

Revised March 23, 2017

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

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



**ADMINISTRATIVE APPLICATION CHECKLIST**

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

**Applicant:** Matador Production Company **OGRID Number:** 228937  
**Well Name:** Uncle Richard and Ken Stewart **API:** 30-025-various  
**Pool:** Jal; Wolfcamp, West **Pool Code:** 33813

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

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

A. Location – Spacing Unit – Simultaneous Dedication

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

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

[ I ] Commingling – Storage – Measurement

☐ DHC ☒ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

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

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

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

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

**FOR OCD ONLY**

- ☐ Notice Complete  
☐ Application Content Complete

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

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

Paula M. Vance

Print or Type Name

Signature

April 17, 2025

Date

505-988-4421

Phone Number

pmvance@hollandhart.com

e-mail Address



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

April 17, 2025

**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 to amend NMOCD Order CTB-1073 and for administrative approval to surface commingle (lease commingle) oil and gas production from the spacing units underlying the E/2 of Sections 29 and 32 and the W/2 of Sections 20, 29, and 32, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Lands")**

Dear Mr. Razatos:

Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order CTB-1073 ("Order CTB-1073"), attached as **Exhibit 1**, Order CTB-1073 authorizes lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the **Uncle Richard Tank Battery** ("TB") of oil and gas production from *all existing and future wells drilled in the following spacing units*:

- (a) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the **Uncle Richard State Com #213H** (API No. 30-025-50845);
- (b) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the **Uncle Richard State Com #214H** (API No. 30-025-50846); and
- (c) Pursuant to 19.15.12.10.C(4)(g), *future leases, pools, or leases and pools connected to the Uncle Richard Tank Battery* with notice provided only to the owners of interests to be added.

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order CTB-1073 to add to the terms of the order the gas production from all existing and future infill wells drilled in the following spacing units:

- (a) The 480-acre spacing unit comprised of the W/2 W/2 of Sections 20, 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the **Ken Stewart Fed Com**



**Paula M. Vance**  
**Associate**  
**Phone** (505) 988-4421  
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**#211H** (API No. 30-025-54331); and

(b) The 480-acre spacing unit comprised of the E/2 W/2 of Sections 20, 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the **Ken Stewart Fed Com #212H** (API No. 30-025-54332).

Gas production from these spacing units will be commingled and sold at the **Uncle Richard Tank Battery** located in the SW/4 SE/4 (Unit O) of Section 32. Production from the wellbores will flow into a wellhead test separator, which will separate the oil, gas, and water. Gas production from the separators will be individually metered with a calibrated orifice meter that is manufactured to AGA specifications. Though this application does not seek to add additional oil commingling authority, oil from the Uncle Richard wells will continue to be commingled as authorized under Order CTB-1073. Oil production from the separator will be separately metered using turbine meters.

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

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

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

**Exhibit 5** 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 6** is a list of the interest owners (including any owners of royalty or overriding royalty interests) affected by this application, an example of the letters sent by certified mail advising the interest owners that any objections must be filed in writing with the Division within 20 days from the date the Division receives this application, and proof of mailing. A copy of this application has been provided to the New Mexico State Land Office and the Bureau of Land Management since state and federal lands are involved.

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



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

Sincerely,

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

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

EXHIBIT

1

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

**APPLICATION FOR SURFACE COMMINGLING**

**SUBMITTED BY MATADOR PRODUCTION COMPANY**

**ORDER NO. CTB-1073**

**ORDER**

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

**FINDINGS OF FACT**

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

### **CONCLUSIONS OF LAW**

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

### **ORDER**

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

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

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

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

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

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

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

3. The allocation of oil and gas production to wells not included in Exhibit A but that produce from a pool and lease identified in Exhibit A shall be determined in the same manner as to wells identified in Exhibit A that produce from that pool and lease, provided that if more than one allocation method is being used or if there are no wells identified in Exhibit A that produce from the pool and lease, then allocation of oil and gas production to each well not included in Exhibit A shall be determined by OCD prior to commingling production from it with the production from another well.
4. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling 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.
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 identified in Exhibit A, then Applicant shall submit Forms C-102 and C-103 to the OCD Engineering Bureau after the well has been approved to be drilled and prior to off-lease measuring or commingling oil or gas production from it with the production from another well. The Form C-103 shall reference this Order and identify the well, proposed method to determine the allocation of oil and gas production to it, and the location(s) that commingling of its production will occur.
11. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
12. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
13. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

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

**DATE:** 2/6/2023



State of New Mexico  
Energy, Minerals and Natural Resources Department

Exhibit A

Order: CTB-1073  
Operator: Matador Production Company (228937)  
Central Tank Battery: Uncle Richard Tank Battery  
Central Tank Battery Location: UL O, Section 32, Township 24 South, Range 36 East  
Gas Title Transfer Meter Location: UL O, Section 32, Township 24 South, Range 36 East

Pools

Pool Name	Pool Code
JAL;WOLFCAMP, WEST	33813

Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
VC 0333 0001	E/2	32-24S-36E
Fee	W/2 NE/4	29-24S-36E
Fee	E/2 NE/4	29-24S-36E
Fee	SE/4	29-24S-36E

Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-50845	Uncle Richard State Com #213H	W/2 E/2	29-24S-36E	33813
		W/2 E/2	32-24S-36E	
30-025-50846	Uncle Richard State Com #214H	E/2 E/2	29-24S-36E	33813
		E/2 E/2	32-24S-36E	

State of New Mexico  
Energy, Minerals and Natural Resources Department

Exhibit B

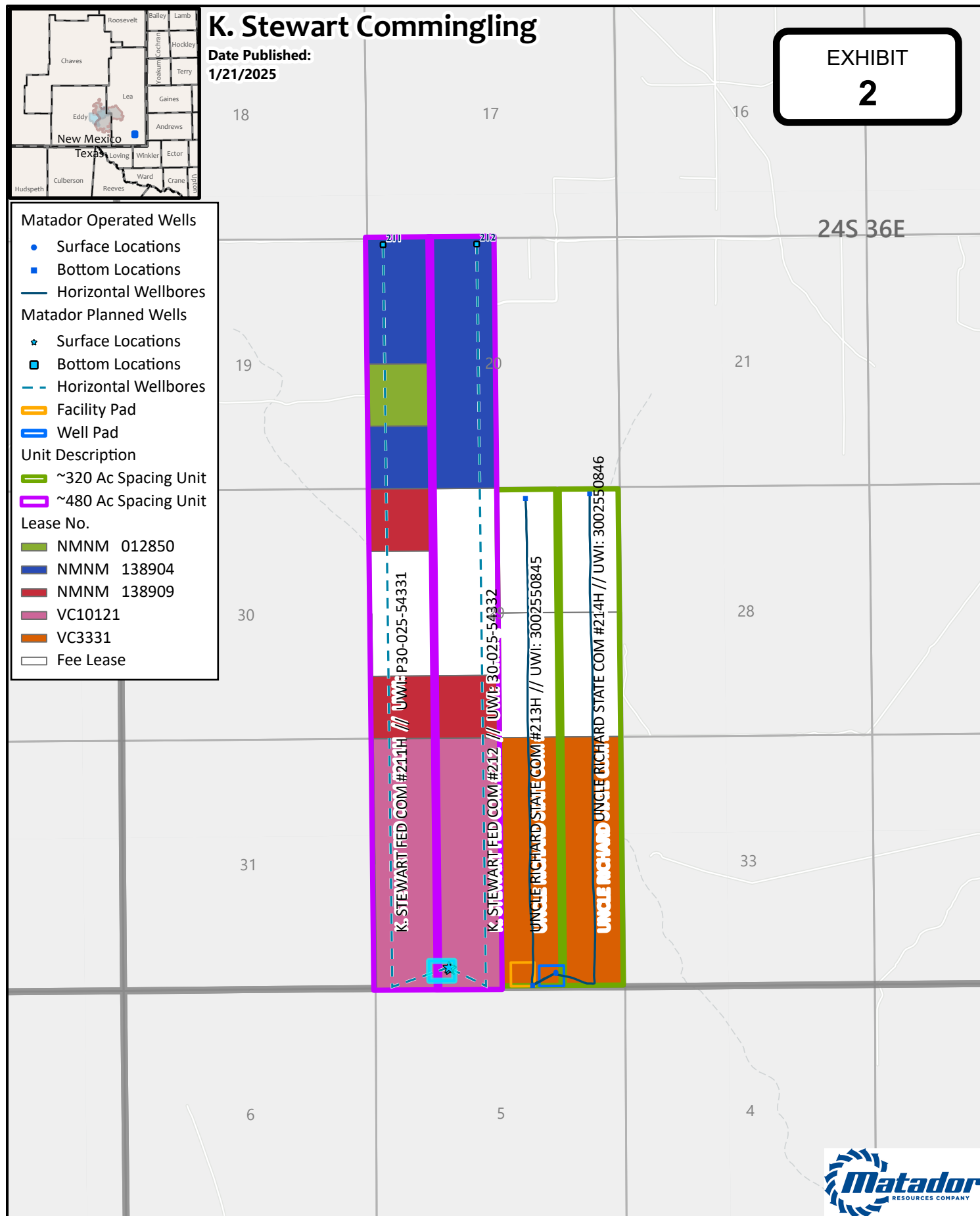
Order: CTB-1073  
Operator: Matador Production Company (228937)

Pooled Areas

Pooled Area	UL or Q/Q	S-T-R	Acres	Pooled Area ID
CA Wolfcamp NMSLO	W/2 E/2	29-24S-36E	320	A
	W/2 E/2	32-24S-36E		
CA Wolfcamp NMSLO	E/2 E/2	29-24S-36E	320	B
	E/2 E/2	32-24S-36E		

Leases Comprising Pooled Areas

Lease	UL or Q/Q	S-T-R	Acres	Pooled Area ID
VC 0333 0001	W/2 E/2	32-24S-36E	160	A
Fee	W/2 SE/4	29-24S-36E	80	A
Fee	W/2 NE/4	29-24S-36E	80	A
VC 0333 0001	E/2 E/2	32-24S-36E	160	B
Fee	E/2 SE/4	29-24S-36E	80	B
Fee	E/2 NE/4	29-24S-36E	80	B



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  
August 1, 2011

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

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

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

OPERATOR NAME: Matador Production Company

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

APPLICATION TYPE:

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

LEASE TYPE: ☒ Fee ☒ State ☒ Federal

Is this an Amendment to existing Order? ☒ Yes ☐ No If "Yes", please include the appropriate Order No. CTB-1073  
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
☒ Yes ☐ No

**(A) POOL COMMINGLING**

Please attach sheets with the following information

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

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

**(B) LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Pool Name and Code- Jal; Wolfcamp, West (33813)  
(2) Is all production from same source of supply? ☒ Yes ☐ No  
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No  
(4) Measurement type: ☒ Metering ☐ Other (Specify)

**(C) POOL and LEASE COMMINGLING**

Please attach sheets with the following information

- (1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**

Please attached sheets with the following information

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

**(E) ADDITIONAL INFORMATION (for all application types)**

Please attach sheets with the following information

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

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

SIGNATURE: Oscar Gonzalez  
TYPE OR PRINT NAME Oscar Gonzalez

TITLE: Production Engineer

DATE: 01/06/2025

TELEPHONE NO.: (972) 629 2147

E-MAIL ADDRESS: ogonzalez@matadorresources.com

# Matador Production Company

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

Voice 972.619.4343 • Fax 972.371.5201

[ogonzalez@matadorresources.com](mailto:ogonzalez@matadorresources.com)

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Oscar Gonzalez  
Production Engineer

January 6, 2025

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

**Re: Application of Matador Production Company for Administrative Approval to Amend Administrative Order CTB-1073 to Surface Commingle (lease commingle) Production from the Spacing Units Comprising of the E/2 of Sections 29 and 32 & W/2 of Sections 20, 29, and 32, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Lands")**

To Whom This May Concern,

Under NMOCD Order CTB-1073, Matador Production Company ("Matador"), OGRID: 228937, previously was authorized to commingle production from the Wolfcamp (Jal; Wolfcamp, West (33813)) from the spacing units comprised of the E/2 of Sections 29 and 32, Township 24 South, Range 36 East, NMPM, Lea County, NM. Pursuant to this application, Matador seeks to amend NMOCD Order CTB-1073 to add authority to commingle gas production from additional Wolfcamp spacing units together comprising the W/2 of Sections 20, 29, and 32, Township 24 South, Range 36 East, NMPM, Lea County, NM, which are also in the Jal; Wolfcamp, West (33813).

