

Revised March 23, 2017

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

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



### ADMINISTRATIVE APPLICATION CHECKLIST

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

Applicant: \_\_\_\_\_ OGRID Number: \_\_\_\_\_  
 Well Name: \_\_\_\_\_ API: \_\_\_\_\_  
 Pool: \_\_\_\_\_ Pool Code: \_\_\_\_\_

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

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☐ NSL      ☐ NSP (PROJECT AREA)      ☐ NSP (PRORATION UNIT)      ☐ SD

B. Check one only for [ I ] or [ II ]

[ I ] Commingling – Storage – Measurement

☐ DHC    ☐ CTB    ☐ PLC    ☐ PC    ☐ OLS    ☐ OLM

[ II ] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX    ☐ PMX    ☐ SWD    ☐ IPI    ☐ EOR    ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders  
 B. ☐ Royalty, overriding royalty owners, revenue owners  
 C. ☐ Application requires published notice  
 D. ☐ Notification and/or concurrent approval by SLO  
 E. ☐ Notification and/or concurrent approval by BLM  
 F. ☐ Surface owner  
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,  
 H. ☐ No notice required

#### FOR OCD ONLY

- ☐ Notice Complete  
☐ Application Content Complete

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

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

Print or Type Name

*Patricia*

Signature

Date

Phone Number

e-mail Address



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

January 3, 2025

**VIA ONLINE FILING**

Gerasimos Razatos, Division Director  
Oil Conservation Division  
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-865-A and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising Lots 1-4, S/2 N/2, and S/2 (entire Section equivalent) of irregular Section 3 and Section 10, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico (the "Lands")**

Dear Mr. Razatos:

Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-865-A ("Order PLC-865"), attached as **Exhibit 1**. Order PLC-865-A authorizes pool and lease commingling, off-lease measurement, and off-lease storage at the **Nina Cortell South Central Tank Battery** of production from *all existing and future infill wells drilled in the following spacing units*:

(a) The 319.92-acre spacing unit comprised of Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 3 and the W/2 W/2 of Section 10, in the Bilbrey Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #125H** (API. No. 30-025-49627) and **Nina Cortell Fed Com #131H** (API. No. 30-025-50258);

(b) The 320.01-acre spacing unit comprised of Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3 and the E/2 W/2 of Section 10, in the Bilbrey Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #132H** (API. No. 30-025-51189);

(c) The 319.92-acre spacing unit comprised of Lot 2, SW/4 NE/4 and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 3 and the W/2 E/2 of Section 10, in the Bilbrey Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #133H** (API. No. 30-025-50513);

(d) The 319.92-acre spacing unit comprised of Lot 1, SE/4 NE/4 and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 3 and the E/2 E/2 of Section 10, in the Bilbrey





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Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #134H** (API. No. 30-025-50801);

(e) The 320.01-acre spacing unit comprised of Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3 and the E/2 W/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #202H** (API. No. 30-025-51287);

(f) The 319.92-acre spacing unit comprised of Lot 2, SW/4 NE/4 and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 3 and the W/2 E/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #203H** (API. No. 30-025-49628);

(g) The 319.92-acre spacing unit comprised of Lot 1, SE/4 NE/4 and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 3 and the E/2 E/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #204H** (API. No. 30-025-49629);

(h) The 160-acre spacing unit comprised of the W/2 W/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #211H** (API. No. 30-025-51629); and

(i) Pursuant to 19.15.12.10.C(4)(g), *future leases, pools or leases and pools connected to the Nina Cortell South Tank Battery* with notice provided only to the owners of interests to be added.

Matador has subsequently filed a C-103 adding the following infill wells as authorized to commingle under Order CTB-865-A: (i) the **Nina Cortell Fed Com #135H** (API. No. 30-025-51461), (ii) **Nina Cortell Fed Com #136H** (API. No. 30-025-51191), (iii) **Nina Cortell Fed Com #137H** (API. No. 30-025-51489), (iv) **Nina Cortell Fed Com #128H** (API. No. 30-025-51462), (v) **Nina Cortell Fed Com #138H** (API. No. 30-025-50471), (vi) **Nina Cortell Fed Com #126H** (API. No. 30-025-51188), and (vii) **Nina Cortell Fed Com #127H** (API. No. 30-025-51611).

Pursuant to 19.15.12.10.C(4)(g), Matador now seeks to amend the terms of Order PLC-865 to add to the terms of the order the production from all existing and future infill wells drilled in the following spacing unit:

(a) The 319.92-acre spacing unit comprised of Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 3 and the W/2 W/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #241H** (API. No. 30-025-51190).



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Oil and gas production from these spacing units will be commingled and sold at the **Nina Cortell South Central Tank Battery** located in the SW/4 SE/4 (Unit O) of Section 10. Gas production from the separator 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, and central tank battery ("Facility Pad") in the subject area. The plat also identifies the wellbores (including surface/bottomhole locations) and lease/spacing unit boundaries.

**Exhibit 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 a referenced gas sample (exhibit B to the statement).

**Exhibit 4** is a well list and C-102 for each of the wells currently permitted or drilled within the existing spacing units and those to be added to Order PLC-865-A.

**Exhibit 5** are the draft or approved communitization agreements for the acreage subject to this application.

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 6** 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 New Mexico State Land Office and the Bureau of Land Management since state and 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.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance".

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Paula M. Vance  
**ATTORNEY FOR MATADOR PRODUCTION  
COMPANY**

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY MATADOR PRODUCTION COMPANY      ORDER NO. PLC-865-A**

**ORDER**

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

**FINDINGS OF FACT**

1. Matador Production Company ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A ("Application").
2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
3. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
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 identified in Exhibit A.
8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) ("Proposed Agreement(s)") to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area ("Pooled Area"), as described in Exhibit B.

EXHIBIT  
**1**

### **CONCLUSIONS OF LAW**

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

### **ORDER**

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

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

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

2. This Order supersedes Order PLC-865.
3. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.

No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit a Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingling application to OCD to conform this Order with the approved Agreement(s). If Applicant fails to submit the new surface commingling application or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

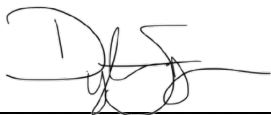
Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement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

4. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
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.
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 identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
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**



**DYLAN M. FUGE  
DIRECTOR (ACTING)**

**DATE:** 2/13/24



State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: PLC-865-A

Operator: Matador Production Company (228937)

Central Tank Battery: Nina Cortell South Tank Battery

Central Tank Battery Location: UL O, Section 10, Township 22 South, Range 32 East

Gas Title Transfer Meter Location: UL O, Section 10, Township 22 South, Range 32 East

### Pools

Pool Name	Pool Code
BILBREY BASIN;BONE SPRING	5695
WC-025 G-09 S233216K;UPR WOLFCAMP	98166

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMNM 105720807 (143833)	W/2 W/2	3-22S-32E
	W/2 W/2	10-22S-32E
NMNM 105305436 (135247)	A B C F G I J O P	3-22S-32E
Fee	H	3-22S-32E
NMNM 105417983 (086147)	E/2, K M N	10-22S-32E
VC 0075 0000	K N	3-22S-32E
NMNM 105369606 (055952)	C D E	10-22S-32E
NMNM 105725629 (141008)	F	10-22S-32E
VC 0225 0000	L	10-22S-32E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-49627	Nina Cortell Federal Com #125H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-50258	Nina Cortell Federal Com #131H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-51189	Nina Cortell Federal Com #132H	E/2 W/2	3-22S-32E	5695
		E/2 W/2	10-22S-32E	
30-025-50513	Nina Cortell Federal Com #133H	W/2 E/2	3-22S-32E	5695
		W/2 E/2	10-22S-32E	
30-025-50801	Nina Cortell Federal Com #134H	E/2 E/2	3-22S-32E	5695
		E/2 E/2	10-22S-32E	
30-025-51629	Nina Cortell Federal Com #211H	W/2 W/2	10-22S-32E	98166
30-025-51287	Nina Cortell Federal Com #202H	E/2 W/2	3-22S-32E	98166
		E/2 W/2	10-22S-32E	
30-025-49628	Nina Cortell Federal Com #203H	W/2 E/2	3-22S-32E	98166
		W/2 E/2	10-22S-32E	
30-025-49629	Nina Cortell Federal Com #204H	E/2 E/2	3-22S-32E	98166
		E/2 E/2	10-22S-32E	



State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit B

Order: **PLC-865-A**  
Operator: **Matador Production Company (228937)**

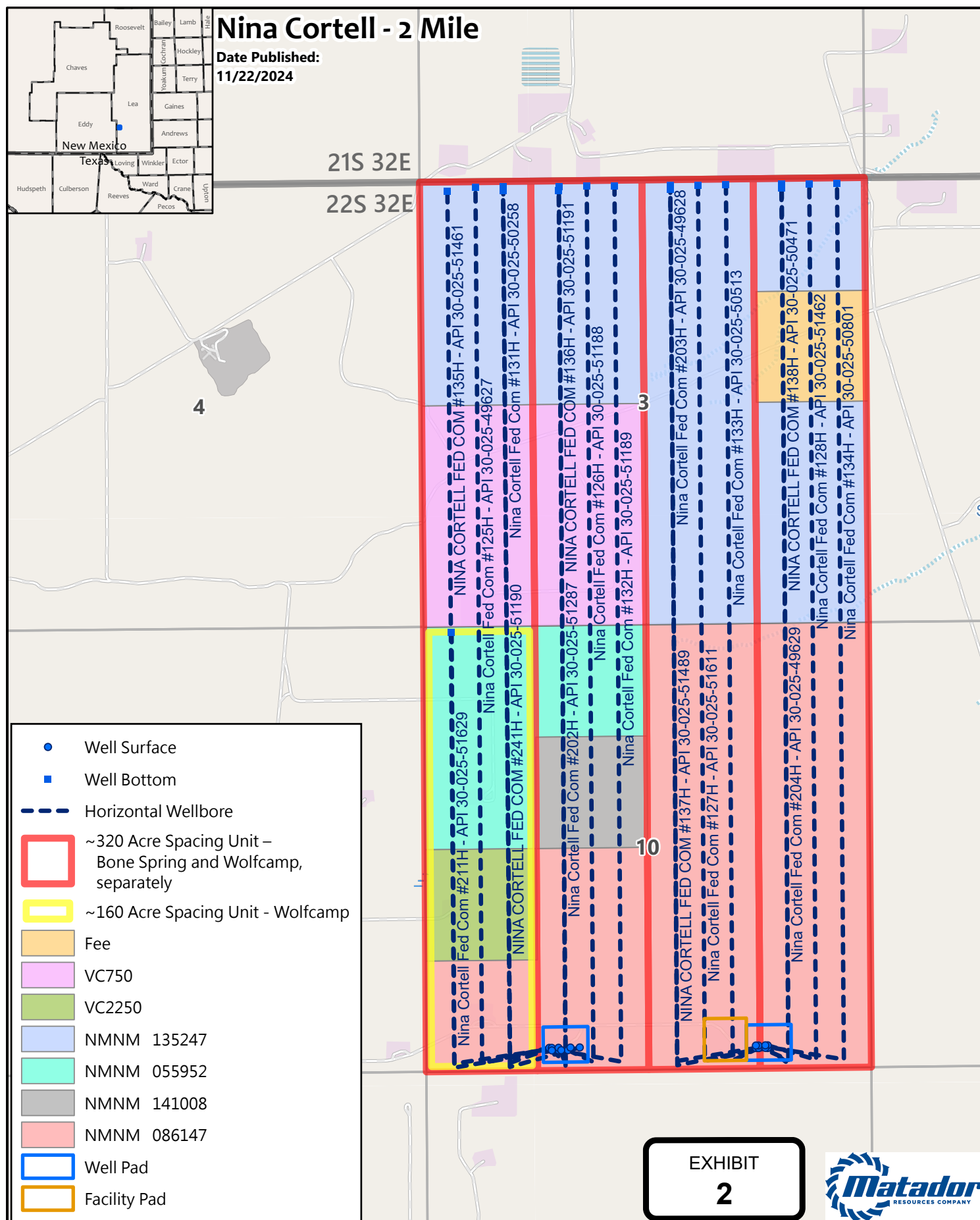
### Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Bone Spring NMNM 105724617 (143942)	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	319.92	A
CA Bone Spring BLM	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	319.92	B
CA Wolfcamp NMNM 105762321	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	319.92	C
CA Wolfcamp NMNM 105823709	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	319.92	D
CA Bone Spring BLM	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	319.92	E
CA Wolfcamp BLM	W/2 W/2	10-22S-32E	160	F
CA Wolfcamp BLM	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	319.92	G

### Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
NMNM 105305436 (135247)	W/2 E/2	3-22S-32E	159.92	A
NMNM 105417983 (086147)	W/2 E/2	10-22S-32E	160	A
NMNM 105305436 (135247)	A I P	3-22S-32E	119.92	B
Fee	H	3-22S-32E	40	B
NMNM 105417983 (086147)	E/2 E/2	10-22S-32E	160	B
NMNM 105305436 (135247)	W/2 E/2	3-22S-32E	159.92	C
NMNM 105417983 (086147)	W/2 E/2	10-22S-32E	160	C
NMNM 105305436 (135247)	A I P	3-22S-32E	119.92	D
Fee	H	3-22S-32E	40	D
NMNM 105417983 (086147)	E/2 E/2	10-22S-32E	160	D
NMNM 105305436 (135247)	C F	3-22S-32E	79.92	E
VC 0075 0000	K N	3-22S-32E	80	E
NMNM 105369606 (055952)	C	10-22S-32E	40	E
NMNM 105725629	F	10-22S-32E	40	E
NMNM 105417983 (086147)	K N	10-22S-32E	80	E
NMNM 105369606 (055952)	D E	10-22S-32E	80	F
VC 0225 0000	40	10-22S-32E	40	F
NMNM 105417983 (086147)	M	10-22S-32E	40	F
NMNM 105305436 (135247)	C F	3-22S-32E	79.92	G
VC 0075 0000	K N	3-22S-32E	80	G
NMNM 105369606 (055952)	C	10-22S-32E	40	G

NMNM 105725629	F	10-22S-32E	40	G
NMNM 105417983 (086147)	K N	10-22S-32E	80	G



**GIS Standard Map Disclaimer:**

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

0 500 1,000 2,000 Feet

**1:18,000**

1 inch equals 1,500 feet

Map Prepared by: americo.gamarral

Date: November 22, 2024

Project: \\gis\UserData\agamarra\temp\20221017 Nina Cortell 2 mile\Nina\_Cortell\_2\_mile\Nina\_Cortell\_2\_mile.aprx

Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet

Sources: IHS; ESR; US DOI BLM Carlsbad, NM Field Office, GIS Department;

Texas Cooperative Wildlife Collection, Texas A&M University;

United States Census Bureau (TIGER);

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

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

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

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: Matador Production Company

OPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☒ Fee ☒ State ☒ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. PLC-865-A  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
☒ Yes ☐ No

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

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes
BILBREY BASIN; BONE SPRING [5695]	43.0°	43.2° oil 1,408 BTU/CF	\$80.03/bbl oil (price realization Q1 2024)  \$1.56/mcf (price realization Q1 2024)	6,300 bopd
BILBREY BASIN; BONE SPRING [5695]	1413 BTU/CF			8,000 mcf/d
WC-025 G-09 S233216K; UPR WOLFCAMP [98166]	43.8 °			2,000 bopd
WC-025 G-09 S233216K; UPR WOLFCAMP [98166]	1395 BTU/CF			3,500 mcf/d

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

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

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

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

- (1) Complete Sections A and E.

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

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

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

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

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

SIGNATURE: Oscar Gonzalez

TITLE: Production Engineer

DATE: 11/15/2024

TYPE OR PRINT NAME: Oscar Gonzalez

TELEPHONE NO.: (972) 619-1276

E-MAIL ADDRESS: ogonzalez@matadorresources.com

EXHIBIT  
3

# 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](mailto:ogonzalez@matadorresources.com)

---

Oscar Gonzalez  
Production Engineer

November 15, 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 amend Administrative Order PLC-865-A to surface commingle (pool and lease) gas and oil production from the spacing units comprised of Sections 10 & 3, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico (the "Lands").**

To Whom This May Concern,

Under NMOCD Order No. PLC-865-A, Matador Production Company ("Matador"), OGRID: 228937, was authorized to surface commingle production the Bone Spring pool Billbrey Basin; Bone Spring (5695) from all of Sections 3 and 10, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico, as well as production the WC-025 G-09 S233216K; UPR Wolfcamp (98166) from the W/2 W/2 of Section 10, and the E/2 W/2 and E/2 of Sections 10 and 3, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. Pursuant to this application, Matador seeks to amend Order No. PLC-865-A to add the authority to commingle future production from one new spacing unit, being the W/2 W/2 of Sections 3 and 10, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico, to include on additional well in such spacing unit in the WC-025 G-09 S233216K; UPR Wolfcamp (98166).

With the addition of this one additional spacing unit, Matador requests to commingle current and future oil and gas production from seventeen (17) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with an oil turbine meter and gas orifice meter.

With respect to gas, gas commingling will occur for all of the wells after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, where gas flows to Longwood Midstream LLC or Pronto 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.

With respect to oil, as shown on the Process Flow Diagram (PFD) attached as **Exhibit A** hereto, there are four separate oil trains to separately commingling oil from the following spacing units: (i) the Bone Spring and Wolfcamp wells in the W/2 W/2 of Sections 3 and 10; (ii) the Bone Spring and Wolfcamp wells in the E/2 W/2 of Sections 3 and 10, as well as the Wolfcamp well in the W/2 W/2 of Section 10; (iii) Bone Spring and Wolfcamp wells in the W/2 E/2 of Sections 3 and 10; and (iv) Bone Spring and Wolfcamp wells in the E/2 E/2 of Sections 3 and 10.

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 Midstream LLC or Pronto Midstream has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

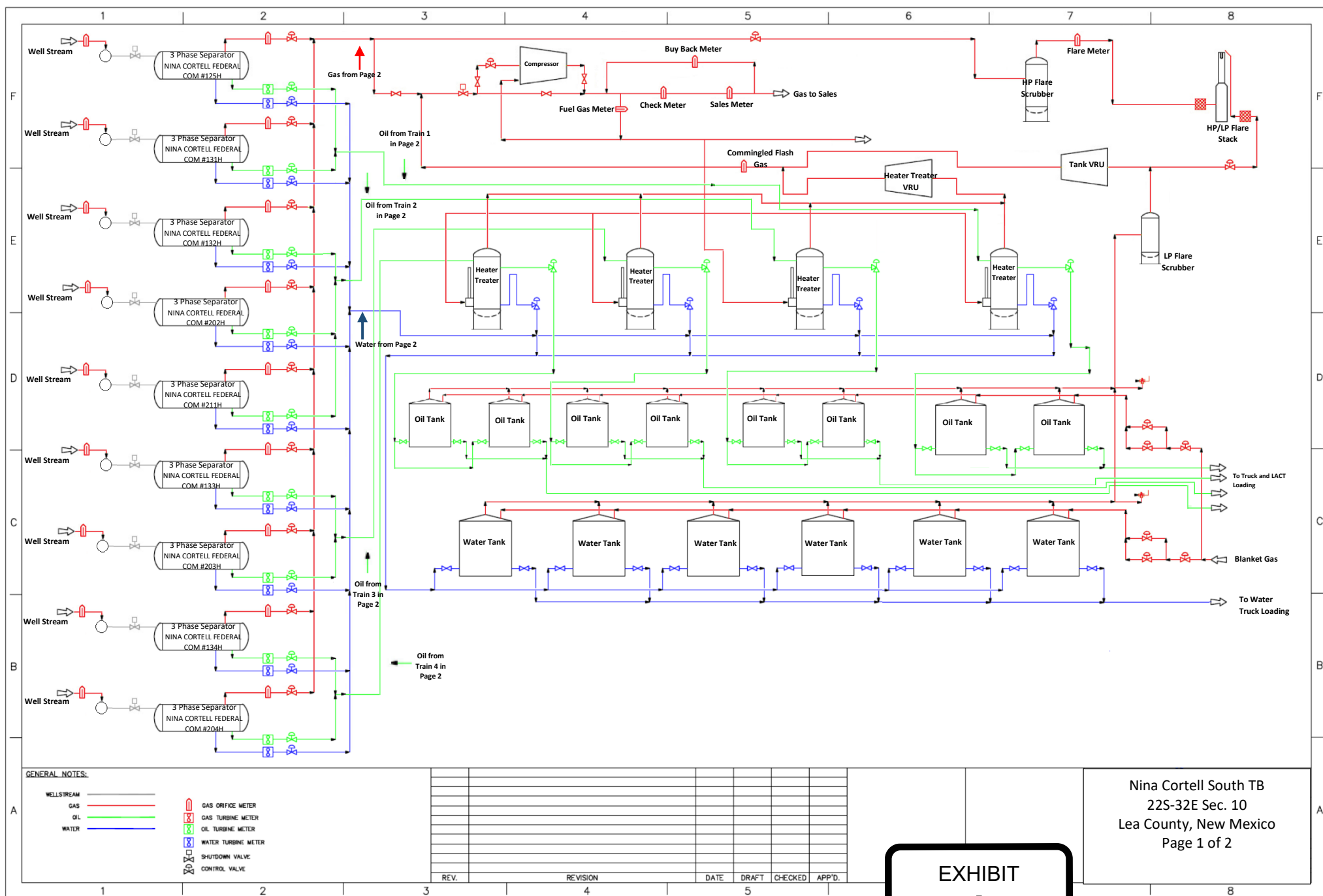
In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

MATADOR PRODUCTION COMPANY



Oscar Gonzalez  
Production Engineer







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

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

**Sample:** Nina Cartell Federal COM No. 125H  
First Stage Separator  
Spot Gas Sample @ 190 psig & 113 °F

Date Sampled: 03/29/2022

Job Number: 221671.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	2.374	
Carbon Dioxide	0.365	
Methane	69.063	
Ethane	14.402	3.946
Propane	7.964	2.248
Isobutane	0.925	0.310
n-Butane	2.418	0.781
2-2 Dimethylpropane	0.007	0.003
Isopentane	0.515	0.193
n-Pentane	0.573	0.213
Hexanes	0.429	0.181
Heptanes Plus	<u>0.965</u>	<u>0.396</u>
Totals	100.000	8.272

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity ----- 3.375 (Air=1)  
Molecular Weight ----- 97.29  
Gross Heating Value ----- 5211 BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.825 (Air=1)  
Compressibility (Z) ----- 0.9953  
Molecular Weight ----- 23.79  
Gross Heating Value  
Dry Basis ----- 1413 BTU/CF  
Saturated Basis ----- 1389 BTU/CF

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

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (24) D. Morales  
Analyst: RG  
Processor: RG  
Cylinder ID: T-1391

**EXHIBIT**  
**B**

Certified: FESCO, Ltd. - Alice, Texas

Conan Pierce 361-661-7015

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

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	2.374		2.796
Carbon Dioxide	0.365		0.675
Methane	69.063		46.574
Ethane	14.402	3.946	18.204
Propane	7.964	2.248	14.762
Isobutane	0.925	0.310	2.260
n-Butane	2.418	0.781	5.908
2,2 Dimethylpropane	0.007	0.003	0.021
Isopentane	0.515	0.193	1.562
n-Pentane	0.573	0.213	1.738
2,2 Dimethylbutane	0.004	0.002	0.014
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.062	0.026	0.225
2 Methylpentane	0.130	0.055	0.471
3 Methylpentane	0.071	0.030	0.257
n-Hexane	0.162	0.068	0.587
Methylcyclopentane	0.108	0.039	0.382
Benzene	0.094	0.027	0.309
Cyclohexane	0.169	0.059	0.598
2-Methylhexane	0.021	0.010	0.088
3-Methylhexane	0.026	0.012	0.110
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.076	0.034	0.317
n-Heptane	0.052	0.025	0.219
Methylcyclohexane	0.128	0.053	0.528
Toluene	0.063	0.022	0.244
Other C8's	0.082	0.039	0.380
n-Octane	0.025	0.013	0.120
Ethylbenzene	0.007	0.003	0.031
M & P Xylenes	0.014	0.006	0.062
O-Xylene	0.004	0.002	0.018
Other C9's	0.047	0.024	0.249
n-Nonane	0.010	0.006	0.054
Other C10's	0.027	0.016	0.160
n-Decane	0.004	0.003	0.024
Undecanes (11)	<u>0.008</u>	<u>0.005</u>	<u>0.053</u>
Totals	100.000	8.272	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.825	(Air=1)
Compressibility (Z) -----	0.9953	
Molecular Weight -----	23.79	
Gross Heating Value		
Dry Basis -----	1413	BTU/CF
Saturated Basis -----	1389	BTU/CF

**FESCO, Ltd.****1100 Fesco Ave. - Alice, Texas 78332****Sample:** Nina Cartell Federal COM No. 125H

First Stage Separator

Spot Gas Sample @ 190 psig &amp; 113 °F

Date Sampled: 03/29/2022

Job Number: 221671.001

**GLYCALC FORMAT**

<b>COMPONENT</b>	<b>MOL%</b>	<b>GPM</b>	<b>Wt %</b>
Carbon Dioxide	0.365		0.675
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	2.374		2.796
Methane	69.063		46.574
Ethane	14.402	3.946	18.204
Propane	7.964	2.248	14.762
Isobutane	0.925	0.310	2.260
n-Butane	2.425	0.784	5.929
Isopentane	0.515	0.193	1.562
n-Pentane	0.573	0.213	1.738
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.162	0.068	0.587
Cyclohexane	0.169	0.059	0.598
Other C6's	0.267	0.113	0.967
Heptanes	0.283	0.120	1.116
Methylcyclohexane	0.128	0.053	0.528
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.094	0.027	0.309
Toluene	0.063	0.022	0.244
Ethylbenzene	0.007	0.003	0.031
Xylenes	0.018	0.007	0.080
Octanes Plus	<u>0.203</u>	<u>0.106</u>	<u>1.040</u>
Totals	100.000	8.272	100.000

**Real Characteristics Of Octanes Plus:**

Specific Gravity ----- 4.228 (Air=1)  
Molecular Weight ----- 121.89  
Gross Heating Value ----- 6472 BTU/CF

**Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.825 (Air=1)  
Compressibility (Z) ----- 0.9953  
Molecular Weight ----- 23.79  
Gross Heating Value  
Dry Basis ----- 1413 BTU/CF  
Saturated Basis ----- 1389 BTU/CF

API	Well Name & Number	UL or Q/Q	S-T-R	Pool Code
30-025-49627	Nina Cortell Fed Com #125H	W/2 W/2 W/2 W/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-50258	Nina Cortell Fed Com #131H	W/2 W/2 W/2 W/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51189	Nina Cortell Fed Com #132H	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-50513	Nina Cortell Fed Com #133H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-50801	Nina Cortell Fed Com #134H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51287	Nina Cortell Fed Com #202H	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	WC-025 G-09 S233216K, UPR Wolfcamp [98166]
30-025-49628	Nina Cortell Fed Com #203H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	WC-025 G-09 S233216K, UPR Wolfcamp [98166]
30-025-49629	Nina Cortell Fed Com #204H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	WC-025 G-09 S233216K, UPR Wolfcamp [98166]
30-025-51629	Nina Cortell Fed Com #211H	W/2 W/2	10-22S-32E	WC-025 G-09 S233216K, UPR Wolfcamp [98166]
30-025-51461	Nina Cortell Fed Com #135H	W/2 W/2 W/2 W/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51188	Nina Cortell Fed Com #126H	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51191	Nina Cortell Fed Com #136H	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51611	Nina Cortell Fed Com #127H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51489	Nina Cortell Fed Com #137H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51462	Nina Cortell Fed Com #128H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-50471	Nina Cortell Fed Com #138H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	Bilbrey Basin, Bone Spring [5695]
30-025-51190	Nina Cortell Fed Com #241H	W/2 W/2 W/2 W/2	3-22S-32E 10-22S-32E	WC-025 G-09 S233216K, UPR Wolfcamp [98166]

EXHIBIT

4

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

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-49627	<sup>2</sup> Pool Code 5695	<sup>3</sup> Pool Name BILBREY BASIN; BONE SPRING
<sup>4</sup> Property Code 320841	<sup>5</sup> Property Name NINA CORTELL FED COM	<sup>6</sup> Well Number 125H
<sup>7</sup> OGRID No. 228937	<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY	<sup>9</sup> Elevation 3791'

<sup>10</sup>Surface Location

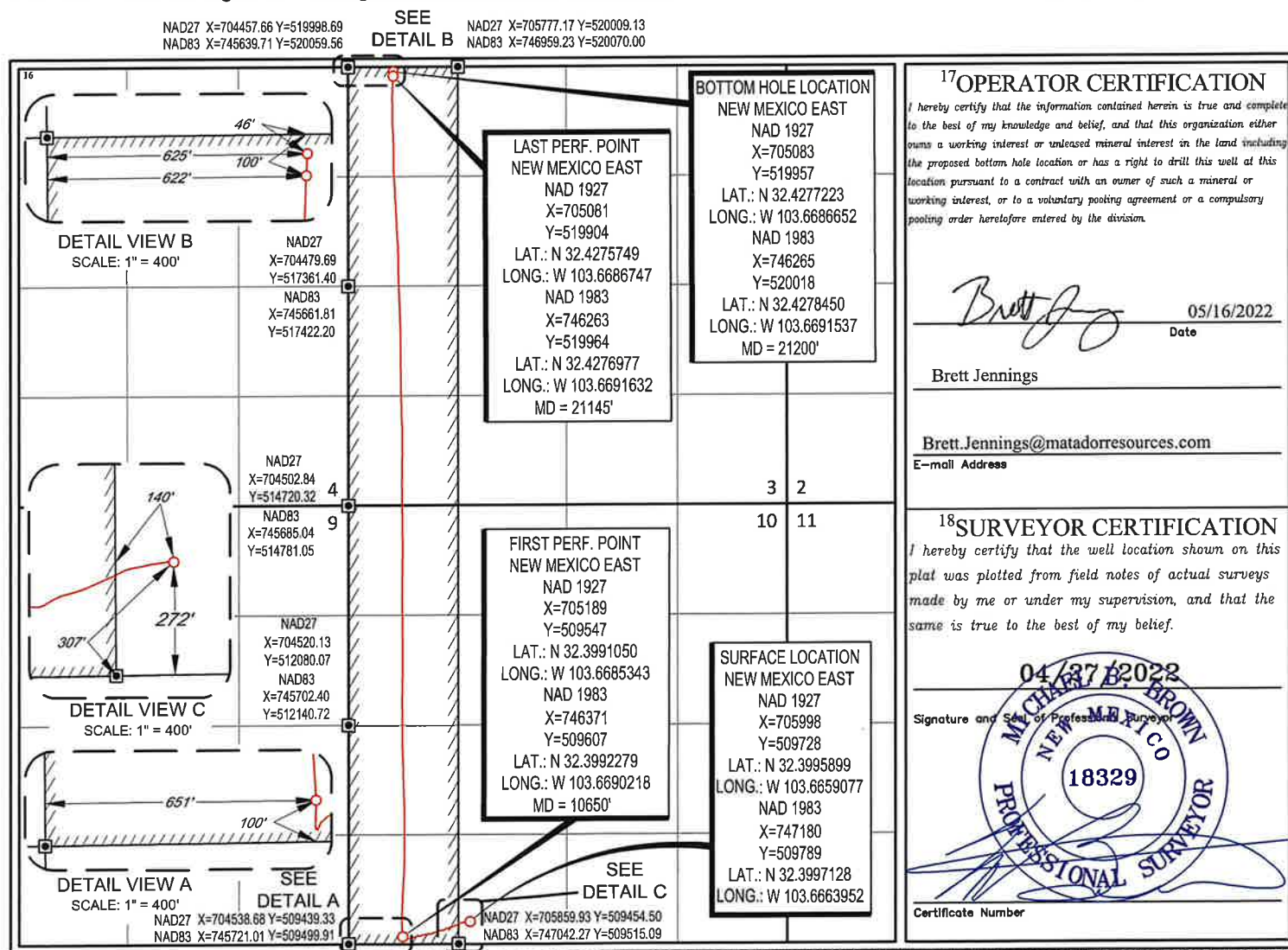
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	22-S	32-E	-	272'	SOUTH	1461'	WEST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	3	22-S	32-E	-	46'	NORTH	625'	WEST	LEA

<sup>12</sup> Dedicated Acres 319.92	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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





**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

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

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

FORM C-102

Revised August 1, 2011

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District Office

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number <b>30-025-51188</b>	<sup>2</sup> Pool Code 5695	<sup>3</sup> Pool Name BILBREY BASIN, BONE SPRING
<sup>4</sup> Property Code <b>320841</b>	<sup>5</sup> Property Name <b>NINA CORTELL FED COM</b>	
<sup>7</sup> GRID No. 228937	<sup>6</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>	<sup>8</sup> Well Number <b>126H</b>
		<sup>9</sup> Elevation <b>3790'</b>

<sup>10</sup>Surface Location

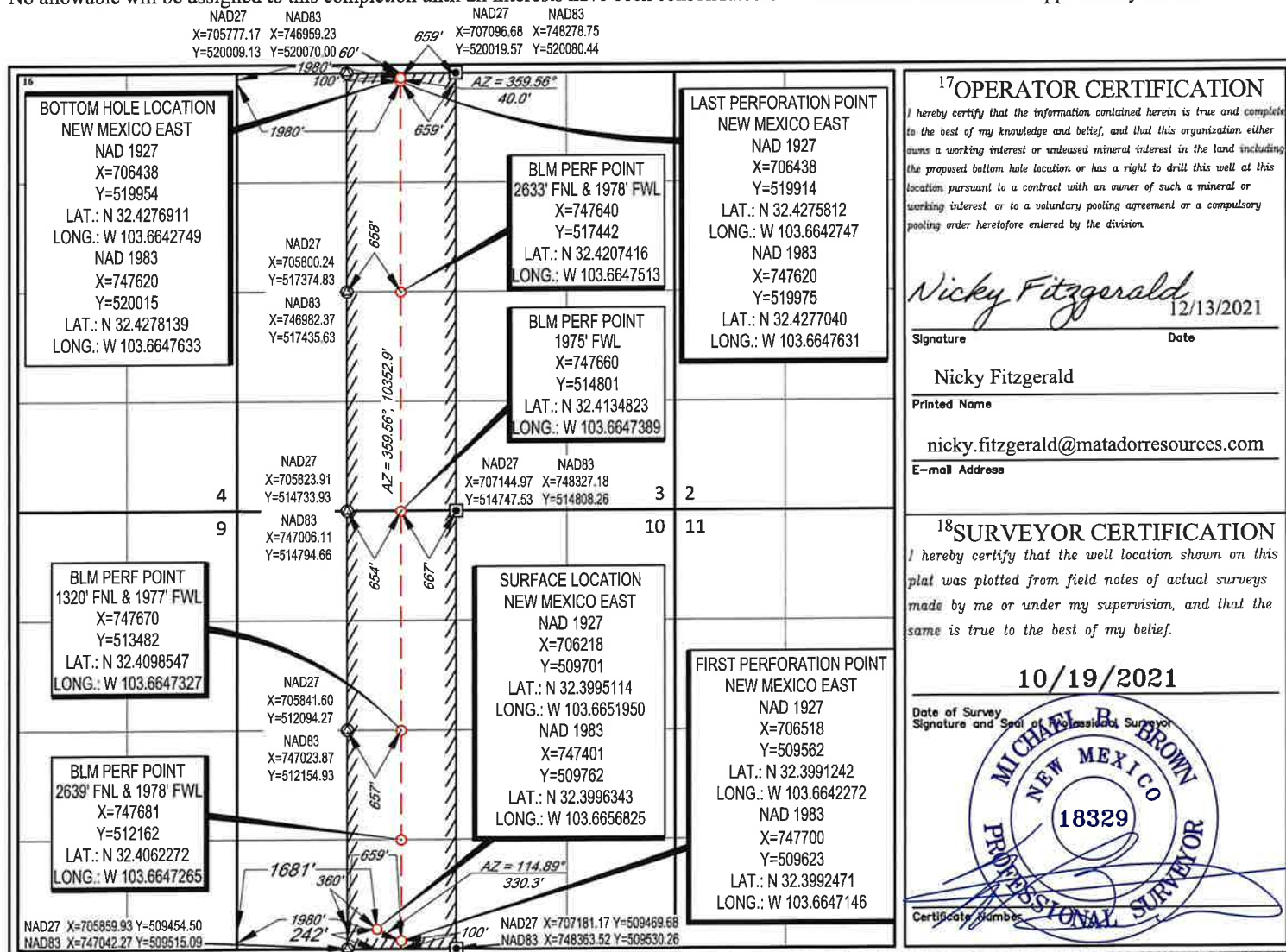
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	22-S	32-E	-	242'	SOUTH	1681'	WEST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	22-S	32-E	-	60'	NORTH	1980'	WEST	LEA

<sup>12</sup> Dedicated Acres <b>319.92</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--	-------------------------------	----------------------------------	-------------------------

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





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Phone: (505) 746-3460 Fax: (505) 746-3462

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

**FORM C-102**

Revised August 1, 2011

**Submit one copy to appropriate**

**District Office**☐ **AMENDED REPORT**

# WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-51611</b>		<sup>2</sup> Pool Code 5695	<sup>3</sup> Pool Name BILBREY BASIN, BONE SPRING
<sup>4</sup> Property Code <b>320841</b>	<sup>5</sup> Property Name NINA CORTELL FED COM		<sup>6</sup> Well Number 127H
<sup>7</sup> OGRID No. 228937	<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY		<sup>9</sup> Elevation 3789'

