RECEIVED:	REVIEWE	R:	TYPE:	APP NO:	
		ABOVE	E THIS TABLE FOR OCD DIVISI	on use only	
	- (	<b>W MEXICO OIL</b> Geological & El uth St. Francis D	ngineering [	Bureau -	
		<b>DMINISTRATIVE</b>			
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POOI:				POOI	Code:
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A. Loc B. Ch [1]		it – Simultaneous	ment	s Dolm	SD
[	Injection – Disposa	al – Pressure Incre 1X SWD [			FOR OCD ONLY
	ATION REQUIRED TO Offset operators or		/hich apply.		Notice Complete
B C D E	Royalty, overriding Application require Notification and/or Notification and/or	royalty owners, respublished notic concurrent app	ce Proval by SLO		Application Content Complete
G.	Surface owner For all of the above No notice required	•	ation or publ	lication is attac	hed, and/or,
	ATION: I hereby ce	rtify that the info ccurate and co		e best of my kn	owledge. I also
understa			this applicati	on until the req	uired information and

Print or Type Name

Pathik

Signature

Date

Phone Number

e-mail Address



Paula M. Vance Associate Phone (505) 988-4421 Fax (505) 819-5579 pmvance@hollandhart.com

June 7, 2024

# VIA ONLINE FILING

Dylan Fuge, Division Director (Acting) 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 to amend NMOCD Order PLC-579 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising W/2 of Sections 8 and 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands")

Dear Mr. Fuge:

Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-579 ("Order PLC-579"), attached as **Exhibit 1**. Order PLC-579 authorizes pool and lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the **Leslie Federal West Central Tank Battery** of production from *all existing and future wells drilled in the following spacing units*:

(a) The 160-acre spacing unit comprised of the W/2 W/2 of Section 17, in the Dogie Draw; Delaware [97779] – currently dedicated to the Leslie Fed Com #021H (API No. 30-025-44543);

(b) The 160-acre spacing unit comprised of the W/2 W/2 of Section 17, in the Dogie Draw; Wolfcamp [17980]– currently dedicated to the Leslie Fed Com #201H (API No. 30-025-44544) and Leslie Fed Com #215H (API No. 30-025-44546);

(c) The 160-acre spacing unit comprised of the E/2 W/2 of Section 17, in the Dogie Draw; Wolfcamp [17980] – currently dedicated to the Leslie Fed Com #202H (API No. 30-025-44812); and

(d) Pursuant to 19.15.12.10.C(4)(g), *future leases, pools, or leases and pools connected to the Leslie Federal West Central Tank Battery* with notice provided only to the owners of interests to be added.

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order PLC-579 to add to the terms of the order the production from all existing and future infill wells drilled in the following spacing units:



Paula M. Vance Associate Phone (505) 988-4421 Fax (505) 819-5579 pmvance@hollandhart.com

(a) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 8 and 17, in the WC-025 G-08 S253534O; Bone Spring [97088] – currently dedicated to the Leslie Fed Com #111H (API No. 30-025-52647) and Leslie Fed Com #121H (API No. 30-025-52649);

(b) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 8 and 17, in the WC-025 G-08 S253534O; Bone Spring [97088] – currently dedicated to the Leslie Fed Com #112H (API No. 30-025-52648) and Leslie Fed Com #122H (API No. 30-025-52650).

Oil and gas production from these spacing units will be commingled and sold at the Leslie Federal West Central Tank Battery ("CTB") located in the SE/4 SW/4 (Unit N) of Section 17, Township 25 South, Range 35 East. Production from the wellbores will flow into a wellhead test separator, which will separate the oil, gas, and water. Gas production from the separators will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Oil production from the separator will be separately metered using turbine meters.

**Exhibit 2** is a land plat showing Matador's current development plan, flow lines, well pads, the tank battery ("Facility Pad") in the subject area. The plat also identifies the wellbores (including surface/bottomhole locations) and lease/spacing unit boundaries.

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

**Exhibit 4** is a C-102 for each of the wells currently permitted or drilled within the existing spacing units.

Ownership is diverse between the above-described spacing units, each of which are either subject to a pooling agreement or a pooling order and are therefore considered "leases" as defined by 19.15.12.7(C) NMAC. **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. A copy of this application has been provided to the Bureau of Land Management since federal lands are involved.

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



Paula M. Vance Associate Phone (505) 988-4421 Fax (505) 819-5579 pmvance@hollandhart.com

Sincerely,

a F

Paula M. Vance ATTORNEY FOR MATADOR PRODUCTION COMPANY Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval, Division Director Oil Conservation Division



June 21, 2019

Surface Commingling Order PLC-579

# MATADOR PRODUCTION COMPANY Attention: Ms. Kaitlyn Luck

Pursuant to your application received on May 31, 2019, Matador Production Company (OGRID 228937) is hereby authorized to surface commingle oil and gas production and off lease-measure from the following pools located in Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico;

DOGIE DRAW; DELAWARE	(97779)
DOGIE DRAW; WOLFCAMP	(17980)

and from the following diversely owned federal wells and proposed communitization agreements in said Section, Township, and Range in Lea County, New Mexico.

Lease: Description: Well: Pool:	Proposed Leslie Federal Com Well No. 0 W/2 W/2 of Section 17 Leslie Federal Com Well No. 021H Dogie Draw; Delaware	021H Communitization Agreement API 30-025-44543
Lease: Description:	Proposed Leslie Federal Com Well No. 2 W/2 W/2 of Section 17	201H Communitization Agreement
Wells:	Leslie Federal Com Well No. 201H	API 30-025-44544
	Leslie Federal Com Well No. 215H	API 30-025-44546
Pool:	Dogie Draw; Wolfcamp	
Lease: Description: Well:	Proposed Leslie Federal Com Well No. 2 E/2 W/2 of Section 17 Leslie Federal Com Well No. 202H	202H Communitization Agreement API 30-025-44812
Pool:	Dogie Draw; Wolfcamp	7 M 1 55-025-44012

Administrative Order PLC-579 Matador Production Company June 21, 2019 Page 2 of 2

The commingled oil and gas production from the wells shall be measured and sold at the Leslie Federal West Central Tank Battery (CTB), located in Unit N of Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

Production from the subject wells shall be determined as follows:

The oil and gas production from each well will flow into a dedicated 3-phase separator. The production stream will be separated into 3 independent streams by the separator and each stream will be measured individually after it exits the separator, before commingling.

For future additions of wells and leases to this commingling operation, notice shall only be given to those interest owners in the wells and leases to be added, in accordance with Division Rule 19.15.12.10 C (4) (g) NMAC.

Subsequently drilled wells that produce from the subject pool within the project areas approved by this order may be added to this commingling authority by submittal of a Sundry Notice to the Engineering Bureau in Santa Fe.

The allocation meters shall be calibrated quarterly in accordance with Rule 19.15.12.10.C (2) NMAC.

This approval is subject to like approval from Bureau of Land Management before commencing commingling operations.

The Operator shall notify the transporter of this commingling authority and the Hobbs District Office prior to implementation of commingling operations.

This installation shall be installed and operated in accordance with the applicable Division Rules and Regulations.

ADRIENNE SANDOVAL Oil Conservation Division Director

AES/mam

cc: Oil Conservation Division – Hobbs Bureau of Land Management – Carlsbad Received by OCD: 6/7/2024 3:53:34 PM



Released to Imaging: 11/19/2024 4:14:39 PM

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Received by	OCD:	6/7/2024	3:53:34	PM
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District I 1625 N. French Drive, Hobbs, NM 88240

1000 Rio Brazos Road, Aztec, NM 87410

District II 811 S. First St., Artesia, NM 88210

1220 S, St Francis Dr, Santa Fe, NM 87505

District III

District IV

State of New Mexico Energy, Minerals and Natural Resources Departme Form C-107-B

Page 8 of 151

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.

**EXHIBIT** 

3

# APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

	on Company				
OPERATOR NAME:       Matador Production Company         OPERATOR ADDRESS:       5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240					
APPLICATION TYPE:					
□Pool Commingling □Lease Commingling □Pool	ol and Lease Commingli	ng Off-Lease Storage	and Measurement (Only if not Surface	e Commingled)	
LEASE TYPE: Fee State	Federal				
Is this an Amendment to existing Order? ⊠Ye Have the Bureau of Land Management (BLM) a ⊠Yes □No				ingling	
Please		MMINGLING the following informa	ntion		
(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes	
DOGIE DRAW; DELAWARE [97779]	39.19 °			50 bopd	
DOGIE DRAW; DELAWARE [97779]	1326 BTU/CF		\$80.03/bbl oil (price realization	50 mcfd	
WC-025 G-08 S253534O; BONE SPRING [97088]	40.56 °	41.94° oil	Q1 2024)	3,200 bopd	
WC-025 G-08 S253534O; BONE SPRING [97088]	1163 BTU/CF	1,175 BTU/CF	\$1,56/mcf (price realization Q1	4,800 mcfd	
DOGIE DRAW; WOLFCAMP [17980]	50.60 °		2024)	500 bopd	
DOGIE DRAW; WOLFCAMP [17980]	1384 BTU/CF			400 mcfd	
<ul> <li>(4) Measurement type: Metering Other (</li> <li>(5) Will commingling decrease the value of product</li> </ul>	tion? Yes No		commingling should be approved		
Please	· · ·	OMMINGLING the following information	ition		
(1) Pool Name and Code-         (2) Is all production from same source of supply?       Yes         (3) Has all interest owners been notified by certified mail of the proposed commingling?       Yes         (4) Measurement type:       ☐Metering       Other (Specify)					
(3) Has all interest owners been notified by certified	mail of the proposed co	ommingling?	Yes 🔲 No		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> </ul>	mail of the proposed co pecify) POOL and LEAS	SE COMMINGLIN	G		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> </ul> (C) Please	mail of the proposed co pecify) POOL and LEAS		G		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> <li>(C)</li> <li>(C)</li> <li>Please</li> <li>(1) Complete Sections A and E.</li> </ul>	mail of the proposed co pecify) POOL and LEAS attach sheets with	SE COMMINGLIN the following informa	IG ation		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> <li>(C) Please</li> <li>(1) Complete Sections A and E.</li> <li>(D) OFF-</li> </ul>	mail of the proposed co pecify) POOL and LEAS attach sheets with LEASE STORA	SE COMMINGLIN	IG ntion CMENT		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> <li>(C) Please</li> <li>(1) Complete Sections A and E.</li> <li>(D) OFF-</li> </ul>	mail of the proposed co pecify) POOL and LEAS attach sheets with LEASE STORA	SE COMMINGLIN the following informa GE and MEASURE	IG ntion CMENT		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> <li>(C) Please</li> <li>(1) Complete Sections A and E.</li> <li>(D) OFF-Please a</li> <li>(1) Is all production from same source of supply?</li> <li>(2) Include proof of notice to all interest owners.</li> <li>(E) ADDITIO</li> </ul>	mail of the proposed co pecify) POOL and LEAS attach sheets with UEASE STORAG attached sheets with UYes INO NAL INFORMA	SE COMMINGLIN the following informa GE and MEASURE the following inform TION (for all appli	IG ntion CMENT nation cation types)		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> <li>(C) Please</li> <li>(1) Complete Sections A and E.</li> <li>(D) OFF-Please a</li> <li>(1) Is all production from same source of supply?</li> <li>(2) Include proof of notice to all interest owners.</li> <li>(E) ADDITIO</li> </ul>	mail of the proposed co pecify) POOL and LEAS attach sheets with LEASE STORAG attached sheets with Yes No NAL INFORMA attach sheets with location. nd facility locations. In	SE COMMINGLIN the following informa GE and MEASURE the following inform TION (for all appli the following informa	IG ation EMENT sation cation types) stion		
<ul> <li>(3) Has all interest owners been notified by certified</li> <li>(4) Measurement type: Metering Other (S</li> <li>(C) Please</li> <li>(1) Complete Sections A and E.</li> <li>(D) OFF-Please at</li> <li>(1) Is all production from same source of supply?</li> <li>(2) Include proof of notice to all interest owners.</li> <li>(E) ADDITIO</li> <li>Please</li> <li>(1) A schematic diagram of facility, including legal</li> <li>(2) A plat with lease boundaries showing all well ar</li> </ul>	mail of the proposed co pecify) POOL and LEAS attach sheets with LEASE STORAG attached sheets with Yes No NAL INFORMA attach sheets with location. nd facility locations. In	SE COMMINGLIN the following informa GE and MEASURE the following inform TION (for all appli the following informa	IG ntion CMENT nation cation types) ntion ederal or State lands are involved.	/12/2024	

E-MAIL ADDRESS: ogonzalez@matadorresources.com

# Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.371.5427 • Fax 972.371.5201 ogonzalez@matadorresources.com

Oscar Gonzalez Production Engineer

April 12, 2024

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 (pool and lease) gas and oil production from the spacing units comprised of W/2 of Section 17 and W/2 of Section 08 of Township 25 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands").

