				10,1300 1,141011 20, 2017
RECEIVED:	REVIEWER:	TYPE:	APP NO:	
	- Geologia	ABOVE THIS TABLE FOR OCD DIV O OIL CONSERVA Cal & Engineering ancis Drive, Santa	ATION DIVISION Bureau –	OF NEW MOREO
		ATIVE APPLICATION		
THIS C	HECKLIST IS MANDATORY FOR AL REGULATIONS WHICH RE	L Administrative Applica Quire Processing at the I		
Applicant:			OGRID	Number:
lell Name:			API:	
ool:			Pool C	ode:
SUBMIT ACCURA	ATE AND COMPLETE INF	ORMATION REQUIR		HE TYPE OF APPLICATION
A. Location	CATION: Check those - Spacing Unit - Simult ISL \qquad \qquad \qquad \qquad \qquad \qquad \qqqqqqqqqqqqqqqqqqqqqqqqqqqqqqqqqqqq		١	D
[1] Comi [[11] Injec	ne only for [1] or [11] mingling – Storage – M DHC DCTB P tion – Disposal – Pressu WFX PMX S	_C □PC □O ıre Increase - Enha	nced Oil Recover	y FOR OCD ONLY
A. Offset B. Royalt C. Applic D. Notific E. Notific F. Surfac G. For all	REQUIRED TO: Check operators or lease holy, overriding royalty overtion requires published ation and/or concurred to a the above, proof of the above, proof of the above.	ders wners, revenue ow ed notice ent approval by SLG ent approval by BLI	ners O M	Notice Complete Application Content Complete
administrative understand the	I: I hereby certify that approval is accurate a at no action will be tall re submitted to the Div	and complete to th ken on this applica	ne best of my know	vledge. I also
No	te: Statement must be comple	ted by an individual with	managerial and/or supe	rvisory capacity.
			Date	
Print or Type Name				
Pakhir			Phone Number	

e-mail Address

Signature



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

October 30, 2024

VIA ONLINE FILING

Gerasimos Razatos, Acting 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 for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of All of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Lands")

Dear Mr. Razatos:

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

- (a) The 320-acre spacing unit comprised of the N/2 N/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the **Whitby 2526 Fed Com 121H** (API. No. 30-015-55494);
- (b) The 320-acre spacing unit comprised of the S/2 N/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the **Whitby 2526 Fed Com 122H** (API. No. 30-015-55495);
- (c) The 320-acre spacing unit comprised of the N/2 S/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the **Whitby 2526 Fed Com 123H** (API. No. 30-015-55501);
- (d) The 320-acre spacing unit comprised of the S/2 S/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the **Whitby 2526 Fed Com 124H** (API. No. 30-015-55500);
- (e) The 640-acre spacing unit comprised of the N/2 of Sections 25 and 26, in the Lone Tree Draw; Wolfcamp [97208] and Carlsbad; Wolfcamp East (Gas) [74160] currently dedicated to the **Whitby 2526 Fed Com 201H** (API. No. 30-015-55496) and **Whitby 2526 Fed Com 202H** (API. No. 30-015-55497);



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

- (f) The 640-acre spacing unit comprised of the S/2 of Sections 25 and 26, in the Carlsbad; Wolfcamp East (Gas) [74160] currently dedicated to the **Whitby 2526 Fed Com 203H** (API. No. 30-015-55499) and **Whitby 2526 Fed Com 204H** (API. No. 30-015-55498); and
- (g) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Whitby Tank Battery with notice provided only to the owners of interests to be added.

Oil production from specific wells (see Exhibit 2 – Facilities Engineer statement and Process Flow Diagram ("PFD")) and gas production from these spacing units will be commingled and sold at the **Whitby Tank Battery** ("TB") located in the NE/2 SE/4 (Unit H) of Section 25, Township 21 South, Range 27 East. Each well is equipped with a three-phase separator and metered on lease before production is transferred to the TB. 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 1 is a land plat showing Matador's current development plan, flow lines, well pads, the TB ("Facility Pad") in the subject area, and common gathering line. The plat also identifies the wellbores and lease/spacing unit boundaries.

Exhibit 2 is a completed Application for Surface Commingling (Diverse Ownership) Form C-107-B, that includes a statement from Kenneth Dodson, Staff Facilities Engineer with Matador, identifying the facilities and the measurement devices to be utilized, a detailed schematic of the surface facilities (Exhibit A to the statement) and an example gas analysis (Exhibit B to the statement).

Exhibit 3 is a well list and C-102 for each of the wells currently permitted or drilled within the existing spacing units.

Exhibit 4 includes relevant communitization agreements.

Ownership is diverse between the above-described spacing units, each of which are either subject to a pooling agreement or a pooling order and are therefore considered "leases" as defined by 19.15.12.7(C) NMAC. **Exhibit 5** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the United States Bureau of Land Management ("BLM") since federal lands are involved.

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



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

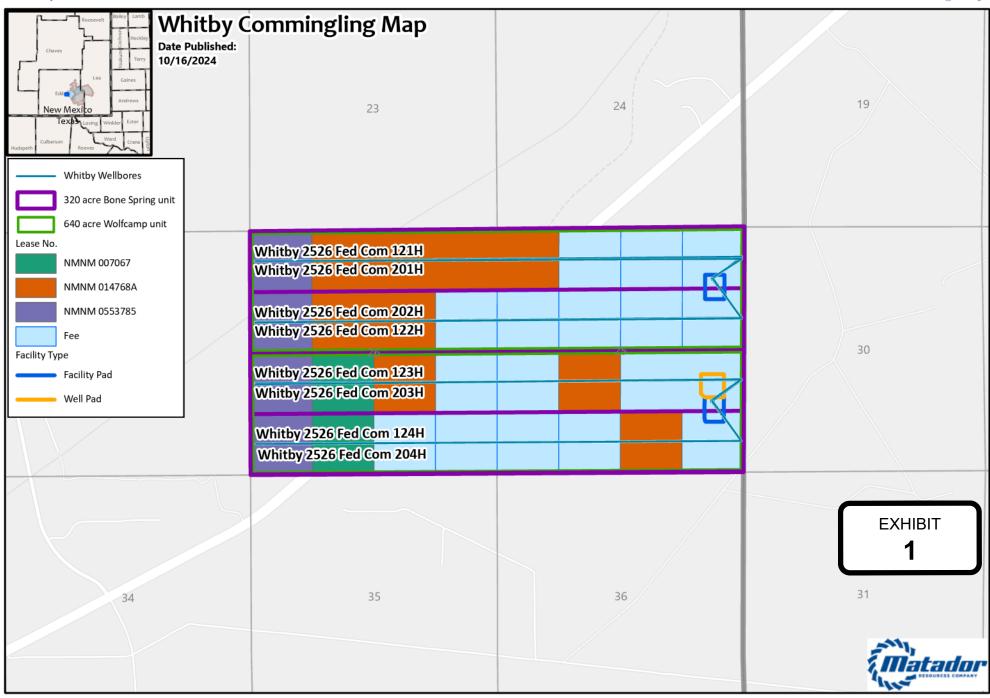
Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

Received by OCD: 10/30/2024 1:52:47 PM



GIS Standard Map Disclaimer:

The careagrate protein in it for informational purposes and may not.

Note that may be useful to the standard highly any enginery as a prompting the protein of the standard highly any enginery as a prompting the standard of the standard of

1:25,000 1 inch equals 2,083 feet

Map Prepared by: Lillian yeargins
Date: October 16, 2024
Project: \\gis\UserData\\yeargins\~projects\Commingling\Commingling aprx
Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Sources: IHS; ESRI; 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.

APPLICA	ATION FOR SU	RFACE COM	IMINGLING (DIVE)	RSE OWNERSHIP)				
OPERATOR NAME:									
OPERATOR ADDRESS:									
APPLICATION TYPE:									
	Commingling Pool		ing ☐Off-Lease Storage and	Measurement (Only if not Su	rface Commingled)				
LEASE TYPE: State Federal Is this an Amendment to existing Order? Yes No If "Yes", please include the appropriate Order No.									
Is this an Amendment to exi: Have the Bureau of Land Ma ⊠Yes — ∏No					nmingling				
<u> </u>	Please :		OMMINGLING the following information	1					
		Gravities / BTU of							
(1) Pool Names and Codes		Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Calculated Value of Commingled Production	Volumes				
Carlsbad; Bone Spring, East [96	144]	37,35 °			4240 BOPD				
Carlsbad; Bone Spring, East [96	5144]	1252 BTU/CF		\$73,09/BBL \$2.385/mcf	8240 MCFD				
Carlsbad; Wolfcamp, East (Gas)	[74160]	42.47 °	39,99 ° Oil SG		2250 BOPD				
Carlsbad; Wolfcamp, East (Gas)	[74160]	1309 BTU/CF	1283 BTU/CF	(price realization Q2 2024)	4820 MCFD				
Lone Tree Draw; Wolfcamp [97	[208]	42.47 °		2024)	2250 BOPD				
Lone Tree Draw; Wolfcamp [97	[208]	1309 BTU/CF			4820 MCFD				
Pool Name and Code – Is all production from sam Has all interest owners bed Measurement type:	ne source of supply? en notified by certified	attach sheets with Yes No mail of the proposed	OMMINGLING the following information commingling?	_					
			SE COMMINGLING the following information	1					
(1) Complete Sections A and	E								
	` '		GE and MEASUREMING the the following information						
(1) Is all production from sam(2) Include proof of notice to		□Yes □No							
			ATION (for all applicate the following information						
 A schematic diagram of fa A plat with lease boundari Lease Names, Lease and V 	ies showing all well and	d facility locations. I	nclude lease numbers if Federa	l or State lands are involved	l.				
I hereby certify that the information of the inform	tion above is true and c	omplete to the best o		DATE:	1/12/2024				
TYPE OR PRINT NAMEK	Kenneth Dodson		TE	LEPHONE NO.: <u>(972) 371</u>	-5489				
E-MAIL ADDRESS: kdodso	n@matadorresources.c	om			EXH				

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.371.5489 kdodson@matadorresources.com

Kenneth Dodson Staff Facilities Engineer

September 13, 2024

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

Re: Application of Matador Production Company for administrative approval to surface commingle (pool & lease) oil and gas production from the spacing units comprised of Sections 25 & 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Lands").

To Whom This May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to commingle current gas production from eight (8) distinct wells and oil production from certain of such 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 from each well will be commingled and will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the San Mateo Midstream, LLC gathering line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

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

With respect to oil, as further shown on Exhibit A, the only oil commingling for which we are requesting approval is the following two separate oil trains: (i) the oil from S/2 N/2 Bone Spring

spacing unit with the oil from the S/2 S/2 Bone Spring spacing unit, and (ii) the oil from the N/2 Wolfcamp spacing unit with the oil from the N/2 S/2 Bone Spring spacing unit.