### <sup>10</sup>Surface Location

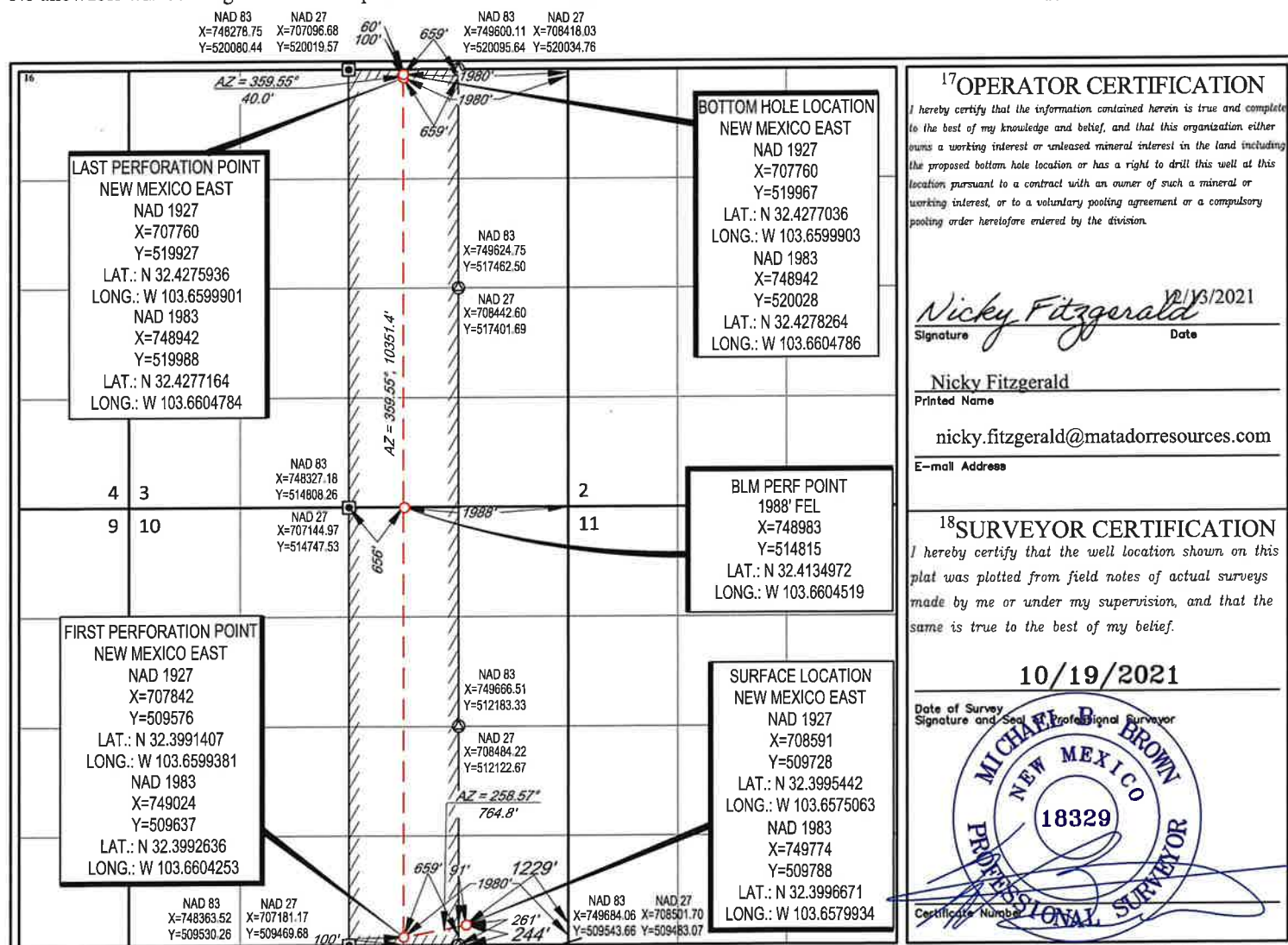
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	22-S	32-E	—	244'	SOUTH	1229'	EAST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	3	22-S	32-E	-	60'	NORTH	1980'	EAST	LEA

<sup>12</sup> Dedicated Acres <b>319.92</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
--	-------------------------------	----------------------------------	-------------------------

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



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FORM C-102

Revised August 1, 2011

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☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
	5695	BILBREY BASIN, BONE SPRING
<sup>4</sup> Property Code	<sup>5</sup> Property Name	<sup>6</sup> Well Number
	NINA CORTELL FED COM	128H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name	<sup>9</sup> Elevation
228937	MATADOR PRODUCTION COMPANY	3789'

<sup>10</sup>Surface Location

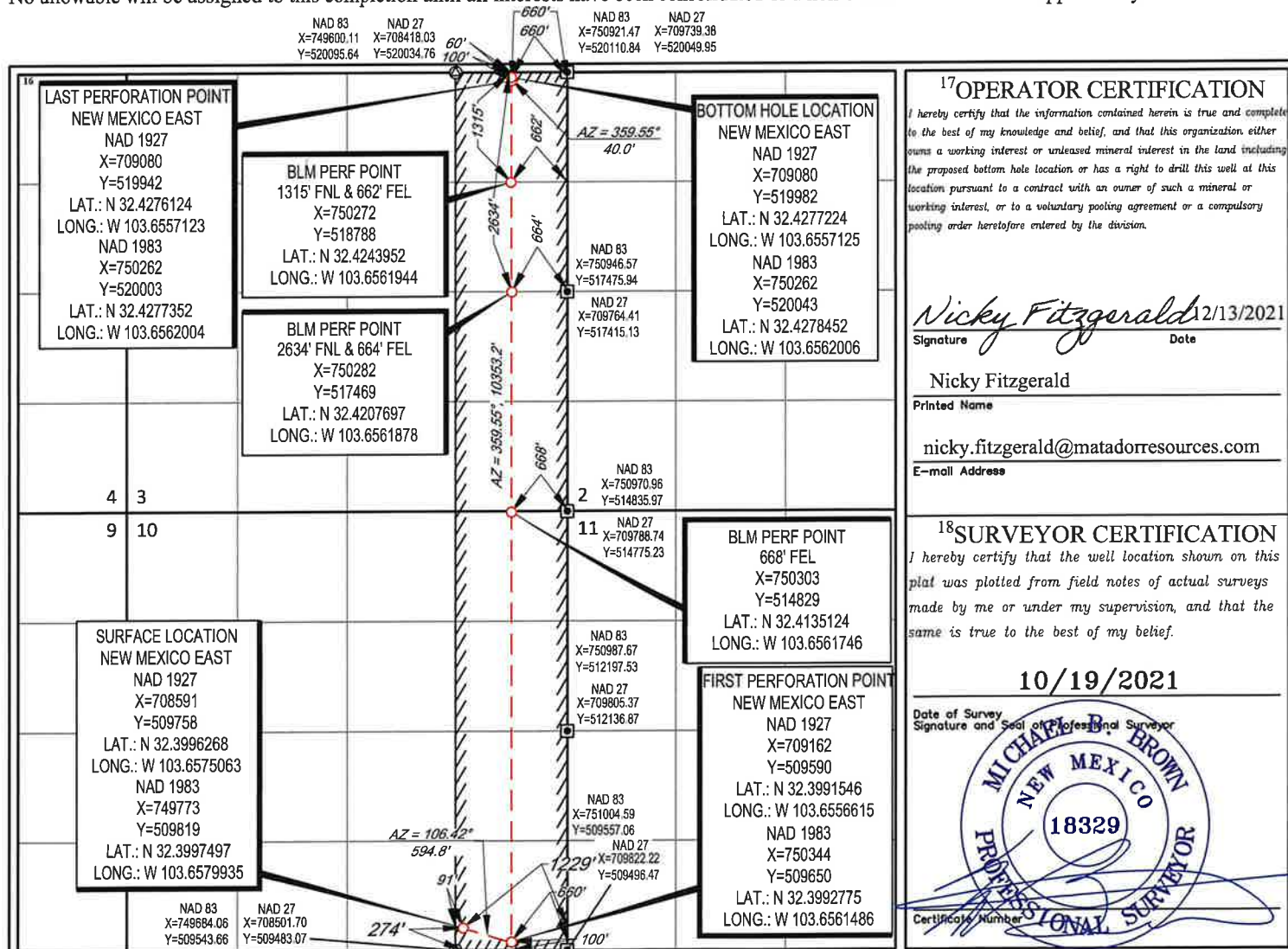
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	10	22-S	32-E	-	274'	SOUTH	1229'	EAST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	3	22-S	32-E	-	60'	NORTH	660'	EAST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
319.92			

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

FORM C-102  
Revised August 1, 2011  
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### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-50258</b>		<sup>2</sup> Pool Code <b>5695</b>	<sup>3</sup> Pool Name <b>BILBREY BASIN, BONE SPRING</b>
<sup>4</sup> Property Code <b>230841</b>	<sup>5</sup> Property Name <b>NINA CORTELL FED COM</b>		<sup>6</sup> Well Number <b>131H</b>
<sup>7</sup> GRID No. <b>228937</b>	<sup>8</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>		<sup>9</sup> Elevation <b>3791'</b>

#### <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
<b>N</b>	<b>10</b>	<b>22-S</b>	<b>32-E</b>	<b>-</b>	<b>272'</b>	<b>SOUTH</b>	<b>1491'</b>	<b>WEST</b>	<b>LEA</b>

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>4</b>	<b>3</b>	<b>22-S</b>	<b>32-E</b>	<b>-</b>	<b>113'</b>	<b>NORTH</b>	<b>964'</b>	<b>WEST</b>	<b>LEA</b>

<sup>12</sup> Dedicated Acres <b>320.15</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

**DETAIL VIEW**  
SCALE: 1" = 600'

**NEW MEXICO EAST  
NAD 1983**

**SURFACE LOCATION (SHL)**  
272' FSL - SEC. 10  
1491' FWL - SEC. 10  
X=747210 Y=509789  
LAT.: N 32.3997135  
LONG.: W 103.6662986

**PENETRATION POINT (PP)**  
66' FSL - SEC. 10  
1068' FWL - SEC. 10  
X=746788 Y=509579  
LAT.: N 32.3991415  
LONG.: W 103.6676708  
MD=8826' TVD=8796'

**KICK OFF POINT (KOP)**  
31' FSL - SEC. 10  
999' FWL - SEC. 10  
X=746720 Y=509543  
LAT.: N 32.3990437  
LONG.: W 103.6678932  
MD=11380' TVD=11346'

**FIRST TAKE POINT (FTP)**  
430' FSL - SEC. 10  
993' FWL - SEC. 10  
X=746711 Y=509941  
LAT.: N 32.4001400  
LONG.: W 103.6679135  
MD=12065' TVD=11889'

**BLM PERF. POINT (BPP1)**  
1320' FSL - SEC. 10  
986' FWL - SEC. 10  
X=746698 Y=510831  
LAT.: N 32.4025864  
LONG.: W 103.6679368  
MD=12983' TVD=11959'

**BLM PERF. POINT (BPP2)**  
2640' FNL - SEC. 10  
984' FWL - SEC. 10  
X=746686 Y=512151  
LAT.: N 32.4062148  
LONG.: W 103.6679496  
MD=14304' TVD=11941'

**BLM PERF. POINT (BPP3)**  
±0' FNL - SEC. 10  
989' FWL - SEC. 10  
X=746674 Y=514791  
LAT.: N 32.4134713  
LONG.: W 103.6679350  
MD=16945' TVD=11918'

**BLM PERF. POINT (BPP4)**  
2635' FNL - SEC. 3  
986' FWL - SEC. 3  
X=746648 Y=517432  
LAT.: N 32.4207309  
LONG.: W 103.6679675  
MD=19588' TVD=11867'

**LAST TAKE POINT (LTP)**  
180' FNL - SEC. 3  
971' FWL - SEC. 3  
X=746612 Y=519887  
LAT.: N 32.4274796  
LONG.: W 103.6680324  
MD=22047' TVD=11852'

**BOTTOM HOLE LOCATION (BHL)**  
113' FNL - SEC. 3  
964' FWL - SEC. 3  
X=746605 Y=519954  
LAT.: N 32.4276643  
LONG.: W 103.6680558  
MD=22116' TVD=11850'

**<sup>17</sup>OPERATOR CERTIFICATION**

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

*Jared Miles* 06/19/2024  
Signature Date

Jared Miles  
Printed Name

jared.miles@matadorresources.com  
E-mail Address

**<sup>18</sup>SURVEYOR CERTIFICATION**

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

06/13/2023  
Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number

**NEW MEXICO EAST  
NAD 1927**

<b>SURFACE LOCATION (SHL)</b> X=706028 Y=509729 LAT.: N 32.3995907 LONG.: W 103.6658112	<b>PENETRATION POINT (PP)</b> X=705606 Y=509516 LAT.: N 32.3990186 LONG.: W 103.6671834
<b>KICK OFF POINT (KOP)</b> X=705537 Y=509482 LAT.: N 32.3989208 LONG.: W 103.6674058	<b>FIRST TAKE POINT (FTP)</b> X=705529 Y=509861 LAT.: N 32.4000171 LONG.: W 103.6674260
<b>BLM PERF. POINT (BPP1)</b> X=705516 Y=510771 LAT.: N 32.4024635 LONG.: W 103.6674493	<b>BLM PERF. POINT (BPP2)</b> X=705529 Y=509861 LAT.: N 32.4000171 LONG.: W 103.6674260
<b>BLM PERF. POINT (BPP3)</b> X=705492 Y=514731 LAT.: N 32.4134855 LONG.: W 103.6674470	<b>BLM PERF. POINT (BPP4)</b> X=705465 Y=517371 LAT.: N 32.4206981 LONG.: W 103.6674792
<b>LAST TAKE POINT (LTP)</b> X=705430 Y=519826 LAT.: N 32.4273598 LONG.: W 103.6675439	<b>BOTTOM HOLE LOCATION (BHL)</b> X=705423 Y=519894 LAT.: N 32.4275415 LONG.: W 103.6676673

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FORM C-102

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☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-51189</b>		<sup>2</sup> Pool Code <b>5695</b>	<sup>3</sup> Pool Name <b>BILBREY BASIN, BONE SPRING</b>
<sup>4</sup> Property Code <b>320641</b>	<sup>5</sup> Property Name <b>NINA CORTELL FED COM</b>		<sup>6</sup> Well Number <b>132H</b>
<sup>7</sup> OGRID No. <b>228937</b>	<sup>8</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>		<sup>9</sup> Elevation <b>3791'</b>

<sup>10</sup>Surface Location

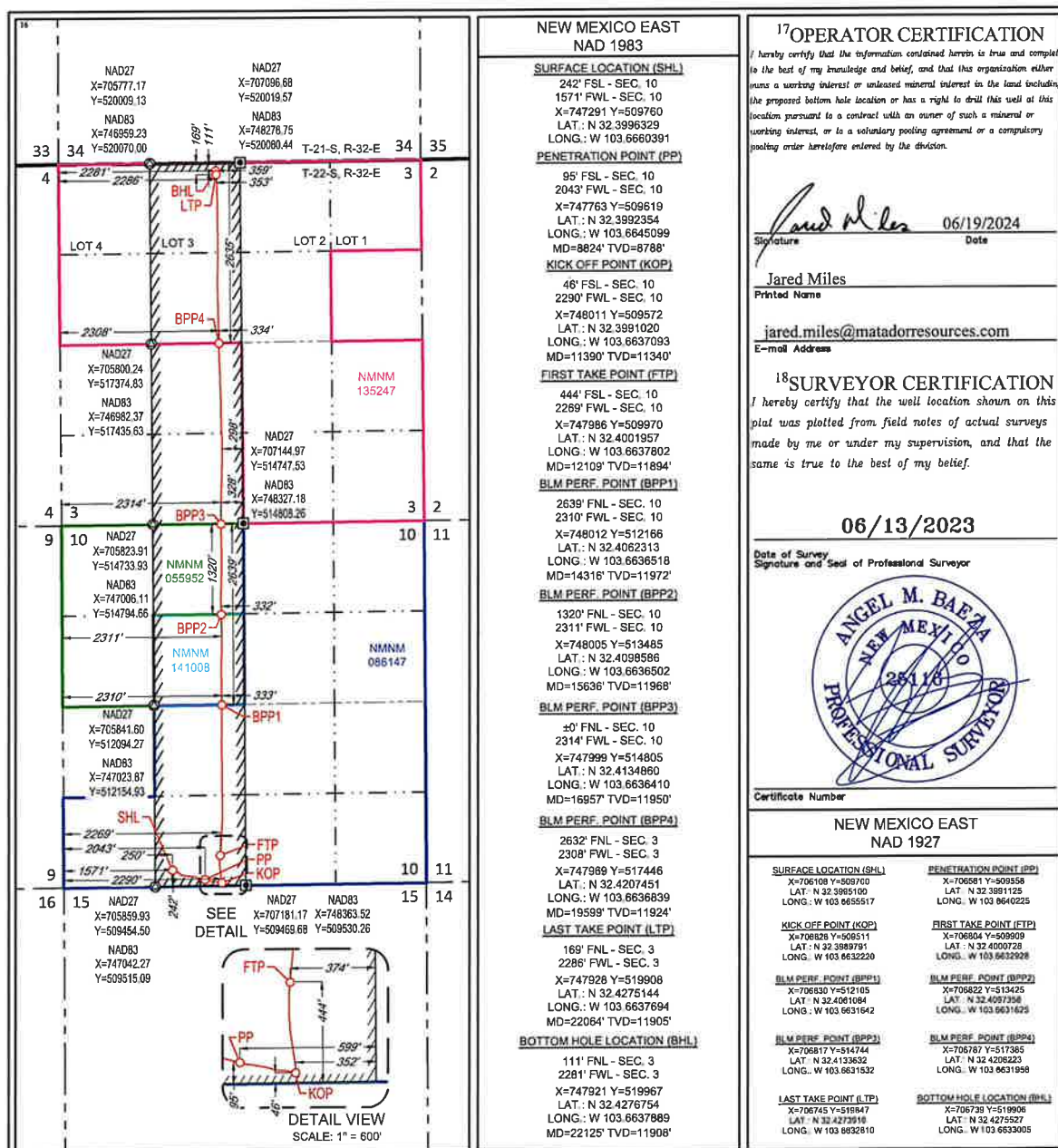
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	10	22-S	32-E	-	242'	SOUTH	1571'	WEST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	22-S	32-E	-	111'	NORTH	2281'	WEST	LEA

<sup>12</sup> Dedicated Acres <b>320.01</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025- 50513</b>		<sup>2</sup> Pool Code <b>5695</b>		<sup>3</sup> Pool Name <b>BILBREY BASIN; BONE SPRING</b>					
<sup>4</sup> Property Code <b>320841</b>		<sup>5</sup> Property Name <b>NINA CORTELL FED COM</b>					<sup>6</sup> Well Number <b>133H</b>		
<sup>7</sup> GRID No. <b><del>7844</del></b>		<sup>8</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>					<sup>9</sup> Elevation <b>3790'</b>		
<sup>10</sup> Surface Location									
UL or lot no. <b>0</b>	Section <b>10</b>	Township <b>22-S</b>	Range <b>32-E</b>	Lot Idn <b>-</b>	Feet from the <b>244'</b>	North/South line <b>SOUTH</b>	Feet from the <b>1339'</b>	East/West line <b>EAST</b>	County <b>LEA</b>
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. <b>1</b>	Section <b>3</b>	Township <b>22-S</b>	Range <b>32-E</b>	Lot Idn <b>-</b>	Feet from the <b>111'</b>	North/South line <b>NORTH</b>	Feet from the <b>1740'</b>	East/West line <b>EAST</b>	County <b>LEA</b>
<sup>12</sup> Dedicated Acres <b>319.92</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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

**NEW MEXICO EAST  
NAD 1983**

**SURFACE LOCATION (SHL)**

244' FSL - SEC. 10  
1339' FEL - SEC. 10  
X=749664 Y=509787  
LAT.: N 32.3996660  
LONG.: W 103.6583499

**PENETRATION POINT (PP)**

48' FSL - SEC. 10  
1680' FEL - SEC. 10  
X=749325 Y=509588  
LAT.: N 32.3991225  
LONG.: W 103.6594518  
MD=8767' TVD=8752'

**KICK OFF POINT (KOP)**

44' FSL - SEC. 10  
1688' FEL - SEC. 10  
X=749316 Y=509584  
LAT.: N 32.3991118  
LONG.: W 103.6594790  
MD=11375' TVD=11360'

**FIRST PERFORATION POINT (FPP)**

35' FSL - SEC. 10  
1703' FEL - SEC. 10  
X=749301 Y=509575  
LAT.: N 32.3990886  
LONG.: W 103.6595277  
MD=10215' TVD=10200'

**BLM PERF. POINT (BPP)**

0' FNL - SEC. 10  
1705' FEL - SEC. 10  
X=749266 Y=514818  
LAT.: N 32.4135005  
LONG.: W 103.6595365  
MD=16962' TVD=11956'

**LAST PERFORATION POINT (LPP)**

2220' FNL - SEC. 3  
1703' FEL - SEC. 3  
X=749240 Y=517871  
LAT.: N 32.4218929  
LONG.: W 103.6595580  
MD=20016' TVD=11964'

**BOTTOM HOLE LOCATION (BHL)**

111' FNL - SEC. 3  
1740' FEL - SEC. 3  
X=749183 Y=519980  
LAT.: N 32.4276903  
LONG.: W 103.6597005  
MD=22130' TVD=11881'

**17 OPERATOR CERTIFICATION**

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

Signature

05/10/2023

Date

Brett Jennings

Printed Name

Brett.Jennings@matadorresources.com

E-mail Address

**18 SURVEYOR CERTIFICATION**

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

**10/19/2021**

Date of Survey

Signature and Seal of Professional Surveyor

Certificate Number

**NEW MEXICO EAST  
NAD 1927**

<u><b>SURFACE LOCATION (SHL)</b></u>	<u><b>PENETRATION POINT (PP)</b></u>
X=708481 Y=509727 LAT.: N 32.3995431 LONG.: W 103.6578827	X=708142 Y=509527 LAT.: N 32.3989996 LONG.: W 103.6589648
<u><b>KICK OFF POINT (KOP)</b></u>	<u><b>FIRST PERFORATION POINT (FPP)</b></u>
X=708134 Y=509523 LAT.: N 32.3680889 LONG.: W 103.6589918	X=708119 Y=509514 LAT.: N 32.3680857 LONG.: W 103.6590405
<u><b>BLM PERF. POINT (BPP)</b></u>	<u><b>LAST PERFORATION POINT (LPP)</b></u>
X=708084 Y=514757 LAT.: N 32.4133776 LONG.: W 103.6590487	X=708058 Y=517810 LAT.: N 32.4217701 LONG.: W 103.6590700
<u><b>BOTTOM HOLE LOCATION (BHL)</b></u>	
X=708000 Y=519919 LAT.: N 32.4275875 LONG.: W 103.6582123	



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## WELL LOCATION AND ACREAGE DEDICATION PLAT

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<sup>4</sup> Property Code <b>320841</b>		<sup>5</sup> Property Name <b>NINA CORTELL FED COM</b>			<sup>6</sup> Well Number <b>134H</b>
<sup>7</sup> OGRID No. <b>7877228937</b>		<sup>8</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>			<sup>9</sup> Elevation <b>3789'</b>
<sup>10</sup> Surface Location					
UL or lot no. <b>0</b>	Section <b>10</b>	Township <b>22-S</b>	Range <b>32-E</b>	Lot Idn <b>-</b>	Feet from the <b>274'</b>
		North/South line <b>SOUTH</b>		Feet from the <b>1339'</b>	East/West line <b>EAST</b>
				County <b>LEA</b>	
<sup>11</sup> Bottom Hole Location If Different From Surface					
UL or lot no. <b>1</b>	Section <b>3</b>	Township <b>22-S</b>	Range <b>32-E</b>	Lot Idn <b>-</b>	Feet from the <b>110'</b>
		North/South line <b>NORTH</b>		Feet from the <b>395'</b>	East/West line <b>EAST</b>
				County <b>LEA</b>	
<sup>12</sup> Dedicated Acres <b>319.92</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code	
				<sup>15</sup> Order No.	

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u></p> <p>274' FSL - SEC. 10 1339' FEL - SEC. 10 X=749663 Y=509817 LAT.: N 32.3997487 LONG.: W 103.6583501</p> <p><u>PENETRATION POINT (PP)</u></p> <p>50' FSL - SEC. 10 375' FEL - SEC. 10 X=750629 Y=509603 LAT.: N 32.3991418 LONG.: W 103.6552258 MD=8843' TVD=8772'</p> <p><u>KICK OFF POINT (KOP)</u></p> <p>46' FSL - SEC. 10 387' FSL - SEC. 10 X=750617 Y=509599 LAT.: N 32.3991327 LONG.: W 103.6552642 MD=11488' TVD=11416'</p> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>450' FSL - SEC. 10 346' FEL - SEC. 10 X=750656 Y=510004 LAT.: N 32.4002439 LONG.: W 103.6551310 MD=12263' TVD=12022'</p> <p><u>BLM PERF. POINT (BPP1)</u></p> <p>1316' FNL - SEC. 3 393' FEL - SEC. 3 X=750541 Y=518791 LAT.: N 32.4243978 LONG.: W 103.6553216 MD=21068' TVD=11981'</p> <p><u>BLM PERF. POINT (BPP2)</u></p> <p>2640' FSL - SEC. 3 379' FEL - SEC. 3 X=750568 Y=517472 LAT.: N 32.4207727 LONG.: W 103.6552631 MD=19748' TVD=11968'</p> <p><u>BLM PERF. POINT (BPP3)</u></p> <p>0' FNL - SEC. 10 384' FEL - SEC. 10 X=750587 Y=514832 LAT.: N 32.4135158 LONG.: W 103.6552558 MD=17108' TVD=11952'</p> <p><u>LAST PERFORATION POINT (LPP)</u></p> <p>176' FNL - SEC. 3 395' FEL - SEC. 3 X=750529 Y=519930 LAT.: N 32.4275303 LONG.: W 103.6553392 MD=22208' TVD=11948'</p> <p><u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>110' FNL - SEC. 3 395' FEL - SEC. 3 X=750527 Y=519996 LAT.: N 32.4277107 LONG.: W 103.6553416 MD=22275' TVD=11948'</p>	<p><sup>17</sup>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brett Jennings</i> 05/08/2023 Signature Date</p> <p>Brett Jennings Printed Name</p> <p>Brett.Jennings@matadorresources.com E-mail Address</p> <p><sup>18</sup>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>10/19/2021</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p> <p> </p> <p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <table border="1"> <tr> <td> <p><u>SURFACE LOCATION (SHL)</u></p> <p>X=708481 Y=509757 LAT.: N 32.3992269 LONG.: W 103.6578829</p> </td> <td> <p><u>PENETRATION POINT (PP)</u></p> <p>X=709647 Y=509542 LAT.: N 32.3990183 LONG.: W 103.6547388</p> </td> </tr> <tr> <td> <p><u>KICK OFF POINT (KOP)</u></p> <p>X=709435 Y=509539 LAT.: N 32.3990098 LONG.: W 103.6547771</p> </td> <td> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>X=709473 Y=509943 LAT.: N 32.4001209 LONG.: W 103.6546439</p> </td> </tr> <tr> <td> <p><u>BLM PERF. POINT (BPP1)</u></p> <p>X=709059 Y=516730 LAT.: N 32.4242750 LONG.: W 103.6546336</p> </td> <td> <p><u>BLM PERF. POINT (BPP2)</u></p> <p>X=709386 Y=517411 LAT.: N 32.4206486 LONG.: W 103.6547753</p> </td> </tr> <tr> <td> <p><u>BLM PERF. POINT (BPP3)</u></p> <p>X=709404 Y=514771 LAT.: N 32.4133927 LONG.: W 103.6547882</p> </td> <td> <p><u>LAST PERFORATION POINT (LPP)</u></p> <p>X=709347 Y=519369 LAT.: N 32.4274074 LONG.: W 103.6548511</p> </td> </tr> </table> <p><u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>X=708345 Y=519935 LAT.: N 32.4275878 LONG.: W 103.6548535</p>	<p><u>SURFACE LOCATION (SHL)</u></p> <p>X=708481 Y=509757 LAT.: N 32.3992269 LONG.: W 103.6578829</p>	<p><u>PENETRATION POINT (PP)</u></p> <p>X=709647 Y=509542 LAT.: N 32.3990183 LONG.: W 103.6547388</p>	<p><u>KICK OFF POINT (KOP)</u></p> <p>X=709435 Y=509539 LAT.: N 32.3990098 LONG.: W 103.6547771</p>	<p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>X=709473 Y=509943 LAT.: N 32.4001209 LONG.: W 103.6546439</p>	<p><u>BLM PERF. POINT (BPP1)</u></p> <p>X=709059 Y=516730 LAT.: N 32.4242750 LONG.: W 103.6546336</p>	<p><u>BLM PERF. POINT (BPP2)</u></p> <p>X=709386 Y=517411 LAT.: N 32.4206486 LONG.: W 103.6547753</p>	<p><u>BLM PERF. POINT (BPP3)</u></p> <p>X=709404 Y=514771 LAT.: N 32.4133927 LONG.: W 103.6547882</p>	<p><u>LAST PERFORATION POINT (LPP)</u></p> <p>X=709347 Y=519369 LAT.: N 32.4274074 LONG.: W 103.6548511</p>
	<p><u>SURFACE LOCATION (SHL)</u></p> <p>X=708481 Y=509757 LAT.: N 32.3992269 LONG.: W 103.6578829</p>	<p><u>PENETRATION POINT (PP)</u></p> <p>X=709647 Y=509542 LAT.: N 32.3990183 LONG.: W 103.6547388</p>								
<p><u>KICK OFF POINT (KOP)</u></p> <p>X=709435 Y=509539 LAT.: N 32.3990098 LONG.: W 103.6547771</p>	<p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>X=709473 Y=509943 LAT.: N 32.4001209 LONG.: W 103.6546439</p>									
<p><u>BLM PERF. POINT (BPP1)</u></p> <p>X=709059 Y=516730 LAT.: N 32.4242750 LONG.: W 103.6546336</p>	<p><u>BLM PERF. POINT (BPP2)</u></p> <p>X=709386 Y=517411 LAT.: N 32.4206486 LONG.: W 103.6547753</p>									
<p><u>BLM PERF. POINT (BPP3)</u></p> <p>X=709404 Y=514771 LAT.: N 32.4133927 LONG.: W 103.6547882</p>	<p><u>LAST PERFORATION POINT (LPP)</u></p> <p>X=709347 Y=519369 LAT.: N 32.4274074 LONG.: W 103.6548511</p>									

AS-DRILLED

State of New Mexico

FORM C-102

District I  
1625 N. French Dr., Hobbs, NM 88240  
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District II  
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District IV  
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-49628		<sup>2</sup> Pool Code 98166		<sup>3</sup> Pool Name WC-025 G-09 S233216K; UPR WOLFCAMP	
<sup>4</sup> Property Code 320841		<sup>5</sup> Property Name NINA CORTELL FED COM			<sup>6</sup> Well Number 203H
<sup>7</sup> GRID No. 228937		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY			<sup>9</sup> Elevation 3790'
<sup>10</sup> Surface Location					
UL or lot no. 0	Section 10	Township 22-S	Range 32-E	Lot Idn -	Feet from the 244'
		North/South line SOUTH		Feet from the 1369'	East/West line EAST
				County LEA	
<sup>11</sup> Bottom Hole Location If Different From Surface					
UL or lot no. 2	Section 3	Township 22-S	Range 32-E	Lot Idn -	Feet from the 110'
		North/South line NORTH		Feet from the 2270'	East/West line EAST
				County LEA	
<sup>12</sup> Dedicated Acres 319.92		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code	
<sup>15</sup> Order No.					

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

	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u></p> <p>244' FSL - SEC. 10 1369' FEL - SEC. 10 X=749634 Y=509787 LAT.: N 32.3996656 LONG.: W 103.6584473</p> <p><u>KICK OFF POINT (KOP)</u></p> <p>27' FSL - SEC. 10 2182' FEL - SEC. 10 X=748822 Y=509562 LAT.: N 32.3990607 LONG.: W 103.6610798 MD=11595' TVD=11555'</p> <p><u>PENETRATION POINT (PP)</u></p> <p>383' FSL - SEC. 10 2168' FEL - SEC. 10 X=748834 Y=509918 LAT.: N 32.4000407 LONG.: W 103.6610337 MD=12206' TVD=12001'</p> <p><u>FIRST PERFORATION POINT (FPP)</u></p> <p>397' FSL - SEC. 10 2169' FEL - SEC. 10 X=748833 Y=509932 LAT.: N 32.4000782 LONG.: W 103.6610390 MD=12221' TVD=12007'</p> <p><u>BLM PERF. POINT (BPP)</u></p> <p>0' FNL - SEC. 10 2263' FEL - SEC. 10 X=748709 Y=514812 LAT.: N 32.4134941 LONG.: W 103.6613420 MD=17125' TVD=12126'</p> <p><u>LAST PERFORATION POINT (LPP)</u></p> <p>167' FNL - SEC. 3 2268' FEL - SEC. 3 X=748655 Y=519918 LAT.: N 32.4275275 LONG.: W 103.6614100 MD=22233' TVD=12073'</p> <p><u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>110' FNL - SEC. 3 2270' FEL - SEC. 3 X=748653 Y=519975 LAT.: N 32.4276854 LONG.: W 103.6614169 MD=22292' TVD=12070'</p>	<p><sup>17</sup>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Brett Jennings</i> 05/31/2023 Signature Date</p> <p>Brett Jennings Printed Name</p> <p>Brett.Jennings@matadorresources.com E-mail Address</p> <p><sup>18</sup>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>08/17/2022 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>ANGEL M. BAEZA NEW MEXICO 28116 PROFESSIONAL SURVEYOR</p> <p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <table border="1"> <tr> <td><u>SURFACE LOCATION (SHL)</u> X=708451 Y=509726 LAT.: N 32.3995427 LONG.: W 103.6597961</td> <td><u>KICK OFF POINT (KOP)</u> X=707640 Y=509501 LAT.: N 32.3989377 LONG.: W 103.6605926</td> </tr> <tr> <td><u>PENETRATION POINT (PP)</u> X=707652 Y=509858 LAT.: N 32.3986178 LONG.: W 103.6605464</td> <td><u>FIRST PERFORATION POINT (FPP)</u> X=707650 Y=506872 LAT.: N 32.3986552 LONG.: W 103.6605917</td> </tr> <tr> <td><u>BLM PERF. POINT (BPP)</u> X=707526 Y=514752 LAT.: N 32.4133712 LONG.: W 103.6608542</td> <td><u>LAST PERFORATION POINT (LPP)</u> X=707473 Y=516857 LAT.: N 32.4274049 LONG.: W 103.6605217</td> </tr> <tr> <td colspan="2"><u>BOTTOM HOLE LOCATION (BHL)</u> X=707471 Y=519914 LAT.: N 32.4275626 LONG.: W 103.6608265</td> </tr> </table>	<u>SURFACE LOCATION (SHL)</u> X=708451 Y=509726 LAT.: N 32.3995427 LONG.: W 103.6597961	<u>KICK OFF POINT (KOP)</u> X=707640 Y=509501 LAT.: N 32.3989377 LONG.: W 103.6605926	<u>PENETRATION POINT (PP)</u> X=707652 Y=509858 LAT.: N 32.3986178 LONG.: W 103.6605464	<u>FIRST PERFORATION POINT (FPP)</u> X=707650 Y=506872 LAT.: N 32.3986552 LONG.: W 103.6605917	<u>BLM PERF. POINT (BPP)</u> X=707526 Y=514752 LAT.: N 32.4133712 LONG.: W 103.6608542	<u>LAST PERFORATION POINT (LPP)</u> X=707473 Y=516857 LAT.: N 32.4274049 LONG.: W 103.6605217	<u>BOTTOM HOLE LOCATION (BHL)</u> X=707471 Y=519914 LAT.: N 32.4275626 LONG.: W 103.6608265	
	<u>SURFACE LOCATION (SHL)</u> X=708451 Y=509726 LAT.: N 32.3995427 LONG.: W 103.6597961	<u>KICK OFF POINT (KOP)</u> X=707640 Y=509501 LAT.: N 32.3989377 LONG.: W 103.6605926								
	<u>PENETRATION POINT (PP)</u> X=707652 Y=509858 LAT.: N 32.3986178 LONG.: W 103.6605464	<u>FIRST PERFORATION POINT (FPP)</u> X=707650 Y=506872 LAT.: N 32.3986552 LONG.: W 103.6605917								
	<u>BLM PERF. POINT (BPP)</u> X=707526 Y=514752 LAT.: N 32.4133712 LONG.: W 103.6608542	<u>LAST PERFORATION POINT (LPP)</u> X=707473 Y=516857 LAT.: N 32.4274049 LONG.: W 103.6605217								
<u>BOTTOM HOLE LOCATION (BHL)</u> X=707471 Y=519914 LAT.: N 32.4275626 LONG.: W 103.6608265										



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Energy, Minerals & Natural Resources  
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FORM C-102  
Revised August 1, 2011  
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## WELL LOCATION AND ACREAGE DEDICATION PLAT

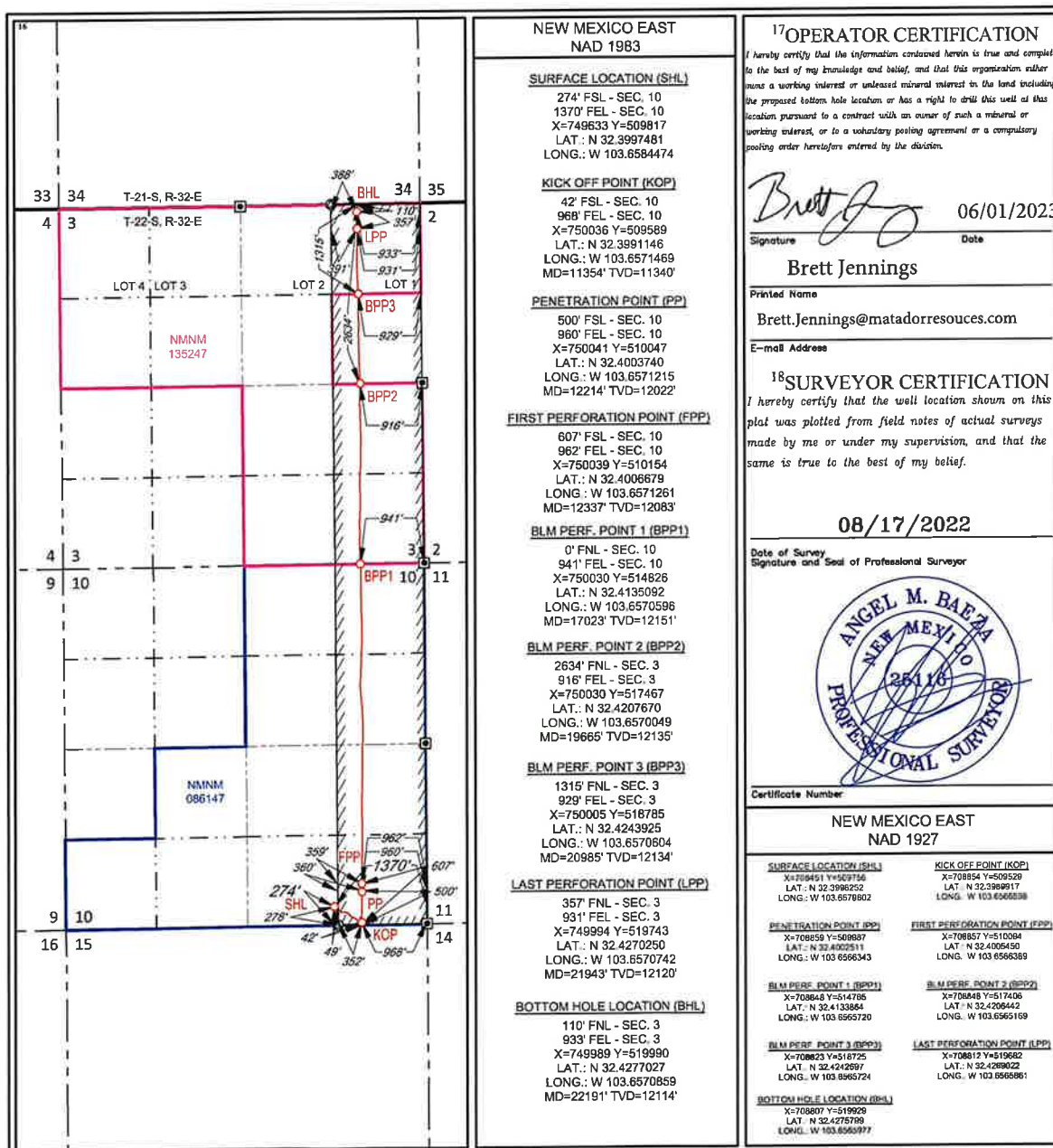
<sup>1</sup> API Number 30-025-49629		<sup>2</sup> Pool Code 98166		<sup>3</sup> Pool Name WC-025 G-09 S233216K; UPR WOLFCAMP	
<sup>4</sup> Property Code 320841		<sup>5</sup> Property Name NINA CORTELL FED COM		<sup>6</sup> Well Number 204H	
<sup>7</sup> GRID No. 228937		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY		<sup>9</sup> Elevation 3790'	

<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
0	10	22-S	32-E	-	274'	SOUTH	1370'	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	3	22-S	32-E	-	110'	NORTH	933'	EAST	LEA

<sup>12</sup> Dedicated Acres 319.92	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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



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## AS-DRILLED PLAT

<sup>1</sup> API Number <b>30-025-51629</b>		<sup>2</sup> Pool Code <b>98166</b>	<sup>3</sup> Pool Name <b>WC-025 G-09 S233216K, UPR WOLFCAMP</b>
<sup>4</sup> Property Code <b>320841</b>	<sup>5</sup> Property Name <b>NINA CORTELL FED COM</b>		<sup>6</sup> Well Number <b>211H</b>
<sup>7</sup> GRID No. <b>228937</b>	<sup>8</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>		<sup>9</sup> Elevation <b>3791'</b>

<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
N	10	22-S	32-E	-	272'	SOUTH	1571'	WEST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	10	22-S	32-E	-	111'	NORTH	356'	WEST	LEA

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
160.18			

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.

