

Submit 1 Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-50102
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. V051773, V056451, VC5651, VC4571
7. Lease Name or Unit Agreement Name Dee Osborne 1930 State Com
8. Well Number 123H
9. OGRID Number 228937
10. Pool name or Wildcat Wilson; Bone Spring

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator Matador Production Company

3. Address of Operator 5400 LBJ Fwy, Suite 1500, Dallas, Texas 75240

4. Well Location

Unit Letter B : 378 feet from the North line and 1471 feet from the East line

Section 19 Township 21S Range 35E NMPM Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3641.6

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Pursuant to NMOCD Order No. CTB-1054, Matador is filing this sundry to advise that the attached communitization agreement has been approved.

Spud Date: N/A

Rig Release Date: N/A

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

SIGNATURE Kyle Perkins TITLE UP DATE 11/29/22

Type or print name Kyle Perkins E-mail address: kperkins@matadorresources.com PHONE: 972-371-5202

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____



COMMISSIONER

Stephanie Garcia Richard

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE

Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

Jaime Grainger
MRC Permian Company
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

October 31st, 2022

Re: Communitization Agreement Approval
Dee Osborne 1930 State Com #123H
Vertical Extent: Bone Spring
Township: 21 South, Range 35 East, NMPM
Section 19: W2E2
Section 30: W2E2

Lea County, New Mexico

Dear Ms. Grainger,

The Commissioner of Public Lands has this date approved the Dee Osborne 1930 State Com #123H Communitization Agreement for the Bone Spring formation effective 02-23-2022. Enclosed are three Certificates of Approval.

The agreement shall remain in effect for One Year, and as long thereafter as communitized substances are produced from the communitized area in paying quantities.

Approval of this agreement does not warrant or certify that the operator and/or other working interest owners hold legal or equitable title to the leases which are committed hereto, nor does the Commissioner's approval constitute adjudication of any federal or private interests, or warrant or certify that the information supplied by the operator regarding federal or private interests is accurate.

If we may be of further service, please contact Baylen Lamkin at (505) 827-6628.

Sincerely,

B. Lamkin

Baylen Lamkin
Petroleum Specialist Supervisor

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Matador Production Company
Dee Osborne 1930 State Com #123H
Bone Spring
Township: 21 South, Range: 35 East, NMPM
Section 19: W2E2
Section 30: W2E2

Lea County, New Mexico

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 **February 23, 2022**, 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 31st day of October, 2022.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Matador Production Company
Dee Osborne 1930 State Com #123H
Bone Spring
Township: 21 South, Range: 35 East, NMPM
Section 19: W2E2
Section 30: W2E2

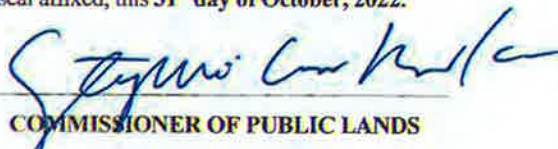
Lea County, New Mexico

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of the State of New Mexico

NEW MEXICO STATE LAND OFFICE**CERTIFICATE OF APPROVAL****COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

Matador Production Company
Dee Osborne 1930 State Com #123H
Bone Spring
Township: 21 South, Range: 35 East, NMPM
Section 19: W2E2
Section 30: W2E2

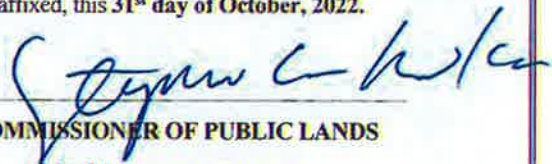
Lea County, New Mexico

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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 31st day of October, 2022.