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

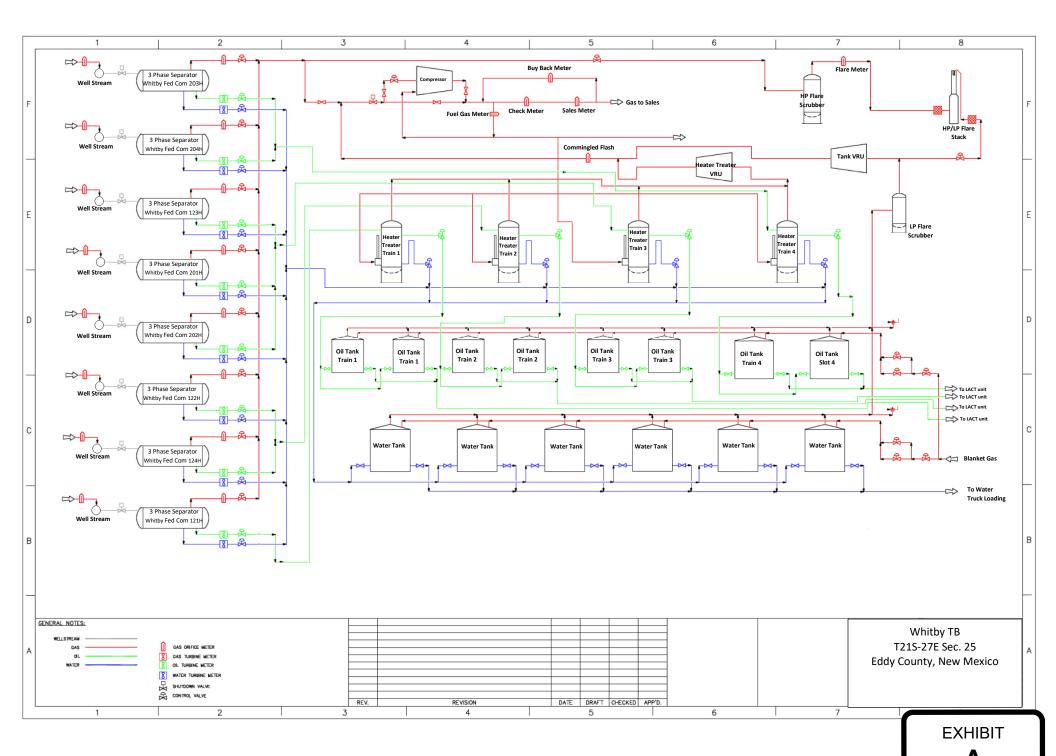
In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

MATADOR PRODUCTION COMPANY

Kenneth Dodson

Staff Facilities Engineer





Certificate of Analysis

Number: 6030-22090410-005A

Artesia Laboratory 200 E Main St. Artesia, NM 88210 Phone 575-746-3481

Sep. 28, 2022

John Renfrow Matador Resources 5400 LBJ Freeway, Suite 1500 Dallas, TX 75240

Station Name: Dr. Scrivner Fed 124H Sampled By: Tim Joyce
Station Number: 40-10090 Sample Of: Gas Spot
Station Location: Matador Sample Date: 09/26/2022

Sample Point: Separator discharge meter run Sample Conditions: 160 psig, @ 82 °F Ambient: 83 °F

 Instrument:
 6030_GC6 (Inficon GC-3000 Micro)
 Effective Date:
 09/26/2022

 Last Inst. Cal.:
 09/26/2022 0:00 AM
 Method:
 GPA-2261M

 Analyzed:
 09/28/2022 08:19:20 by EBH
 Cylinder No:
 1111-007134

Analytical Data

Components	Un-normalized Mol %	Mol. %	Wt. %	GPM at 14.73 psia		
Hydrogen Sulfide	0.000	0.0002	0.000		GPM TOTAL C2+	5.544
Nitrogen	0.986	0.9854	1.317		GPM TOTAL C3+	2.561
Methane	79.551	79.5054	60.835		GPM TOTAL iC5+	0.613
Carbon Dioxide	0.162	0.1615	0.339			
Ethane	11.125	11.1182	15.945	2.983		
Propane	4.655	4.6520	9.784	1.286		
Iso-butane	0.659	0.6589	1.827	0.216		
n-Butane	1.412	1.4110	3.912	0.446		
Iso-pentane	0.317	0.3168	1.090	0.116		
n-Pentane	0.340	0.3396	1.169	0.124		
Hexanes Plus	0.852	0.8510	3.782	0.373		
	100.059	100.0000	100.000	5.544		
Calculated Physical	Properties	Tot	al	C6+		
Relative Density Real		0.726	32	3.2176		
Calculated Molecular	Weight	20.9	97	93.19		
Compressibility Facto	r	0.996	64			
GPA 2172 Calculation	n:					
Calculated Gross B1	ΓU per ft³ @ 14.73 ps	sia & 60°F				
Real Gas Dry BTU		126	32	5141		
Water Sat. Gas Base BTU		124	10	5052		
Ideal, Gross HV - Dry	at 14.73 psia	1257	.1	5141.1		
Ideal, Gross HV - Wet		1235	.2	5051.6		
Comments: H2S Fie	eld Content 1.5 ppm					

Hydrocarbon Laboratory Manager

The above analyses are performed in accordance with ASTM, UOP, GPA guidelines for quality assurance, unless otherwise stated.

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Quality Assurance:

Page 1 of 1

EXHIBIT **B**

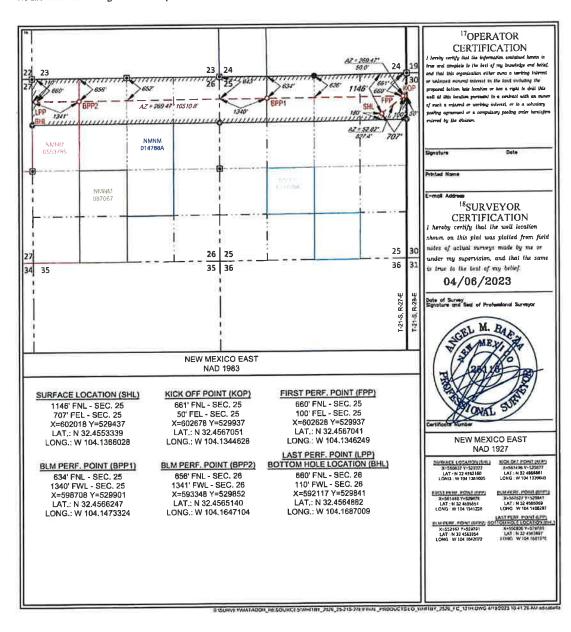
API	API Well Name & Number		S-T-R	Pool Code
30-015-55494	Whitby 2526 Fed Com 121H	N/2 N/2	25-21S-27E	Carlsbad; Bone Spring East [96144]
	-	N/2 N/2	26-21S-27E	
30-015-55495	Whitby 2526 Fed Com 122H	S/2 N/2	25-21S-27E	Carlsbad; Bone Spring East [96144]
	-	S/2 N/2	26-21S-27E	
30-015-55501	Whitby 2526 Fed Com 123H	N/2 S/2	25-21S-27E	Carlsbad; Bone Spring East [96144]
		N/2 S/2	26-21S-27E	
30-015-55500	Whitby 2526 Fed Com 124H	S/2 S/2	25-21S-27E	Carlsbad; Bone Spring East [96144]
		S/2 S/2	26-21S-27E	
30-015-55496	Whitby 2526 Fed Com 201H	N/2	25-21S-27E	Lone Tree Draw; Wolfcamp [97208]
		N/2	26-21S-27E	Carlsbad; Wolfcamp East (Gas) [74160]
30-015-55497	Whitby 2526 Fed Com 202H	N/2	25-21S-27E	Lone Tree Draw; Wolfcamp [97208]
		N/2	26-21S-27E	Carlsbad; Wolfcamp East (Gas) [74160]
30-015-55499	Whitby 2526 Fed Com 203H	S/2	25-21S-27E	Carlsbad; Wolfcamp East (Gas) [74160]
	-	S/2	26-21S-27E	- ` ` /
30-015-55498	Whitby 2526 Fed Com 204H	S/2	25-21S-27E	Carlsbad; Wolfcamp East (Gas) [74160]
		S/2	26-21S-27E	

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

		W	ELL LO	CATION	AND ACRE	EAGE DEDICA				
¹ API Number				Paul Code 94144 Carlsh			: Bone Spring East			
⁴ Property	Code			WH	Property Name IITBY 2526 FED COM 121H					
1 OGRID No. 1								Elevation 3154		
					10 Surface Lo	cation				
UL or lot no.	Section 25	Township 21-S	Range 27-E	Lot ldn	Feet Grom the	North/South line NORTH	Feet from the	EAST	EDDY EDDY	
			11B	ottom Hol	e Location If D	fferent From Surf	ace			
UL or lot no.	Section 26	Township 21-S	27-E	Lot Idn	Feet from the 660°	North/South line NORTH	Foot from the	WEST	EDDY	
Dedicated Acres 320	*Jaint or	LBITH CO	enselldetlan Cod	e SOrder	r No.			141		



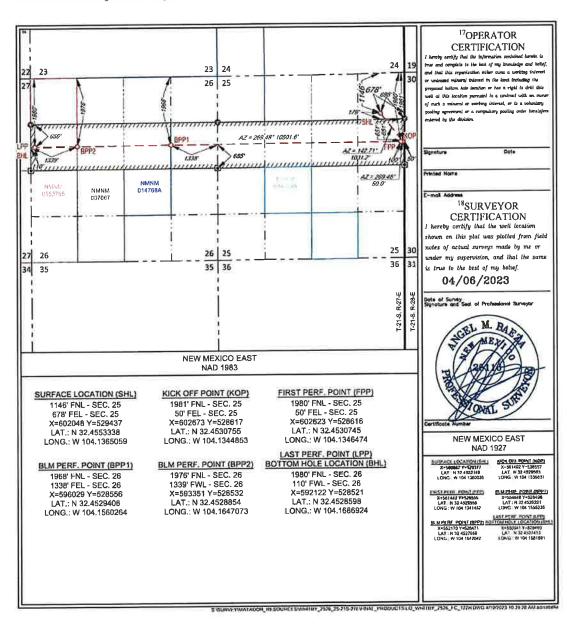
District I
1623 N. Franch Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazza Road, Azec., NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (503) 476-3460 Fax: (505) 476-3465

State of New Mexico
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OIL CONSERVATION DIVISION
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		W	ELL LO	CATION	AND ACRE	AGE DEDICA					
	'API Numbe	г		POOL POOL Shad; Bone S				Sprins	Sorine East		
Property Cade					Property Name HITBY 2526 FED COM 122H						
72 9937 MATADOR PRODUCTION COMPANY								*Elevation 3154*			
					10 Surface Loc	ention					
UL or lot no.	Section 25	Township 21-S	Range 27-E	Loi îda	Feet from the	North/South line NORTH	Feet from the 678'	EAST	EDDY		
			11B	ottom Hole	Location If Di	fferent From Surf	ace				
VL or let no. E	Section 26	Township 21-S	Range 27-E	Let Ide	Feet from the 1980'	North/South line NORTH	110'	WEST	EDDY		
Dedicated Acres 320	"Joint of	Infill PC	onsolfdation Code	13Order	No.						