To Whom This May Concern,

Under NMOCD Order No. PLC-579, Matador Production Company ("Matador"), OGRID: 228937, was authorized to surface commingle production from the W/2 of Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico in the Delaware and Wolfcamp pools. Pursuant to this application, Matador seeks to amend Order No. PLC-579 to add the authority to commingle production of additional (4) four wells in the Bone Spring formation in the W/2 of Section 17 and W/2 of Section 08, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

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 Longwood Gathering line or Northwind Midstream. 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. Longwood Gathering or Northwind Midstream 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

Jarac Jare

Oscar Gonzalez Production Engineer





**EXHIBIT** Β

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

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

### Sample: Leslie Federal COM No. 113H First Stage Separator Spot Gas Sample @ 215 psig & 120 °F

Date Sampled: 12/09/2022

Job Number: 223615.001

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	0.240	
Nitrogen	1.533	
Carbon Dioxide	10.451	
Methane	71.449	
Ethane	7.917	2.168
Propane	3.972	1.120
Isobutane	0.821	0.275
n-Butane	1.530	0.494
2-2 Dimethylpropane	0.004	0.002
Isopentane	0.589	0.221
n-Pentane	0.458	0.170
Hexanes	0.414	0.175
Heptanes Plus	0.622	<u>0.256</u>
Totals	100.000	4.880

### **CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

#### **Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity	3.391	(Air=1)
Molecular Weight	97.82	
Gross Heating Value	5211	BTU/CF

#### **Computed Real Characteristics Of Total Sample:**

Specific Gravity	0.825	(Air=1)
Compressibility (Z)	0.9960	
Molecular Weight	23.80	
Gross Heating Value		
Dry Basis	1163	BTU/CF
Saturated Basis	1144	BTU/CF

\*Hydrogen Sulfide tested on location by: Stain Tube Method (GPA 2377) Results: 150.9 Gr/100 CF, 2400 PPMV or 0.240 Mol %

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (16) R. Elizondo Analyst: RG Processor: RG Cylinder ID: T-2480

Certified: FESCO, Ltd. - Alice, Texas

Conan Pierce 361-661-7015

### Released to Imaging: 11/19/2024 4:14:39 PM

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### CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286 TOTAL REPORT

		0.004		
	MOL %	GPM		WT %
Hydrogen Sulfide*	0.240			0.344
Nitrogen	1.533			1.805
Carbon Dioxide	10.451			19.329
Methane	71.449	0.400		48.173
Ethane	7.917	2.168		10.004
Propane	3.972	1.120		7.361
Isobutane	0.821	0.275		2.005
n-Butane	1.530	0.494		3.737
2,2 Dimethylpropane	0.004	0.002		0.012
Isopentane	0.589	0.221		1.786
n-Pentane	0.458	0.170		1.389
2,2 Dimethylbutane	0.007	0.003		0.025
Cyclopentane	0.000	0.000		0.000
2,3 Dimethylbutane	0.043	0.018		0.156
2 Methylpentane	0.130	0.055		0.471
3 Methylpentane	0.086	0.036		0.311
n-Hexane	0.148	0.062		0.536
Methylcyclopentane	0.062	0.022		0.219
Benzene	0.031	0.009		0.102
Cyclohexane	0.082	0.029		0.290
2-Methylhexane	0.024	0.011		0.101
3-Methylhexane	0.027	0.013		0.114
2,2,4 Trimethylpentane	0.008	0.004		0.038
Other C7's	0.034	0.015		0.142
n-Heptane	0.043	0.020		0.181
Methylcyclohexane	0.073	0.030		0.301
Toluene	0.092	0.032		0.356
Other C8's	0.054	0.026		0.250
n-Octane	0.015	0.008		0.072
Ethylbenzene	0.008	0.003		0.036
M & P Xylenes	0.022	0.009		0.098
O-Xylene	0.005	0.002		0.022
Other C9's	0.022	0.011		0.117
n-Nonane	0.005	0.003		0.027
Other C10's	0.011	0.007		0.065
n-Decane	0.002	0.001		0.012
Undecanes (11)	0.002	0.001		0.013
Totals	100.000	4.880		100.000
Computed Real Charac	teristics of Total Sample	Э		
		0.825	(Air=1)	
		0.020	(, – 1)	

Specific Gravity	0.825	(Air=1)
Compressibility (Z)	0.9960	
Molecular Weight	23.80	
Gross Heating Value		
Dry Basis	1163	BTU/CF
Saturated Basis	1144	BTU/CF

Page 2 of 3

#### FESCO, Ltd.

#### 1100 Fesco Ave. - Alice, Texas 78332

Sample: Leslie Federal COM No. 113H First Stage Separator Spot Gas Sample @ 215 psig & 120 °F

Date Sampled: 12/09/2022

Job Number: 223615.001

#### **GLYCALC FORMAT**

COMPONENT	MOL%	GPM	Wt %
Carbon Dioxide	10.451		19.329
Hydrogen Sulfide	0.240		0.344
Nitrogen	1.533		1.805
Methane	71.449		48.173
Ethane	7.917	2.168	10.004
Propane	3.972	1.120	7.361
Isobutane	0.821	0.275	2.005
n-Butane	1.534	0.495	3.749
Isopentane	0.589	0.221	1.786
n-Pentane	0.458	0.170	1.389
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.148	0.062	0.536
Cyclohexane	0.082	0.029	0.290
Other C6's	0.266	0.112	0.963
Heptanes	0.190	0.082	0.757
Methylcyclohexane	0.073	0.030	0.301
2,2,4 Trimethylpentane	0.008	0.004	0.038
Benzene	0.031	0.009	0.102
Toluene	0.092	0.032	0.356
Ethylbenzene	0.008	0.003	0.036
Xylenes	0.027	0.011	0.120
Octanes Plus	<u>0.111</u>	<u>0.057</u>	<u>0.556</u>
Totals	100.000	4.880	100.000

### **Real Characteristics Of Octanes Plus:**

Specific Gravity	4.133	(Air=1)
Molecular Weight	119.23	
Gross Heating Value	6295	BTU/CF

### **Real Characteristics Of Total Sample:**

Specific Gravity	0.825	(Air=1)
Compressibility (Z)	0.9960	
Molecular Weight	23.80	
Gross Heating Value		
Dry Basis	1163	BTU/CF
Saturated Basis	1144	BTU/CF

EXHIBIT **4** 

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

#### State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 HOBBS OCD IAN 06 2020 FORM C-102 Revised August 1, 2011 District Office AMENDED REPORT

		<u> </u>	<b>ELL LO</b>	CATION	AND ACRE	LAGE DEDICA	ATION PLA'	Γ		
<sup>'</sup> API Number <sup>2</sup> Po 30-025-44543 9						<sup>3</sup> Pool Name Dogie Draw; Delaware				
<sup>1</sup> Property 0 32054	Code				Property Na LESLIE FEI				Well Number 021H	
<sup>7</sup> ogrid 22893		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY							'Elevation 3313'	
					<sup>10</sup> Surface Loc	ation				
UL or lot no. M	Section 17	Township 25–S	Range 35–E	Lot Idn 	Feet from the 295'	North/South line	Feet from the 1102'	East/West lin	County	
UL or lot no.		Township	Range	Lot Ido	Feet from the	North/South line	Feet from the	East/West lin	2	
D <sup>2</sup> Dedicated Acres 160	17	25-S	35–E	e <sup>13</sup> Order	101'	NORTH	354'	WEST	LEA	

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.



LAU I

District 1 1625 N French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S tt Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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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

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number <sup>2</sup> Pool Code					<sup>3</sup> Pool Name					
<b>30-025-5264</b> 7 97088						WC-025 G-08 S253534O, BONE SPRING					
Property C						ame		61	<sup>6</sup> Well Number		
320549					LESLIE FE	D COM			111H		
'OGRID N	ia.				<sup>9</sup> Operator N				Elevation		
228937			1	MATADO	R PRODUCT	TION COMPAN	IY		3314'		
<sup>10</sup> Surface Location											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
M	17	25-S	35-E	-	295'	SOUTH	1012'	WEST	LEA		
			11	Bottom Ho	le Location If D	ifferent From Sur	face				
UL or lat no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
D	8	25-S	35-E	-	60'	NORTH	990,	WEST	LEA		
<sup>32</sup> Dedicated Acres 320	<sup>13</sup> Joint or 1	afill <sup>14</sup> Co	nsolidation Coo	ie <sup>15</sup> Ord	er 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.



AMENDED REPORT

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

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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



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



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

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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

#### WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>'API Number</sup> 30-025-52649 Pool Code JC-025 97088 Bon e 5 52535340 6.08 Property Code operty Name 320549 LESLIE FED COM 121H OGRID No. <sup>9</sup>Elevation Operator Nam 28937 MATADOR PRODUCTION COMPANY 3314' <sup>10</sup>Surface Location Feet from the UL or lot no. Township Rang Feet from th East/West li Secti Lot Id Co Μ 17 25-S 35-E 295' SOUTH 982' WEST LEA <sup>1</sup>Bottom Hole Location If Different From Surface UL or lat no. East/West li Sect Rang Lot Id Feet from th ownship North/S utb Feet from t 25-S 330' D 8 35-E **60**' NORTH WEST LEA Dedicated Acre Joint or Infill olidation Code Order No. 320

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

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AMENDED REPORT

<sup>4</sup> API Number 30-025-52650 <b>770 88</b>						025 6-08	<sup>3</sup> Pool Name	11 - P	٢.
*Property 0 320549	Code		1770		<sup>3</sup> Property Na LESLIE FEI	me	725353	°Wel	Number 0 22H
OGRID 1						me ION COMPAN	Y		evation 314'
					<sup>10</sup> Surface Loo	ation			
UL or lot no. <b>M</b>	Section 17	Township 25–S	Range 35–E	Lot Ido —	Feet from the 295'	North/South line SOUTH	Feet from the 1042'	East/West line WEST	County LEA
			<sup>11</sup> B	ottom Hole	Location If Di	fferent From Surf	ace		
UL or lot no. C	Section 8	Township 25–S	Range 35-E	Lot Idn	Feet from the 60'	North/South line NORTH	Feet from the 1650'	East/West line WEST	Count LEA
Dedicated Acres 320	<sup>13</sup> Joint or 1	Infill <sup>14</sup> Co	nsolidation Code	<sup>13</sup> Order 1	No.	,		l	

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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**FORM C-102** 

District Office

AMENDED REPORT

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State of New Mexico Energy, Minerals & Natural Resource BBS OCD Submit one copy to appropriate OIL CONSERVATION DIVISIONEP 1 1 2019 1220 South St. Francis Dr. Santa Fe, NM 87505 RECEIVED

		W	ELL LO	CATION	AND ACRE	AGE DEDICA	TION PLAT			
			<sup>2</sup> Poot Code <sup>3</sup> Poot Name 17980 Dogie Draw; Wolfcamp				•	VE		
Property C 32059	Code			]	<sup>3</sup> Property Nat LESLIE 'FEI	roperty Name E 'FED COM			l Number 01H	
<sup>7</sup> OGRID No. 228937 MATADOR					•	Operator Name			<sup>9</sup> Elevation 3312'	
					<sup>10</sup> Surface Loc	ation				
UL or lot no. M	Section 17	Township 25–S	Range 35-E	Lot Ida	Feet from the 295'	North/Sonth line SOUTH	Feet from the 1132'	East/West line WEST	County LEA	
JL or lot no.	Section	Towaship	Range	Lot Idal	Feet from the	North/South line	Feet from the	East/West line	County	
D	17	25-S	35-E	-	101'	NORTH	468'	WEST	LEA	
Dedicated Acres	<sup>D</sup> Joint or I		asolidation Code	<sup>13</sup> Order	No.					

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



SISURVEYWATADOR\_RESOURCESILESILE\_17-259-33EVFINAL\_PRODUCTSVAD\_LESILE\_FED\_COM\_201H.DWG B/5/2019 11:40/28 AM

**FORM C-102** 

**District Office** 

Revised August 1, 2011

AMENDED REPORT

Submit one copy to appropriate

District I 1625 N. French Dr., Hobba, 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 Brazoe Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

# Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVI**SHOBBS OCD** 1220 South St. Francis Dr. Santa Fe, NM 87505 SEP 11 2019

State of New Mexico

		W	ELL LO	CATION	AND ACRE	AGE DEDIC	<b>CEONEINAL</b>	U		
20 005 44010			<sup>2</sup> Pool Code 17980	Г	<sup>3</sup> Pool Name Dogie Draw; Wolfcamp					
<sup>4</sup> Property 0 3205				]	<sup>3</sup> Property Nat LESLIE FEI		1.25.7PD	l Number 02H		
<sup>7</sup> OGRID 2289			М	ATADOR	<sup>8</sup> Operator Na PRODUCT	COMPANY			'Elevation 3312'	
					<sup>10</sup> Surface Loc	ation				
UL or lot no. M	Section 17	Township 25–S	Range 35–E	Lot Ids —	Feet from the 295'	North/South line SOUTH	Feet from the 1192'	East/West line WEST	County LEA	
UL or lot no. C	Section	Township 25–S	Range 35-E	Lot Ida —	Feet from the 100'	North/South line NORTH	Feet from the 2200'	East/West line WEST	County LEA	
<sup>2</sup> Dedicated Acres 160	<sup>D</sup> Joint or	Iofill <sup>11</sup> Ci	ensolidation Code	<sup>13</sup> Order	No.		ą			

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.