<p>DETAIL VIEW SCALE: 1" = 600'</p>	<p>NEW MEXICO EAST NAD 1983</p> <p><u>SURFACE LOCATION (SHL)</u></p> <p>272' FSL - SEC. 10 1571' FWL - SEC. 10 X=747290 Y=509790 LAT.: N 32.3997147 LONG.: W 103.6660392</p> <p><u>KICK OFF POINT (KOP)</u></p> <p>47' FSL - SEC. 10 313' FWL - SEC. 10 X=746033 Y=509550 LAT.: N 32.3990767 LONG.: W 103.6701168 MD=11708' TVD=11530'</p> <p><u>PENETRATION POINT (PP)</u></p> <p>302' FSL - SEC. 10 280' FWL - SEC. 10 X=745999 Y=509805 LAT.: N 32.3997767 LONG.: W 103.6702216 MD=12198' TVD=11937'</p> <p><u>FIRST TAKE POINT (FTP)</u></p> <p>518' FSL - SEC. 10 302' FWL - SEC. 10 X=746019 Y=510021 LAT.: N 32.4003710 LONG.: W 103.6701527 MD=12460' TVD=12081'</p> <p><u>BLM PERF. POINT (BPP1)</u></p> <p>1320' FSL - SEC. 10 349' FWL - SEC. 10 X=746060 Y=510824 LAT.: N 32.4025778 LONG.: W 103.6700034 MD=13271' TVD=12107'</p> <p><u>BLM PERF. POINT (BPP2)</u></p> <p>2640' FNL - SEC. 10 316' FWL - SEC. 10 X=746018 Y=512144 LAT.: N 32.4062065 LONG.: W 103.6701124 MD=14593' TVD=12105'</p> <p><u>LAST TAKE POINT (LTP)</u></p> <p>188' FNL - SEC. 3 359' FWL - SEC. 3 X=746045 Y=514596 LAT.: N 32.4129465 LONG.: W 103.6699763 MD=17047' TVD=12096'</p> <p><u>BOTTOM HOLE LOCATION (BHL)</u></p> <p>111' FNL - SEC. 3 356' FWL - SEC. 3 X=746041 Y=514673 LAT.: N 32.4131585 LONG.: W 103.6699874 MD=17126' TVD=12099'</p>	<p><sup>17</sup>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Jared Miles</i> 06/19/2024 Signature Date</p> <p>Jared Miles Printed Name</p> <p>jared.miles@matadorresources.com E-mail Address</p> <p><sup>18</sup>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>06/13/2023 Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>ANGEL M. BAEZA NEW MEXICO PROFESSIONAL SURVEYOR 28118</p> <p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <table border="1"> <tr> <td><u>SURFACE LOCATION (SHL)</u></td> <td><u>KICK OFF POINT (KOP)</u></td> </tr> <tr> <td>X=706108 Y=509730 LAT.: N 32.3985916 LONG.: W 103.6655518</td> <td>X=704851 Y=509490 LAT.: N 32.3985938 LONG.: W 103.6692292</td> </tr> <tr> <td><u>PENETRATION POINT (PP)</u></td> <td><u>FIRST TAKE POINT (FTP)</u></td> </tr> <tr> <td>X=704817 Y=509744 LAT.: N 32.3986338 LONG.: W 103.6697340</td> <td>X=704837 Y=509960 LAT.: N 32.4002489 LONG.: W 103.6696551</td> </tr> <tr> <td><u>BLM PERF. POINT (BPP1)</u></td> <td><u>BLM PERF. POINT (BPP2)</u></td> </tr> <tr> <td>X=704878 Y=510764 LAT.: N 32.4025419 LONG.: W 103.6692157</td> <td>X=704838 Y=512093 LAT.: N 32.4063632 LONG.: W 103.6692646</td> </tr> <tr> <td><u>LAST TAKE POINT (LTP)</u></td> <td><u>BOTTOM HOLE LOCATION (BHL)</u></td> </tr> <tr> <td>X=704863 Y=514536 LAT.: N 32.4128237 LONG.: W 103.6694882</td> <td>X=704858 Y=514613 LAT.: N 32.4130355 LONG.: W 103.6694904</td> </tr> </table>	<u>SURFACE LOCATION (SHL)</u>	<u>KICK OFF POINT (KOP)</u>	X=706108 Y=509730 LAT.: N 32.3985916 LONG.: W 103.6655518	X=704851 Y=509490 LAT.: N 32.3985938 LONG.: W 103.6692292	<u>PENETRATION POINT (PP)</u>	<u>FIRST TAKE POINT (FTP)</u>	X=704817 Y=509744 LAT.: N 32.3986338 LONG.: W 103.6697340	X=704837 Y=509960 LAT.: N 32.4002489 LONG.: W 103.6696551	<u>BLM PERF. POINT (BPP1)</u>	<u>BLM PERF. POINT (BPP2)</u>	X=704878 Y=510764 LAT.: N 32.4025419 LONG.: W 103.6692157	X=704838 Y=512093 LAT.: N 32.4063632 LONG.: W 103.6692646	<u>LAST TAKE POINT (LTP)</u>	<u>BOTTOM HOLE LOCATION (BHL)</u>	X=704863 Y=514536 LAT.: N 32.4128237 LONG.: W 103.6694882	X=704858 Y=514613 LAT.: N 32.4130355 LONG.: W 103.6694904
	<u>SURFACE LOCATION (SHL)</u>	<u>KICK OFF POINT (KOP)</u>																
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X=704863 Y=514536 LAT.: N 32.4128237 LONG.: W 103.6694882	X=704858 Y=514613 LAT.: N 32.4130355 LONG.: W 103.6694904																	

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
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Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

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

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

**FORM C-102**

Revised August 1, 2011

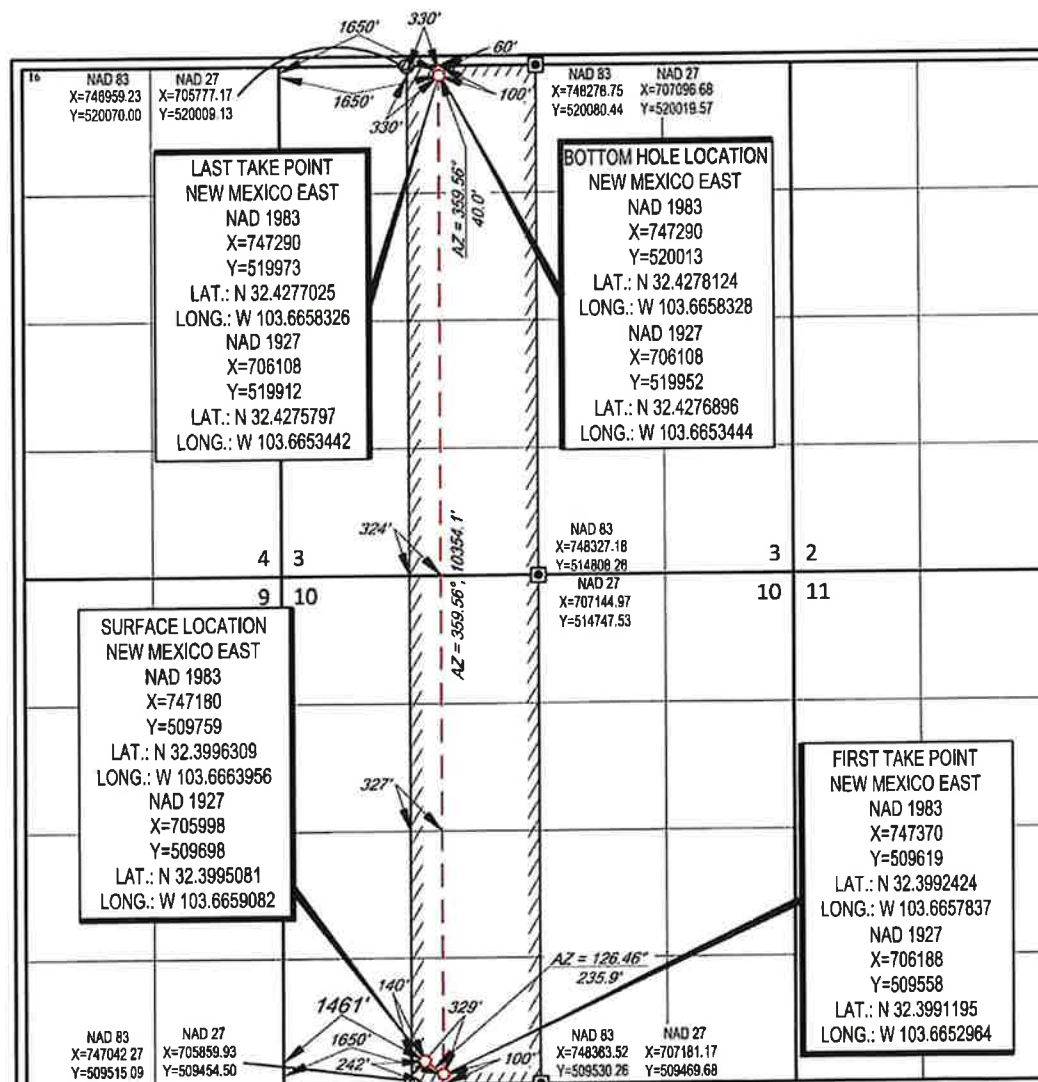
**Submit one copy to appropriate**

**District Office**☐ **AMENDED REPORT**

# WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name					
		98166		WC-025 G-09 S233216K; Upper Wolfcamp					
<sup>4</sup> Property Code		<sup>5</sup> Property Name						<sup>6</sup> Well Number	
		NINA CORTELL FED COM						202H	
<sup>7</sup> OGRID No.		<sup>8</sup> Operator Name						<sup>9</sup> Elevation	
228937		MATADOR PRODUCTION COMPANY						3789'	
<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
N	10	22-S	32-E	-	242'	SOUTH	1461'	WEST	LEA
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	3	22-S	32-E	-	60'	NORTH	1650'	WEST	LEA
<sup>12</sup> Dedicated Acres		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			
320									

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.



## <sup>17</sup>OPERATOR CERTIFICATION

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

Cassie Hahn 12/4/2020  
Signature Date

**Cassie Hahn**  
Printed Name

chahn@matadorresources.com  
E-mail Address

## 18 SURVEYOR CERTIFICATION

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

10/03/2020

Date of Survey \_\_\_\_\_  
Signature and Seal of Professional Engineer \_\_\_\_\_

Certificate Number



<b>Well Name:</b> NINA CORTELL FED COM	<b>Well Location:</b> T22S / R32E / SEC 10 / SESW / 32.3997151 / -103.6659417	<b>County or Parish/State:</b> LEA / NM
<b>Well Number:</b> 221H	<b>Type of Well:</b> OIL WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM135247	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3002551190	<b>Operator:</b> MATADOR PRODUCTION COMPANY	

### Notice of Intent

**Sundry ID:** 2778230

**Type of Submission:** Notice of Intent

**Type of Action:** APD Change

**Date Sundry Submitted:** 03/07/2024

**Time Sundry Submitted:** 06:40

**Date proposed operation will begin:** 07/01/2024

**Procedure Description:** BLM Bond NMB001079 Surety Bond No.: RLB0015172 Matador request the option to amend the well design of the Nina Cortell Fed Com #221H and make the following changes to the current APD: - Changed the well name from Nina Cortell Fed Com #221H to the Nina Cortell Fed Com #241H - Change BHL from 60' FNL & 990' FWL to 110' FNL & 330' FWL. All perforations will be within the setback requirements as previously approved. - Amend casing and cementing plan by adding an additional intermediate string of casing and revising set depths as described within the attached Sundry Info attachment.

### NOI Attachments

#### Procedure Description

Nina\_Cortell\_Fed\_Com\_241H\_Offline\_Cementing\_\_\_Surface\_20240306155938.pdf

Nina\_Cortell\_Fed\_Com\_241H\_Directional\_Well\_Plan\_20240306155936.pdf

Nina\_Cortell\_Fed\_Com\_241H\_Offline\_Cementing\_\_\_Int\_20240306155937.pdf

Nina\_Cortell\_Fed\_Com\_241H\_Sundry\_Info\_20240306155938.pdf

Nina\_Cortell\_Fed\_Com\_241H\_Directional\_Wall\_Plot\_20240306155935.pdf

Nina\_Cortell\_Fed\_Com\_241H\_Directional\_AC\_20240306155930.pdf

Nina\_Cortell\_Fed\_Com\_241H\_Break\_Testing\_Sundry\_20240306155930.pdf

LO\_NINA\_CORTELL\_FED\_COM\_241H\_REV1\_S\_20240306155931.pdf

Well Number: 221H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM135247

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002551190

Operator: MATADOR PRODUCTION  
COMPANY

Nina\_Cortell\_Fed\_Com\_241H\_Csg\_Specs\_10.75in\_45.5\_BUTT\_SC\_20240306155930.pdf

Nina\_Cortell\_Fed\_Com\_241H\_4\_String\_Wellhead\_Diagram\_20240306155930.pdf

Nina\_Cortell\_Fed\_Com\_241H\_Casing\_Design\_Criteria\_20240306155930.pdf

**Conditions of Approval****Additional**

NINA\_CORTELL\_FED\_COM\_241H\_ENG\_COA\_20240319090737.pdf

**Operator**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: NICKY FITZGERALD

Signed on: MAR 07, 2024 06:25 AM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS

State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

**Field**

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

**BLM Point of Contact**

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 03/19/2024

Signature: Chris Walls

District I  
1625 N. French Dr., Hobbs, NM 88240  
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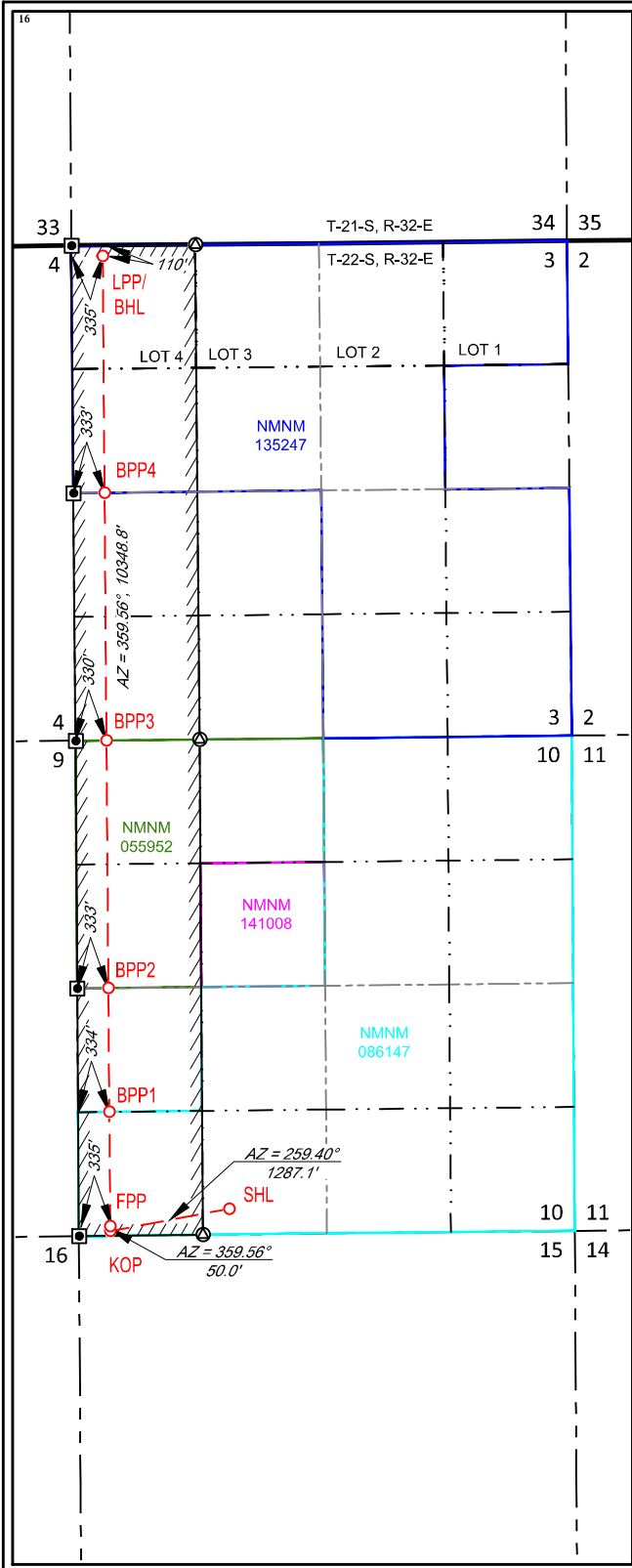
State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-51190		<sup>2</sup> Pool Code 98166		<sup>3</sup> Pool Name WC-025 G-09 S233216K; UPR WOLFCAMP					
<sup>4</sup> Property Code 320841		<sup>5</sup> Property Name NINA CORTELL FED COM						<sup>6</sup> Well Number 241H	
<sup>7</sup> OGRID No. 228937		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY						<sup>9</sup> Elevation 3790'	
<sup>10</sup> Surface Location									
UL or lot no. N	Section 10	Township 22-S	Range 32-E	Lot Idn -	Feet from the 272'	North/South line SOUTH	Feet from the 1601'	East/West line WEST	County LEA
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. 4	Section 3	Township 22-S	Range 32-E	Lot Idn -	Feet from the 110'	North/South line NORTH	Feet from the 330'	East/West line WEST	County LEA
<sup>12</sup> Dedicated Acres 319.92		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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



NEW MEXICO EAST  
NAD 1983

SURFACE LOCATION (SHL)

272' FSL - SEC. 10  
1601' FWL - SEC. 10  
X=747320 Y=509791  
LAT.: N 32.3997151  
LONG.: W 103.6659417

KICK OFF POINT (KOP)

50' FSL - SEC. 10  
335' FWL - SEC. 10  
X=746051 Y=509554  
LAT.: N 32.3990862  
LONG.: W 103.6700453

FIRST PERF. POINT (FPP)

100' FSL - SEC. 10  
335' FWL - SEC. 10  
X=746055 Y=509604  
LAT.: N 32.3992237  
LONG.: W 103.6700455

BLM PERF. POINT (BPP1)

1320' FSL - SEC. 10  
334' FWL - SEC. 10  
X=746045 Y=510824  
LAT.: N 32.4025776  
LONG.: W 103.6700514

BLM PERF. POINT (BPP2)

2641' FNL - SEC. 10  
333' FWL - SEC. 10  
X=746035 Y=512144  
LAT.: N 32.4062067  
LONG.: W 103.6700578

BLM PERF. POINT (BPP3)

0' FSL - SEC. 3  
330' FWL - SEC. 3  
X=746015 Y=514784  
LAT.: N 32.4134636  
LONG.: W 103.6700705

BLM PERF. POINT (BPP4)

2637' FNL - SEC. 3  
333' FWL - SEC. 3  
X=745995 Y=517426  
LAT.: N 32.4207238  
LONG.: W 103.6700833

LAST PERF. POINT (LPP)

BOTTOM HOLE LOCATION (BHL)

110' FNL - SEC. 3  
335' FWL - SEC. 3  
X=745975 Y=519952  
LAT.: N 32.4276692  
LONG.: W 103.6700955

<sup>17</sup>OPERATOR CERTIFICATION

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

*Nicky Fitzgerald* 3/6/2024  
Signature Date

Nicky Fitzgerald  
Printed Name

nicky.fitzgerald@matadorresources.com  
E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

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

03/21/2023

Date of Survey  
Signature and Seal of Professional Surveyor

*ANGEL M. BAEZA*  
NEW MEXICO  
25116  
PROFESSIONAL SURVEYOR

Certificate Number

NEW MEXICO EAST  
NAD 1927

<u>SURFACE LOCATION (SHL)</u> X=706138 Y=509730 LAT.: N 32.3995923 LONG.: W 103.6654543	<u>KICK OFF POINT (KOP)</u> X=704873 Y=508493 LAT.: N 32.398634 LONG.: W 103.6695577
<u>FIRST PERF. POINT (FPP)</u> X=704873 Y=509543 LAT.: N 32.3991008 LONG.: W 103.6695580	<u>BLM PERF. POINT (BPP1)</u> X=704863 Y=510763 LAT.: N 32.4024547 LONG.: W 103.6695638
<u>BLM PERF. POINT (BPP2)</u> X=704853 Y=512084 LAT.: N 32.4060839 LONG.: W 103.6695700	<u>BLM PERF. POINT (BPP3)</u> X=704833 Y=514724 LAT.: N 32.4133411 LONG.: W 103.6695825
<u>BLM PERF. POINT (BPP4)</u> X=704813 Y=517365 LAT.: N 32.4206010 LONG.: W 103.6695950	<u>LAST PERF. POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=704793 Y=519891 LAT.: N 32.4275465 LONG.: W 103.6696069



<b>Well Name:</b> NINA CORTELL FED COM	<b>Well Location:</b> T22S / R32E / SEC 10 / SESW / 32.3996342 / -103.6655856	<b>County or Parish/State:</b> LEA / NM
<b>Well Number:</b> 112H	<b>Type of Well:</b> OIL WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM086147	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3002551461	<b>Operator:</b> MATADOR PRODUCTION COMPANY	

### Notice of Intent

**Sundry ID:** 2778256

**Type of Submission:** Notice of Intent

**Type of Action:** APD Change

**Date Sundry Submitted:** 03/07/2024

**Time Sundry Submitted:** 07:23

**Date proposed operation will begin:** 07/01/2024

**Procedure Description:** BLM Bond NMB001079 Surety Bond No.: RLB0015172 Matador request the option to amend the well design of the Nina Cortell Fed Com #112H and make the following changes to the current APD: - Change well name from the Nina Cortell Fed Com #112H to the Nina Cortell Fed Com #135H - Change SHL from 242' FSL & 1711' FWL to 272' FSL & 1681' FWL. Surface hole remains on previously approved pad. - Change BHL from 61' FNL & 1980' FWL to 110' FNL & 330' FWL. All perforations will be within the setback requirements as previously approved. - Change target zone from First Bone Spring to Third Bone Spring - Amend casing and cementing plan by changing intermediate 1 casing from 7-5/8" to 9-5/8" and revising set depths as described in the Sundry Info attachment.

### NOI Attachments

#### Procedure Description

Nina\_Cortell\_Fed\_Com\_135H\_Offline\_Cementing\_\_Surface\_20240307071941.pdf  
Nina\_Cortell\_Fed\_Com\_135H\_Directional\_AC\_20240307071938.pdf  
Nina\_Cortell\_Fed\_Com\_135H\_3\_String\_Wellhead\_Diagram\_20240307071938.pdf  
Nina\_Cortell\_Fed\_Com\_135H\_Break\_Testing\_Sundry\_20240307071938.pdf  
Nina\_Cortell\_Fed\_Com\_135H\_Offline\_Cementing\_\_Int\_20240307071938.pdf  
Nina\_Cortell\_Fed\_Com\_135H\_Directional\_Well\_Plan\_20240307071938.pdf  
Nina\_Cortell\_Fed\_Com\_135H\_Directional\_Wall\_Plot\_20240307071938.pdf

Well Number: 112H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM086147

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002551461

Operator: MATADOR PRODUCTION  
COMPANY

Nina\_Cortell\_Fed\_Com\_135H\_Sundry\_Info\_20240307071845.pdf

LO\_NINA\_CORTELL\_FED\_COM\_135H\_REV1\_S\_20240307071820.pdf

**Conditions of Approval****Additional**

NINA\_CORTELL\_FED\_COM135H\_ENG\_COA\_20240318151840.pdf

**Operator**

*I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a*

Operator Electronic Signature: NICKY FITZGERALD

Signed on: MAR 07, 2024 07:17 AM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS

State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

**Field**

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

**BLM Point of Contact**

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 03/19/2024

Signature: Chris Walls

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-51461		<sup>2</sup> Pool Code 5695		<sup>3</sup> Pool Name BILBREY BASIN; BONE SPRING					
<sup>4</sup> Property Code 320841		<sup>5</sup> Property Name NINA CORTELL FED COM						<sup>6</sup> Well Number 135H	
<sup>7</sup> OGRID No. 228937		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY						<sup>9</sup> Elevation 3790'	
<sup>10</sup> Surface Location									
UL or lot no. N	Section 10	Township 22-S	Range 32-E	Lot Idn -	Feet from the 272'	North/South line SOUTH	Feet from the 1681'	East/West line WEST	County LEA
<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. D	Section 3	Township 22-S	Range 32-E	Lot Idn -	Feet from the 110'	North/South line NORTH	Feet from the 330'	East/West line WEST	County LEA
<sup>12</sup> Dedicated Acres 319.92		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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

16

33 34 35

4 3 2

10 11

15 14

LOT 4 LOT 3 LOT 2 LOT 1

NMNM 135247

NMNM 055952

NMNM 141008

NMNM 086147

BPP4

BPP3

BPP2

BPP1

FPP

SHL

KOP

100' 50'

330'

1681'

272'

AZ = 359.56° 10348.8'

AZ = 260.00° 1370.6'

AZ = 359.56° 50.0'

NEW MEXICO EAST  
NAD 1983

SURFACE LOCATION (SHL)

272' FSL - SEC. 10  
1681' FWL - SEC. 10  
X=747400 Y=509792  
LAT.: N 32.3997167  
LONG.: W 103.6656823

KICK OFF POINT (KOP)

50' FSL - SEC. 10  
330' FWL - SEC. 10  
X=746051 Y=509554  
LAT.: N 32.3990858  
LONG.: W 103.6700603

FIRST PERF. POINT (FPP)

100' FSL - SEC. 10  
330' FWL - SEC. 10  
X=746050 Y=509604  
LAT.: N 32.3992233  
LONG.: W 103.6700605

BLM PERF. POINT (BPP1)

1320' FSL - SEC. 10  
329' FWL - SEC. 10  
X=746041 Y=510824  
LAT.: N 32.4025775  
LONG.: W 103.6700664

BLM PERF. POINT (BPP2)

2640' FNL - SEC. 10  
328' FWL - SEC. 10  
X=746031 Y=512144  
LAT.: N 32.4062067  
LONG.: W 103.6700728

BLM PERF. POINT (BPP3)

0' FSL - SEC. 3  
325' FWL - SEC. 3  
X=746010 Y=514784  
LAT.: N 32.4134638  
LONG.: W 103.6700855

BLM PERF. POINT (BPP4)

2637' FNL - SEC. 3  
328' FWL - SEC. 3  
X=745990 Y=517426  
LAT.: N 32.4207237  
LONG.: W 103.6700983

LAST PERF. POINT (LPP)

BOTTOM HOLE LOCATION (BHL)

110' FNL - SEC. 3  
330' FWL - SEC. 3  
X=745971 Y=519952  
LAT.: N 32.4276689  
LONG.: W 103.6701105

<sup>17</sup>OPERATOR CERTIFICATION

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

*Nicky Fitzgerald* 3/7/2024

Signature Date

Nicky Fitzgerald

Printed Name

nicky.fitzgerald@matadorresources.com

E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

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

03/21/2023

Date of Survey

Signature and Seal of Professional Surveyor

ANGEL M. BAEZA  
NEW MEXICO  
25116  
PROFESSIONAL SURVEYOR

Certificate Number

NEW MEXICO EAST  
NAD 1927

<u>SURFACE LOCATION (SHL)</u> X=708218 Y=509731 LAT.: N 32.3996938 LONG.: W 103.6651949	<u>KICK OFF POINT (KOP)</u> X=704868 Y=508493 LAT.: N 32.3989630 LONG.: W 103.6695727
<u>FIRST PERF. POINT (FPP)</u> X=704868 Y=509543 LAT.: N 32.3991004 LONG.: W 103.6695730	<u>BLM PERF. POINT (BPP1)</u> X=704859 Y=510763 LAT.: N 32.4024547 LONG.: W 103.6695787
<u>BLM PERF. POINT (BPP2)</u> X=704848 Y=512084 LAT.: N 32.4060838 LONG.: W 103.6695850	<u>BLM PERF. POINT (BPP3)</u> X=704828 Y=514724 LAT.: N 32.4133410 LONG.: W 103.6695975
<u>BLM PERF. POINT (BPP4)</u> X=704808 Y=517365 LAT.: N 32.4206009 LONG.: W 103.6696100	<u>LAST PERF. POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=704789 Y=519891 LAT.: N 32.4275461 LONG.: W 103.6696219

<b>Well Name:</b> NINA CORTELL FED COM	<b>Well Location:</b> T22S / R32E / SEC 10 / SESW / 32.3996328 / -103.6659419	<b>County or Parish/State:</b> LEA / NM
<b>Well Number:</b> 222H	<b>Type of Well:</b> OIL WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM135247	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3002551191	<b>Operator:</b> MATADOR PRODUCTION COMPANY	

### Notice of Intent

**Sundry ID:** 2778255

**Type of Submission:** Notice of Intent

**Type of Action:** APD Change

**Date Sundry Submitted:** 03/07/2024

**Time Sundry Submitted:** 07:04

**Date proposed operation will begin:** 07/01/2024

**Procedure Description:** Matador request the option to amend the well design of the Nina Cortell Fed Com #222H and make the following changes to the current APD: - Change well name from the Nina Cortell Fed Com #222H to the Nina Cortell Fed Com #136H - Change BHL from 60' FNL & 2309' FWL to 110' FNL & 1650' FWL. All perforations will be within the setback requirements as previously approved. - Change target zone from Wolfcamp to Third Bone Spring - Amend casing and cementing plan by changing intermediate 1 casing from 7-5/8" to 9-5/8" and revising set depths as described below.

### NOI Attachments

#### Procedure Description

Nina\_Cortell\_Fed\_Com\_136H\_Offline\_Cementing\_\_\_Surface\_20240307070130.pdf  
Nina\_Cortell\_Fed\_Com\_136H\_Directional\_AC\_20240307070127.pdf  
Nina\_Cortell\_Fed\_Com\_136H\_Offline\_Cementing\_\_\_Int\_20240307070127.pdf  
Nina\_Cortell\_Fed\_Com\_136H\_Break\_Testing\_Sundry\_20240307070127.pdf  
Nina\_Cortell\_Fed\_Com\_136H\_Directional\_Well\_Plan\_20240307070127.pdf  
Nina\_Cortell\_Fed\_Com\_136H\_Directional\_Wall\_Plot\_20240307070127.pdf  
Nina\_Cortell\_Fed\_Com\_136H\_3\_String\_Wellhead\_Diagram\_20240307070127.pdf  
Nina\_Cortell\_Fed\_Com\_136H\_Sundry\_Info\_20240307070056.pdf

Well Number: 222H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM135247

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002551191

Operator: MATADOR PRODUCTION  
COMPANY

LO\_NINA\_CORTELL\_FED\_COM\_136H\_S\_20240307070018.pdf

**Conditions of Approval****Additional**

NINA\_CORTELL\_FED\_COM\_136H\_ENG\_COA\_20240318153527.pdf

**Operator**

*I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a*

Operator Electronic Signature: NICKY FITZGERALD

Signed on: MAR 07, 2024 06:58 AM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS

State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

**Field**

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

**BLM Point of Contact**

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 03/19/2024

Signature: Chris Walls

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

☐ **AMENDED REPORT**



<b>Well Name:</b> NINA CORTELL FED COM	<b>Well Location:</b> T22S / R32E / SEC 10 / SESE /	<b>County or Parish/State:</b>
<b>Well Number:</b> 137H	<b>Type of Well:</b> OIL WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM086147	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3002551489	<b>Well Status:</b> Approved Application for Permit to Drill	<b>Operator:</b> MATADOR PRODUCTION COMPANY

### Notice of Intent

**Sundry ID:** 2742130

**Type of Submission:** Notice of Intent

**Type of Action:** APD Change

**Date Sundry Submitted:** 07/20/2023

**Time Sundry Submitted:** 04:40

**Date proposed operation will begin:** 06/20/2024

**Procedure Description:** BLM Bond NMB001079 Surety Bond No.: RLB0015172 - Matador respectfully requests the option to amend the well design of the Nina Cortell Fed Com 137H make the following changes to the current APD: - Change well name from Nina Cortell Fed Com #223H to Nina Cortell Fed Com #137H - Change target zone from Wolfcamp to Bone Spring - Change BHL from 60' FNL & 1652' FEL to 110' FNL & 2307' FEL. All perforations will be within the setback requirements as previously approved. - Amend Casing and Cementing plan by changing Intermediate 1 casing from 7-5/8" to 9-5/8" and revising set depth as described below. - Amend pressure control requirements from 10M to 5M with the change from Wolfcamp to Bone Springs.

