BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 05, 2021

CASE Nos. 22054-22055, 22058

DEE OSBORNE 1930 STATE COM 111H, 121H, 135H WELLS DEE OSBORNE 1930 STATE COM 112H, 122H, 136H WELLS DEE OSBORNE 1930 STATE COM 201H, 202H WELLS

LEA COUNTY, NEW MEXICO



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

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

CASE NOS. 22054, 22055 and 22058

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 - o Matador Exhibit C-2: Land Tract Map
 - o Matador Exhibit C-3: Working Interest Ownership
 - o Matador Exhibit C-4: Sample Well Proposal Letters with AFE
 - o Matador Exhibit C-5: Chronology of Contacts
- Matador Exhibit D: Affidavit of Jacob Harrington, Geologist
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 - o Matador Exhibit D-4: Wolfcamp Structure & Cross-section Map
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COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Date: August 5, 2021 Applicant Designated Operator & OGRID (affiliation if applicable) Applicant's Counsel: Case Title Entries of Appearance/Intervenors:	Matador Production Company 228937 Holland & Hart, LLP Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico
Designated Operator & OGRID (affiliation if applicable) Applicant's Counsel: Case Title	228937 Holland & Hart, LLP Application of Matador Production Company for
Applicant's Counsel: Case Title	Holland & Hart, LLP Application of Matador Production Company for
Case Title	Application of Matador Production Company for
	· ·
Entries of Appearance/Intervenors:	
	None
Well Family	Dee Osborne 1930 State Com wells
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring formation
Pool Names and Pool Codes:	Wilson; Bone Spring pool [64560]
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	287.32-acres, more or less
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	287.32-acres, more or less
Building Blocks:	quarter-quarter sections
Orientation:	north/south
Description: TRS/County	W/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit C-3
Well(s)	BEFORE THE OIL CONSERVATION DIVISION

Received by OCD: 8/3/2021 1:08:44 PM Name & API (if assigned), surface and bottom hole location,	Page 4 of
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Dee Osborne 1930 State Com #111H well (API No. 30-025-pending): SHL: 190' FNL and 1433' FWL (Unit C) of Section 19, 21S, 35E BHL: 100' FSL and 330' FWL (Lot 4) of Section 30, 21S, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south
	Completion Location expected to be: standard
Well #2	Dee Osborne 1930 State Com #121H well (API No. 30-025-pending): SHL: 190' FNL and 1463' FWL (Unit C) of Section 19, 21S, 35E BHL: 100' FSL and 990' FWL (Lot 4) of Section 30, 21S, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south
	Completion Location expected to be: standard
Well #3	Dee Osborne 1930 State Com #135H well (API No. 30-025-pending): SHL: 190' FNL and 1351' FWL (Unit C) of Section 19, 21S, 35E BHL: 100' FSL and 660' FWL (Lot 4) of Section 30, 21S, 35E
	Completion Target: Bone Spring formation Well Orientation: north/south Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-4, D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
Riskase throchesig Organ & 1821 (18 Exhil Fit I A BMOA)	Exhibit C-3

RECEIVED BY OCD. 8/3/2021 1.08.44 FM	Fage 3 01
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-2, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro	vided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	thinklell
Date:	31-Jul-21

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22055	APPLICANT'S RESPONSE				
Date: August 5, 2021					
Applicant	Matador Production Company				
Designated Operator & OGRID (affiliation if applicable)	228937				
Applicant's Counsel:	Holland & Hart, LLP				
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico				
Entries of Appearance/Intervenors:	None				
Well Family	Dee Osborne 1930 State Com wells				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Bone Spring				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	Bone Spring formation				
Pool Names and Pool Codes:	Wilson; Bone Spring pool [64560]				
Well Location Setback Rules:	Statewide rules				
Spacing Unit Size:	320-acres, more or less				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	320-acres, more or less				
Building Blocks:	quarter-quarter sections				
Orientation:	north/south				
Description: TRS/County	E/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes				
Other Situations					
Depth Severance: Y/N. If yes, description	No				
Proximity Tracts: If yes, description	No				
Proximity Defining Well: if yes, description	No				
Applicant's Ownership in Each Tract	Exhibit C-3				
Well(s)					

Well #3	<u>Dee Osborne 1930 State Com #136H well</u> (API No. 30-025-pending): SHL: 219' FNL and 1353' FWL (Unit C) of Section 19, 215, 35E
	BHL: 100' FSL and 1980' FWL (Unit N) of Section 30, 21S, 35E
	Completion Target: Bone Spring formation
	Well Orientation: north/south Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-4, D-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-5
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
Rideast three losses Organ & 15/2 (12 Exh 115/11 A BMOA)	Exhibit C-3

Received by OCD: 8/3/2021 1:08:44 PM	Page 8 of
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D-2
Target Formation	Exhibit D-2, D-4
HSU Cross Section	Exhibit D-4
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-4
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pro	
entilities of the control of the con	Trace in this disconnects complete and accurate.
Printed Name (Attorney or Party Representative):	Kaitlyn A. Luck
Signed Name (Attorney or Party Representative):	thinkul!
Date:	31-Jul-21
	1

COMPULSORY POOLING APPLICATION CHECKLIST (pdf)

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22058	APPLICANT'S RESPONSE				
Date: August 5, 2021					
Applicant	Matador Production Company				
Designated Operator & OGRID (affiliation if applicable)	228937				
Applicant's Counsel:	Holland & Hart, LLP				
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico				
Entries of Appearance/Intervenors:	None				
Well Family	Dee Osborne 1930 State Com wells				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Wolfcamp formation				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	Wolfcamp formation				
Pool Names and Pool Codes:	Grama Ridge; Wolfcamp, North (Gas) pool [77715]				
Well Location Setback Rules:	Statewide rules				
Spacing Unit Size:	607.32-acres, more or less				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	607.32-acres, more or less				
Building Blocks:	quarter sections				
Orientation:	north/south				
Description: TRS/County	W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico				
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes				
Other Situations					
Depth Severance: Y/N. If yes, description	No				
Proximity Tracts: If yes, description	No				
Proximity Defining Well: if yes, description	No				
Applicant's Ownership in Each Tract	Exhibit C-3				
Well(s)					

Name & API (if assigned), surface and bottom hole location,	Page 10 of
footages, completion target, orientation, completion status (standard or non-standard)	
(Standard of Hoff-Standard)	
Well #1	Dee Osborne 1930 State Com #201H well (API No. 30-025-pending):
	SHL: 190' FNL and 1323' FWL (Unit C) of Section 19, 215, 35E BHL: 240' FSL and 330' FWL (Lot 4) of Section 30, 215, 35E
	Completion Target: Wolfcamp formation Well Orientation: north/south
	Completion Location expected to be: standard
Well #2	Dee Osborne 1930 State Com #202H well (API No. 30-025-pending): SHL: 219' FNL and 1323' FWL (Unit C) of Section 19, 21S, 35E BHL: 240' FSL and 1650' FWL (Unit N) of Section 30, 21S, 35E
	Completion Target: Wolfcamp formation Well Orientation: north/south
	Completion Location expected to be: standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibits C-4, D-4
completion ranger (Formation, 142 and 1412)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibits C, C-4
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit A
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C, E
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Released to Imaging: 8/3/2021 1:17:17 PM Cost Estimate to Equip Well	Exhibit C-4

Received by OCD: 8/3/2021 1:08:44 PM Cost Estimate for Production Facilities	Exhibit C-4					
Geology	EXHIBIT C-4					
Summary (including special considerations)	Exhibit D					
Spacing Unit Schematic	Exhibit D-1					
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2					
Well Orientation (with rationale)	Exhibit D-2					
Target Formation	Exhibit D-2, D-4					
HSU Cross Section	Exhibit D-4					
Depth Severance Discussion	N/A					
Forms, Figures and Tables						
C-102	Exhibit C-1					
Tracts	Exhibit C-2					
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3					
General Location Map (including basin)	Exhibit D-1					
Well Bore Location Map	Exhibit D-1					
Structure Contour Map - Subsea Depth	Exhibit D-2					
Cross Section Location Map (including wells)	Exhibit D-3					
Cross Section (including Landing Zone)	Exhibit D-4					
Additional Information						
Special Provisions/Stipulations	N/A					
CERTIFICATION: I hereby certify that the information	provided in this checklist is complete and accurate.					

Kaitlyn A. Luck

31-Jul-21

Date:

Printed Name (Attorney or Party Representative):
Signed Name (Attorney or Party Representative):

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

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

CASE NO. 22054

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced spacing unit to the following proposed initial wells: (1) the **Dee Osborne 1930 State Com #111H well**, (2) the **Dee Osborne 1930 State Com #121H well**, and (3) the **Dee Osborne 1930 State Com #135H well**, which are to be drilled from surface locations in the NW/4 NW/4 (Lot 1) of Section 19 to bottom hole locations in the SW/4 SW/4 (Lot 4) of Section 30.
- 3. The completed interval of the wells will comply with statewide setbacks for oil wells.

 BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. B
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021

- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial wells and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:__

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
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agrankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

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

CASE NO. 22055

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced spacing unit to the following proposed initial wells: (1) the **Dee Osborne 1930 State Com #112H well**, (2) the **Dee Osborne 1930 State Com #122H well**, and (3) the **Dee Osborne 1930 State Com #136H well**, which are to be drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 19 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 30.
- 3. The completed interval of the wells will comply with statewide setbacks for oil wells.

- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial wells and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

Bv:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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Santa Fe, NM 87504
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agrankin@hollandhart.com
jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

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

CASE NO. <u>22058</u>

APPLICATION

Matador Production Company ("Matador" or "Applicant") (OGRID No. 228937), through its undersigned attorneys, hereby files this application with the Oil Conservation Division, pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador is a working interest owner in the proposed spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced spacing unit to the following proposed initial wells:
 - (1) the **Dee Osborne 1930 State Com #201H well**, to be drilled from a surface location in the NW/4 NW/4 (Lot 1) of Section 19 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 30; and
 - (2) the **Dee Osborne 1930 State Com #202H well**, to be drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30.

- 3. The completed interval of the wells will comply with statewide setbacks for oil wells.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.
- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed initial wells and the proposed horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 5, 2021, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Wolfcamp formation and approving the initial wells thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
Post Office Box 2208
Santa Fe, NM 87504
505-998-4421
505-983-6043 Facsimile
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jbroggi@hollandhart.com
kaluck@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

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

CASE NOS. 22054, 22055 and 22058

AFFIDAVIT OF NICHOLAS WEEKS (Landman)

Nicholas Weeks, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Nicholas Weeks and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a landman. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. I am familiar with the applications filed by Matador in these consolidated cases and the status of the lands in the subject area.
- 2. In these consolidated cases, Matador seeks orders pooling two standard 320-acre, more or less, horizontal spacing units in the Bone Spring formation (Wilson; Bone Spring pool [64560]) and a standard 640-acre, more or less, horizontal spacing unit in the Wolfcamp formation (Grama Ridge; WC, North (Gas) pool [77715]) underlying the W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico as follows:
 - Under <u>Case 22054</u> Matador seeks to pool the W/2 W/2 of Sections 19 and 30 to initially dedicate this 287-acre, more or less, Bone Spring spacing unit to the proposed **Dee Osborne 1930 State Com #111H**, the **Dee Osborne 1930 State Com #121H** and the **Dee Osborne 1930 State Com #135H** wells to be drilled from surface locations in the NE/4 NW/4 of Section 19 to bottom hole locations in the SW/4 SW/4 (Lot 4) of Section 30.
 - Under <u>Case 22055</u> Matador seeks to pool the E/2 W/2 of Sections 19 and 30 to initially dedicate this 320-acre, more or less, Bone Spring spacing unit to the proposed **Dee Osborne 1930 State Com #112H**, the **Dee Osborne 1930 State Com #136H** wells, which are to

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY

ubmitted by: MATADOR PRODUCTION COMI Hearing Date: August 05, 2021

Released to Imaging: 8/3/2021 1:17:17 PM

- be drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 19 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 30.
- Under <u>Case 22058</u> Matador seeks to pool the W/2 of Sections 19 and 30 and initially dedicate this 607-acre, more or less, Wolfcamp spacing unit to the proposed **Dee Osborne 1930 State Com #201H** well, to be drilled from a surface location in the NE/4 NW/4 of Section 19 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 30; and the **Dee Osborne 1930 State Com #202H** well, to be drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30.
- 3. **Matador Exhibit C-1** contains draft plats in numerical order for the proposed initial wells in each of these standard spacing units. These forms demonstrate that the completed interval for each well will meet the standard setback requirements for each respective well.
- 4. **Matador Exhibit C-2** is a general location map outlining each of the proposed horizontal spacing units in red and the lateral trajectory of the proposed wells with blue lines. This acreage is comprised of all State lands.
- 5. There are no depth severances within the Bone Spring or Wolfcamp formations underlying this acreage.
- 6. **Matador Exhibit C-3** identifies the working interest owners that Matador seeks to pool in each respective case. Matador has conducted a diligent search of the public records in the county where the property is located and was able to locate contact information for each of these parties.
- 7. **Matador Exhibit C-4** contains a sample of the well proposal letters and AFEs sent to the working interest owners in each case. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in these formations.