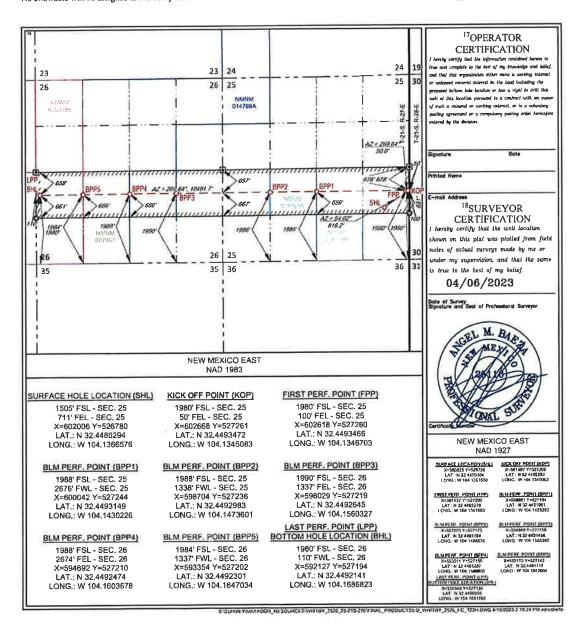
District 1
1625 N. French Dr. Hobbs, NM 88240
Phone: (575) 393-6161 Pax: (575) 393-0720
District II
811 S. Finst St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Ilrazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. Si. Francis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

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
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number East 96144 Properly Code 123H WHITBY 2526 FED COM Operator Name OGRID No. MATADOR PRODUCTION COMPANY 3139' 728937 10 Surface Location Feet from th UL or lat no. 711' **EDDY** 21-S 27-E 1505 SOUTH EAST 25 I Bottom Hole Location If Different From Surface East/West I Lot I Feet from 1980' 110' WEST **EDDY** SOUTH 27-E L 26 21-S Dedicated Acre 320



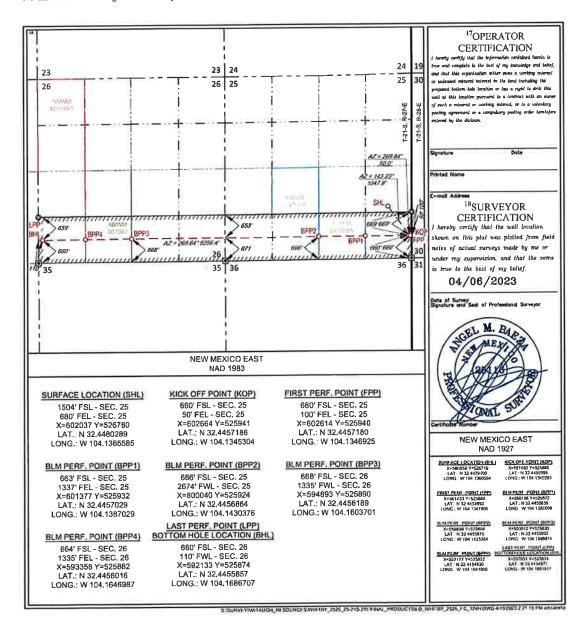
District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District III
811 S. First St., Arnesis, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rice Itrazos Roed, Arice, NM 87410
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1220 S. St. Francis Dr., Santa Fe, NM 87505
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1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
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		W	ELL LO	CATION	AND ACRE	EAGE DEDICA				
	API Number			Proof Code Constant: Bone			Spring	Spring, East		
						Property Name 2526 FED COM 124H				
7289			М	ATADOR	erator Name DUCTION COMPANY 3139'					
					10 Surface Lo	eation				
UL or lot no.	Section 25	Township 21-S	27-E	Let ldn	Feel from the 1504'	North/South line SOUTH	Feet from the 680'	EAST	EDDY	
			11B	ottom Hole	Location If Di	fferent From Surf	ace			
UL or lot no.	Section 26	Tawnship 21-S	Range 27-E	Let Idn	Feet from the 660'	North South line SOUTH	110'	WEST	EDDY	
12 Dedicated Acres 320	¹³ Joint or I	infil) ¹⁴ Co	nsalidation Code	**Order	No.					

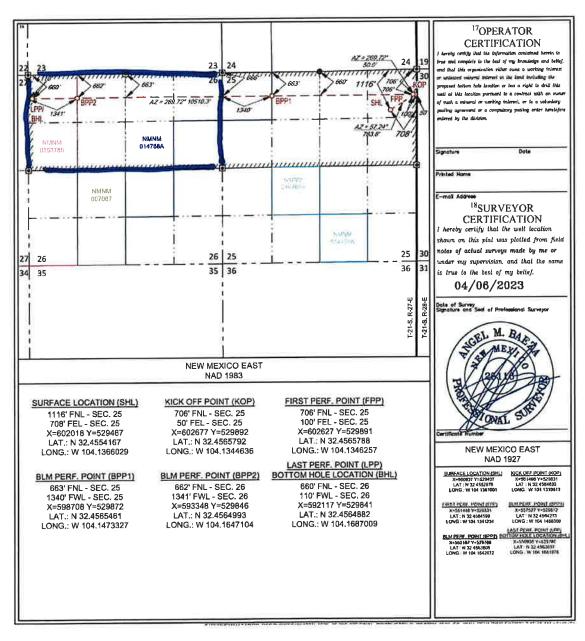


District I 1625 N. French Dr., Hobbs, NM 8R240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 8R210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aziec, NM 87410 Phone: (505) 134-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fu. NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3465 State of New Mexico
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1220 South St. Francis Dr.
Santa Fe, NM 87505

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Pagi Code Wolfcam 97208 Lone Tree Diew 201H WHITBY 2526 FED COM Elevation Operator Name OGRID No. 3154 MATADOR PRODUCTION COMPANY 228937 10 Surface Location Feet from th East/West II Feet from th Rang Lot Id UL or lot no. Section Township 1116' 708 **EDDY** NORTH **EAST** 27-E 25 21-S A 11Bottom Hole Location If Different From Surface East/West II UL or fot no. Section Township Feet from th 660 NORTH 110' WEST **EDDY** 26 21-S 27-E D Dedicated Acres Joint or Infill 640

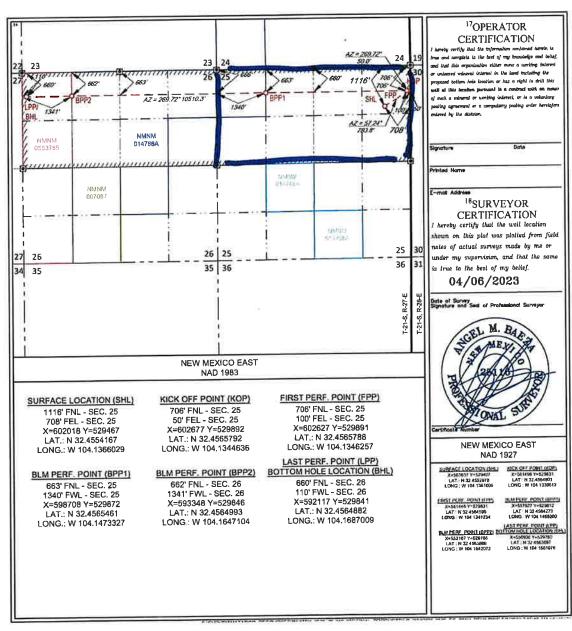


District I 1625 N. French Dr., Hobbs, NM 88240 Phane: (575) 393-6161 Fax: (575) 393-0720 District II 811.5 First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1600 Rib Brazos Road, Azlec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fc. NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3465 State of New Mexico
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Department
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1220 South St. Francis Dr.
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District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number if camp East (Gas 74160 Property Code WHITBY 2526 FED COM 201H Elevation Operator Name OGRID No. MATADOR PRODUCTION COMPANY 3154 228937 10 Surface Location Enst/West II Coupty Feet from th Feet from th UL or lot no. Section Township 708' **EDDY** EAST NORTH 21-S 27-E 1116' 25 A 11Bottom Hole Location If Different From Surface UL or lot no **EDDY** WEST 660' NORTH 110' 21-S 27-E D 26 Dedicated Acres 640



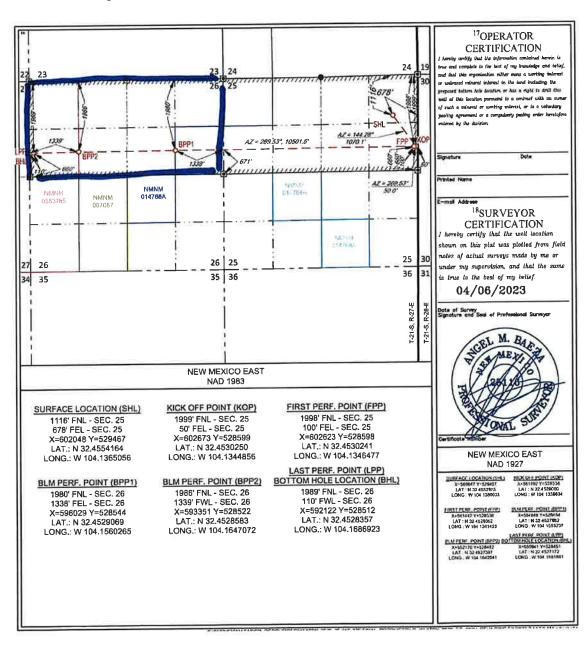
District 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Umros Road, Aziec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis 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 API Number Pool Code 97208 Draw: one Tree Property Code 202H WHITBY 2526 FED COM *Elevation Operator Nam 3155 MATADOR PRODUCTION COMPANY 228937 10 Surface Location East/West lip Feet from the Feet from th Townshlo Rang 678 **EAST EDDY** NORTH 27-E 1116' 25 21-S A 11 Bottom Hole Location If Different From Surface East/West li Lot le Feet from t **EDDY** 110' WEST 1989' NORTH E 26 21-S 27-E Joint or Lafill 640