### NOI Attachments

#### Procedure Description

Nina\_Cortell\_Fed\_Com\_137H\_Directional\_Wall\_Plot\_v3\_20230720155908.pdf

LO\_NINA\_CORTELL\_FED\_COM\_137H\_REV3\_S\_20230720155908.pdf

Nina\_Cortell\_Fed\_Com\_137H\_Directional\_AC\_Report\_v3\_20230720155908.pdf

Nina\_Cortell\_Fed\_Com\_137H\_Sundry\_20230720155908.pdf

Nina\_Cortell\_Fed\_Com\_137H\_Directional\_Well\_Plan\_v3\_20230720155908.pdf

Well Number: 137H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM086147

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002551489

Well Status: Approved Application for Permit to Drill

Operator: MATADOR PRODUCTION COMPANY

**Conditions of Approval****Additional**

NINA\_CORTELL\_FED\_COM137H\_\_Sundry\_COA\_20230906134946.pdf

**Operator**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: NICKY FITZGERALD

Signed on: JUL 20, 2023 03:46 PM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS

State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

**Field**

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

**BLM Point of Contact**

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 09/06/2023

Signature: Chris Walls

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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

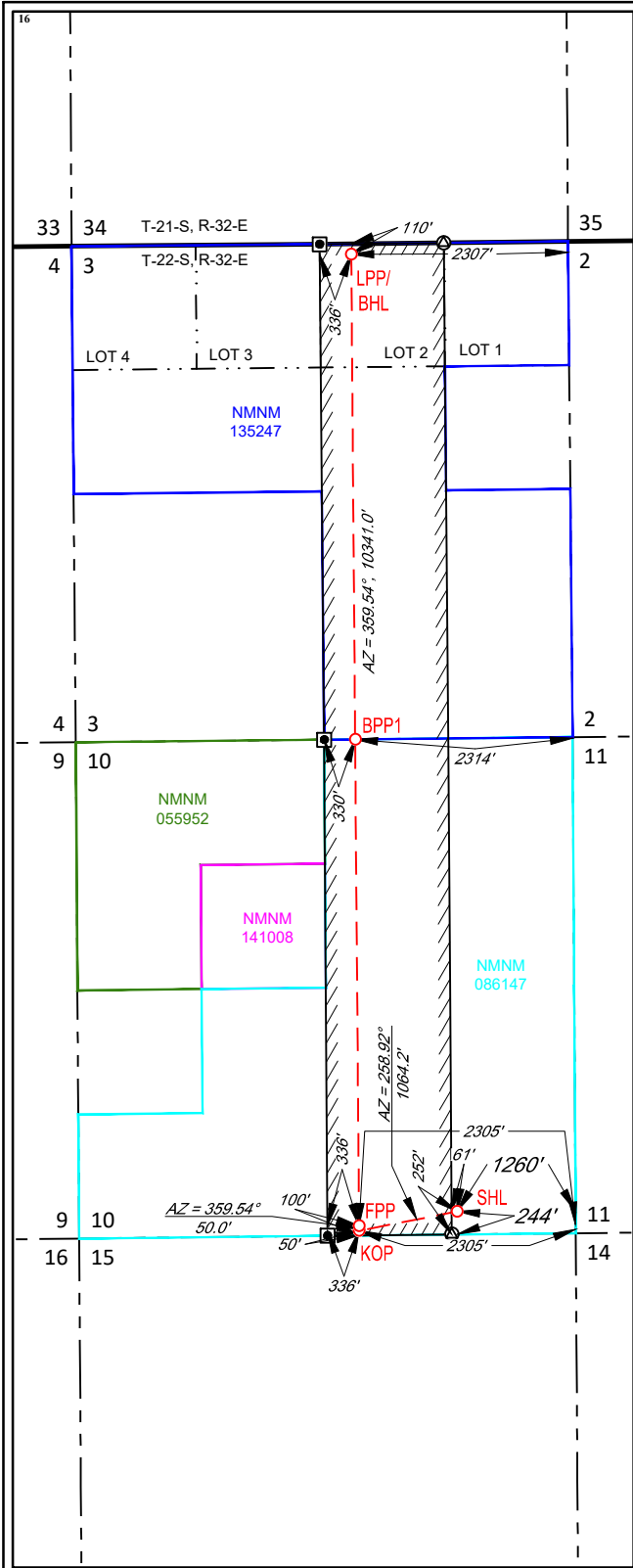
<sup>1</sup> API Number 30-025-51489		<sup>2</sup> Pool Code 5695		<sup>3</sup> Pool Name BILBREY BASIN; BONE SPRING	
<sup>4</sup> Property Code 320841		<sup>5</sup> Property Name NINA CORTELL FED COM			<sup>6</sup> Well Number 137H
<sup>7</sup> OGRID No. 228937		<sup>8</sup> Operator Name MATADOR PRODUCTION COMPANY			<sup>9</sup> Elevation 3789'

<sup>10</sup> Surface Location									
UL or lot no. P	Section 10	Township 22-S	Range 32-E	Lot Idn -	Feet from the 244'	North/South line SOUTH	Feet from the 1260'	East/West line EAST	County LEA

<sup>11</sup> Bottom Hole Location If Different From Surface									
UL or lot no. 2	Section 3	Township 22-S	Range 32-E	Lot Idn -	Feet from the 110'	North/South line NORTH	Feet from the 2307'	East/West line EAST	County LEA

<sup>12</sup> Dedicated Acres 319.92	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

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



NEW MEXICO EAST  
NAD 1983

SURFACE LOCATION (SHL)  
244' FSL - SEC. 10  
1260' FEL - SEC. 10  
X=749744 Y=509788  
LAT.: N 32.3996669  
LONG.: W 103.6580912

KICK OFF POINT (KOP)  
50' FSL - SEC. 10  
2305' FEL - SEC. 10  
X=748699 Y=509584  
LAT.: N 32.3991227  
LONG.: W 103.6614790

FIRST PERF. POINT (FPP)  
100' FSL - SEC. 10  
2305' FEL - SEC. 10  
X=748699 Y=509634  
LAT.: N 32.3992602  
LONG.: W 103.6614793

BLM PERF. POINT (BPP1)  
±0' FSL - SEC. 3  
2314' FEL - SEC. 3  
X=748657 Y=514812  
LAT.: N 32.4134935  
LONG.: W 103.6615085

LAST PERF. POINT (LPP)

BOTTOM HOLE LOCATION (BHL)  
110' FNL - SEC. 3  
2307' FEL - SEC. 3  
X=748616 Y=519974  
LAT.: N 32.4276843  
LONG.: W 103.6615377

<sup>17</sup>OPERATOR CERTIFICATION

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

*Nicky Fitzgerald* 1/20/2023

Signature Date

Nicky Fitzgerald

Printed Name

nicky.fitzgerald@matadorresources.com

E-mail Address

<sup>18</sup>SURVEYOR CERTIFICATION

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

03/21/2023

Date of Survey

Signature and Seal of Professional Surveyor

*ANGEL M. BAEZA*  
NEW MEXICO  
28116  
PROFESSIONAL SURVEYOR

Certificate Number

NEW MEXICO EAST  
NAD 1927

<u>SURFACE LOCATION (SHL)</u> X=708561 Y=509728 LAT.: N 32.3995440 LONG.: W 103.6576040	<u>KICK OFF POINT (KOP)</u> X=707517 Y=509623 LAT.: N 32.3989998 LONG.: W 103.6609917
<u>FIRST PERF. POINT (FPP)</u> X=707516 Y=509573 LAT.: N 32.3991373 LONG.: W 103.6609920	<u>BLM PERF. POINT (BPP1)</u> X=707475 Y=514751 LAT.: N 32.4133706 LONG.: W 103.6610208
<u>LAST PERF. POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=707434 Y=519913 LAT.: N 32.4275615 LONG.: W 103.6610494	

<b>Well Name:</b> NINA CORTELL FED COM	<b>Well Location:</b> T22S / R32E / SEC 10 / SESE / 32.3997492 / -103.658091	<b>County or Parish/State:</b> LEA / NM
<b>Well Number:</b> 224H	<b>Type of Well:</b> OIL WELL	<b>Allottee or Tribe Name:</b>
<b>Lease Number:</b> NMNM086147	<b>Unit or CA Name:</b>	<b>Unit or CA Number:</b>
<b>US Well Number:</b> 3002550471	<b>Operator:</b> MATADOR PRODUCTION COMPANY	

### Notice of Intent

**Sundry ID:** 2742141

**Type of Submission:** Notice of Intent

**Type of Action:** APD Change

**Date Sundry Submitted:** 07/20/2023

**Time Sundry Submitted:** 04:39

**Date proposed operation will begin:** 06/20/2024

**Procedure Description:** BLM Bond NMB001079 Surety Bond No.: RLB0015172 - Matador respectfully requests the option to amend the well design of the Nina Cortell Fed Com 138H and make the following changes to the current APD: - Change well name from Nina Cortell Fed Com #224H to Nina Cortell Fed Com #138H - Change target zone from Wolfcamp to Bone Spring - Change BHL from 60' FNL & 330' FEL to 110' FNL & 985' FEL. All perforations will be within the setback requirements as previously approved. - Amend Casing and Cementing plan by changing Intermediate 1 casing from 7-5/8" to 9-5/8" and revising set depth as described below. - Amend pressure control requirements from 10M to 5M with the change from Wolfcamp to Bone Springs.

### NOI Attachments

#### Procedure Description

Nina\_Cortell\_Fed\_Com\_138H\_Directional\_Well\_Plan\_v3\_20230720162226.pdf

Nina\_Cortell\_Fed\_Com\_138H\_Directional\_Wall\_Plot\_v3\_20230720162159.pdf

Nina\_Cortell\_Fed\_Com\_138H\_Sundry\_20230720162135.pdf

Nina\_Cortell\_Fed\_Com\_138H\_Directional\_AC\_Report\_v3\_20230720162114.pdf

LO\_NINA\_CORTELL\_FED\_COM\_138H\_REV3\_S\_20230720162028.pdf

Well Number: 224H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM086147

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002550471

Operator: MATADOR PRODUCTION  
COMPANY**Conditions of Approval****Additional**

NINA\_CORTELL\_FED\_COM138H\_\_Sundry\_COA\_20230906101856.pdf

**Operator**

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: NICKY FITZGERALD

Signed on: JUL 20, 2023 04:06 PM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS

State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

**Field**

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

**BLM Point of Contact**

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234

BLM POC Email Address: cwalls@blm.gov

Disposition: Approved

Disposition Date: 09/06/2023

Signature: Chris Walls

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

☐ **AMENDED REPORT**





COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico*  
*Commissioner of Public Lands*

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

Preston Cazale  
MRC Permian Company  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

February 7<sup>th</sup>, 2024

Re: Communitization Agreement Approval  
Nina Cortell Federal Com #211H  
Vertical Extent: Wolfcamp  
Township: 22 South, Range 32 East, NMPM  
Section 10: W2W2

Lea County, New Mexico

Dear Mr. Cazale,

The Commissioner of Public Lands has this date approved the Nina Cortell Federal Com #211H Communitization Agreement for the Wolfcamp formation effective 1-1-2024. Enclosed are three Certificates of Approval.

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

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

If we may be of further service, please contact Joseph Thompson at (505) 827-5750.

Sincerely,

*Joseph Thompson*

Joseph Thompson  
Petroleum Specialist

EXHIBIT

5

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

**Matador Production Company  
Nina Cortell Federal Com #211H  
Wolfcamp**

**Township: 22 South, Range: 32 East, NMPM  
Section 10: W2W2**

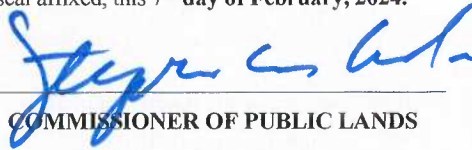
**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7<sup>th</sup> day of February, 2024.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Matador Production Company  
Nina Cortell Federal Com #211H  
Wolfcamp  
Township: 22 South, Range: 32 East, NMPM  
Section 10: W2W2**

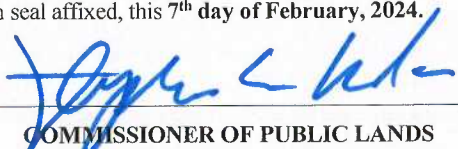
**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7<sup>th</sup> day of February, 2024.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

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

**Matador Production Company  
Nina Cortell Federal Com #211H  
Wolfcamp  
Township: 22 South, Range: 32 East, NMPM  
Section 10: W2W2**

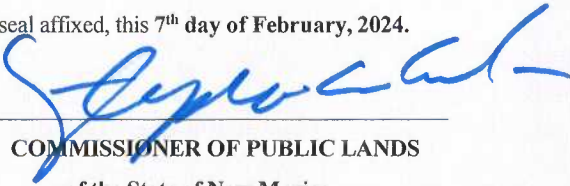
**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7<sup>th</sup> day of February, 2024.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico



NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE

Revised June, 2022

ONLINE Version  
COMMUNITIZATION AGREEMENT

API Initial Well: 30-0\_\_\_\_\_ - \_\_\_\_\_

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

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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions W2W2,

Sect(s) 10, T 22S, R 32E, NMPM Lea County, NM

containing 160.00 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil & gas

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

2024 JAN 30 AM 10:49  
64-0144-OC-NM-4202



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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January** \_\_\_\_\_ Month **1<sup>st</sup>** Day, **2023** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

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

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

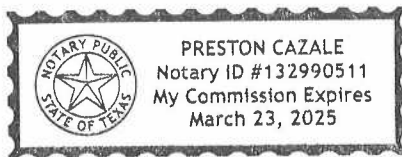
2024 JAN 30 AM 10:49

Operator: Matador Production CompanyBy: Craig N. Adams – Executive Vice President  
Name & Title of Authorized Agent  
\_\_\_\_\_  
Signature of Authorized Agent

## ACKNOWLEDGEMENT

STATE OF TEXAS §COUNTY OF DALLAS §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams**, as **Executive Vice President** for **Matador Production Company**, on behalf of said corporation.

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

2024 JAN 30 AM 10:49



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

**MRC Permian Company**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

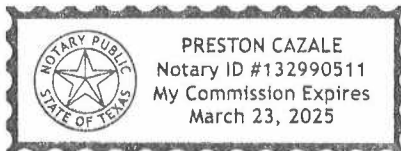
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.



Preston Cazale

Signature

Preston Cazale

Name (Print)

My commission expires 3/23/2025



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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

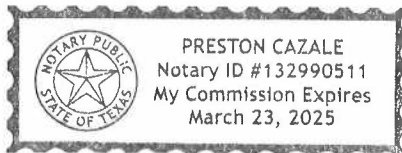
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



Signature

Name (Print)

My commission expires 3/23/2025

2024 JAN 30 AM 10:49

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

**JSG Energy, LLC**

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

Print Name

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

*[Signature]*  
Jason Goss

3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

COUNTY OF Midland §

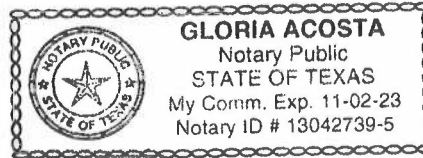
This instrument was acknowledged before me on 10<sup>TH</sup> of March, 2023, by  
JASON GOSS

Signature

Name (Print)

My commission expires 11-2-2023

*[Signature]*  
Gloria Acosta



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

2024 JAN 30 AM 10:49

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy

Print Name

Date: 3/2/2023

## Acknowledgment in an Individual Capacity

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

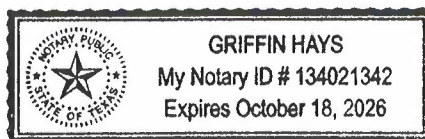
This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF midland §This instrument was acknowledged before me on march 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays

Name (Print)

My commission expires 10/18/2026

2024 JUN 30 AM 10:49

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

**Charlotte West-Pietenpol**

By: Charlotte West-Pietenpol  
Charlotte West-Pietenpol  
Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

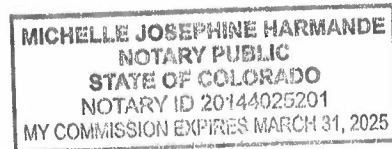
COUNTY OF Laurel §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF Colorado §

COUNTY OF Laurel §

This instrument was acknowledged before me on March 16, 2023, by Charlotte West-Pietenpol as

\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

2024 JAN 30 AM 10:49

**EXHIBIT "A"**

Plat of communitized area covering 160 acres in the W2W2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.

**Nina Cortell Fed Com #211H**

<b>Tract 1</b> <b>NMNM 055952</b> <b>Acres: 80.00</b>			
<b>Tract 2</b> <b>VC-0225</b> <b>Acres: 40.00</b>	<b>10</b>		
<b>Tract 3</b> <b>NMNM 086147</b> <b>Acres: 40.00</b>			



**EXHIBIT B**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the W2W2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.

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

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

<b>Lease Serial No.:</b>	NMMN-055952
<b>Lessor:</b>	Bureau Land Management
<b>Present Lessee:</b>	David Pietenpol
<b>Description of Land Committed: Subdivisions:</b>	Township 22 South, Range 32 East, Section 10: W/2NW/4
<b>Number of Acres:</b>	80.00
<b>Name and WIOwners:</b>	MRC Permian Company JSG Energy, LLC McCurdy Energy, LLC Osprey Oil & Gas, LLC

**TRACT NO. 2**

<b>Lease Serial No.:</b>	VC-0225
<b>Lease Date:</b>	9/1/2017
<b>Lease Term:</b>	5 Years
<b>Lessor:</b>	State of New Mexico
<b>Present Lessee:</b>	MRC Permian Company
<b>Description of Land Committed: Subdivisions:</b>	Township 22 South, Range 32 East, Section 10: NW/4SW/4
<b>Number of Acres:</b>	40.00
<b>Royalty Rate:</b>	1/5 <sup>th</sup>
<b>Name and WIOwners:</b>	MRC Permian Company

**TRACT NO. 3**

**Lease Serial No.:** NMNM-086147

**Lessor:** Bureau Land Management

**Present Lessee:** MRC Permian Company

**Description of Land Committed: Subdivisions:** Township 22 South, Range 32 East,  
Sec 10: SW/4SW/4

**Number of Acres:** 40.00

**Name and WIOwners:** MRC Permian Company

**RECAPITULATION**

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	80.00	50%
Tract 2	40.00	25%
Tract 3	40.00	25%
Total Acreage	160.00	100%

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE

Revised June, 2022

ONLINE Version  
**COMMUNITIZATION AGREEMENT**

API Initial Well: 30-0\_\_\_\_\_ - \_\_\_\_\_

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

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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions W2W2,

Sect(s) 10, T 22S, R 32E, NMPM Lea County, NM

containing 160.00 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil & gas

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

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



8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is January Month 1<sup>st</sup> Day, 2023 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the



Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

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

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

Operator: Matador Production Company

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

  
Signature of Authorized Agent

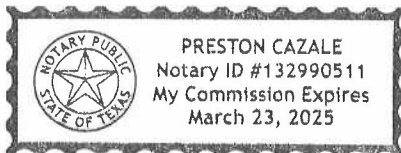
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pod

### ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.



  
Signature

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

2024 JAN 30 AM 10:49  
67-0147 OC NW 4202

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

**MRC Permian Company**

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

**Craig N. Adams**

Print Name

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

**Acknowledgment in a Representative Capacity**

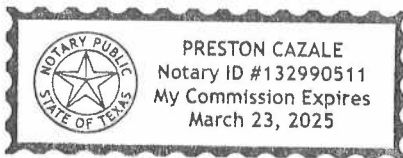
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.



\_\_\_\_\_  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025

2024 JAN 30 AM 10:49

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

**MRC Permian LKE Company, LLC**

By:  

**Craig N. Adams**

Print Name

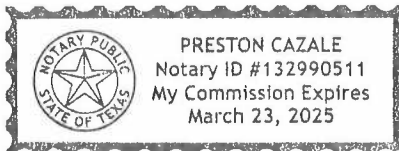
Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025

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

JSG Energy, LLC

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

Print Name

Date: 3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

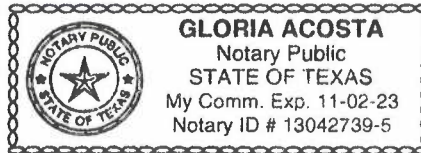
COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>th</sup> of March, 2023, by  
JASON GROSS

Gloria Acosta  
Signature

Gloria Acosta  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_

2024 JAN 30 AM 10:49



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

McCurdy Energy, LLC

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

Mike McCurdy  
Print Name

Date: 3/2/2023

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF Texas §

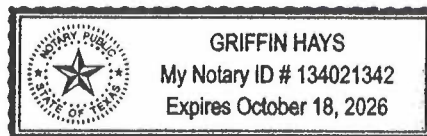
COUNTY OF midland §

This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as President, for McCurdy Energy, LLC. on behalf of said corporation.

\_\_\_\_\_  
Signature

Griffin Hays  
Name (Print)

My commission expires 10/18/2026



2024 JAN 30 AM 10:49

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

Charlotte West-Pietenpol

By: Charlotte West-Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: 3/14/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

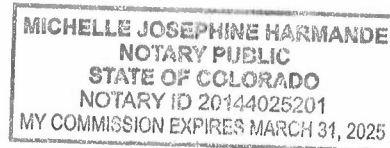
COUNTY OF Salome §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

2024 JAN 30 AM 10:49

**EXHIBIT "A"**

Plat of communitized area covering 160 acres in the W2W2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.

**Nina Cortell Fed Com #211H**

<b>Tract 1</b> <b>NMNM 055952</b> <b>Acres: 80.00</b>			
<b>Tract 2</b> <b>VC-0225</b> <b>Acres: 40.00</b>			
<b>Tract 3</b> <b>NMNM 086147</b> <b>Acres: 40.00</b>			

**10**

**EXHIBIT B**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the W2W2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.

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

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

**Lease Serial No.:** NMNM-055952  
**Lessor:** Bureau Land Management  
**Present Lessee:** David Pietenpol  
**Description of Land Committed: Subdivisions:** Township 22 South, Range 32 East,  
Section 10: W/2NW/4  
**Number of Acres:** 80.00  
**Name and WI Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil & Gas, LLC

**TRACT NO. 2**

**Lease Serial No.:** VC-0225  
**Lease Date:** 9/1/2017  
**Lease Term:** 5 Years  
**Lessor:** State of New Mexico  
**Present Lessee:** MRC Permian Company  
**Description of Land Committed: Subdivisions:** Township 22 South, Range 32 East,  
Section 10: NW/4SW/4  
**Number of Acres:** 40.00  
**Royalty Rate:** 1/5<sup>th</sup>  
**Name and WI Owners:** MRC Permian Company

**TRACT NO. 3**

**Lease Serial No.:** NMNM-086147  
**Lessor:** Bureau Land Management  
**Present Lessee:** MRC Permian Company  
**Description of Land Committed: Subdivisions:** Township 22 South, Range 32 East,  
Sec 10: SW/4SW/4  
**Number of Acres:** 40.00  
**Name and WI Owners:** MRC Permian Company

**RECAPITULATION**

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
<b>Tract 1</b>	80.00	50%
<b>Tract 2</b>	40.00	25%
<b>Tract 3</b>	40.00	25%
<b>Total Acreage</b>	<b>160.00</b>	<b>100%</b>







# United States Department of the Interior



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

In Reply Refer To:  
NMNM143833  
3105.2 (NM920)

Reference:  
Communitization Agreement  
Nina Cortell Federal Com #125H  
Section 3: Lot 4, SWNW, W2SW;  
Section 10: W2NW, NWSW, SWSW;  
T.22 S., R.32 E., N.M.P.M.  
Lea County, NM

Matador Production Co.  
5400 LBJ Freeway Suite 1500  
Dallas TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM143833 involving 79.92 acres of Federal land in lease NMNM135247, 80.00 acres of Federal land in lease NMNM055952, 40.00 acres of Federal land in lease NMNM086147, 120.00 acres of state land, Lea County, New Mexico, which comprise a 319.92 acre well spacing unit.

The agreement communitizes all rights to crude oil and associated natural gas from the Bone Spring formation and only through the wellbore of the Nina Cortell Federal Com #125H (API: 30-025-49627) beneath Lot 4, SWNW, and W2SW of Sec. 3 and the W2NW, NWSW, and SWSW of Sec. 10 of T.22 S., R.32 E., NMPM, Lea County, NM, and is effective September 1, 2021. 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.

**INTERIOR REGION 5 · MISSOURI BASIN**  
Kansas, Most of Montana, North Dakota,  
Nebraska, South Dakota

**INTERIOR REGION 6 · ARKANSAS-  
RIO GRANDE-TEXAS GULF**  
Oklahoma, Texas

**INTERIOR REGION 7 · UPPER  
COLORADO BASIN**  
Colorado, New Mexico, Utah, Wyoming

If you have any questions regarding this approval, please contact Jordan Yawn by email at [jjawn@blm.gov](mailto:jjawn@blm.gov) or by phone (505) 954-2138. Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

**KYLE  
PARADIS**

Digitally signed by  
KYLE PARADIS  
Date: 2022.09.22  
09:58:24 -06'00'

Kyle Paradis  
Branch Chief of Reservoir Management  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

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. 266(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM142453 involving Federal Lease(s) NMNM143833. This Communitization Agreement is in Sec. 3 and 10, T. 22 S., R. 32 E., NMPM, Lea County, New Mexico, for production of crude oil and associated natural gas producible from the Bone Spring Formation only from the wellbore of the Nina Cortell Federal Com #125H (API: 30-025-49627).
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

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. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

KYLE  
PARADIS

Digitally signed by KYLE  
PARADIS  
Date: 2022.09.22  
10:01:15 -06'00'

Kyle Paradis  
Branch Chief of Reservoir Management  
Division of Minerals

Effective: September 1, 2021  
Contract No.: NMNM143833

## Federal Communitization Agreement

Contract No. NMNM 143833

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of September, 2021, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

WHEREAS, the parties have drilled a Bone Spring Oil well designated the Nina Cortell Federal Com #125H, 30-025-49627 (Subject Well) in Section 3, Township 22S, Range 32E.

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:

**W/2W/2 of Sections 3 & 10, Township 22S, Range 32E, Lea County, New Mexico.** ↳ Lot 4, SWNW, W2SW

Containing **319.92** acres, and this agreement shall include only the **Bone Spring** formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation and only through the well bore of the **Nina Cortell Federal Com #125H, 30-025-49627**.



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 insofar as the production from **Nina Cortell Federal Com #125H, 30-025-49627** well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the **Nina Cortell Federal Com #125H, 30-025-49627** well 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 1/8th or 12 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 7/8th 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 the **Nina Cortell Federal Com #125H, 30-025-49627** well 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 **September 1, 2021**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities from the **Nina Cortell Federal Com #125H, 30-025-49627** well: 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 **Nina Cortell Federal Com #125H, 30-025-49627** well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2- year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

OPERATOR: MATADOR PRODUCTION COMPANY

Date: 9/21/2021

By: [Signature]  
Name: Jonathan Filbert  
Title: Senior Vice President - Land *RA pcd*

**CORPORATE ACKNOWLEDGEMENT**

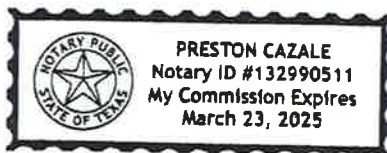
STATE OF TEXAS )

COUNTY OF DALLAS )

On this 21 day of September, 2021, before me, a Notary Public for the State of Texas, personally appeared Jonathan Filbert, known to me to be the Senior Vice President - Land of **Matador Production Company**, a Texas corporation, on behalf of said corporation.

3/23/2025  
My Commission Expires

[Signature]  
Notary Public





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

**MRC PERMIAN COMPANY**

Date: 9/21/2021

By: 

Name: Jonathan Filbert

Title: Senior Vice President - Land

*RH paid*

**MRC PERMIAN LKE COMPANY, LLC**

Date: 9/21/2021

By: 

Name: Jonathan Filbert

Title: Senior Vice President - Land

*RH paid*

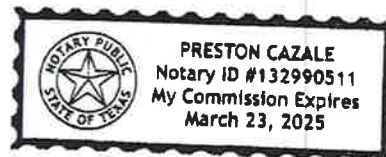
**CORPORATE ACKNOWLEDGEMENT**

STATE OF TEXAS                     )  
COUNTY OF DALLAS             )

On this 21 day of September, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian Company**, a Texas corporation, on behalf of said corporation.

3/23/2025  
My Commission Expires

  
Notary Public



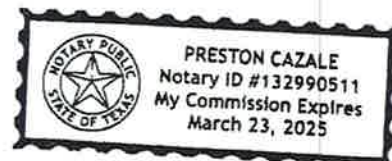
**CORPORATE ACKNOWLEDGEMENT**

STATE OF TEXAS                     )  
COUNTY OF DALLAS             )

On this 21 day of September, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian LKE Company, LLC**, a Texas corporation, on behalf of said corporation.

3/23/2025  
My Commission Expires

  
Notary Public



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

\_\_\_\_\_

**Date:** \_\_\_\_\_ **By:** \_\_\_\_\_  
**Name:** \_\_\_\_\_  
**Title:** \_\_\_\_\_

**CORPORATE ACKNOWLEDGEMENT**

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the of \_\_\_\_\_, on behalf of said corporation.

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

**ACKNOWLEDGMENT**

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, who acknowledged to me that he/she executed this said document in his/her official capacity.

\_\_\_\_\_  
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.

BY:

  
Signature of officerName: Jonathan FilbertTitle: Senior Vice President - Land

Phone number: (972)-371-5200

RH  
pad

**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the W/2W/2 of Sections 3 & 10, Township 22 South,  
Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 125H**

<b>Tract 1</b> <b>NMNM 135247</b> <b>Acres: 79.92</b>			
<b>Tract 2</b> <b>VC-0075</b> <b>Acres: 80.00</b>	<b>3</b>		
<b>Tract 3</b> <b>NMNM 055952</b> <b>Acres: 80.00</b>	<b>10</b>		
<b>Tract 4</b> <b>VC-0225</b> <b>Acres: 40.00</b>			
<b>Tract 5</b> <b>NMNM 086147</b> <b>Acres: 40.00</b>			

## EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement Dated September 1, 2021 embracing the following described land in the W/2W/2 of Sections 3 and 10, Township 22 South, Range 32 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 No.:** NMNM 135247  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 3: Lot 4, SW/4NW/4  
**Number of Acres:** 79.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name of Working Interest Owner(s):** MRC Permian LKE Company, LLC  
**Overriding Royalty Interest Owner(s):** None

#### Tract No. 2

**Lease Serial No.:** VC-0075  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 3: W/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owner(s):** None



**Tract No. 3**

**Lease Serial No.:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: W/2NW/4

**Number of Acres:** 80.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owner(s):** MRC Permian Company  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson (*Compulsory Pooled*)

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family Trust  
created under the Last Will and Testament of Richard Kevin  
Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean Martin  
Murphy Heritage Trust u/t/a dated August 22, 2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial No.:** VC-0225

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NW/4SW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owner(s):** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
 Sec 10: SW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)  
**Name of Working Interest Owner(s):** Conoco Phillips Company (*Compulsory Pooled*)  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.92	24.981245%
2	80.00	25.006252%
3	80.00	25.006252%
4	40.00	12.503126%
5	40.00	12.503126%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>



COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico*  
*Commissioner of Public Lands*

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

Preston Cazale  
MRC Permian Company  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

January 7<sup>th</sup>, 2022

Re: Communitization Agreement Approval  
Nina Cortell Federal Com #125H 500002.194  
Vertical Extent: Bone Spring  
Township: 22 South, Range 32 East, NMPM  
Section 3: W2W2  
Section 10: W2W2

Lea County, New Mexico

Dear Mr. Cazale,

The Commissioner of Public Lands has this date approved the Nina Cortell Federal Com #125H Communitization Agreement for the Bone Spring formation effective 9-01-2021. Enclosed are three Certificates of Approval.

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

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

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

Sincerely,

A handwritten signature in blue ink that reads "Stephanie Garcia Richard" followed by a stylized flourish.

Stephanie Garcia Richard  
Commissioner of Public Lands

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

**Matador Production Company**  
**Nina Cortell Federal Com #125H**  
**Bone Spring**  
**Township: 22 South, Range: 32 East, NMPM**  
**Section 3: W2W2**  
**Section 10: W2W2**

**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **September 01, 2021**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7<sup>th</sup> day of January, 2022.

*Stephanie Garcia Richards/SS*

**COMMISSIONER OF PUBLIC LANDS**

**of the State of New Mexico**

NM State Land Office  
Oil, Gas, & Minerals Division

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

ONLINE Version  
**COMMUNITIZATION AGREEMENT**

Contract No. \_\_\_\_\_

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

**W I T N E S S E T H:**

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

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

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

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

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

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

Subdivisions W/2W/2 of Sections 3 & 10, Township 22 South, Range 32 East

Sect 3&10, T 22S, R 32E, NMPM Lea County NM containing 319.92 acres, more or less, and this agreement shall include only the Bone Spring Formation underlying said lands and the natural gas and associated liquid hydrocarbons (hereinafter referred to as "communitized substances") producible from such formation.



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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is September Month 1<sup>st</sup> Day, 2021 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his duly authorized representative, and by the Commissioner or his duly authorized representative, and shall remain in force and effect for a period of two (2) years and so long thereafter as communitized substances are produced or can be produced from the communitized area in paying quantities; provided, that the two-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of the capability of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

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

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

OPERATOR: MATADOR PRODUCTION COMPANY

Date: 9/21/2021

By: 

Name: Jonathan Filbert

Title: Senior Vice President - Land

RH  
pad

## CORPORATE ACKNOWLEDGEMENT

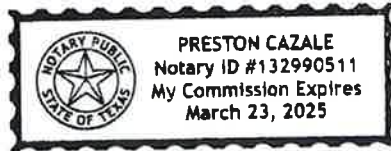
STATE OF TEXAS

§

COUNTY OF DALLAS

§

On this 21 day of September, 2021, before me, a Notary Public for the State of Texas, personally appeared Jonathan Filbert, known to me to be the Senior Vice President - Land of **Matador Production Company**, a Texas corporation, on behalf of said corporation.



Preston Cazale  
Signature

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMRC PERMIAN COMPANYDate: 9/21/2021By: [Signature]Name: Jonathan FilbertTitle: Senior Vice President - LandRH  
pddMRC PERMIAN LKE COMPANY, LLCDate: 9/21/2021By: [Signature]Name: Jonathan FilbertTitle: Senior Vice President - LandRH  
pdd

## CORPORATE ACKNOWLEDGEMENT

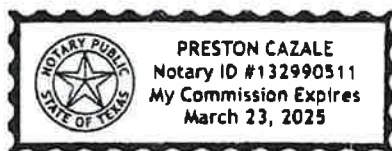
STATE OF TEXAS

§

COUNTY OF DALLAS

§

On this 21 day of September, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian Company**, a Texas corporation, on behalf of said corporation.



Preston Cazale  
Signature

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

## CORPORATE ACKNOWLEDGEMENT

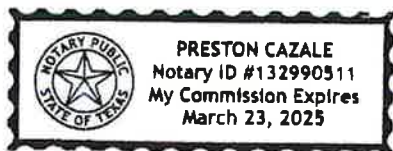
STATE OF TEXAS

§

COUNTY OF DALLAS

§

On this 21 day of September, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian LKE Company, LLC**, a Texas corporation, on behalf of said corporation.



Preston Cazale  
Signature

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



---

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

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

## STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, known to me to be the \_\_\_\_\_ of \_\_\_\_\_, on behalf of said corporation.

## My Commission Expires

**Notary Public**

## STATE OF \_\_\_\_\_ )

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public for the State of \_\_\_\_\_, personally appeared \_\_\_\_\_, who acknowledged to me that he/she executed this said document in his/her official capacity.

### My Commission Expires

**Notary Public**

**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the W/2W/2 of Sections 3 & 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 125H**

<b>Tract 1</b> <b>NMNM 135247</b> <b>Acres: 79.92</b>			
<b>Tract 2</b> <b>VC-0075</b> <b>Acres: 80.00</b>			
<b>Tract 3</b> <b>NMNM 055952</b> <b>Acres: 80.00</b>			
<b>Tract 4</b> <b>VC-0225</b> <b>Acres: 40.00</b>			
<b>Tract 5</b> <b>NMNM 086147</b> <b>Acres: 40.00</b>			

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated September 1, 2021 embracing the following described land in the W/2W/2 of Sections 3 and 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial No.:</b>	NMNM 135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 4, SW/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owner(s):</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owner(s):</b>	None

**Tract No. 2**

<b>Lease Serial No.:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: W/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owner(s):</b>	MRC Permian Company
<b>Overriding Royalty Interest Owner(s):</b>	None

**Tract No. 3**

**Lease Serial No.:** NMNM-055952  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: W/2NW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** David Pietenpol  
**Name of Working Interest Owner(s):** MRC Permian Company  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson (*Compulsory Pooled*)  
**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family Trust created  
under the Last Will and Testament of Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean Martin Murphy  
Heritage Trust u/t/a dated August 22, 2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial No.:** VC-0225  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: SW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)  
**Name of Working Interest Owner(s):** Conoco Phillips Company (*Compulsory Pooled*)  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	25.00%
<b>2</b>	80.00	25.00%
<b>3</b>	80.00	25.00%
<b>4</b>	40.00	12.50%
<b>5</b>	40.00	12.50%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>



## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **September, 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 have drilled a Wolfcamp gas well designated the **Nina Cortell Federal Com #241H, API#-30-025-51190** (Subject Well) in Section 3, Township 22 South, Range 32 East.

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:

**Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

Containing **319.92** 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 and only through the well bore of **Nina Cortell Federal Com #241H, API#-30-025-51190**.

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, TX, 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 insofar as the production from **Nina Cortell Federal Com #241H, API#-30-025-51190** well is concerned, with the understanding and agreement between the parties hereto that all communitized substances produced from the **Nina Cortell Federal Com #241H, API#-30-025-51190** well 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 1/8th or 12 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 7/8th 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 the **Nina Cortell Federal Com #241H, API#-30-025-51190** well 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 **September 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 from the **Nina Cortell Federal Com #241H, API#-30-025-51190** well: 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 **Nina Cortell Federal Com #241H, API#-30-025-51190** well are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2- year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
  11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
  12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.

13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator:** Matador Production Company

\_\_\_\_\_  
Signature of Authorized Agent

**By:** Kyle Perkins – Senior Vice President & Assistant General Counsel  
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 Kyle Perkins, known to me to be the Senior Vice President & Assistant General Counsel of Matador Production Company, the Texas 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:** \_\_\_\_\_

Kyle Perkins – Senior Vice President & Assistant General Counsel  
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 Kyle Perkins, known to me to be the Senior Vice President & Assistant General Counsel of MRC Permian Company, the Texas 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 LKE Company, LLC**

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

Kyle Perkins – Senior Vice President & Assistant General Counsel  
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 Kyle Perkins, known to me to be the Senior Vice President & Assistant General Counsel of MRC Permian LKE Company, LLC, the Texas limited liability company that executed the foregoing instrument and acknowledged to me such limited liability company executed the same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

**EXHIBIT “A”**

Plat of communitized area covering **319.92** acres in **Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

**Nina Cortell Federal Com #241H, API#-30-025-51190**

Tract 1 NMNM-135247 79.92 acres	Section 3-22S-32E
Tract 2 VC-0075 80.00 acres	
Tract 3 NMNM-055952 80.00 acres	Section 10-22S-32E
Tract 4 VC-0225 40.00 acres	
Tract 5 NMNM-086147 40.00 acres	

**EXHIBIT “B”**

To Communitization Agreement Dated **September 1, 2024** embracing the following described land in **Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

Operator of Communitized Area: Matador Production Company

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East: Section 3: Lot 4, SW4NW4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name and Percent of Working Interest Owners:</b>	MRC Permian LKE Company, LLC

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East: Section 3: W2SW4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name and Percent of Working Interest Owners:</b>	MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: W2NW4

**Number of Acres:** 80.00

**Current Lessee of Record:** David Pietenpol and wife, Charlotte W. West-Pietenpol

**Name and Percent of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** VC-0225

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: NW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial Number:** NMNM-086147

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: SW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)

**Name and Percent of Working Interest Owners:** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	80.00	25.01%
<b>4</b>	40.00	12.50%
<b>5</b>	40.00	12.50%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January, 2023**, 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 Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **160.00** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.

This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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



Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President

Name & Title of Authorized Agent



Signature of Authorized Agent



### ACKNOWLEDGEMENT

**STATE OF TEXAS**

§

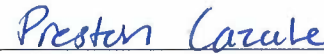
**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

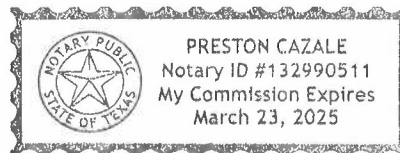


Signature




Name (Print)

My commission expires 3/23/2025



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

**MRC Permian Company**

By: 

**Craig N. Adams**

Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

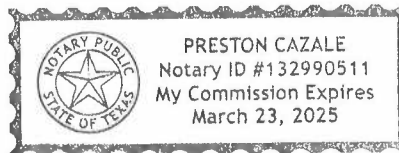
§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025





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

MRC Permian LKE Company, LLC

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

Craig N. Adams

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS)

§

COUNTY OF DALLAS)

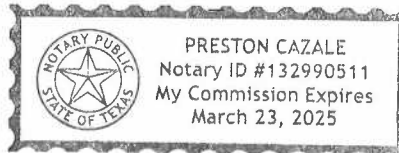
§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

My commission expires 3/23/2025



**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.

BY: 

Signature of officer

Name: Craig N. Adams

Title: Executive Vice President

Phone number: (972)-371-5200

*W*  
*add*

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

**JSG Energy, LLC**

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

Print Name

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

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

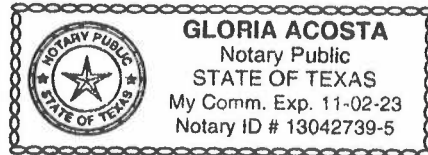
COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>TH</sup> OF March, 2023, by  
JASON GOSS

Signature

Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

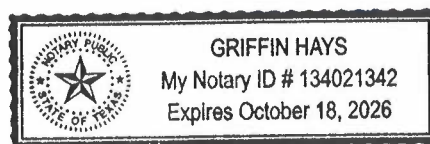
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

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

Charlotte West-Pietenpol

By: Charlotte West-Pietenpol

Charlotte West - Pietenpol  
Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

COUNTY OF LaSalle §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West - Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)  
My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

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

Brandon Gianfala  
Print Name

Date: 8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala, as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

[Signature]

Signature

Carli D Savoy 57995  
Name (Print)

My commission expires at death





**EXHIBIT “A”**

Plat of communitized area covering **160.00** acres in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 211H**

<b>Tract 1</b> <b>NMNM 055952</b> <b>Acres: 80.00</b>			
<b>Tract 2</b> <b>VC-0225</b> <b>Acres: 40.00</b>	<b>10</b>		
<b>Tract 3</b> <b>NMNM 086147</b> <b>Acres: 40.00</b>			

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial No.:</b>	NMMN-055952
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 10: W/2NW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	David Pietenpol
<b>Name of Working Interest Owner(s):</b>	MRC Permian Company Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson ( <i>Compulsory Pooled</i> )
<b>Overriding Royalty Interest Owners:</b>	Abyss, Inc. Adley Properties LLC Beverly Jean Renfro Barr, Trustee of the Family Trust created under the Last Will and Testament of Richard Kevin Barr Capstan Properties, LP Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson Hunt Oil Company Jack Lowry, whose marital status is unknown Judson Land and Minerals, LP Lyra Properties, LLC Magic Dog Oil & Gas, Ltd. Marjean Martin Murphy, Trustee of the Marjean Martin Murphy Heritage Trust u/t/a dated August 22, 2014 Mountain Lion Oil & Gas, LLC Peanut Oil Co. Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 2**

**Lease Serial No.:** VC-0225  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**Tract No. 3**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: SW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)  
**Name of Working Interest Owner(s):** Conoco Phillips Company (*Compulsory Pooled*)  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	50%
2	40.00	25%
3	40.00	25%
Total	160.00	100.00%

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January, 2023**, 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 Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **160.00** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the



communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.