Phone: (575) 393-616 District II 811 S. First SL, Artes Phone: (575) 748-120 District III 1000 Rio Brazos Ros Phone: (505) 334-61 District IV 1220 S. SL. Francis D	h Dr., Hobbs, NM 88240 193-6161 Fax: (575) 393-0720 Artesia, NM 88210 48-1283 Fax: (575) 748-9720 Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Sante Fe, NM 87505 76-3460 Fax: (505) 476-3462 WELL LOCATION AND ACREAGE DEDICATION PLAT				Energy, Minerals & Natural Reserves BBS OCD Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Sante Fe, NM 87505 RECEIVED						
			ELL LO								
30-	'API Number -025-4454		<sup>3</sup> Pool Code 97779 7980 Dogie Draw; Delaware <sup>3</sup> Pool Name Welfchul						, Val		
<sup>4</sup> Property 3205					Well Number 215H						
<sup>7</sup> ogrid 228			<sup>B</sup> Operator Name MATADOR PRODUCTION COMPANY						"Elevation 3313'		
					<sup>10</sup> Surface Lo	cation	1				
UL or lat no. M	Section 17	Township 25–S	Rauge 35–E	Lot Ida —	Feet from the 295'	North/South line	Feet from the 1162'	East/West line WEST	County LEA		
UL or lot no. D	Section	Towaship 25-S	Range 35-E	Lot Ido	Feet from the 101'	North/South line NORTH	Feet from the 1253'	East/West lin WEST	e County LEA		
<sup>(J</sup> Dedicated Acres 160	Joint or 1	lofill <sup>(4</sup> Co	onsolidation Code	BOrde	r No.				J		

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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# United States Department of the Interior

BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 www.blm.gov/new-mexico



In Reply Refer To:

NMNM 142167 3105.2 (NM920)

Reference: Communitization Agreement Leslie Fed Com #021H Section 17: W2W2 T. 25 S., R. 35 E., N.M.P.M. Lea County, NM

Matador Production Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM 142167 involving 40 acres of Federal land in lease NMNM 125659, 80 acres of Federal land in lease NMNM 136226, and 40 acres of Fee land, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Delaware formation beneath the W2W2 of Sec. 17, T. 25 S., R. 35 E., NMPM, Lea County, NM, and is effective April 1, 2019. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

SEP 1 6 2020

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

KYLE PARADIS Digitally signed by KYLE PARADIS Date: 2020.09.16 15:13:16 -06'00'

Kyle Paradis Acting Branch Chief Branch of Reservoir Management Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc: ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (9200) NM (P0220-CFO, File Room) NMSO (NM925, File) NM STATE LAND COMM.

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# Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the W2W2 of sec. 17, T. 25 S., R. 35 E., NMPM, as to all producible hydrocarbons from the Delaware formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

Received by OCD: 6/7/2024 3:53:34 PM

SEP 1 6 2020

KYLE PARADIS Date: 2020.09.16 15:13:46 -06'00'

Kyle Paradis Acting Branch Chief Branch of Reservoir Management Division of Minerals

Effective: April 1, 2019

Contract No.: Com. Agr. NMNM 142167

Federal Communitization Agreement

Contract No. NMNM 142167

THIS AGREEMENT entered into as of the 1st day of April 2019, 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 Section 17, Township 25 South, Range 35 East, Lea County, New Mexico

Containing **160.00** acres, and this agreement shall include only the Delaware Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

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- 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 LBJ Freeway, 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.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

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,

Leslie Fed Com Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico 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 April 1, 2019, 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 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

Leslie Fed Com Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

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- 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. <u>Nondiscrimination.</u> 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

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

Leslie Fed Com Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

Signature of Authorized Agent

Received by OCD: 6/7/2024 3:53:34 PM

# ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF DALLAS

) ) ss. )

On this 3 day of anuary, 2020, 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

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Leslie Fed Com Delaware Formation W2W2 Section 17-25S-35E Lea County, New Mexico

# WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

I, the undersigned, hereby certify, on behalf of Matador Production Company, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

By: <u>Craig N. Adams - Executive Vice President</u> Name & Title of Authorized Agent

Signature of Authorized Agent M

# ACKNOWLEDGEMENT

) ss.

)

STATE OF TEXAS

# COUNTY OF DALLAS

On this 6 day of analy , 2020, 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)

0.2021

My Commission Expires

STATE OF IEXAS ID#131080916 My Comm. Exp. April 10, 2021

Leslie Fed Com Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

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# EXHIBIT "A"

Plat of communitized area covering **160.00** acres in the W2W2 of Section 17, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico

Well Name/No.

# Leslie Fed Com Well #021H

Tract 1 40 Acres BLM Lease NMNM - 125659
Tract 2 40 Acres Fee Leases
Tract 3 80 Acres BLM Lease NMNM - 136226

Leslie Fed Com #02111 Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

# **EXHIBIT "B"**

To Communitization Agreement Dated April 1, 2019 embracing the following described land in W2W2 of Section 17, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

# **DESCRIPTION OF LEASES COMMITTED**

# Tract No. 1

Lease Serial Number:	The United States of America – NM 125659
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: NW4NW4
Number of Acres:	40 acres
Current Lessee of Record:	MRC Permian Company 🐖
Name of Working Interest Owners;	MRC Permian Company
Name of Overriding Royalty Interest	N/A

Leslie Fed Com Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

# Tract No. 2

Fee Leases

Description of Land Committed:

SW4NW4 of Section 17, Township 25 South, Range 35 East, Lea County, New Mexico

Number of Acres:

40 acres

Authority for Pooling:

Leases contain a provision authorizing pooling in accordance with the acreage requirement of the agreement

Lessee of Record:

MRC Permian Company COG Acreage, LP Prime Rock Resources AssetCo, LLC Marathon Oil Permian, LLC (Force Pooled)

Name of Working Interest Owners:

MRC Permian Company Energen Resources Corporation Prime Rock Resources AssetCo, LLC Marathon Oil Permian, LLC (Force Pooled)

**Overriding Royalty Interest Owners:** 

COG Acreage, LP Franklin Mountain Energy 2, LLC COG Operating, LLC Energen Resources Corporation

COG Acreage, LP Franklin Mountain Energy 2, LLC COG Operating, LLC

OGX Royalty Fund, LP MRC Delaware Resources, LLC Santo Royalty Company, LLC

Leslie Fed Com Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

# Tract No. 3

Lease Serial Number:	The United States of America – NM 136226
Description of Land Committed:	W2SW4 of Section 17, Township 25 South, Range 35 East, Lea County, New Mexico
Number of Acres:	80
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Name of Overriding Royalty Interest Owners:	MRC Delaware Resources, LLC

# **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	25.0000%
2	40.00	25.0000%
3	80.00	50.000%
Total	160.00	100.0000%

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Leslie Fed Com #021H Delaware Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico •

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

#### IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION TO CONSIDER:

#### CASE NO. 20245 ORDER NO. R-20786

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

#### ORDER OF THE DIVISION

#### **BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on February 7, 2019, at Santa Fe, New Mexico, before Examiner Scott A. Dawson.

NOW, on this 28<sup>th</sup> day of August 2019, the Division Director, having considered the testimony, the record and the recommendations of the Examiner.

#### FINDS THAT

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) Applicant seeks to compulsory pool all uncommitted oil and gas interests within a spacing unit, as further described in the attached Exhibit "A".

- (3) Applicant seeks to dedicate the Proposed Well(s) to the Unit.
- (4) No other party entered an appearance or otherwise opposed this application.

(5) Applicant appeared at the hearing through counsel and presented evidence to the effect that:

(a) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instruments.
#### The Division finds and concludes that

(6) If the location of any of the Well(s) is unorthodox when the well is completed under the spacing rules then in effect and applicable to the well, the operator must obtain a non-standard location approval prior to producing the well.

(7) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(8) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s). Applicant should be allowed a one year period to complete at least one of the Well(s) after commencing drilling of the Well(s).

(9) There are interest owners in the Unit that have not agreed to pool their interests.

(10) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the pooling depths or formation(s) within the Unit.

(11) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(12) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(13) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the Well(s).

(14) Exhibit "A" and its details should be accepted and made a part of this order.

#### **IT IS THEREFORE ORDERED THAT**

(1) All uncommitted interests, whatever they may be, in the oil and gas within the spacing unit (or the portion thereof within the pooled vertical extent) described in Exhibit "A" are hereby pooled. Exhibit "A" is incorporated herein by this reference and made a part of this order for all purposes.

- (2) The Applicant request for a standard horizontal spacing unit is dismissed.
- (3) The Unit shall be dedicated to the proposed "Well(s)".

(4) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.

(5) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month in the year following the date of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.

(6) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(7) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(8) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.

(9) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.

(10) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(11) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(12) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 30 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(13) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(14) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(15) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

(a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and

(b) as a charge for the risk involved in drilling the well, the percent (shown in Exhibit A) of the above costs.

(16) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or

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reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(17) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

(18) Reasonable charges for supervision (combined fixed rates) are hereby fixed at the rates shown in Exhibit "A" per month, per well, while drilling and while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(19) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(20) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(21) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(22) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

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

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



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL Director

#### Exhibit A

Applicant: Matador Production Company Operator: Matador Production Company (OGRID 228937)

Spacing Unit:Horizontal OilBuilding Blocks:quarter-quarter sectionsSize (more or less):160 acres, more or lessOrientation:South/North

Spacing Unit Description: W/2 W/2 of Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

Pooling this Vertical Extent: Delaware formation

Depth Severance? (Yes/No): None

Pool:Dogie Draw; Delaware (Pool code 97779)Pool Spacing Unit Size:40-acre, quarter-quarter sectionsGoverning Well Setbacks:Horizontal Well Rules

Proximity Tracts; N/A

Monthly charge for supervision: While drilling: \$7000 While producing: \$700 As charge for Risk - Percent of reasonable well costs: 200

#### **Proposed Well:**

#### Leslie Federal Com Well No. 21H, API No. 30-025-44543

SHL: 295 feet from the South line and 1102 feet from the West line, (Unit M) of Section 17, Township 25 South, Range 35 East, NMPM. BHL: 100 feet from the North line and 330 feet from the West line, (Unit D) of Section 17, Township 25 South, Range 35 East, NMPM.

Completion Target: Brushy Canyon member of the Delaware formation Well Orientation: South to North Completion Location expected to be: Standard



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 www.blm.gov/new-mexico



#### In Reply Refer To:

NMNM 142029 3105.2 (NM920)

SEP 2 1 2020

Reference: Communitization Agreement Leslie Fed Com #201H and #215H Section 17: W2W2 T. 25 S., R. 35 E., N.M.P.M. Lea County, NM

Matador Production Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM 142029 involving 40 acres of Federal land in lease NMNM 125659, 80 acres of Federal land in lease NMNM 136226, and 40 acres of Fee land, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the W2W2 of Sec. 17, T. 25 S., R. 35 E., NMPM, Lea County, NM, and is effective February 1, 2019. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

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If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

KYLE PARADIS Digitally signed by KYLE PARADIS Date: 2020.09.21 10:34:17 -06'00'

Kyle Paradis Acting Branch Chief Branch of Reservoir Management Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (9200) NM (P0220-CFO, File Room) NMSO (NM925, File) NM STATE LAND COMM.

#### **Determination - Approval - Certification**

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- Determine that the Federal lease or leases as to the lands committed to the attached Α. agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- **B**. Approve the attached Communitization Agreement covering the W2W2 of sec. 17, T. 25 S., R. 35 E., NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

С. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

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SEP 2 1 2020

**KYLE** PARADIS Digitally signed by KYLE PARADIS Date: 2020.09.21 10:35:42 -06'00'

**Kyle** Paradis Acting Branch Chief Branch of Reservoir Management **Division of Minerals** 

Effective: February 1, 2019

Contract No.: Com. Agr. NMNM 142029

#### RECEIVED

MAY 2 9 2020

Federal Communitization Agreement

BLM, NMSO SANTA FE

# Contract No. 77777 142629

THIS AGREEMENT entered into as of the 1st day of February 2019, 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 Section 17, Township 25 South, Range 35 East Lea County, New Mexico

Containing **160.00** acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

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- Attached hereto, and made a part of this agreement for all purposes is Exhibit 2. "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.
- The Operator of the communitized area shall be Matador Production Company, 3. 5400 LBJ Freeway, 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.
- The communitized area shall be developed and operated as an entirety, with the 5. 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.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

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,

Leslie Fed Com #201H #215H Wolfcamp Formation W2W2 Section 17-25S-35E Lea County, New Mexico

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.
- The date of this agreement is February 1, 2019, and it shall become effective as of 10. 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 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

Leslie Fed Com #2011 #215H Wolfcamp Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

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- 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. <u>Nondiscrimination.</u> 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

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

Leslie Fed Com Wolfcamp Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

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Signature of Authorized Agent

#### ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF DALLAS

) ) ss. )

On this day of and a solution of 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



smon otary Public

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Leslie Fed Com Wolfcamp Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

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

I, the undersigned, hereby certify, on behalf of Matador Production Company, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

By: <u>Craig N. Adams - Executive Vice President</u> Name & Title of Authorized Agent

Date

Signature of Authorized Agent

#### ACKNOWLEDGEMENT

) ) ss.

)

STATE OF TEXAS

COUNTY OF DALLAS

On this 6 day of Onlard, 2020, 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)

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My Commission Expires



Leslie Fed Com Wolfcamp Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

## **EXHIBIT "A"**

Plat of communitized area covering **160.00** acres in the W2W2 of Section 17, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico

Well\_Name/No.