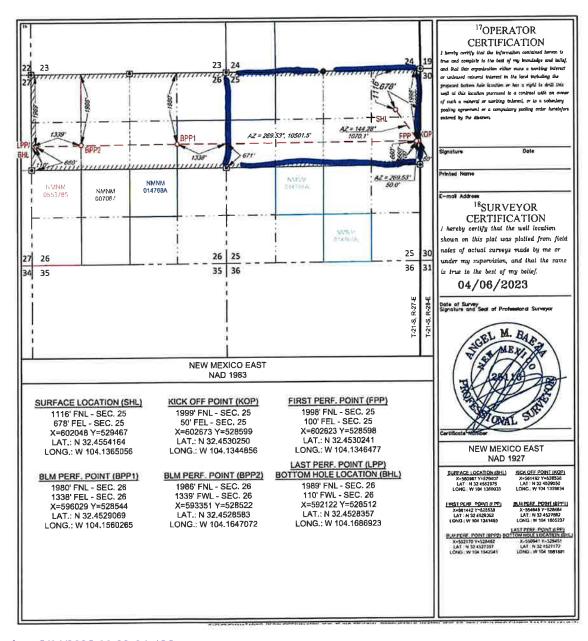


District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 113 First St., Antesia. NM 88210 Phone: (573) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Azloc, NM 87410 Phone: (503) 334-6178 Fax: (505) 334-6170 District IV 1220 S. SC Francis Dr., 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 API Number Pool Code East (Gas) 74160 Property Code WHITBY 2526 FED COM 202H Elevation Operator Name 3155' MATADOR PRODUCTION COMPANY 228937 10 Surface Location East/West lin Feet from th Feel from th UL or lot no. Section Township Rang 678 **EAST EDDY** 27-E NORTH 21-S 1116' 25 A 11 Bottom Hole Location If Different From Surface East/West I Lot 1 **EDDY** 1989' 110' WEST NORTH E 26 21-S 27-E Joint or Infil 640



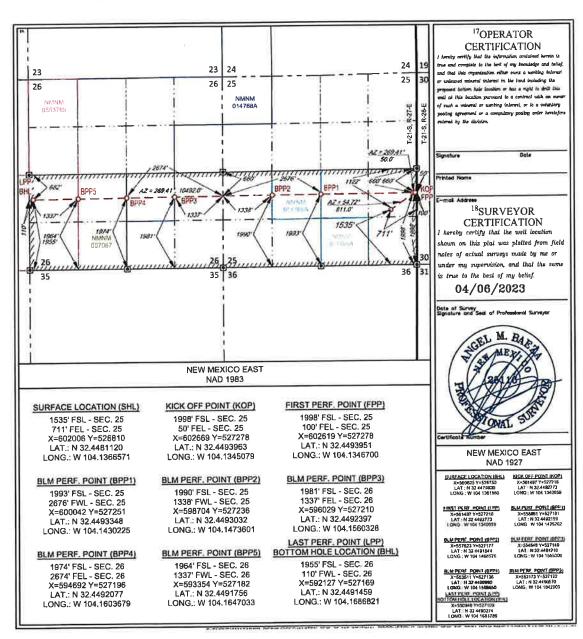
District 1
(E25 N. French Dr., Hobbs, NM RR240
Phone: (575) 393-6161 Fax: (575) 393-0720
District 11
S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District 11
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Phone: (505) 334-6178 Fax: (505) 334-6170
District 1V
1220 S. St. Francis Dr., Santa Fc., NM 87505
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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
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District Office

AMENDED REPORT

					AND ACRE	AGE DEDICA	TION PLA			
	API Numbe	r		1Pool Code 7160		Carlsbad; Wolfcamo, East /				
⁴ Property Code					Property Na ITBY 2526				203H	
70GRID No. 728937 MATAI					OPERATOR NAME OOR PRODUCTION COMPANY 3139					
					10 Surface Lo	cation				
UL or let no.	Section 25	Towaship 21-S	Range 27-E	Let Ide	Feet from the	North/South line SOUTH	Feet from the 711'	EAST	EDDY	
			11B	ottom Hol	e Location If Di	fferent From Surl	ace			
UL or lot no.	Section 26	Township 21-S	Range 27-E	Let Idn	Feet from the 1955'	North/South line SOUTH	Feet from the 110'	WEST	EDDY	
Dedicated Acres 640	"Joint or	Infill 14Co	nsolidation Code	15Orde	r Na.					

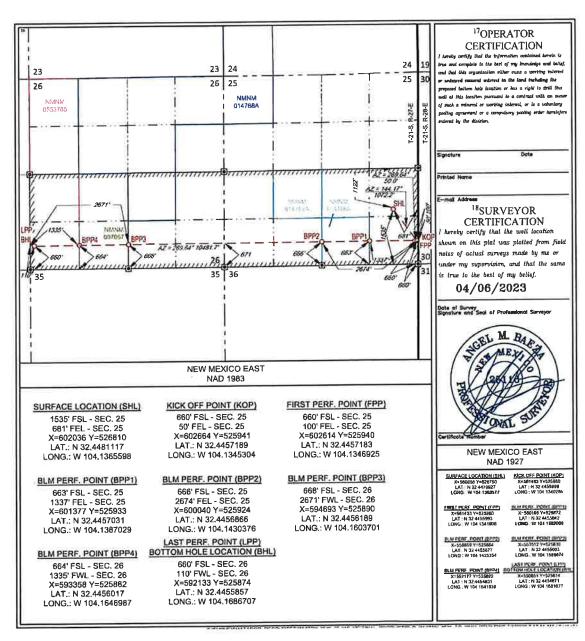


District I 1625 N. French Dr., Hobbs, NM. 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Anesia, NM. 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rie Unavos Road, Azlec, NM. 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fc. 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 'API Number Pool Code 74160 Property Code WHITBY 2526 FED COM 204H Elevation OGRID No. 3140 MATADOR PRODUCTION COMPANY 728937 10 Surface Location East/West III Feet from th UL or lot no. Section Township Range 681 EAST **EDDY** 1535' SOUTH 25 21-S 27-E I Bottom Hole Location If Different From Surface Feet from t East/West II Lot le Feet from t **EDDY** 660' SOUTH 110' WEST M 26 21-S 27-E Joint or Infil 640



Federal Communitization Agreement

Contract No.							

THIS AGREEMENT entered into as of the 1st 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 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:

N2N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

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

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the

Whitby 2526 Fed Com #121H – Federal Comm Agreement

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 1/8th or 12 ½ 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 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, 2024**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

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

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

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

Operator: <u>Matador Production Compa</u>	<u>any</u>
Signature of Authorized Agent	_
By: Kyle Perkins – Senior Vice President & A Name & Title of Authorized Agent	Assistant General Counsel
Date:	-
ACKNO	OWLEDGEMENT
STATE OF TEXAS)	
COUNTY OF DALLAS)	
Texas, personally appeared Kyle Perkir Assistant General Counsel of Matador	024, before me, a Notary Public for the State of ns, known to me to be the Senior Vice President & Production Company, the Texas corporation that acknowledged to me such corporation executed
(SEAL)	
My Commission Expires	Notary Public

Whitby 2526 Fed Com #121H – Federal Comm Agreement

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

MRC :	Permian Company	
By:		
	Kyle Perkins – Senior Vice President Print Name	& Assistant General Counsel
Date:		
	ACKNO	OWLEDGEMENT
	12021	
STAT	E OF TEXAS)	
COUN	NTY OF DALLAS)	
Texas, Assista	personally appeared Kyle Perki ant General Counsel of MRC Pered the foregoing instrument and	024, before me, a Notary Public for the State of ns, known to me to be the Senior Vice President & rmian Company, the Texas corporation that acknowledged to me such corporation executed
(SEAL	ـ)	
My Co	ommission Expires	Notary Public

$\frac{\mathtt{SELF}\ \mathtt{CERTIFICATION}\ \mathtt{STATEMENT}\ \mathtt{FOR}\ \mathtt{COMMUNITIZATION}\ \mathtt{AGREEMENT}\ \mathtt{WORKING}}{\mathtt{INTEREST}}$

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: Kyle Perkins

TITLE: Senior Vice President & Assistant General Counsel

Phone number : (972) -371-5202

EXHIBIT "A"

Plat of communitized area covering 320.00 acres in the N2N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Whitby 2526 Fed Com #121H

Tract 1 NMNM-0553785 40.00 acres	Tract 2 NMNM-014768A 160.00 acres	Tract 3 Fee Leases 120.00 acres					
	Section 26-21S-27E		Section 25-21S-27E				

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated September 1, 2024, embracing the following described land in the N2N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-0553785

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: NW4NW4

Number of Acres: 40.00

Current Lessee of Record: Chevron U.S.A., Inc.

RKC, Inc.

Name and Percent of Working Interest Owners: Occidental Permian Ltd.

Tract No. 2

Lease Serial Number: NMNM-014768A

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: NE4NW4, N2NE4

Section 25: NW4NW4

Number of Acres: 160.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

BWAB Limited Liability Company

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company

Permian Resources Operating, LLC

Abo Petroleum, LLC Prospector, LLC

Jasha Cultreri and wife Susan Cultreri

Parrot Head Properties, LLC Ross Duncan Properties, LLC Big Three Energy Group, LLC

Brian C. Reid and wife, Katherine Reid BWAB Limited Liability Company

Whitby 2526 Fed Com #121H - Federal Comm Agreement

Tract No. 3

Lease Serial Number: Fee Leases

Description of Land Committed: Township 21 South, Range 27 East,

Section 25: NE4NW4, N2NE4

Number of Acres: 120.00

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Operating, LLC

Magnum Hunter Production, Inc.

EOG Resources, Inc. Oxy Y-1 Company

Permian Resources Operating, LLC

Abo Petroleum, LLC Prospector, LLC

BWAB Limited Liability Company

Brownrock I, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	12.50%
2	160.00	50.00%
3	120.00	37.50%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No.							

THIS AGREEMENT entered into as of the 1st 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 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:

S2N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

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

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the

Whitby 2526 Fed Com #122H – Federal Comm Agreement

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 1/8th or 12 ½ 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 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, 2024**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

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

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

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

Operator: Matador Production Compa	<u>ny</u>
Signature of Authorized Agent	-
By: Kyle Perkins – Senior Vice President & As Name & Title of Authorized Agent	ssistant General Counsel
Date:	
ACKNO	WLEDGEMENT
STATE OF TEXAS)	
COUNTY OF DALLAS)	
Texas, personally appeared Kyle Perkin Assistant General Counsel of Matador P	24, before me, a Notary Public for the State of s, known to me to be the Senior Vice President & Production Company, the Texas corporation that acknowledged to me such corporation executed
(SEAL)	
	N. D.H.
My Commission Expires	Notary Public

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

MKC	<u>Permian Company</u>	
By:		
	Kyle Perkins – Senior Vice President & Print Name	¿ Assistant General Counsel
Date:		
	ACKNOV	WLEDGEMENT
STAT	E OF TEXAS)	
COUN	NTY OF DALLAS)	
Texas, Assista	personally appeared Kyle Perkins ant General Counsel of MRC Pern red the foregoing instrument and a	4, before me, a Notary Public for the State of s, known to me to be the Senior Vice President & nian Company, the Texas corporation that eknowledged to me such corporation executed
(SEAI	_)	
My Co	ommission 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: Kyle Perkins

TITLE: Senior Vice President & Assistant General Counsel

Phone number : (972) -371-5202

EXHIBIT "A"

Plat of communitized area covering 320.00 acres in the S2N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Whitby 2526 Fed Com #122H

Tract 1 NMNM-0553785 40.00 acres	Tract 2 NMNM-014768A 80.00 acres	Tract 3 Fee Leases 200.00 acres
Section 26-21S-27E		Section 25-21S-27E

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated September 1, 2024, embracing the following described land in the S2N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-0553785

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: SW4NW4

Number of Acres: 40.00

Current Lessee of Record: Chevron U.S.A., Inc.