15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President

Name & Title of Authorized Agent

   
Signature of Authorized Agent

**ACKNOWLEDGEMENT**

**STATE OF TEXAS** §

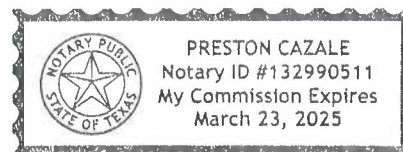
**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President** for **Matador Production Company**, on behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

My commission expires 3/23/2025



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

**MRC Permian Company**

By: 

**Craig N. Adams**  
Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

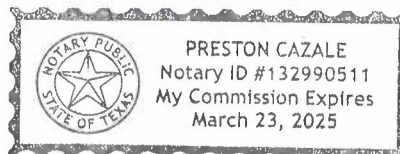
§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President, for MRC Permian Company** on behalf of said corporation.

  
Signature


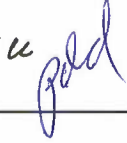
Preston Cazale  
Name (Print)

My commission expires 3/23/2025



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

**MRC Permian LKE Company, LLC**

By:    
**Craig N. Adams**  
Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.

  
Signature

Preston Carale  
Name (Print)

My commission expires 3/23/2025

**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.

BY:

  
\_\_\_\_\_  
Signature of officer

Name: Craig N. Adams

Title: Executive Vice President

Phone number: (972)-371-5200





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

**JSG Energy, LLC**

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

Print Name

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

*Jason Goss*  
Jason Goss

3-10-23

**Acknowledgment in an Individual Capacity**

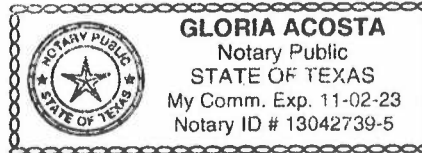
STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>TH</sup> OF MARCH, 2023, by  
JASON GOSS

*Gloria Acosta*  
Signature

GLORIA ACOSTA  
Name (Print)  
My commission expires 11-2-23



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

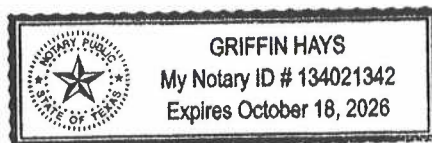
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC, on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

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

Charlotte West-Pietenpol

By: Charlotte West-Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

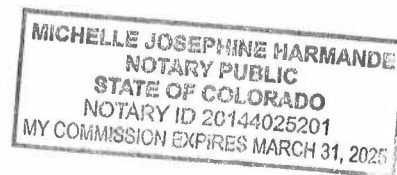
STATE OF Colorado §

COUNTY OF Larimer §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)  
My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

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

Brandon Gianfala  
Print Name

Date: 8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

[Signature]  
Signature

Carl D Savoy 57995  
Name (Print)

My commission expires at death



**EXHIBIT “A”**

Plat of communitized area covering **160.00** acres in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 211H**

<b>Tract 1</b> NMNM 055952 Acres: 80.00			
<b>Tract 2</b> VC-0225 Acres: 40.00	<b>10</b>		
<b>Tract 3</b> NMNM 086147 Acres: 40.00			

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial No.:</b>	NMNM-055952
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 10: W/2NW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	David Pietenpol
<b>Name of Working Interest Owner(s):</b>	MRC Permian Company Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson ( <i>Compulsory Pooled</i> )
<b>Overriding Royalty Interest Owners:</b>	Abyss, Inc. Adley Properties LLC Beverly Jean Renfro Barr, Trustee of the Family Trust created under the Last Will and Testament of Richard Kevin Barr Capstan Properties, LP Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson Hunt Oil Company Jack Lowry, whose marital status is unknown Judson Land and Minerals, LP Lyra Properties, LLC Magic Dog Oil & Gas, Ltd. Marjean Martin Murphy, Trustee of the Marjean Martin Murphy Heritage Trust u/t/a dated August 22, 2014 Mountain Lion Oil & Gas, LLC Peanut Oil Co. Richard C. Geesaman and wife, Breida Geesaman



**Tract No. 2**

**Lease Serial No.:** VC-0225  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**Tract No. 3**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: SW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** ConocoPhillips Company *(Compulsory Pooled)*  
**Name of Working Interest Owner(s):** Conoco Phillips Company *(Compulsory Pooled)*  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	50%
2	40.00	25%
3	40.00	25%
Total	160.00	100.00%

Federal Communitization Agreement

Contract No. \_\_\_\_\_

**COPY**

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January, 2023**, 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 Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **160.00** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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



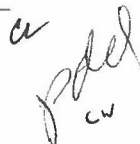
Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President

Name & Title of Authorized Agent



Signature of Authorized Agent



### ACKNOWLEDGEMENT

**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

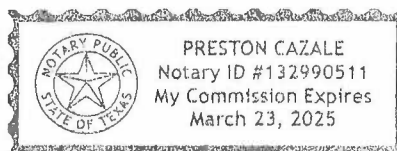
§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

  
Signature


Preston Cazale  
Name (Print)

My commission expires 3/23/2025



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

MRC Permian Company

By:  *a*  
*Boo*

Craig N. Adams  
Print Name

Date: 2/17/23

Acknowledgment in a Representative Capacity

STATE OF TEXAS §

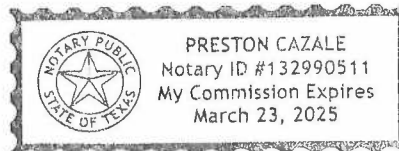
COUNTY OF DALLAS §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025



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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

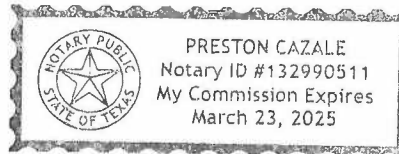
§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

My commission expires 3/23/2025



**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.

BY: \_\_\_\_\_

Signature of officer

Name: Craig N. Adams

Title: Executive Vice President

Phone number: (972)-371-5200

*W*  
*Red*

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

**JSG Energy, LLC**

By: *[Signature]*

Print Name

Date: 3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

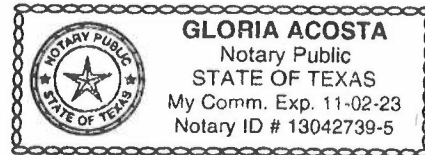
COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>th</sup> of March, 2023, by  
JASON GOSS

*[Signature]*  
Signature

GLORIA ACOSTA  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

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

McCurdy Energy, LLC

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

Mike McCurdy  
Print Name

Date: 3/2/2023

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF Texas §

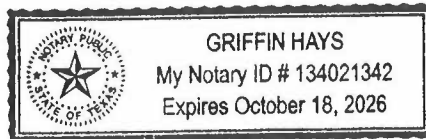
COUNTY OF Midland §

This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.

Griffin Hays  
Signature

Griffin Hays  
Name (Print)

My commission expires 10/18/2026





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

**Charlotte West-Pietenpol**

By: Charlotte West-Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

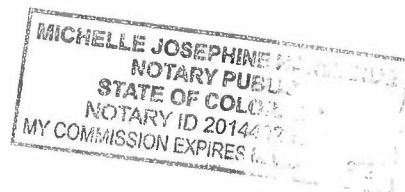
COUNTY OF LaSalle §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

By: [Signature]

Brandon Gianfala  
Print Name

Date: 8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala, as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation

[Signature]  
Signature

Carli D Savoy 57995  
Name (Print)

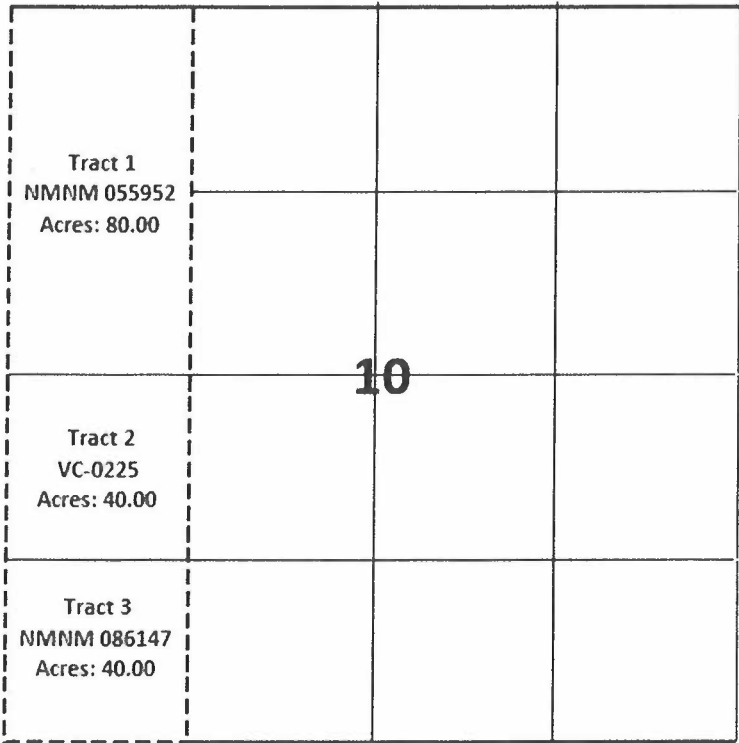
My commission expires at death



**EXHIBIT “A”**

Plat of communitized area covering **160.00** acres in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 211H**



**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial No.:</b>	NMNM-055952
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 10: W/2NW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	David Pietenpol
<b>Name of Working Interest Owner(s):</b>	MRC Permian Company Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson ( <i>Compulsory Pooled</i> )
<b>Overriding Royalty Interest Owners:</b>	Abyss, Inc. Adley Properties LLC Beverly Jean Renfro Barr, Trustee of the Family Trust created under the Last Will and Testament of Richard Kevin Barr Capstan Properties, LP Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson Hunt Oil Company Jack Lowry, whose marital status is unknown Judson Land and Minerals, LP Lyra Properties, LLC Magic Dog Oil & Gas, Ltd. Marjean Martin Murphy, Trustee of the Marjean Martin Murphy Heritage Trust u/t/a dated August 22, 2014 Mountain Lion Oil & Gas, LLC Peanut Oil Co. Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 2**

**Lease Serial No.:** VC-0225

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NW/4SW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owner(s):** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 3**

**Lease Serial No.:** NMNM-086147

**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: SW/4SW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)

**Name of Working Interest Owner(s):** Conoco Phillips Company (*Compulsory Pooled*)

**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	80.00	50%
<b>2</b>	40.00	25%
<b>3</b>	40.00	25%
<b>Total</b>	<b>160.00</b>	<b>100.00%</b>

**COPY**Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January, 2023**, 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 Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **160.00** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.

This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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



Operator: Matador Production Company

By: Craig N. Adams – Executive Vice President

Name & Title of Authorized Agent



Signature of Authorized Agent



### ACKNOWLEDGEMENT

**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President** for **Matador Production Company**, on behalf of said corporation.

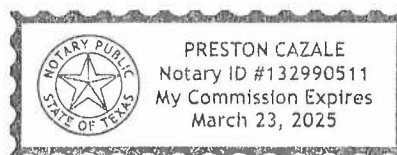


Signature

Preston Cazale


Name (Print)

My commission expires 3/23/2025



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

MRC Permian Company

By:  *u pad*

Craig N. Adams  
Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS §

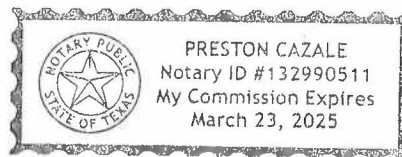
COUNTY OF DALLAS §

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.

  
Signature

Preston Cazale  
Name (Print)


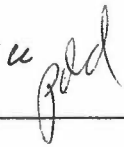
My commission expires 3/23/2025





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

**MRC Permian LKE Company, LLC**

By:    
**Craig N. Adams**  
Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.

  
Signature

Preston Carale  
Name (Print)

My commission expires 3/23/2025

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.

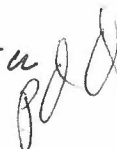
BY:

  
\_\_\_\_\_  
Signature of officer

Name: Craig N. Adams

Title: Executive Vice President

Phone number: (972)-371-5200



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

**JSG Energy, LLC**

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

Print Name

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

**Acknowledgment in an Individual Capacity**

STATE OF TEXAS §

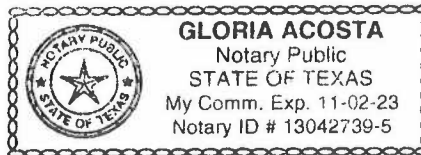
COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>TH</sup> OF MARCH, 2023, by  
JASON GROSS

Signature

Name (Print)

My commission expires 11-2-23



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

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

McCurdy Energy, LLC

By: [Signature]

Mike McCurdy  
Print Name

Date: 3/2/2023

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF Texas §

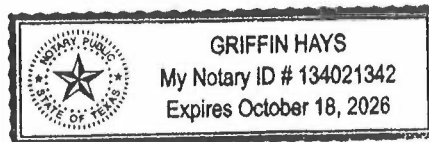
COUNTY OF Midland §

This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC. on  
behalf of said corporation.

[Signature]  
Signature

Griffin Hays  
Name (Print)

My commission expires 10/18/2026



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDCharlotte West-PietenpolBy: Charlotte West-Pietenpol

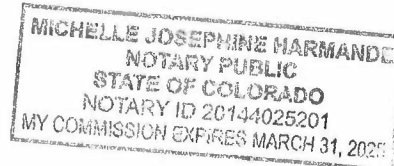
Print Name

Date: 3/16/23

## Acknowledgment in an Individual Capacity

STATE OF Colorado §COUNTY OF LaSalle §This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Signature

Michelle Harmande  
Name (Print)  
My commission expires March 31, 2025

## Acknowledgment in a Representative Capacity

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

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

Print Name

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

Brandon Gianfala

8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala, as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

Signature

Name (Print)

My commission expires at death

Carl D Savoy 57995

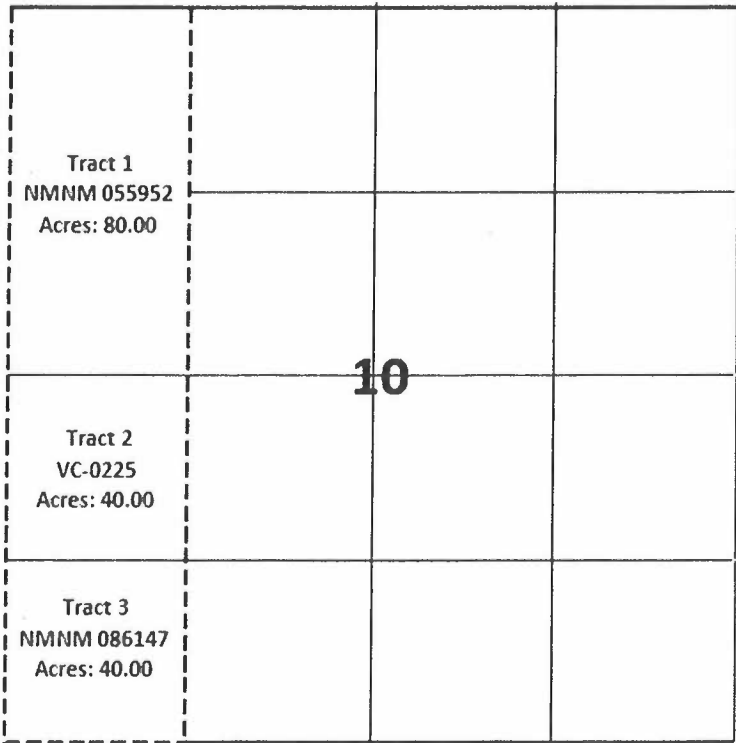




**EXHIBIT “A”**

Plat of communitized area covering **160.00** acres in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 211H**



**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the W/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial No.:</b>	NMNM-055952
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 10: W/2NW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	David Pietenpol
<b>Name of Working Interest Owner(s):</b>	MRC Permian Company Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson ( <i>Compulsory Pooled</i> )
<b>Overriding Royalty Interest Owners:</b>	Abyss, Inc. Adley Properties LLC Beverly Jean Renfro Barr, Trustee of the Family Trust created under the Last Will and Testament of Richard Kevin Barr Capstan Properties, LP Cynthia Mae Wilson, Trustee of the Bypass Trust established under the Last Will and Testament of Scott E. Wilson Hunt Oil Company Jack Lowry, whose marital status is unknown Judson Land and Minerals, LP Lyra Properties, LLC Magic Dog Oil & Gas, Ltd. Marjean Martin Murphy, Trustee of the Marjean Martin Murphy Heritage Trust u/t/a dated August 22, 2014 Mountain Lion Oil & Gas, LLC Peanut Oil Co. Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 2**

**Lease Serial No.:** VC-0225  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**Tract No. 3**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: SW/4SW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)  
**Name of Working Interest Owner(s):** Conoco Phillips Company (*Compulsory Pooled*)  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	50%
2	40.00	25%
3	40.00	25%
Total	160.00	100.00%

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

**STATE/FEDERAL OR  
STATE/FEDERAL/FEE**

Revised August, 2024

ONLINE Version

**COMMUNITIZATION AGREEMENT**

API Initial Well: 30-025 -51190

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

**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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10,

Sect(s) 3 & 10, T 22S, R 32E, NMPM Lea County, NM

containing 319.92 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil and gas

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

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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is September Month 1<sup>st</sup> Day, 2024 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto.
11. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must



be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement.

12. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.
13. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
14. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
15. 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.
16. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.
17. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.

18. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

Operator: Matador Production Company

By: Kyle Perkins – Senior Vice President & Assistant General Counsel  
Name & Title of Authorized Agent

[Signature]  
Signature of Authorized Agent

CW [Signature]

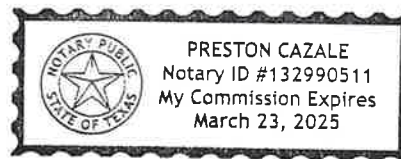
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

[Signature]  
Signature of Notarial Officer  
My commission expires 3/23/2025



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

**MRC Permian Company**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel  
Name & Title of Authorized Agent

[Signature]  
Signature of Authorized Agent

CJ [Signature]

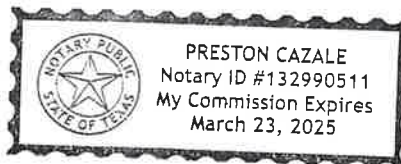
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.

[Signature]  
Signature of Notarial Officer  
My commission expires 3/23/2025



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

**MRC Permian LKE Company, LLC**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel

Name & Title of Authorized Agent

  
Signature of Authorized Agent


*ad fdd*

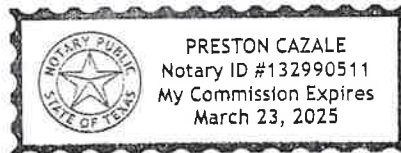
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian LKE Company, LLC, a Texas limited liability company, on behalf of said limited liability company.

  
Signature of Notarial Officer  
My commission expires 3/23/2025



**NMSLO Communitization Agreement Self-Certification for Federal, Fee or Tribal Interests**

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commissioner of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and State Land Office is to protect and adjudicate only the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state leases in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of **Nina Cortell Fed Com #241H**, **Chris Carleton** on behalf of **Matador Production Company** hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and **Matador Production Company** has obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

OPERATOR: **Matador Production Company**

BY: **Chris Carleton - Vice President of Land Operations**


  
(Signature of Authorized Agent) 

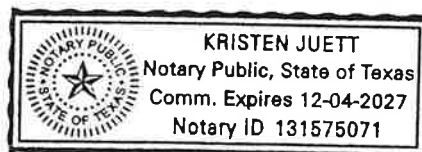
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31, 2024, by Chris Carleton, as Vice President of Land Operations for Matador Production Company, a Texas corporation, on behalf of said corporation.

  
Signature of Notarial Officer  
My commission expires 12-04-2027



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDConocoPhillips CompanyBy: [Signature] RA KGR  
Jon-Aaron N. House, Attorney-in-fact

Print Name

Date: 10/28/2024

## Acknowledgment in an Individual Capacity

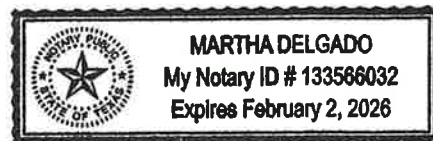
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2024, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF TEXAS §COUNTY OF MIDLAND §This instrument was acknowledged before me on October 29, 2024, by Jon-Aaron N. House, asAttorney-in-fact, for ConocoPhillips Company on  
behalf of said corporation.[Signature]  
SignatureMartha Delgado  
Name (Print)My commission expires 2-2-26



**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.

**Nina Cortell Federal Com #241H, API#-30-025-51190**

<b>Tract 1</b> NMNM-135247 79.92 acres	<b>Section 3-22S-32E</b>
<b>Tract 2</b> VC-0075 80.00 acres	
<b>Tract 3</b> NMNM-055952 80.00 acres	<b>Section 10-22S-32E</b>
<b>Tract 4</b> VC-0225 40.00 acres	
<b>Tract 5</b> NMNM-086147 40.00 acres	

**EXHIBIT “B”**

To Communitization Agreement Dated **September 1, 2024** embracing the following described land in **Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

Operator of Communitized Area: Matador Production Company

**DESCRIPTION OF LEASES COMMITTED**

**Tract No. 1**

**Lease Serial Number:** NMNM-135247  
**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 3: Lot 4, SW4NW4  
**Number of Acres:** 79.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name and Percent of Working Interest Owners:** MRC Permian LKE Company, LLC

**Tract No. 2**

**Lease Serial Number:** VC-0075  
**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 3: W2SW4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: W2NW4

**Number of Acres:** 80.00

**Current Lessee of Record:** David Pietenpol and wife, Charlotte W. West-Pietenpol

**Name and Percent of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** VC-0225

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: NW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial Number:** NMNM-086147

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: SW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)

**Name and Percent of Working Interest Owners:** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	80.00	25.01%
<b>4</b>	40.00	12.50%
<b>5</b>	40.00	12.50%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

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

**STATE/FEDERAL OR  
STATE/FEDERAL/FEE**  
Revised August, 2024

**ONLINE Version  
COMMUNITIZATION AGREEMENT**

API Initial Well: 30-025 -51190

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

**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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10,

Sect(s) 3 & 10, T 22S, R 32E, NMPM Lea County, NM

containing 319.92 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil and gas

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

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



8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is September Month 1<sup>st</sup> Day, 2024 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto.
11. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must

be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement.

12. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.
13. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
14. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
15. 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.
16. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.
17. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.

18. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

Operator: Matador Production Company

By: Kyle Perkins – Senior Vice President & Assistant General Counsel

Name & Title of Authorized Agent

[Signature]  
Signature of Authorized Agent

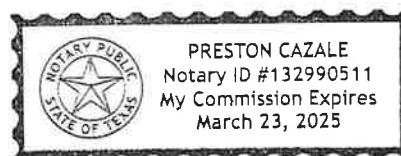
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

[Signature]  
Signature of Notarial Officer  
My commission expires 3/23/2025



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

**MRC Permian Company**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel

Name & Title of Authorized Agent

[Signature]  
Signature of Authorized Agent

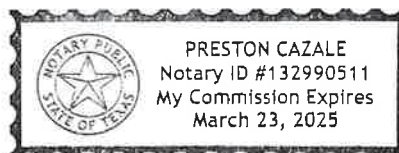
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.

[Signature]  
Signature of Notarial Officer  
My commission expires 3/23/2025



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

**MRC Permian LKE Company, LLC**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel

Name & Title of Authorized Agent

  
Signature of Authorized Agent


CW 

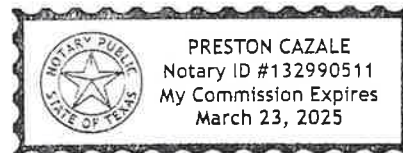
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian LKE Company, LLC, a Texas limited liability company, on behalf of said limited liability company.

  
Signature of Notarial Officer  
My commission expires 3/23/2025





**NMSLO Communitization Agreement Self-Certification for Federal, Fee or Tribal Interests**

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commissioner of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and

State Land Office is to protect and adjudicate only the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state leases in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of **Nina Cortell Fed Com #241H**, **Chris Carleton** on behalf of **Matador Production Company** hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and **Matador Production Company** has obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

OPERATOR: **Matador Production Company**

BY: **Chris Carleton - Vice President of Land Operations**

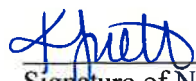
  
(Signature of Authorized Agent) *on pool*

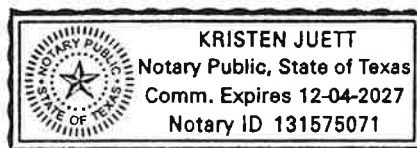
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31, 2024, by Chris Carleton, as Vice President of Land Operations for Matador Production Company, a Texas corporation, on behalf of said corporation.

  
Signature of Notarial Officer  
My commission expires 12-04-2027





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

ConocoPhillips Company

By: *Jon-Aaron N. House* *RC KR*

Jon-Aaron N. House, Attorney-in-fact

Print Name

Date: 10/29/2024

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2024, by

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS §

COUNTY OF MIDLAND §

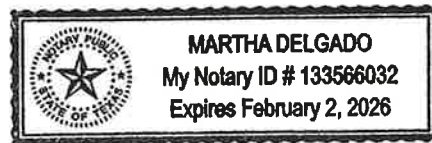
This instrument was acknowledged before me on October 29, 2024, by Jon-Aaron N. House, as

Attorney-in-fact, for ConocoPhillips Company on  
behalf of said corporation.

*Martina Delgado*  
Signature

Martina Delgado  
Name (Print)

My commission expires 2-2-26



**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in **Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

**Nina Cortell Federal Com #241H, API#-30-025-51190**

<b>Tract 1</b> NMNM-135247 79.92 acres	<b>Section 3-22S-32E</b>
<b>Tract 2</b> VC-0075 80.00 acres	
<b>Tract 3</b> NMNM-055952 80.00 acres	<b>Section 10-22S-32E</b>
<b>Tract 4</b> VC-0225 40.00 acres	
<b>Tract 5</b> NMNM-086147 40.00 acres	

**EXHIBIT "B"**

To Communitization Agreement Dated **September 1, 2024** embracing the following described land in **Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

Operator of Communitized Area: Matador Production Company

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East: Section 3: Lot 4, SW4NW4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name and Percent of Working Interest Owners:</b>	MRC Permian LKE Company, LLC

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East: Section 3: W2SW4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name and Percent of Working Interest Owners:</b>	MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: W2NW4

**Number of Acres:** 80.00

**Current Lessee of Record:** David Pietenpol and wife, Charlotte W. West-Pietenpol

**Name and Percent of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** VC-0225

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: NW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial Number:** NMNM-086147

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: SW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)

**Name and Percent of Working Interest Owners:** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	80.00	25.01%
<b>4</b>	40.00	12.50%
<b>5</b>	40.00	12.50%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

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

**STATE/FEDERAL OR  
STATE/FEDERAL/FEE**

Revised August, 2024

ONLINE Version

**COMMUNITIZATION AGREEMENT**

API Initial Well: 30-025 -51190

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

**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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10,

Sect(s) 3 & 10, T 22S, R 32E, NMPM Lea County, NM

containing 319.92 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil and gas

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



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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is September Month 1<sup>st</sup> Day, 2024 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto.
11. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must

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12. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.
13. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
14. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
15. 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.
16. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.
17. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.

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

Operator: Matador Production Company

By: Kyle Perkins – Senior Vice President & Assistant General Counsel

Name & Title of Authorized Agent

Kyle Perkins  
Signature of Authorized Agent

CW pld

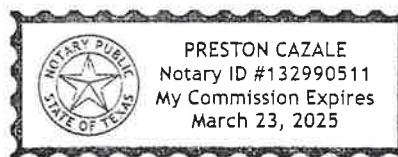
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

Preston Cazale  
Signature of Notarial Officer  
My commission expires 3/23/2025



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

**MRC Permian Company**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel

Name & Title of Authorized Agent

Kyle Perkins  
Signature of Authorized Agent

CW pld

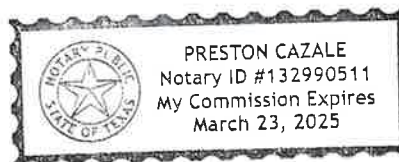
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.

Preston Cazale  
Signature of Notarial Officer  
My commission expires 3/23/2025





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

**MRC Permian LKE Company, LLC**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel

Name & Title of Authorized Agent

*Kyle Perkins*  
Signature of Authorized Agent

*ced* *perkins*

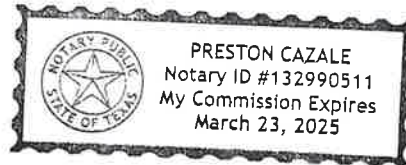
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on October 31<sup>st</sup>, 2024, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian LKE Company, LLC, a Texas limited liability company, on behalf of said limited liability company.

*Preston Cazale*  
Signature of Notarial Officer  
My commission expires 3/23/2025





**NMSLO Communitization Agreement Self-Certification for Federal, Fee or Tribal Interests**

Approval of this Communitization Agreement does not constitute an adjudication of any federal, Tribal or private interests, and neither the Commissioner of Public Lands nor the State Land Office warrant or certify that the information supplied by the party submitting this agreement is accurate with regard to all private, Tribal or federal interests. The responsibility of the Commissioner and

State Land Office is to protect and adjudicate only the State Land Office interests during the processing of Communitization Agreements. The State Land Office will only verify the accuracy of state leases in the proposed Communitization Agreement. All non-state interests must be certified by the Operator.

As Operator of **Nina Cortell Fed Com #241H**, **Chris Carleton** on behalf of **Matador Production Company** hereby certifies that all lessees and/or working interest owners that are parties to this Communitization Agreement, as shown on Exhibit A, have the legal rights and interests they claim to the private or federal or Tribal leases subject to this Communitization Agreement and **Matador Production Company** has obtained written consent and authority to enter into this Agreement on their behalf. Written consent/signatures of lessees and/or other interest owners will be made available to the State Land Office immediately upon request. Any misrepresentation or material omission by the Operator in this respect will be grounds to void the Communitization Agreement.

OPERATOR: **Matador Production Company**

BY: **Chris Carleton - Vice President of Land Operations**


  
\_\_\_\_\_  
(Signature of Authorized Agent) 

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

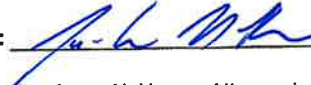
This instrument was acknowledged before me on October 31, 2024, by Chris Carleton, as Vice President of Land Operations for Matador Production Company, a Texas corporation, on behalf of said corporation.

  
\_\_\_\_\_  
Signature of Notarial Officer  
My commission expires 12-04-2027



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

ConocoPhillips Company

By:  pc HR  
Jon-Aaron N. House, Attorney-in-fact  
Print Name

Date: 10/24/2024

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2024, by  
\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

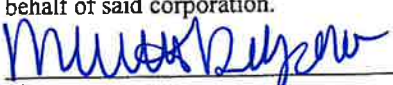
**Acknowledgment in a Representative Capacity**

STATE OF TEXAS §

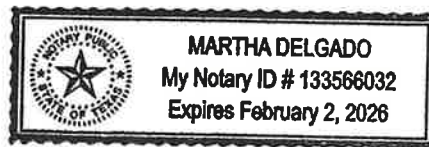
COUNTY OF MIDLAND §

This instrument was acknowledged before me on October 29, 2024, by Jon-Aaron N. House, as

Attorney-in-fact, for ConocoPhillips Company on  
behalf of said corporation.

  
Signature

Martha Delgado  
Name (Print)  
My commission expires 2-2-26



**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in **Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

**Nina Cortell Federal Com #241H, API#-30-025-51190**

<b>Tract 1</b> NMNM-135247 79.92 acres	<b>Section 3-22S-32E</b>
<b>Tract 2</b> VC-0075 80.00 acres	
<b>Tract 3</b> NMNM-055952 80.00 acres	<b>Section 10-22S-32E</b>
<b>Tract 4</b> VC-0225 40.00 acres	
<b>Tract 5</b> NMNM-086147 40.00 acres	

**EXHIBIT "B"**

To Communitization Agreement Dated **September 1, 2024** embracing the following described land in **Lot 4, SW4NW4 & W2SW4 of Section 3 and the W2W2 of Section 10, Township 22 South, Range 32 East, Lea County, New Mexico.**

Operator of Communitized Area: Matador Production Company

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

**Lease Serial Number:** NMNM-135247  
**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 3: Lot 4, SW4NW4  
**Number of Acres:** 79.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name and Percent of Working Interest Owners:** MRC Permian LKE Company, LLC

**Tract No. 2**

**Lease Serial Number:** VC-0075  
**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 3: W2SW4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: W2NW4

**Number of Acres:** 80.00

**Current Lessee of Record:** David Pietenpol and wife, Charlotte W. West-Pietenpol

**Name and Percent of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** VC-0225

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: NW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name and Percent of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial Number:** NMNM-086147

**Description of Land Committed:** Township 22 South, Range 32 East:  
Section 10: SW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)

**Name and Percent of Working Interest Owners:** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	80.00	25.01%
<b>4</b>	40.00	12.50%
<b>5</b>	40.00	12.50%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>



## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator: Matador Production Company**

CS  
Signature of Authorized Agent

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

**Date:** 2/17/23

### ACKNOWLEDGEMENT

STATE OF TEXAS)

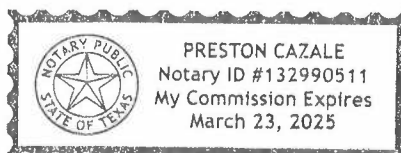
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, 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)

3/23/2025  
My Commission Expires

Preston  
Notary Public



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

**MRC Permian Company**

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

Craig N. Adams Executive Vice President  
Print Name

Date: 2/17/23

*cc  
fdd*

**ACKNOWLEDGEMENT**

STATE OF TEXAS)

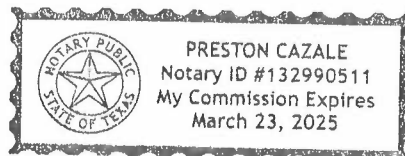
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

3/23/2025  
My Commission Expires

*Preston Cazale*  
Notary Public





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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

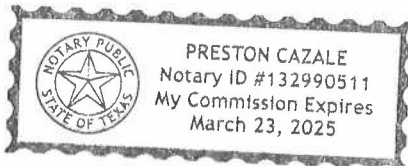
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

My commission expires 3/23/2025

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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

u  
pdd

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

JSG Energy, LLC

By: *[Signature]*

Print Name

Date: 3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

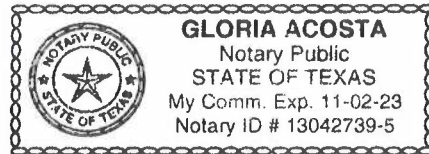
COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>th</sup> of March, 2023, by  
JASON GROSS

*[Signature]*  
Signature

GLORIA ACOSTA  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

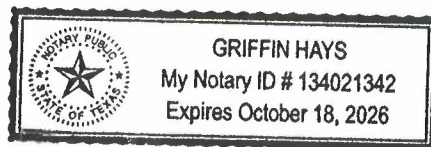
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

By: [Signature]

Brandon Gianfala  
Print Name

Date: 7/31/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on July 31, 2024, by Brandon Gianfala as  
Vice Pres of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

[Signature]  
Signature

Christy Patterson  
Name (Print)

My commission expires at death



THIS DOCUMENT NOT  
PREPARED BY  
THE UNDERSIGNED NOTARY  
ATTESTING TO SIGNATURES ONLY

**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #112H, #132H & #126H**

	<b>Tract 1 NMNM- 135247 Acres 79.92</b>		
	<b>Tract 2 VC-0075 Acres 80.00</b>		
	<b>Tract 3 NMNM- 055952 Acres 40.00</b>		
	<b>Tract 4 NMNM- 141008 Acres 40.00</b>		
	<b>Tract 5 NMNM- 086147 Acres 80.00</b>		



**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

<b>Lease Serial Number:</b>	NMMN-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the



communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator: Matador Production Company**

  
\_\_\_\_\_  
Signature of Authorized Agent

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

**Date:** 2/17/23

### ACKNOWLEDGEMENT

STATE OF TEXAS)

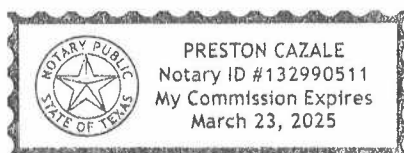
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, 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)

3/23/2025  
My Commission Expires

  
\_\_\_\_\_  
Notary Public



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

**MRC Permian Company**

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

Craig N. Adams Executive Vice President  
Print Name

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

2/17/23

**ACKNOWLEDGEMENT**

STATE OF TEXAS)

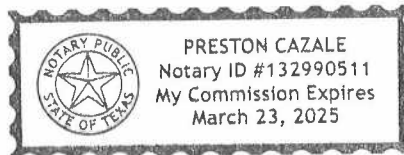
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

3/23/2025  
My Commission Expires

Preston Cazale  
Notary Public



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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

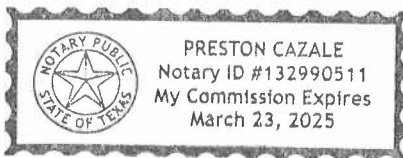
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

My commission expires 3/23/2025

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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

cc  
PAA

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

JSG Energy, LLC

By: 

JASON GROSS

Print Name


Date: 3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

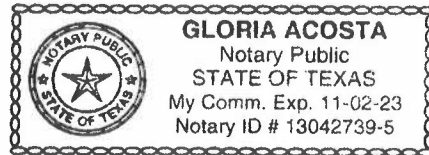
COUNTY OF Midland §

This instrument was acknowledged before me on 10th of March, 2023, by  
JASON GROSS

  
Signature

GLORIA ACOSTA  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_



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

McCurdy Energy, LLC

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

Mike McCurdy  
Print Name

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

3/2/2023

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF Texas §

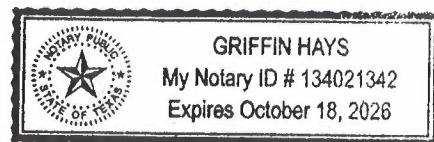
COUNTY OF midland §

This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC. on  
behalf of said corporation.