Leslie Fed Com Well #201H & #215

Tract 1 40 Acres BLM Lease NMNM - 125659			
Tract 2 40 Acres Fee Lease			
Tract 3 80 Acres BLM Lease NMNM - 136226			

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#### EXHIBIT "B"

To Communitization Agreement Dated February 1, 2019 embracing the following described land in W2W2 of Section 17, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

### **DESCRIPTION OF LEASES COMMITTED**

#### Tract No. 1

Lease Serial Number:	The United States of America – NM 125659
Description of Land Committed:	NW4NW4 of Section 17, Township 25 South, Range 35 East, Lea County, New Mexico
Number of Acres:	40 acres
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Name of Overriding Royalty Interest:	N/A
Overriding Royalty Interest Owners:	N/A

Leslie Fed Com #201H #215H Wolfcamp Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico Fee Leases

Description of Land Committed:

Number of Acres:

Authority for Pooling:

40 acres

Mexico

Leases contain a provision authorizing pooling in accordance with the acreage requirement of the agreement

SW4NW4 of Section 17, Township 25 South, Range 35 East, Lea County, New

Lessee of Record:

MRC Permian Company COG Acreage, LP Prime Rock Resources AssetCo, LLC Marathon Oil Permian, LLC (Force Pooled)

Name of Working Interest Owners:

MRC Permian Company Energen Resources Corporation Prime Rock Resources AssetCo, LLC Marathon Oil Permian, LLC (Force Pooled)

Overriding Royalty Interest Owners:

COG Acreage, LP Franklin Mountain Energy 2, LLC COG Operating, LLC Energen Resources Corporation

COG Acreage, LP Franklin Mountain Energy 2, LLC COG Operating, LLC

OGX Royalty Fund, LP MRC Delaware Resources, LLC Santo Royalty Company, LLC

Leslic Fed Com #201H #215H Wolfcamp Formation W2W2 Section 17 – 25S – 35E Lea County, New Mexico

# Tract No. 3

Lease Serial Number:	The United States of America – NM 136226
Description of Land Committed:	W2SW4 of Section 17, Township 25 South, Range 35 East, Lea County, New Mexico
Number of Acres:	80
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Name of Overriding Royalty Interest Owners:	MRC Delaware Resources, LLC

# **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area	
1	40.00	25.0000%	
2	40.00	25.0000%	
3	80.00	50.0000%	
Total	160.00	100.0000%	

•

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

#### IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION TO CONSIDER:

CASE NO. 16181 ORDER NO. R-14843

### APPLICATION OF MATADOR PRODUCTION COMPANY FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

#### **ORDER OF THE DIVISION**

#### **<u>BY THE DIVISION</u>**:

This case came on for hearing at 8:15 a.m. on May 31, 2018, at Santa Fe, New Mexico, before Examiner William V. Jones. The case was again heard on June 28, 2018 and taken under advisement.

NOW, on this 27<sup>th</sup> day of August 2018, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

#### FINDS THAT

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) Cases No. 16181 and 16182 were consolidated during the hearing but separate orders will be issued for each.

(3) In Case No. 16181, Matador Production Company (the "Applicant") seeks approval of a 160-acre non-standard oil spacing and proration unit and project area for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprising the W/2 W/2 of Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Applicant further seeks an order pooling all uncommitted interests in the Unit for the Wolfcamp formation.

(4) The Unit will be dedicated to the following "proposed wells" which will be completed at standard locations within the Unit:

#### Leslie Federal Com Well No. 201H, API No. 30-025-44544

Case No. 16181 Order No. R-14843 Page 2 of 7

- SHL: 295 feet from the South line and 1202 feet from the West line, (Unit M) of Section 17, Township 25 South, Range 35 East, NMPM.
  BHL: 240 feet from the North line and 450 feet from the West line
  - (Unit D) of Section 17, Township 25 South, Range 35 East, NMPM.

#### Leslie Federal Com Well No. 215H, API No. 30-025-44546

- SHL: 295 feet from the South line and 1232 feet from the West line, (Unit M) of Section 17, Township 25 South, Range 35 East, NMPM.
- BHL: 240 feet from the North line and 988 feet from the West line (Unit D) of Section 17, Township 25 South, Range 35 East, NMPM.

(5) The proposed horizontal wells are within the Dogie Draw; Wolfcamp Pool which is subject to Division Rule 19.15.15.9(A) NMAC, which provides for standard 40-acre spacing units [vertical wells] each comprising a governmental quarter-quarter section with wells located no closer than 330 feet from the spacing unit boundary. The proposed Unit consists of four adjacent quarter-quarter sections or spacing units oriented south to north.

(6) No other party appeared or otherwise opposed this application.

(7) Applicant appeared through counsel and presented the following land and technical evidence:

- a. The Wolfcamp formation in this area is suitable for development by horizontal drilling.
- b. The proposed orientation of the horizontal well or wells from south to north is appropriate for the Unit.
- c. Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instruments.
- d. All affected parties were successfully contacted and provided with notice.
- e. The proposed Unit comprises two federal tracts and one fee tract. Applicant is pooling working interest and unleased mineral interest owners. The overriding royalty interest owners are bound by pooling clauses.

#### The Division Concludes That

(8) The proposed non-standard unit should be approved to enable Applicant to drill horizontal wells that will efficiently produce the reserves underlying the Unit, thereby preventing waste and protecting correlative rights.

Case No. 16181 Order No. R-14843 Page 3 of 7

(9) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(10) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the proposed wells to a common source of supply within the Unit at the described locations.

(11) There are interest owners in the Unit that have not agreed to pool their interests.

(12) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(13) Matador Production Company (OGRID 228937) should be designated the operator of the proposed wells and the Unit.

(14) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(15) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the proposed wells.

(16) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates should be adjusted annually pursuant to the overhead adjustment provision of the COPAS form titled "Accounting Procedure-Joint Operations."

#### **IT IS THEREFORE ORDERED THAT**

(1) Pursuant to the application of Matador Production Company, a 160-acre non-standard oil spacing and proration unit and project area (the "Unit") is hereby established for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprised of the W/2 W/2 of Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) All uncommitted interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit, are hereby pooled.

(3) The Unit shall be dedicated to the following "proposed wells" which will be completed at standard locations within the Unit:

#### Leslie Federal Com Well No. 201H, API No. 30-025-44544

- SHL: 295 feet from the South line and 1202 feet from the West line, (Unit M) of Section 17, Township 25 South, Range 35 East, NMPM.
- BHL: 240 feet from the North line and 450 feet from the West line (Unit D) of Section 17, Township 25 South, Range 35 East, NMPM.

### Leslie Federal Com Well No. 215H, API No. 30-025-44546

- SHL: 295 feet from the South line and 1232 feet from the West line, (Unit M) of Section 17, Township 25 South, Range 35 East, NMPM.
- BHL: 240 feet from the North line and 988 feet from the West line (Unit D) of Section 17, Township 25 South, Range 35 East, NMPM.

(4) The operator of the Unit shall commence drilling the proposed wells on or before August 31, 2019 and shall thereafter continue drilling the proposed wells with due diligence to test the Wolfcamp formation.

(5) In the event the operator does not commence drilling on or before August 31, 2019 Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.

(6) If at least one of the proposed wells is not drilled and completed within 120 days after commencement of drilling such well, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit shall terminate, unless operator requests in writing an extension of the time for completion of one of the proposed wells for good cause shown by satisfactory evidence and the Division issues written approval. If the proposed well is not completed in all of the standard spacing units included in the proposed project area (or Unit) then the operator shall apply to the Division for an amendment to this order to contract the Unit so that it includes only those standard spacing units in which a well is completed.

(7) Upon final plugging and abandonment of the proposed wells and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled Unit shall terminate, unless this Order has been amended to authorize further operations.

(8) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(9) Matador Production Company (OGRID 228937) is hereby designated the operator of the proposed wells and the Unit.

(10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit a

Case No. 16181 Order No. R-14843 Page 5 of 7

separate itemized schedule of estimated costs of drilling, completing and equipping each of the proposed wells ("well costs").

(11) Within 30 days from its receipt of the schedule of estimated well costs for any well, any pooled working interest owner shall have the right to pay its share of estimated well costs of such well to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges for such well. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 90 days following completion of the proposed wells. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.

(13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well or wells in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

(14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- a. the proportionate share of reasonable well costs attributable to such interest; and
- b. as a charge for the risk involved in drilling the well, 200% of the above costs.

(15) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.

(16) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates may, at the election of the operator, be adjusted annually pursuant to the overhead adjustment provisions of the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from each pooled working interest owner's share of production from each well the proportionate share of both the

supervision charges and the actual expenditures required for operating such well, not more than what are reasonable.

(17) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to requirements herein, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(18) Except as provided above, all proceeds of production from the proposed wells that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this Order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs shall be withheld from production attributable to royalty interests.

(20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(21) The operator of the wells and the Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

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

Case No. 16181 Order No. R-14843 Page 7 of 7



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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

HEATHER RILEY Director



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT New Mexico State Office 301 Dinosaur Trail Santa Fe, New Mexico 87508 www.blm.gov/new-mexico



#### In Reply Refer To:

NMNM 142028 3105.2 (NM920)

SEP 1 8 2020

Reference: Communitization Agreement Leslie Fed Com #202H Section 17: E2W2 T. 25 S., R. 35 E., N.M.P.M. Lea County, NM

Matador Production Company 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM 142028 involving 40 acres of Federal land in lease NMNM 125659, 80 acres of Federal land in lease NMNM 136226, and 40 acres of Fee land, Lea County, New Mexico, which comprise a 160 acre well spacing unit.

The agreement communitizes all rights to all producible hydrocarbons from the Wolfcamp formation beneath the E2W2 of Sec. 17, T. 25 S., R. 35 E., NMPM, Lea County, NM, and is effective July 1, 2019. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Elizabeth Rivera at (505) 954-2162.

Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

KYLE PARADIS Digitally signed by KYLE PARADIS Date: 2020.09.18 08:21:09 -06'00'

Kyle Paradis Acting Branch Chief Branch of Reservoir Management Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver NM Taxation & Revenue Dept. (Revenue Processing Div.) NMOCD NM (9200) NM (P0220-CFO, File Room) NMSO (NM925, File) NM STATE LAND COMM.

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### Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement 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 that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the E2W2 of sec. 17, T. 25 S., R. 35 E., NMPM, as to all producible hydrocarbons from the Wolfcamp formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (c) are not met.

Approval also requires operator to submit copies of sundries or any other documentation regarding activity with this well to the Bureau of Land Management (BLM), Carlsbad Field Office pursuant to Item 9 of the approved Communitization Agreement.

C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved: SEP 1 8 2020

ł

KYLE PARADIS Digitally signed by KYLE PARADIS Date: 2020.09.18 08:22:02 -06'00'

Kyle Paradis Acting Branch Chief Branch of Reservoir Management Division of Minerals

Effective: July 1, 2019

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Contract No.: Com. Agr. NMNM 142028

#### RECEIVED

MAY 2 9 2020

### Federal Communitization Agreement

BLM, NMSO SANTA FE

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### Contract No. 717171142028

THIS AGREEMENT entered into as of the 17th day of September, 2019, 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:

Township 25 South, Range 35 East, N.M.P.M. E2W2 of Section 17, Lea County, New Mexico

Containing **160.00** acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation.

Leslie Fed Com #202H E2W2 Section 17-25S-35E

- 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 LBJ Freeway, 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.

All proceeds, 8/8ths, attributed to unleased Federal lands included within the CA area are to be paid into the appropriate Unleased Lands Account by the designated operator until the land is leased or ownership is established.

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.

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Leslie Fed Com #202H E2W2 Section 17-25S-35E

- 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.
- The date of this agreement is 9/17/2019, and it shall become effective as of this 10. 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 vears 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 2year 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

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- Page 69 of 151
- 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. <u>Nondiscrimination</u>. 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

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

Signature of Authorized Agent

nt ()

#### ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 3<sup>th</sup> day of January, 2020, by Craig N. Adams, Executive Vice President of Matador Production Company, a Texas corporation, on behalf of said corporation.

My Commission Expires:

10.3031

) ) )

Notary Public, State of Texas



Leslie Fed Com Wolfcamp Formation E2W2 Section 17 -25S -35E Lea County, NM

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

I, the undersigned, hereby certify, on behalf of Matador Production Company, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

By: Craig N. Adams - Executive Vice President Name & Title of Authorized Agent 2020 Date

Signature of Authorized Agent

### ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 3 day of 2000 day of 2

(SEAL)

My Commission Expires



<u>Leslie Fed Com</u> Wolfcamp Formation E2W2 Section 17 -25S -35E Lea County, NM

# **EXHIBIT "A"**

#### PLAT OF COMMUNITIZED AREA COVERING THE E2W2 OF SECTION 17, TOWNSHIP 25 SOUTH, RANGE 35 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO

Well Name/No.

Leslie Fed Com Well #202H

	Tract 1 40 Acres BLM Lease NMNM-125659	2 2	
	Tract 2 40 acres Fee Lease		
	Tract 3 80 Acres		
	BLM Lease – NMNM136226		ii ii
2			

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Leslie Fed Com #202H E2W2 Section 17-25S-35E
# **EXHIBIT "B"**

To Communitization Agreement Dated September 17, 2019 embracing the following described land in the E2W2 of Section 17, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

# DESCRIPTION OF LEASES COMMITTED

# Tract No. 1

Lease Serial Number:	The United States of America – NM 125659
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: NE/4NW/4
Number of Acres:	40 acres
Current Lessee of Record:	MRC Permian Company
Name of Working Interest Owners:	MRC Permian Company
Overriding Royalty Interest Owners:	N/A

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# Tract No. 2

# Fee Leases

Description of Land Committed:

Number of Acres:

Authority for Pooling:

Lessee of Record:

MRC Permian Company COG Acreage, LP Prime Rock Resources AssetCo, LLC Marathon Oil Permian, LLC (Force Pooled)

Name of Working Interest Owners:

MRC Permian Company Energen Resources Corporation Prime Rock Resources AssetCo, LLC Marathon Oil Permian, LLC (Force Pooled)

Overriding Royalty Interest Owners:

Township 25 South, Range 35 East, Section 17: SE/4NW/4

40 acres

Leases contain a provision authorizing pooling in accordance with the acreage requirement of the agreement.

COG Acreage, LP Franklin Mountain Energy 2, LLC COG Operating, LLC Energen Resources Corporation

COG Acreage, LP Franklin Mountain Energy 2, LLC COG Operating, LLC

OGX Royalty Fund, LP MRC Delaware Resources, LLC Santo Royalty Company, LLC

MRC Delaware Resources, LLC

# Tract No. 3

Lease Serial Number:The United States of America – NM 136226Description of Land Committed:Township 25 South, Range 35 East,<br/>Section 17: E/2SW/4Number of Acres:80Current Lessee of Record:MRC PermianName of Working Interest Owners:MRC Permian

Leslie Fed Com #202H E2W2 Section 17-25S-35E

**Overriding Royalty Interest Owners:** 

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# **RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	25.0000%
2	40.00	25.0000%
3	80.00	50.0000%
Total	160.00	100.0000%

Leslie Fed Com #202H E2W2 Section 17-25S-35E Released to Imaging: 11/19/2024 4:14:39 PM

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

## IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION TO CONSIDER:

CASE NO. 16182 ORDER NO. R-14844

# APPLICATION OF MATADOR PRODUCTION COMPANY FOR A NON-STANDARD OIL SPACING AND PRORATION UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

#### **ORDER OF THE DIVISION**

#### **BY THE DIVISION:**

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This case came on for hearing at 8:15 a.m. on May 31, 2018, at Santa Fe, New Mexico, before Examiner William V. Jones. The case was again heard on June 28, 2018 and taken under advisement.