RKC, Inc.

Name and Percent of Working Interest Owners: Occidental Permian Ltd.

Tract No. 2

Lease Serial Number: NMNM-014768A

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: SE4NW4, SW4NE4

Number of Acres: 80.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

BWAB Limited Liability Company

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company

Permian Resources Operating, LLC

Abo Petroleum, LLC Prospector, LLC

Jasha Cultreri and wife Susan Cultreri

Parrot Head Properties, LLC Ross Duncan Properties, LLC Big Three Energy Group, LLC

Brian C. Reid and wife, Katherine Reid BWAB Limited Liability Company

Tract No. 3

Lease Serial Number: Fee Leases

Description of Land Committed: Township 21 South, Range 27 East,

Section 25: S2N2 Section 26: SE4NE4

Number of Acres: 200.00

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Operating, LLC

EOG Resources, Inc. Oxy Y-1 Company

Permian Resources Operating, LLC

Abo Petroleum, LLC

Jasha Cultreri and wife Susan Cultreri Ross Duncan Properties, LLC Big Three Energy Group, LLC Parrot Head Properties, LLC

Brian C. Reid and wife, Katherine Reid

Prospector, LLC

BWAB Limited Liability Company Magnum Hunter Production, Inc.

Brownrock I, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	12.50%
2	80.00	25.00%
3	200.00	62.50%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st 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 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:

N2S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

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

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the

Whitby 2526 Fed Com #123H – Federal Comm Agreement

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 1/8th or 12 ½ 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 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, 2024**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

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

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

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

neral Counsel
GEMENT
e me, a Notary Public for the State of a to me to be the Senior Vice President & on Company, the Texas corporation that adged to me such corporation executed
Notary Public
,

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

MRC	<u>Permian Company</u>	
By:		
	Kyle Perkins – Senior Vice Preside Print Name	nt & Assistant General Counsel
Date:		
	ACKN	OWLEDGEMENT
STAT	E OF TEXAS)	
COUN	NTY OF DALLAS)	
Texas, Assista	personally appeared Kyle Perk ant General Counsel of MRC P red the foregoing instrument and	2024, before me, a Notary Public for the State of kins, known to me to be the Senior Vice President & ermian Company, the Texas corporation that d acknowledged to me such corporation executed
(SEAL	ــ)	
My Co	ommission Expires	Notary Public

$\frac{\mathtt{SELF}\ \mathtt{CERTIFICATION}\ \mathtt{STATEMENT}\ \mathtt{FOR}\ \mathtt{COMMUNITIZATION}\ \mathtt{AGREEMENT}\ \mathtt{WORKING}}{\mathtt{INTEREST}}$

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: Kyle Perkins

TITLE: Senior Vice President & Assistant General Counsel

Phone number : (972) -371-5202

EXHIBIT "A"

Plat of communitized area covering 320.00 acres in the N2S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Whitby 2526 Fed Com #123H

Section 26-21S-27E				Section 25	5-21S-27E	
Tract 1 NMNM-0553785 40.00 acres	Tract 2 NMNM-007067 40.00 acres	Tract 3 NMNM-014768A 80.00 acres	Fee I	ct 4 Jeases Jacres	Tract 3 NMNM-014768A 80.00 acres	Tract 4 Fee Leases 160.00 acres

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated September 1, 2024, embracing the following described land in the N2S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-0553785

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: NW4SW4

Number of Acres: 40.00

Current Lessee of Record: Chevron U.S.A., Inc.

RKC, Inc.

Name and Percent of Working Interest Owners: Occidental Permian Ltd.

Tract No. 2

Lease Serial Number: NMNM-007067

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: NE4SW4

Number of Acres: 40.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC

Tract No. 3

Lease Serial Number: NMNM-014768A

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: NW4SE4 Section 25: NE4SW4

Number of Acres: 80.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

BWAB Limited Liability Company

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company

Permian Resources Operating, LLC

Abo Petroleum, LLC Prospector, LLC

Jasha Cultreri and wife Susan Cultreri

Parrot Head Properties, LLC Ross Duncan Properties, LLC Big Three Energy Group, LLC

Brian C. Reid and wife, Katherine Reid BWAB Limited Liability Company

Tract No. 4

Lease Serial Number: Fee Leases

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: NE4SE4

Section 25: NE4SW4, N2SE4

Number of Acres: 160.00

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Operating, LLC

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC Prospector, LLC

BWAB Limited Liability Company Jasha Cultreri and wife, Susan Cultreri

Ross Duncan Properties LLC Big Three Energy Group, LLC Parrot Head Properties, LLC

Brian C. Reid and wife, Katherine Reid

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	12.50%
2	40.00	12.50%
3	80.00	25.00%
4	160.00	50.00%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st 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 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:

S2S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

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

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the

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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 1/8th or 12 ½ 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 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, 2024**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

Operator: Matador Production Company

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

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

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

•	
Signature of Authorized Agent	
By: Kyle Perkins – Senior Vice President & Name & Title of Authorized Agent	z Assistant General Counsel
Date:	
ACKN	OWLEDGEMENT
STATE OF TEXAS)	
COUNTY OF DALLAS)	
Texas, personally appeared Kyle Perl Assistant General Counsel of Matado	2024, before me, a Notary Public for the State of kins, known to me to be the Senior Vice President & or Production Company, the Texas corporation that ad acknowledged to me such corporation executed
(SEAL)	
My Commission Expires	Notary Public

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

MRC	<u>Permian Company</u>	
By:		
	Kyle Perkins – Senior Vice Preside Print Name	nt & Assistant General Counsel
Date:		
	ACKN	OWLEDGEMENT
STAT	E OF TEXAS)	
COUN	NTY OF DALLAS)	
Texas, Assista	personally appeared Kyle Perk ant General Counsel of MRC P red the foregoing instrument and	2024, before me, a Notary Public for the State of kins, known to me to be the Senior Vice President & ermian Company, the Texas corporation that d acknowledged to me such corporation executed
(SEAL	ــ)	
My Co	ommission Expires	Notary Public

$\frac{\mathtt{SELF}\ \mathtt{CERTIFICATION}\ \mathtt{STATEMENT}\ \mathtt{FOR}\ \mathtt{COMMUNITIZATION}\ \mathtt{AGREEMENT}\ \mathtt{WORKING}}{\mathtt{INTEREST}}$

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: Kyle Perkins

TITLE: Senior Vice President & Assistant General Counsel

Phone number : (972) -371-5202

EXHIBIT "A"

Plat of communitized area covering 320.00 acres in the S2S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Whitby 2526 Fed Com #124H

	Section 20	6-21S-27E	Section 25	5-21S-27E	
Tract 1 NMNM-0553785 40.00 acres	Tract 2 NMNM-007067 40.00 acres	Tract 3 Fee Leases 200.00 acres		Tract 4 NMNM-014768A 40.00 acres	Tract 3 Fee Leases 200.00 acres

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated September 1, 2024, embracing the following described land in the S2S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-0553785

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: SW4SW4

Number of Acres: 40.00

Current Lessee of Record: Chevron U.S.A., Inc.

RKC, Inc.

Name and Percent of Working Interest Owners: Occidental Permian Ltd.

Tract No. 2

Lease Serial Number: NMNM-007067

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: SE4SW4

Number of Acres: 40.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC

Tract No. 3

Lease Serial Number: Fee Leases

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: S2SE4

Section 25: S2SW4, SE4SE4

Number of Acres: 200.00

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Operating, LLC

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC Prospector, LLC

BWAB Limited Liability Company Jasha Cultreri and wife Susan Cultreri

Ross Duncan Properties LLC Big Three Energy Group, LLC Parrott Head Properties, LLC

Brian C. Reid and wife, Katherine Reid

Tract No. 4

Lease Serial Number: NMNM-014768A

Description of Land Committed: Township 21 South, Range 27 East,

Section 25: SW4SE4

Number of Acres: 40.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

BWAB Limited Liability company

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC

BWAB Limited Liability Company

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	40.00	12.50%
2	40.00	12.50%
3	200.00	62.50%
4	40.00	12.50%
Total	320.00	100.00%

Federal Communitization Agreement

Contract No.					

THIS AGREEMENT entered into as of the 1^{st} 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 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:

N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Containing **640.00** 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

Whitby 2526 Fed Com #201H/#202H – Federal Comm Agreement

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 1/8th or 12 ½ 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 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, 2024**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

- parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination.</u> In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

Operator: <u>Matador Production Compa</u>	<u>nny</u>
C CA . L LA	_
Signature of Authorized Agent	
By: Kyle Perkins – Senior Vice President & A	assistant General Counsel
Name & Title of Authorized Agent	
Date:	
ACKNO	WLEDGEMENT
STATE OF TEXAS)	
COUNTY OF DALLAS)	
Texas, personally appeared Kyle Perkir Assistant General Counsel of Matador I	24, before me, a Notary Public for the State of ns, known to me to be the Senior Vice President & Production Company, the Texas corporation that acknowledged to me such corporation executed
(SEAL)	
My Commission Expires	Notary Public

Whitby 2526 Fed Com #201H/#202H – Federal Comm Agreement

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

MRC Per	<u>mian Company</u>	
Ву:		
	vle Perkins – Senior Vice President & Assistant nt Name	t General Counsel
Date:		
	ACKNOWLED	GEMENT
STATE O	OF TEXAS)	
COUNTY	(OF DALLAS)	
Texas, per Assistant	day of, 2024, before rsonally appeared Kyle Perkins, known General Counsel of MRC Permian Conthe foregoing instrument and acknowled	to me to be the Senior Vice President & npany, the Texas corporation that
(SEAL)		
My Comn	mission 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: Kyle Perkins

TITLE: Senior Vice President & Assistant General Counsel

Phone number : (972) -371-5202

EXHIBIT "A"

Plat of communitized area covering 640.00 acres in the N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Whitby 2526 Fed Com #201H/#202H

Tract 1 NMNM-0553785 80.00 acres	Tract 2 NMNM-014768A 240.00 acres	Tract 3 Fee Leases 320.00 acres
	Section 26-21S-27E	Section 25-21S-27E

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated September 1, 2024, embracing the following described land in the N2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-0553785

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: W2NW4

Number of Acres: 80.00

Current Lessee of Record: Chevron U.S.A., Inc.

RKC, Inc.

Name and Percent of Working Interest Owners: Occidental Permian Ltd.