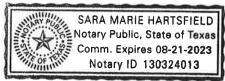
- 8. **Matador Exhibit C-5** contains a chronology of the contacts with the uncommitted working interest owners that Matador was able to locate. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners.
- 9. Matador requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.
- 10. I have provided the law firm of Holland & Hart LLP with the names and addresses (where available) of the mineral owners that Matador seeks to pool and instructed that they be notified of this hearing.
- 11. **Matador Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Nicholas Weeks

STATE OF TEXAS)
COUNTY OF DALLAS)

SUBSCRIBED and SWORN to before me this <u>28th</u> day of July 2021 by Nicholas Weeks.



Sara Marie Hartsfield NOTARY PUBLIC

My Commission Expires:

8-21-2023

EXHIBIT C-1

Page 25 of 71

Santa Fe, New Mexico Exhibit No. C1

Case Nos. 22054, 22055, 22058

Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: August 05, 2021

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

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

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

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

287.32

State of New Mexico

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

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

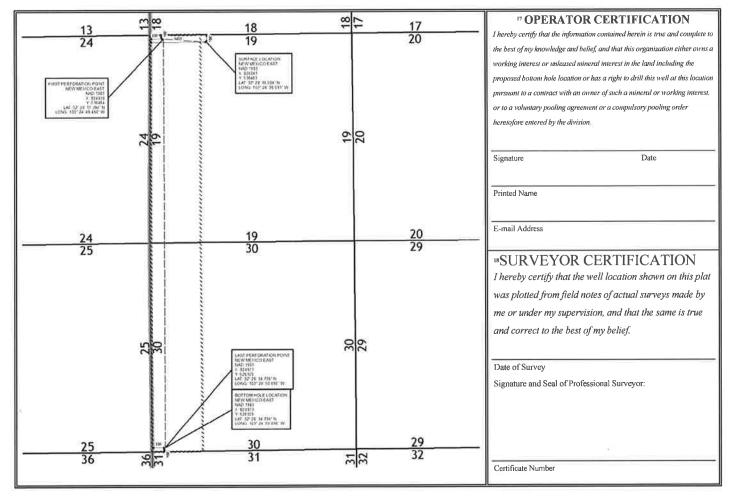
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	API Number ² Pool Code		³ Pool Name		
		64560	WILSON; BONE SPRIN	G	
4 Property Code		⁵ Pro		⁶ Well Number	
		DEE OSBORNE 1930 STATE COM			#111H
7 OGRID No.		⁸ Operator Name			⁹ Elevation
228937		MATADOR PRO			

Surface Location

						304411011			
UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-S	35-E	******	190	NORTH	1433	WEST	LEA
			л Во	ttom Ho	le Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
4	30	21-S	35-E		100	SOUTH	330	WEST	LEA
12 Dedicated Acres	13 Joint o	r Infill 14	Consolidation	Code 15 Or	der No.	:			



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Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
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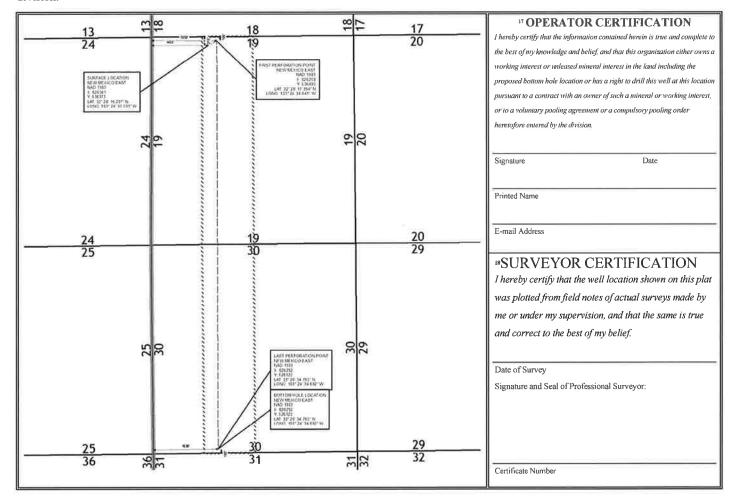
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	r ² Pool Code		³ Pool Name		
		64560	WILSON; BONE SPRING		
4 Property Code		5 Pr	roperty Name	⁶ Well Number	
		DEE OSBORN	#112H		
⁷ OGRID No.		8 O1	⁹ Elevation		
228937	MATADOR PRODUCTION COMPANY				

Surface Location

UL or lot no.	Section	Lownship	Kange	Lot 1an	Feet from the	North/South line	reer from the	East west fine	Соинту
С	19	21-S	35-E	******	219	NORTH	1433	WEST	LEA
			" Bo	ttom Ho	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	21-S	35-E		100	SOUTH	1650	WEST	LEA
12 Dedicated Acres	13 Joint o	r Infill 14 (Consolidation	Code 15 Or	der No.	·			
320									



District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

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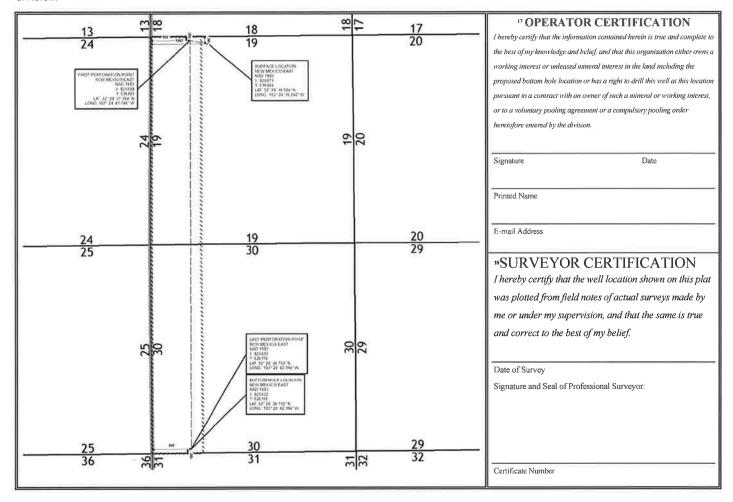
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Pool Code	³ Pool Name				
		64560	G				
4 Property Code		5 Pr	operty Name	⁶ Well Number			
		DEE OSBORN	IE 1930 STATE COM	#121H			
7 OGRID No.		8 O _I	perator Name	⁹ Elevation			
228937		MATADOR PRO	DDUCTION COMPANY				

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-S	35-E	******	190	NORTH	1463	WEST	LEA
			п Во	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	30	21-S	35-E		100	SOUTH	990	WEST	LEA
12 Dedicated Acres	13 Joint of	r Infill 14 C	Consolidation	Code 15 Or	der No.				
287.32									



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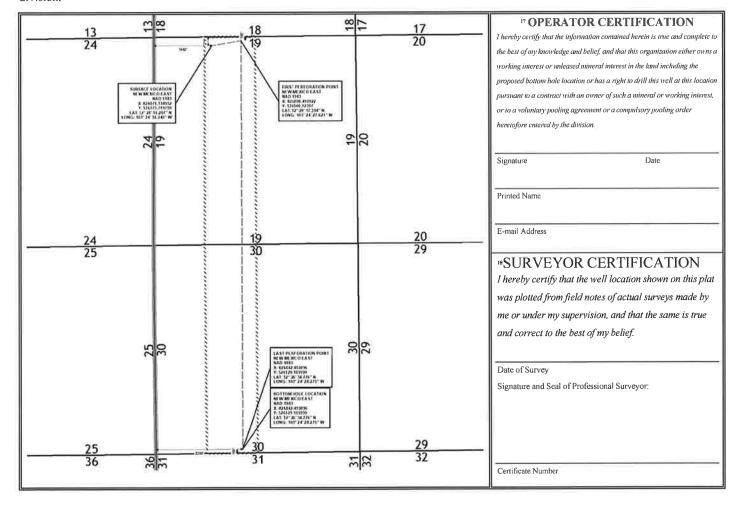
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	r	² Pool Code	³ Pool Name	
		64560	G	
⁴ Property Code		5 P1	roperty Name	⁶ Well Number
		DEE OSBORN	#122H	
⁷ OGRID No.		8 O ₁	perator Name	⁹ Elevation
228937		MATADOR PRO	DDUCTION COMPANY	

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County			
С	19	21-S	35-E	*****	219	NORTH	1463	WEST	LEA			
	" Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County			
N	30	21-S	35-E		100	SOUTH	2200	WEST	LEA			
12 Dedicated Acres	¹³ Joint o	r Infill 14 C	onsolidation	Code L5 Or	der No.				,			



District.1
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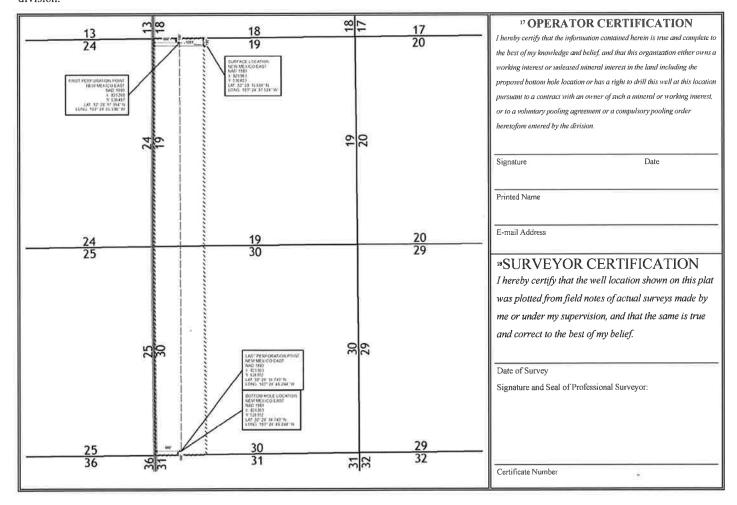
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Pool Code	³ Pool Name				
		64560	64560 WILSON; BONE SPRING				
⁴ Property Code		5 Pr	operty Name	⁶ Well Number			
		DEE OSBORN	IE 1930 STATE COM	#135H			
7 OGRID No.		8 O	perator Name	9 Elevation			
228937		MATADOR PRODUCTION COMPANY					
		10 Sur	face Location				

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
С	19	21-S	35-E		190	NORTH	1351	WEST	LEA			
	¹¹ Bottom Hole Location If Different From Surface											
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County			
4	30	21-S	35-E		100	SOUTH	660	WEST	LEA			
12 Dedicated Acres	13 Joint of	Infill 14 C	Consolidation	Code 15 Or	der No.							



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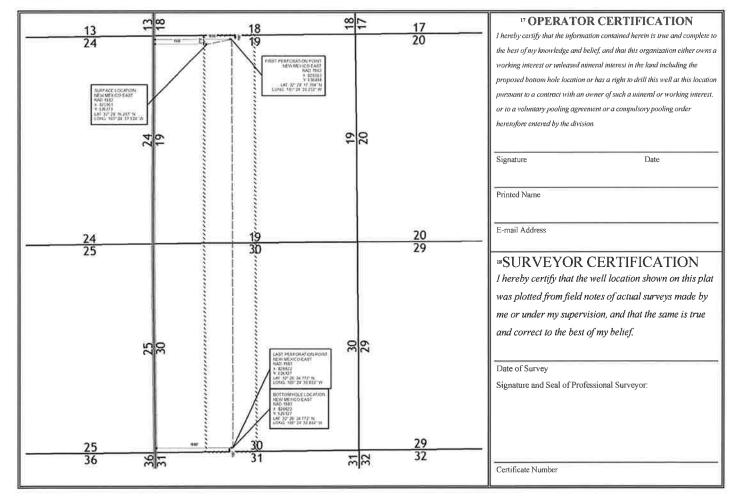
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WELL LOCATION AND ACREAGE DEDICATION PLAT

1,	API Number	r		² Pool Code			³ Pool Na	ne		
				64560		WILSON; BONE SPRING				
4 Property 0	Code				⁵ Property	Name			⁶ Well Number	
	DEE OSBORNE 1930 STATE COM								#136H	
⁷ OGRID	⁷ OGRID No. ⁸ Operator Name							9 Elevation		
22893	7			MATAI	OOR PRODUC	TION COMPANY	1			
					¹⁰ Surface	Location				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East	/West line	County
С	19	21-S	35-E	*****	219	NORTH	1353	WE:	ST	LEA
			11 Bo	ttom Hol	e Location If	Different Fron	n Surface			

UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County 21-S 35-E 100 **SOUTH** 1980 WEST LEA 12 Dedicated Acres ¹³ Joint or Infill 14 Consolidation Code 15 Order No. 320



District1
1625 N, French Dr., Hobbs, NM 88240
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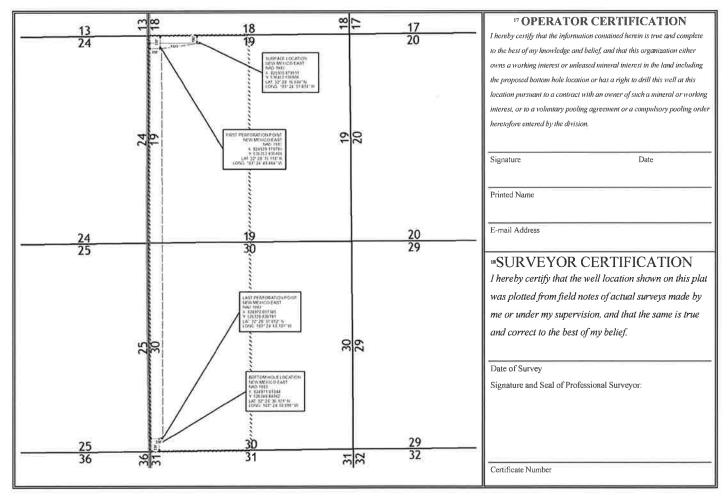
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	² Pool Code	³ Pool Name				
	77715	GRAMA RIDGE; WC, NORTH (GAS)				
4 Property Code	5 Pr	operty Name	⁶ Well Number			
	DEE OSBORN	DEE OSBORNE 1930 STATE COM				
⁷ OGRID No.	^в О _Г	perator Name	⁹ Elevation			
228937	MATADOR PRO	DUCTION COMPANY				