NOW, on this 27<sup>th</sup> day of August 2018, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

#### FINDS THAT

(1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.

(2) Cases No. 16181 and 16182 were consolidated at the hearing but separate orders will be issued.

(3) In Case No. 16182, Matador Production Company (the "Applicant") seeks approval of a 160-acre non-standard oil spacing and proration unit and project area (the "Unit") for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprising the E/2 W/2 of Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. Applicant further seeks an order pooling all uncommitted interests in the Unit for the Wolfcamp formation.

(4) The Unit will be dedicated to the following "proposed well" to be drilled and completed at a standard location:

#### Leslie Federal Com Well No. 202H, API No. 30-025-44812

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- SHL: 300 feet from the South line and 2115 feet from the East line, (Unit O) of Section 17, Township 25 South, Range 35 East, NMPM.
  BHL: 240 feet from the North line and 2250 feet from the West line
  - (Unit C) of Section 17, Township 25 South, Range 35 East, NMPM.

(5) The proposed well is within the Dogie Draw; Wolfcamp Pool and subject to Division Rule 19.15.15.9(A) NMAC, which provides for 330-foot setbacks from the unit boundaries and standard 40-acre units each comprising a governmental quarter-quarter section. The proposed Unit and project area consist of four adjacent quarter-quarter sections oriented south to north.

(6) No other party appeared or otherwise opposed this application.

(7) Applicant appeared through counsel and presented the following land and technical evidence:

- (a) the Wolfcamp formation in this area is suitable for development by horizontal drilling;
- (b) the proposed orientation of the horizontal well or wells from south to north is appropriate for the Unit;
- (c) all quarter-quarter sections to be included in the Unit are expected to be substantially productive in the Wolfcamp formation, so that the Unit as requested will not impair correlative rights;
- (d) notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instruments;
- (e) all affected parties were successfully contacted and provided with notice;
- (f) the Proposed Unit consists of two federal and one fee tract; and
- (g) Applicant is pooling certain working interest and unleased mineral interest owners and the overriding royalty interests are bound by pooling clauses.

The Division Concludes That

(8) The proposed non-standard unit should be approved to enable Applicant to drill a horizontal well that will efficiently produce the reserves underlying the Unit, thereby preventing waste and protecting correlative rights.

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(9) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(10) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the proposed well to a common source of supply within the Unit at the described location.

(11) There are interest owners in the Unit that have not agreed to pool their interests.

(12) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas within the Unit.

(13) Matador Production Company (OGRID 228937) should be designated the operator of the proposed well and the Unit.

(14) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(15) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional 200% thereof as a reasonable charge for the risk involved in drilling the proposed well.

(16) Reasonable charges for supervision (combined fixed rates) should be fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates should be adjusted annually pursuant to the overhead adjustment provision of the COPAS form titled "Accounting Procedure-Joint Operations."

# **IT IS THEREFORE ORDERED THAT**

(1) Pursuant to the application of Matador Production Company, a 160-acre non-standard oil spacing and proration unit and project area (the "Unit") is hereby established for oil and gas production from the Wolfcamp formation, Dogie Draw; Wolfcamp Pool (Pool code 17980), comprising the E/2 W/2 of Section 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

(2) All uncommitted interests, whatever they may be, in the oil and gas in the Wolfcamp formation underlying the Unit, are hereby pooled.

(3) The Unit shall be dedicated to the following "proposed well" to be completed at a standard location within the Unit:

Leslie Federal Com Well No. 202H, API No. 30-025-44812

SHL: 300 feet from the South line and 2115 feet from the East line, (Unit O) of Section 17, Township 25 South, Range 35 East, NMPM.

BHL: 240 feet from the North line and 2250 feet from the West line

(Unit C) of Section 17, Township 25 South, Range 35 East, NMPM.

(4) The operator of the Unit shall commence drilling the proposed well on or before August 31, 2019 and shall thereafter continue drilling the proposed well with due diligence to test the Wolfcamp formation.

(5) In the event the operator does not commence drilling on or before August 31, 2019 Ordering Paragraphs (1) and (2) shall be of no effect, unless the operator obtains a time extension from the Division Director for good cause demonstrated by satisfactory evidence.

(6) Unless the proposed well is drilled and completed within 120 days after commencement of drilling such well, then Ordering Paragraphs (1) and (2) shall be of no further effect, and the Unit and project area created by this order shall terminate, unless operator requests in writing an extension of the time for completion of the proposed well for good cause shown by satisfactory evidence and the Division issues written approval. If no proposed well is completed in all of the standard spacing units included in the proposed project area (or Unit) then the operator shall apply to the Division for an amendment to this order to contract the Unit so that it includes only those standard spacing units in which a well is completed.

(7) Upon final plugging and abandonment of the proposed well and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled Unit shall terminate, unless this Order has been amended to authorize further operations.

(8) Infill wells within the Unit shall be subject to the terms and conditions of this order.

(9) Matador Production Company (OGRID 228937) is hereby designated the operator of the proposed well and the Unit.

(10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit a separate itemized schedule of estimated costs of drilling, completing and equipping the proposed well ("well costs").

(11) Within 30 days from its receipt of the schedule of estimated well costs for any well, any pooled working interest owner shall have the right to pay its share of estimated well costs of such well to the operator in lieu of paying its share of reasonable

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well costs out of production as hereinafter provided, and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges for such well. Pooled working interest owners who elect not to pay their share of estimated well costs as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 90 days following completion of the proposed well. If no objection to the actual well costs is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs after public notice and hearing.

(13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well or wells in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid exceed its share of reasonable well costs.

(14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

- (a) The proportionate share of reasonable well costs attributable to such interest; and
- (b) As a charge for the risk involved in drilling the well, 200% of the above costs.

(15) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs.

(16) Reasonable charges for supervision (combined fixed rates) are hereby fixed at \$7000 per month, per well, while drilling and \$700 per month, per well, while producing, provided that these rates may, at the election of the operator, be adjusted annually pursuant to the overhead adjustment provisions of the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from each pooled working interest owner's share of production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating such well, not more than what are reasonable.

(17) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90

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days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs" reported pursuant to requirements herein, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(18) Except as provided above, all proceeds of production from the proposed well that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this Order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs shall be withheld from production attributable to royalty interests.

(20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(21) The operator of the well and the Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

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

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



STATE OF NEW MEXICO OIL CONSERVATION DIVISION

HEATHER RILEY Director

# Federal Communitization Agreement

Contract No.

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of March, 2024, 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 Sections 17 & 8, Township 25 South, Range 35 East, Lea County, New Mexico.

Containing **320.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and 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<sup>th</sup> or 12<sup>1</sup>/<sub>2</sub> 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<sup>th</sup> 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 March 1, 2024, 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 2year 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. <u>Nondiscrimination</u>. 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:** <u>Matador Production Company</u>

Signature of Authorized Agent

By: Bryan A. Erman E.V.P. and General Counsel and Head of M&A Name & Title of Authorized Agent

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

# ACKNOWLEDGEMENT

# STATE OF TEXAS)

COUNTY OF DALLAS)

On this \_\_\_\_\_\_day of \_\_\_\_\_\_, 2024, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A 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:

Bryan A. Erman E.V.P. and General Counsel and Head of M&A Print Name

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

# ACKNOWLEDGEMENT

#### STATE OF **TEXAS**)

#### COUNTY OF **DALLAS**)

On this day of \_\_\_\_\_\_, 2024, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A 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

#### SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTEREST

COMMUNITIZATION AGREEMENT:

I, the undersigned, hereby certify, on behalf of **Matador Production Company**, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME :

Signature of office

Printed: Bryan A. Erman

TITLE: E.V.P. and General Counsel and Head of M&A

Phone number : (972)-371-5469

# **EXHIBIT "A"**

#### Plat of communitized area covering 320.00 acres in W2W2 Sections 17 & 8, Township 25 South, Range 35 East, Lea County, New Mexico.

Leslie 17&8 Fed Com #111H



# EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated March 1, 2024, embracing the following described land in the W2W2 of Sections 17 & 8 of Township 25 South, Range 35 East, Lea County, New Mexico.

Operator of Communitized Area: Matador Production Company

# DESCRIPTION OF LEASES COMMITTED

## Tract No. 1

Lease Serial Number:	Fee Leases
Description of Land Committed:	Township 25 South, Range 35 East, Section 8: W2NW4
Number of Acres:	80.00
Name and Percent of Working Interest Owners:	MRC Permian Company Marathon Oil Permian, LLC COG Operating, LLC COG Acreage, LP Estate of Richard Hosford, Jr. (Unleased)

#### Tract No. 2

Lease Serial Number:	NMNM-125658
Description of Land Committed:	Township 25 South, Range 35 East, Section 8: W2SW4
Number of Acres:	80.00
Current Lessee of Record:	COG Operating, LLC
Name and Percent of Working Interest Owners:	COG Operating, LLC

COG Operating, LLC (Unleased)

# Tract No. 3

Lease Serial Number:	NMNM-125659
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: NW4NW4
Number of Acres:	40.00
Current Lessee of Record:	MRC Permian Company
Name and Percent of Working Interest Owners:	MRC Permian Company

## Tract No. 4

Lease Serial Number:	Fee Leases
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: SW4NW4
Number of Acres:	40.00
Name and Percent of Working Interest Owners:	MRC Permian Company Marathon Oil Permian, LLC COG Operating, LLC COG Acreage, LP Tap Rock Resources II, LLC Franklin Mountain Energy 2, LLC Prime Rock Resources AssetCo., LLC Chief Capital (O&G) II, LLC Ohio State University (Unleased)

# Tract No. 5

Lease Serial Number:	NMNM-136226
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: W2SW4
Number of Acres:	80.00
Current Lessee of Record:	MRC Permian Company
Name and Percent of Working Interest Owners:	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	40.00	12.50%
4	40.00	12.50%
5	80.00	25.00%
Total	320.00	100.00%

# Federal Communitization Agreement

Contract No.

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of March, 2024, 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 Sections 17 & 8, Township 25 South, Range 35 East, Lea County, New Mexico.

Containing **320.00** acres, and this agreement shall include only the Bone Spring Formation underlying said lands and the oil and 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<sup>th</sup> 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 March 1, 2024, 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 2year 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. <u>Nondiscrimination</u>. 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:** <u>Matador Production Company</u>

Signature of Authorized Agent

**By:** Bryan A. Erman E.V.P. and General Counsel and Head of M&A Name & Title of Authorized Agent

Date:

# ACKNOWLEDGEMENT

# STATE OF **TEXAS**)

#### COUNTY OF **DALLAS**)

On this \_\_\_\_\_day of \_\_\_\_\_\_, 2024, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A 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: \_\_\_\_\_

Bryan A. Erman E.V.P. and General Counsel and Head of M&A Print Name

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

# ACKNOWLEDGEMENT

## STATE OF **TEXAS**)

#### COUNTY OF **DALLAS**)

On this \_\_\_\_\_day of \_\_\_\_\_\_, 2024, before me, a Notary Public for the State of Texas, personally appeared Bryan A. Erman, known to me to be the E.V.P. and General Counsel and Head of M&A 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

# SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING <u>INTEREST</u>

COMMUNITIZATION AGREEMENT:

I, the undersigned, hereby certify, on behalf of **Matador Production Company**, the Operator under the captioned Communitization Agreement, that all working interest owners shown on Exhibit "B" attached to the Communitization Agreement are, to the best of my knowledge, the true and correct owners of the leases committed to the Communitization Agreement, and the consents of the requisite working interest owners have been obtained.

I, further certify that the Communitization Agreement follows the standard form except for Sections 1 and 10.

NAME :

Signature of office

Printed: Bryan A. Erman

TITLE: E.V.P. and General Counsel and Head of M&A

Phone number : (972)-371-5469

# **EXHIBIT "A"**

#### Plat of communitized area covering **320.0**0 acres in **E2W2 Sections 17 & 8, Township 25** South, Range 35 East, Lea County, New Mexico.

# Leslie 17&8 Fed Com #112H



# EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated March 1, 2024, embracing the following described land in the E2W2 of Sections 17 & 8 of Township 25 South, Range 35 East, Lea County, New Mexico.