Tract No. 2

Lease Serial Number: NMNM-014768A

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: E2NW4, W2NE4, NE4NE4

Section 25: NW4NW4

Number of Acres: 240.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

BWAB Limited Liability Company

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company

Permian Resources Operating, LLC

Abo Petroleum, LLC Prospector, LLC

Jasha Cultreri and wife Susan Cultreri

Parrot Head Properties, LLC Ross Duncan Properties, LLC Big Three Energy Group, LLC

Brian C. Reid and wife, Katherine Reid BWAB Limited Liability Company

Tract No. 3

Lease Serial Number: Fee Leases

Description of Land Committed: Township 21 South, Range 27 East,

Section 25: NE4, E2NW4, SW4NW4

Section 26: SE4NE4

Number of Acres: 320.00

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Operating, LLC

EOG Resources, Inc. Oxy Y-1 Company

Permian Resources Operating, LLC

Abo Petroleum, LLC

Jasha Cultreri and wife Susan Cultreri Ross Duncan Properties, LLC Big Three Energy Group, LLC Parrot Head Properties, LLC

Brian C. Reid and wife, Katherine Reid

Prospector, LLC

BWAB Limited Liability Company Magnum Hunter Production, Inc.

Brownrock I, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	12.50%
2	240.00	37.50%
3	320.00	50.00%
Total	640.00	100.00%

Federal Communitization Agreement

Contract No.	

THIS AGREEMENT entered into as of the 1st 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 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:

S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Containing **640.00** 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

Whitby 2526 Fed Com #203H/#204H – Federal Comm Agreement

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 1/8th or 12 ½ 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 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, 2024**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
- 11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
- 12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
- 13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
- 14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

- parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
- 15. <u>Nondiscrimination.</u> In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

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

Operator: Matador Production Company	<u>Y</u>
Signature of Authorized Agent	
By: Kyle Perkins – Senior Vice President & Assi Name & Title of Authorized Agent	istant General Counsel
Date:	
ACKNOW	VLEDGEMENT
STATE OF TEXAS)	
COUNTY OF DALLAS)	
Texas, personally appeared Kyle Perkins, Assistant General Counsel of Matador Pro	k, before me, a Notary Public for the State of known to me to be the Senior Vice President & oduction Company, the Texas corporation that knowledged to me such corporation executed
(SEAL)	
My Commission Expires	Notary Public

WORKING INTEREST OWNERS AND/OR LESSEES OF RECORD

MRC Permian Company	
By:	
<u>Kyle Perkins – Senior Vice Presiden</u> Print Name	t & Assistant General Counsel
Date:	
ACKNO	OWLEDGEMENT
STATE OF TEXAS)	
COUNTY OF DALLAS)	
Texas, personally appeared Kyle Perki Assistant General Counsel of MRC Pe	024, before me, a Notary Public for the State of ins, known to me to be the Senior Vice President & ermian Company, the Texas corporation that acknowledged to me such corporation executed
(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: Kyle Perkins

TITLE: Senior Vice President & Assistant General Counsel

Phone number : (972) -371-5202

EXHIBIT "A"

Plat of communitized area covering 640.00 acres in the S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Whitby 2526 Fed Com #203H/#204H

Section 26-21S-27E			Section 25-21S-27E			
Tract 1	Tract 2	Tract 3	Tra	act 4	Tract 3	Tract 4 Tract 3

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated September 1, 2024, embracing the following described land in the S2 of Sections 25 & 26, Township 21 South, Range 27 East, Eddy County, New Mexico.

Operator of Communitized Area: Matador Production Company

DESCRIPTION OF LEASES COMMITTED

Tract No. 1

Lease Serial Number: NMNM-0553785

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: W2SW4

Number of Acres: 80.00

Current Lessee of Record: Chevron U.S.A., Inc.

RKC, Inc.

Name and Percent of Working Interest Owners: Occidental Permian Ltd.

Tract No. 2

Lease Serial Number: NMNM-007067

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: E2SW4

Number of Acres: 80.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC

Tract No. 3

Lease Serial Number: NMNM-014768A

Description of Land Committed: Township 21 South, Range 27 East,

Section 26: NW4SE4

Section 25: NE4SW4, SW4SE4

Number of Acres: 120.00

Current Lessee of Record: Ridge Runner Resources Agent, Inc.

BWAB Limited Liability Company

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Agent, Inc.

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC Prospector, LLC

Jasha Cultreri and wife Susan Cultreri Parrot Head Properties, LLC Ross Duncan Properties, LLC Big Three Energy Group, LLC Brian C. Reid and wife, Katherine Reid BWAB Limited Liability Company

Tract No. 4

Lease Serial Number: Fee Leases

Description of Land Committed: Township 21 South, Range 27 East,

Section 25: W2SW4, SE4SW4, NW4SE4, E2SE4

Section 26: E2SE4, SW4SE4

Number of Acres: 360.00

Name and Percent of Working Interest Owners: MRC Permian Company

Ridge Runner Resources Operating, LLC

EOG Resources, Inc. Oxy Y-1 Company Abo Petroleum, LLC Prospector, LLC

BWAB Limited Liability Company Jasha Cultreri and wife Susan Cultreri Ross Duncan Properties, LLC Big Three Energy Group, LLC Parrot Head Properties, LLC

Brian C. Reid and wife, Katherine Reid

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	80.00	12.50%
2	80.00	12.50%
3	120.00	18.75%
4	360.00	56.25%
Total	640.00	100.00%

				5
Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508
EOG Resources, Inc.	5509 Champions Dr.	Midland	TX	79706
	5 Greenway Plaza			
OXY Y-1 Company	Ste. 110	Houston	TX	77046
	300 N. Marienfeld St.			
Permian Resources Operating, LLC	Ste. 1000	Midland	TX	79701
Prospector, LLC	P.O. Box 429	Roswell	NM	88202
Jasha Cultreri and wife, Susan Cultreri	60 Vaquero Rd	Santa Fe	NM	87508
Parrot Head Properties, LLC	P.O. Box 429	Roswell	NM	88202
Ross Duncan Properties LLC	P.O. Box 647	Artesia	NM	88211-0647
Big Three Energy Group, LLC	P.O. Box 429	Roswell	NM	88202
Brian C. Reid and wife, Katherine Reid	2502 Camarie	Midland	TX	79705
	475 17th Street			
BWAB Limited Liability Company	Ste. 1390	Denver	CO	80202
Magnum Hunter Production, Inc.	600E Las Colinas Blvd	Irving	TX	75039
	5 Greenway Plaza			
Occidental Permian Ltd.	Ste. 110	Houston	TX	77046
Norma J. Barton	P.O. Box 728	Hobbs	NM	88241
Roy G. Barton, Jr.	1919 N. Turner St.	Hobbs	NM	88240-2712
John Robert Lamsens	1416 Westhall Gardens Dr	North Chesterfield	VA	23235
WilderPan LLC	P.O. Box 50088	Midland	TX	79710
Carrie McVay, Trustee of the Carrie McVay Trust	3225 Willard St.	San Diego	CA	92122
	4350 Baker Rd.			
Northern Oil and Gas, Inc.	Ste. 400	Minnetonka	MN	55343
CRM 2018, LP	P.O. Box 51933	Midland	TX	79710
Elk Range Royalties II, LP	2110 Farrington St.	Dallas	TX	75207
Asher Land & Minerals LLC	4071 Buena Vista St.	Dallas	TX	75204
BWAB Limited Liability Company	475 17th Street Ste. 1390	Denver	CO	80202
Penasco Petroleum LLC	P.O. Box 4168	Roswell	NM	88202-4168
Rolla R. Hinkle, III	P.O. Box 2292	Roswell	NM	88202-2292
Ronald L. Marcum and wife, Sylvia G. Marcum	7390 Sidewinder Bend Dr	El Paso	TX	79911
Ter-mack, LP	124 Larkspur Loop	Alto	NM	88312

EXHIBIT

by OCD: 10/30/2024 1:52:47 PM

Received by OCD: 10/30/2024 1:52:47 PM

William Edward Steinmann, Jr. and Patricia Ann Steinmann, JTs	286 Lincoln Hills Dr.	Alto	NM	88312
Nuevo Seis, Limited Partnership	P.O. Box 2588	Roswell	NM	88202-2588
Robert H. Hannifin and Maxine B. Hannifin, Trustees of the Robert and				
Maxine Hannifin Trust, dated 3/1/2005	P.O. Box 218	Midland	TX	79702
Quanah Exploration, LLC	515 Tradewinds Blvd	Midland	TX	79706
Wallace H. Scott, III	2901 Oakhurst Ave.	Austin	TX	78703
William Winfield Scott	3000 Willowood Cir.	Austin	TX	78703
McElroy Minerals, LLC	4210 S. Bellaire Cir.	Englewood	CO	80113
Jasha Cultreri et ux, Susan Cultreri	60 Vaquero Rd	Santa Fe	NM	87508
Ross Duncan Properties LLC	P.O. Box 647	Artesia	NM	88211-0647
Big Three Energy Group, LLC	P.O. Box 429	Roswell	NM	88202
Parrot Head Properties, LLC	P.O. Box 429	Roswell	NM	88202
Brian C. Reid et ux, Katherine Reid	2502 Camarie	Midland	TX	79705
Abo Petroleum, LLC	P.O. Box 900	Artesia	NM	88211
Abo Royalty, LLC	P.O. Box 900	Artesia	NM	88211
Prospector, LLC	P.O. Box 429	Roswell	NM	88202
James D. Finley	1308 Lake Street	Fort Worth	TX	76102
Matthew E. Cooper	P.O. Box 470807	Fort Worth	TX	76147
Brent D. Talbot	4537 Collinwood Ave	Fort Worth	TX	76107
Stephen M. Clark	P.O. Box 2200	Fort Worth	TX	76113
	1733 Woodstead Court			
AmeriPermian Holdings, LLC	Ste. 206	The Woodlands	TX	77380
Suzanne McClellan Roberts	3 Brazos Cir	Roswell	NM	88201
Lisa C. McClellan Revocable Trust, dated May 16, 2013	411 Viale Bond	Roswell	NM	88201
Guest Petroleum, Inc.	P.O. Box 805	Edmond	OK	73083
Westway Petro	13917 Charcoal Lane	Farmers Branch	TX	75234
Ronald T. May	2163 Lima Loop, PMB 2123	Laredo	TX	78045
Laura Mijangos-Rapp and Steven Wayne Rapp, Co-Trustees of the Laura				
Mijangos-Rapp Revocable Trust	2355 Oakland Bend	San Antonio	TX	78528
Charles S. Pashayan, Jr.	1700 H Street NW	Washington	DC	20006

Received by OCD: 10/30/2024 1:52:47 PM

Suzanne L. Pashayan Pearl L. Shelburne Jack R. Shelburne, Jr. AllIrish Company

7312 East Church Avenue	Fresno	CA	93737
424 North Center Street, #208	Salt Lake City	UT	84103
424 North Center Street, #208	Salt Lake City	UT	84103



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

October 25, 2024

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

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of All of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy 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 this application is received by the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

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

Hawks Holder Matador Production Company (972) 619-4336 hawks.holder@matadorresources.com

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

						Your item has been delivered to an agent. The item was picked up at USPS at 8:39 am on October 29, 2024 in
9414811898765486504060	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	MIDLAND, TX 79706.
						Your item arrived at our NORTH HOUSTON TX DISTRIBUTION CENTER destination facility on October 29, 2024 at 9:42 am. The item is currently in transit to the
9414811898765486504022	OXY Y-1 Company	5 Greenway Plz Ste 110	Houston	TX	77046-0521	
			Midland	TV	79701-4688	Your item arrived at our USPS facility in NORTH HOUSTON TX DISTRIBUTION CENTER on October 29, 2024 at 9:42 am. The item is currently in transit to the
9414811898/65486504008	Permian Resources Operating, LLC	300 N Marienfeld St Ste 1000	Midland	TX	79701-4688	Your item arrived at the ROSWELL, NM 88201 post office at 9:13 am on October 29, 2024 and is ready
9414811898765486504091	Prospector, LLC	PO Box 429	Roswell	NM	88202-0429	· .