Surface Location

UL or lot no.	Section	Township	Kange	Louiun	reet from the	North/South tine	reet from the	East west title	County
С	19	21-S	35-E		190	NORTH	1323	WEST	LEA
			" Во	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
4	30	21-S	35-E	Variation .	240	SOUTH	330	WEST	LEA
12 Dedicated Acres	13 Joint o	r Infill 14 (Consolidation	Code 15 Or	der No.				
607.32									



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OIL CONSERVATION DIVISION
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Santa Fe, NM 87505

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■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Numbe	er	² Pool Code	³ Pool Name		
		77715	GRAMA RIDGE; WC, NORTH	RTH (GAS)	
4 Property Code		5 Pt	operty Name	6 Well Number	
		DEE OSBORN	IE 1930 STATE COM	#202H	
⁷ OGRID №.		8 O	perator Name	⁹ Elevation	
228937		MATADOR PRO	DDUCTION COMPANY		

¹⁰ Surface Location

					- Surface i				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
С	19	21-S	35-E	14444	219	NORTH	1323	WEST	LEA
		60	" Bo	ttom Hol	e Location If	Different Fron	n Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	30	21-S	35-E		240	SOUTH	1650	WEST	LEA
12 Dedicated Acres	13 Joint of	r Infill 14 (Consolidation (Code 15 Or	der No.		,		
607.32									

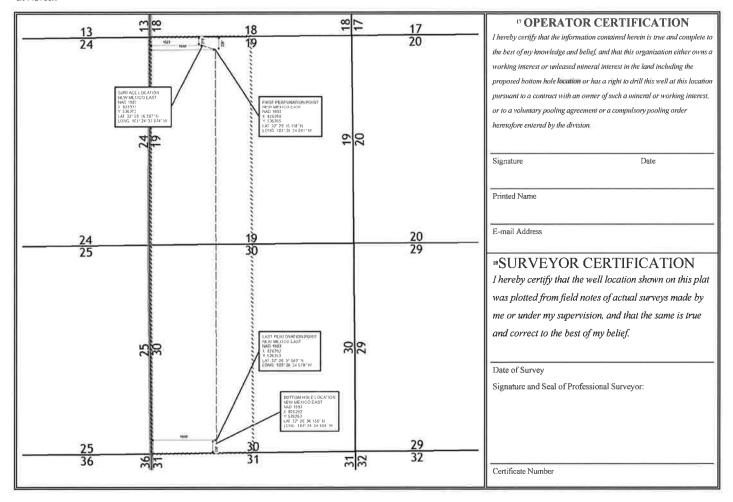
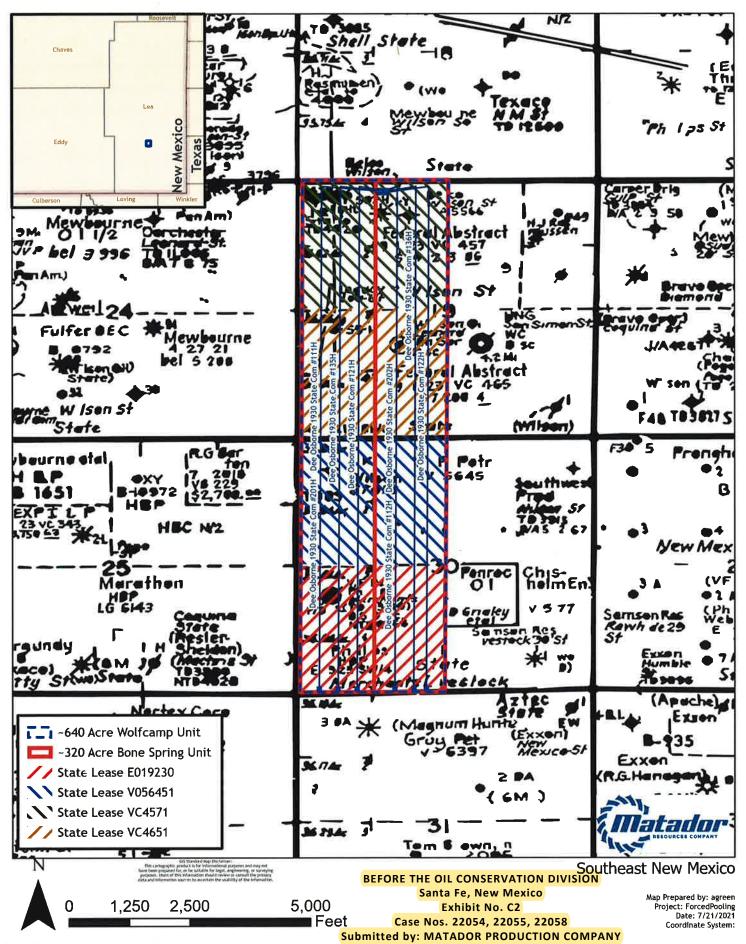


EXHIBIT C-2

19/30-21S-35E



Hearing Date: August 05, 2021

EXHIBIT C-3

CASE No. 22054

Matador (-3

Summary of Interests

MRC Permian Company: Compulsory Pool:		49.895586% 50.104414%
ConocoPhillips Company	Working Interest	25.076570%
V-F Petroleum Inc.	Working Interest	25.027844%

Matador

Dee Osborne 1930 State Com 111H, Dee Osborne 1930 State Com 121H, $\,\mathrm{1}$ Dee Osborne 1930 State Com 135H

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C3
Case Nos. 22054, 22055, 22058

Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021

CASE No. 22055

Matador Exhibit

Summary of Interests

MRC Permian Company		50.000000%
Compulsory Pool:		50.000000%
Interest Owner:	Description:	Interest:
ConocoPhillips Company	Working Interest	25.000000%
V-F Petroleum Inc.	Working Interest	25.000000%



Dee Osborne 1930 State Com 112H, Dee Osborne 1930 State Com 122H, 1 Dee Osborne 1930 State Com 136H

CASE No. 22058

Matador (

Summary of Interests

MRC Permian Company:		49.950602%	
Compulsory Pool:		50.049398%	
Interest Owner:	Description:	Interest:	
ConocoPhillips Company	Working Interest	25.036225%	
V-F Petroleum Inc.	Working Interest	25.013173%	



Dee Osborne 1930 State Com 201H, Dee Osborne 1930 State Com 202H 1

EXHIBIT C-4

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice (972)-371-5481• Fax (214).866.4981 nweeks@matadorresources.com

Nicholas Weeks Senior Landman

February 10, 2021

VIA CERTIFIED RETURN RECEIPT MAIL

V-F Petroleum, Inc. P.O. Box 1889 Midland, TX 79702

Re:

Dee Osborne 1930 State Com #111H, #112H, #121H, #122H, #135H, #136H, #201H & #202H

(the "Wells")

Participation Proposal

Sections 19&30, Township 21 South, Range 35 East

Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Dee Osborne 1930 State Com #111H, Dee Osborne 1930 State Com #121H, Dee Osborne 1930 State Com #122H, Dee Osborne 1930 State Com #135H, Dee Osborne 1930 State Com #136H, Dee Osborne 1930 State Com #201H, & Dee Osborne 1930 State Com #202H located in Sections 19 & 30, Township 21 South, Range 35 East, Lea County, New Mexico.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the eight (8) enclosed Authority for Expenditures ("AFE") dated January 25, 2021.
- Dee Osborne 1930 State Com #111H: to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,320' TVD) to a Measured Depth of approximately 19,670'.
- Dee Osborne 1930 State Com #112H: to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,320' TVD) to a Measured Depth of approximately 19,670'.
- Dee Osborne 1930 State Com#121H: to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,100' TVD) to a Measured Depth of approximately 20,450'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C4
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION
COMPANY

Hearing Date: August 05, 2021

Released to Imaging: 8/3/2021 1:17:17 PM

- Dee Osborne 1930 State Com #122H: to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,100' TVD) to a Measured Depth of approximately 20,450'.
- **Dee Osborne 1930 State Com #135H:** to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,750' TVD) to a Measured Depth of approximately 21,100'.
- Dee Osborne 1930 State Com #136H: to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,750' TVD) to a Measured Depth of approximately 21,100'.
- Dee Osborne 1930 State Com #201H: to be drilled from a legal location with a proposed surface hole location in the Lot 1 of Section 19-21S-35E and a proposed bottom hole location in the Lot 4 of Section 30-21S-35E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,860' TVD) to a Measured Depth of approximately 21,210'.
- **Dee Osborne 1930 State Com #202H:** to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 19-21S-35E and a proposed bottom hole location in the SE/4SW/4 of Section 30-21S-35E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,860° TVD) to a Measured Depth of approximately 21,210°.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

MRC requests that you indicate your election to participate in the drilling and completion of the Wells in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement. The proposed Operating Agreement dated August 1, 2019, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators, covers certain depths in the Lots 1 - 4 & E2W2 Section 19 and Lots 1 - 4 & E2W2 Section 30, Township 21 South, Range 35 East, Lea County, New Mexico, as previously mailed to you with the following general provisions:

- 100%/300%/300% Non-consenting penalty
 - \$8,000/\$800 Drilling and Producing rate
 - Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

MRC PERMIAN COMPANY

Nicholas Weeks

Nich Well

V-F Petroleum, Inc. hereby elects to:

	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #111H well. Not to participate in the Dee Osborne 1930 State Com #111H
_	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #112H well. Not to participate in the Dee Osborne 1930 State Com #112H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #121H well. Not to participate in the Dee Osborne 1930 State Com #121H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #122H well. Not to participate in the Dee Osborne 1930 State Com #122H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #135H well. Not to participate in the Dee Osborne 1930 State Com #135H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #136H well. Not to participate in the Dee Osborne 1930 State Com #136H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #201H well. Not to participate in the Dee Osborne 1930 State Com #201H
_	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Dee Osborne 1930 State Com #202H well. Not to participate in the Dee Osborne 1930 State Com #202H
	I / We are interested in selling our interest in the contract Area, please contact us atto discuss.