COMMISSIONER OF PUBLIC LANDS
of the State of New Mexico

**NM State Land Office
Oil, Gas, & Minerals Division**

**STATE/STATE OR
STATE/FEE**
Revised December 2021

COMMUNITIZATION AGREEMENT

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-025-50102

STATE OF NEW MEXICO) Well Name: Dee Osborne 1930 State Com #123H
SS)

COUNTY OF LEA)

THAT THIS AGREEMENT [which is NOT to be used for carbon dioxide or helium] is entered into as of (date before 1st production) February 23, 2022, by and between the parties subscribing, ratifying or consenting hereto, such parties hereinafter being referred to as "Parties hereto";

WHEREAS, the Commissioner of Public Lands of the State of New Mexico is authorized by the Legislature, as set forth in Sec. 19-10-53, New Mexico Statutes, Annotated, 1978, in the interest of conservation of oil & gas and the prevention of waste to consent to and approve the development or operation of State Trust Lands under agreements made by lessees of oil & gas leases thereon, jointly or severally with other oil & gas lessees of State Trust Lands, or oil and gas lessees or mineral owners of privately owned or fee lands, for the purpose of pooling or communitizing such lands to form a proration unit or portion thereof, or well-spacing unit, pursuant to any order, rule or regulation of the New Mexico Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department where such agreement provides for the allocation of the production of oil or gas from such pools or communitized areas on an acreage or other basis found by the Commissioner of Public Lands to be fair and equitable.

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, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

WHEREAS, said leases, insofar as they cover the Bone Spring formation or pool as defined by the NMOCD, as further described on Exhibit "A" (hereinafter referred to as "said formation") in and under the land hereinafter described cannot be independently developed and operated in conformity with the well spacing program established for such formation in and under said lands; and

WHEREAS, the parties hereto desire to communitize and pool their respective interests in said leases subject to this agreement for the purpose of developing, operating and producing hydrocarbons in the said formation in and under the land hereinafter described subject to the terms hereof.

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 undersigned as follows:

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

Subdivisions: **W2E2 of Sections 19&30, Township 21 South, Range 35 East, NMPM Lea, County, NM**

Containing **320.00** acres, more or less. It is the judgment of the parties hereto that the communitization, pooling and consolidation of the aforesaid land into a single unit for the development and production of hydrocarbons from the said formation in and under said land is necessary and advisable in order to properly develop and produce the hydrocarbons in the said formation beneath the said land in accordance with the well spacing rules of the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and in order to promote the conservation of the hydrocarbons in and that may be produced from said formation in and under said lands, and would be in the public interest;

AND, for the purposes aforesaid, the parties hereto do hereby communitize for proration or spacing purposes only the leases and depths described in Exhibit "A" hereto insofar as they cover hydrocarbons within and that may be produced from the said formation (hereinafter referred to as "communitized substances") beneath the above-described land, into a single communitization, for the development, production, operation and conservation of the hydrocarbons in said formation beneath said lands.

Attached hereto and made a part of this agreement for all purposes, is Exhibit A showing the acreage, depths communitized and ownership (Lessees of Record) of all leases within the communitized area.

2. 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 leases described in Exhibit "A" hereto in the proportion that the number of surface acres covered by each of such leases and included within the communitized area bears to the total number of acres contained in the communitized area.
3. Subject to Paragraph 5, the royalties payable on communitized substances allocated to the individual leases and the rentals provided for in said leases shall be determined and paid in the manner and on the basis prescribed in each of said leases. Except as provided for under the terms and provisions of the leases described in Exhibit "A" hereto or as herein provided to the contrary, the payment of rentals under the terms of said leases shall not be affected by this agreement; and except as herein modified and changed or heretofore amended, the oil and gas leases subject to this agreement shall remain in full force and effect as originally issued and amended.

4. Matador Production Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Matador Production Company.
5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.
6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.
7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.
8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, 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 compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.
9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: (a) a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or (b) each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

area, and upon fulfillment of all requirements of the Commissioner of Public Lands with respect to any dry hole or abandoned well drilled upon the communitized area, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production of communitized substances if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence. As to State Trust Lands, written notice of intention to commence such operations shall be filed with the Commissioner of Public Lands within thirty

(30) days after the cessation of such 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.

10. Operator will furnish the Oil Conservation Division of the New Mexico Energy, Minerals and Natural Resources Department, and the Commissioner of Public Lands of the State of New Mexico, with any and all reports, statements, notices and well logs and records which may be required under the laws and regulations of the State of New Mexico.