9414811898765486504046	Jasha Cultreri and wife, Susan Cultreri	60 Vaquero Rd	Santa Fe	NM	87508-8376	Your item has been delivered to an agent at the front desk, reception, or mail room at 5:27 pm on October 28, 2024 in SANTA FE, NM 87508.
9414811898765486504084		PO Box 429	Roswell	NM	88202-0429	Your item arrived at the ROSWELL, NM 88201 post office at 9:13 am on October 29, 2024 and is ready for pickup.
9414811898765486504039		PO Box 647	Artesia	NM		Your item was picked up at the post office at 11:45 am on October 29, 2024 in ARTESIA, NM 88210.
9414811898765486504077	Big Three Energy Group, LLC	PO Box 429	Roswell	NM	88202-0429	Your item arrived at the ROSWELL, NM 88201 post office at 9:13 am on October 29, 2024 and is ready for pickup.
						Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 28, 2024 at 8:15 pm. The item is currently in transit to the
9414811898765486504411	Brian C. Reid and wife, Katherine Reid	2502 Camarie Ave	Midland	TX	79705-6309	destination.

9414811898765486504428 9414811898765486504429 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504428 9414811898765486504497 9414811898765486504497 Norma J. Barton PO Box 728 Hobbs NM 88241-0728 Hobbs, NM 88241-0728 Hobss, NM 88241-0728							
moving within the USPS network and on track to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find destination. It is used to be delivered to its find the destination facility on Ctober 29, 2024 at 9:42 are The item is current in transit to the destination. Your item was pick up at the post official 1:54 pm on October 29, 2024 in 9:44811898765486504497 Norma J. Barton PO Box 728 Hobbs NM 88241-0728 HoBBS, NM 88240 Your package is moving within the USPS network and on track to be delivered to its find destination. It is currently in transit.	9414811898765486504459	BWAB Limited Liability Company	475 17th St Ste 1390	Denver	со	80202-4024	delivered to the front desk, reception area, or mail room at 12:25 pm on October 28, 2024 in DENVER, CO 80202.
9414811898765486504428 Occidental Permian Ltd. 5 Greenway Plz Ste 110 Houston TX 77046-0521 destination. 9414811898765486504428 Norma J. Barton PO Box 728 Hobbs NM 88241-0728 HOBBS, NM 88240 Your package is moving within the USPS network and on track to be delivered to its fina destination. It is currently in transit	9414811898765486504466	Magnum Hunter Production, Inc.	600 Las Colinas Blvd E	Irving	ΤX	75039-5616	moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.
Your item was pick up at the post offic at 1:54 pm on October 29, 2024 it HOBBS, NM 88241-0728 HOBBS, NM 88240 Your package is moving within the USPS network and on track to be delivered to its final destination. It is currently in transit					TX		Your item arrived at our NORTH HOUSTON TX DISTRIBUTION CENTER destination facility on October 29, 2024 at 9:42 am. The item is currently in transit to the
Your package is moving within the USPS network and on track to be delivered to its final destination. It is currently in transit	9414811898765486504497	Norma J. Barton		Hobbs	NM	88241-0728	October 29, 2024 in
9414811898765486504442 Roy G. Barton, Jr. 1919 N Turner St Hobbs NM 88240-2712 the next facility.			1919 N Turner St	Hobbs			Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to

9414811898765486504480	John Robert Lamsens	1416 Westhall Gardens Dr	North Chesterfield	VA	23235-6321	Your package is moving within the USPS network and is on track to be delivered by the expected delivery date. It is currently in transit to the next facility.
9414811898765486504473	WilderPan LLC	PO Box 50088	Midland	TX	79710-0088	Your item was picked up at a postal facility at 11:04 am on October 29, 2024 in MIDLAND, TX 79705.
9414811898765486504510	Carrie McVay, Trustee of the Carrie McVay Trust	3225 Willard St	San Diego	CA	92122-2920	Your item was delivered to an individual at the address at 11:26 am on October 29, 2024 in SAN DIEGO, CA 92122.
9414811898765486504558		4350 Baker Rd Ste 400	Minnetonka	MN		Your item arrived at our MINNEAPOLIS MN DISTRIBUTION CENTER destination facility on October 29, 2024 at 12:47 pm. The item is currently in transit to the destination.
9414811898765486504565		PO Box 51933	Midland	TX		Your item has been delivered and is available at a PO Box at 8:58 am on October 29, 2024 in MIDLAND, TX 79705.

9414811898765486504527	Elk Range Royalties II, LP	2110 Farrington St	Dallas	TX	75207-6502	Your item was delivered to an individual at the address at 2:24 pm on October 29, 2024 in DALLAS, TX 75207.
9414811898765486504596	Ashar Land & Minarals LLC	4071 Buena Vista St	Dallas	TV	75204 7802	We attempted to deliver your item at 11:52 am on October 29, 2024 in DALLAS, TX 75204 and a notice was left because an authorized recipient
9414811898/65486504596	Asher Land & Minerals LLC	40/1 Buena vista St	Dallas	TX	75204-7803	Your item arrived at
						the ROSWELL, NM
						88201 post office at
						9:14 am on October
						29, 2024 and is ready
9414811898765486504589	Penasco Petroleum LLC	PO Box 4168	Roswell	NM	88202-4168	
						Your item arrived at
						the ROSWELL, NM
						88201 post office at 9:14 am on October
						29, 2024 and is ready
9414811898765486504534	Rolla R. Hinkle. III	PO Box 2292	Roswell	NM	88202-2292	
	,					Your item arrived at
						our EL PASO TX
						DISTRIBUTION
						CENTER destination
						facility on October
						29, 2024 at 5:38 pm.
						The item is currently
	Ronald L. Marcum and wife, Sylvia G.					in transit to the
9414811898765486504572	Marcum	7390 Sidewinder Bend Dr	El Paso	TX	79911-2249	destination.

						Your item arrived at our EL PASO TX DISTRIBUTION CENTER destination facility on October 29, 2024 at 5:38 pm. The item is currently in transit to the
9414811898765486505210	Ter-mack, LP	124 Larkspur Loop	Alto	NM	88312-8019	destination.
	William Edward Steinmann, Jr. and					Your item arrived at our EL PASO TX DISTRIBUTION CENTER destination facility on October 29, 2024 at 5:38 pm. The item is currently in transit to the
9414811898765486505265	Patricia Ann Steinmann, JTs	286 Lincoln Hills Dr	Alto	NM	88312-8137	
9414811898765486505203	Nuevo Seis, Limited Partnership	PO Box 2588	Roswell	NM		Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.
	Robert H. Hannifin and Maxine B. Hannifin, Trustees of the Robert and					Your item arrived at the MIDLAND, TX 79702 post office at 11:46 am on October 29, 2024 and is ready
9414811898765486505296	Maxine Hannifin Trust, dated 3/1/2005	PO Box 218	Midland	TX	79702-0218	for pickup.

9414811898765486505241	Quanah Exploration, LLC	515 Tradewinds Blvd	Midland	TX	79706-2968	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on October 28, 2024 at 8:15 pm. The item is currently in transit to the destination.
9414811898765486505289		2901 Oakhurst Ave	Austin	TX	78703-1951	Your item has been delivered to an agent and left with an individual at the address at 11:45 am on October 29, 2024 in AUSTIN, TX 78703.
9414811898765486505234		3000 Willowood Cir	Austin	TX		Your item was delivered to an individual at the address at 12:04 pm on October 29, 2024 in AUSTIN, TX 78703.
9414811898765486505272		4210 S Bellaire Cir	Englewood	СО	80113-5052	Your item was delivered to an individual at the address at 4:46 pm on October 28, 2024 in ENGLEWOOD, CO
9414811898765486505814		PO Box 900	Artesia	NM		Your item was picked up at the post office at 12:37 pm on October 29, 2024 in ARTESIA, NM 88210.
9414811898765486505869		PO Box 900	Artesia	NM		Your item was picked up at the post office at 12:37 pm on October 29, 2024 in ARTESIA, NM 88210.

9414811898765486505821	Prospector, LLC	PO Box 429	Roswell	NM	88202-0429	
9414811898765486505807	James D. Finley	1308 Lake St	Fort Worth	TX	76102-4595	Your item was delivered to an individual at the address at 12:48 pm on October 29, 2024 in FORT WORTH, TX 76102.
9414811898765486505890	Matthew E. Cooper	PO Box 470807	Fort Worth	TX	76147-0807	Your item has been delivered and is available at a PO Box at 9:30 am on October 29, 2024 in FORT WORTH, TX 76147.
9414811898765486505845		4537 Collinwood Ave	Fort Worth	TX	76107-4188	Your item departed our USPS facility in FORT WORTH TX DISTRIBUTION CENTER on October 28, 2024 at 10:17 pm. The item is currently in transit to the destination.
9414811898765486505883	Stephen M. Clark	PO Box 2200	Fort Worth	TX	76113-2200	Your item departed our USPS facility in FORT WORTH TX DISTRIBUTION CENTER on October 28, 2024 at 10:17 pm. The item is currently in transit to the destination.

						Your item arrived at our NORTH HOUSTON TX DISTRIBUTION CENTER destination facility on October 29, 2024 at 9:05 am. The item is currently in transit to the
9414811898765486505838	AmeriPermian Holdings, LLC	1733 Woodstead Ct Ste 206	The Woodlands	TX	77380-3401	destination.
						Your item arrived at
						the SALT LAKE CITY,
						UT 84101 post office
						at 5:17 pm on
						October 29, 2024 and
9414811898765486505876	AllIrish Company	424 N Center St Apt 208	Salt Lake City	UT	84103-1726	is ready for pickup.
						Your item arrived at our FRESNO CA DISTRIBUTION CENTER destination facility on October 29, 2024 at 5:49 pm. The item is currently in transit to the
9414811898765486505715	AllIrish Company	7312 E Church Ave	Fresno	CA	93737-9729	
						Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to
9414811898765486505753	Suzanne McClellan Roberts	3 Brazos Cir	Roswell	NM		the next facility.