In particular, this application seeks to add authority to commingle future **gas** production from four (4) distinct wells located on the Lands and future production from the Lands as described herein. All wells will be metered through individual test separators with a gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on Exhibit A. 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 Laboratory Services attached as Exhibit B hereto.

With respect to **oil**, this application does not seek to add any additional oil commingling authority to the existing NMOCD Order CTB 1073 because, as showing Process Flow Diagram (PFD) attached as **Exhibit A** hereto, both of the new spacing units being added in this amendment will have their own separate oil train and tanks and therefore will not commingle oil. The oil from the two Uncle Richard wells will continue to be commingled as authorized under the existing NMOCD Order CTB 1073.

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

Very truly yours,

MATADOR PRODUCTION COMPANY

A handwritten signature in blue ink, appearing to read "Oscar Gonzalez", with a long horizontal flourish extending to the right.

Oscar Gonzalez  
Production Engineer







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

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

**Sample:** Leslie Federal COM No. 203H  
First Stage Separator Gas  
Spot Sample @ 192 psig & 109 °F

Date Sampled: 07/15/2019

Job Number: 192636.001

**CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286**

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	1.792	
Carbon Dioxide	0.221	
Methane	72.691	
Ethane	14.135	3.872
Propane	6.687	1.887
Isobutane	0.650	0.218
n-Butane	1.866	0.603
2-2 Dimethylpropane	0.013	0.005
Isopentane	0.398	0.149
n-Pentane	0.447	0.166
Hexanes	0.390	0.164
Heptanes Plus	<u>0.710</u>	<u>0.299</u>
Totals	100.000	7.362

**Computed Real Characteristics Of Heptanes Plus:**

Specific Gravity ----- 3.409 (Air=1)  
Molecular Weight ----- 98.32  
Gross Heating Value ----- 5208 BTU/CF

**Computed Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.783 (Air=1)  
Compressibility (Z) ----- 0.9957  
Molecular Weight ----- 22.58  
Gross Heating Value  
Dry Basis ----- 1359 BTU/CF  
Saturated Basis ----- 1336 BTU/CF

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

**EXHIBIT**  
**B**

Base Conditions: 15.025 PSI & 60 Deg F

Sampled By: (14) RP  
Analyst: NG  
Processor: NG  
Cylinder ID: T-5319

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

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

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	1.792		2.224
Carbon Dioxide	0.221		0.431
Methane	72.691		51.654
Ethane	14.135	3.872	18.827
Propane	6.687	1.887	13.062
Isobutane	0.650	0.218	1.674
n-Butane	1.866	0.603	4.804
2,2 Dimethylpropane	0.013	0.005	0.042
Isopentane	0.398	0.149	1.272
n-Pentane	0.447	0.166	1.429
2,2 Dimethylbutane	0.003	0.001	0.011
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.043	0.018	0.164
2 Methylpentane	0.117	0.050	0.447
3 Methylpentane	0.070	0.029	0.267
n-Hexane	0.157	0.066	0.599
Methylcyclopentane	0.085	0.030	0.317
Benzene	0.047	0.013	0.163
Cyclohexane	0.087	0.030	0.324
2-Methylhexane	0.022	0.010	0.098
3-Methylhexane	0.030	0.014	0.133
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.087	0.039	0.382
n-Heptane	0.059	0.028	0.262
Methylcyclohexane	0.078	0.032	0.339
Toluene	0.033	0.011	0.135
Other C8's	0.087	0.041	0.425
n-Octane	0.025	0.013	0.126
Ethylbenzene	0.004	0.002	0.019
M & P Xylenes	0.008	0.003	0.038
O-Xylene	0.002	0.001	0.009
Other C9's	0.037	0.019	0.207
n-Nonane	0.006	0.003	0.034
Other C10's	0.011	0.007	0.069
n-Decane	0.001	0.001	0.006
Undecanes (11)	<u>0.001</u>	<u>0.001</u>	<u>0.007</u>
Totals	100.000	7.362	100.000

Computed Real Characteristics of Total Sample

Specific Gravity -----	0.783	(Air=1)
Compressibility (Z) -----	0.9957	
Molecular Weight -----	22.58	
Gross Heating Value		
Dry Basis -----	1359	BTU/CF
Saturated Basis -----	1336	BTU/CF

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

**Sample:** Leslie Federal COM No. 203H  
 First Stage Separator Gas  
 Spot Sample @ 192 psig & 109 °F

Date Sampled: 07/15/2019

Job Number: 192636.001

**GLYCALC FORMAT**

<b>COMPONENT</b>	<b>MOL%</b>	<b>GPM</b>	<b>Wt %</b>
Carbon Dioxide	0.221		0.431
Hydrogen Sulfide	< 0.001		< 0.001
Nitrogen	1.792		2.224
Methane	72.691		51.654
Ethane	14.135	3.872	18.827
Propane	6.687	1.887	13.062
Isobutane	0.650	0.218	1.674
n-Butane	1.879	0.608	4.846
Isopentane	0.398	0.149	1.272
n-Pentane	0.447	0.166	1.429
Cyclopentane	0.000	0.000	0.000
n-Hexane	0.157	0.066	0.599
Cyclohexane	0.087	0.030	0.324
Other C6's	0.233	0.098	0.889
Heptanes	0.283	0.121	1.192
Methylcyclohexane	0.078	0.032	0.339
2,2,4 Trimethylpentane	0.000	0.000	0.000
Benzene	0.047	0.013	0.163
Toluene	0.033	0.011	0.135
Ethylbenzene	0.004	0.002	0.019
Xylenes	0.010	0.004	0.047
Octanes Plus	<u>0.168</u>	<u>0.085</u>	<u>0.874</u>
Totals	100.000	7.362	100.000

**Real Characteristics Of Octanes Plus:**

Specific Gravity ----- 4.072 (Air=1)  
 Molecular Weight ----- 117.43  
 Gross Heating Value ----- 6182 BTU/CF

**Real Characteristics Of Total Sample:**

Specific Gravity ----- 0.783 (Air=1)  
 Compressibility (Z) ----- 0.9957  
 Molecular Weight ----- 22.58  
 Gross Heating Value  
   Dry Basis ----- 1359 BTU/CF  
   Saturated Basis ----- 1336 BTU/CF

API	Well Name & Number	UL or Q/Q	S-T-R	Pool Code
30-025-50845	Uncle Richard State Com #213H	W/2 E/2 W/2 E/2	29-24S-36E 32-24S-36E	Jal; Wolfcamp, West [33813]
30-025-50846	Uncle Richard State Com #214H	E/2 E/2 E/2 E/2	29-24S-36E 32-24S-36E	Jal; Wolfcamp, West [33813]
30-025-54331	Ken Stewart Fed Com #211H	W/2 W/2 W/2 W/2 W/2 W/2	20-24S-36E 29-24S-36E 32-24S-36E	Jal; Wolfcamp, West [33813]
30-025-54332	Ken Stewart Fed Com #212H	E/2 W/2 E/2 W/2 E/2 W/2	20-24S-36E 29-24S-36E 32-24S-36E	Jal; Wolfcamp, West [33813]

EXHIBIT

4

Received by OCD: 12/13/2022 3:55:06 PM

**DISTRICT I**  
1825 N. FRANCIS DR., HOHNS, NM 88240  
Phone: (505) 382-6181 Fax: (505) 382-0720

**DISTRICT II**  
811 S. FIRST ST., ARTESIA, NM 88210  
Phone: (505) 748-1283 Fax: (505) 748-0720

**DISTRICT III**  
1000 RIO BRAZOS RD., AZTEC, NM 87410  
Phone: (505) 354-6178 Fax: (505) 354-6170

**DISTRICT IV**  
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505  
Phone: (505) 476-3400 Fax: (505) 476-3402

State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 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 <b>30-025-50846</b>	Pool Code <b>33813</b>	Pool Name <b>Taj Wolfcamp, West</b>
Property Code <b>333587</b>	Property Name <b>UNCLE RICHARD STATE COM</b>	Well Number <b>214H</b>
GRID No. <b>228937</b>	Operator Name <b>MATADOR PRODUCTION COMPANY</b>	Elevation <b>3263.8'</b>