ATE:	January 25, 2021			AFE NO.:		
/ELL NAME:	Dee Osborne 1930 State	Com #111H		FIELD:	-	
OCATION:	Sections 19 & 30, 21S-35			MD/TVD:	-	19,670'/9,320'
OUNTY/STATE:	Lea County, New Mexico			LATERAL LENGTH:	_	9,800'
IRC WI:					-	-,,
EOLOGIC TARGET:	1st Bone Spring					
EMARKS:	Drill, complete and equip	a horizontal 1st Bone S	Spring well			
			A Marcon Hilliam (Adam)			
INTANGIBLE	COSTS	DRILLING	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
and / Legal / Regulatory	\$	36,500	\$	\$.	\$ 10,000 \$	46,500
ocation, Surveys & Dam	ages	94,000	13,000	15,000	25,000	147,00
nilling	_	714,225				714,22
ementing & Float Equip ogging / Formation Eval	refion	224,000	5,000	3,000		224,00 8.00
ogging / Formation Eval lowback - Labor	-		5,000	23,400		23,40
lowback - Surface Renta	ls -			20,304		20,30
lowback - Rental Living	Quarters			- 80		*5
lud Logging	<u>-</u>	12,000		·		12,000
lud Circulation System	-	37,900		4 4 4 4		37,90
lud & Chemicals lud / Wastewater Dispos	-	150,000 125,500	49,000	6,000	1,000	205,000 126,500
iud / wastewater Dispos reight / Transportation	_	7,500	19,500		1,000	27,000
lig Supervision / Enginee	ring	84,500	112,000	4,350	14,400	215,250
Irill Bits	-	86,500				86,50
rill Bil Purchase						
uel & Power	2	58,500	8,000			66,500
Vater	and -	25,000	756,250 10,000	3,000	1,000	785,250
irig & Completion Overho		13,000	10,000			23,000
Directional Drilling, Surve		187,960				187,96
completion Unit, Swab, C			130,000	13,500		143.500
erforating, Wireline, Slic		* B	180,000	-		180,000
ligh Pressure Pump Truc	k		64,000	6,000	-	70,000
itimulation	lon -		1,872,750	105 000		1,872,750
itimulation Flowback & D surance	isp	35,568	15,500	195,000		35.568
abor	-	89,500	62,500	15,000	5,000	172.000
Rental - Surface Equipme	nt	60,770	315,890	10,000	5,000	391,660
Rental - Downhole Equips	nent	78,800	80,000	6,000		164,800
Rental - Living Quarters		23,650	48,050		5,000	76.600
Contingency Operations Center	-	64,358 27,950	186,869	16,028	6.640	273,899
peradona conter	TOTAL INTANGIBLES >	2,237,581	3,928,309	336,582	73,040	6,575,51
			20000000		Carrier	
TANGIBLE	COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL
urface Casing	\$_	69,660	s	5	\$	69,66
ntermediate Casing	_	144,645				144,64
Orilling Liner Production Casing	_	421,286				421,286
roduction Liner	-	421,200				256.7,660
ubing	_	•		43,200		43,20
Vellhead		46,000		23,500		69,50
ackers, Liner Hangers		· ·	67,350			67,35
anks	_				29,900	29,90
roduction Vessels	_				119,638	119,63 120,00
law Lines					120,000	120,00
	_					
tod string	-			275,000		275,00
tod etring vtificiel Lift Equipment compressor	2 5	- :		275,000	42,500	42,50
tod string utificial Lift Equipment Compressor Installation Costs					96,000	42,50 96,00
tod string vrificial Lift Equipment compressor nstallation Costs turface Pumps				2,500	96,000 26,250	42,50 96,00 28,75
tod string vrificial Lift Equipment compressor estallation Costs turface Pumps ton-controllable Surface				2,500	96,000	42,50 96,00 28,75
tod string vrificiel Lift Equipment compressor stallation Costs surface Pumps ton-controllable Surface ton-controllable Downho	le			2,500	96,000 26,250	42,50 96,00 28,75
od etring utificial Lift Equipment compressor istaliation Costs urface Pumps ion-controllable Surface ion-controllable Downholow iownhole Pumps lessurement & Meter Ins	tallation			2,500	96,000 26,250	42,50 96,00 28,75 2,00
tod string rifficial Lift Equipment compressor istallation Costs urface Pumps ton-controllable Surface ion-controllable Downho cownhole Pumps lessurement & Meter Ins ias Conditioning / Dehyc ias Conditioning / Dehyc	tallation			2,500	96,000 26,250 2,000 49,000	42,50 96,00 28,75 2,00
ice string rifficial Lift Equipment compressor stallation Costs urface Pumps ion-controllable Surface ion-controllable Downho townhole Pumps lessurement & Meter Ins sies Conditioning / Dehyciterconnecting Facility P	tallation			2,500	96,000 26,250 2,000 49,000	42,50 96,00 28,75 2,00 59,00
tod string rifficial Lift Equipment compressor istellation Costs urface Pumps fon-controllable Surface ton-controllable Downho cownhole Pumps lessurement & Meter Ins ias Conditioning / Dehyc letronnecting Facility P letronnecting Facility P	tallation retion			2,500	96,000 26,250 2,000 49,000 62,500	42,50 96,00 28,75 2,00
iod etring rrificial Lift Equipment compressor istallation Costs urriface Pumps lon-controllable Surface on-controllable Down lowwhole Pumps hessurement & Meter Ins as Conditioning / Jehly terconnecting Facility P stathering / Bulk Lines Juves, Dumps, Controlled	tallation retion lping			2,500	96,000 26,250 2,000 49,000	42,50 96,00 28,75 2,00 59,00
inde dring irlificial LIR Equipment iompressor stallation Costs urface Pumps ion-controllable Surface ion-controllable Downho iownhole Pumps lessurement & Meter Ins ias Conditioning / Dehyte sterconnecting / Facility / satthering / Bulk Lines alves, Dumps, Controlle ank / Facility Controlle ank / Facility Controlle ank / Facility Controlle	tallation retion lping			10,000	96,000 26,250 2,000 49,000 62,500	42,50 96,000 28,75 2,000 59,00 62,50
tod etring vrifficial LIR Equipment formpressor statistian Costs urriface Pumps for-controllable Surface lon-controllable Downho low-hole Pumps leascurement & Meter Ins ace Condificaning / Jehry terconnecting Facility / stathering / Bulk Lines (alves, Dumps, Controlle ank / Facility Containme lare Stack	tallation retion lping			10,000	96 000° 26 250° 2 000° 49 000° 62 500° - 11,250° 20,000° 16,000°	42,500 96,000 28,75 2,000 59,00 62,50 11,25 20,000 46,00
tod string vrifificial Lift Equipment Jompressor stallation Costs surface Pumps fon-controllable Downho Jom-controllable Downho Jowenhole Pumps Assa Conditioning / Dehyc statering / Bulk Lines fathering / Bulk Lines / salves, Dumps, Controlle fank / Facility Containme lare Stack Electrical / Grounding Jommunications / SCAD/	tallation retion Iping			10,000	96 000 26 250 2 000 49 000 	42,50 96,00 28,75 2,00 559,00 62,50 11,25 20,00 46,00 6,50
tod etring vrifficiel LIR Equipment compressor statilation Costs urrace Pumps for-controllable Surface for-controllable Downho bownhole Pumps lease Conditioning / Dehyc terconnecting Facility of statering / Bulk Lines statering / Bulk Lines statering / Bulk Lines statering / Bulk Lines fank / Facility Containme lare Stack lead of Counting formunications / SCAD.	tallation retion Iping			2,500 	96 000° 26 250° 2 000° 49 000°	42,50 56,00 28,75 2,00 58,00 62,50 11,25 20,00 46,00 6,500 55,75
Clow Lines tod string urificial Lift Equipment compressor satallation Costs surface Pumps fon-controllable Surface fon-controllable Surface fon-controllable Downho commole Pumps lessurement & Meter Ins sas Conditioning / Dehyo netrounnecting Facility P sathering / Bulk Lines / Pacility Containme lare Stack lectrical / Grounding communications / ScAD netrumentation / Safety	tallation retion Iping		67,350 3,995,659	10,000	96 000 26 250 2 000 49 000 	42,50 96,00 28,75 2,00 59,00

Completions Engineer: Production Engineer:	Garrett Hurri George Malloy	278	
DOR RESOURCES COM	PANY APPROVAL:		
Executive VP, COO/CFO	DEL	VP - Res Engineering	VP - Drilling BG
Executive VP, Legal _	CA	Exec Dir - Exploration NLF	
President	MVH		

Working Interest (%) Tax ID: Company Name Approval ____Yes Title: No (mark one)

		STIMATE OF COSTS	AND AUTHORIZATION FO	OR EXPENDITURE		
	January 25, 2021			AFE NO.:		
	Dee Osborne 1930 State			FIELD:	-	
	Sections 19 & 30, 21S-3			MD/TVD:	-	20,450'/10,100'
	Lea County, New Mexico			LATERAL LENGTH:		9,800'
IRC WI:						
	2nd Bone Spring					
REMARKS:	Drill, complete and equip	a horizontal 2nd Bor	ne Spring well			
		DBULLEY	COME: Total			
INTANGIBLE CO	STS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
and / Legal / Regulatory	\$	36,600	\$	\$.	\$ 10,000	\$ 46,50
осаtion, Surveys & Damages	•	94,000	13,000	15,000	25,000	147,00
Orilling	· ·	739,475				739,47
ementing & Float Equip ogging / Formation Evaluation	an -	229,000	5,000	3,000		229,00 8,00
lowback - Labor	_			23,400		23,40
Towback - Surface Rentals	. =			20,304		20,30
iowback - Rental Living Qua Jud Logging	rters	12,000		•		10.00
lud Circulation System	-	38,550				12,00 38,55
lud & Chemicals	-	150,000	49,000	6,000		205,00
lud / Wastewater Disposal		125,500			1,000	126,50
reight / Transportation tig Supervision / Engineering		7,500 87,750	19,500	4.350	14400	27,00
og odporvision i Engineering Irill Bits	' -	86,500	112,000	4,350	14,400	218,50 86,50
rill Bit Purchase	_					
uel & Power	_	60.750	8,000		·	68,75
Vater Orig & Completion Overhead	_	25,000 13,500	756,250	3,000	1,000	785,25
lugging & Abandonment	-	13,500	10,000		<u>·</u>	23,50
Directional Drilling, Surveys	_	194,675				194,67
Completion Unit, Swab, CTU	_	•	130,000	13,500		143,50
erforating, Wirellne, Slickline ligh Pressure Pump Truck	-		180,000	6 000		180,00
itimulation	-	:	1,872,750	6,000		70,00
Stimulation Flowback & Disp	-		15,500	195,000		210,50
neurance	_	35,990	95.500			36,99
.abor Rental - Surface Equipment	_	89,500 62,855	62,500 315,890	15,000	5,000	172,00 393,74
Rental - Downhole Equipment		78,600	80,000	6,000		164,80
Rental - Living Quarters	-	24,125	48,050	-	5,000	77,17
Contingency	-	109,649	186,869	16,028	6,640	319,18
perations Center	TOTAL INTANCIBLES	29,025	2 222 222		70.040	29,02
	TOTAL INTANGIBLES >	2,331,644	3,928,309	336,582	73,040	6,669,57
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COS	STS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
urface Casing	*_	69,660 144,645	•	\$	1	\$ 69,66
ntermediate Casing Prilling Liner	-	164,045				144,64
roduction Casing	_	438,204				438,20
roduction Liner		•				-
'ubing Velihead	_	46,000		43,200 23,500		43,20
ackers, Liner Hangers	-	40,000	67,350	23,500		69,50 67,35
anks	_	-			29,900	29,900
roduction Vessels					119,638	119,63
llow Lines Rod string	-				120,000	120,000
vtificial Lift Equipment	-	-		275,000		275.000
Compressor	-			210,000	42,500	42,50
etallation Costs		· ·			96,000	96,00
urface Pumps ion-controllable Surface	_	•		2,500	26,250	28,75
ion-controllable Downhole	-			-	2,000	2,00
Downhole Pumps	_			-		-
feasurement & Meter installa	_			10,000	49,000	59,00
iss Conditioning / Dehydration Interconnecting Facility Piping					60 500	62,50
lathering / Bulk Lines					62,500	62,50
alves, Dumps, Controllers	-				-	
ank / Facility Containment	2				11,250	11,25
lare Stack lectrical / Grounding	2			30,000	20,000	20,00
Communications / SCADA	-			4,000	16,000	46,000 6,500
estrumentation / Safety	_				55,750	55,75
	TOTAL TANGIBLES >	698,509	67,350	388,200	653,288	1,807,34
	TOTAL COSTS >	3,030,152	3,995,659	724,782	726,328	8,476,92
ARED BY MATADOR PR	ODUCTION COMPANY					
			nan.			
Drilling Engineer	Tyler Brooking	Team Lead - WTX/	NM			
Completions Engineer: Production Engineer.	Gerreit Hunt		- JTG			
Fruduction Engineer.	George Malloy					
DOR RESOURCES COM	PANY APPROVAL:					
Executive VP, COO/CFO	DEL	VP - Res Engineer			VP - Dri	illing
Eventually Up 1	DEL	Even Die Cont	BMR			8G
Executive VP, Legal	CA	Exec Dir - Explore	NLF			
President			, to			
i realidate	MVH					
OPERATING PARTNER A	PPROVAL:					
Company Name:			Working Interest (%):			

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ONE LINCOLN CENTRE - 5400 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 76240 Phone (972) 371-5200 - Fax (972) 371-5201

ESTIMATE OF COSTS AND	ALITHODIZATION COD EXPENDITURE	

DATE:	January 25, 2021	AFE NO.:	
WELL NAME;	Dee Osborne 1930 State Com #135H	FIELD:	-
LOCATION:	Sections 19 & 30, 21S-35E	MD/TVD:	21,100710,750
COUNTY/STATE:	Lea County, New Mexico	LATERAL LENGTH:	9,800'
MRC WI:			
GEOLOGIC TARGET:	3rd Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 3rd Bone S	Spring well	

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Land / Legal / Regulatory \$	36,500	5		\$ 10,000	\$ 46,500
Location, Surveys & Damages	94,000	13,000	15,000	25,000	147,000
Drilling	764.725	13,000	13,000	25,000	764,725
Cementing & Float Equip	274,000				274,000
Logging / Formation Evaluation	214,000	5,000	3.000		8,000
Flowback - Labor			23,400		23,400
Flowback - Surface Rentals			20,304		20,304
Flowback - Rental Living Quarters		•	20,304		20,304
Mud Logging	12,000				12,000
Mud Circulation System	39,200				39,200
Mud & Chemicals	170,000	49,000	6,000		225.000
Mud / Wastewater Disposal	135,000	43,000	0,000,0	1,000	136,000
Freight / Transportation	7,500	19,500		1,000	27,000
Rig Supervision / Engineering	91.000	112,000	4,350	14,400	221,750
Drill Bits	95,000	112,000	4,330	14,400	95,000
Drill Bit Purchase	00,000				85,000
Fuel & Power -	84,000	8.000			92.000
Water	25,000	756,250	3,000	1,000	785,250
Drig & Completion Overhead	20,000	10,000	0,000	1,000	10,000
Plugging & Abandonment		10,000			10,000
Directional Drilling, Surveys	199,775				199,775
Completion Unit, Swab, CTU	100,710	130,000	13,500		143,500
Perforating, Wireline, Slickline		180,000	10,000		180,000
High Pressure Pump Truck		64,000	6,000		70,000
Stimulation		1,872,750			1,872,750
Stimulation Flowback & Disp		15.500	195,000		210,500
nsurance	38.070	10,500	100,000		38,070
abor	89.500	62,500	15,000	5,000	172,000
Rental - Surface Equipment	64,940	315,890	10,000	5.000	395 830
Rental - Downhole Equipment	78.800	80,000	6,000	3,000	164,800
Rental - Living Quarters	24,700	48.050		5.000	77,750
Contingency	116,186	186,869	16 028	6.640	325,722
Operations Center	30,100	ARTHURAL .		9,540	30.100
TOTAL INTANGIBLES >	2,469,996	3,928,309	336,582	73,040	6,807,926