11. It is agreed between the parties hereto that the Commissioner of Public Lands, or his duly authorized representatives, shall have the right of supervision over all operations under the communitized area to the same extent and degree as provided in the oil and gas leases described in Exhibit "A" hereto and in the applicable oil and gas regulations of the State of New Mexico.

12. If any order of the Oil Conservation Division of the New Mexico Energy Minerals and Natural Resources Department, upon which this agreement is predicated or based is in anyway changed or modified, then in such event said agreement is likewise modified to conform thereto.

13. 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 instruments, 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.

14. 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.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

Operator: Matador Production CompanyBy: Craig N. Adams – Executive Vice President

Name & Title of Authorized Agent



Signature of Authorized Agent

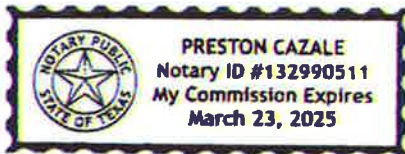
HMB
Pdd**ACKNOWLEDGEMENT****STATE OF TEXAS**

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on March 30th, 2022, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.




Signature

Preston Cazale
Name (Print)
My commission expires 3/23/2025

ONLINE version

State/State

March, 2017

State/Fee

3

WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORDMRC Permian CompanyBy: CNCRAG N. ADAMS

Print Name

Date: March 30th 2022

HMB

filed

Acknowledgment in a Representative Capacity

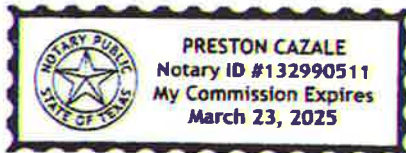
STATE OF TEXAS

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on March 30th, 2022, by Craig N. Adams, as Executive Vice President, for MRC Permian Company on behalf of said corporation.

Preston Cazale

Signature

Preston Cazale

Name (Print)

My commission expires 3/23/2025

ONLINE version

State/State

March, 2017

State/Fee

3

JUL 07 2022

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Magnum Hunter Production, Inc.By: [Signature]Bradley Cantrell
Print NameJVC
DOP

Date: _____

Acknowledgment in an Individual Capacity

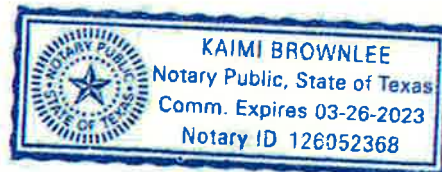
STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by

Signature_____
Name (Print)

My commission expires _____

Acknowledgment in a Representative CapacitySTATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on June 29, 2022, by Bradley Cantrell, as
Attorney-in-Fact, for Magnum Hunter Production, Inc. on
behalf of said corporation.Kaimi Brownlee
SignatureKaimi Brownlee
Name (Print)My commission expires 3/26/2023

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

Locke, LLC

By: *[Signature]*

Tan W. Lang
Print Name

Date: 6/9/2022

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by

Signature

Name (Print)

My commission expires _____

Acknowledgment in a Representative Capacity

STATE OF Oklahoma §

COUNTY OF Tulsa §

This instrument was acknowledged before me on June 9th, 2022, by Tan W. Lang, as
Member, for Locke, LLC on
behalf of said corporation.

[Signature]
Signature

Christian Elizabeth Girouard
Name (Print)

My commission expires 6/5/2024

CHRISTIAN ELIZABETH GIROUARD Notary Public, State of Oklahoma Commission #20006628 My Commission Expires 6/5/2024

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

Penroc Oil Corporation

By: _____

M. J. Merchant
M. J. Merchant

Print Name

Date: _____

May 19, 2022

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by _____

Signature

Name (Print)

My commission expires _____

Acknowledgment in a Representative Capacity

STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on May 19th, 2022, by M. J. Merchant, as

President, for Penroc Oil Corporation on behalf of said corporation.

Signature

Karen Ivy
Name (Print)

My commission expires 06/29/2024



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

V-F Petroleum, Inc.