**Surface Location**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	24-S	36-E		291	SOUTH	1486	EAST	LEA

**Bottom Hole Location If Different From Surface**

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	29	24-S	36-E		60	NORTH	660	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320.00			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p><b>NAD 83 NME</b> <u>PROPOSED BOTTOM</u> <u>HOLE LOCATION</u> Y=436464.8 N X=866970.3 E LAT.=32.195537° N LONG.=103.280650° W</p> <p><b>NAD83 LTP</b> 100' FSL &amp; 660' FEL Y=436424.8 N X=866970.8 E LAT.=32.195427° N LONG.=103.280650° W</p> <table border="1"> <caption>NAD83 POINT LEGEND</caption> <tr><td>1</td><td>Y=436518.1 N</td></tr> <tr><td>2</td><td>X=866308.9 E</td></tr> <tr><td>3</td><td>Y=431251.6 N</td></tr> <tr><td>4</td><td>X=866373.7 E</td></tr> <tr><td>5</td><td>Y=425958.8 N</td></tr> <tr><td>6</td><td>X=866435.6 E</td></tr> <tr><td>7</td><td>Y=425969.7 N</td></tr> <tr><td>8</td><td>X=867755.0 E</td></tr> <tr><td>9</td><td>Y=428618.0 N</td></tr> <tr><td>10</td><td>X=867724.1 E</td></tr> <tr><td>11</td><td>Y=431287.5 N</td></tr> <tr><td>12</td><td>X=867692.4 E</td></tr> <tr><td>13</td><td>Y=436530.5 N</td></tr> <tr><td>14</td><td>X=867829.8 E</td></tr> </table> <p><b>NAD83 LTP</b> 100' FSL &amp; 660' FEL Y=426084.2 N X=867093.9 E LAT.=32.166948° N LONG.=103.280580° W</p> <p><b>NAD 83 NME</b> <u>SURFACE LOCATION</u> Y=426248.8 N X=866265.6 E LAT.=32.167478° N LONG.=103.283250° W</p>	1	Y=436518.1 N	2	X=866308.9 E	3	Y=431251.6 N	4	X=866373.7 E	5	Y=425958.8 N	6	X=866435.6 E	7	Y=425969.7 N	8	X=867755.0 E	9	Y=428618.0 N	10	X=867724.1 E	11	Y=431287.5 N	12	X=867692.4 E	13	Y=436530.5 N	14	X=867829.8 E	<p><b>NAD 27 NME</b> <u>PROPOSED BOTTOM</u> <u>HOLE LOCATION</u> Y=436405.6 N X=825784.0 E LAT.=32.195410° N LONG.=103.280185° W</p> <p><b>NAD27 LTP</b> 100' FSL &amp; 660' FEL Y=436365.6 N X=825784.4 E LAT.=32.195300° N LONG.=103.280185° W</p> <table border="1"> <caption>NAD27 POINT LEGEND</caption> <tr><td>1</td><td>Y=436459.9 N</td></tr> <tr><td>2</td><td>X=825122.8 E</td></tr> <tr><td>3</td><td>Y=431192.6 N</td></tr> <tr><td>4</td><td>X=825187.2 E</td></tr> <tr><td>5</td><td>Y=425899.9 N</td></tr> <tr><td>6</td><td>X=825249.1 E</td></tr> <tr><td>7</td><td>Y=425910.0 N</td></tr> <tr><td>8</td><td>X=826568.3 E</td></tr> <tr><td>9</td><td>Y=428559.0 N</td></tr> <tr><td>10</td><td>X=826537.4 E</td></tr> <tr><td>11</td><td>Y=431208.4 N</td></tr> <tr><td>12</td><td>X=826505.9 E</td></tr> <tr><td>13</td><td>Y=436471.3 N</td></tr> <tr><td>14</td><td>X=826443.2 E</td></tr> </table> <p><b>NAD27 LTP</b> 100' FSL &amp; 660' FEL Y=426005.4 N X=825907.2 E LAT.=32.166821° N LONG.=103.280116° W</p> <p><b>NAD 27 NME</b> <u>SURFACE LOCATION</u> Y=426189.9 N X=825079.0 E LAT.=32.167351° N LONG.=103.282787° W</p>	1	Y=436459.9 N	2	X=825122.8 E	3	Y=431192.6 N	4	X=825187.2 E	5	Y=425899.9 N	6	X=825249.1 E	7	Y=425910.0 N	8	X=826568.3 E	9	Y=428559.0 N	10	X=826537.4 E	11	Y=431208.4 N	12	X=826505.9 E	13	Y=436471.3 N	14	X=826443.2 E	<p><b>OPERATOR CERTIFICATION</b> I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>David W. Johns</i> Date: <i>11/30/22</i> Printed Name: <i>David W. Johns</i> E-mail Address: <i>djohns@matadorresources.com</i></p> <p><b>SURVEYOR CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 14, 2022 Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor <i>Chad L. Hargrow</i> 11/18/22 Certificate No. CHAD HARGROW 17777 W.O. # 22-1094 DRAWN BY: WN</p>
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Page 2 of 3

## DISTRICT I

1650 N. FREEDOM DR., HOBBS, NM 88240

Phone: (505) 392-6161 Fax: (505) 392-0720

## DISTRICT II

611 S. FIRST ST., ARTESIA, NM 88210

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State of New Mexico  
Energy, Minerals & Natural Resources Department  
**OIL CONSERVATION DIVISION**  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 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 <b>30-025-50845</b>	Pool Code <b>33813</b>	Pool Name <b>Jal; Wolfcamp, West</b>
Property Code <b>333587</b>	Property Name <b>UNCLE RICHARD STATE COM</b>	Well Number <b>213H</b>
OGRID No. <b>228937</b>	Operator Name <b>MATADOR PRODUCTION COMPANY</b>	Elevation <b>3265.3'</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	24-S	36-E		321	SOUTH	1486	EAST	LEA

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	29	24-S	36-E		60	NORTH	1980	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
320.00			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<p>NAD 83 NME PROPOSED BOTTOM HOLE LOCATION Y=436453.4 N X=865650.4 E LAT.=32.195541° N LONG.=103.284917° W</p> <p>NAD83 LTP 100' FSL &amp; 1980' FEL Y=436413.4 N X=865650.8 E LAT.=32.195431° N LONG.=103.284917° W</p> <p>NAD83 POINT LEGEND</p> <table border="1"> <tr><td>1</td><td>Y=436519.1 N</td></tr> <tr><td></td><td>X=868308.9 E</td></tr> <tr><td>2</td><td>Y=431251.6 N</td></tr> <tr><td></td><td>X=868370.7 E</td></tr> <tr><td>3</td><td>Y=425956.8 N</td></tr> <tr><td></td><td>X=868435.8 E</td></tr> <tr><td>4</td><td>Y=425947.8 N</td></tr> <tr><td></td><td>X=865116.6 E</td></tr> <tr><td>5</td><td>Y=431236.0 N</td></tr> <tr><td></td><td>X=865053.8 E</td></tr> <tr><td>6</td><td>Y=436507.7 N</td></tr> <tr><td></td><td>X=861988.2 E</td></tr> </table> <p>NAD83 FTP 100' FSL &amp; 1980' FEL Y=426053.3 N X=865773.9 E LAT.=32.166954° N LONG.=103.284845° W</p> <p>NAD 83 NME SURFACE LOCATION Y=426278.8 N X=866265.6 E LAT.=32.167560° N LONG.=103.283249° W</p>	1	Y=436519.1 N		X=868308.9 E	2	Y=431251.6 N		X=868370.7 E	3	Y=425956.8 N		X=868435.8 E	4	Y=425947.8 N		X=865116.6 E	5	Y=431236.0 N		X=865053.8 E	6	Y=436507.7 N		X=861988.2 E	<p>NAD 27 NME PROPOSED BOTTOM HOLE LOCATION Y=436394.3 N X=824464.0 E LAT.=32.195414° N LONG.=103.284452° W</p> <p>NAD27 LTP 100' FSL &amp; 1980' FEL Y=436354.3 N X=824464.5 E LAT.=32.195305° N LONG.=103.284452° W</p> <p>NAD27 POINT LEGEND</p> <table border="1"> <tr><td>1</td><td>Y=436469.8 N</td></tr> <tr><td></td><td>X=826122.6 E</td></tr> <tr><td>2</td><td>Y=431192.6 N</td></tr> <tr><td></td><td>X=825187.2 E</td></tr> <tr><td>3</td><td>Y=425899.9 N</td></tr> <tr><td></td><td>X=825249.1 E</td></tr> <tr><td>4</td><td>Y=425889.0 N</td></tr> <tr><td></td><td>X=823829.9 E</td></tr> <tr><td>5</td><td>Y=431177.0 N</td></tr> <tr><td></td><td>X=823867.9 E</td></tr> <tr><td>6</td><td>Y=438448.6 N</td></tr> <tr><td></td><td>X=823901.9 E</td></tr> </table> <p>NAD27 FTP 100' FSL &amp; 1980' FEL Y=425994.4 N X=824587.2 E LAT.=32.166827° N LONG.=103.284382° W</p> <p>NAD 27 NME SURFACE LOCATION Y=426219.9 N X=825078.9 E LAT.=32.167433° N LONG.=103.282786° W</p>	1	Y=436469.8 N		X=826122.6 E	2	Y=431192.6 N		X=825187.2 E	3	Y=425899.9 N		X=825249.1 E	4	Y=425889.0 N		X=823829.9 E	5	Y=431177.0 N		X=823867.9 E	6	Y=438448.6 N		X=823901.9 E	<p><b>OPERATOR CERTIFICATION</b></p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>David W. Johns</i> 11/30/22 Signature Date Printed Name E-mail Address <i>djohns@matadorresources.com</i></p> <p><b>SURVEYOR CERTIFICATION</b></p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>NOVEMBER 14, 2022 Date of Survey</p> <p>Signature &amp; Seal of Professional Surveyor <i>Chad L. Hargrow</i> 11/18/22 Certificate No. CHAD HARGROW 17777 W.O. # 22-1093 DRAWN BY: WN</p>
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C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
			<input type="checkbox"/> As Drilled

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-54331	Pool Code 33813	Pool Name JAL; WOLFCAMP, WEST
Property Code	Property Name KEN STEWART FED COM	Well Number 211H
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation 3244'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fec <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fec <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
N	32	24-S	36-E	-	451' S	1533' W	N 32.1679244	W 103.2905484	LEA

## Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
D	20	24-S	36-E	-	110' N	331' W	N 32.2099274	W 103.2945640	LEA

Dedicated Acres 480	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidated Code
Order Numbers			Well Setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	32	24-S	36-E	-	50' S	333' W	N 32.1668277	W 103.2944225	LEA

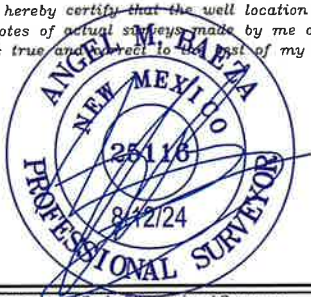
## First Take Point (FTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
M	32	24-S	36-E	-	100' S	333' W	N 32.1669651	W 103.2944229	LEA

## Last Take Point (LTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
D	20	24-S	36-E	-	110' N	331' W	N 32.2099274	W 103.2945640	LEA

Unitized Area or Area of Uniform Interest	Spacing Unity Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation 3244'
---	---	---------------------------------

<b>OPERATOR CERTIFICATION</b> I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division. <i>Nicky Fitzgerald</i> 8/30/2024 Signature Date Nicky Fitzgerald Print Name nicky.fitzgerald@matadorresources.com E-mail Address		<b>SURVEYORS CERTIFICATION</b> I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  Signature and Seal of Professional Surveyor Date Certificate Number Date of Survey 06/08/2024	
---	--	--	--



C-102

Submit Electronically  
Via OCD PermittingState of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION

Revised July 9, 2024

Submittal  
Type:

- ☐ Initial Submittal
- ☐ Amended Report
- ☐ As Drilled

Property Name and Well Number

KEN STEWART FED COM 211H

## SURFACE LOCATION (SHL)

NEW MEXICO EAST  
NAD 1983  
X=864006 Y=426389  
LAT.: N 32.1679244  
LONG.: W 103.2905484  
451' FSL 1533' FWL

## KICK OFF POINT (KOP)

NEW MEXICO EAST  
NAD 1983  
X=862811 Y=425979  
LAT.: N 32.1668277  
LONG.: W 103.2944225  
50' FSL 333' FWL

## FIRST PERF. POINT (FPP)

NEW MEXICO EAST  
NAD 1983  
X=862810 Y=426029  
LAT.: N 32.1669651  
LONG.: W 103.2944229  
100' FSL 333' FWL

## BLM PERF. POINT (BPP1)

NEW MEXICO EAST  
NAD 1983  
X=862746 Y=431207  
LAT.: N 32.1812003  
LONG.: W 103.2944697  
0' FNL 330' FWL

## BLM PERF. POINT (BPP2)

NEW MEXICO EAST  
NAD 1983  
X=862729 Y=432527  
LAT.: N 32.1848286  
LONG.: W 103.2944816  
1320' FSL 331' FWL

## BLM PERF. POINT (BPP3)

NEW MEXICO EAST  
NAD 1983  
X=862696 Y=435167  
LAT.: N 32.1920847  
LONG.: W 103.2945054  
1320' FNL 331' FWL

## BLM PERF. POINT (BPP4)

NEW MEXICO EAST  
NAD 1983  
X=862680 Y=436487  
LAT.: N 32.1957126  
LONG.: W 103.2945173  
0' FNL 331' FWL

## BLM PERF. POINT (BPP5)

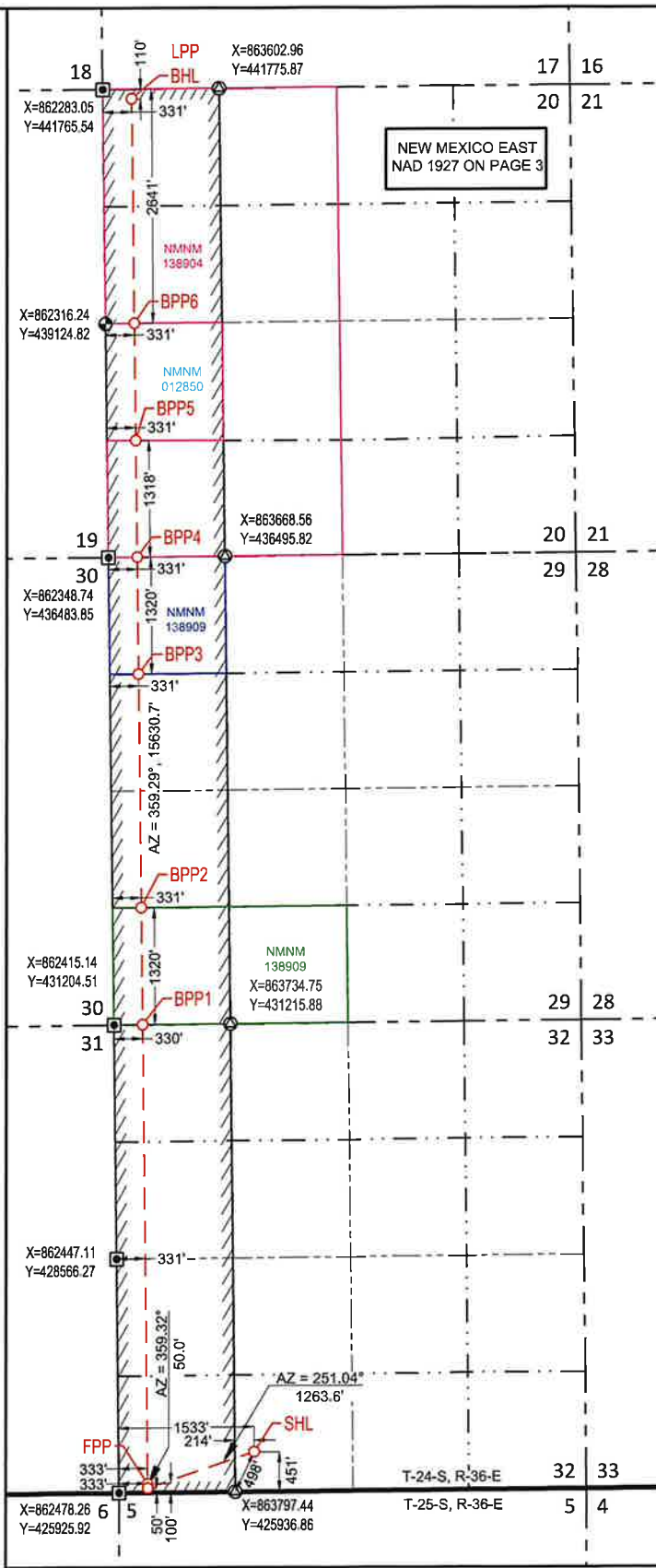
NEW MEXICO EAST  
NAD 1983  
X=862663 Y=437804  
LAT.: N 32.1993341  
LONG.: W 103.2945292  
1318' FSL 331' FWL

## BLM PERF. POINT (BPP6)

NEW MEXICO EAST  
NAD 1983  
X=862647 Y=439128  
LAT.: N 32.2029716  
LONG.: W 103.2945412  
2641' FNL 331' FWL

LAST PERF. POINT (LPP)  
BOTTOM HOLE LOCATION (BHL)

NEW MEXICO EAST  
NAD 1983  
X=862615 Y=441658  
LAT.: N 32.2099274  
LONG.: W 103.2945640  
110' FNL 331' FWL



## SURVEYORS CERTIFICATION

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

06/08/2024

Date of Survey

Signature and Seal of Professional Surveyor:



C-102  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-54332	Pool Code 33813	Pool Name JAL; WOLFCAMP, WEST
Property Code	Property Name KEN STEWART FED COM	Well Number 212H
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation 3244'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

## Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
N	32	24-S	36-E	-	421' S	1563' W	N 32.1678416	W 103.2904517	LEA

## Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
C	20	24-S	36-E	-	110' N	2310' W	N 32.2099172	W 103.2881660	LEA

Dedicated Acres 480	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidated Code
Order Numbers			Well Setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

## Kick Off Point (KOP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
N	32	24-S	36-E	-	50' S	2310' W	N 32.1668201	W 103.2880340	LEA

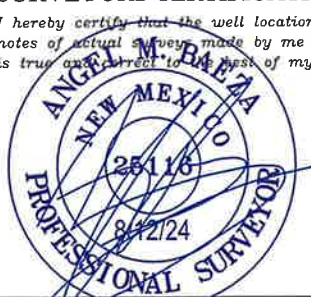
## First Take Point (FTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
N	32	24-S	36-E	-	100' S	2310' W	N 32.1669575	W 103.2880343	LEA

## Last Take Point (LTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
C	20	24-S	36-E	-	110' N	2310' W	N 32.2099172	W 103.2881660	LEA

Unitized Area or Area of Uniform Interest	Spacing Unity Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation 3244'
---	---	---------------------------------

<b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>  Nicky Fitzgerald 8/30/2024		<b>SURVEYORS CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>   Angela M. Deza 25116 8/2/24 PROFESSIONAL SURVEYOR	
Signature Nicky Fitzgerald		Signature and Seal of Professional Surveyor	
Date 8/30/2024		Date	
Print Name nicky.fitzgerald@matadorresources.com		Certificate Number	Date of Survey 06/08/2024
E-mail Address			

<b>C-102</b> Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>		Revised July 9, 2024	
	Submittal Type:	<input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled		
		Property Name and Well Number <div style="text-align: center; border: 1px solid black; padding: 5px;"> <b>KEN STEWART FED COM 212H</b> </div>		

**SURFACE LOCATION (SHL)**

NEW MEXICO EAST  
 NAD 1983  
 X=864036 Y=426359  
 LAT.: N 32.1678416  
 LONG.: W 103.2904517  
 NAD 1927  
 X=822849 Y=426301  
 LAT.: N 32.1677146  
 LONG.: W 103.2899879  
 421' FSL 1563' FWL

**KICK OFF POINT (KOP)**

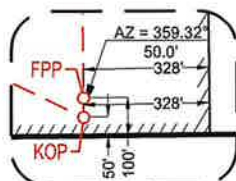
NEW MEXICO EAST  
 NAD 1983  
 X=864788 Y=425995  
 LAT.: N 32.1668201  
 LONG.: W 103.2880340  
 NAD 1927  
 X=823601 Y=425936  
 LAT.: N 32.1666930  
 LONG.: W 103.2875704  
 50' FSL 2310' FWL

**FIRST PERF. POINT (FPP)**

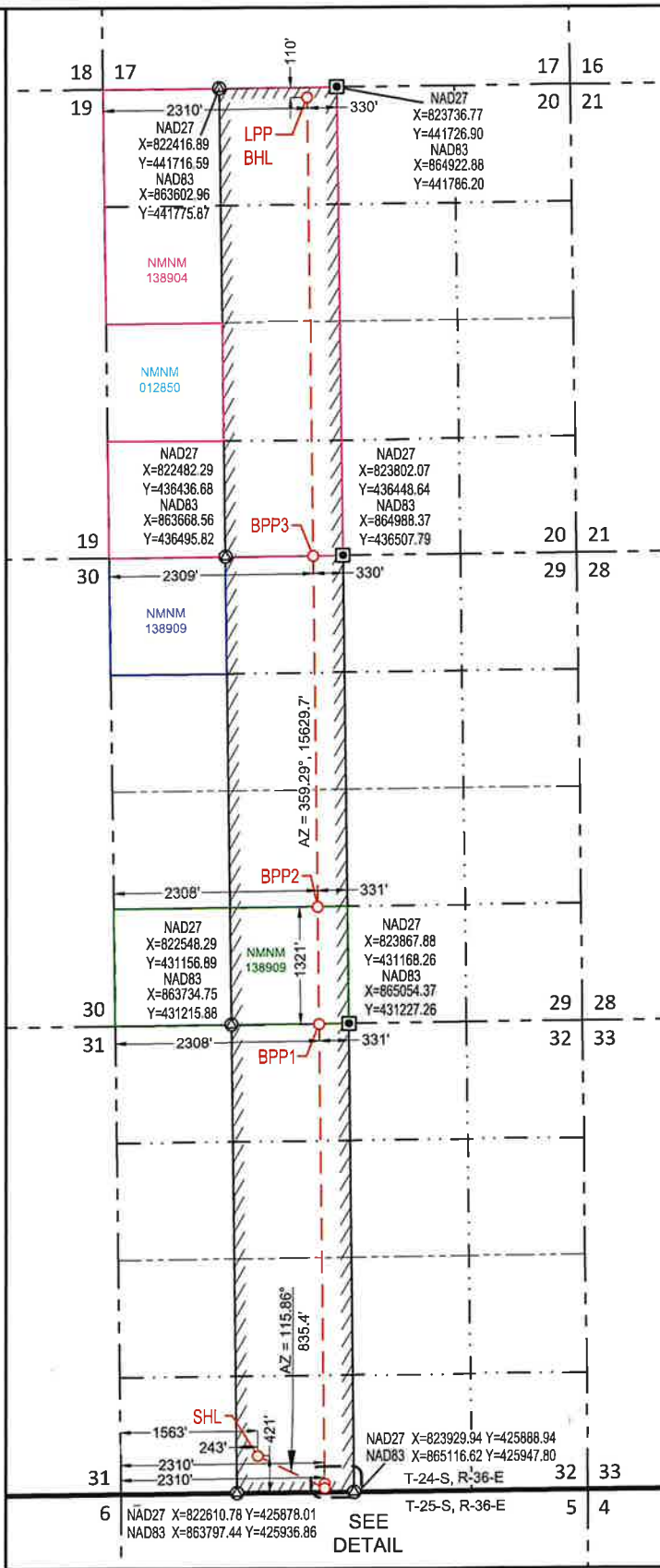
NEW MEXICO EAST  
 NAD 1983  
 X=864787 Y=426045  
 LAT.: N 32.1669575  
 LONG.: W 103.2880343  
 NAD 1927  
 X=823600 Y=425986  
 LAT.: N 32.1668305  
 LONG.: W 103.2875707  
 100' FSL 2310' FWL

**BLM PERF. POINT (BPP1)**

NEW MEXICO EAST  
 NAD 1983  
 X=864723 Y=431224  
 LAT.: N 32.1811945  
 LONG.: W 103.2880780  
 NAD 1927  
 X=823537 Y=431165  
 LAT.: N 32.1810675  
 LONG.: W 103.2876137  
 0' FNL 2308' FWL



DETAIL VIEW  
 SCALE: 1" = 500'

**BLM PERF. POINT (BPP2)**

NEW MEXICO EAST  
 NAD 1983  
 X=864707 Y=432545  
 LAT.: N 32.1848246  
 LONG.: W 103.2880891  
 NAD 1927  
 X=823520 Y=432486  
 LAT.: N 32.1846976  
 LONG.: W 103.2876246  
 1321' FSL 2308' FWL

**BLM PERF. POINT (BPP3)**

NEW MEXICO EAST  
 NAD 1983  
 X=864658 Y=436505  
 LAT.: N 32.1957092  
 LONG.: W 103.2881225  
 NAD 1927  
 X=823472 Y=436446  
 LAT.: N 32.1955823  
 LONG.: W 103.2876575  
 0' FNL 2309' FWL

**LOWER MOST PERF. (LMP)  
 BOTTOM HOLE LOCATION (BHL)**

NEW MEXICO EAST  
 NAD 1983  
 X=864594 Y=441674  
 LAT.: N 32.2099172  
 LONG.: W 103.2881660  
 NAD 1927  
 X=823408 Y=441614  
 LAT.: N 32.2097903  
 LONG.: W 103.2877003  
 110' FNL 2310' FWL

**SURVEYORS CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  
 06/08/2024

Date of Survey  
 Signature and Seal of Professional Surveyor:







EXHIBIT

5

COMMISSIONER

Stephanie Garcia Richard

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

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

COMMISSIONER'S OFFICE

Phone (505) 827-5760

Fax (505) 827-5766

www.nmstatelands.org

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

February 20<sup>th</sup>, 2023

Re: Communitization Agreement Approval  
Uncle Richard State Com #213H  
Vertical Extent: Wolfcamp  
Township: 24 South, Range 36 East, NMPM  
Section 29: W2E2  
Section 32: W2E2

Lea County, New Mexico

Dear Mr. Grainger,

The Commissioner of Public Lands has this date approved the Uncle Richard State Com #213H Communitization Agreement for the Wolfcamp formation effective 11-01-2022. Enclosed are three Certificates of Approval.