TANGIBLE COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Surface Casing \$	69.660	1 00010	*	PACIEIT COSTS	\$ 69.660
Intermediate Casing	144,645	•	<i>*</i> ——	*	144.645
Drilling Liner	1,44,942				194,040
Production Casing	456,976				456,976
Production Liner	-010,000				430,570
Tubing			43,200		43,200
Wellhead	46,000		23,500		69,500
Packers, Liner Hangers	-	67,350			67,350
Tanks				29,900	29,900
Production Vessels	-			119.639	119,638
Flow Lines				120,000	120,000
Rod string		-		120,000	(20,000
Artificial Lift Equipment	-		275,000		275,000
Compressor	•			42.500	42,500
Installation Costs				96,000	96,000
Surface Pumps			2,500	26.250	28,750
Non-controllable Surface	-		-	2.000	2,000
Non-controllable Downhole					
Downhole Pumps -			-		
Measurement & Meter Installation	-		10,000	49,000	59,000
Gas Conditioning / Dehydration -					-
Interconnecting Facility Piping				62,500	62,500
Gathering / Bulk Lines				· ·	
Valves, Dumps, Controllers					
Tank / Facility Containment			*	11,250	11,250
Flare Stack				20,000	20,000
Electrical / Grounding			30,000	16,000	46,000
Communications / SCADA	-		4,000	2,500	6,500
Instrumentation / Safety				55,750	55,750
TOTAL TANGIBLES >	717,281	67,350	388,200	653,288	1,626,118
TOTAL COSTS >	3.187,276	3,995,659	724,782	726,328	8,634,044

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Completions Engineer: Production Engineer	Tyler Brooking Garrett Hunl George Malloy	Team Lead - WTX/NM	
OOR RESOURCES COM	PANY APPROVAL:		
Executive VP, COO/CFO	DEL	VP - Res Engineering	VP - Drilling
Executive VP, Legal	CA	Exec Dir - Exploration	80

OPERATING PARTNER AL	PROVAL:		
Company Name	Working Interest (%)		Tax ID:
Signed by:	Date:		
Title;	Approval	Yes	No (mark one)

Dec Octomer 1930 State Com #172N Dec Octomer 19			ESTIMATE OF COSTS AT	ND AUTHORIZATION FO			
LOCATION: Sections 18 & 30 , 215 SSE MOTIVO: \$ 8,000	DATE:	January 25, 2021					
COUNTY INTERNAL ENDING COUNTY, New Mexico COUNTY INTERNAL ENDING						-	
MENANCE Telephone Teleph						-	
READER TARGET Selection		Lea County, New Mex	ico		LATERAL LENGTH:	-	9,800'
PRINCIPLE PRODUCTION PROD		7.1. B					
BITANGIBLE COSTS			uin a horizontal 1st Rone	Spring well			
MITAMOBILE COSTS	NEIDANNO.	Dini, Complete and eq	dip a nonzoniai rat bone	Spring wen			
Section Security Section Sec							TOTAL
Condition Continue		COSTS		COSTS	COSTS		\$ 46,50
Transportation		ges		13,000	15,000		147.00
	Drilling						714,22
Norbest Labor Norbest State Retrials 23,000			224,000				224,00
Production Pro		ation		5,000			8,00
Southard September South Continued South C							23,40
Table Logoling 17,000 17,000 17,000 18					Per Control of the Co		20,30
Auto Circulation System 37,900 48,000 6,000 7,000 1,000		MINISTER.	12,000	0	-		12,00
1,000 15							37.90
Trieghy I Transportation T, 2500 Tis 2000 Tis 20				49,000	6,000		205,00
Big Supervision / Engineering B4.500 112,000 4.350 14.4000 14.400 14.4000 14.4000 14.4000 14.4000 14.4000						1,000	126,50
With Bill Brunchase		Territoria de la companya della companya della companya de la companya della comp					27,00
Will Bit Purchase		ing.		112,000	4,350	14,400	215,25 86,50
Value Power Set Section Se			00,000				.00,50
Valer			58,500	8.000			66,50
Dig & Completion Overhead 13,000	Vater				3,000	1,000	785,25
Directional Critting, Surveys		id					23,00
Completion Unit, Swab, OTU							
Perforating, Wirelins, Silichine 160,000 1 160,000			187,960				187,96
High Pressure Pump Truck			.+		13,500		143,50
Stimulation 1.872/80 13.58 15.500 195.000 13.58 15.500 155.000 15.500 15.					6.000		180,00
Stimulation Flowback & Disp					6,000		1,872,75
Insurance 33,569		SD			195 000		210,50
September Sept			35,568		· Indiana.		35.56
Rental - Downhole Equipment 78,800 85,000 5,00	abor		89,500		15,000	5,000	172.00
According Acco						5,000	391,68
Contingency 64.338 185.899 18.028 6.640 19.028 19.02		ent			6,000	* *	164,80
TOTAL INTANGIBLES 27,581 3,928,399 336,582 73,040 6, 6, 6, 6, 6, 6, 6, 6							76,60
TOTAL INTANGIBLES				186,869	16,028	6,640	273,89 27.95
TANGIBLE COSTS	,	TOTAL INTANGIBLES		3,928,309	336,582	73,040	6,575,5
TANGIBLE COSTS			DRILLING	COMPLETION	PRODUCTION	15000	TOTAL
Intermediate Casing		OSTS	COSTS			FACILITY COSTS	COSTS
Drilling Liner Driving		13		•	·	-	\$ 69,66
Production Casing A21,285			144,645	-			144,64
			421 286				421,28
Measurement & Meter Installation Measurement & Measure							721,20
Packers Liner Hangers G7,350 C C C C C C C C C					43,200		43,20
Production Vessels 2,9,900 2 119,638 2 119,638 2 119,638 2 119,638 2 120,000 3 119,638 3 120,000 3 119,638 3 120,000 3 119,638 3 120,000	Neilhead		46,000		23,500		69,50
Production Vessels				67,350	•		67,35
State Stat							29,90
Rod string							119,63
Artificial Lift Equipment 275,000 300mpressor retallation Costs 96,000 Surface Pumps 2,500 26,250 800.00 Surface Pumps 2,000 800-controllable Surface 900.00 800-controllable Downhole 900-controllable Downhole 900-controlla						120,000	120,00
Compressor					275.000		275,00
Section Sect						42,500	42,50
Con-controllable Surface						96,000	96,00
Concentrollable Downhole Concentrollable Downhole Downhole Concentrollable Downhole Dow					2,500		28,75
Nowhole Pumps					-	2,000	2,00
		,			-		
Seas Conditioning / Dehydration Seas Conditioning Seas Condition		llation			10.000	40 0/0	59,00
Marconnecting Facility Piping 62,500					10,000	45,000	58,00
Dathering / Bulk Lines				-	-	62.500	62,50
Search Facility Containment	Sathering / Bulk Lines			***			
Age Stack 20,000 18,000				2 0			*
Sectical / Grounding 30,000 16,00		t					11,25
					30.000		20,00
Solution Safety Solution Safety Solution So							46,00 6,50
TOTAL TANGIBLES 681,691 67,350 388,200 653,288 1,							55,75
TOTAL COSTS > 2,919,172 3,995,659 724,782 726,328 8. PARED BY MATADOR PRODUCTION COMPANY: Drilling Engineer: Tyler Brooking Team Lead - WTX/NM Completions Engineer: Garrett Hunt Production Engineer: George Malloy		TOTAL TANGIBLES:	681,591	67,350	388,200		1,790,4
Drilling Engineer: Tyler Brooking Team Lead - WTX/NM Completions Engineer: Gannett Hunt Production Engineer: George Malloy							8,385,9
Drilling Engineer: Tyter Brooking Team Lead - WTX/NM	PARED BY MATADOR F	PRODUCTION COMPAN	IY:				
Completions Engineer: Garrett Hunt Production Engineer: George Malloy				a sac			
Production Engineer: George Malloy			2009 77 [70]				
				W. W.			
ADOR RESOURCES COMPANY APPROVAL:	1 10000 trott Englinee	Could wellow					
	ADOR RESOURCES CO	MPANY APPROVAL:					
Executive VP, COO/CFO VP - Res Engineering VP - Drilling DEL BMR BG	Executive VP, COO/CF0		VP - Res Engineerin			VP - Dri	illing

Company Name Tax ID Working Interest (%) Approval: Yes Title: No (mark one)

NON OPERATING PARTNER APPROVAL:

		ESTIMATE OF COSTS A	371-5200 • Fax (972) 371 ND AUTHORIZATION FO			
DATE:	January 25, 2021			AFE NO.:		
WELL NAME;	Dee Osborne 1930	State Com #122H		FIELD:	(-	
LOCATION:	Sections 19 & 30, 2	1S-35E		MD/TVD:	-	20,450'/10,100'
COUNTY/STATE:	Lea County, New M	exico		LATERAL LENGTH:	-	9,800'
MRC WI:						
GEOLOGIC TARGET:	2nd Bone Spring					
REMARKS:	Drill, complete and e	equip a horizontal 2nd Bone	e Spring well			
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE	OSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory		\$ 36,500	5	5	\$ 10,000	\$ 46,500
Location, Surveys & Damag Drilling	08	94,000 739,475	13,000	16,000	25,000	147,000 739,475
Cementing & Float Equip		229,000				229,000
Logging / Formation Evaluation	tion		5,000	3,000		8,000
Flowback - Labor				23,400		23,400
Flowback - Surface Rentals Flowback - Rental Living Qu	arters			20,304		20.304
Mud Logging		12,000				12.000
Mud Circulation System		38,550 150,000	40.000	6.000		38,550
Mud & Chemicals Mud / Wastewater Disposal		125,500	49,000	6,000	1,000	205,000 126,500
Freight / Transportation		7,500	19,500		-	27,000
Rig Supervision / Engineering	ng	87,750	112,000	4,350	14,400	218,500
Drill Bits Drill Bit Purchase		86,500				86,500
Fuel & Power		60,750	B,000		-	68,750
Water	4	25,000	756,250	3 000	1,000	785,250
Drig & Completion Overhead Plugging & Abandonment	•	13,500	10,000			23,500
Directional Drilling, Surveys		194,675				194,675
Completion Unit, Swab, CTU			130,000	13,500		143,500
Perforating, Wireline, Slicklii High Pressure Pump Truck	ne		180,000	6,000		180,000 70,000
Stimulation			1,872,750			1,872,750
Stimulation Flowback & Disp	p		15,500	195,000		210,500
Insurance Labor		36,990 89,500	62,500	15,000	5,000	35,990 172,000
Rental - Surface Equipment		62,855	315,890	10,000	5,000	393,745
Rental - Downhole Equipme	nt	78,800	80,000	6,000		164,800
Rental - Living Quarters Contingency		24,125 109,649	48,050 186,869	16,028	5,000	77,175 319,185
Operations Center		29,025	100,009	10,029	6,640	29,025
	TOTAL INTANGIBLES		3,928,309	336,582	73,040	6,689,574
	7-5 Pill					
TANGIBLE CO	ers	DRILLING	COMPLETION COSTS	PRODUCTION	FACILITY COSTS	TOTAL
Surface Casing		\$ 69,660	5	\$	\$	\$ 69,660
Intermediate Casing		144,645				144,645
Drilling Liner Production Casing		438.204				438,204
Production Liner		100.601				430,204
Tubing				43,200		43,200
Wellhead Packers, Liner Hangers		46,000	67,350	23,500		69,500 67,350
Tanka			00.00		29,900	29,900
Production Vessels					119,638	119,638
Flow Lines Rod string					120,000	120,000
Artificial Lift Equipment		————		275,000		275,000
Compressor					42,500	42.500
Installation Costs				0.500	96,000 26,250	96,000 28,750
Surface Pumps Non-controllable Surface				2,500	2,000	2,000
Non-controllable Downhole				-		
Downhole Pumps	test				10.5078-	
Measurement & Meter Instal Gas Conditioning / Dehydrat			$\overline{}$	10,000	49,000	59,000
Interconnecting Facility Pipi				N	62.500	62,500
Gathering / Bulk Lines						
Valves, Dumps, Controllers Tank / Facility Containment					11,250	11,250
Flare Stack				•	20,000	20,000
Electrical / Grounding				30,000	16,000	46 000
Communications / SCADA Instrumentation / Safety				4,000	2,500 55,750	55,750
(ilisticalination)	TOTAL TANGIBLES	3 698,509	67,350	388,200	653,288	1,807,346
	TOTAL COST	S > 3,030,152	3,995,659	724,782	726,328	8,476,920

PARED BY MATADOR PI	RODUCTION COMP.		222			
Drilling Engineer,		Team Lead - WTX/N	IM			
Completions Engineer			No			
Production Engineer:	George Malloy					
ADOR RESOURCES CO	MPANY APPROVAL					
Executive VP, COO/CFO	DEL	VP - Res Engineeri			VP - Dri	
Executive VP, Legal		Even Dir Fords 12	BMR.			BG
Executive VP, Legal	CA	Exec Dir - Explorati	NLF NLF			
President	ı		_			
	MVH					
OPERATING PARTNER	APPROVAL:					
Company Name:			Working Interest (%):		Tax	ID:
Signed by			Date:			
			500.			
Title:			A			