Griffin Hays  
Signature

Griffin Hays  
Name (Print)

My commission expires 10/18/2026



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

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

Brandon Grantala  
Print Name

Date: 7/31/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA       §

PARISH OF LAFAYETTE   §

This instrument was acknowledged before me on July 31, 2024, by Brandon Grantala as  
Vice Pres of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

Signature \_\_\_\_\_

Name (Print) \_\_\_\_\_

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

THIS DOCUMENT NOT  
PREPARED BY  
THE UNDERSIGNED NOTARY  
ATTESTING TO SIGNATURES ONLY



**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #112H, #132H & #126H**

	<b>Tract 1 NMNM- 135247 Acres 79.92</b>		
	<b>Tract 2 VC-0075 Acres 80.00</b>		
	<b>Tract 3 NMNM- 055952 Acres 40.00</b>		
	<b>Tract 4 NMNM- 141008 Acres 40.00</b>		
	<b>Tract 5 NMNM- 086147 Acres 80.00</b>		

3

10

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

<b>Lease Serial Number:</b>	NMMN-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	79.92	24.98%
2	80.00	25.01%
3	40.00	12.50%
4	40.00	12.50%
5	80.00	25.01%
Total	319.92	100.00%



**COPY**Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

Operator: Matador Production Company

  
\_\_\_\_\_  
Signature of Authorized Agent

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

Date: 2/17/23

### ACKNOWLEDGEMENT

STATE OF TEXAS)

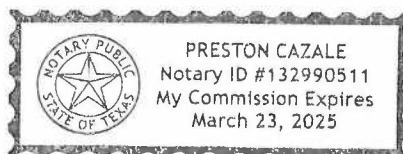
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, 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)


3/23/2025  
My Commission Expires

  
\_\_\_\_\_  
Notary Public



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

MRC Permian Company

By:  *cc*  
Craig N. Adams Executive Vice President *pod*  
Print Name  
Date: 2/17/23

**ACKNOWLEDGEMENT**


STATE OF TEXAS)

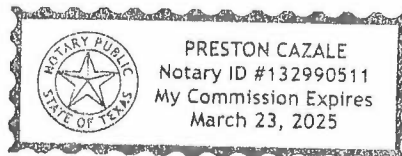
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

3/23/2025  
My Commission Expires

  
Notary Public





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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

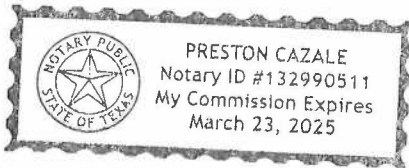
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



Signature

Name (Print)

My commission expires 3/23/2025

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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

u  
pdd

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

**JSG Energy, LLC**

By: *[Signature]*

Print Name

Date: 3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

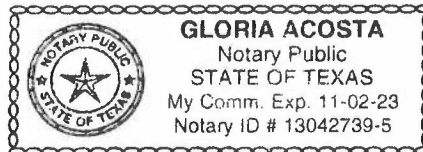
COUNTY OF midland §

This instrument was acknowledged before me on 10th of March, 2023, by  
JASON GROSS

*[Signature]*  
Signature

GLORIA ACOSTA  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

STATE OF \_\_\_\_\_ §

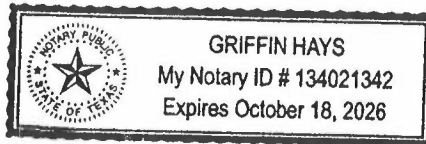
COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_

\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

By: [Signature]

Brandon Gianfala  
Print Name

Date: 7/31/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on July 31, 2024, by Brandon Gianfala as  
Vice Pres of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

Signature

Christy Patterson  
Name (Print)

My commission expires at death



THIS DOCUMENT NOT  
PREPARED BY  
THE UNDERSIGNED NOTARY  
ATTESTING TO SIGNATURES ONLY

**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #112H, #132H & #126H**

	Tract 1 NMNM- 135247 Acres 79.92		
		3	
	Tract 2 VC-0075 Acres 80.00		
	Tract 3 NMNM- 055952 Acres 40.00		
	Tract 4 NMNM- 141008 Acres 40.00		
		10	
	Tract 5 NMNM- 086147 Acres 80.00		



**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMMN-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

**COPY**Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **January 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the



communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator: Matador Production Company**

  
\_\_\_\_\_  
Signature of Authorized Agent

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

**Date:** 2/17/23

### ACKNOWLEDGEMENT

STATE OF **TEXAS**)

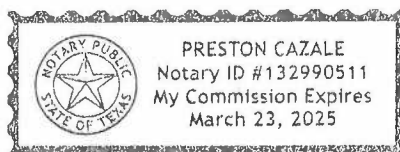
COUNTY OF **DALLAS**)

On this 17<sup>th</sup> day of February, 2023, 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)

3/23/2025  
My Commission Expires

  
\_\_\_\_\_  
Notary Public



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

**MRC Permian Company**

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

Craig N. Adams Executive Vice President  
Print Name

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

2/17/23

**ACKNOWLEDGEMENT**

STATE OF TEXAS)

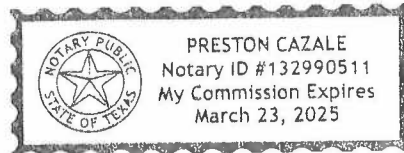
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

3/23/2025  
My Commission Expires

Preston Cazale  
Notary Public



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

**MRC Permian LKE Company, LLC**

By: \_\_\_\_\_ *CA* *Good*

**Craig N. Adams**

Print Name

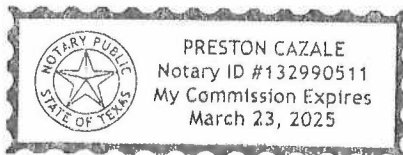
Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



*Preston Cazale*  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025

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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

cc  
Rld

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

JSG Energy, LLC

By: [Signature]

Print Name

Date: 3-10-23

**Acknowledgment in an Individual Capacity**

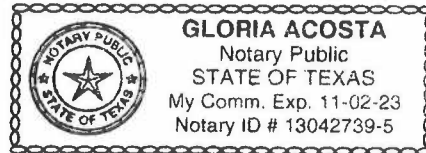
STATE OF Texas §

COUNTY OF midland §

This instrument was acknowledged before me on 10th of March, 2023, by  
JASON GROSS

[Signature]  
Signature

GLORIA ACOSTA  
Name (Print)  
My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

McCurdy Energy, LLC

By: [Signature]Mike McCurdy

Print Name

Date: 3/2/2023

## Acknowledgment in an Individual Capacity

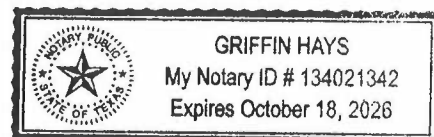
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

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

Brandon Grantala  
Print Name

Date: 7/31/24

Acknowledgment in a Representative Capacity

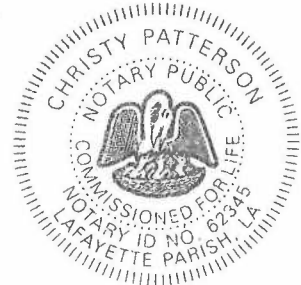
STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on July 31, 2024, by Brandon Grantala as  
Vice Pres of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

Signature \_\_\_\_\_

Christy Patterson  
Name (Print)  
My commission expires at date



THIS DOCUMENT NOT  
PREPARED BY  
THE UNDERSIGNED NOTARY  
ATTESTING TO SIGNATURES ONLY

**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #112H, #132H & #126H**

	<b>Tract 1</b> <b>NMNM-</b> <b>135247</b> <b>Acres 79.92</b>		
	<b>Tract 2</b> <b>VC-0075</b> <b>Acres 80.00</b>		
	<b>Tract 3</b> <b>NMNM-</b> <b>055952</b> <b>Acres 40.00</b>		
	<b>Tract 4</b> <b>NMNM-</b> <b>141008</b> <b>Acres 40.00</b>		
	<b>Tract 5</b> <b>NMNM-</b> <b>086147</b> <b>Acres 80.00</b>		

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

<b>Lease Serial Number:</b>	NMMN-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>





COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico*  
*Commissioner of Public Lands*

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

Preston Cazale  
MRC Permian Company  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

February 7<sup>th</sup>, 2024

Re: Communitization Agreement Approval  
Nina Cortell Federal Com #112H  
Vertical Extent: Wolfcamp  
Township: 22 South, Range 32 East, NMPM  
Section 3: Lot 3, SE4NW4, E2SW4  
Section 10: E2W2

Lea County, New Mexico

Dear Mr. Cazale,

The Commissioner of Public Lands has this date approved the Nina Cortell Federal Com #112H Communitization Agreement for the Wolfcamp formation effective 1-1-2024. Enclosed are three Certificates of Approval.

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

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

If we may be of further service, please contact Joseph Thompson at (505) 827-5750.

Sincerely,

*Joseph Thompson*

Joseph Thompson  
Petroleum Specialist

## NEW MEXICO STATE LAND OFFICE

## CERTIFICATE OF APPROVAL

## COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO

Matador Production Company  
Nina Cortell Federal Com #112H  
Wolfcamp

Township: 22 South, Range: 32 East, NMPM  
Section 3: Lot 3, SENW4, E2SW4  
Section 10: E2W2

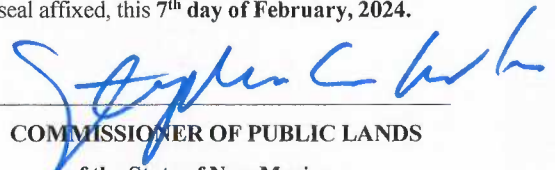
Lea County, New Mexico

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7<sup>th</sup> day of February, 2024.

  
\_\_\_\_\_  
COMMISSIONER OF PUBLIC LANDS  
of the State of New Mexico

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

**Matador Production Company  
Nina Cortell Federal Com #112H  
Wolfcamp**

**Township: 22 South, Range: 32 East, NMPM  
Section 3: Lot 3, SENW4, E2SW4  
Section 10: E2W2**

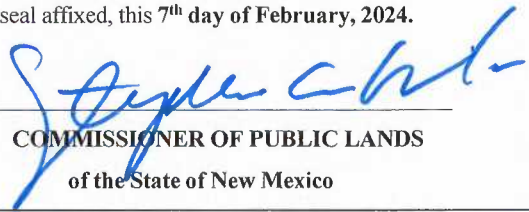
**Lea County, New Mexico**

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- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7<sup>th</sup> day of February, 2024.

  
\_\_\_\_\_  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

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

**Matador Production Company  
Nina Cortell Federal Com #112H  
Wolfcamp**

**Township: 22 South, Range: 32 East, NMPM  
Section 3: Lot 3, SENW4, E2SW4  
Section 10: E2W2**

**Lea County, New Mexico**

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- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
- (d) That such agreement is in other respects for the best interests of the State, with respect to state lands.

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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 7<sup>th</sup> day of February, 2024.

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico



NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE

Revised June, 2022

ONLINE Version  
**COMMUNITIZATION AGREEMENT**

API Initial Well: 30-0\_\_\_\_\_ - \_\_\_\_\_

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

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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10,

Sect(s) 3&10, T 22S, R 32E, NMPM Lea County, NM

containing 319.92 acres, more or less, and this agreement shall include only the

Bone Spring Formation

or pool, underlying said lands and the oil and gas

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

2024 JAN 30 AM 10:46

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



8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January** \_\_\_\_\_ Month **1<sup>st</sup>** Day, **2023** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

2024 JAN 30 AM 10:46


Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

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

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

Operator: Matador Production Company

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

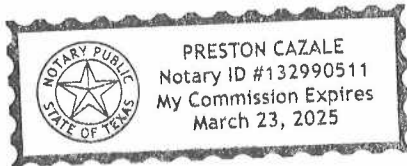
 *a*  
*POD*  
Signature of Authorized Agent

### ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.



  
Signature

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

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

**MRC Permian Company**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

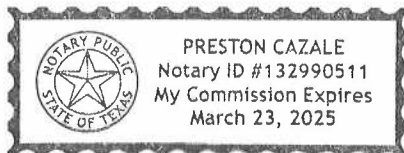
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.



Preston Cazale

Signature

Preston Cazale

Name (Print)

My commission expires 3/23/2025

2024 JAN 30 AM 10:46

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

**MRC Permian LKE Company, LLC**

By: *Ch* *cu*

**Craig N. Adams**

Print Name

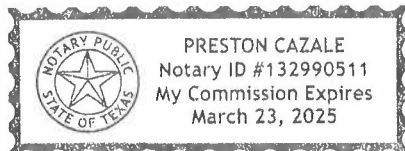
Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



*Preston Cazale*  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025

2024 JAN 30 AM 10:46

**WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD**McCurdy Energy, LLC

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

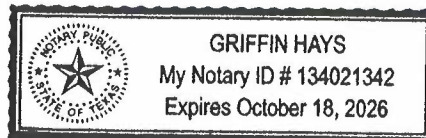
Mike McCurdy  
Print NameDate: 3/2/2023**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**STATE OF Texas §COUNTY OF midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.\_\_\_\_\_  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

2024 JAN 30 AM 10:47



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

Charlotte West-Pietenpol

By: Albert Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

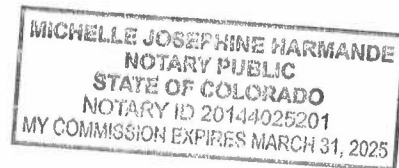
COUNTY OF LaBour §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)

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



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

2024 JAN 30 AM 10:47

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

**JSG Energy, LLC**

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

Print Name

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

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>th</sup> of March, 2023, by

JASON GROSS



**GLORIA ACOSTA**  
Notary Public  
STATE OF TEXAS  
My Comm. Exp. 11-02-23

Signature

Name (Print)

My commission expires 11-2-2023

**GLORIA ACOSTA**  
Notary Public

**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as

\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

2024 JAN 30 AM 10:47

**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #112H, #132H & #126H**

	<b>Tract 1 NMNM- 135247 Acres 79.92</b>		
			<b>3</b>
	<b>Tract 2 VC-0075 Acres 80.00</b>		
	<b>Tract 3 NMNM- 055952 Acres 40.00</b>		
	<b>Tract 4 NMNM- 141008 Acres 40.00</b>		
		<b>10</b>	
	<b>Tract 5 NMNM- 086147 Acres 80.00</b>		

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC

**Tract No. 2**

<b>Lease Serial No.:</b>	VC-0075
<b>Lease Date:</b>	4/1/2017
<b>Lease Term:</b>	5 Years
<b>Lessor:</b>	State of New Mexico
<b>Present Lessee:</b>	MRC Permian Company
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Subdivisions:</b>	
<b>Number of Acres:</b>	80.00
<b>Royalty Rate:</b>	1/5 <sup>th</sup>
<b>Name and WI Owners:</b>	MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** NMNM-055952  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** David Pietenpol  
**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** NMNM-141008  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>



NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE

Revised June, 2022

ONLINE Version

# COMMUNITIZATION AGREEMENT

API Initial Well: 30-0 25 - 51461

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

## 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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10,

Sect(s) 3&10, T 22S, R 32E, NMPM Lea County, NM

containing 319.92 acres, more or less, and this agreement shall include only the

Bone Spring Formation

or pool, underlying said lands and the oil and gas

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

ONLINE  
version  
June 2022

State/Fed/Fee

1

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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January** \_\_\_\_\_ Month **1<sup>st</sup>** Day, **2023** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the




Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

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

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

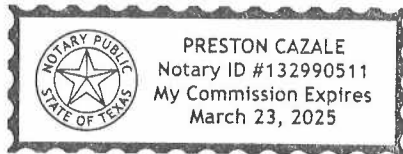
2024 JAN 30 AM 10:46  
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Operator: Matador Production CompanyBy: Craig N. Adams – Executive Vice President  
Name & Title of Authorized Agent  
Signature of Authorized Agent

## ACKNOWLEDGEMENT

STATE OF TEXAS §COUNTY OF DALLAS §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

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

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

**MRC Permian Company**

By: CN Good

**Craig N. Adams**

Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

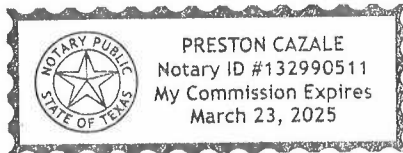
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.



Preston Cazale

Signature

Preston Cazale

Name (Print)

My commission expires 3/23/2025



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

MRC Permian LKE Company, LLC

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

Craig N. Adams

Print Name

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

2/17/23

Acknowledgment in a Representative Capacity

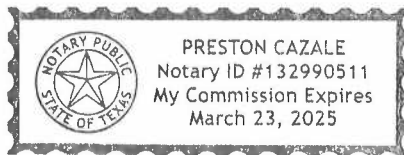
STATE OF TEXAS)

§

COUNTY OF DALLAS)

§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



Signature

Name (Print)

My commission expires 3/23/2025

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

**Charlotte West-Pietenpol**

By: Charlotte West-Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by

\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as

\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

2024 JAN 30 AM 10:46

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

McCurdy Energy, LLC

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

Mike McCurdy  
Print Name

Date: 3/2/2023

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF Texas §

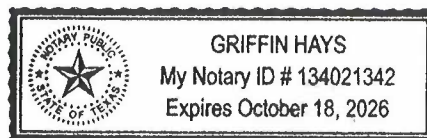
COUNTY OF Midland §

This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.

Griffin Hays  
Signature

Griffin Hays  
Name (Print)

My commission expires 10/18/2026



2024 JAN 30 AM 10:46

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

**JSG Energy, LLC**

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

*[Signature]*  
Jason Goss

Print Name

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

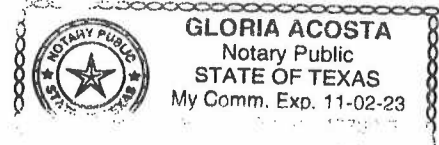
3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

COUNTY OF Midland §

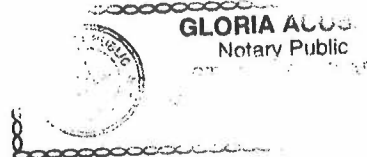
This instrument was acknowledged before me on 10<sup>th</sup> of March, 2023, by  
JASON GOSS



*[Signature]*  
Signature

GLORIA ACOSTA  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

2024 JAN 30 AM 10:46

**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #112H, #132H & #126H**

	Tract 1 NMNM- 135247 Acres 79.92		
			3
	Tract 2 VC-0075 Acres 80.00		
	Tract 3 NMNM- 055952 Acres 40.00		
	Tract 4 NMNM- 141008 Acres 40.00		
			10
	Tract 5 NMNM- 086147 Acres 80.00		

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC

**Tract No. 2**

<b>Lease Serial No.:</b>	VC-0075
<b>Lease Date:</b>	4/1/2017
<b>Lease Term:</b>	5 Years
<b>Lessor:</b>	State of New Mexico
<b>Present Lessee:</b>	MRC Permian Company
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Subdivisions:</b>	
<b>Number of Acres:</b>	80.00
<b>Royalty Rate:</b>	1/5 <sup>th</sup>
<b>Name and WIOwners:</b>	MRC Permian Company



**Tract No. 3**

**Lease Serial Number:** NMNM-055952  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** David Pietenpol  
**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** NMNM-141008  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January, 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all



parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

Operator: Matador Production Company



Signature of Authorized Agent



By: Craig N. Adams Executive Vice President

Name & Title of Authorized Agent

Date: 2/17/23

## ACKNOWLEDGEMENT

STATE OF TEXAS)

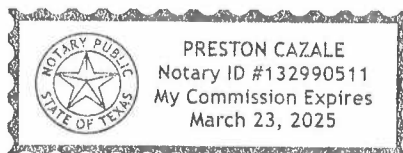
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, 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)

3/23/2025  
My Commission Expires

  
Notary Public



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

**MRC Permian Company**

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

Craig N. Adams Executive Vice President  
Print Name

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

2/17/23

**ACKNOWLEDGEMENT**

STATE OF TEXAS)

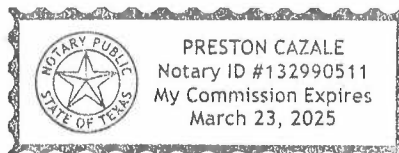
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

3/23/2025  
My Commission Expires

Preston Cazale  
Notary Public



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

**MRC Permian LKE Company, LLC**

By:  CU

**Craig N. Adams**

Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

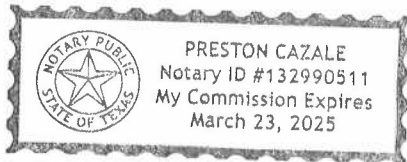
**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.

  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025



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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

u  
paul

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

Charlotte West-Pietenpol

By: Charlotte West-Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: 3/16/23

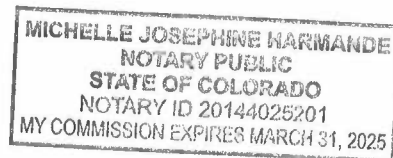
**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

COUNTY OF LaRimer §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature  
Michelle Harmande  
Name (Print)  
My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_

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

JSG Energy, LLC

By: 

Jason Goss

Print Name

Date: 3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF TX §

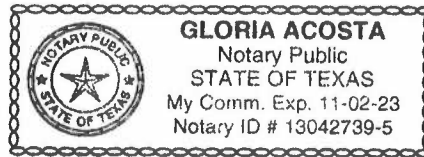
COUNTY OF MILAM §

This instrument was acknowledged before me on 10<sup>TH</sup> OF March, 2023, by  
JASON GOSS

  
Signature

GLORIA ACOSTA  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

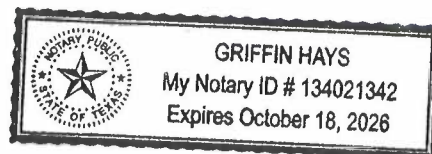
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

By: [Signature]

Brandon Gianfala  
Print Name

Date: 8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

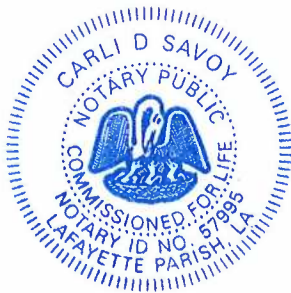
PARISH OF LAFAYETTE §

This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala, as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

[Signature]  
Signature

Carli D Savoy 57995  
Name (Print)

My commission expires at death



**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #202H**

	<b>Tract 1</b> <b>NMNM-</b> <b>135247</b> <b>Acres 79.92</b>		
	<b>Tract 2</b> <b>VC-0075</b> <b>Acres 80.00</b>		
	<b>Tract 3</b> <b>NMNM-</b> <b>055952</b> <b>Acres 40.00</b>		
	<b>Tract 4</b> <b>NMNM-</b> <b>141008</b> <b>Acres 40.00</b>		
	<b>Tract 5</b> <b>NMNM-</b> <b>086147</b> <b>Acres 80.00</b>		

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

<b>Lease Serial Number:</b>	NMMN-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>



## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **January, 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.



This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

Operator: Matador Production Company

  
\_\_\_\_\_  
Signature of Authorized Agent

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

Date: 2/17/23

### ACKNOWLEDGEMENT

STATE OF TEXAS)

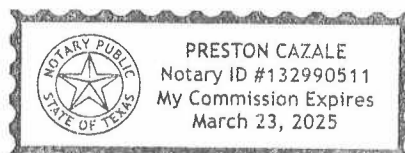
COUNTY OF DALLAS)

On this 17th day of February, 2023, 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)

3/23/2025  
My Commission Expires

  
\_\_\_\_\_  
Notary Public



**WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD****MRC Permian Company**

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

Craig N. Adams Executive Vice President  
Print Name

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

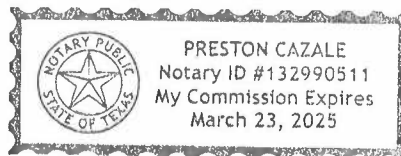
**ACKNOWLEDGEMENT**

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.


(SEAL)

3/23/2025  
My Commission ExpiresPreston Cazale  
Notary Public



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

**MRC Permian LKE Company, LLC**

By:  cl

**Craig N. Adams**

Print Name

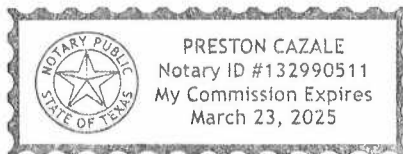
Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



  
Signature

Preston Cazale  
Name (Print)

My commission expires 3/23/2025

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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

*cc  
paed*

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

JSG Energy, LLC

By: 

Print Name

JASON GOSS

Date:


3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

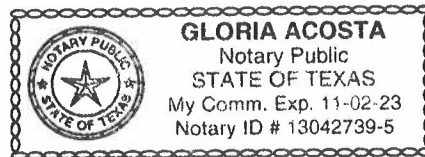
COUNTY OF Midland §

This instrument was acknowledged before me on 10th of March, 2023, by  
JASON GOSS

  
Signature

GLORIA ACOSTA  
Name (Print)

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy

Print Name

Date: 3/2/2023

## Acknowledgment in an Individual Capacity

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

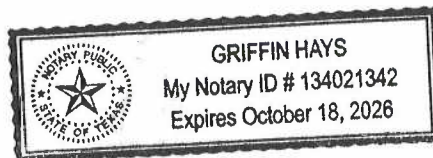
This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy as  
President, for McCurdy Energy, LLC. on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays

Name (Print)

My commission expires 10/18/2026

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

**Charlotte West-Pietenpol**

By: Charlotte West-Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

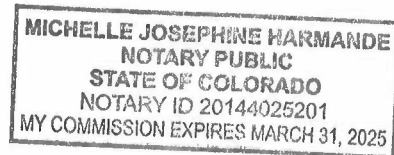
COUNTY OF San Juan §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

By: [Signature]

Brandon Gianfala  
Print Name

Date: 8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

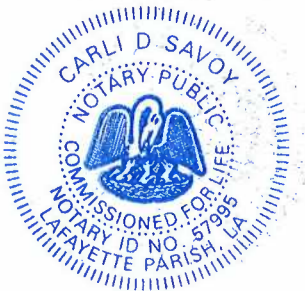
PARISH OF LAFAYETTE §

This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala, as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

[Signature]  
Signature

Carli D Savoy 57995  
Name (Print)

My commission expires at death





**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #202H**

	<b>Tract 1</b> <b>NMNM-</b> <b>135247</b> <b>Acres 79.92</b>		
	<b>Tract 2</b> <b>VC-0075</b> <b>Acres 80.00</b>		
	<b>Tract 3</b> <b>NMNM-</b> <b>055952</b> <b>Acres 40.00</b>		
	<b>Tract 4</b> <b>NMNM-</b> <b>141008</b> <b>Acres 40.00</b>		
	<b>Tract 5</b> <b>NMNM-</b> <b>086147</b> <b>Acres 80.00</b>		

3

10

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

**COPY**Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January, 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the



communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.

This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.


10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator: Matador Production Company**

  
\_\_\_\_\_  
Signature of Authorized Agent

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

**Date:** 2/17/23

### ACKNOWLEDGEMENT

STATE OF TEXAS)

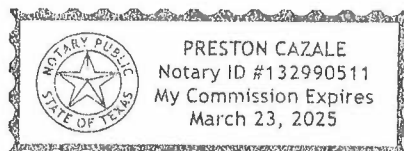
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, 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)

3/23/2025  
My Commission Expires

  
\_\_\_\_\_  
Notary Public



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

**MRC Permian Company**

By: 

Craig N. Adams Executive Vice President  
Print Name

*cc  
pdc*

Date: 2/17/23

**ACKNOWLEDGEMENT**


STATE OF TEXAS)

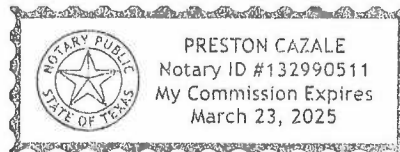
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

3/23/2025  
My Commission Expires

  
Notary Public



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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

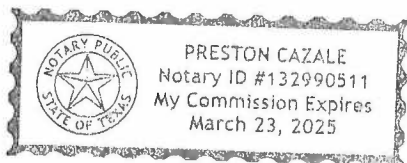
§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

My commission expires 3/23/2025





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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

*u  
paul*



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

Charlotte West-Pietenpol

By: Charlotte West-Pietenpol

Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

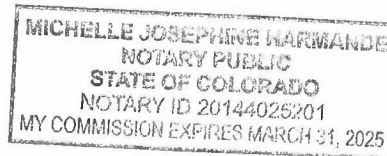
COUNTY OF Laurel §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Signature

Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

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

JSG Energy, LLC

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

*Jason Goss*  
Jason Goss

Print Name

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

3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF TX §

COUNTY OF MEXICO §

This instrument was acknowledged before me on 10<sup>th</sup> of March, 2023, by  
JASON GOSS

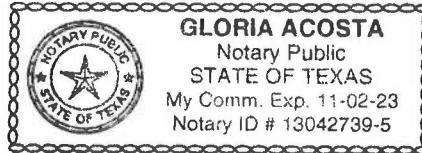
Signature

*Gloria Acosta*

Name (Print)

GLORIA ACOSTA

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

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

McCurdy Energy, LLC

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

Print Name

Date:

Mike McCurdy  
3/2/2023

**Acknowledgment in an Individual Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_

Signature

Name (Print)

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

**Acknowledgment in a Representative Capacity**

STATE OF Texas §

COUNTY OF Midland §

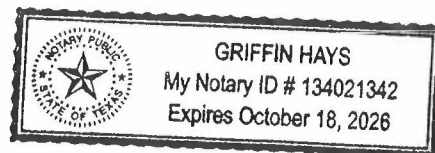
This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.

Signature

Name (Print)

My commission expires

Griffin Hays  
10/18/2026



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

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

Print Name

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

Brandon Gianfala

8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

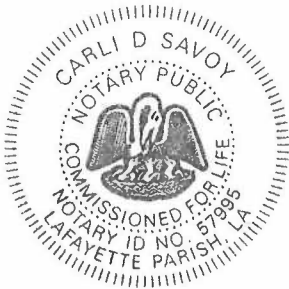
This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala, as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

Signature

Carli D Savoy 57995

Name (Print)

My commission expires at death



**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #202H**

	Tract 1 NMNM- 135247 Acres 79.92		
		3	
	Tract 2 VC-0075 Acres 80.00		
	Tract 3 NMNM- 055952 Acres 40.00		
	Tract 4 NMNM- 141008 Acres 40.00		
		10	
	Tract 5 NMNM- 086147 Acres 80.00		

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED**

**Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None



**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

**COPY**Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **January, 2023**, 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:

**Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** acres, and this agreement shall include only the Wolfcamp 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the



communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.

This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.

10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

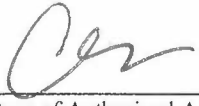


parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

Operator: Matador Production Company

  
\_\_\_\_\_  
Signature of Authorized Agent

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

Date: 2/17/23

### ACKNOWLEDGEMENT

STATE OF TEXAS)

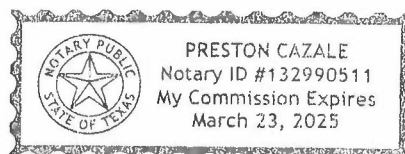
COUNTY OF DALLAS)

On this 17th day of February, 2023, 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)


3/23/2025  
My Commission Expires

  
\_\_\_\_\_  
Notary Public



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

**MRC Permian Company**

By:  *cc pool*  
Craig N. Adams Executive Vice President  
Print Name

Date: 2/17/23

**ACKNOWLEDGEMENT**

STATE OF TEXAS)

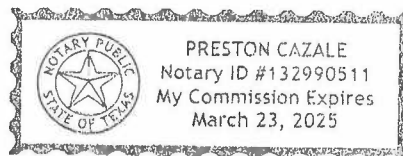
COUNTY OF DALLAS)

On this 17<sup>th</sup> day of February, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

3/23/2025  
My Commission Expires

  
Notary Public



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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

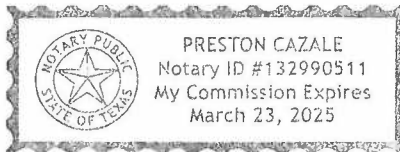
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



Signature

Name (Print)

My commission expires 3/23/2025

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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972)-371-5200

*cc  
paid*

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

JSG Energy, LLC

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

Print Name \_\_\_\_\_

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

*Jason Goss*  
Jason Goss

3-10-23

**Acknowledgment in an Individual Capacity**

STATE OF Texas §

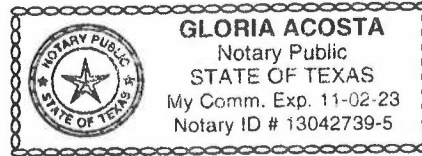
COUNTY OF Midland §

This instrument was acknowledged before me on 10th of March, 2023, by  
JASON GOSS

Signature \_\_\_\_\_

Name (Print) \_\_\_\_\_

My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature \_\_\_\_\_

Name (Print) \_\_\_\_\_

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

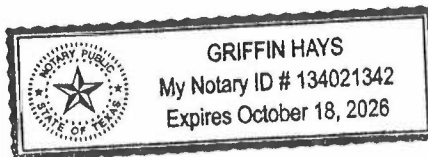
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy as  
President, for McCurdy Energy, LLC. on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026



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

Charlotte West-Pietenpol

By: Charlotte West-Pietenpol

Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

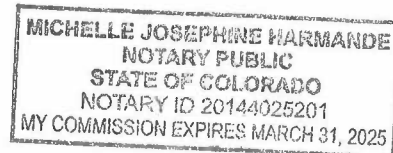
COUNTY OF San Juan §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Signature

Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

Signature

Name (Print)

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

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

Osprey Oil and Gas, LLC

By: [Signature]

Brandon Gianfala  
Print Name

Date: 8/8/24

Acknowledgment in a Representative Capacity

STATE OF LOUISIANA §

PARISH OF LAFAYETTE §

This instrument was acknowledged before me on August 8, 2024, by Brandon Gianfala, as  
Vice President of Land, for Osprey Oil and Gas, LLC on behalf of said  
corporation.

[Signature]

Signature

Carli D Savoy 57995

Name (Print)

My commission expires at death



**EXHIBIT "A"**

Plat of communitized area covering 319.92 acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #202H**

	<b>Tract 1 NMNM- 135247 Acres 79.92</b>		
	<b>Tract 2 VC-0075 Acres 80.00</b>		
	<b>Tract 3 NMNM- 055952 Acres 40.00</b>		
	<b>Tract 4 NMNM- 141008 Acres 40.00</b>		
	<b>Tract 5 NMNM- 086147 Acres 80.00</b>		

3

10

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 2**

<b>Lease Serial Number:</b>	VC-0075
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Number of Acres:</b>	80.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name of Working Interest Owners:</b>	MRC Permian Company
<b>Overriding Royalty Interest Owners:</b>	None

**Tract No. 3**

**Lease Serial Number:** NMNM-055952

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** David Pietenpol

**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Overriding Royalty Interest Owners:** Abyss, Inc.  
Adley Properties LLC  
Beverly Jean Renfro Barr, Trustee of the Family  
Trust created under the Last Will and Testament of  
Richard Kevin Barr  
Capstan Properties, LP  
Cynthia Mae Wilson, Trustee of the Bypass Trust  
established under the Last Will and Testament  
of Scott E. Wilson  
Hunt Oil Company  
Jack Lowry, whose marital status is unknown  
Judson Land and Minerals, LP  
Lyra Properties, LLC  
Magic Dog Oil & Gas, Ltd.  
Marjean Martin Murphy, Trustee of the Marjean  
Martin Murphy Heritage Trust u/t/a dated August 22,  
2014  
Mountain Lion Oil & Gas, LLC  
Peanut Oil Co.  
Richard C. Geesaman and wife, Breida Geesaman

**Tract No. 4**

**Lease Serial Number:** NMNM-141008

**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4

**Number of Acres:** 40.00

**Current Lessee of Record:** MRC Permian Company

**Name of Working Interest Owners:** MRC Permian Company

**Overriding Royalty Interest Owners:** None

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>





COMMISSIONER

Stephanie Garcia Richard

*State of New Mexico*  
*Commissioner of Public Lands*

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

Preston Cazale  
MRC Permian Company  
5400 LBJ Freeway, Suite 1500  
Dallas, TX 75240

February 13<sup>th</sup>, 2024

Re: Communitization Agreement Approval  
Nina Cortell Federal Com #202H  
Vertical Extent: Wolfcamp  
Township: 22 South, Range 32 East, NMPM  
Section 3: Lot 3, SE4NW4, E2SW4  
Section 10: E2W2

Lea County, New Mexico

Dear Mr. Cazale,

The Commissioner of Public Lands has this date approved the Nina Cortell Federal Com #202H Communitization Agreement for the Wolfcamp formation effective 1-1-2024. Enclosed are three Certificates of Approval.

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

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

If we may be of further service, please contact Joseph Thompson at (505) 827-5750.

Sincerely,

*Joseph Thompson*

Joseph Thompson  
Petroleum Specialist

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

**Matador Production Company**  
**Nina Cortell Federal Com #202H**  
**Wolfcamp**  
**Township: 22 South, Range: 32 East, NMPM**  
**Section 3: Lot 3, SE4NW4, E2SW4**  
**Section 10: E2W2**

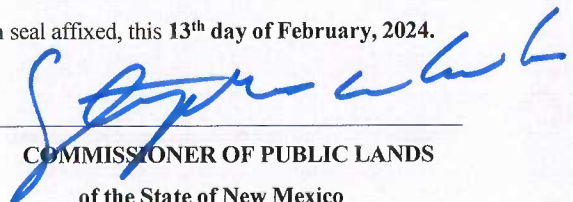
**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **13<sup>th</sup>** day of February, 2024.

  
\_\_\_\_\_  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

**COMMISSIONER OF PUBLIC LANDS, STATE OF NEW MEXICO**

**Matador Production Company  
Nina Cortell Federal Com #202H  
Wolfcamp**

**Township: 22 South, Range: 32 East, NMPM  
Section 3: Lot 3, SE4NW4, E2SW4  
Section 10: E2W2**

**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **13<sup>th</sup> day of February, 2024**.

  
\_\_\_\_\_  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico

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

**Matador Production Company  
Nina Cortell Federal Com #202H  
Wolfcamp**

**Township: 22 South, Range: 32 East, NMPM  
Section 3: Lot 3, SE4NW4, E2SW4  
Section 10: E2W2**

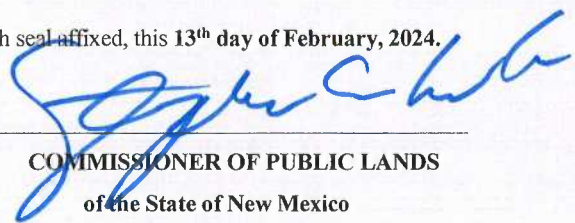
**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **January 1, 2024**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **13<sup>th</sup> day of February, 2024.**

  
**COMMISSIONER OF PUBLIC LANDS**  
of the State of New Mexico



NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE  
Revised June, 2022

ONLINE Version  
COMMUNITIZATION AGREEMENT

API Initial Well: 30-0 25 - 51287

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

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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10,

Sect(s) 3&10, T 22S, R 32E, NMPM Lea County, NM

containing 319.92 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil and gas

(hereinafter referred to as "communitized substances") producible from such formation;

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



8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January** \_\_\_\_\_ Month **1<sup>st</sup>** Day, **2023** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the

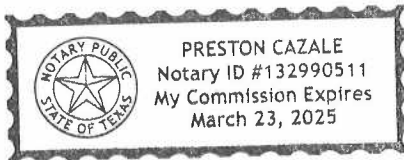
Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

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

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

Operator: Matador Production CompanyBy: Craig N. Adams – Executive Vice President  
Name & Title of Authorized Agent  
Signature of Authorized Agentcc  
Good

## ACKNOWLEDGEMENT

STATE OF TEXAS §COUNTY OF DALLAS §This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.  
SignaturePreston Cazale  
Name (Print)  
My commission expires 3/23/2025

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

**MRC Permian Company**

By: \_\_\_\_\_ *ca*

**Craig N. Adams**

Print Name

Date: 2/17/23

**Acknowledgment in a Representative Capacity**

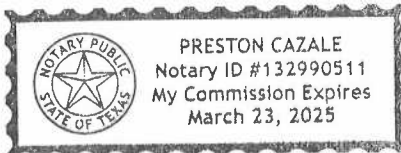
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.