By: Sandra K. Lawlis

Sandra K. Lawlis

Print Name

Date: 6/1/22

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by

Signature

Name (Print)

My commission expires _____

Acknowledgment in a Representative Capacity

STATE OF Texas §

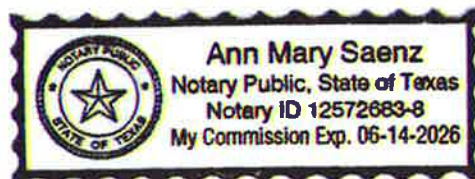
COUNTY OF midland §

This instrument was acknowledged before me on June 1, 2022, by Sandra K. Lawlis, as
Vice President, for V-F Petroleum Inc. on
behalf of said corporation.

Ann Mary Saenz
Signature

Ann Mary Saenz
Name (Print)

My commission expires 6/14/2026



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

Gahr Energy Company

By: Sandra K. Lawlis

Sandra K. Lawlis
Print Name

Date: 6/1/22

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by

Signature

Name (Print)

My commission expires _____

Acknowledgment in a Representative Capacity

STATE OF Texas §

COUNTY OF midland §

This instrument was acknowledged before me on June 1, 2022, by Sandra K. Lawlis, as
Vice President, for Gahr Energy Company on
behalf of said corporation.

Ann Mary Saenz
Signature

Ann Mary Saenz
Name (Print)
My commission expires 6/14/2026



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Highland (Texas) Energy CompanyBy: [Signature]GARY RICHARDSON, VP OF LAND
Print NameDate: 7-25-22**Acknowledgment in an Individual Capacity**STATE OF Texas §COUNTY OF Dallas §This instrument was acknowledged before me on July 25th, 2022, by
Gary Richardson[Signature]
SignatureChrista Davis

Name (Print)

My commission expires Aug 27, 2022**Acknowledgment in a Representative Capacity**

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by _____, as

_____, for _____ on
behalf of said corporation._____
Signature_____
Name (Print)

My commission expires _____

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

J. M. Gahr

By: _____

Print Name _____

Date: _____

J M Gahr
J. M. GAHR
6/1/22

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by _____

Signature _____

Name (Print) _____

My commission expires _____

Acknowledgment in a Representative Capacity

STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on June 1, 2022, by JM Gahr, as _____

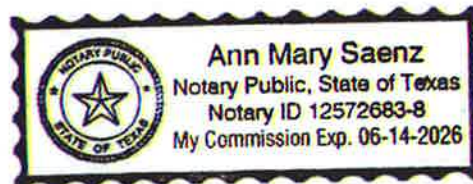
_____ for _____ on _____
~~behalf of said corporation.~~

Signature _____

Name (Print) _____

My commission expires _____

Ann Mary Saenz
Ann Mary Saenz
6/14/2026



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

Fuel Products, Inc.

By: Thomas M. Beall

Thomas M. Beall

Print Name

Date: 6/1/22

Acknowledgment in an Individual Capacity

STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by _____

Signature

Name (Print)

My commission expires _____

Acknowledgment in a Representative Capacity

STATE OF Texas §

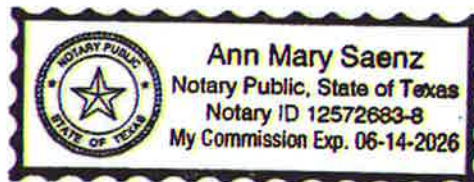
COUNTY OF midland §

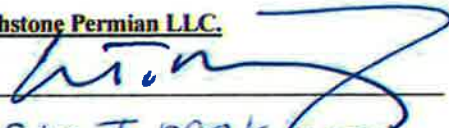
This instrument was acknowledged before me on June 1, 2022, by Thomas M. Beall, as President, for Fuel Products Inc. on behalf of said corporation.