9414811898765486505760	Lisa C. McClellan Revocable Trust,dated May 16, 2013	411 Viale Bond	Roswell	NM	88201-5851	We attempted to deliver your item at 3:35 pm on October 29, 2024 in ROSWELL, NM 88201 and a notice was left because an authorized recipient was not available.
9414811898765486505722	Guest Petroleum, Inc.	PO Box 805	Edmond	ОК	73083-0805	Your item was picked up at the post office at 3:25 pm on October 29, 2024 in EDMOND, OK 73034.
9414811898765486505708	Westway Petro	13917 Charcoal Ln	Farmers Branch	TX	75234-3641	Your item was delivered to an individual at the address at 4:59 pm on October 29, 2024 in DALLAS, TX 75234.
9414811898765486505791	Ronald T. May	2163 Lima Loop PMB 2123	Laredo	TX	78045-6420	Your item was picked up at a postal facility at 10:37 am on October 29, 2024 in LAREDO, TX 78045.
9414811898765486505746	Laura Mijangos-Rapp and Steven Wayne Rapp,Co-Trustees of the Laura Mijangos- Rapp Revocable Trust	2355 Oakland Bnd	San Antonio	TX	78258-7210	Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.

Received by OCD: 10/30/2024 1:52:47 PM

						Your item arrived at
						our WASHINGTON
						DC DISTRIBUTION
						CENTER destination
						facility on October
						29, 2024 at 4:15 pm.
						The item is currently
						in transit to the
9414811898765486505784	Charles S. Pashayan, Jr.	1700 H St NW	Washington	DC	20006-4601	destination.
						Your item was
						delivered to an
						individual at the
						address at 1:42 pm
						on October 29, 2024
						in CARLSBAD, NM
9414811898765486505777	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	88220.







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Your item was delivered to an individual at the address at 1:42 pm on October 29, 2024 in CARLSBAD, NM 88220.

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AFFIDAVIT OF PUBLICATION

CARLSBAD CURRENT-ARGUS PO BOX 507 HUTCHINSON, KS 67504-0507

STATE OF NEW MEXICO } SS COUNTY OF EDDY }

Account Number: 1232 Ad Number: 21030

Description: MRC - Whitby Commingling

Ad Cost: \$241.23

Sharon Groves, being first duly sworn, says:

That she is the Agent of the the Carlsbad Current-Argus, a Weekly newspaper of general circulation, printed and published in Carlsbad, Eddy County, New Mexico; that the publication, a copy of which is attached hereto, was published in said newspaper on the following dates:

November 9, 2024

That said newspaper was regularly issued and circulated on those dates.

SIGNED:

Sherry Danes

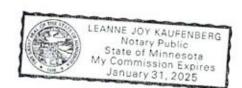
Agent

Subscribed to and sworn to me this 9th day of November 2024.

Leanne Kaufenberg, Notary Public Redwood County

Minnesota

KARI REESE HOLLAND & HART LLP 420 L STREET, SUITE 550 ANCHORAGE, AK 99501 kireese@hollandhart.com



LEGAL NOTICE

To: All affected parties, including all heirs, devisees, and successors of: EOG Resources, Inc.; OXY Y-1 Company; Permian Resources Operating, LLC; Prospector, LLC; Jasha Cultreri and wife, Susan Cultreri; Parrot Head Properties, LLC; Ross Duncan Properties LLC; Big Three Energy Group, LLC; Brian C. Reid and wife, Katherine Reid; BWAB Limited Liability Company; Magnum Hunter Production, Inc.; Occidental Permian Ltd.; Norma J. Barton; Roy G. Barton, Jr.; John Robert Lamsens; WilderPan LLC; Carrie McVay, Trustee of the Carrie McVay Trust; Northern Oil and Gas, Inc.; CRM 2018, LP; Elk Range Royalties II, LP; Asher Land & Minerals LLC; Penasco Petroleum LLC; Rolla R. Hinkle, III; Ronald L. Marcum and wife, Sylvia G. Marcum; Ter-mack, LP; William Edward Steinmann, Jr. and Patricia Ann Steinmann, JTs; Nuevo Seis, Limited Partnership; Robert H. Hannifin and Maxine B. Hannifin, Trustees of the Robert and Maxine Hannifin Trust, dated 3/1/2005; Quanah Exploration, LLC; Wallace H. Scott, III; William Winfield Scott; McElroy Minerals, LLC; Abo Petroleum, LLC; Abo Royalty, LLC; Prospector, LLC; James D. Finley; Matthew E. Cooper; Brent D. Talbot; Stephen M. Clark; AmeriPermian Holdings, LLC; AllIrish Company; Suzanne McClellan Roberts; Lisa C. McClellan Revocable Trust, dated May 16, 2013; Guest Petroleum, Inc.; Westway Petro; Ronald T. May; Laura Mijangos-Rapp Revocable Trust; Charles S. Pashayan, Jr.; Bureau of Land Management.

Application of Matador Production Company for administrative approval to surface commingle (pool and lease) oil and gas production from spacing units comprised of All of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador"), pursuant to 19.15.12.10 NMAC, seeks administrative approval to surface commingle (pool and lease) diversely owned oil and gas production at the Whitby Tank Battery insofar as all existing and future wells drilled in the following spacing units:

- (a) The 320-acre spacing unit comprised of the N/2 N/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the Whitby 2526 Fed Com 121H (API. No. 30-015-55494);
- (b) The 320-acre spacing unit comprised of the S/2 N/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the Whitby 2526 Fed Com 122H (API. No. 30-015-55495);
- (c) The 320-acre spacing unit comprised of the N/2 S/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the Whitby 2526 Fed Com 123H (API. No. 30-015-55501);
- (d) The 320-acre spacing unit comprised of the S/2 S/2 of Sections 25 and 26, in the Carlsbad; Bone Spring East [96144] currently dedicated to the Whitby 2526 Fed Com 124H (API. No. 30-015-55500);
- (e) The 640-acre spacing unit comprised of the N/2 of Sections 25 and 26, in the Lone Tree Draw; Wolfcamp [97208] and Carlsbad; Wolfcamp East (Gas) [74160] currently dedicated to the Whitby 2526 Fed Com 201H (API. No. 30-015-55496) and Whitby 2526 Fed Com 202H (API. No. 30-015-55497);
- (f) The 640-acre spacing unit comprised of the S/2 of Sections 25 and 26, in the Carlsbad; Wolfcamp East (Gas) [74160] currently dedicated to the Whitby 2526 Fed Com 203H (API. No. 30-015-55499) and Whitby 2526 Fed Com 204H (API. No. 30-015-55498); and
- (g) Pursuant to 19.15.12.10.C(4)(g), from all future additions of pools, leases or leases and pools to the Whitby Tank Battery (located in the E/2 NE/4 (Units A & H) of Section 25. Township 21 South, Range 27 East) with notice provided only to the owners of interests to be added.

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 Hawks Holder, Matador Production Company, (972) 619-4336 or hawks.holder@matadorresources.com.

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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-971

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.

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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. 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.

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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.

- 3. 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.
- 4. 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.
- 5. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 6. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8 B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8 E. NMAC.
- 7. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10 C.(2) NMAC.

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- 8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
- 9. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10 C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
- 10. If a well is not included in Exhibit A but produces from a pool 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.
- 11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 12. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
- 13. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

GERASIMOS RAZATOS DIRECTOR (ACTING) **DATE:** 5/14/2025

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State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-971

Operator: Matador Production Company (228937)

Central Tank Battery: Whitby Tank Battery

Central Tank Battery Location: UL H, Section 25, Township 21 South, Range 27 East

Gas Title Transfer Meter Location:

Pools

Pool Name	Pool Code
CARLSBAD; WOLFCAMP, EAST (GAS)	74160
CARLSBAD; BONE SPRING, EAST	96144
LONE TREE DRAW; WOLFCAMP	97208

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R	
DDODOSED CA Dono Spring NMNM 106712744	N/2 N2	25-21S-27E	320
PROPOSED CA Bone Spring NMNM 106713744 CA Bone Spring NMNM 106713752 CA Bone Spring NMNM 106713755 CA Bone Spring NMNM 106713491 PROPOSED CA Wolfcamp NMNM 106715371	N/2 N/2	26-21S-27E	
CA Pone Spring NMNM 106712752	CA Bone Spring NMNM 106713752 CA Bone Spring NMNM 106713755 CA Bone Spring NMNM 106713755 CA Bone Spring NMNM 106713491 CA Bone Spring NMNM 106713491 S/2 N/2 S/2 N/2	25-21S-27E	320
CA bone spring NWINWI 100/13/32	S/2 SW/4, S/2 SE/4	26-21S-27E	
CA Bone Spring NMNM 106713752 CA Bone Spring NMNM 106713755	N/2 S/2	25-21S-27E	320
	N/2 S/2	26-21S-27E	
	S/2 N/2	25-21S-27E	320
	S/2 N/2	26-21S-27E	
DDODOSED CA Wolfoamp NMNM 106715271	N/2	25-21S-27E	640
PROPOSED CA Wolfcamp NMNM 106715371 PROPOSED CA Wolfcamp NMNM 106713490	N/2	26-21S-27E	
	S/2	25-21S-27E	640
	S/2	26-21S-27E	
Ess Dealed Avec	All Minus UL K, O	25-21S-27E	
ree rooleu Area	UL H, I, P, O	26-21S-27E	
Fee Pooled Area			

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-015-55494	WHITBY 25 26 FEDERAL COM #121H	N/2 N/2	25-21S-27E	96144
		N/2 N/2	26-21S-27E	90144
30-015-55495	WHITBY 25 26 FEDERAL COM #122H	S/2 N/2	25-21S-27E	96144
		S/2 N/2	26-21S-27E	70144
30-015-55496	WHITBY 25 26 FEDERAL COM #201H	N/2	25-21S-27E	74160
		N/2	26-21S-27E	97208
30-015-55497	WHITBY 25 26 FEDERAL COM #202H	N/2	25-21S-27E	74160
	WHITDY 25 20 FEDERAL COM #202H	N/2 26-2	26-21S-27E	97208
30-015-55498	WHITBY 25 26 FEDERAL COM #204H	S/2	25-21S-27E	74160
	WHITBY 25 20 FEDERAL COM #204H	S/2 26-21S-27E	S/2 26-21S-27E	/4100

30-015-55499	WHITBY 25 26 FEDERAL COM #203H	S/2	25-21S-27E	- 74160
		S/2	26-21S-27E	74100
30-015-55500	WHITBY 25 26 FEDERAL COM #124H	S/2 S/2	25-21S-27E	96144
		S/2 S/2	26-21S-27E	90144
30-015-55501	WHITBY 25 26 FEDERAL COM #123H	N/2 S/2	25-21S-27E	96144
		N/2 S/2	26-21S-27E	70144

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

General Information Phone: (505) 629-6116

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

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

CONDITIONS

Action 397430

CONDITIONS

Operator:	OGRID:	
MATADOR PRODUCTION COMPANY	228937	
One Lincoln Centre	Action Number:	
Dallas, TX 75240	397430	
	Action Type:	
	[C-107] Surface Commingle or Off-Lease (C-107B)	

CONDITIONS

Created By	Condition	Condition Date
sarah.clelland	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please email us at OCD.Engineer@emnrd.nm.gov.	5/14/2025