ONE LINCOLN CENTRE - 5400 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 75240
Phone (972) 371-5200 - Fax (972) 371-5201
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 25, 2021	AFE NO.:	
WELL NAME:	Dee Osborne 1930 State Com #136H	FIELD:	
LOCATION:	Sections 19 & 30, 21S-35E	MD/TVD:	21,100'/10,750'
COUNTY/STATE:	Lea County, New Mexico	LATERAL LENGTH:	9,800'
MRC WI:			-
GEOLOGIC TARGET:	3rd Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 3rd Bone Spring	well	

INTANGIBLE COSTS	DRILLING	COMPLETION COSTS	PRODUCTION	FACILITY COSTS	TOTAL
Land / Legal / Regulatory. \$	36,500	\$	\$	\$ 10,000 \$	46,500
Location, Surveys & Damages	94,000	13,000	15,000	25,000	147,000
Drilling	764,725			-	764,725
Cementing & Float Equip	274,000				274,000
Logging / Formation Evaluation	-	5,000	3,000		8,000
Flowback - Labor			23,400		23,400
Flowback - Surface Rentals			20,304		20,304
Flowback - Rental Living Quarters					
Mud Logging -	12,000				12,000
Mud Circulation System	39,200				39,200
Mud & Chemicals	170,000	49,000	6,000		225,000
Mud / Wastewater Disposal	135,000	*		1,000	135,000
Freight / Transportation	7.500	19.500			27,000
Rig Supervision / Engineering	91,000	112.000	4,350	14,400	221,750
Drill Bits	95,000	112,000	1,000	14,405	95,000
Drill Bit Purchase					50,000
Fuel & Power	84,000	8,000			92,000
Water	25,000	756,250	3,000	1,000	785,250
Drig & Completion Overhead		10,000		- 1,000	10,000
Plugging & Abandonment		10,000			10,000
Directional Drilling, Surveys	199,775				199,775
Completion Unit, Swab, CTU	700,110	130,000	13,500		143,500
Perforating, Wireline, Slickline		180,000			180,000
High Pressure Pump Truck	- 6	64,000	6,000		70,000
Stimulation		1,872,750			1.872.750
Stimulation Flowback & Disp		15,500	195,000		210,500
Insurance	38.070	10,000	100,000		38.070
Labor	89,500	62,500	15,000	5,000	172,000
Rental - Surface Equipment	64,940	315,890	10,000	5.000	395,830
Rental - Downhole Equipment	78.600	80,000	6,000	3,540	164,800
Rental - Living Quarters	24,700	48.050		5,000	77.750
Contingency	116,186	186,869	16,026	6.640	325,722
Operations Center	30,100	100,000	10,020		30,100
TOTAL INTANGIBLES >	2,469,996	3,928,309	336,582	73,040	6,807,926
TAMBLE 440.00	DRILLING	COMPLETION	PRODUCTION		TOTAL

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Surface Casing \$	69,660	\$	\$	\$	59,660
Intermediate Casing	144,645		·		144,645
Drilling Liner	-				
Production Casing	456,976				456,976
Production Liner	-				-
Tubing			43,200		43.200
Wellhead	46,000		23,500		69,500
Packers, Liner Hangers		67,350			67,350
Tanks	-		3	29.900	29,900
Production Vessels				119.638	119,638
Flow Lines -				120,000	120,000
Rod string					,
Artificial Lift Equipment	-		275,000		275,000
Compressor				42,500	42,500
Installation Costs				96,000	96,000
Surface Pumps			2,500	26,250	28,750
Non-controllable Surface				2.000	2,000
Non-controllable Downhole	- 4		•		
Downhole Pumps			-		-
Measurement & Meter Installation			1D,000	49,000	59,000
Gas Conditioning / Dehydration		- 5			
Interconnecting Facility Piping				62,500	62,500
Gathering / Bulk Lines					
Valves, Dumps, Controllers			-		
Tank / Facility Containment				11,250	11.250
Flare Stack				20,000	20,000
Electrical / Grounding			30,000	16,000	46,000
Communications / SCADA			4.000	2,500	6,500
Instrumentation / Safety			1,000	55,750	55,750
TOTAL TANGIBLES >	717,281	67,350	388,200	653,288	1,826,118
TOTAL COSTS >	3,187,278	3,895,859	724,782	726,328	8,634,044

	TOTAL COSTS >	3,187,278	3,895,859	724,782	726,328	8,634
RED BY MATADOR PRO	ODUCTION COMPANY:					
			acc			
Drilling Engineer.	Tyler Brooking	Team Lead - WTX/NM	25			
Completions Engineer.	Garrett Hunt		JTG			
Production Engineer:	George Malloy					
OR RESOURCES COM	PANY APPROVAL:					
Executive VP, COO/CFO		VP - Res Engineering			VP - Drilling	
_	DEL	_	BMR			BG
Executive VP, Legal		Exec Dir - Exploration				
-	CA	_	NLF			
President						
	MVH					
ALLIANS RESERVA SENCE A CENTRALIDA ES						
PERATING PARTNER A	PPROVAL:					
Company Name:		Wor	king Interest (%):		Tax ID:	
Signed by			Date;			

The Section Control of the Section Control of

MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

		ESTIMATE OF COSTS AF	ND AUTHORIZATION FOI	R EXPENDITURE		
DATE:	January 25, 2021			AFE NO.;		
WELL NAME:	Dee Osborne 1930 S			FIELD:		
LOCATION:	Sections 19 & 30, 21	\$-35E		MD/TVD:		21,210710,8601
COUNTY/STATE:	Lea County, New Me	xico		LATERAL LENGTH:	_	9,800,
MRC WI:						
GEOLOGIC TARGET:	Wolfcamp A					
REMARKS:	Drill, complete and e	quip a horizontal Wolfcam	p A well			
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE	COSTS	COSTS	COSTS	costs	FACILITY COSTS	COSTS
Land / Legal / Regulatory Location, Surveys & Dam	****	\$ 36,500 94,000	13,000	15,000	\$ 10,000 25,000	\$ 46,500 147,000
Drilling	a Sun	784,725	13,000	13,000	20,000	764,725
Cementing & Float Equip		274,000				274,000
Logging / Formation Evalu	uation	* 1	5,000	3,000		8,000
Flowback - Labor Flowback - Surface Renta				23,400 20,304		23,400 20,304
Flowback - Rental Living				20,004		20,004
Mud Logging		12,000	**			12,000
Mud Circulation System		39,200	40.000			39,200
Mud & Chemicals Mud / Wastewater Disposi	at	170,000	49,000	6,000	1,000	225,000 136,000
Freight / Transportation	77	7,500	19.500	-	1,000	27,000
Rig Supervision / Enginee	ring	91,000	112,000	4,350	14,400	221,750
Drill Bits		95,000				95,000
Drill Bit Purchase Fuel & Power		84,000	8,000			92,000
Water		25,000	756,250	3,000	1,000	785,250
Drig & Completion Overhe			10,000			10,000
Plugging & Abandonment Directional Drilling, Surve		201,985				201,985
Completion Unit, Swab, C		201,000	130,000	13,500	· · · · · · · · ·	143,500
Perforating, Wireline, Slici	kline		160,000			180,000
High Pressure Pump Truc	k		64,000	6,000		70,000
Stimulation Stimulation Flowback & D	lto	÷	1,872,750	195,000		1,872,750
Insurance	100	38,538	10,000	100,000		38,538
Labor		89,500	62,500	15,000	5,000	172,000
Rental - Surface Equipme		64,940 78,800	315,890	10,000	5,000	395,830 164,800
Rental - Downhole Equips Rental - Living Quarters	nem.	24,700	48 050	6,050	5,000	77,750
Contingency		116,319	186,869	16,028	6,640	325,856
Operations Center		30,100				30,100
	TOTAL INTANGIBLES	> 2,472,807	3,928,309	336,582	73,040	6,810,738
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing		\$ 69,660 144,645	\$	\$	5	\$ 69,660
Intermediate Casing Drilling Liner		199,040		-		144,645
Production Casing		460,972				460,972
Production Liner		7.				
Tubing Wellhead		46,000		43,200 23,500		43,200 69,500
Packers, Liner Hangers		40,000	67,350	Estados		67,350
Tanks		•)*	29,900	29,900
Production Vessels				3	119,638	119,638
Flow Lines					120,000	120,000
Rod etrina				275,000		275,000
					42,500	42,600
Rod string Artificial Lift Equipment Compressor						
Artificial Lift Equipment Compressor Installation Costs				2.600	96,000	96,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps		:		2,500	26,250	28,750
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho	le	<u> </u>				
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps					26,250 2,000	28,750 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins	tallation	<u> </u>		10,000	26,250 2,000 49,000	28,750
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd	tallation ration				26,250 2,000 49,000	26,750 2,000 59,000
Artificial Lift Equipment Compressor installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Internal Pacility P Gathering / Bulk Lines	taliation ration iping			10,000	26,250 2,000 49,000	26,750 2,000 - 59,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Valives, Dumps, Controlles	taliation ration iping			10,000	26,250 2,000 49,000	28,750 2,000 - - 59,000 - - -
Artificial Lift Equipment Compressor Installation Costs Surface Pumpe Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controllet Tank / Facility Containmer	taliation ration iping			10,000	26,250 2,000 49,000 62,500	28,750 2,000 59,000 62,500
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehydinterconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controllet Tank / Facility Containmer Flare Stack	taliation ration iping			10,000	26,250 2,000 49,000	28,750 2,000 - - 59,000 - - -
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controllet Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	tallation ration iping rs nt			10,000	26,250 2,000 49,000 62,500 	28,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controllet Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	tallation ration iping rs nt			10,000 	26,250 2,000 49,000 62,500 11,250 20,000 16,000 2,500 55,750	26,750 2,000 59,000 62,500 11,250 20,000 46,000 55,750
Artificial Lift Equipment Compressor installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controllet Fank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Communications / SCADA Communications / SCADA Communications / SCADA	tallation ration riping rs nt TOTAL TANGIBLES	721,277	57,350 3,995,559	30,000 4,000 388,200	26,250 2,000 49,000 	28,750 2,000 59,000 62,500 11,280 20,000 46,000 6,500 55,750 1,830,114
Artificial Lift Equipment Compressor installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controllet Fank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Communications / SCADA Communications / SCADA Communications / SCADA	tallation ration iping rs nt	721,277	67,350 3,995,559	10,000 	26,250 2,000 49,000 62,500 11,250 20,000 16,000 2,500 55,750	28,750 2,000 59,000 62,500 11,250 20,000 46,000 55,750
Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Downho Downhole Pumpa Measurement & Meter Ins Gas Conditioning / Dehyd interconnecting Facility P Gatherfing / Bulk Lines Verles, Dumps, Controller Tank / Facility Containment Flare Stack Electrical / Grounding Communications / ScAD/Instrumentation / Safety	taliation ration riping rs nt TOTAL TANGIBLES TOTAL COSTS	> 721,277		30,000 4,000 388,200	26,250 2,000 49,000 	26,750 2,000 59,000 62,500 11,280 20,000 46,000 6,500 55,750 1,830,114
Artificial Lift Equipment Compressor Installation Costs Surface Pumpe Non-controllable Surface Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Metter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controller Tank / Facility Containment Faire Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR	tallation ration riping rs nt TOTAL TANGIBLES TOTAL COSTS PRODUCTION COMPA	> 721,277 > 3,194,084	3,995,659	30,000 4,000 388,200	26,250 2,000 49,000 	26,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500 55,750 1,830,114
Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downho Downhole Pumpa Measurement & Meter Ins Gas Conditioning / Dehyd interconnecting Facility P Gathering / Bulk Lines Varies, Dumps, Controlle Tank / Facility Containmen Flare Stock Electrical / Grounding Communications / SCAD/ Instrumentation / Safety PARED BY MATADOR Drilling Engine	tallation ration riping rs nt TOTAL TANGIBLES TOTAL COSTS PRODUCTION COMPA er: Tyler Brooking	> 721,277	3,995,659	30,000 4,000 388,200	26,250 2,000 49,000 	26,750 2,000 59,000 62,500 11,280 20,000 46,000 6,500 55,750 1,830,114
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gase Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Velves, Dumps, Controlle Tank / Facility Containment Faire Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR	TOTAL TANGIBLES TOTAL COSTS PRODUCTION COMPA er: Tyler Brooking er: Garrelt Hunt	> 721,277 > 3,194,084	3,995,659	30,000 4,000 388,200	26,250 2,000 49,000 	26,750 2,000 59,000 62,500 11,280 20,000 46,000 6,500 55,750 1,830,114
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controller Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR Drilling Engine Completions Engine	TOTAL TANGIBLES TOTAL COSTS PRODUCTION COMPA er: Tyler Brooking er: Garrelt Hunt	> 721,277 > 3,194,084	3,995,659	30,000 4,000 388,200	26,250 2,000 49,000 	28,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500 55,750 1,830,114
Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downlin Downhole Pumpa Measurement & Meter Ins Gas Conditioning / Dehyd interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controller Tank / Facility Containmen Filare Stack Electrical / Grounding Communications / SCAD/ Instrumentation / Safety PARED BY MATADOR Drilling Engine Completions Engine Production Engine	TOTAL TANGIBLES TOTAL COSTS PRODUCTION COMPA er: Tyler Brooking er: Garrelt Hunt er: George Mailoy	> 721,277 > 3,194,084	3,995,659	30,000 4,000 388,200	26,250 2,000 49,000 	26,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500 55,750 1,830,114
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Valves, Dumps, Controller Tank / Facility Containment Faire Stock Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR Drilling Engine Completions Engine Production Engine	TOTAL TANGIBLES TOTAL COSTS PRODUCTION COMPA er: Garett Hunt er: George Mailoy OMPANY APPROVAL:	> 721,277 > 3,194,084 NY:	3,995,659 MM	30,000 4,000 388,200	26,250 2,000 49,000 62,500 	28,750 2,000 59,000 62,500 11,250 20,000 46,000 5,500 55,750 1,830,114 8,640,852
Artificial Lift Equipment Compressor Installation Costs Surface Pumpe Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downho Downhole Pumps Measurement & Meter Ins Gas Conditioning / Dehyd Interconnecting Facility P Gathering / Bulk Lines Verleng, Dumps, Controller Tank / Facility Containmer Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR Drilling Engine Completions Engine	TOTAL TANGIBLES TOTAL COSTS PRODUCTION COMPA er: Garett Hunt er: George Mailoy OMPANY APPROVAL:	> 721,277 > 3,194,084	3,995,659 MM	30,000 4,000 388,200	26,250 2,000 49,000 	28,750 2,000 59,000 62,500 11,250 20,000 46,000 6,500 55,750 1,830,114 8,640,852
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MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE - 5400 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 75240