*Preston Cazale*

Signature

*Preston Cazale*

Name (Print)

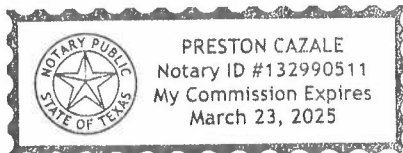
My commission expires 3/23/2025

**WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD****MRC Permian LKE Company, LLC**By:  **Craig N. Adams**

Print Name

Date: 2/17/23**Acknowledgment in a Representative Capacity****STATE OF TEXAS** §**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.

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

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

**JSG Energy, LLC**

By: *JG*

Jason Goss

Print Name

Date: 3-10-23

**Acknowledgment in an Individual Capacity**

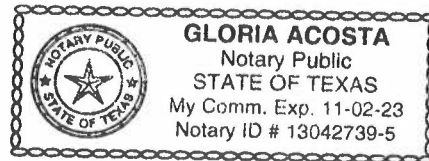
STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>TH</sup> OF March, 2023, by  
JASON GOSS

*Gloria Acosta*  
Signature

GLORIA ACOSTA  
Name (Print)  
My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_



WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

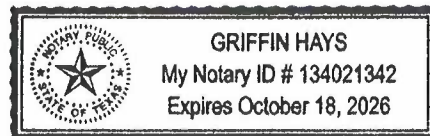
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

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

Charlotte West-Pietenpol

By: Charlotte West-Pietenpol

Charlotte West-Pietenpol

Print Name

Date: 3/16/23

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

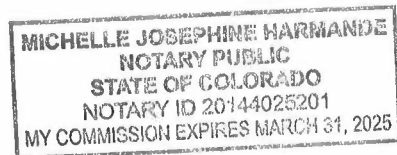
COUNTY OF LaSalle §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #202H**

	Tract 1 NMNM- 135247 Acres 79.92		
			3
	Tract 2 VC-0075 Acres 80.00		
	Tract 3 NMNM- 055952 Acres 40.00		
	Tract 4 NMNM- 141008 Acres 40.00		
			10
	Tract 5 NMNM- 086147 Acres 80.00		

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMNM-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC

**Tract No. 2**

<b>Lease Serial No.:</b>	VC-0075
<b>Lease Date:</b>	4/1/2017
<b>Lease Term:</b>	5 Years
<b>Lessor:</b>	State of New Mexico
<b>Present Lessee:</b>	MRC Permian Company
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Subdivisions:</b>	
<b>Number of Acres:</b>	80.00
<b>Royalty Rate:</b>	1/5 <sup>th</sup>
<b>Name and WI Owners:</b>	MRC Permian Company

**Tract No. 3**

**Lease Serial Number:** NMNM-055952  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** David Pietenpol  
**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** NMNM-141008  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>



NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE

Revised June, 2022

ONLINE Version  
COMMUNITIZATION AGREEMENT

API Initial Well: 30-0\_\_\_\_\_ - \_\_\_\_\_

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

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 portions thereof, with other lands, whether or not owned by the United States, when separate tracts under such federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area, and such communitization or pooling is determined to be in the public interest; and,

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

WHEREAS, the parties hereto own working, royalty, or other leasehold interests, or operating rights under the oil and gas leases and land subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and,

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

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

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

Subdivisions Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10,

Sect(s) 3&10, T 22S, R 32E, NMPM Lea County, NM

containing 319.92 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil and gas

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

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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is January Month 1<sup>st</sup> Day, 2023 Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within sixty (60) days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted and prosecuted with reasonable diligence. As to lands owned by the State of New Mexico, written notice of intention to commence such operations shall be filed with the Commissioner within thirty (30) days after the cessation of such capability of production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the



Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.

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

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

Operator: Matador Production Company

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



Signature of Authorized Agent

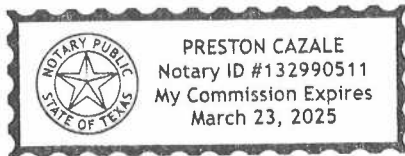


### ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF DALLAS §

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.



  
Signature

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

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

**MRC Permian Company**

By: \_\_\_\_\_ *u pod*

**Craig N. Adams**

Print Name

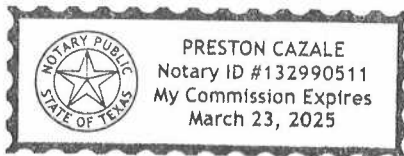
Date: 2/17/23

**Acknowledgment in a Representative Capacity**

**STATE OF TEXAS** §

**COUNTY OF DALLAS** §

This instrument was acknowledged before me on February 17<sup>th</sup>, 2023, by **Craig N. Adams**, as **Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.



*Preston Cazale*  
\_\_\_\_\_  
Signature

*Preston Cazale*  
\_\_\_\_\_  
Name (Print)

My commission expires 3/23/2025



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

**MRC Permian LKE Company, LLC**

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

**Craig N. Adams**

Print Name

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

2/17/23

**Acknowledgment in a Representative Capacity**

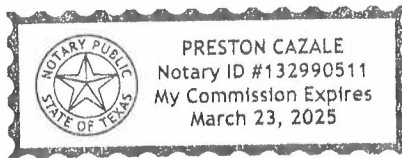
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on February 17th, 2023, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian LKE Company, LLC** on behalf of said corporation.



Signature

Name (Print)

My commission expires 3/23/2025

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

**JSG Energy, LLC**

By: [Signature]

Print Name JASON GROSS

Date: 3-10-2023

**Acknowledgment in an Individual Capacity**

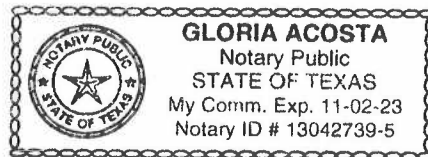
STATE OF TX §

COUNTY OF Midland §

This instrument was acknowledged before me on 10<sup>th</sup> of March, 2023, by  
JASON GROSS

[Signature]  
Signature

GLORIA ACOSTA  
Name (Print)  
My commission expires 11-2-2023



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)  
My commission expires \_\_\_\_\_

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORDMcCurdy Energy, LLCBy: [Signature]Mike McCurdy  
Print NameDate: 3/2/2023

## Acknowledgment in an Individual Capacity

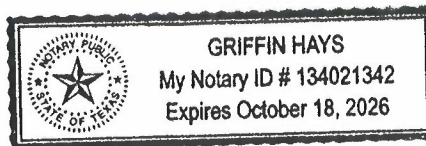
STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by  
\_\_\_\_\_\_\_\_\_\_  
Signature\_\_\_\_\_  
Name (Print)

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

## Acknowledgment in a Representative Capacity

STATE OF Texas §COUNTY OF Midland §This instrument was acknowledged before me on March 2, 2023, by Mike McCurdy, as  
President, for McCurdy Energy, LLC on  
behalf of said corporation.[Signature]  
SignatureGriffin Hays  
Name (Print)My commission expires 10/18/2026

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

Charlotte West-Pietenpol

By: West-Pietenpol

Charlotte West-Pietenpol  
Print Name

Date: West-Pietenpol

**Acknowledgment in an Individual Capacity**

STATE OF Colorado §

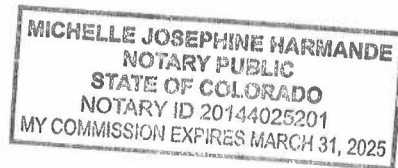
COUNTY OF LaSalle §

This instrument was acknowledged before me on March 16, 2023, by  
Charlotte West-Pietenpol

Michelle Harmande  
Signature

Michelle Harmande  
Name (Print)

My commission expires March 31, 2025



**Acknowledgment in a Representative Capacity**

STATE OF \_\_\_\_\_ §

COUNTY OF \_\_\_\_\_ §

This instrument was acknowledged before me on \_\_\_\_\_, 2023, by \_\_\_\_\_, as  
\_\_\_\_\_, for \_\_\_\_\_ on  
behalf of said corporation.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Print)

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

**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #202H**

	<b>Tract 1 NMNM- 135247 Acres 79.92</b>		
			<b>3</b>
	<b>Tract 2 VC-0075 Acres 80.00</b>		
	<b>Tract 3 NMNM- 055952 Acres 40.00</b>		
	<b>Tract 4 NMNM- 141008 Acres 40.00</b>		
			<b>10</b>
	<b>Tract 5 NMNM- 086147 Acres 80.00</b>		

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 3, SE/4NW/4, E/2SW/4 of Section 3 and the E/2W/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

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

**DESCRIPTION OF LEASES COMMITTED****Tract No. 1**

<b>Lease Serial Number:</b>	NMMN-135247
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: Lot 3, SE/4NW/4
<b>Number of Acres:</b>	79.92
<b>Current Lessee of Record:</b>	MRC Permian LKE Company, LLC
<b>Name of Working Interest Owners:</b>	MRC Permian LKE Company, LLC

**Tract No. 2**

<b>Lease Serial No.:</b>	VC-0075
<b>Lease Date:</b>	4/1/2017
<b>Lease Term:</b>	5 Years
<b>Lessor:</b>	State of New Mexico
<b>Present Lessee:</b>	MRC Permian Company
<b>Description of Land Committed:</b>	Township 22 South, Range 32 East, Section 3: E/2SW/4
<b>Subdivisions:</b>	
<b>Number of Acres:</b>	80.00
<b>Royalty Rate:</b>	1/5 <sup>th</sup>
<b>Name and WI Owners:</b>	MRC Permian Company



**Tract No. 3**

**Lease Serial Number:** NMNM-055952  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: NE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** David Pietenpol  
**Name of Working Interest Owners:** MRC Permian Company  
JSG Energy, LLC  
McCurdy Energy, LLC  
Osprey Oil and Gas, LLC

**Tract No. 4**

**Lease Serial Number:** NMNM-141008  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Section 10: SE/4NW/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owners:** MRC Permian Company

**Tract No. 5**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
Sec 10: E/2SW/4  
**Number of Acres:** 80.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	79.92	24.98%
<b>2</b>	80.00	25.01%
<b>3</b>	40.00	12.50%
<b>4</b>	40.00	12.50%
<b>5</b>	80.00	25.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>



# United States Department of the Interior

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



In Reply Refer To:  
NMNM143942 (NMNM105724617)  
3105.2 (NM920)

**MAY 28 2024**

Reference:  
Communitization Agreement  
Nina Cortell Fed Com #113H, #127H, #133H  
T. 22 S., R. 32 E., N.M.P.M.  
Section 3: Lot 2, SWNE, W2SE.  
Section 10: W2E2.  
Lea County, NM

Matador Production Company  
5400 Lyndon B. Johnson Freeway, Suite 1500  
Dallas, TX 75240

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NMNM143942 involving 159.92 acres of Federal land in lease NMNM135247 and 160.00 acres of Federal land in lease NMNM086147, Lea County, New Mexico, which comprise a 319.92 acre well spacing unit.

The agreement communitizes all rights to natural gas and associated liquid hydrocarbons from the Bone Spring formation beneath Lot 2, SWNE, W2SE of sec. 3 and the W2E2 of sec. 10, T. 22 S., R. 32 E., NMPM, Lea County, NM, and is effective September 1, 2021. 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. Please direct questions regarding royalty payments and production reports to your primary contacts at the Office of Natural Resources Revenue (ONRR). If unknown, please use ONRR's website, <https://onrr.gov/about/contact>, to identify the correct contact for your company or to find a general contact to get started.

**INTERIOR REGION 5 · MISSOURI BASIN**  
Kansas, Most of Montana, North Dakota,  
Nebraska, South Dakota

**INTERIOR REGION 6 · ARKANSAS-  
RIO GRANDE-TEXAS GULF**  
Oklahoma, Texas

**INTERIOR REGION 7 · UPPER  
COLORADO BASIN**  
Colorado, New Mexico, Utah, Wyoming

2

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,

Edward  
Fernandez For

Digitally signed by  
Edward Fernandez For  
Date: 2024.05.28  
08:06:16 -06'00'

Kyle Paradis  
Branch Chief of Reservoir Management  
Division of Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

NMP020, (CFO, File Room)

NMSO (NM925, File)

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. 266(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM143942 involving Federal Leases NMNM135247 and NMNM086147. This Communitization Agreement is in Secs. 3 and 10, T. 22 S., R. 32 E., NMPM, Lea County, New Mexico, for production of natural gas and associated liquid hydrocarbons producible from the Bone Spring Formation.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

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. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

Edward  
Fernandez For

Kyle Paradis  
Branch Chief of Reservoir Management  
Division of Minerals

Digitally signed by Edward  
Fernandez For  
Date: 2024.05.28 08:06:40  
-06'00'

Effective: September 1, 2021  
Contract No.: NMNM143942

RECEIVED

Federal Communitization Agreement

OCT 22 2021

Contract No. NmNm 143942BLM, NMSO  
SANTA FE

THIS AGREEMENT entered into as of the **1st** day of **September, 2021**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

W/2E/2 of Sections 3 & 10, Township 22S, Range 32E, Lea County, New Mexico.

↳ Lot 2, SWNE, W2SE. *me*

Containing **319.92** acres, more or less, and this agreement shall include only the **Bone Spring** Formation underlying said lands and the natural gas and associated liquid hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.



3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

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

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

- the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
  7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
  8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
  9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
  10. The date of this agreement is **September 1, 2021**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long

as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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



OPERATOR: MATADOR PRODUCTION COMPANYDate: 10/20/21By: [Signature]Name: Jonathan FilbertTitle: Senior Vice President - LandR#  
pdd

## CORPORATE ACKNOWLEDGEMENT

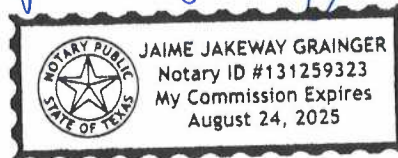
STATE OF TEXAS )

COUNTY OF DALLAS )

On this 20<sup>th</sup> day of October, 2021, before me, a Notary Public for the State of Texas, personally appeared Jonathan Filbert, known to me to be the Senior Vice President - Land of **Matador Production Company**, a Texas corporation, on behalf of said corporation.

8/24/2025  
My Commission Expires

Jaime Jakeway Grainger  
Notary Public



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

**MRC PERMIAN COMPANY**

Date: 10/20/21

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

Name: Jonathan Filbert

Title: Senior Vice President - Land

RH  
Pdd

**MRC PERMIAN LKE COMPANY, LLC**

Date: 10/20/21

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

Name: Jonathan Filbert

Title: Senior Vice President - Land

RH  
Pdd

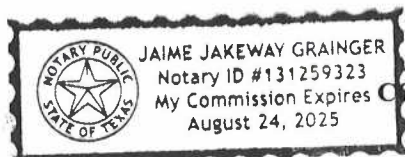
**CORPORATE ACKNOWLEDGEMENT**

STATE OF TEXAS           )  
COUNTY OF DALLAS    )

On this 20<sup>th</sup> day of October, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian Company**, a Texas corporation, on behalf of said corporation.

8/24/2025  
My Commission Expires

Jaime Jakeway Grainger  
Notary Public



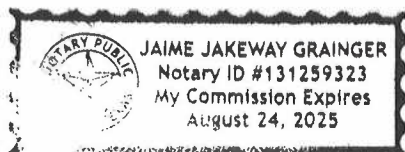
**CORPORATE ACKNOWLEDGEMENT**

STATE OF TEXAS           )  
COUNTY OF DALLAS    )

On this 20<sup>th</sup> day of October, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian LKE Company, LLC**, a Texas corporation, on behalf of said corporation.

8/24/2025  
My Commission Expires

Jaime Jakeway Grainger  
Notary Public



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APR 10 2024

BLM, NMSO  
SANTA FE

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

ConocoPhillips Company

By: Ry D. Owen *RC KR*

Ryan D. Owen, Attorney-in-Fact

Print Name

Date: 4-2-24

Acknowledgment in a Representative Capacity

STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on 4-2-24, 2024, by Ryan D. Owen, as

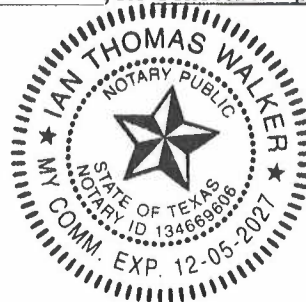
Attorney-in-Fact, for ConocoPhillips Company on behalf of said corporation.

[Signature]  
Signature

Ian T Walker

Name (Print)

My commission expires 12/5/27



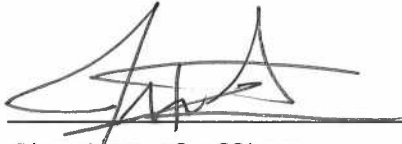


SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTERESTCOMMUNITIZATION AGREEMENT: *NMMN 143942*

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.

BY:

  
\_\_\_\_\_  
Signature of officerName: Jonathan FilbertTitle: Senior Vice President - Land

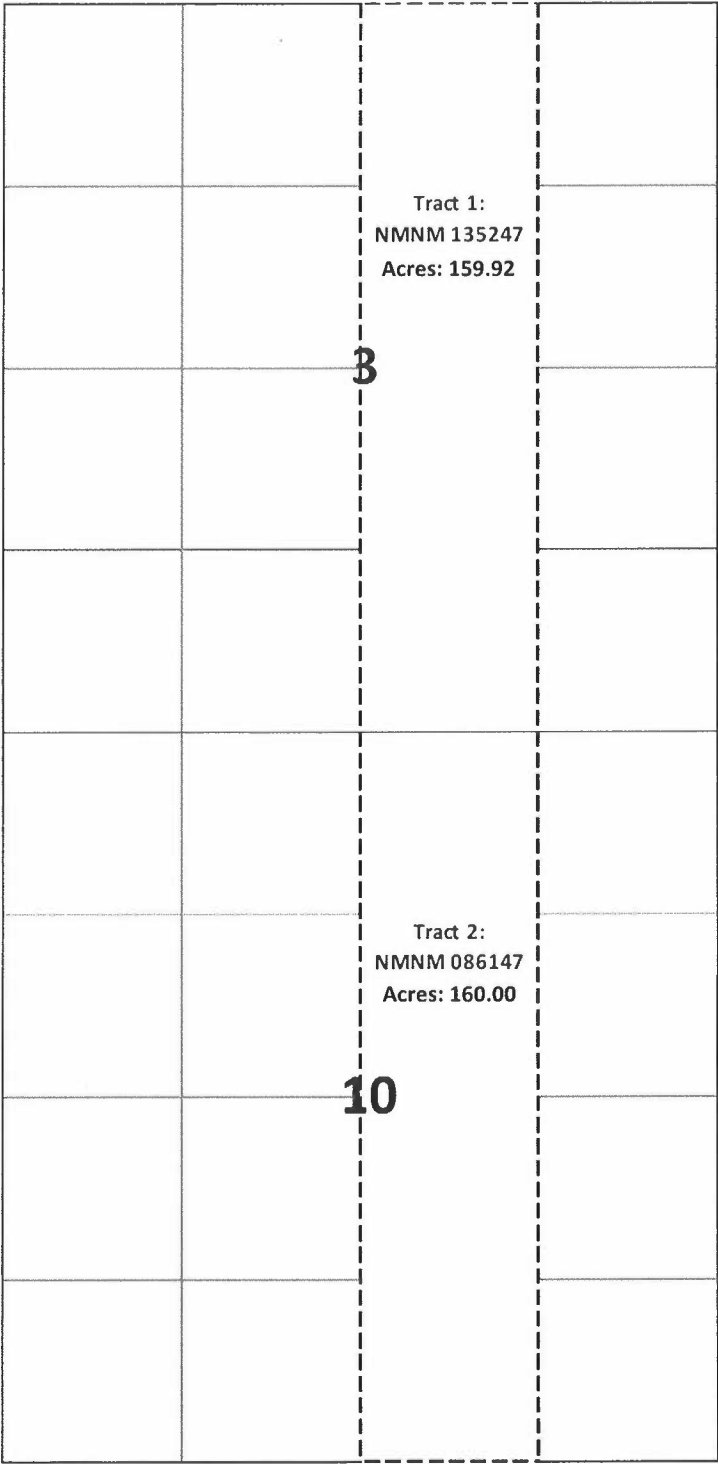
Phone number: (972)-371-5200

*RH*  
*Pdd*

**EXHIBIT “A”**

Plat of communitized area covering **319.92** acres in the W/2E/2 of Sections 3 & 10, Township 22 South,  
Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 113H, 127H, 133H**



**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated September 1, 2021 embracing the following described land in the W/2E/2 of Sections 3 and 10, Township 22 South, Range 32 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 No.:** NMNM 135247  
**Description of Land Committed:** Township 22 South, Range 32 East,  
 Section 3: Lot 2, SW/4NE/4, W/2SE/4  
**Number of Acres:** 159.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name of Working Interest Owner(s):** MRC Permian LKE Company, LLC  
**Overriding Royalty Interest Owner(s):** None

**Tract No. 2**

**Lease Serial No.:** NMNM 086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
 Section 10: W/2E/2  
**Number of Acres:** 160.00  
**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)  
**Name of Working Interest Owner(s):** ConocoPhillips Company (*Compulsory Pooled*)  
**Overriding Royalty Interest Owner(s):** None

**RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	159.92	49.99%
2	160.00	50.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
MATADOR PRODUCTION COMPANY**

**CASE NO. 21795  
ORDER NO. R-21666**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard these matters through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

**FINDINGS OF FACT**

1. Matador Production Company (“Operator”) submitted an application (“Application”) to compulsorily pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### **ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

CASE NO. 21795  
ORDER NO. R-21666

Page 2 of 8



well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of



- the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
  30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
  31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
  32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
  33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
  34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
  35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL  
DIRECTOR  
AES/kms

Date: 4/20/2021

CASE NO. 21795  
ORDER NO. R-21666

Page 5 of 8

## Exhibit "A"

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case:</b>	<b>21795</b>
<b>Date</b>	<b>April 8, 2021</b>
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company/OGRID No. 228937
Applicant's Counsel:	James Bruce
Case Title:	Application of Matador Production Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	ConocoPhillips Company/Holland & Hart LLP
Well Family	Nina Cortell Bone Spring Wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Bilbrey Basin; Bone Spring/Pool Code 5695
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	South-North
Description: TRS/County	W/2E/2 §10 and W/2E/2 §3-22S-32E, NMPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibits C-2 and C-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Nina Cortell Fed. Com. Well No. 127H, API No. Pending SHL: 244 FSL and 1230 FEL (Unit P) §10-22S-32E BHL: 60 feet FNL and 1980 feet FEL (Unit B) §3-22S-32E FTP: 100 FSL & 1980 FEL §10 LTP: 100 FNL & 1980 FEL §3 Bone Spring Sand/TVD 10850 feet/MD 21114 feet

EXHIBIT

E

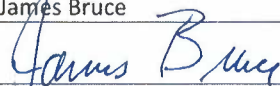
CASE NO. 21795  
ORDER NO. R-21666

Page 6 of 8

Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, page 4
Requested Risk Charge	Cost + 200%/Exhibit A, Case No. 21795
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B
Proof of Published Notice of Hearing (10 days before hearing)	Not necessary
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibits C-2 and C-3
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	<b>\$8000/\$800</b>
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibits C-1 and C-2
Gunbarrel/Lateral Trajectory Schematic	Exhibits D-2 and D-3
Well Orientation (with rationale)	Standup/Exhibit D
Target Formation	Bone Spring
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	Not Applicable
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1

CASE NO. 21795  
ORDER NO. R-21666

Page 7 of 8

Tracts	Exhibit C-1 and C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-1 and C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit C-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-3
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	
Date:	April 6, 2021

CASE NO. 21795  
ORDER NO. R-21666

Page 8 of 8



**COPY**

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OCT 22 2021

BLM, NMSO  
SANTA FEFederal Communitization AgreementContract No. NMNM 143942

THIS AGREEMENT entered into as of the **1st** day of **September, 2021**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

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

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

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

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

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

W/2E/2 of Sections 3 & 10, Township 22S, Range 32E, Lea County, New Mexico.

↳ Lot 2, SWNE, W2SE. *me*

Containing **319.92** acres, more or less, and this agreement shall include only the **Bone Spring** Formation underlying said lands and the natural gas and associated liquid hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.



3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

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

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

- the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.
6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
  7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
  8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
  9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
  10. The date of this agreement is **September 1, 2021**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long

as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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



OPERATOR: MATADOR PRODUCTION COMPANY

Date: 10/20/21

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

Name: Jonathan Filbert

Title: Senior Vice President - Land

RH  
Pdd

**CORPORATE ACKNOWLEDGEMENT**

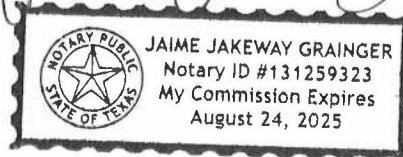
STATE OF TEXAS )

COUNTY OF DALLAS )

On this 20<sup>th</sup> day of October, 2021, before me, a Notary Public for the State of Texas, personally appeared Jonathan Filbert, known to me to be the Senior Vice President - Land of **Matador Production Company**, a Texas corporation, on behalf of said corporation.

8/24/2025  
My Commission Expires

Jaime Jakeway Grainger  
Notary Public



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

**MRC PERMIAN COMPANY**

Date: 10/20/21

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

Name: Jonathan Filbert

Title: Senior Vice President - Land

RH  
Pdd

**MRC PERMIAN LKE COMPANY, LLC**

Date: 10/20/21

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

Name: Jonathan Filbert

Title: Senior Vice President - Land

RH  
Pdd

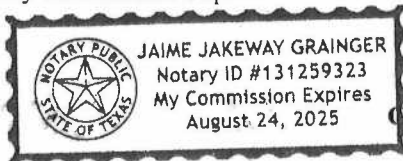
**CORPORATE ACKNOWLEDGEMENT**

STATE OF TEXAS           )  
COUNTY OF DALLAS    )

On this 20<sup>th</sup> day of OCTOBER, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian Company**, a Texas corporation, on behalf of said corporation.

8/24/2025  
My Commission Expires

Jaime Jakeway Grainger  
Notary Public



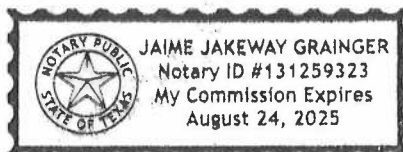
**CORPORATE ACKNOWLEDGEMENT**

STATE OF TEXAS           )  
COUNTY OF DALLAS    )

On this 20<sup>th</sup> day of OCTOBER, 2021, before me, a Notary Public for the State of Texas, personally appeared **Jonathan Filbert**, known to me to be the **Senior Vice President - Land** of **MRC Permian LKE Company, LLC**, a Texas corporation, on behalf of said corporation.

8/24/2025  
My Commission Expires

Jaime Jakeway Grainger  
Notary Public



RECEIVED

APR 10 2024

BLM, NMSO  
SANTA FE

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

ConocoPhillips Company

By: Ry D Owen *RC KR*

Ryan D. Owen, Attorney-in-Fact

Print Name

Date: 4-2-24

Acknowledgment in a Representative Capacity

STATE OF Texas §

COUNTY OF Midland §

This instrument was acknowledged before me on 4-2, 2024, by Ryan D. Owen, as

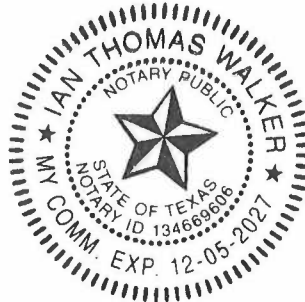
Attorney-in-Fact, for ConocoPhillips Company on behalf of said corporation.

Ian Walker  
Signature

Ian WALKER

Name (Print)

My commission expires 12/5/27





SELF CERTIFICATION STATEMENT FOR COMMUNITIZATION AGREEMENT WORKING INTERESTCOMMUNITIZATION AGREEMENT: *NMM 143942*

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.

BY: 

Signature of officer

Name: Jonathan FilbertTitle: Senior Vice President - Land

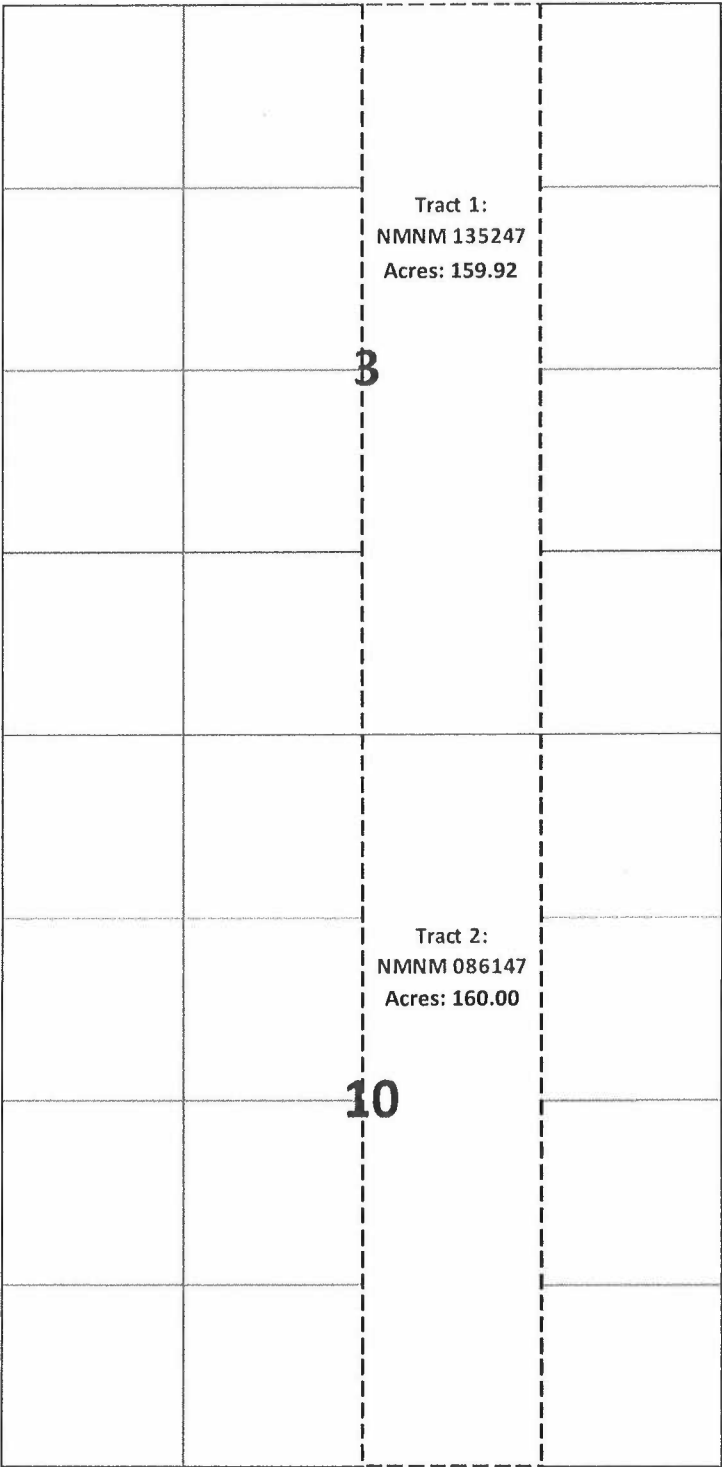
Phone number: (972)-371-5200

*RH*  
*Pdd*

**EXHIBIT “A”**

Plat of communitized area covering **319.92** acres in the W/2E/2 of Sections 3 & 10, Township 22 South,  
Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com 113H, 127H, 133H**



**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated September 1, 2021 embracing the following described land in the W/2E/2 of Sections 3 and 10, Township 22 South, Range 32 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 No.:** NMNM 135247  
**Description of Land Committed:** Township 22 South, Range 32 East,  
 Section 3: Lot 2, SW/4NE/4, W/2SE/4  
**Number of Acres:** 159.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name of Working Interest Owner(s):** MRC Permian LKE Company, LLC  
**Overriding Royalty Interest Owner(s):** None

**Tract No. 2**

**Lease Serial No.:** NMNM 086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
 Section 10: W/2E/2  
**Number of Acres:** 160.00  
**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)  
**Name of Working Interest Owner(s):** ConocoPhillips Company (*Compulsory Pooled*)  
**Overriding Royalty Interest Owner(s):** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	159.92	49.99%
<b>2</b>	160.00	50.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
MATADOR PRODUCTION COMPANY**

**CASE NO. 21795  
ORDER NO. R-21666**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard these matters through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

**FINDINGS OF FACT**

1. Matador Production Company (“Operator”) submitted an application (“Application”) to compulsorily pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### **ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the



well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of



the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



ADRIENNE SANDOVAL  
DIRECTOR  
AES/kms

Date: 4/20/2021

CASE NO. 21795  
ORDER NO. R-21666

Page 5 of 8

## Exhibit "A"

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case:</b>	<b>21795</b>
<b>Date</b>	<b>April 8, 2021</b>
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company/OGRID No. 228937
Applicant's Counsel:	James Bruce
Case Title:	Application of Matador Production Company for Compulsory Pooling, Eddy County, New Mexico
Entries of Appearance/Intervenors:	ConocoPhillips Company/Holland & Hart LLP
Well Family	Nina Cortell Bone Spring Wells
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Bilbrey Basin; Bone Spring/Pool Code 5695
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	South-North
Description: TRS/County	W/2E/2 §10 and W/2E/2 §3-22S-32E, NMPPM, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibits C-2 and C-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Nina Cortell Fed. Com. Well No. 127H, API No. Pending SHL: 244 FSL and 1230 FEL (Unit P) §10-22S-32E BHL: 60 feet FNL and 1980 feet FEL (Unit B) §3-22S-32E FTP: 100 FSL & 1980 FEL §10 LTP: 100 FNL & 1980 FEL §3 Bone Spring Sand/TVD 10850 feet/MD 21114 feet

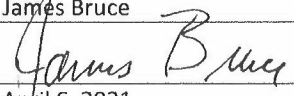
CASE NO. 21795  
ORDER NO. R-21666

Page 6 of 8

Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C, page 4
Requested Risk Charge	Cost + 200%/Exhibit A, Case No. 21795
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit B
Proof of Published Notice of Hearing (10 days before hearing)	Not necessary
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibits C-2 and C-3
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	None
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-4
Overhead Rates In Proposal Letter	<b>\$8000/\$800</b>
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibits C-1 and C-2
Gunbarrel/Lateral Trajectory Schematic	Exhibits D-2 and D-3
Well Orientation (with rationale)	Standup/Exhibit D
Target Formation	Bone Spring
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	Not Applicable
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-1

CASE NO. 21795  
ORDER NO. R-21666

Page 7 of 8

Tracts	Exhibit C-1 and C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-1 and C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit C-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-3
<b>Additional Information</b>	
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	James Bruce
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	April 6, 2021

CASE NO. 21795  
ORDER NO. R-21666

Page 8 of 8





## United States Department of the Interior



### BUREAU OF LAND MANAGEMENT

New Mexico State Office

301 Dinosaur Trail

Santa Fe, New Mexico 87508

<https://www.blm.gov/new-mexico>

#### In Reply Refer To:

NMNM105762321

3105.2 (NM920)

#### Reference:

Communitization Agreement

Nina Cortell Fed Com #203H,

Section 3: Lot 2, SWNE, W2SE;

Section 10: W2E2;

T.22 S., R.32 E., N.M.P.M.

Lea County, NM

Matador Production Co.

5400 LBJ Freeway Suite 1500

Dallas TX 75240

Enclosed is an approved copy of Communitization Agreement NMNM105762321 involving 159.92 acres of Federal land in lease NMNM135247 and 160.00 acres of Federal land in lease NMNM086147, Lea County, New Mexico, which comprise a 319.92 acre well spacing unit.

The agreement communitizes all rights to all natural gas and associated liquid hydrocarbons from the Wolfcamp formation beneath Lot 2, SWNE, and W2SE of Sec. 3 and the W2E2 of Sec. 10 of T. 22 S., R. 32 E., NMPM, Lea County, NM, and is effective November 1, 2021. 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. Please direct questions regarding royalty payments and production reports to your primary contacts at the Office of Natural Resources Revenue (ONRR). If unknown, please use ONRR's website, <https://onrr.gov/about/contact>, to identify the correct contact for your company or to find a general contact to get started.

**INTERIOR REGION 5 · MISSOURI BASIN**

Kansas, Most of Montana, North Dakota,  
Nebraska, South Dakota

**INTERIOR REGION 6 · ARKANSAS-**

**RIO GRANDE-TEXAS GULF**

Oklahoma, Texas

**INTERIOR REGION 7 · UPPER**

**COLORADO BASIN**

Colorado, New Mexico, Utah, Wyoming



If you have any questions regarding this approval, please contact Emily Tanner by email at [etanner@blm.gov](mailto:etanner@blm.gov) or by phone (505) 954-2158. Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

KYLE  
PARADIS

Digitally signed by  
KYLE PARADIS  
Date: 2024.08.22  
10:09:54 -06'00'

Kyle Paradis  
Branch Chief of Reservoir Management  
Division of Minerals

1 Enclosure:  
1 - Communitization Agreement

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

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. 266(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM105762321 involving Federal Lease(s) NMNM135247 and NMNM086147. This Communitization Agreement is in Sec. 3 and 10, T. 22 S., R. 32 E., NMPM, Lea County, New Mexico, for production of oil and gas producible from the Wolfcamp Formation.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

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. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

KYLE  
PARADIS

Digitally signed by KYLE  
PARADIS  
Date: 2024.08.22 10:10:17  
-06'00'

Kyle Paradis  
Branch Chief of Reservoir Management  
Division of Minerals

Effective: November 1, 2021  
Contract No.: NMNM105762321

RECEIVED

MAY -2 2022

BLM, NMSO  
SANTA FEFederal Communitization AgreementContract No. NMNM105762321

THIS AGREEMENT entered into as of the 1<sup>st</sup> day of **November, 2021**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

## WITNESSETH:

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

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

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

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

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

**Lot 2, SW/4NE/4, W/2SE/4 of Section 3 and the W/2E/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the the natural gas and associated liquid hydrocarbons hereafter referred to as "communitized substances," producible from such formation.