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

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

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

Sincerely,

*B. Lamkin*

Baylen Lamkin  
Petroleum Specialist Supervisor

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

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

**Matador Production Company  
Uncle Richard State Com #213H  
Wolfcamp**

**Township: 24 South, Range: 36 East, NMPM  
Section 29: W2E2  
Section 32: W2E2**

**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **November 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **20<sup>th</sup> day of February, 2023**.

  
**COMMISSIONER OF PUBLIC LANDS**

**of the State of New Mexico**

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

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

**Matador Production Company  
Uncle Richard State Com #213H  
Wolfcamp**

**Township: 24 South, Range: 36 East, NMPM**

**Section 29: W2E2**

**Section 32: W2E2**

**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **November 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **20<sup>th</sup> day of February, 2023**.

  
**COMMISSIONER OF PUBLIC LANDS**

**of the State of New Mexico**

**NEW MEXICO STATE LAND OFFICE**

## CERTIFICATE OF APPROVAL

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

**Matador Production Company  
Uncle Richard State Com #213H  
Wolfcamp**

**Township: 24 South, Range: 36 East, NMPM**

**Section 29: W2E2**

**Section 32: W2E2**

**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **November 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **20<sup>th</sup> day of February, 2023**.

  
**COMMISSIONER OF PUBLIC LANDS**

**of the State of New Mexico**



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

**STATE/STATE OR  
STATE/FEE**

Revised December 2021

**COMMUNITIZATION AGREEMENT**

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-025-50845

STATE OF NEW MEXICO ) Well Name: Uncle Richard State Com #213H  
SS)

COUNTY OF LEA )

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

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

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

ONLINE  
version  
December 9, 2021

State/State

2023 JAN 13 AM 9:44  
1

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

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

Subdivisions: **W2E2 of Sections 29 & 32, Township 24 South, Range 36 East, NMPM Lea, County, NM**

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

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

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

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

ONLINE  
version  
December 9, 2021

State/State

4. Matador Production Company shall be the Operator of the said communitized area and all matters of operation shall be determined and performed by Matador Production Company.

5. The State of New Mexico hereafter is entitled to the right to take in kind its share for the communitized substances allocated to such tract, and Operator shall make deliveries of such royalty share taken in kind in conformity with applicable contracts, laws, and regulations.

6. There shall be no obligation upon the parties hereto to offset any well or wells situated on the tracts of land comprising the communitized area, nor shall the Operator be required to measure separately the communitized substances by reason of the diverse ownership of the separate tracts of land comprising the said communitized area; provided, however, that the parties hereto shall not be released from their obligation to protect the communitized area from drainage of communitized substances by wells which may be drilled within offset distance (as that term is defined) of the communitized area.

7. The commencement, completion, and continued operation or production of a well or wells of communitized substances on the communitized area shall be considered as the commencement, completion, continued operation or production as to each of the leases described in Exhibit "A" hereto.

8. The production of communitized substances and disposal thereof shall be in conformity with the allocations, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State laws. This agreement shall be subject to all applicable Federal and State laws, executive orders, rules and regulations affecting the performance of the provisions hereof, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if compliance is prevented by or if such failure results from compliance with any such laws, orders, rules and regulations.

9. This agreement shall be effective as of the date hereinabove written upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Commissioner of Public Lands, shall remain in full force and effect for a period of one year from the date hereof and as long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules, and regulations; provided, that this agreement shall not expire if there is a well capable of producing gas in paying quantities located upon some part of the communitized area, if such a well is shut-in due to the inability of the Operator to obtain a pipeline connection or to market the gas therefrom, and if either: **(a)** a shut-in royalty has been timely and properly paid pursuant to the provisions of one of the State of New Mexico oil and gas leases covering lands subject to this agreement so as to prevent the expiration of such lease; or **(b)** each of the State of New Mexico oil and gas leases covering lands subject to this agreement is in its primary term (if a five-year lease), or in its primary or secondary term (if a ten-year lease), or is held by production from another well. Provided further, however, that prior to production in paying quantities from the communitized

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3

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

(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

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

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

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

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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



Operator: Matador Production Company

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



Signature of Authorized Agent

*read*  
*D.W.F.*

### ACKNOWLEDGEMENT

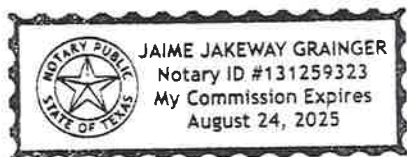
STATE OF TEXAS

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on January 5, 2023, 2022, by **Craig N. Adams, as Executive Vice President and COO** for **Matador Production Company**, on behalf of said corporation.



*Jaime Jakeway Grainger*  
Signature

*Jaime Jakeway Grainger*  
Name (Print)

My commission expires 8/24/2025

2023 JAN 13 AM 9:44

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

MRC Permian Company

By: *CN*

CRAG N. ADAMS  
Print Name

*red*  
*D.W.J.*

Date: 1/5/23

Acknowledgment in a Representative Capacity

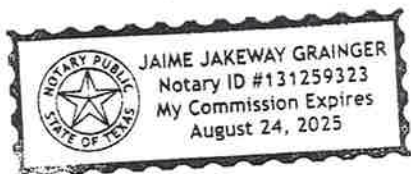
STATE OF TEXAS

§

COUNTY OF DALLAS

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This instrument was acknowledged before me on January 5, 2023, by **Craig N. Adams, as Executive Vice President and COO**, for **MRC Permian Company** on behalf of said corporation.



Jaime Jakeway Grainger  
Signature  
Jaime Jakeway Grainger  
Name (Print)  
My commission expires 8/24/2025

2023 JAN 13 AM 9:44

**EXHIBIT A**

**To Communitization Agreement dated October 1, 2022.**

**Plat of communitized area covering the W2E2 of Sections 29 & 32, Township 24 South, Range 36 East, NMPM Lea, County, NM**

<b>Section 29</b>	<b><u>Tract 1</u></b> Fee Lease 160 Acres	
<b>Section 32</b>	<b><u>Tract 2</u></b> State Lease VC-0333- 0001 160 Acres	



**EXHIBIT B**

**To Communitization Agreement dated W2E2 of Sections 29 & 32, Township 24 South, Range 36 East, NMPM Lea, County, NM**

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

**DESCRIPTION OF LEASES COMMITTED**

**TRACT NO. 1**

**Lease Serial No.:** Fee

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: W2E2

**Subdivisions:**

**Number of Acres:** 160.00

**Name of WI Owners:** MRC Permian Company  
Petrogulf Corporation  
ConocoPhillips Company  
Wellbark Resources, LLC

**TRACT NO. 2**

**Lease Serial No.:** VC-0333-0001

**Lease Date:** 1/31/2018

**Lease Term:** 5 Years

**Lessor:** State of New Mexico

**Present Lessee:** MRC Permian Company

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 36 East: W2E2

**Subdivisions:**

**Number of Acres:** 160.00

**Royalty Rate:** 1/5<sup>th</sup>

**Name of WI Owners:** MRC Permian Company  
Petrogulf Corporation  
ConocoPhillips Company  
Wellbark Resources, LLC

**RECAPITULATION**

Tract Numbers	Numbers of Acres	Percentage of Interest in Communitied Area
Tract 1	160.00	50.00%
Tract 2	160.00	50.00%
Total Acreage	320.00	100%



COMMISSIONER

Stephanie Garcia Richard

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

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

COMMISSIONER'S OFFICE

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

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

February 13<sup>th</sup>, 2023

Re: Communitization Agreement Approval  
Uncle Richard State Com #214H  
Vertical Extent: Wolfcamp  
Township: 24 South, Range 36 East, NMPM  
Section 29: E2E2  
Section 32: E2E2

Lea County, New Mexico

Dear Mr. Grainger,

The Commissioner of Public Lands has this date approved the Uncle Richard State Com #214H Communitization Agreement for the Wolfcamp formation effective 11-01-2022. Enclosed are three Certificates of Approval.

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

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

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

Sincerely,

*B. Lamkin*

Baylen Lamkin  
Petroleum Specialist Supervisor

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

**Matador Production Company  
Uncle Richard State Com #214H  
Wolfcamp  
Township: 24 South, Range: 36 East, NMPM  
Section 29: E2E2  
Section 32: E2E2**


**Lea County, New Mexico**

There having been presented to the undersigned Commissioner of Public Lands of the State of New Mexico for examination, a Communitization Agreement for the development and operation of acreage which is described within the referenced Agreement dated **November 01, 2022**, which has been executed, or is to be executed by parties owning and holding oil and gas leases and royalty interests in and under the property described, and upon examination of said Agreement, the Commissioner finds:

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

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

IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this **13<sup>th</sup> day of February, 2023**.

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

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

**Matador Production Company  
Uncle Richard State Com #214H  
Wolfcamp  
Township: 24 South, Range: 36 East, NMPM  
Section 29: E2E2  
Section 32: E2E2**

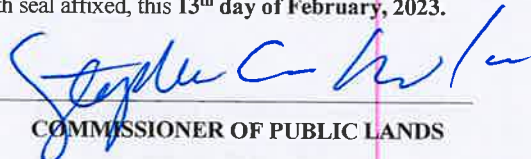
**Lea County, New Mexico**

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

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

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

**Matador Production Company**  
**Uncle Richard State Com #214H**  
**Wolfcamp**  
**Township: 24 South, Range: 36 East, NMPM**  
**Section 29: E2E2**  
**Section 32: E2E2**

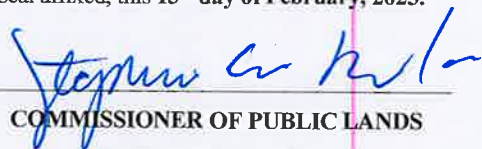
**Lea County, New Mexico**

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- (a) That such agreement will tend to promote the conservation of oil and gas and the better utilization of reservoir energy in said area.
- (b) That under the proposed agreement, the State of New Mexico will receive its fair share of the recoverable oil or gas in place under its lands in the area.
- (c) That each beneficiary Institution of the State of New Mexico will receive its fair and equitable share of the recoverable oil and gas under its lands within the area.
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IN WITNESS WHEREOF, this Certificate of Approval is executed, with seal affixed, this 13<sup>th</sup> day of February, 2023.