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

## DESCRIPTION OF LEASES COMMITTED

#### Tract No. 1

Lease Serial Number:	Fee Leases
Description of Land Committed:	Township 25 South, Range 35 East, Section 8: E2NW4
Number of Acres:	80.00
Name and Percent of Working Interest Owners:	MRC Permian Company Marathon Oil Permian, LLC COG Operating, LLC COG Acreage, LP Estate of Richard Hosford, Jr. (Unleased) COG Operating, LLC (Unleased)

#### Tract No. 2

Lease Serial Number:	NMNM-125658
Description of Land Committed:	Township 25 South, Range 35 East, Section 8: E2SW4
Number of Acres:	80.00
Current Lessee of Record:	COG Operating, LLC
Name and Percent of Working Interest Owners:	COG Operating, LLC

# Tract No. 3

Lease Serial Number:	NMNM-125659
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: NE4NW4
Number of Acres:	40.00
Current Lessee of Record:	MRC Permian Company
Name and Percent of Working Interest Owners:	MRC Permian Company

# Tract No. 4

Lease Serial Number:	Fee Leases
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: SE4NW4
Number of Acres:	40.00
Name and Percent of Working Interest Owners:	MRC Permian Company Marathon Oil Permian, LLC COG Operating, LLC COG Acreage, LP Tap Rock Resources II, LLC Franklin Mountain Energy 2, LLC Prime Rock Resources AssetCo., LLC Chief Capital (O&G) II, LLC

# Tract No. 5

Lease Serial Number:	NMNM-136226
Description of Land Committed:	Township 25 South, Range 35 East, Section 17: E2SW4
Number of Acres:	80.00
Current Lessee of Record:	MRC Permian Company
Name and Percent of Working Interest Owners:	MRC Permian Company

Ohio State University (Unleased)

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

Richard K. Barr Family Trust	Beverly J. Barr, Trustee 804 Park Vista Circle	Southlake	ΤX	76092
Board of Regents of Texas A&M	Univ Sys-Office of Gen Counsel 301 Tarrow St. #6	COLLEGE STATION	ТΧ	77840-7896
COG Operating LLC	Land Administration PO Box 7500	Bartlesville	OK	74005-7500
Fortis Mineral II LLC	PO Box 470788	Fort Worth	ΤX	76147
Rolla R Hinkle III	P. O. Box 2292	Roswell	NM	88202-2292
Office of Natural Resources	PO Box 25627	Denver	CO	80225-0627
Michael Hariison Moore	PO Box 205576	Dallas	ΤX	75320-5576
Oak Valley Mineral and Land LP	P. O. Box 50820	Midland	ΤX	79710
Pheasant Energy LLC	PO Box 471458	Fort Worth	ΤX	76147
TD MINERALS LLC	8111 WESTCHESTER DR STE 900	DALLAS	ΤX	75225-6146
University of the Southwest	6610 LOVINGTON HWY	HOBBS	NM	88240-9120
Texas Tech University	Farmers National Co., Agent PO Box 3480	Omaha	NE	68103-0480
Sitio Permian LP	1401 Lawrence St Ste 1750	Denver	CO	80202-2497
Pegasus Resources LLC	P O Box 733980	Dallas	ΤX	75373-3980
	102 Gray Fox Ct			
David L. Cook		Godley	ΤХ	76044
Meridian 102 LP	16400 Dallas Pkwy Ste 400	Dallas	ТΧ	75248-2643
Gerald Dan Thompson	12107 Lueders Lane	Dallas	ТΧ	75230
Katherine Woltz Aven	2512 Doris Dr.	Brighton	MI	48114
Michael Fred Madera	P O Box 645	La Pine	OR	97739-0645
Franklin Mountain Energy 2, LLC	44 Cook Street, Suite 1000	Denver	CO	80206
Barbara Sue Stogsdill	3 Overcup Ct	Sherwood	AR	72120-3100
Beverly Jo Hodges	956 Oak Hills Pkwy	Baton Rouge	LA	70810-4708
Harold M. Hall	A/K/A Harold M. Hall, Jr. 1211 Poppets Way	Crosby	ТΧ	77532
Jane Shuler Gray	108 E Orchard Lane	Carlsbad	NM	88220
Janice Ann Hodges	2127 Vanessa Dr	Norman	OK	73071-2409
Michael H. Hall	P.O. Box 2883	<b>Big Spring</b>	ΤX	79721
Santo Royalty Company, LLC	P.O. Box 1020	Artesia	NM	88211-1020
COG Acreage LP	PO Box 849929	Dallas	ТΧ	75284-9929
Prime Rock Resources Asset Co LLC	203 W Wall St Ste 1000	Midland	ΤX	79701-4525
	2525 Kell Blvd Ste 510			
Carrollton Mineral Partners IV LP		Wichita Falls	ΤХ	76308-1061

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EXHIBIT

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	2525 Kell Blvd Ste 510			
CMP Permian LP		Wichita Falls	ΤX	76308-1061
	c/o Farmers National Company Agent			
	PO Box 3480, Oil and Gas Dept			
Ohio State University		Omaha	NE	68103
Southwestern Baptist Theological	PO Box 840350	Dallas	ΤX	75284-0350
	George H Hall &			
	Rebecca L Hall Co-Trtee			
	4315 Yucca Flats Trl			
Hall Living Tr UA 5/4/11		Fort Worth	ΤХ	76108-8327
Beverly B Blair	2635 Bamboo Dr	Lake Havasu City	AZ	86403-3804
Nancy I Farmer	2146 S Florence Pl	Tulsa	ОК	74114-1839
Marilyn Burke Salter	20031 82nd Ave W	Edmonds	WA	98026-6720
JL Burke III	8928 Meadowknoll Dr	Dallas	ΤX	75243-7517
Harold Brown	14400 N Bensing Rd	Hobbs	NM	88242-0723
	FBO Carol Reed Andersen			
Maud V Sanders Trust	PO Box 840738	Dallas	ΤХ	75284-0738
OGX Royalty Fund LP	PO Box 2064	Midland	ΤX	79702-2064
Prevail Energy LLC	521 Dexter St	Denver	CO	80220-5035
	4128 Bryn Mawr Dr			
Monticello Minerals LLC		Dallas	ΤХ	75225
Franklin MT Rylty Investments LLC	44 Cook Street, Suite 1000	Denver	СО	80206
MerPel, LLC	PO Box 100367	Fort Worth	ΤX	76185-0367
Riverbend Oil&Gas IX Invst LLC	1200 SMITH ST STE 1950	Houston	ΤX	77002-4322
Matthew C Shuler	3505 Fallon St Apt D37	Bozeman	MT	59718-1946
Cayuga Royalties LLC	PO Box 540711	Houston	ΤX	77254-0711
	PO Box 4168			
Penasco Petroleum LLC		Roswell	NM	88202-4168
Bugling Bull Investments LLC	4747 Research Forest Dr 180-315	The Woodlands	ΤХ	77381-4912
Pegasus Resources II LLC	P.O. Box 470698	Fort Worth	TX	76147
Sondra Jack	2960 Bobwhite Rd	Taiban	NM	88134-9000
Carolyn Rose Kitchens Living Tr	PO Box 1627	Taiban	NM	88134-1627
Sortida Resources LLC	PO Box 50820	Midland	ΤХ	79710-0820

Post Oak Mavros II LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531
	c/o Spicewood Mineral Partners LP			
MSH Family Real Estate Pship II LLC	4143 Maple Ave Ste 500	Dallas	ΤХ	75219-3294
	c/o Spicewood Mineral Partners LP			
SMP Sidecar Titan Min Holdings LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294
	c/o Spicewood Mineral Partners LP			
SMP Titan Flex LP	4143 Maple Ave Ste 500	Dallas	ΤХ	75219-3294
	c/o Spicewood Mineral Partners LP			
SMP Titan Mineral Holdings LP	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294
Connie DeeAnna Brown	2620 Broken Arrow Trail	Amarillo	ΤХ	79118-0340
Rachel Paige (Brown) LeClair	PO Box 117	Oilville	VA	23129-0117
Kathlene Ferne Brown	7919 Brockman St	Austin	ΤХ	78757-8261
BR2 Holdings LLC	PO Box 980552	Houston	ΤХ	77098-0552
Douglas Marshall Hayward	3828 West Biddison St	Fort Worth	ΤХ	76109-2707
TWR IV LLC	3724 Hulen St	Fort Worth	ΤХ	76107-6816
	dtd 8/1/19 WalterD&Bobbie D Bensch CoTstee			
Walter D&Bobbie D BenschRevTr	2918 Wranglers Retreat	Wichita Falls	ΤХ	76310-7216
Civitas DE Basin Resources II LLC	555 17th St Ste 3700	Denver	CO	80202-3906
Eckard Century LLC	906 W McDermott Dr Ste 116-363	Allen	ΤХ	75013-6510
Civitas DE Basin Minerals II, LLC	555 17th Street, Ste 3700	Denver	CO	80202-3906
Leigh Ann Nelson	5001 Widener Strip	Midland	ΤХ	79707-1530
DougSims	6302 96th Street	Lubbock	ΤХ	79424-3704
	One Concho Center			
GOG Operating, LLC	600 West Illinoise Ave	Midland	ΤХ	79701
Mongoose Minerals				
Attn: OBO Land	600 W. Illinoise Avenue	Midland	ΤХ	79701
Malaga EF7, LLC	P. O. Box 2064	Midland	ΤХ	79702
Courser Properties, LCC	455 S. Main Street	Lapeer	MI	48446
5588 Oil, LLC	P.O. Box 470925	Fort Worth	ΤХ	76107
Chisos Minerals, LLC	2821 W 7th St, Ste 500	Fort Worth	TX	76107
	2821 West 7th Street, Suite 500			
GGM Exploration, Inc.	Attn: Will Rodgers	Fort Worth	тх	76107

Jeanene Hollis Hall, a/k/a Jeanene Hall	P.O. Box 888	Socorro	NM	87801
Michael Freck	192 Oak Drive	Waskom	TX	75692
Robert Freck	538 4th Street	Gretna	LA	70053
William K. Hollis	1610 Heritage Lane	Mission	TX	78572
Karen Freck Rognerud	17853 FM 31	Marshall	TX	75672
Jerry Dwayne Billington	208 Mable Avenue	Princeton	TX	75407
Georgia Davis Griffith	1025 Fern Drive	Roswell	NM	88203
Terry Davis Holt, a/k/a Terry Lynn Holt	1922 Vintage Drive	Cornith	TX	76210
Donna Davis Hammack	2625 Pillory Pointe	Schertz	TX	78108
Allen Clay Davis	P.O. Box 962	Ardmore	OK	73402
Leland E. Davis	1625 9th Avenue, SE	St. Cloud	MN	56304
James M. Davis	924 E. Bryan	Kermit	TX	79745
Charlotte S. E. Garza	324 Heneretta Drive	Hurst	TX	76054
Norma Baird Loving	2009 Crocket Court	Irving	TX	75038
Shamrock Royalty, LLC	200 W. Highway 6, Suite 320	Woodway	TX	76712
Suzanne M. Rogers	16408 Old Olive Way	Edmonds	ОК	73013
Maurice M. Langston, Jr.	P. O. Box 21783	Oklahoma City	OK	73156
Montrose Minerals, LLC	508 W. Polk St.	Houston	TX	77019
Shawn Freck	816 E. Centre Avenue	Buckeye	AZ	85326
Michael Hall Medlin	P.O. Box 506	Boerne	TX	78006
	Melvin Rex Baird, Trustee			
Baird Mineral Trust	1907 Glen Hollow Road	Belton	TX	76513
Charles D. Hosford	1523 Neal Road	Tomball	TX	77375
Paula Katheryn Warren, a/k/a Paula Loving				
Hightower	3447 East Harvard Ave.	Gilbert	AZ	85234
Lisa Loving Thompson	1659 Creekside Dr.	Southlake	TX	76092
Noroma Energy, LLC	P.O. Box 6443	Austin	TX	78763
Ozark Royalty Company, LLC	3652 Norhtwood Drive	Memphis	TN	38111
Liberty Air, LLC	147 Topside Drive	Ruidoso	NM	88345
	Pamela Madera, Trustee			
Madera Trust	4621 W. Agave Ave.	Eloy	AZ	85131

Sharyn M. Rash, Trustee of the Living Trust				
Agreement dated May 4, 1993	419 East 300 South #15	Salt Lake City	UT	84111
Arrakis Holdings, LLC	1202 Cherrywood Court	Allen	ΤХ	75002
MidSouth Oil and Royalty LLC	4570 Normandy Ave	Memphis	TN	38117
Blackrock Mineral Partners LLC	276 Fairway Ave	Eastland	ΤX	76448
Post Oak Crown Minerals, LLC	34 S Wynden Dr Ste 210	Houston	ТΧ	77056-2531
Marathon Oil Permain, LLC	5555 San Felipe St.	Houston	ΤX	77056
United States of America				
Bureau of Land Management	1849 C Street NW	Washington	DC	20240
Energex, LLC	4425 98th Street, Suite 200	Lubbock	ТΧ	79424
	Building 1			
Ameredev New Mexico, LLC	5707 Southwest Parkway, Suite 275	Austin	ΤХ	78735
OneEnergy Partners Operating, LLC	2929 Allen Parkway, Suite 200	Houston	ΤX	77019
Santo Petroleum, LLC	1200 Smith Street, Suite 690	Houston	ΤX	77002
COG Production, LLC	600 West Illinoise Ave	Midland	ΤХ	79701


Paula M. Vance Associate Phone (505) 988-4421 Fax (505) 819-5579 pmvance@hollandhart.com

June 5, 2024

#### <u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

#### TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company to amend NMOCD Order PLC-579 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising W/2 of Sections 8 and 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands")

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 the date this application is received by 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,

Paula M. Vance ATTORNEY FOR MATADOR PRODUCTION COMPANY

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Montana Utah Colorado Nevada Washington, D.C. Idaho New Mexico Wyoming

Released to Imaging: 11/19/2024 4:14:39 PM

9402811898765469483837	Richard K. Barr Family Trust Beverly J. Barr, Trustee	804 Park Vista Cir	Southlake	ТХ	76092-4342	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483875	Univ Sys-Office Of Gen Counsel BOARD OF REGENTS OF TEXAS A&M	301 Tarrow St Unit 6	College Station	ТХ	77840-7896	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483714	COG OPERATING LLC Land Administration	PO Box 7500	Bartlesville	ОК	74005-7500	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483752	FORTIS MINERALS II LLC	PO Box 470788	Fort Worth	ТХ	76147-0788	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is

.