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.
3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

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



of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.

9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **November 1, 2021**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.



14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator: Matador Production Company**



Signature of Authorized Agent

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

RH  
pod

**Date:** 4/14/2022

### ACKNOWLEDGEMENT

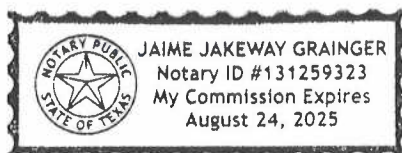
STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this 14th day of April, 2022, 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)

8/24/2025  
My Commission Expires



Jaime Jakeway Grainger  
Notary Public

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

**MRC Permian LKE Company, LLC**

By: 

Craig N. Adams Executive Vice President  
Print Name

*RH*  
*add*

Date: 4/14/2022

**ACKNOWLEDGEMENT**

STATE OF TEXAS)

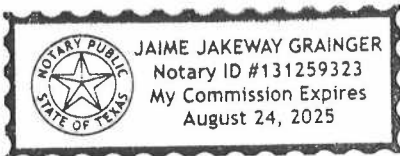
COUNTY OF DALLAS)

On this 14<sup>th</sup> day of April, 2022, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian LKE Company, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

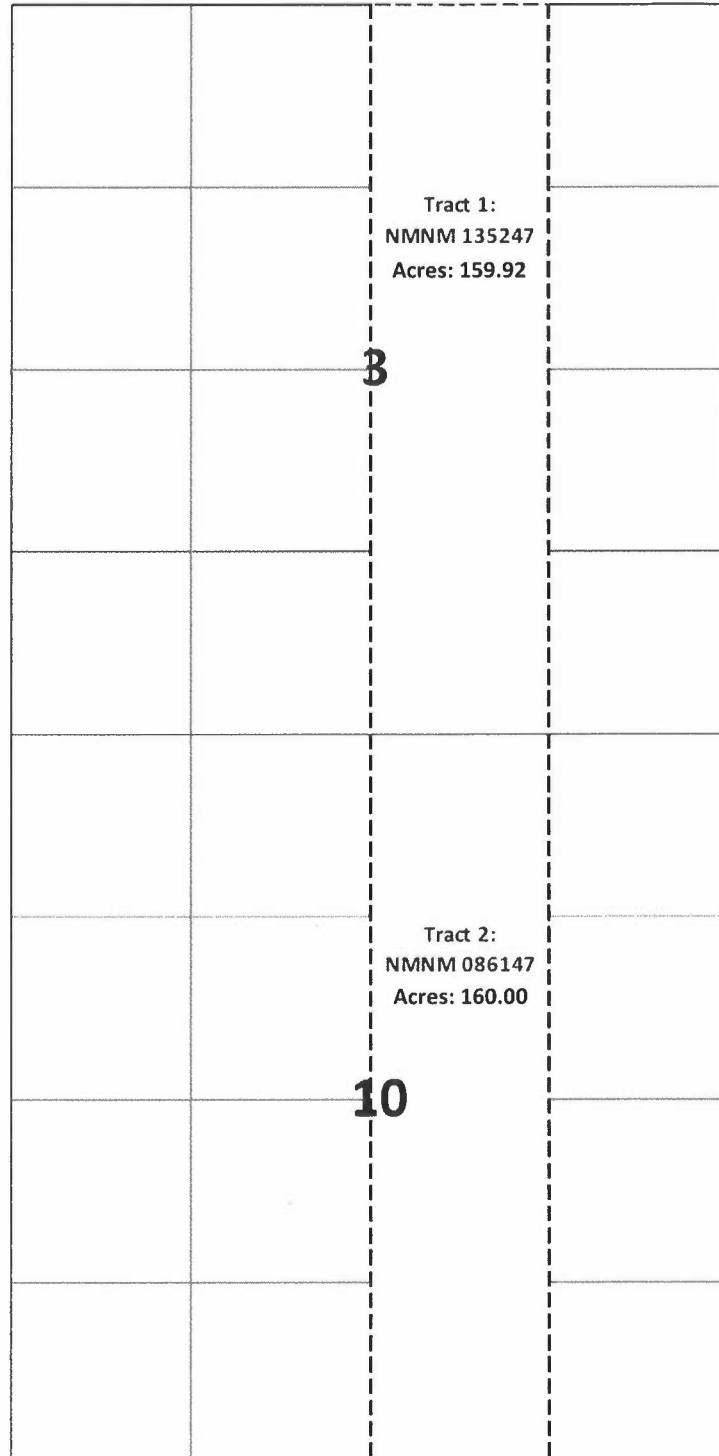
8/24/2025  
My Commission Expires

  
Notary Public



**EXHIBIT "A"**

Plat of communitized area covering **319.92** acres in the Lot 2, SW/4NE/4, W/2SE/4 of Section 3 and the W/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #203H**

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated November 1, 2021 embracing the following described land in the Lot 2, SW/4NE/4, W/2SE/4 of Section 3 and the W/2E/2 of Section 10, Township 22 South, Range 32 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 No.:** NMNM 135247  
**Description of Land Committed:** Township 22 South, Range 32 East,  
 Section 3: Lot 2, SW/4NE/4, W/2SE/4  
**Number of Acres:** 159.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name of Working Interest Owner(s):** MRC Permian LKE Company, LLC  
**Overriding Royalty Interest Owner(s):** None

**Tract No. 2**

**Lease Serial No.:** NMNM 086147  
**Description of Land Committed:** Township 22 South, Range 32 East,  
 Section 10: W/2E/2  
**Number of Acres:** 160.00  
**Current Lessee of Record:** ConocoPhillips Company (*Compulsory Pooled*)  
**Name of Working Interest Owner(s):** ConocoPhillips Company (*Compulsory Pooled*)  
**Overriding Royalty Interest Owner(s):** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	159.92	49.99%
<b>2</b>	160.00	50.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **January, 2023**, 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:

**Lot 1, SE/4NE/4 , E/2SE/4 of Section 3 and the E/2E/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the



communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.

- This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
  11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
  12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
  13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
  14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator: Matador Production Company**

\_\_\_\_\_  
Signature of Authorized Agent

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

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

## ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

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

**MRC Permian Company**

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

Craig N. Adams Executive Vice President  
Print Name

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

**ACKNOWLEDGEMENT**

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

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

**MRC Permian LKE Company, LLC**

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

Craig N. Adams Executive Vice President  
Print Name

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

**ACKNOWLEDGEMENT**

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian LKE Company, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

**EXHIBIT “A”**

Plat of communitized area covering **319.92** acres in the Lot 1, SE/4NE/4, E/2SE/4 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #114H**

			<b>Tract 1 NMNM-135247 Acres 119.92</b>
	<b>3</b>		<b>Tract 2 Fee Acres 40.00</b>
			<b>Tract 1 NMNM-135247 Acres 119.92</b>
			<b>Tract 3 NMNM-086147 Acres 160.00</b>
	<b>10</b>		



**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023, embracing the following described land in the Lot 1, SE/4NE/4, E/2SE/4 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 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 No.:** NMNM 135247  
**Description of Land Committed:** Township 22 South, Range 32 East, Section 3: NE/4NE/4 & the E/2SE/4  
**Number of Acres:** 119.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name of Working Interest Owner(s):** MRC Permian LKE Company, LLC  
**Overriding Royalty Interest Owner(s):** None

**Tract No. 2**

**Lease Serial No.:** Fee  
**Description of Land Committed:** Township 22 South, Range 32 East, Section 3: SE/4NE/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owner(s):** None

**Tract No. 3**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East, Sec 10: E/2E/2  
**Number of Acres:** 160.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	119.92	37.49%
<b>2</b>	40.00	12.50%
<b>3</b>	160.00	50.01%
<b>Total</b>	<b>319.92</b>	<b>100.00%</b>

## Federal Communitization Agreement

Contract No. \_\_\_\_\_

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **January, 2023**, 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:

**Lot 1, SE/4NE/4 , E/2SE/4 of Section 3 and the E/2E/2 of Section 10, Township 22S, Range 32E, Lea County, New Mexico.**

Containing **319.92** acres, and this agreement shall include only the **Wolfcamp** 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  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

communitized area and the Communitization Agreement is terminated, whichever occurs first.

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

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes.

- This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January 1, 2023**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
  11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
  12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
  13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
  14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all



parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

**Operator:** Matador Production Company

\_\_\_\_\_  
Signature of Authorized Agent

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

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

## ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

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

**MRC Permian Company**

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

Craig N. Adams Executive Vice President  
Print Name

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

**ACKNOWLEDGEMENT**

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

\_\_\_\_\_  
My Commission Expires

\_\_\_\_\_  
Notary Public

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

**MRC Permian LKE Company, LLC**

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

Craig N. Adams Executive Vice President  
Print Name

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

**ACKNOWLEDGEMENT**

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2023, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian LKE Company, LLC, 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: Craig N. Adams

TITLE: Executive Vice President

Phone number : (972) -371-5200

**EXHIBIT “A”**

Plat of communitized area covering **319.92** acres in the Lot 1, SE/4NE/4, E/2SE/4 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico.

**Nina Cortell Fed Com #204H & #224H**

			<b>Tract 1 NMNM-135247 Acres 119.92</b>
	<b>3</b>		<b>Tract 2 Fee Acres 40.00</b>
			<b>Tract 1 NMNM-135247 Acres 119.92</b>
			<b>Tract 3 NMNM-086147 Acres 160.00</b>
	<b>10</b>		

**EXHIBIT "B"**

Attached to and made a part of that certain Communitization Agreement Dated January 1, 2023 embracing the following described land in the Lot 1, SE/4NE/4, E/2SE/4 of Section 3 and the E/2E/2 of Section 10 , Township 22 South, Range 32 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 No.:** NMNM 135247  
**Description of Land Committed:** Township 22 South, Range 32 East, Section 3: NE/4NE/4 & the E/2SE/4  
**Number of Acres:** 119.92  
**Current Lessee of Record:** MRC Permian LKE Company, LLC  
**Name of Working Interest Owner(s):** MRC Permian LKE Company, LLC  
**Overriding Royalty Interest Owner(s):** None

**Tract No. 2**

**Lease Serial No.:** Fee  
**Description of Land Committed:** Township 22 South, Range 32 East, Section 3: SE/4NE/4  
**Number of Acres:** 40.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owner(s):** None

**Tract No. 3**

**Lease Serial No.:** NMNM-086147  
**Description of Land Committed:** Township 22 South, Range 32 East, Sec 10: E/2E/2  
**Number of Acres:** 160.00  
**Current Lessee of Record:** MRC Permian Company  
**Name of Working Interest Owner(s):** MRC Permian Company  
**Overriding Royalty Interest Owners:** None



**RECAPITULATION**

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	119.92	37.49%
2	40.00	12.50%
3	160.00	50.01%
Total	319.92	100.00%

1220 Minerals LLC	306 W. 7th Street, Suite 901	Fort Worth	TX	76102
Abyss, Inc.	3100 Lantana Lane	Midland	TX	79705
Adley Properties LLC	P.O. Box 3327	Midland	TX	79702
Anne W. Grimes, Trustee of the Marion 2011 Family Trust	Burnett Plaza - Suite 1500, 801 Cherry Street, Unit #9	Fort Worth	TX	76102-6881
Benco Energy, Inc.	P.O. Box 29	Fort Worth	TX	76101
Beverly Jean Renfro Barr, Trustee of the Family Trust created under the Last Will and Testament of Richard Kevin Barr, deceased	8027 Chalk Knoll Dr.	Austin	TX	78735
BJF Energy LLC	306 W. 7th Street, Suite 901	Fort Worth	TX	76102
Burtex Investments II LP	306 W. 7th Street, Suite 901	Fort Worth	TX	76102
Capstan Properties, LP	P.O. Box 11025	Midland	TX	79702
Collins Permian, LP	3824 Cedar Springs Rd. #414	Dallas	TX	75219
CTH Royalties, LLC	P.O. Box 52521	Midland	TX	79710
Dehlinger Revocable Trust	309 Matern Court	Horseshoe Bay	TX	78657
Elberta M. Royalty, LLC	500 W. Wall Suite 300	Midland	TX	79701
Hunt Oil Company	1445 Ross at Field	Dallas	TX	75202
Jack Lowry, whose marital status is unknown	15001 Spencer Mountain Drive	Jones	OK	73049
JSG Energy, LLC	6500 Homestead Blvd.	Midland	TX	79707
Judson Exploration, LP	3736 Bee Cave Rd. Suite #1 PMB-181	Austin	TX	78746
Judson Land and Minerals, LP	3736 Bee Cave Rd. Suite #1 PMB-181	Austin	TX	78746
JWD Resources, LLC	P.O. Box 51908	Midland	TX	79710
KFD Energy LLC	306 W. 7th Street, Suite 901	Fort Worth	TX	76102
Lyra Properties, LLC	P.O. Box 3970	Decatur	GA	30031
Magic Dog Oil & Gas, Ltd.	P.O. Box 10708	Midland	TX	79702
Marjean Martin Murphy, Trustee of the Marjean Martin Murphy Heritage Trust under Trust Agreement dated August 22, 2014	P.O. Box 242	Boerne	TX	78006
McCurdy Energy, LLC	2004 Humble Ave.	Midland	TX	79705
MRC Permian Company	5400 LBJ Freeway Suite 1500	Dallas	TX	75240
MRC Permian LKE Company, LLC	5400 LBJ Freeway Suite 1500	Dallas	TX	75240
NM Royalty, LLC	P.O. Box 51908	Midland	TX	79710
Oak Valley Mineral and Land, LP	P.O. Box 50820	Midland	TX	79710

Osprey Oil and Gas, LLC	707 N Carrizo	Midland	TX	79701-3240
Post Oak Mavros II, LLC	34 S. Wynden Suite 300	Houston	TX	77056
Richard C. Geesaman and wife, Breida Geesaman	820 Pine Gold Hill	Boulder	CO	80302
Shumana Exploration, LP	P.O. Box 11245	Midland	TX	79702
Sitio Permian, LP	1401 Lawrence St. Suite. 1750	Denver	CO	80202
Sortida Resources, LLC	P.O. Box 50820	Midland	TX	79710
New Mexico State Land Office	310 Old Santa Fe Trail	Santa Fe	NM	87501
Taffrail Investments, LP	P.O. Box 11025	Midland	TX	79702
The United States of America	620 E. Greene Street	Carlsbad	NM	88220
TWR IV, LLC	3724 Hulen Street	Fort Worth	TX	76107
V14 WI, LP	5910 North Central Expressway Suite 1470	Dallas	TX	75206
V14, LP	5910 North Central Expressway Suite 1470	Dallas	TX	75206
Venable Oil Ltd., LLP	5910 North Central Expressway Suite 1470	Dallas	TX	75206
W/K Land Company	3300 Airport Road	Boulder	CO	80301
Wallace Family Partnership, LP	508 W. Wall St. Suite 1200	Midland	TX	79701
WBA Resources, Ltd.	110 W. Louisiana Suite 300	Midland	TX	79701
Wing Resources VI, LLC	2100 McKinney Avenue Suite 1540	Dallas	TX	75201



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

December 23, 2024

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**TO: ALL AFFECTED PARTIES**

**Re: Application of Matador Production Company to amend NMOCD Order PLC-865-A and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising Lots 1-4, S/2 N/2, and S/2 (entire Section equivalent) of irregular Section 3 and Section 10, Township 22 South, Range 32 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. Division rules require that a copy of this application be provided to you (there are no documents in this notice packet for you to sign). Any objection to this application must be filed in writing within twenty days from the date the Division receives the application at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

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

Clay Wooten  
Matador Production Company  
(972) 587-4624  
Clay.wooten@matadorresources.com

Sincerely,

A handwritten signature in blue ink, appearing to read "Paula M. Vance", written over a horizontal line.

Paula M. Vance  
**ATTORNEY FOR MATADOR PRODUCTION  
COMPANY**

Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459179887	1220 Minerals LLC	306 W 7th St Ste 901	Fort Worth	TX	76102-4929	Your item was delivered to the front desk, reception area, or mail room at 11:29 am on December 26, 2024 in FORT WORTH, TX 76102.
9402811898765459179719	Abyss, Inc.	3100 Lantana Ln	Midland	TX	79705-1600	Your item was delivered to an individual at the address at 12:08 pm on December 26, 2024 in MIDLAND, TX 79705.
9402811898765459179726	Adley Properties LLC	PO Box 3327	Midland	TX	79702-3327	Your item was picked up at a postal facility at 11:06 am on December 30, 2024 in MIDLAND, TX 79701.
9402811898765459179788	Anne W. Grimes, Trustee of the Marion 2011 Family Trust	801 Cherry Street, Unit 9 Burnett Plaza - Suite 1500	Fort Worth	TX	76102-6815	Your item was delivered to an individual at the address at 12:47 pm on December 26, 2024 in FORT WORTH, TX 76102.
9402811898765459179955	Benco Energy, Inc.	PO Box 29	Fort Worth	TX	76101-0029	Your item was picked up at a postal facility at 7:29 am on December 30, 2024 in FORT WORTH, TX 76102.
9402811898765459179948	Beverly Jean Renfro Barr Trustee of the Family Trust created under the Last Will and and Testament of Richard Kevin Barr, deceased	8027 Chalk Knoll Dr	Austin	TX	78735-1706	Your item was forwarded to a different address at 12:12 pm on December 30, 2024 in AUSTIN, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9402811898765459179610	BJF Energy LLC	306 W 7th St Ste 901	Fort Worth	TX	76102-4929	Your item was delivered to the front desk, reception area, or mail room at 11:29 am on December 26, 2024 in FORT WORTH, TX 76102.

Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459179627	Burtex Investments II LP	306 W 7th St Ste 901	Fort Worth	TX	76102-4929	Your item was delivered to the front desk, reception area, or mail room at 11:29 am on December 26, 2024 in FORT WORTH, TX 76102.
9402811898765459179689	Capstan Properties, LP	PO Box 11025	Midland	TX	79702-8025	This is a reminder to pick up your item before January 10, 2025 or your item will be returned on January 11, 2025. Please pick up the item at the MIDLAND, TX 79702 Post Office.
9402811898765459179160	Collins Permian, LP	3824 Cedar Springs Rd PMB 414	Dallas	TX	75219-4136	Your item has been delivered and is available at a PO Box at 9:41 am on December 26, 2024 in DALLAS, TX 75219.
9402811898765459179146	CTH Royalties, LLC	PO Box 52521	Midland	TX	79710-2521	This is a reminder to pick up your item before January 9, 2025 or your item will be returned on January 10, 2025. Please pick up the item at the MIDLAND, TX 79710 Post Office.
9402811898765459179313	Dehlinger Revocable Trust	309 Matern Ct	Horseshoe Bay	TX	78657-5883	We could not access the delivery location to deliver your package at 2:27 pm on December 30, 2024 in HORSESHOE BAY, TX 78657. We will redeliver on the next delivery day. No action needed.
9402811898765459179306	Elberta M. Royalty, LLC	500 W Wall St Ste 300	Midland	TX	79701-5093	Your item was delivered to an individual at the address at 3:45 pm on December 26, 2024 in MIDLAND, TX 79701.



Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459179337	Hunt Oil Company	1445 Ross At Field	Dallas	TX	75202	Your item was returned to the sender on December 27, 2024 at 10:36 am in DALLAS, TX 75202 because of an incomplete address.
9402811898765459179061	Jack Lowry, whose marital status is unknown	15001 Spencer Mountain Dr	Jones	OK	73049-8606	Your item was delivered to an individual at the address at 1:35 pm on December 28, 2024 in JONES, OK 73049.
9402811898765459179092	JSG Energy, LLC	6500 Homestead Blvd	Midland	TX	79707-5080	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9402811898765459179078	Judson Exploration, LP	3736 Bee Caves Rd Ste 1 PMB 181	West Lake Hills	TX	78746-5378	Your item departed our USPS facility in ALBUQUERQUE NM DISTRIBUTION CENTER on December 31, 2024 at 9:10 am. The item is currently in transit to the destination.
9402811898765459179429	Judson Land and Minerals, LP	3736 Bee Caves Rd Ste 1 PMB 181	West Lake Hills	TX	78746-5378	Your item was delivered to an individual at the address at 3:22 pm on December 30, 2024 in AUSTIN, TX 78746.
9402811898765459179481	JWD Resources, LLC	PO Box 51908	Midland	TX	79710-1908	Your item was picked up at a postal facility at 10:43 am on December 31, 2024 in MIDLAND, TX 79705.
9402811898765459179559	KFD Energy LLC	306 W 7th St Ste 901	Fort Worth	TX	76102-4929	Your item was delivered to the front desk, reception area, or mail room at 11:29 am on December 26, 2024 in FORT WORTH, TX 76102.
9402811898765459179597	Lyra Properties, LLC	PO Box 3970	Decatur	GA	30031-3970	Your item has been delivered and is available at a PO Box at 2:58 pm on December 31, 2024 in DECATUR, GA 30030.

Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459179573	Magic Dog Oil & Gas, Ltd.	PO Box 10708	Midland	TX	79702-7708	Your item has been delivered to the original sender at 11:04 am on December 31, 2024 in MIDLAND, TX 79701.
9402811898765459173229	Marjean Martin Murphy, Trustee of the Marjean Martin Murphy Heritage Trust under Trust Agreement dated August 22, 2014	PO Box 242	Boerne	TX	78006-0242	Your item arrived at the BOERNE, TX 78006 post office at 1:13 pm on December 28, 2024 and is ready for pickup.
9402811898765459173281	McCurdy Energy, LLC	2004 Humble Ave	Midland	TX	79705-8625	Your item was delivered to an individual at the address at 12:52 pm on December 26, 2024 in MIDLAND, TX 79705.
9402811898765459173861	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to an individual at the address at 10:12 am on December 26, 2024 in DALLAS, TX 75240.
9402811898765459173885	MRC Permian LKE Company, LLC	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to an individual at the address at 10:12 am on December 26, 2024 in DALLAS, TX 75240.
9402811898765459173762	NM Royalty, LLC	PO Box 51908	Midland	TX	79710-1908	Your item was picked up at a postal facility at 10:43 am on December 31, 2024 in MIDLAND, TX 79705.
9402811898765459173793	Oak Valley Mineral and Land, LP	PO Box 50820	Midland	TX	79710-0820	Your item has been delivered and is available at a PO Box at 8:25 am on December 26, 2024 in MIDLAND, TX 79705.

Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459173953	Osprey Oil and Gas, LLC	707 N Carrizo St	Midland	TX	79701-3240	Your item was delivered to the front desk, reception area, or mail room at 1:19 pm on December 26, 2024 in MIDLAND, TX 79701.
9402811898765459173991	Post Oak Mavros II, LLC	34 S Wynden Dr Ste 300	Houston	TX	77056-2531	Your item was delivered to an individual at the address at 12:09 pm on December 30, 2024 in HOUSTON, TX 77056.
9402811898765459173977	Richard C. Geesaman and wife, Breida Geesaman	820 Pine Gold Hill St	Boulder	CO	80302-8757	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9402811898765459173625	Shumana Exploration, LP	PO Box 11245	Midland	TX	79702-8245	This is a reminder to pick up your item before January 10, 2025 or your item will be returned on January 11, 2025. Please pick up the item at the MIDLAND, TX 79702 Post Office.
9402811898765459173687	Sitio Permian, LP	1401 Lawrence St Ste 1750	Denver	CO	80202-3074	Your item was delivered to the front desk, reception area, or mail room at 9:46 am on December 24, 2024 in DENVER, CO 80202.
9402811898765459173168	Sortida Resources, LLC	PO Box 50820	Midland	TX	79710-0820	Your item has been delivered and is available at a PO Box at 8:09 am on December 26, 2024 in MIDLAND, TX 79705.
9402811898765459173144	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item was picked up at a postal facility at 7:43 am on December 30, 2024 in SANTA FE, NM 87501.

Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459173311	Taffrail Investments, LP	PO Box 11025	Midland	TX	79702-8025	This is a reminder to pick up your item before January 10, 2025 or your item will be returned on January 11, 2025. Please pick up the item at the MIDLAND, TX 79702 Post Office.
9402811898765459173304	The United States of America	620 E Greene St	Carlsbad	NM	88220-6292	Your item was delivered to an individual at the address at 11:30 am on December 26, 2024 in CARLSBAD, NM 88220.
9402811898765459173335	TWR IV, LLC	3724 Hulen St	Fort Worth	TX	76107-6816	Your item was delivered to an individual at the address at 10:46 am on December 27, 2024 in FORT WORTH, TX 76107.
9402811898765459173069	V14 WI, LP	5910 N Central Expy Ste 1470	Dallas	TX	75206-5136	Your item was returned to the sender on December 27, 2024 at 9:22 am in DALLAS, TX 75206 because the address was vacant or the business was no longer operating at the location and no further information was available.
9402811898765459173038	V14, LP	5910 N Central Expy Ste 1470	Dallas	TX	75206-5136	Your item was returned to the sender on December 27, 2024 at 9:26 am in DALLAS, TX 75206 because the address was vacant or the business was no longer operating at the location and no further information was available.

Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459173458	Venable Oil Ltd., LLP	5910 N Central Expy Ste 1470	Dallas	TX	75206-5136	Your item was returned to the sender on December 27, 2024 at 9:21 am in DALLAS, TX 75206 because the address was vacant or the business was no longer operating at the location and no further information was available.
9402811898765459173496	W/K Land Company	3300 Airport Rd	Boulder	CO	80301-5430	Your item is being processed at our USPS facility in SANTA FE, NM 87501 on December 30, 2024 at 10:15 am.
9402811898765459173472	Wallace Family Partnership, LP	508 W Wall St Ste 1200	Midland	TX	79701-5076	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9402811898765459173595	WBA Resources, Ltd.	110 W Louisiana Ave Ste 300	Midland	TX	79701-3439	Your item was returned to the sender on December 26, 2024 at 12:21 pm in MIDLAND, TX 79701 because the address was vacant or the business was no longer operating at the location and no further information was available.
9402811898765459173571	Wing Resources VI, LLC	2100 McKinney Ave Ste 1540	Dallas	TX	75201-2140	We were unable to deliver your package at 10:31 am on December 30, 2024 in DALLAS, TX 75201 because the business was closed. We will redeliver on the next business day. No action needed.

Matador - Ninal Cortell Commingling  
Postal Delivery Report

9402811898765459174226	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item was picked up at a postal facility at 7:43 am on December 30, 2024 in SANTA FE, NM 87501.
9402811898765459174233	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your item was delivered to the front desk, reception area, or mail room at 12:39 pm on December 26, 2024 in SANTA FE, NM 87508.



**From:** [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)  
**To:** [Paula M. Vance](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Clelland, Sarah, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Paradis, Kyle O](#); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order PLC-865-B  
**Date:** Thursday, February 6, 2025 9:43:18 AM  
**Attachments:** [PLC865B Order.pdf](#)

NMOCD has issued Administrative Order PLC-865-B 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
30-025-49627	Nina Cortell Federal Com #125H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-50258	Nina Cortell Federal Com #131H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-51461	Nina Cortell Federal Com #135H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-51189	Nina Cortell Federal Com #132H	E/2 W/2	3-22S-32E	5695
		E/2 W/2	10-22S-32E	
30-025-51191	Nina Cortell Federal Com #136H	E/2 W/2	3-22S-32E	5695
		E/2 W/2	10-22S-32E	
30-025-51188	Nina Cortell Federal Com #126H	E/2 W/2	3-22S-32E	5695
		E/2 W/2	10-22S-32E	
30-025-50513	Nina Cortell Federal Com #133H	W/2 E/2	3-22S-32E	5695
		W/2 E/2	10-22S-32E	
30-025-51489	Nina Cortell Federal Com #137H	W/2 E/2	3-22S-32E	5695
		W/2 E/2	10-22S-32E	
30-025-51611	Nina Cortell Federal Com #127H	W/2 E/2	3-22S-32E	5695
		W/2 E/2	10-22S-32E	
30-025-50801	Nina Cortell Federal Com #134H	E/2 E/2	3-22S-32E	5695
		E/2 E/2	10-22S-32E	
30-025-51462	Nina Cortell Federal Com #128H	E/2 E/2	3-22S-32E	5695
		E/2 E/2	10-22S-32E	
30-025-50471	Nina Cortell Federal Com #138H	E/2 E/2	3-22S-32E	5695
		E/2 E/2	10-22S-32E	
30-025-51190	Nina Cortell Federal Com #241H	W/2 W/2	3-22S-32E	98166
		W/2 W/2	10-22S-32E	
30-025-51287	Nina Cortell Federal Com #202H	E/2 W/2	3-22S-32E	98166
		E/2 W/2	10-22S-32E	
30-025-49628	Nina Cortell Federal Com #203H	W/2 E/2	3-22S-32E	98166
		W/2 E/2	10-22S-32E	
30-025-49629	Nina Cortell Federal Com #204H	E/2 E/2	3-22S-32E	98166
		E/2 E/2	10-22S-32E	
30-025-51629	Nina Cortell Federal Com #211H	W/2 W/2	10-22S-32E	98166

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

## Legal Notice (Publication)

**Affidavit of Publication**STATE OF NEW MEXICO  
COUNTY OF LEA

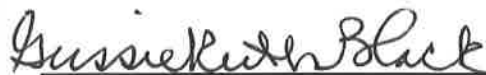
I, Wade Cavitt, Owner of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
January 05, 2025  
and ending with the issue dated  
January 05, 2025.



Owner

Sworn and subscribed to before me this  
5th day of January 2025.



Business Manager

My commission expires  
January 29, 2027

(Seal) STATE OF NEW MEXICO  
NOTARY PUBLIC  
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COMMISSION # 1087526  
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

To: All affected parties, including all heirs, devisees, and successors of: 1220 Minerals LLC; Abyss, Inc.; Adley Properties LLC; Anne W. Grimes, Trustee of the Marion 2011 Family Trust; Benco Energy, Inc.; Beverly Jean Renfro Barr, Trustee of the Family Trust created under the Last Will and Testament of Richard Kevin Barr, deceased; BJF Energy LLC; Burtex Investments II LP; Capstan Properties, LP; Collins Permian, LP; CTH Royalties, LLC; Dehlinger Revocable Trust; Elberta M. Royalty, LLC; Hunt Oil Company; Jack Lowry, whose marital status is unknown; JSG Energy, LLC; Judson Exploration, LP; Judson Land and Minerals, LP; JWD Resources, LLC; KFD Energy LLC; Lyra Properties, LLC; Magic Dog Oil & Gas, Ltd.; Marjean Martin Murphy, Trustee of the Marjean Martin Murphy Heritage Trust under Trust Agreement dated August 22, 2014; McCurdy Energy, LLC; MRC Permian Company; MRC Permian LKE Company, LLC; NM Royalty, LLC; Oak Valley Mineral and Land, LP; Osprey Oil and Gas, LLC; Post Oak Mavros II, LLC; Richard C. Geesaman and wife, Breida Geesaman; Shumana Exploration, LP; Sitio Permian, LP; Sortida Resources, LLC; New Mexico State Land Office; Taffrail Investments, LP; The United States of America; TWR IV, LLC; V14 WI, LP; V14, LP; Venable Oil Ltd. LLP; W/K Land Company; Wallace Family Partnership, LP; WBA Resources, Ltd.; Wing Resources VI, LLC; New Mexico State Land Office; Bureau of Land Management.

**Application of Matador Production Company to amend NMOCD Order PLC-865-A and for administrative approval to surface commingle (pool and lease) oil and gas production from the spacing units comprising Lots 1-4, S/2 N/2, and S/2 (entire Section equivalent) of irregular Section 3 and Section 10, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico (the "Lands").** Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order PLC-865-A ("Order PLC-865"). Order PLC-865-A authorizes pool and lease commingling, off-lease measurement, and off-lease storage at the **Nina Cortell South Central Tank Battery** of production from *all existing and future infill wells drilled in the following spacing units:*

- (a) The 319.92-acre spacing unit comprised of Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 3 and the W/2 W/2 of Section 10, in the Bilbrey Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #125H** (API. No. 30-025-49627) and **Nina Cortell Fed Com #131H** (API. No. 30-025-50258);
- (b) The 320.01-acre spacing unit comprised of Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3 and the E/2 W/2 of Section 10, in the Bilbrey Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #132H** (API. No. 30-025-51189);
- (c) The 319.92-acre spacing unit comprised of Lot 2, SW/4 NE/4 and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 3 and the W/2 E/2 of Section 10, in the Bilbrey Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #133H** (API. No. 30-025-50513);
- (d) The 319.92-acre spacing unit comprised of Lot 1, SE/4 NE/4 and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 3 and the E/2 E/2 of Section 10, in the Bilbrey Basin, Bone Spring [5695] – currently dedicated to the **Nina Cortell Fed Com #134H** (API. No. 30-025-50801);
- (e) The 320.01-acre spacing unit comprised of Lot 3, SE/4 NW/4 and E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3 and the E/2 W/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #202H** (API. No. 30-025-51287);
- (f) The 319.92-acre spacing unit comprised of Lot 2, SW/4 NE/4 and W/2 SE/4 (W/2 E/2 equivalent) of irregular Section 3 and the W/2 E/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #203H** (API. No. 30-025-49628);
- (g) The 319.92-acre spacing unit comprised of Lot 1, SE/4 NE/4 and E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 3 and the E/2 E/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #204H** (API. No. 30-025-49629);
- (h) The 160-acre spacing unit comprised of the W/2 W/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #211H** (API. No. 30-025-51629); and
- (i) Pursuant to 19.15.12.10.C(4)(g), *future leases, pools or leases and pools connected to the Nina Cortell South Tank Battery* with notice provided only to the owners of interests to be added.

Matador has subsequently filed a C-103 adding the following infill wells as authorized to commingle under Order CTB-865-A: (i) the **Nina Cortell Fed Com #135H** (API. No. 30-025-51461), (ii) **Nina Cortell Fed Com #136H** (API. No. 30-025-51191), (iii) **Nina Cortell Fed Com #137H** (API. No. 30-025-51489), (iv) **Nina Cortell Fed Com #128H** (API. No. 30-025-51462), (v) **Nina Cortell Fed Com #138H** (API. No. 30-025-50471), (vi) **Nina Cortell Fed Com #126H** (API. No. 30-025-51188), and (vii) **Nina Cortell Fed Com #127H** (API. No. 30-025-51611).

Pursuant to 19.15.12.10.C(4)(g), Matador now seeks to amend the terms of Order PLC- 865 to add to the terms of the order the production from all existing and future infill wells drilled in the following spacing unit:

- (a) The 319.92-acre spacing unit comprised of Lot 4, SW/4 NW/4 and W/2 SW/4 (W/2 W/2 equivalent) of irregular Section 3 and the W/2 W/2 of Section 10, in the WC-025 G-09 S233216K, UPR Wolfcamp [98166] – currently dedicated to the **Nina Cortell Fed Com #241H** (API. No. 30-025-51190).

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.  
#00297310

110 N GUADALUPE ST., STE. 1  
SANTA FE, NM 87501

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY MATADOR PRODUCTION COMPANY      ORDER NO. PLC-865-B**

**ORDER**

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

**FINDINGS OF FACT**

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells 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.



### **CONCLUSIONS OF LAW**

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

### **ORDER**

1. Applicant is authorized to surface commingle oil and gas production from the pools, leases, and wells 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-865-A.
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.

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 or OCD denies the new surface commingling application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a 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.



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**



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**GERASIMOS RAZATOS  
DIRECTOR (ACTING)**

**DATE:** 2/6/2025

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: PLC-865-B

Operator: Matador Production Company (228937)

Central Tank Battery: Nina Cortell South Tank Battery

Central Tank Battery Location: UL O, Section 10, Township 22 South, Range 32 East

Gas Title Transfer Meter Location: UL O, Section 10, Township 22 South, Range 32 East

### Pools

Pool Name	Pool Code
BILBREY BASIN;BONE SPRING	5695
WC-025 G-09 S233216K;UPR WOLFCAMP	98166

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
CA Bone Spring NMNM 105720807 (143833)	W/2 W/2	3-22S-32E
	W/2 W/2	10-22S-32E
PROPOSED Bone Spring NMNM 106387799	E/2 W/2	3-22S-32E
	E/2 W/2	10-22S-32E
CA Bone Spring NMNM 105724617 (143942)	W/2 E/2	3-22S-32E
	W/2 E/2	10-22S-32E
PROPOSED CA Bone Spring BLM	E/2 E/2	3-22S-32E
	E/2 E/2	10-22S-32E
PROPOSED CA Wolfcamp BLM	W/2 W/2	3-22S-32E
	W/2 W/2	10-22S-32E
PROPOSED CA Wolfcamp NMNM 106387800	E/2 W/2	3-22S-32E
	E/2 W/2	10-22S-32E
CA Wolfcamp NMNM 105762321	W/2 E/2	3-22S-32E
	W/2 E/2	10-22S-32E
PROPOSED CA Wolfcamp NMNM 105823709	E/2 E/2	3-22S-32E
	E/2 E/2	10-22S-32E
PROPOSED CA Wolfcamp NMNM 106387798	W/2 W/2	10-22S-32E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-49627	Nina Cortell Federal Com #125H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-50258	Nina Cortell Federal Com #131H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-51461	Nina Cortell Federal Com #135H	W/2 W/2	3-22S-32E	5695
		W/2 W/2	10-22S-32E	
30-025-51189	Nina Cortell Federal Com #132H	E/2 W/2	3-22S-32E	5695
		E/2 W/2	10-22S-32E	
30-025-51191	Nina Cortell Federal Com #136H	E/2 W/2	3-22S-32E	5695
		E/2 W/2	10-22S-32E	

30-025-51188	Nina Cortell Federal Com #126H	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	5695
30-025-50513	Nina Cortell Federal Com #133H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	5695
30-025-51489	Nina Cortell Federal Com #137H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	5695
30-025-51611	Nina Cortell Federal Com #127H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	5695
30-025-50801	Nina Cortell Federal Com #134H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	5695
30-025-51462	Nina Cortell Federal Com #128H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	5695
30-025-50471	Nina Cortell Federal Com #138H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	5695
30-025-51190	Nina Cortell Federal Com #241H	W/2 W/2 W/2 W/2	3-22S-32E 10-22S-32E	98166
30-025-51287	Nina Cortell Federal Com #202H	E/2 W/2 E/2 W/2	3-22S-32E 10-22S-32E	98166
30-025-49628	Nina Cortell Federal Com #203H	W/2 E/2 W/2 E/2	3-22S-32E 10-22S-32E	98166
30-025-49629	Nina Cortell Federal Com #204H	E/2 E/2 E/2 E/2	3-22S-32E 10-22S-32E	98166
30-025-51629	Nina Cortell Federal Com #211H	W/2 W/2	10-22S-32E	98166

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

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 416925

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 416925
	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 <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	2/6/2025