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



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

**STATE/STATE OR  
STATE/FEE**

Revised December 2021

**COMMUNITIZATION AGREEMENT**

ONLINE Version

KNOW ALL PERSONS BY THESE PRESENTS:

API #: 30-025-50846

STATE OF NEW MEXICO ) Well Name: Uncle Richard State Com #214H  
SS)

COUNTY OF LEA )

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

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

WHEREAS, the parties hereto, own working, royalty, or other leasehold interests or operating rights under the oil and gas leases and lands subject to this agreement, and all such State leases are required to remain in good standing and compliant with State laws, rules & regulations, which leases are more particularly described in the schedule attached hereto, marked Exhibit "A" and made a part hereof, for all purposes; and

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

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

2023 JAN 13 AM 9:43

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

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

Subdivisions: **E2E2 of Sections 29 & 32, Township 24 South, Range 36 East, NMPM Lea, County, NM**

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

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

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

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

2023 JAN 13 AM 9:43

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



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

(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this agreement.

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

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

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

13. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instruments, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.

14. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.

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

ONLINE  
version  
December 9, 2021

State/State

2023 JAN 13 AM 9:43

Operator: Matador Production Company

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



Signature of Authorized Agent



**ACKNOWLEDGEMENT**

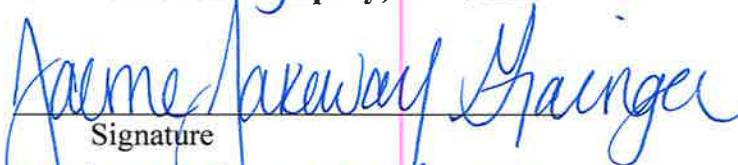
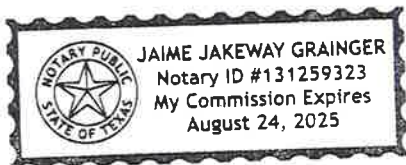
**STATE OF TEXAS**

§

**COUNTY OF DALLAS**

§

This instrument was acknowledged before me on January 5, 2023, by **Craig N. Adams, as Executive Vice President for Matador Production Company**, on behalf of said corporation.

  
Signature

Name (Print)

My commission expires 8/24/2025

WORKING INTEREST OWNERS  
AND/OR LESSEES OF RECORD

MRC Permian Company

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

Craig N. Adams  
Print Name

*D.W.F. paid*

Date: 1/5/2023

Acknowledgment in a Representative Capacity

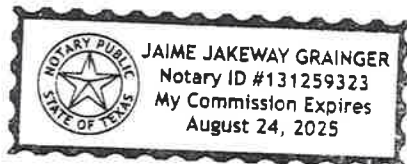
STATE OF TEXAS

§

COUNTY OF DALLAS

§

This instrument was acknowledged before me on January 5, 2023, 2022, by **Craig N. Adams, as Executive Vice President**, for **MRC Permian Company** on behalf of said corporation.



Jaime Jakeway Grainger  
Signature

Name (Print)

My commission expires 8/24/2025

2023 JAN 13 AM 9:43



**EXHIBIT A**

**To Communitization Agreement dated October 1, 2022.**

**Plat of communitized area covering the E2E2 of Sections 29 & 32, Township 24 South, Range 36 East, NMPM Lea, County, NM**

<b>Section 29</b>		<b><u>Tract 1</u></b> Fee Lease 160 Acres
<b>Section 32</b>		<b><u>Tract 2</u></b> State Lease VC-0333- 0001 160 Acres

ONLINE  
version  
December 9, 2021

State/State

**EXHIBIT B**

**To Communitization Agreement dated E2E2 of Sections 29 & 32, Township 24 South, Range 36 East, NMPM Lea, County, NM**

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

**DESCRIPTION OF LEASES COMMITTED**

**TRACT NO. 1**

**Lease Serial No.:** Fee

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: E2E2

**Subdivisions:**

**Number of Acres:** 160.00

**Name of WI Owners:** MRC Permian Company  
Petrogulf Corporation  
ConocoPhillips Company  
Wellbark Resources, LLC

**TRACT NO. 2**

**Lease Serial No.:** VC-0333-0001

**Lease Date:** 1/31/2018

**Lease Term:** 5 Years

**Lessor:** State of New Mexico

**Present Lessee:** MRC Permian Company

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 36 East: E2E2

**Subdivisions:**

**Number of Acres:** 160.00

**Royalty Rate:** 1/5<sup>th</sup>

**Name of WI Owners:** MRC Permian Company  
Petrogulf Corporation  
ConocoPhillips Company  
Wellbark Resources, LLC

**RECAPITULATION**

<b>Tract Numbers</b>	<b>Numbers of Acres</b>	<b>Percentage of Interest in Communitied Area</b>
<b>Tract 1</b>	160.00	50.00%
<b>Tract 2</b>	160.00	50.00%
<b>Total Acreage</b>	<b>320.00</b>	<b>100%</b>

## Federal Communitization Agreement

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

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **January, 2025**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

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

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

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

**W2W2 of Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

Containing **480.00** 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

*K Stewart Fed Com #211H – 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  $1/8^{\text{th}}$  or  $12 \frac{1}{2}$  percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining  $7/8^{\text{th}}$  should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the

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

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

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



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

10. The date of this agreement is **January 1, 2025**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

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

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

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

**Operator: Matador Production Company**

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

**By: Kyle Perkins – Senior Vice President & Assistant General Counsel**

Name & Title of Authorized Agent

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

## ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2025, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President & Assistant General Counsel of Matador Production Company, the Texas corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

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

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

*K Stewart Fed Com #211H – Federal Comm Agreement*

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

**MRC Permian Company**

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

Kyle Perkins – Senior Vice President & Assistant General Counsel  
Print Name

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

**ACKNOWLEDGEMENT**

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2025, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President & Assistant General Counsel of MRC Permian Company, the Texas corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

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

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

*K Stewart Fed Com #211H – Federal Comm Agreement*

**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:** Chris Carleton

**TITLE:** Vice President of Land Operations

**Phone number :** (972)-371-5430

*K Stewart Fed Com #211H – Federal Comm Agreement*

**EXHIBIT “A”**

Plat of communitized area covering **480.00** acres in the **W2W2** of **Sections 20, 29 & 32,**  
**Township 24 South, Range 36 East, Lea County, New Mexico.**

**K Stewart Fed Com #211H**

<b>Tract 1 NMNM- 138904</b>	<b>Section 20-24S-36E</b>
<b>Tract 2 NMNM- 012850</b>	
<b>Tract 1 NMNM- 138904</b>	
<b>Tract 3 NMNM- 138909</b>	<b>Section 29-24S-36E</b>
<b>Tract 4 Fee Leases</b>	
<b>Tract 3 NMNM- 138909</b>	
<b>Tract 5 VC-1012- 0001</b>	<b>Section 32-24S-36E</b>



**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement dated January 1, 2025, embracing the following described land in the **W2W2 of Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

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

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

<b>Lease Serial Number:</b>	NMNM-138904
<b>Description of Land Committed:</b>	Township 24 South, Range 36 East, Section 20: W2NW4, SW4SW4
<b>Number of Acres:</b>	120.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name and Percent of Working Interest Owners:</b>	MRC Permian Company

**Tract No. 2**

<b>Lease Serial Number:</b>	NMNM-012850
<b>Description of Land Committed:</b>	Township 24 South, Range 36 East, Section 20: NW4SW4
<b>Number of Acres:</b>	40.00
<b>Current Lessee of Record:</b>	FAE II, LLC
<b>Name and Percent of Working Interest Owners:</b>	FAE II, LLC

**Tract No. 3**

**Lease Serial Number:** NMNM-138909

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: NW4NW4, SW4SW4

**Number of Acres:** 80.00

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

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

**Tract No. 4**

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: SW4NW4, NW4SW4

**Number of Acres:** 80.00

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

**Tract No. 5**

**Lease Serial Number:** VC-1012-0001

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 32: W2W2

**Number of Acres:** 160.00

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

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

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	120.00	25.00%
<b>2</b>	40.00	8.33%
<b>3</b>	80.00	16.67%
<b>4</b>	80.00	16.67%
<b>5</b>	160.00	33.33%
<b>Total</b>	<b>480.00</b>	<b>100.00%</b>

## Federal Communitization Agreement

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

THIS AGREEMENT entered into as of the **1<sup>st</sup>** day of **January, 2025**, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

### WITNESSETH:

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

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

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

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

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

**E2W2 of Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

Containing **480.00** 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

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

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

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

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



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

10. The date of this agreement is **January 1, 2025**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.
11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all

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

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

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

**Operator: Matador Production Company**

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

**By: Kyle Perkins – Senior Vice President & Assistant General Counsel**  
Name & Title of Authorized Agent

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

## ACKNOWLEDGEMENT

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2025, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President & Assistant General Counsel of Matador Production Company, the Texas corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

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

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

*K Stewart Fed Com #212H – Federal Comm Agreement*

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

**MRC Permian Company**

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

Kyle Perkins – Senior Vice President & Assistant General Counsel  
Print Name

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

**ACKNOWLEDGEMENT**

STATE OF **TEXAS**)

COUNTY OF **DALLAS**)

On this \_\_\_\_ day of \_\_\_\_\_, 2025, before me, a Notary Public for the State of Texas, personally appeared Kyle Perkins, known to me to be the Senior Vice President & Assistant General Counsel of MRC Permian Company, the Texas corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

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

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

*K Stewart Fed Com #212H – Federal Comm Agreement*

**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:** Chris Carleton

**TITLE:** Vice President of Land Operations

**Phone number :** (972)-371-5430

*K Stewart Fed Com #212H – Federal Comm Agreement*

**EXHIBIT “A”**

Plat of communitized area covering **480.00** acres in the **E2W2** of **Sections 20, 29 & 32,**  
**Township 24 South, Range 36 East, Lea County, New Mexico.**

**K Stewart Fed Com #212H**

	<b>Tract 1 NMNM- 138904</b>	<b>Section 20-24S-36E</b>
	<b>Tract 2 Fee Leases</b>	<b>Section 29-24S-36E</b>
	<b>Tract 3 NMNM- 138909</b>	
	<b>Tract 4 VC- 1012- 0001</b>	<b>Section 32-24S-36E</b>

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement dated January 1, 2025, embracing the following described land in the **E2W2 of Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

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

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

<b>Lease Serial Number:</b>	NMNM-138904
<b>Description of Land Committed:</b>	Township 24 South, Range 36 East, Section 20: E2W2
<b>Number of Acres:</b>	160.00
<b>Current Lessee of Record:</b>	MRC Permian Company
<b>Name and Percent of Working Interest Owners:</b>	MRC Permian Company

**Tract No. 2**

<b>Lease Serial Number:</b>	Fee Leases
<b>Description of Land Committed:</b>	Township 24 South, Range 36 East, Section 29: E2NW4, NE4SW4
<b>Number of Acres:</b>	120.00
<b>Name and Percent of Working Interest Owners:</b>	MRC Permian Company



**Tract No. 3**

**Lease Serial Number:** NMNM-138909

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: SE4SW4

**Number of Acres:** 40.00

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

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

**Tract No. 4**

**Lease Serial Number:** VC-1012-0001

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 32: E2W2

**Number of Acres:** 160.00

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

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

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	160.00	33.33%
<b>2</b>	120.00	25.00%
<b>3</b>	40.00	8.33%
<b>4</b>	160.00	33.33%
<b>Total</b>	<b>480.00</b>	<b>100.00%</b>

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE

Revised August, 2024

ONLINE Version

# COMMUNITIZATION AGREEMENT

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

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

## WITNESSETH:

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

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

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

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

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

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

Subdivisions W2W2 of Sections 20, 29 & 32,

Sect(s) 20, 29 & 32, T 24S, R 36E, NMPM Lea County, NM

containing 480.00 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil and gas

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

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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January** \_\_\_\_\_ Month **1st** Day, **2025** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto.
11. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must

be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement.

12. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.
13. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
14. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
15. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
16. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.
17. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.

18. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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



Operator: **Matador Production Company**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel  
Name & Title of Authorized Agent

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

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on \_\_\_\_\_, 2025, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

\_\_\_\_\_  
Signature of Notarial Officer  
My commission expires \_\_\_\_\_

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

**MRC Permian Company**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel  
Name & Title of Authorized Agent

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

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on \_\_\_\_\_, 2025, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.

\_\_\_\_\_  
Signature of Notarial Officer  
My commission expires \_\_\_\_\_

**EXHIBIT “A”**

Plat of communitized area covering **480.00** acres in the **W2W2** of **Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

**K Stewart Fed Com #211H**

<b>Tract 1 NMNM- 138904</b>	<b>Section 20-24S-36E</b>
<b>Tract 2 NMNM- 012850</b>	
<b>Tract 1 NMNM- 138904</b>	
<b>Tract 3 NMNM- 138909</b>	<b>Section 29-24S-36E</b>
<b>Tract 4 Fee Leases</b>	
<b>Tract 3 NMNM- 138909</b>	
<b>Tract 5 VC-1012- 0001</b>	<b>Section 32-24S-36E</b>

**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement dated January 1, 2025, embracing the following described land in the **W2W2 of Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

**Lease Serial Number:** NMNM-138904

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 20: W2NW4, SW4SW4

**Number of Acres:** 120.00

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

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

**Tract No. 2**

**Lease Serial Number:** NMNM-012850

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 20: NW4SW4

**Number of Acres:** 40.00

**Current Lessee of Record:** FAE II, LLC

**Name and Percent of Working Interest Owners:** FAE II, LLC

**Tract No. 3**

**Lease Serial Number:** NMNM-138909

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: NW4NW4, SW4SW4

**Number of Acres:** 80.00

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

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

**Tract No. 4**

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: SW4NW4, NW4SW4

**Number of Acres:** 80.00

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

**Tract No. 5**

**Lease Serial Number:** VC-1012-0001

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 32: W2W2

**Number of Acres:** 160.00

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

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

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	120.00	25.00%
<b>2</b>	40.00	8.33%
<b>3</b>	80.00	16.67%
<b>4</b>	80.00	16.67%
<b>5</b>	160.00	33.33%
<b>Total</b>	<b>480.00</b>	<b>100.00%</b>

NM State Land Office  
Oil, Gas, & Minerals Division

STATE/FEDERAL OR  
STATE/FEDERAL/FEE

Revised August, 2024

ONLINE Version

# COMMUNITIZATION AGREEMENT

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

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

## WITNESSETH:

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

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

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

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

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

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

Subdivisions E2W2 of Sections 20, 29 & 32,

Sect(s) 20, 29 & 32, T 24S, R 36E, NMPM Lea County, NM

containing 480.00 acres, more or less, and this agreement shall include only the

Wolfcamp Formation

or pool, underlying said lands and the oil and gas

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



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

8. The commencement, completion, continued operation or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules, and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or is such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **January** \_\_\_\_\_ Month **1st** Day, **2025** Year, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution of the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of Interior, or his/her duly authorized representative, and by the Commissioner or his/her duly authorized representative, and shall remain in force and effect for a period of one (1) year and so long thereafter as communitized substances are produced from the communitized area in paying quantities, and so long as all State leases remain in good standing with all State laws, rules & regulations; provided, that the one-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period; provided further that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of Interior, or his duly authorized representative, and all requirements of the Commissioner, with respect to any dry hole or abandoned well, this agreement may be terminated at any time by mutual agreement of the parties hereto.
11. Notwithstanding any other provision herein, if there is a cessation of production of communitized substances for more than sixty (60) days beginning one year after the date of execution, this Agreement shall automatically terminate, along with the ability to produce communitized substances, unless notice of reworking or drilling operations on the communitized area is made within 60 days of cessation of production of communitized substances and are thereafter conducted with reasonable diligence or the Commissioner of Public Lands otherwise grants an exception to continued drilling operations, including for the compliance of other state rules, laws, or policies. All such notices provided pursuant to this Paragraph shall be in writing and must be approved by the Commissioner. As to State Trust Lands, written notice of intention to commence any operations hereunder shall be filed with the Commissioner within thirty(30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to any lease from the State of New Mexico included in this Agreement. All requests to the Commissioner to grant an exception or exceptions for the compliance of other state rules, laws, or policies must

be made in writing within thirty (30) days after the cessation of such production, and a report of the status of such operations shall be made by the Operator to the Commissioner every thirty (30) days, and the cessation of such operations for more than twenty (20) consecutive days shall be considered as an abandonment of such operations as to this Agreement or any lease from the State of New Mexico included in this Agreement.

12. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal lands shall be subject to approval by the Secretary of the Interior, and as to State of New Mexico lands shall be subject to approval by the Commissioner.
13. It is agreed by the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all operations within the communitized area to the same extent and degree as provided in the oil and gas leases under which the United States of America is lessor, and in the applicable oil and gas operating regulations of the Department of the Interior. It is further agreed between the parties hereto that the Commissioner shall have the right of supervision over all operations to the same extent and degree as provided in the oil and gas leases under which the State of New Mexico is lessor and in the applicable oil and gas statutes and regulations of the State of New Mexico.
14. The agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors and assigns.
15. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
16. Nondiscrimination: In connection with the performance of work under this agreement, the Operator agrees to comply with all of the provisions of Section 202 (1) to (7) inclusive, of Executive Order 11246 (30 F. R. 12319), as amended which are hereby incorporated by reference in this agreement.
17. In the event that Operator is aggrieved by a decision of the Commissioner with respect to any action by the Commissioner arising under this Agreement, Operator may within thirty (30) days after the date of such action file an administrative contest pursuant to 19-7-64 NMSA (1978) and 19.2.15 NMAC. Operator shall initiate no court action against the Commissioner or New Mexico State Land Office regarding this Agreement except to appeal a final decision of the Commissioner rendered pursuant to such a contest proceeding, and as provided by 19-7-64 NMSA (1978). The Parties agree that any venue for any appeal or other action shall be in Santa Fe, New Mexico.

18. Operator shall notify the Commissioner in writing within ten (10) days of (i) Operator's receipt of any compliance order, enforcement order, notice of violation, warning letter, or other written notice of final or contemplated enforcement action taken by any federal, state, or local governmental entity arising out of or concerning any of Operator's operations on New Mexico state trust land; (ii) Operator's receipt of any order, judgment, or decree (on consent or otherwise) entered by any federal or state court against Operator arising out of or concerning any of Operator's operations on New Mexico state trust land; or (iii) Operator's receipt of any written notice of claim, written pre-suit notice, or lawsuit arising out of or concerning any of Operator's operations on New Mexico state trust land. Upon the Commissioner's request, Operator shall promptly provide the Commissioner with a copy of any such order, judgment, decree, notice, letter, or lawsuit.

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

Operator: **Matador Production Company**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel  
Name & Title of Authorized Agent

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

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on \_\_\_\_\_, 2025, by Kyle Perkins, as Senior Vice President & Assistant General Counsel for Matador Production Company, a Texas corporation, on behalf of said corporation.

\_\_\_\_\_  
Signature of Notarial Officer  
My commission expires \_\_\_\_\_

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

**MRC Permian Company**

By: Kyle Perkins – Senior Vice President & Assistant General Counsel  
Name & Title of Authorized Agent

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

**Acknowledgment in a Representative Capacity**

STATE OF TEXAS) §

COUNTY OF DALLAS) §

This instrument was acknowledged before me on \_\_\_\_\_, 2025, by Kyle Perkins, as Senior Vice President & Assistant General Counsel, for MRC Permian Company, a Texas corporation, on behalf of said corporation.

\_\_\_\_\_  
Signature of Notarial Officer  
My commission expires \_\_\_\_\_

**EXHIBIT “A”**

Plat of communitized area covering **480.00** acres in the **E2W2** of **Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

**K Stewart Fed Com #212H**

	<b>Tract 1 NMNM- 138904</b>	<b>Section 20-24S-36E</b>
	<b>Tract 2 Fee Leases</b>	<b>Section 29-24S-36E</b>
	<b>Tract 3 NMNM- 138909</b>	
	<b>Tract 4 VC- 1012- 0001</b>	<b>Section 32-24S-36E</b>



**EXHIBIT “B”**

Attached to and made a part of that certain Communitization Agreement dated January 1, 2025, embracing the following described land in the **E2W2 of Sections 20, 29 & 32, Township 24 South, Range 36 East, Lea County, New Mexico.**

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

DESCRIPTION OF LEASES COMMITTED

**Tract No. 1**

**Lease Serial Number:** NMNM-138904

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 20: E2W2

**Number of Acres:** 160.00

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

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

**Tract No. 2**

**Lease Serial Number:** Fee Leases

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: E2NW4, NE4SW4

**Number of Acres:** 120.00

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

**Tract No. 3**

**Lease Serial Number:** NMNM-138909

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 29: SE4SW4

**Number of Acres:** 40.00

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

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

**Tract No. 4**

**Lease Serial Number:** VC-1012-0001

**Description of Land Committed:** Township 24 South, Range 36 East,  
Section 32: E2W2

**Number of Acres:** 160.00

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

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

**RECAPITULATION**

<b>Tract No.</b>	<b>No. of Acres Committed</b>	<b>Percentage of Interest in Communitized Area</b>
<b>1</b>	160.00	33.33%
<b>2</b>	120.00	25.00%
<b>3</b>	40.00	8.33%
<b>4</b>	160.00	33.33%
<b>Total</b>	<b>480.00</b>	<b>100.00%</b>

Milagro Resources, LP	415 W. Wall Street, Ste. 1118	Dallas	TX	79701
Penasco Petroleum, LLC	P.O. Box 2992	Roswell	NM	88202
Richard C. Deason	1301 N. Havenhurst #217	West Hollywood	CA	90046
Rolla R. Hinkle, III	P.O. Box 2292	Roswell	NM	88202-2292
Ronald H. Mayer, Trustee of the Ronald H. Mayer and Martha M. Mayer Revocable Trust dated March 19, 1990	P.O. Box 2391	Roswell	NM	88202-2391
SAP, LLC	4901 Whitney Lane	Roswell	NM	88203
T. G. Cornish	P.O. Box 1849	Albuquerque	NM	87103
The McDaniel Company, Inc.	12900 Preston Road, Suite 415	Dallas	TX	75230
Bureau of Land Management	620 E. Greene Street	Carlsbad	NM	88220
Thomas D. Deason	6402 CR 7420	Lubbock	TX	79424
Trustees of the Jal Public Library Fund	P.O. Box 178	Jal	NM	88252
Unknown Trustee of the Jimmie Eden Jr. Trust	P.O. Box 17	Stillwater	OK	74076
Unknown Trustee of the Larry J. Bond Living Trust dated May 14, 2015	1615 Drakestone Ave.	Nichols Hills	OK	73120
MLE, LLC	Unknown			
Wells Fargo Bank, National Association, as Trustee of The Robert N. Enfield Irrevocable Trust B	Unknown			



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

March 17, 2025

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

TO: ALL AFFECTED PARTIES

**Re: Application of Matador Production Company to amend NMOCD Order CTB-1073 and for administrative approval to surface commingle (lease commingle) oil and gas production from the spacing units underlying the E/2 of Sections 29 and 32 and the W/2 of Sections 20, 29, and 32, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Lands")**