9402811898765469483769	Rolla R Hinkle III	PO Box 2292	Roswell	NM	88202-2292	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483721	Office of Natural Resources	PO Box 25627	Denver	СО	80225-0627	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483707	MICHAEL HARRISON MOORE	PO Box 205576	Dallas	ТХ	75320-5576	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483790	Oak Valley Mineral and Land LP	PO Box 50820	Midland	TX	79710-0820	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

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9402811898765469483745	Pheasant Energy LLC	PO Box 471458	Fort Worth	ТХ	76147-1458	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483783	TD MINERALS LLC	8111 Westchester Dr Ste 900	Dallas	ТХ	75225-6146	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483738	UNIVERSITY OF THE SOUTHWEST	6610 N Lovington Hwy	Hobbs	NM	88240-9120	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483776	Texas Tech University Farmers National Co Agent	PO Box 3480	Omaha	NE	68103-0480	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is

Received by OCD: 6/7/2024 3:53:34 PM

9402811898765469483912	Sitio Permian LP	1401 Lawrence St Ste 1750	Denver	СО	80202-3074	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483950	Pegasus Resources LLC	PO Box 733980	Dallas	ТХ	75373-3980	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483905	David L. Cook	102 Gray Fox Ct	Godley	TX	76044-3358	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483998	Meridian 102 LP	16400 Dallas Pkwy Ste 400	Dallas	TX	75248-2643	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469483943	Gerald Dan Thompson	12107 Lueders Ln	Dallas	TX	75230-2376	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483981	Katherine Woltz Aven	2512 Doris Dr	Brighton	MI	48114-8935	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483936	Michael Fred Madera	PO Box 645	La Pine	OR	97739-0645	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483974	Franklin Mountain Energy 2, LLC	44 Cook St Ste 1000	Denver	СО	80206-5827	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469483615	Barbara Sue Stogsdill	3 Overcup Ct	Sherwood	AR	72120-3100	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483653	Beverly Jo Hodges	956 Oak Hills Pkwy	Baton Rouge	LA	70810-4708	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483660	Harold M. Hall	1211 Poppets Way A/K/A Harold M Hall Jr	Crosby	ТХ	77532-5706	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483622	Jane Shuler Gray	108 E Orchard Ln	Carlsbad	NM	88220-9631	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

# MRC - Leslie West Commingling Postal Delivery Report

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9402811898765469483608	Janice Ann Hodges	2127 Vanessa Dr	Norman	ОК	73071-2409	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483691	Michael H. Hall	PO Box 2883	Big Spring	ТХ	79721-2883	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483646	Santo Royalty Company, LLC	PO Box 1020	Artesia	NM	88211-1020	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483684	COG Acreage LP	PO Box 849929	Dallas	ТХ	75284-9929	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

						Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of
0402011000765460402620		202 W/ Wall St Sta 1000	Midland	ту	70701 4525	your package is
9402811898765469483639	Prime Rock Resources Asset Co LLC	203 W Wall St Ste 1000	Midland	ТХ	79701-4525	pending.
9402811898765469483677	Carrollton Mineral Partners IV LP	2525 Kell Blvd Ste 510	Wichita Falls	ТХ	76308-1061	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483110	CMD Dormion LD	2525 Kell Blvd Ste 510	Wichita Falls	тх	76200 1061	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is
9402811898703409483110					76308-1061	penuing.
	Ohio State University C/O Farmers National Company Agent Oil And Gas					Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is
9402811898765469483127	Dept	PO Box 3480	Omaha	NE	68103-0480	pending.

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Received by OCD: 6/7/2024 3:53:34 PM

9402811898765469483103	Southwestern Baptist Theological	PO Box 840350	Dallas	ТХ	75284-0350	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483196	Hall Living Tr Ua 5/4/11 George H Hall & Rebecca L Hall Co-Trtee	4315 Yucca Flats Trl	Fort Worth	ТХ	76108-8327	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483189	Beverly B Blair	2635 Bamboo Dr	Lake Havasu City	AZ	86403-3804	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483134	Nancy I Farmer	2146 S Florence Pl	Tulsa	ОК	74114-1839	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

						Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is
9402811898765469483172	Marilyn Burke Salter	20031 82nd Ave W	Edmonds	WA	98026-6720	pending.
9402811898765469483318	JL Burke III	8928 Meadowknoll Dr	Dallas	ТХ	75243-7517	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483356	Harold Brown	14400 N Bensing Rd	Hobbs	NM	88242-0723	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483363	Maud V Sanders Trust	PO Box 840738 Fbo Carol Reed Andersenpo	Dallas	TX	75284-0738	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is

9402811898765469483325	OGX Royalty Fund LP	PO Box 2064	Midland	TX	79702-2064	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483301	Prevail Energy LLC	521 Dexter St	Denver	СО	80220-5035	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483394	Monticello Minerals LLC	4128 Bryn Mawr Dr	Dallas	ТХ	75225-6736	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483349	Franklin MT Rylty Investments LLC	44 Cook St Ste 1000	Denver	СО	80206-5827	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469483387	MerPel, LLC	PO Box 100367	Fort Worth	ТХ	76185-0367	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483332	Riverbend Oil&Gas IX Invst LLC	1200 Smith St Ste 1950	Houston	ТХ	77002-4322	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483370	Matthew C Shuler	3505 Fallon St Apt D37	Bozeman	MT	59718-1950	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483011	Cayuga Royalties LLC	РО Вох 540711	Houston	ТХ	77254-0711	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is

9402811898765469483059	Penasco Petroleum LLC	PO Box 4168	Roswell	NM	88202-4168	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483066	Bugling Bull Investments LLC	4747 Research Forest Dr Unit 180-315	The Woodlands	ТХ	77381-4912	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483004	Pegasus Resources II LLC	PO Box 470698	Fort Worth	ТХ	76147-0698	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483097		2960 Bobwhite Rd	Taiban	NM	88134-9000	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is

9402811898765469483080	Carolyn Rose Kitchens Living Tr	PO Box 1627	Taiban	NM	88134-1627	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483035	Sortida Resources LLC	PO Box 50820	Midland	ТХ	79710-0820	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483073	Post Oak Mavros II LLC	34 S Wynden Dr Ste 210	Houston	ТХ	77056-2531	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483417	Msh Family Real Estate Pship II LLC C/O Spicewood Mineral Partners Lp	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469483462	Smp Sidecar Titan Min Holdings Lp C/O Spicewood Mineral Partners Lp	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483424	Smp Titan Flex LpC/O Spicewood Mineral Partners Lp	4143 Maple Ave Ste 500	Dallas	ТХ	75219-3294	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483400	Smp Titan Mineral Holdings LpC/O Spicewood Mineral Partners Lp	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483493	Connie DeeAnna Brown	2620 Broken Arrow Trl	Amarillo	ТХ	79118-0340	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

# MRC - Leslie West Commingling Postal Delivery Report

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9402811898765469483448	Rachel Paige Brown LeClair	PO Box 117	Oilville	VA	23129-0117	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483479	Kathlene Ferne Brown	7919 Brockman St	Austin	ТХ	78757-8261	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483516	BR2 Holdings LLC	PO Box 980552	Houston	ТХ	77098-0552	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483554	Douglas Marshall Hayward	3828 W Biddison St	Fort Worth	ТХ	76109-2707	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469483561	TWR IV LLC	3724 Hulen St	Fort Worth	ТХ	76107-6816	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483509	Walter D&Bobbie D Benschrevtr Dtd 8/1/19 Walterd&Bobbie D Bensch Cotstee	2918 Wranglers Retreat	Wichita Falls	ТХ	76310-7216	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483592	Civitas DE Basin Resources II LLC	555 17th St Ste 3700	Denver	СО	80202-3906	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483547	Eckard Century LLC	906 W McDermott Dr Ste 116- 363	Allen	ТХ	75013-6510	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

Received by OCD: 6/7/2024 3:53:34 PM

9402811898765469483530	Civitas DE Basin Minerals II, LLC	555 17th St Ste 3700	Denver	со	80202-3906	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469483578	Leigh Ann Nelson	5001 Widener Strip	Midland	ТХ	79707-1530	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484261	Doug Sims	6302 96th St	Lubbock	ТХ	79424-3704	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484209	GOG Operating, LLC	600 W Illinois Ave, One Concho Center	Midland	ТХ	79701-4882	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

# MRC - Leslie West Commingling Postal Delivery Report

9402811898765469484292	Mongoose MineralsAttn OBO Land	600 W Illinois Ave	Midland	ТХ	79701-4882	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484247	Malaga EF7, LLC	PO Box 2064	Midland	ТХ	79702-2064	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484285	Courser Properties, LCC	455 S Main St	Lapeer	MI	48446-2428	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484230	5588 Oil, LLC	PO Box 470925	Fort Worth	ТХ	76147-0925	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469484278	Chisos Minerals, LLC	2821 W 7th St Ste 500	Fort Worth	ТХ	76107-8913	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484810	GGM Exploration, Inc.	2821 W 7th St Ste 500ATTN Will Rodgers	Fort Worth	ТХ	76107-8912	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484858	Jeanene Hollis Hall, a/k/a Jeanene Hall	PO Box 888	Socorro	NM	87801-0888	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484865	Michael Freck	192 Oak Dr	Waskom	TX	75692-7208	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

# MRC - Leslie West Commingling Postal Delivery Report

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9402811898765469484827	Robert Freck	538 4th St	Gretna	LA	70053-5924	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484803	William K. Hollis	1610 Heritage Ln	Mission	ТХ	78572-4528	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484896	Karen Freck Rognerud	17853 Fm 31	Marshall	ТХ	75672-3652	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484841	Jerry Dwayne Billington	208 Mabel Ave	Princeton	TX	75407-9443	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469484889	Georgia Davis Griffith	1025 Fern Dr	Roswell	NM	88203-2581	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484834	Terry Davis Holt, a/k/a Terry Lynn Holt	1922 Vintage Dr	Corinth	ТХ	76210-2803	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484872	Donna Davis Hammack	2625 Pillory Pointe	Schertz	ТХ	78108-2316	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484711	Allen Clay Davis	PO Box 962	Ardmore	ОК	73402-0962	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is

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Released to Imaging: 11/19/2024 4:14:39 PM

9402811898765469484759	Leland E. Davis	1625 9th Ave SE	Saint Cloud	MN	56304-2111	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484766	James M. Davis	924 E Bryan St	Kermit	ТХ	79745-3623	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484728	Charlotte S. E. Garza	324 Heneretta Dr	Hurst	ТХ	76054-2242	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484704	Norma Baird Loving	2009 Crockett Ct	Irving	ТХ	75038-6227	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469484742	Shamrock Royalty, LLC	200 W State Highway 6 Ste 320	Woodway	TX	76712-3983	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484780	Suzanne M. Rogers	16408 Old Olive Way	Edmond	ОК	73013-3256	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484773		PO Box 21783	Oklahoma City	ОК	73156-1783	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is
9402811898765469484919		508 W Polk St	Houston	ТХ	77019-4421	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is

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Released to Imaging: 11/19/2024 4:14:39 PM

9402811898765469484957	Shawn Freck	816 E Centre Ave	Buckeye	AZ	85326-3307	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484964	Michael Hall Medlin	РО Вох 506	Boerne	ТХ	78006-0506	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484926	Baird Mineral Trust Melvin Rex Baird, Trustee	1907 Glen Hollow Rd	Belton	ТХ	76513-3507	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484902	Charles D. Hosford	1523 Neal Dr	Tomball	ТХ	77375-4306	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469484995	Paula Katheryn Warren, a/k/a Paula Loving Hightower	3447 E Harvard Ave	Gilbert	AZ	85234-2220	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484940	Lisa Loving Thompson	1659 Creekside Dr	Southlake	ТХ	76092-4046	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484988	Noroma Energy, LLC	PO Box 6443	Austin	ТХ	78762-6443	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484933	Ozark Royalty Company, LLC	3652 Northwood Dr	Memphis	TN	38111-6144	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469484971	Liberty Air, LLC	147 Topside Dr	Ruidoso	NM	88345-5522	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484612	Madera TrustPamela Madera, Trustee	4621 W Agave Ave	Eloy	AZ	85131-3147	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484650	Sharyn M. Rash, Trustee of the Living Trust Agreement dated May 4, 1993	419 E 300 S Apt 15	Salt Lake City	UT	84111-2671	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484667	Arrakis Holdings, LLC	1202 Cherrywood Ct	Allen	ТХ	75002-2305	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

9402811898765469484629	MidSouth Oil and Royalty LLC	4570 Normandy Ave	Memphis	TN		Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484605	Blackrock Mineral Partners LLC	276 Fairway Ave	Eastland	ТХ	76448-3583	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484698	Post Oak Crown Minerals, LLC	34 S Wynden Dr Ste 210	Houston	ТХ	77056-2531	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484643	Marathon Oil Permain, LLC	5555 San Felipe St	Houston	ТХ	77056-2701	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

Received by OCD: 6/7/2024 3:53:34 PM

9402811898765469484681	Bureau of Land Management	1849 C St NW	Washington	DC	20240-0001	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484636	Energex, LLC	4425 98th St Ste 200	Lubbock	ТХ	79424-5037	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484674	Ameredev New Mexico, LLC	5707 Southwest Pkwy Ste 275 Building 1	Austin	ТХ	78735-6213	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484155	OneEnergy Partners Operating, LLC	2929 Allen Pkwy Ste 200	Houston	ТХ	77019-7123	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

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Received by OCD: 6/7/2024 3:53:34 PM

9402811898765469484124	Santo Petroleum, LLC	1200 Smith St Ste 690	Houston	ТХ	77002-4310	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484100	COG Production, LLC	600 W Illinois Ave	Midland	ТХ	79701-4882	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.
9402811898765469484193	Bureau of land management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your shipment was received at 3:28 pm on June 5, 2024 in DENVER, CO 80217. The acceptance of your package is pending.

