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 8
31309	02/17/2022	Pegasus Resources LLC	PO Box 733980	Dallas	TX	75373-3980	Certified with Return Receipt (Signature)	9414811898765 847564337	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 9
31309	02/17/2022	Viper Energy Partners LLC	515 Central Park Dr Ste 100	Oklahoma City	OK	73105-1756	Certified with Return Receipt (Signature)	9414811898765 847564375	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 10

Parent ID	Mail Date	Name	Address 1	City	ST	Zip	MailClass	TrackingNo	Well
31309	02/17/2022	WALTER KURT FINKBEINER	PO Box 5052	Midland	TX	79704-5052	Certified with Return Receipt (Signature)	9414811898765847564016	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 11
31309	02/17/2022	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Certified with Return Receipt (Signature)	9414811898765847564061	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 12
31309	02/17/2022	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Certified with Return Receipt (Signature)	9414811898765847564023	71874 - Exhibit 5 - Notice List for Jeff Hart West Commingling 18259127v1 - 13

From: [Engineer, OCD, EMNRD](#)
To: [Adam Rankin](#); [Paula M. Vance](#)
Cc: [McClure, Dean, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); lisa@rwbyram.com; [Paradis, Kyle O](#); [Walls, Christopher](#); [Dawson, Scott](#)
Subject: Approved Administrative Order CTB-1049
Date: Monday, August 8, 2022 9:10:35 AM
Attachments: [CTB1049 Order.pdf](#)

NMOCD has issued Administrative Order CTB-1049 which authorizes Matador Production Company (228937) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-49077	Jeff Hart Federal Com #112H	E/2 W/2	24-23S-34E	2200
		E/2 W/2	25-23S-34E	
30-025-49143	Jeff Hart Federal Com #122H	E/2 W/2	24-23S-34E	2200
		E/2 W/2	25-23S-34E	
30-025-49145	Jeff Hart Federal Com #132H	E/2 W/2	24-23S-34E	2200
		E/2 W/2	25-23S-34E	
30-025-49076	Jeff Hart Federal Com #111H	W/2 W/2	24-23S-34E	2200
		W/2 W/2	25-23S-34E	
30-025-49142	Jeff Hart Federal Com #121H	W/2 W/2	24-23S-34E	2200
		W/2 W/2	25-23S-34E	
30-025-49720	Jeff Hart State Com #131H	W/2 W/2	25-23S-34E	2200

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure
 Petroleum Engineer, Oil Conservation Division
 New Mexico Energy, Minerals and Natural Resources Department
 (505) 469-8211

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

**APPLICATION FOR SURFACE COMMINGLING
SUBMITTED BY MATADOR PRODUCTION COMPANY ORDER NO. CTB-1049**

ORDER

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
5. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
6. Applicant in the notice for the Application stated that it sought authorization to prospectively include additional pools, leases, and wells in accordance with 19.15.12.10.C.(4)(g) NMAC.
7. Applicant stated that it sought authorization to surface commingle and off-lease measure, as applicable, oil and gas production from wells which have not yet been approved to be drilled, but will produce from a pool and lease identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) (“Proposed Agreement(s)”) to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area (“Pooled Area”), as described in Exhibit B.

CONCLUSIONS OF LAW

9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
15. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

Applicant is authorized to surface commingle oil and gas production from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A.

Applicant is authorized to store and measure oil and gas production off-lease from wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A at a central tank battery described in Exhibit A.

2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a

description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
6. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or

well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.

- 9. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 10. If a well is not included in Exhibit A but produces from a pool or lease identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
- 11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 12. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 13. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE E. SANDOVAL
DIRECTOR**

DATE: 8/07/2022

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1049

Operator: Matador Production Company (228937)

Central Tank Battery: Jeff Hart West Tank Battery

Central Tank Battery Location: UL M, Section 25, Township 23 South, Range 34 East

Gas Title Transfer Meter Location: UL M, Section 25, Township 23 South, Range 34 East

Pools

Pool Name	Pool Code
ANTELOPE RIDGE; BONE SPRING	2200

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMSLO PUN 1324859	All	25-23S-34E
VO 81450003	NW/4	24-23S-34E
NMNM 113416	L M N	24-23S-34E
VB 10240003	NW/4	25-23S-34E
VO 78800003	SW/4	25-23S-34E
VB 12980003	K	24-23S-34E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-49077	Jeff Hart Federal Com #112H	E/2 W/2	24-23S-34E	2200
		E/2 W/2	25-23S-34E	
30-025-49143	Jeff Hart Federal Com #122H	E/2 W/2	24-23S-34E	2200
		E/2 W/2	25-23S-34E	
30-025-49145	Jeff Hart Federal Com #132H	E/2 W/2	24-23S-34E	2200
		E/2 W/2	25-23S-34E	
30-025-49076	Jeff Hart Federal Com #111H	W/2 W/2	24-23S-34E	2200
		W/2 W/2	25-23S-34E	
30-025-49142	Jeff Hart Federal Com #121H	W/2 W/2	24-23S-34E	2200
		W/2 W/2	25-23S-34E	
30-025-49720	Jeff Hart State Com #131H	W/2 W/2	25-23S-34E	2200

State of New Mexico
Energy, Minerals and Natural Resources Department

Exhibit B

Order: CTB-1049
Operator: Matador Production Company (228937)

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring NMNM 144455	W/2 W/2	24-23S-34E	320	A
	W/2 W/2	25-23S-34E		
CA Bone Spring NMNM 144456	E/2 W/2	24-23S-34E	320	B
	E/2 W/2	25-23S-34E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
VO 81450003	W/2 NW/4	24-23S-34E	80	A
NMNM 113416	W/2 SW/4	24-23S-34E	80	A
VB 10240003	W/2 NW/4	25-23S-34E	80	A
VO 78800003	W/2 SW/4	25-23S-34E	80	A
VO 81450003	E/2 NW/4	24-23S-34E	80	B
VB 12980003	NE/4 SW/4	24-23S-34E	40	B
NMNM 113416	SE/4 SW/4	24-23S-34E	40	B
VB 10240003	E/2 NW/4	25-23S-34E	80	B
VO 78800003	E/2 SW/4	25-23S-34E	80	B

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 Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS
 Action 83170

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 83170
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	8/8/2022