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application, which was filed with the New Mexico Oil Conservation Division on this date. Division rules require that a copy of this application be provided to you (there are no documents in this notice packet for you to sign). Any objection to this application must be filed in writing within twenty days from the date 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:

David Johns  
Matador Production Company  
(972) 619-1259  
[djohns@matadorresources.com](mailto:djohns@matadorresources.com)

Sincerely,

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

---

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

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

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

Matador - Ken Stewart Commingling  
Postal Delivery Report

9414811898765453309025	Milagro Resources, LP	415 W Wall St Ste 1118	Midland	TX	79701-4439	Your item was delivered to an individual at the address at 3:52 pm on March 21, 2025 in MIDLAND, TX 79701.
9414811898765453309001	Penasco Petroleum, LLC	PO Box 2992	Roswell	NM	88202-2992	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765453309094	Richard C. Deason	1301 Havenhurst Dr Apt 217	West Hollywood	CA	90046-4546	Your item was delivered to an individual at the address at 1:49 pm on March 21, 2025 in LOS ANGELES, CA 90046.
9414811898765453309049	Rolla R. Hinkle, III	PO Box 2292	Roswell	NM	88202-2292	Your item was picked up at the post office at 9:52 am on March 21, 2025 in ROSWELL, NM 88201.
9414811898765453309070	Ronald H. Mayer, Trustee of the Ronald H. Maye	PO Box 2391	Roswell	NM	88202-2391	Your item was returned to the sender on March 21, 2025 at 9:08 am in ROSWELL, NM 88201 because the address was vacant or the business was no longer operating at the location and no further information was available.
9414811898765453309414	SAP, LLC	4901 Whitney Ln	Roswell	NM	88203-9002	Your item was picked up at the post office at 10:52 am on March 24, 2025 in ROSWELL, NM 88201.
9414811898765453309452	T. G. Cornish	PO Box 1849	Albuquerque	NM	87103-1849	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765453309469	The McDaniel Company, Inc.	12900 Preston Rd Ste 415	Dallas	TX	75230-1353	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765453309421	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Your item has been delivered to an agent at the front desk, reception, or mail room at 12:07 pm on March 21, 2025 in CARLSBAD, NM 88220.

Matador - Ken Stewart Commingling  
Postal Delivery Report

9414811898765453309407	Thomas D. Deason	6402 County Road 7420	Lubbock	TX	79424-8410	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765453309490	Trustees of the Jal Public Library Fund	PO Box 178	Jal	NM	88252-0178	Your item was picked up at a postal facility at 12:55 pm on March 25, 2025 in JAL, NM 88252.
9414811898765453309445	Unknown Trustee of the Jimmie Eden Jr. Trust	PO Box 17	Stillwater	OK	74076-0017	Your item was picked up at the post office at 10:07 am on March 24, 2025 in STILLWATER, OK 74074.
9414811898765453309483	Unknown Trustee of the Larry J. Bond Living Trust	1615 Drakestone Ave	Nichols Hills	OK	73120-1206	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765453207680	Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508	Your item was delivered to the front desk, reception area, or mail room at 11:39 am on March 21, 2025 in SANTA FE, NM 87508.



# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

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

Beginning with the issue dated  
March 20, 2025  
and ending with the issue dated  
March 20, 2025.



Publisher

Sworn and subscribed to before me this  
20th day of March 2025.



Business Manager

My commission expires

January 29, 2027  
(Seal)

STATE OF NEW MEXICO  
NOTARY PUBLIC  
GUSSIE RUTH BLACK  
COMMISSION # 1087526  
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

## LEGAL NOTICE March 20, 2025

To: All affected parties, including all heirs, devisees, and successors of: Milagro Resources, LP; MLE, LLC; Penasco Petroleum, LLC; Richard C. Deason; Rolla R. Hinkle, III; The Ronald H. Mayer and Martha M. Mayer Revocable Trust dated 3/19/1990, Ronald H. Mayer, Trustee; SAP, LLC; T.G. Cornish; The McDaniel Company, Inc.; Thomas D. Deason; Trustees of the Jal Public Library Fund; the Jimmie Eden Jr. Trust, the Larry J. Bond Living Trust dated 5/14/2015, the Robert N. Enfield Irrevocable Trust, Wells Fargo Bank, Trustee; New Mexico State Land Office; Bureau of Land Management.

Application of Matador Production Company to amend NMOCD Order CTB-1073 and for administrative approval to surface commingle (lease commingle) oil and gas production from the spacing units underlying the E/2 of Sections 29 and 32 and the W/2 of Sections 20, 29, and 32, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Lands"). Matador Production Company (OGRID No. 228937) ("Matador") seeks to amend Administrative Order CTB-1073 ("Order CTB-1073"), which authorizes lease commingling, off-lease storage, off-lease measurement, and off-lease marketing at the Uncle Richard Tank Battery ("TB") of oil and gas production from all existing and future wells drilled in the following spacing units:

(a) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the Uncle Richard State Com #213H (API No. 30-025-50845);

(b) The 320-acre spacing unit comprised of the W/2 E/2 of Sections 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the Uncle Richard State Com #214H (API No. 30-025-50846); and

(c) Pursuant to 19.15.12.10.C(4)(g), future leases, pools, or leases and pools connected to the Uncle Richard Tank Battery (located in the SW/4 SE/4 (Unit O) of Section 32) with notice provided only to the owners of interests to be added.

Pursuant to 19.15.12.7 NMAC, Matador seeks to amend the terms of Order CTB-1073 to add to the terms of the order the gas production from all existing and future infill wells drilled in the following spacing units:

(a) The 480-acre spacing unit comprised of the W/2 W/2 of Sections 20, 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the Ken Stewart Fed Com #211H (API No. 30-025-54331); and

(b) The 480-acre spacing unit comprised of the E/2 W/2 of Sections 20, 29 and 32, in the Jal; Wolfcamp, West [33813] – currently dedicated to the Ken Stewart Fed Com #212H (API No. 30-025-54332).

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 David Johns, Matador Production Company, (972) 619-1259, or [djohns@matadorresources.com](mailto:djohns@matadorresources.com).  
#00299331

67100754

00299331

HOLLAND & HART LLC  
110 N GUADALUPE ST., STE. 1  
SANTA FE, NM 87501

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

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY MATADOR PRODUCTION COMPANY      ORDER NO.CTB-1073-A**

**ORDER**

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

**FINDINGS OF FACT**

1. Matador Production Company (“Applicant”) submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells 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 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.
6. 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.

**CONCLUSIONS OF LAW**

7. 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.
8. 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.
9. 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.

10. 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.
11. 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.
12. 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.
13. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

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

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

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

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

2. This Order supersedes Order CTB-1073.
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 allocation of oil and gas production shall be based on the production life of each well as measured for three periods: (a) the initial production period shall be measured from the first production until the earlier of either the peak production rate or thirty (30) days after the first production; (b) the plateau period shall be measured from the end of the initial production period to the peak decline rate; and (c) the decline period shall be measured from the end of the plateau period until the well is plugged and abandoned.

During the initial production period, the oil and gas production for each well identified in Exhibit A shall be allocated using a production curve calculated from a minimum of ten (10) well tests per month, except that any day in which a well test cannot achieve an accurate result due to a temporary change in oil and gas production shall not be included in the computation of time determining the well test schedule. The production curve shall be calculated by interpolating daily production for each day using the known daily production obtained by well tests and shall use a method of interpolation that is at minimum as accurate as maintaining a constant rate of change for each day's production between the known daily production values.

During the plateau period, the oil and gas production for each well identified in Exhibit A shall be allocated using a minimum of three (3) well tests per month.

During the decline period, the oil and gas production for each well identified in Exhibit A shall be allocated as follows: (a) a minimum of three (3) well tests per month when the decline rate is greater than twenty-two percent (22%) per month; (b) a minimum of two (2) well tests per month when the decline rate is between twenty-two percent (22%) and ten percent (10%) per month; and (c) a minimum of one (1) well test per month when the decline rate is less than ten percent (10%) per month.

Upon OCD's request, Applicant shall submit a Form C-103 to the OCD Engineering Bureau that contains the decline rate curve and other relevant information demonstrating the production life of a well.

Applicant shall conduct a well test by separating and metering the oil and gas production from that well for either (a) a minimum of twenty-four (24) consecutive hours; or (b) a combination of nonconsecutive periods that meet the following conditions: (i) each period shall be a minimum of six (6) hours; and (ii) the total duration of the nonconsecutive periods shall be a minimum of eighteen (18) hours.

The well test requirements of this Order shall be suspended for any well shut-in for a period that continues for more than fifteen (15) days until the well commences production.

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

8. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled oil and gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
9. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10 C.(4)(g) NMAC, provided the pools, leases, and subsequently drilled wells are within the identified parameters included in the Application.
10. If a well is not included in Exhibit A but produces from a pool 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**



**ALBERT CHANG  
DIRECTOR**

**DATE:** 7/3/2025

Order No. CTB-1073-A



State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: CTB-1073-A

Operator: Matador Production Company (228937)

Central Tank Battery: Uncle Richard Tank Battery

Central Tank Battery Location: UL O, Section 32, Township 24 South, Range 36 East

Gas Title Transfer Meter Location: UL O, Section 32, Township 24 South, Range 36 East

### Pools

Pool Name	Pool Code
JAL;WOLFCAMP, WEST	33813

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

Lease	UL or Q/Q	S-T-R
Fee	E/2 NW/4, NE/4 SW/4	29-24S-36E
Fee	SW/4 NW/4, NW/4 SW/4	29-24S-36E
Fee	E/2 E/2	29-24S-36E
Fee	W/2 E/2	29-24S-36E
CA Wolfcamp SLO 204509 PUN 1398001	W/2 E/2	29-24S-36E
	W/2 E/2	32-24S-36E
CA Wolfcamp SLO 204511 PUN 1398015	E/2 E/2	29-24S-36E
	E/2 E/2	32-24S-36E
CA Wolfcamp SLO 205214 PUN 1408708	W/2 W/2	20-24S-36E
	W/2 W/2	29-24S-36E
	W/2 W/2	32-24S-36E
CA Wolfcamp SLO 205215 PUN 1408710	E/2 W/2	20-24S-36E
	E/2 W/2	29-24S-36E
	E/2 W/2	32-24S-36E
CA Wolfcamp NMNM 106721882	W/2 W/2	20-24S-36E
	W/2 W/2	29-24S-36E
	W/2 W/2	32-24S-36E
CA Wolfcamp NMNM 106721880	E/2 W/2	20-24S-36E
	E/2 W/2	29-24S-36E
	E/2 W/2	32-24S-36E

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-50845	Uncle Richard State Com #213H	W/2 E/2	29-24S-36E	33813
		W/2 E/2	32-24S-36E	
30-025-50846	Uncle Richard State Com #214H	E/2 E/2	29-24S-36E	33813
		E/2 E/2	32-24S-36E	
30-025-54331	Ken Stewart Federal Com #211H	W/2 W/2	20-24S-36E	33813
		W/2 W/2	29-24S-36 E	
		W/2 W/2	32-24S-36E	

30-025-54332	Ken Stewart Federal Com #212H	E/2 W/2	20-24S-36E	33813
		E/2 W/2	29-24S-36 E	
		E/2 W/2	32-24S-36E	



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

General Information  
Phone: (505) 629-6116

Online Phone Directory  
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 453013

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 453013
	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 <a href="mailto:OCD.Engineer@emnrd.nm.gov">OCD.Engineer@emnrd.nm.gov</a> .	7/7/2025