From:	McClure, Dean, EMNRD on behalf of Engineer, OCD, EMNRD
To:	Paula M. Vance
Cc:	McClure, Dean, EMNRD; Lowe, Leonard, EMNRD; Kautz, Paul, EMNRD; Wrinkle, Justin, EMNRD; Powell, Brandon, EMNRD; Paradis, Kyle O; Walls, Christopher
Subject:	Approved Administrative Order PLC-579-A
Date:	Tuesday, November 19, 2024 4:06:35 PM
Attachments:	PLC579A Order.pdf

NMOCD has issued Administrative Order PLC-579-A 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
30-025-44543	Leslie Federal Com #21H	W/2 W/2	17-25S-35E	97779
30-025-44544	Leslie Federal Com #201H	W/2 W/2	17-25S-35E	17980
30-025-44546	Leslie Federal Com #215H	W/2 W/2	17-25S-35E	17980
30-025-44812	Leslie Federal Com #202H	E/2 W/2	17-25S-35E	17980
20 025 52647	Leslie Federal Com #111H	W/2 W/2	8-258-35E	97088
30-025-52647		W/2 W/2	17-258-35E	97000
30-025-52649	Leslie Federal Com #121H	W/2 W/2	8-258-35E	97088
30-025-52049		W/2 W/2	17-258-35E	97000
30-025-52648	Looka Fadaral Com #1121	E/2 W/2	8-258-35E	97088
30-023-32040	Leslie Federal Com #112H	E/2 W/2	17-258-35E	97000
30-025-52650	Loglia Fadaral Com #122H	E/2 W/2	8-25S-35E	97088
	Leslie Federal Com #122H	E/2 W/2	17-258-35E	7/000

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

From:	Paula M. Vance
То:	McClure, Dean, EMNRD; Lowe, Leonard, EMNRD
Subject:	[EXTERNAL] Matador - Leslie West - Action ID: 352196
Date:	Tuesday, November 5, 2024 3:35:22 PM
Attachments:	image001.png
	FW UPS Delivery Notification Tracking Number 1ZA2594X0196365773.msg
	Tracking UPS - United States.pdf

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean/Leonard,

It looks like notice to the BLM may have been missed for Matador's Leslie West - Action ID: 352196. Attached is the tracking information and date of deliver on 10/18/24.

**Paula Vance** 



Associate

HOLLAND & HART LLP

110 North Guadalupe Street, Suite 1, Santa Fe, NM 87501

pmvance@hollandhart.com | T: (505) 954-7286 | M: (337) 280-9055 CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.

From:	Kari D. Perez
To:	Paula M. Vance
Subject:	FW: UPS Delivery Notification, Tracking Number 1ZA2594X0196365773
Date:	Monday, November 4, 2024 11:43:30 AM

#### Hi Paula,

Two packets went to the BLM, one of which was for Matador – Leslie. Below is the confirmation of delivery.

Regards,

Kari Perez Legal Assistant, Holland & Hart LLP

kdperez@hollandhart.com | T: (505) 954-3672 F: (505) 944-9790 CONFIDENTIALITY NOTICE: This message is confidential and may be privileged. If you believe that this email has been sent to you in error, please reply to the sender that you received the message in error; then please delete this email.

From: Katie Jackson <KJackson@hollandhart.com>
Sent: Tuesday, October 22, 2024 2:14 PM
To: Paula M. Vance <PMVance@hollandhart.com>
Cc: Kari D. Perez <KDPerez@hollandhart.com>
Subject: FW: UPS Delivery Notification, Tracking Number 1ZA2594X0196365773

Here is the confirmation email for the BLM delivery.

From: UPS <<u>pkginfo@ups.com</u>>
Sent: Friday, October 18, 2024 1:36 PM
To: Katie Jackson <<u>KJackson@hollandhart.com</u>>
Subject: UPS Delivery Notification, Tracking Number 1ZA2594X0196365773

#### **External Email**



Ship To:	BUREAU OF LAND MANAGEMENT 301 DINOSAUR TRAIL SANTA FE, NM 875081560 US
Number of Packages:	1
UPS Service:	UPS Next Day Air®
Package Weight:	0.0 LBS
Reference Number:	83379.0001
Reference Number:	3174 K JACKSON

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#### Page 144 of 151

#### June 7, 2024 Legal Notice (Publication)

LEGAL NOTICE

# Affidavit of Publicatic

STATE OF NEW MEXICO COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was publish in the regular and entire issue of said newspaper, and not a supplement therec for a period of 1 issue(s).

> Beginning with the issue dated June 07, 2024 and ending with the issue dated June 07, 2024.

Publisher

Sworn and subscribed to before me this 7th day of June 2024.

Business Manager

My commission expires

January 29TAPE OF NEW MEXICO Seal) NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087526 COMMISSION EXPIRES 01/29/2021

This newspaper is duly qualified to publi legal notices or advertisements within th meaning of Section 3, Chapter 167, Law 1937 and payment of fees for said public has been made.

Lega Notice (Publication) Tex Al affected parties, including: RICHAPK & BARF FAMILY TRUST; BOARD OF REGENTS OF FIXAS A&M; COG OPERATING LLC; FORTIS MINERALS II LLC; Rolla R Hinkle III; MICHAEL ARRISON MOORE, his heirs and devisees; Oak Valley Mineral and Land L?; Pheasant Energy LLC; D MINERALS LLC; UNIVERSITY OF THE SOUTHWEST; Texas Tech University; Sitiv Permian LP; Propasus Resources LLC; David L. Cook, his heirs and devisees; Meridian 102 LP; Gerald Dar hompson, his heirs and devisees; Franklin Mountain Energy 2, LLC; Barbara us to stogsdill, her heirs and devisees; Boerey J, Jo Hodges, her heirs and devisees; Janice Ann Hodges, her heirs and devisees; Boerey J, Jo Hodges, her heirs and devisees; Janice Ann Hodges, her heirs and devisees; Boerey J, Jo Hodges, her heirs and devisees; Janice Ann Hodges, her heirs and devisees; Michael H. Hall, his heirs and devisees; Santo Partier, J. C.; Cod Acreage JP; Prime Rock Resources Asset Co LLC; Carrollton Mineral Partners IV LP; CMP Permian LP; Ohio State Huiversity: Southwestern Baptist Theological, Hall Livin, TU AS SATI, George H Hall & Rebecca huiversity: Southwestern Baptist Heel Cole Sheeven Mantella A Rebecca huiversity: Southwestern Baptist Heel Cole Sheeven Mantella A Rebecca huiversity: Southwestern Baptist Heel Cole Sheeven Mineral Partners IV LP; CMP Permian LP; Ohio State huiversity: Southwestern Baptist Heel Cole Sheeven Mineral Partners LP; Control Action Mineral Partners LP; Prot Oak Mavros I huiversity: Southwestern Baptist Heel Cole Sheeven Mineral Partners LP; Control Action Mineral Partners LP; Control Meedana Mantella Sheeven, Sheeven Mineral Partners LP; Control Action Mineral Partners LP; Control Meedana Bartners LP; Control Meedana Bartners

Application of Matador Production Company to amend NMOCD Order PLC-579 and for Application of Matador Production Company to amend NMOCD Order PLC-579 and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising W/2 of Sections 8 and 17, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-579 ("Order PLC-579"). Order PLC-579 authorizes pool and lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the Leslie Federal West Central Tank Battery of production from all existing and future wells drilled in the following spacing units:

(a) The 160-acre spacing unit comprised of the W/2 W/2 of Section 17, in the Dogie Draw; Delaware [97779] - currently dedicated to the Leslie Fed Com #021H (API No. 30-025-44543);

(b) The 160-acre spacing unit comprised of the W/2 W/2 of Section 17, in the Dogie Draw; Wolfcamp [17980]- currently dedicated to the Leslie Fed Com #201H (API No. 30-025-44544) and Leslie Fed Com #215H (API No. 30-025-44546);

(c) The 160-acre spacing unit comprised of the E/2 W/2 of Section 17, in the Dogie Draw; Wolfcamp [17980] - currently dedicated to the Leslie Fed Com #202H (API No. 30-025-44812); and

(d) Pursuant to 19.15.12.10.C(4)(g), *future leases, pools, or leases and pools connected to the Leslie Federal West Central Tank Battery* with notice provided only to the owners of interests to be added.

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order PLC-579 to add to the terms of the order the production from all existing and future infill wells drilled in the following spacing units:

(a) The 320-acre spacing unit comprised of the W/2 W/2 of Sections 8 and 17, in the WC-025 G-08 S253534O; Bone Spring [97088] – currently dedicated to the Leslie Fed Com #111H (API No. 30-025-52647) and Leslie Fed Com #121H (API No. 30-025-52649);

(b) The 320-acre spacing unit comprised of the E/2 W/2 of Sections 8 and 17, in the WC-025 G-08 S253534O; Bone Spring [97088] – ourrently dedicated to the Leslie Fed Com #112H (API No. 30-025-52648) and Leslie Fed Com #122H (API No. 30-025-52650).

Any objection to this application must be filed in writing within twenty days from date of publication with the New Mexico Oil Conservation Division, 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 Kyle Perkins, Matador Production Company, (972) 371-5202, or KPerkins@matadorresources.com. #00291097

# **Proof of Delivery**

Dear Customer, This notice serves as proof of delivery for the shipment listed below. Tracking Number 1ZA2594X0196365773 Service UPS Next Day Air® Shipped / Billed On 10/17/2024 Delivered On 10/18/2024 1:32 P.M. Delivered To SANTA FE, NM, US Received By DURAN Left At Dock Please print for your records as photo and details are only available for a limited time. Sincerely, UPS Tracking results provided by UPS: 11/05/2024 5:33 P.M. EST

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

# APPLICATION FOR SURFACE COMMINGLINGSUBMITTED BY MATADOR PRODUCTION COMPANYORDER NO. PLC-579-A

#### <u>ORDER</u>

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 as described 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. 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.
- 4. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 5. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
- 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 as described 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 ("CA Pooled Area"), as described in Exhibit A.

Order No. PLC-579-A

# **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.
- 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.
- 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.

#### <u>ORDER</u>

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

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

- 2. This Order supersedes Order PLC-579.
- 3. For each CA Pooled Area described in Exhibit A, 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.

Order No. PLC-579-A

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 CA 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 the formation or dedicated lands are modified or if a modification is made that will affect this Order. If Applicant fails to submit the new surface commingling application, this Order shall terminate on the date of such action, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a CA Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the CA Pooled Area until the Proposed Agreement which includes the CA Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the CA 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.

- 4. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease as described 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.
- 5. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling it with production from another well.
- 6. 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.
- 7. 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.
- 8. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.

Order No. PLC-579-A

- 9. 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.
- 10. 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.
- 11. If a well is not included in Exhibit A but produces from a pool and lease as described 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.
- 12. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 13. 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).
- 14. 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

**DATE:** 11/19/2024

GERASIMOS RAZATOS DIRECTOR (ACTING)

#### State of New Mexico Energy, Minerals and Natural Resources Department

# **Exhibit** A

Order: PLC-579-A Operator: Matador Production Company (228937) Central Tank Battery: Leslie Federal West Central Tank Battery Central Tank Battery Location: UL N, Section 17, Township 25 South, Range 35 East Gas Title Transfer Meter Location: UL N, Section 17, Township 25 South, Range 35 East

#### **Pools**

Pool Name	<b>Pool Code</b>
<b>DOGIE DRAW; WOLFCAMP</b>	17980
<b>DOGIE DRAW; DELAWARE</b>	97779
WC-025 G-08 S253534O; BONE SPRING	97088

# Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Wolfcamp NMNM 105514174 (318310)	W/2 W/2	17-25S-35E
CA Delaware NMNM 105518644 (142167)	W/2 W/2	17-25S-35E
CA Wolfcamp NMNM 105514173 (142028)	E/2 W/2	17-25S-35E
DDODOSED CA Dana Sarah - DI M A	W/2 W/2	8-25S-35E
<b>PROPOSED CA Bone Spring BLM A</b>	W/2 W/2	17-25S-35E
<b>DDODOSED</b> CA Done Spring DI M D	E/2 W/2 8-	8-25S-35E
<b>PROPOSED CA Bone Spring BLM B</b>	E/2 W/2	17-25S-35E

#### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-44543	Leslie Federal Com #21H	W/2 W/2	17-25S-35E	97779
30-025-44544	Leslie Federal Com #201H	W/2 W/2	17-25S-35E	17980
30-025-44546	Leslie Federal Com #215H	W/2 W/2	17-25S-35E	17980
30-025-44812	Leslie Federal Com #202H	E/2 W/2	17-25S-35E	17980
30-025-52647 Leslie Federal	Lad's Federal Com #1111	W/2 W/2	8-25S-35E	97088
	Lesne Federal Com #111H	W/2 W/2	17-25S-35E	
20.025.52640	<b>30-025-52649</b> Leslie Federal Com #121H	W/2 W/2	8-25S-35E	97088
30-023-32049		W/2 W/2	17-25S-35E	97000
30-025-52648	Leslie Federal Com #112H	E/2 W/2	8-25S-35E	07000
		E/2 W/2	17-25S-35E	97088
<b>30-025-52650</b> Leslie Federal Com #122H	Leeks Federal Com #1221	E/2 W/2	8-25S-35E	07000
	Lesne reueral Com #122H	E/2 W/2	17-25S-35E	97088

Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Operator:		OGRID:	
MATADOR PR	RODUCTION COMPANY	228937	
One Lincoln (	Centre	Action Number:	
Dallas, TX 75	5240	352196	
		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 email us at OCD.Engineer@emnrd.nm.gov.	11/19/2024

CONDITIONS

Action 352196