Ann Mary Saenz
Signature

Ann Mary Saenz
Name (Print)

My commission expires 6/14/2026



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**Earthstone Permian LLC.By: 

Print Name

Lane T. McKinney
VP, Land

Date:

June 30, 2022**Acknowledgment in an Individual Capacity**

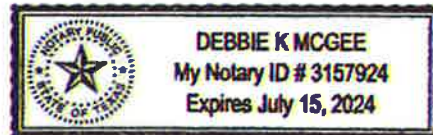
STATE OF _____ §

COUNTY OF _____ §

This instrument was acknowledged before me on _____, 2022, by

Signature_____
Name (Print)

My commission expires _____

Acknowledgment in a Representative CapacitySTATE OF Texas §COUNTY OF Montgomery §This instrument was acknowledged before me on June 30, 2022, by Lane T. McKinney as
VP, Land, for Earthstone Permian LLC on
behalf of said corporation.
SignatureDebbie K McGee
Name (Print)My commission expires 7-15-2024

To Communitization Agreement dated February 23, 2022.Plat of communitized area covering the W2E2, of Sections 19&30, T 21S, R 35E, NMPM, Lea County, NM.Dee Osborne 1930 State Com #123H

Section 19	<u>Tract 1</u> VC-0457 80.00 Acres	
	<u>Tract 2</u> VC-0465 80.00 Acres	
	<u>Tract 3</u> V0-5645 80.00 Acres	
Section 30	<u>Tract 4</u> Fee Leases 40 acres	
	<u>Tract 5</u> V0-5177 40 Acres	

ONLINE version
March, 2017State/State
State/Fee

3

EXHIBIT B

To Communitization Agreement dated February 23, 2022, embracing the Subdivisions W2E2 of Sections 19&30, T 21S, R 35E, N.M.P.M., Lea County, NM

Operator of Communitized Area: Matador Production Company

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

Lease Serial No.:	VC-0457
Lease Date:	9/1/2018
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 21 South, Range 35 East, Section 19: W/2NE/4
Number of Acres:	80.00
Royalty Rate:	1/5 th
Name and WI Owners:	MRC Permian Company

TRACT NO. 2

Lease Serial No.:	VC-0465
Lease Date:	9/1/18
Lease Term:	5 Years
Lessor:	State of New Mexico
Present Lessee:	MRC Permian Company
Description of Land Committed: Subdivisions:	Township 21 South, Range 35 East, Section 19: W/2SE/4
Number of Acres:	80.00
Royalty Rate:	1/5 th
Name and WI Owners:	MRC Permian Company
ONLINE version	State/State
March, 2017	State/Fee

TRACT NO. 3

Lease Serial No.: V0-5645
Lease Date: 11/1/1999
Lease Term: 5 Years
Lessor: State of New Mexico
Present Lessee: V-F Petroleum Inc
Description of Land Committed: Subdivisions: Township 21 South, Range 35 East,
Section 30: W/2NE/4
Number of Acres: 80.00
Royalty Rate: 1/6th
Name and WIOwners: V-F Petroleum Inc

TRACT NO. 4

Lessor: Fee Leases
Present Lessee: MRC Permian Company
Description of Land Committed: Subdivisions: Township 21 South, Range 35 East,
Section 30: NW/4SE/4
Number of Acres: 40.00
Name and WIOwners: Highland (Texas) Energy Company
Locke, LLC
Penroc Oil Company
Fuel Products, Inc.
J.M. Gahr
Gahr Energy Company
Legacy Reserves Operating LP (Compulsory Pooled)
The Ninety-Six Corporation (Compulsory Pooled)
Rutter & Wilbanks (Compulsory Pooled)
V-F Petroleum Inc.
Magnum Hunter Production, Inc.

TRACT NO. 5

Lease Serial No.: V0-5177
Lease Date: 10/1/1997
Lease Term: 5 Years
Lessor: State of New Mexico
Present Lessee: Earthstone Permian LLC.
Description of Land Committed: Subdivisions: Township 21 South, Range 35 East,
 Section 30: SW/4SE/4
Number of Acres: 40.00
Royalty Rate: 1/6th
Name and WIOwners: Highland (Texas) Energy Company
 Locke, LLC
 Penroc Oil Company
 Fuel Products, Inc.
 J.M. Gahr
 Gahr Energy Company
 Legacy Reserves Operating LP (Compulsory Pooled)
 The Ninety-Six Corporation (Compulsory Pooled)
 Rutter & Wilbanks (Compulsory Pooled)
 V-F Petroleum Inc.

RECAPITULATION

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

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 284450

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 284450
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	None	11/9/2023