			2) 371-5200 • Fax (972) 371			
		ESTIMATE OF COSTS	AND AUTHORIZATION FO			
	January 25, 2021 Dee Osborne 1930 Sta	10 Com #2014		AFE NO,: FIELD:		
-	Dee Osborne 1930 Ste Sections 19 & 30, 21S-			HELD: MD/TVD:	£	21,210710,860
	ea County, New Mexi			LATERAL LENGTH:	-	9,800'
MRC WI:					-	
	Noifcamp A					
REMARKS:	Orill, complete and equ	uip a horizontal Wolfca	mp A well			
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE CO	STS	COSTS	COSTS	COSTS	FACILITY COSTS \$ 10,000	COSTS \$ 46,500
Land / Legal / Regulatory Location, Surveys & Damages		36,500 94,000	13,000	15,000	25,000	147,000
Drilling		764,725				764,725 274,000
Cementing & Float Equip Logging / Formation Evaluation	on	274,000	5,000	3,000		8,000
Flowback - Labor				23,400 20,304		23,400
Flowback - Surface Rentals Flowback - Rental Living Quar	rtérs			20,304		20,304
Mud Logging		12,000				12,000
Mud Circulation System Mud & Chemicals		39,200	49,000	6,000		39,200 225,000
Mud / Wastewater Disposal		135,000	T	0,000	1,000	136,000
Freight / Transportation		7,500	19,500	1000	44 100	27,000
Rig Supervision / Engineering Drill Bits	1 9	91,000	112,000	4,350	14,400	221,750 95,000
Drill Bit Purchase					-	
Fuel & Power		84,000 25,000	8,000 756,250	3,000	1,000	92,000 785,250
Water Drig & Completion Overhead		25,000	10,000	3,000	1,000	10,000
Plugging & Abandonment						76.
Directional Drilling, Surveys Completion Unit, Swab, CTU		201,985	130,000	13,500		201,985
Perforating, Wireline, Slickline	3		180,000	10,500		180,000
High Pressure Pump Truck			1,872,750	6,000	· ·	70,000
Stimulation Stimulation Flowback & Disp			1,872,750	195,000		1,872,750
Insurance		38,538				38,538
Labor Rental - Surface Equipment		89,500 64,940	62,500 315,890	15,000	5,000	172,000 395,830
Rental - Downhole Equipment	ŭ :	78,800	80,000	6,000	3,000	164,600
Rental - Living Quarters		24,700	48,050	40,000	5,000	77,750
Contingency Operations Center		116,319 30,100	186,869	16,02B	6,640	325,856
	TOTAL INTANGIBLES >		3,928,309	336,582	73,040	6,810,738
	wowners were	5 0000000000				
TANGIBLE COS	eTe	DRILLING	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Surface Casing		69,660	\$	\$	\$	\$ 69,660
Intermediate Casing		144,645		W.		144,645
Drilling Liner Production Casing		460,972				460,972
Production Liner						•
Tubing Wellhead		46,000		43,200 23,500	*	43,200 69,500
Packers, Liner Hangers		40,000	67,350	25,500		67,350
Tanks		32			29,900	29,900
Production Vessels Flow Lines					119,638	119,638
Rod string						-
Artificial Lift Equipment		200		275,000	42,500	275,000 42,500
Compressor Installation Costs					96,000	95,000
Surface Pumps		-		2,500	26,250	28,750
Non-controllable Surface Non-controllable Downhole				-	2,000	2,000
Downhole Pumps				-		
Measurement & Meter Installa		- 00'		10,000	49,000	59,000
Gas Conditioning / Dehydration Interconnecting Facility Pipin					62,500	62,500
Gathering / Bulk Lines	-					
Valves, Dumps, Controllers Tank / Facility Containment					11,250	11,250
Flare Stack				-	20,000	20,000
Electrical / Grounding				30,000	16,000	46,000 6,500
Communications / SCADA Instrumentation / Safety				4,000	55,750	55,750
	TOTAL TANGIBLES >	721,277	67,350	368,200	653,288	1,830,114
	TOTAL COSTS >	3,194,084	3,995,659	724,782	726,328	8,640,852
EPARED BY MATADOR PR	ODUCTION COMPAN	ıv.				
THE PARTY OF THE P			no.			
Drilling Engineer:	Tyler Brooking	Team Lead - WTX	ONM			
Completions Engineer: Production Engineer:	Garrett Hurtl George Malloy		116			
, research Engineer.						
TADOR RESOURCES COM	PANY APPROVAL:					
		VC Per Engino	erina		VP - Dr	illina
Executive VP, COO/CFO	DEL	VP - Res Engine	BMR		VF - DI	BG BG
Executive VP, Legal		Exec Dir - Explor				
	CA		NLF			
President	MVH					
N OPERATING PARTNER	APPROVAL:					
Company Name:			Working Interest (%):		Ta	× ID.
Signed by:			Date:			
Title:			Approval:	Yes		No (mark one)

EXHIBIT C-5

Summary of Communication

V-F Petroleum Inc. (Working Interest)

- 2/11/2021: Proposals mailed via certified mail.
- 2/19/2021: Proposals delivered. (Received signed return receipt)
- 3/11/2021 3/14/2021: Spoke with V-F Petroleum Inc. by phone and exchanged emails regarding proposals, timing of wells, general development concepts and interests of parties.
- 5/5/2021: Joint Operating Agreement mailed.
- 5/17/2021: Spoke with V-F Petroleum Inc. by phone. V-F requested some information on their interest. Followed up by email with the information requested.
- 7/14/2021 7/20/2021: Spoke with V-F Petroleum Inc. by phone and exchanged emails regarding this project.

ConocoPhillips Company (WI)

- 2/11/2021: Proposals mailed via certified mail.
- 2/23/2021: Proposals delivered. (Received signed return receipt)
- 3/10/2021: Spoke with ConocoPhillips Company by phone regarding proposals, timing of wells, general development concepts and interests of parties.
- 5/5/2021: Joint Operating Agreement mailed.
- 7/14/2021 7/19/2021: Spoke with ConocoPhillips Company by phone and exchanged emails regarding this project.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C5
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021

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

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

CASE NOS. 22054, 22055 and 22058

AFFIDAVIT OF JACOB HARRINGTON

Jacob Harrington, of lawful age and being first duly sworn, declares as follows:

1. My name is Jacob Harrington and I am employed by MRC Energy Company, an

affiliate of Matador Production Company ("Matador"), as a petroleum geologist.

2. I graduated from Ohio State University with a degree in Earth Sciences in 2015.

After graduating, I went to Stanford University and pursued a Master of Science Degree in

Geological Sciences, which I completed in 2017. After graduating from Ohio State and while

studying at Stanford, I interned with Shell Exploration and Production Company as a geologist

intern in the Summer of 2015 and the Summer of 2016. After receiving my Masters of Science in

2017, I began working as a geologist at Matador. Since beginning at Matador, I have worked as a

geologist with a focus in Eddy and Lea Counties, New Mexico. I am a member of AAPG (the

American Association of Petroleum Geologists), as well as the Dallas Geological Society and West

Texas Geological Society. In addition, since beginning work at Matador, I have been required to

complete at least 40 hours of continuing education studies each year.

3. I am familiar with the applications filed by Matador in these consolidated cases and

have conducted a geologic study of the lands in the subject area.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. D

Case Nos. 22054, 22055, 22058

Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: August 05, 2021

- 4. The target intervals for the initial wells in the proposed spacing units are the First, Second, and Third Bone Spring intervals of the Bone Spring formation and the Wolfcamp A interval of the Wolfcamp formation.
- 5. **Matador Exhibit D-1** is a locator map outlining the horizontal spacing units with a black box shaded in yellow, with the larger area identified in a red box.

Bone Spring Formation

- 6. In case nos. **22054 and 22055**, Matador intends to develop the Bone Spring formation.
- 7. **Matador Exhibit D-2** is a subsea structure map that I prepared on the top of the Bone Spring formation. The proposed spacing units are outlined in black and shaded yellow. The contour interval is 50 feet. The structure map shows the Bone Spring formation gently dipping to the southwest. The structure appears consistent across the proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.
 - 8. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.
- 9. **Matador Exhibit D-3** is a structural cross-section that I prepared displaying openhole logs run over the Bone Spring formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, resistivity, and porosity. The proposed target intervals of each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring formation, are consistent in thickness across the entirety of the proposed spacing unit.

- 10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Bone Spring formation in the area of the spacing units proposed in these cases.
- 11. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.
- 12. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.
- 13. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

Wolfcamp Formation

- 14. In case no. 22058, Matador intends to develop the Wolfcamp formation.
- 15. **Matador Exhibit D-4** is a subsea structure map that I prepared on the top of the Wolfcamp formation. The proposed spacing unit is outlined in black and shaded yellow. The contour interval is 50 feet. The structure map shows the Wolfcamp formation gently dipping to the southwest. The structure appears consistent across the proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.
 - 16. Also included on Matador Exhibit D-4 is a line of cross section from A to A'.
- 17. **Matador Exhibit D-5** is a structural cross-section that I prepared displaying openhole logs run over the Wolfcamp formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, resistivity, and porosity. The proposed target intervals of each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted

intervals, within the Wolfcamp formation, are consistent in thickness across the entirety of the proposed spacing unit.

- 18. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Wolfcamp formation in the area of the spacing units proposed in these cases.
- 19. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.
- 20. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.
- 21. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 22. The standup orientation of these wells is the preferred orientation in this area because of the stress orientation in the area.
- 23. **Matador Exhibits D-1 through D-5** were either prepared by me or compiled under my direction and supervision.

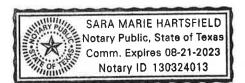
FURTHER AFFIANT SAYETH NOT

JACOB HARRINGTON

STATE OF TEXAS

COUNTY OF DAYAS

SUBSCRIBED and SWORN to before me this day of July 2021 by Jacob Harrington.



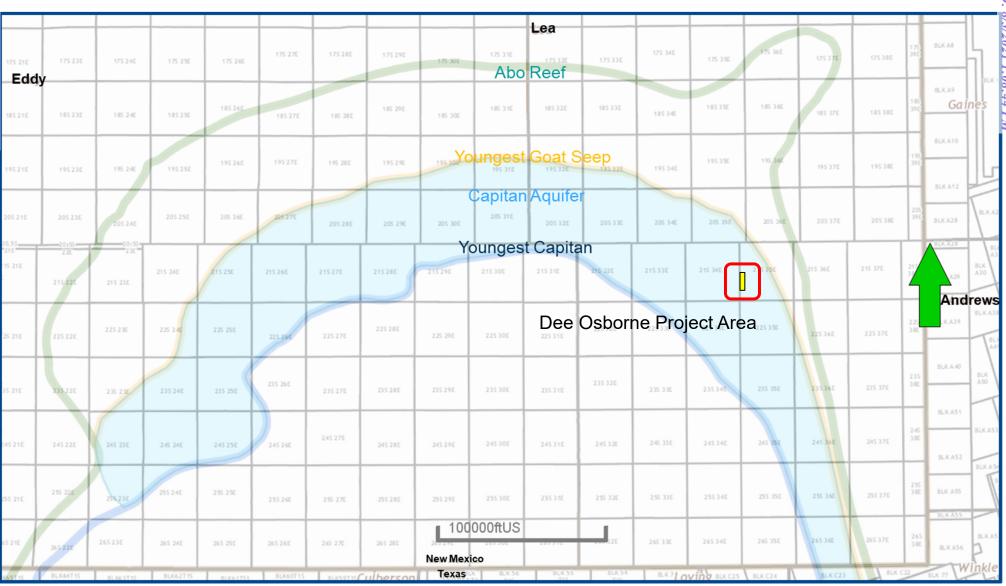
Lara Marie Hartsfellel NOTARY PUBLIC

My Commission Expires:

8-21-2023

Locator Map

Exhibit D-1



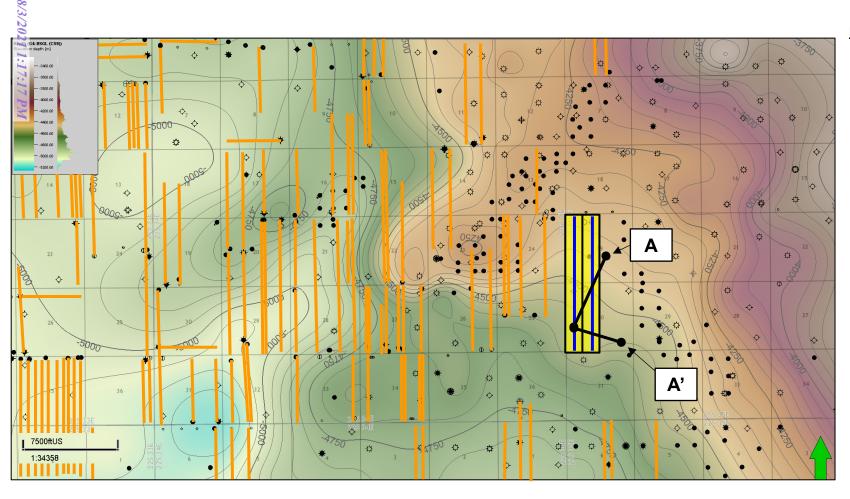
BEFORE THE OIL CONSERVATION DIVISION

Santa Fe. New Mexico Exhibit No. D1 Case Nos. 22054, 22055, 22058

Submitted by: MATADOR PRODUCTION COMPANY Hearing Date: August 05, 2021



Wilson; Bone Spring (Pool Code 64560) **Exhibit D-2** Structure Map (Top Bone Spring Subsea) A – A' Reference Line



Map Legend

Dee Osborne Wells

Bone Spring Wells

Project Areas



C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D2 Case Nos. 22054, 22055, 22058

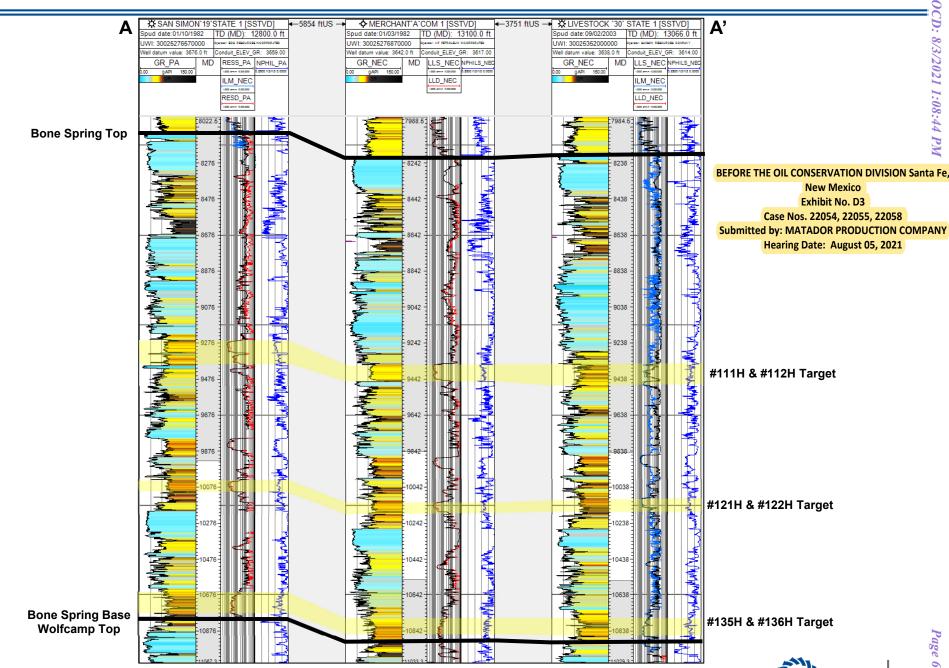
Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: August 05, 2021



Wilson; Bone Spring (Pool Code 64560) Structural Cross-Section A – A'

Exhibit D-3 received



Grama Ridge; WC (Gas) (Pool Code 77715) Structure Map (Top Wolfcamp Subsea) A – A' Reference Line

Exhibit D-

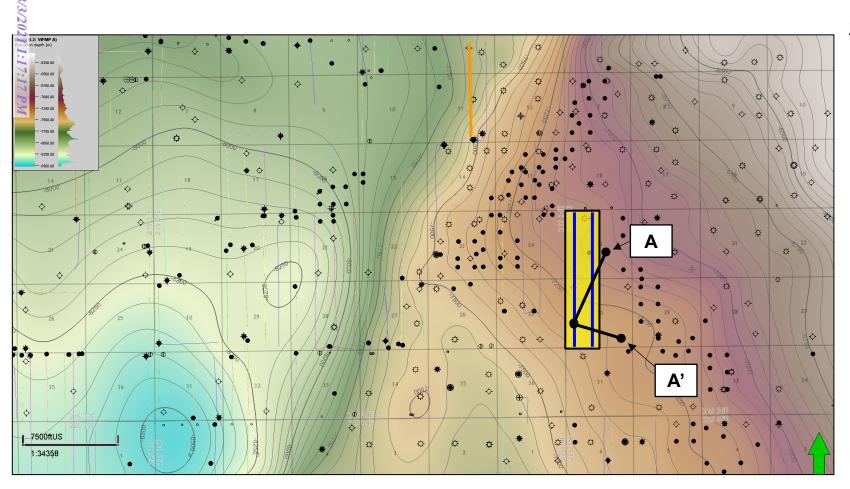
Map Legend

Dee Osborne Wells

Wolfcamp Wells

Project Area

C. I. = 50'



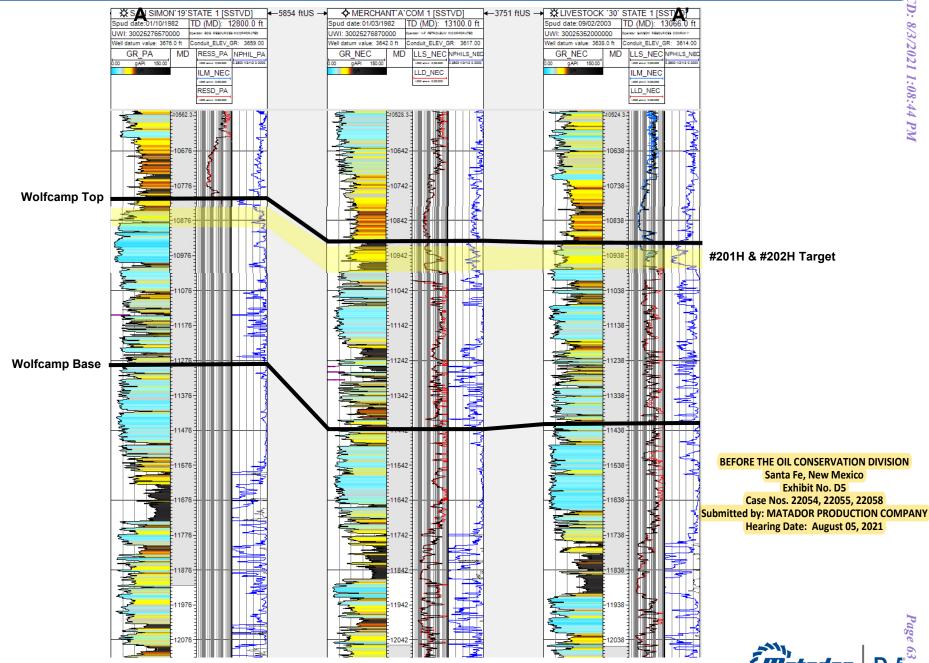
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D4

Case Nos. 22054, 22055, 22058 **Submitted by: MATADOR PRODUCTION COMPANY**

Hearing Date: August 05, 2021



Exhibit D-5



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

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

CASE NOS. 22054, 22055, 22058

<u>AFFIDAVIT</u>

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

Kaitlyn A. Luck, attorney in fact and authorized representative of Matador Production Company, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

Kaitlyn A. Luck

SUBSCRIBED AND SWORN to before me this 2nd day of August, 2021 by Kaitlyn A.

My Commission Expires:

Luck.

Nov. 12, 2023

OFFICIAL SEAL
Carla Garcia
NOTARY PUBLIC - STATE OF NEW MEXICO
My Commission Expires: NOV 12, 2023

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Case Nos. 22054, 22055, 22058
Submitted by: MATADOR PRODUCTION COMPANY
Hearing Date: August 05, 2021



Kaitlyn A. Luck Phone (505) 988-4421 kaluck@hollandhart.com

July 16, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling,

Lea County, New Mexico.

Dee Osborne 1930 State Com #111H, #121H, #135H wells

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Nick Weeks, at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

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

Alaska Colorado Montana Nevada

Utah Washington, D.C.

Wyoming



Kaitlyn A. Luck Phone (505) 988-4421 kaluck@hollandhart.com

July 16, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling,

Lea County, New Mexico.

Dee Osborne 1930 State Com #112H, #122H, #136H wells

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Nick Weeks, at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

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

Alaska Colorado Montana Nevada Utah
Washington, D.C.
Wyoming



Kaitlyn A. Luck Phone (505) 988-4421 kaluck@hollandhart.com

July 16, 2021

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling,

Lea County, New Mexico.

Dee Osborne 1930 State Com #201H, #202H wells

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on August 5, 2021 beginning at 8:15 a.m., until it is concluded. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: http://www.emnrd.state.nm.us/OCD/announcements.html.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed online or in person at the Division's Santa Fe office and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Nick Weeks, at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

ATTORNEY FOR MATADOR PRODUCTION COMPANY

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Alaska Colorado

Montana Nevada Utah
Washington, D.C.
Wyoming

Received by OCD: 8/3/2021 1:08:44 PM

Matador_Dee Osborne 111H-112H, 121H-122H, 135H-136H, 201H-202H Case Nos. 22054-22055, 22058 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered at 1:02 pm on July 21,
9414811898765804645826	V-F Petroleum Inc.	PO Box 1889	Midland	TX	79702-1889	2021 in MIDLAND, TX 79702.
						Your item was picked up at a postal facility at 7:28
9414811898765804645802	ConocoPhillips Company	PO Box 2197	Houston	TX	77252-2197	am on July 23, 2021 in HOUSTON, TX 77002.

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 July 22, 2021 and ending with the issue dated July 22, 2021.

Publisher

Sworn and subscribed to before me this 22nd day of July 2021.

Business Manager

My commission expires

January 29 2023 - The Transition of the Marian

(Seal)

OFFICIAL GEAL **GUSSIE BLACK** Notary Public State of New Mexico

My Commission Expires 1-29-23

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

LEGAL NOTICE July 22, 2021

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. During the COVID-19 Public Health Emergency, state buildings are closed to the public and Division hearings will be conducted remotely. The public hearing for the following case will be electronic and conducted remotely. The hearing will be conducted on Thursday, August 5, 2021, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Marlene Salvidrez, at Marlene Salvidrez@state.nm.us. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@state.nm.us, or the New Mexico Relay Network at 1-800-659-1779, no later than July 25, 2021. 659-1779, no later than July 25, 2021.

Persons may view and participate in the hearings through the following link:

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e12d56bf176d7f28

0e15d2923570bbb1c

Event number: 146 234 7684 Event password: u47kXsERRb4

Join by video: 1462347684@nmemnrd.webex.com

Numeric Password: 949758

You can also dial 173.243.2.68 and enter your meeting number

Join by audio: 1-844-992-4726 United States Toll Free

Access code: 146 234 7684

STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: V-F Petroleum Inc. and ConocoPhillips Company.

Case No. 22054: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Dee Osborne 1930 State Com #111H well, (2) the Dee Osborne 1930 State Com #121H well, and (3) the Dee Osborne 1930 State Com #135H well, which are to be drilled from surface locations in the NW/4 NW/4 (Lot 1) of Section 19 to bottom hole locations in the SW/4 SW/4 (Lot 4) of Section 30. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located 14 miles east of Eunice, New Mexico. wells. Said area is located 14 miles east of Eunice, New Mexico. #36668

67100754

HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208 00256481

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. F Case Nos. 22054, 22055, 22058 **Submitted by: MATADOR PRODUCTION COMPANY**

Hearing Date: August 05, 2021

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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Publisher

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Business Manager

My commission expires Hanuary 29, 2023

OFFICIAL SEAL GUSSIE BLACK Notary Public State of New Mexico

My Commission Expires

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LEGAL NOTICE July 22, 2021

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

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STATE OF NEW MEXICO TO: All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

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To: All overriding royalty interest owners and pooled parties, including: V-F Petroleum Inc. and ConocoPhillips Company.

Case No. 22055: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 21 South; Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Dee Osborne 1930 State Com #112H well, (2) the Dee Osborne 1930 State Com #122H well, and (3) the Dee Osborne 1930 State Com #136H well, which are to be drilled from surface locations in the NE/4 NW/4 (Unit C) of Section 19 to bottom hole locations in the SE/4 SW/4 (Unit N) of Section 30. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located 14 miles east of Eunice, New Mexico. #36670 #36670

67100754

00256482

HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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> Beginning with the issue dated July 23, 2021 and ending with the issue dated July 23, 2021.

Publisher

Sworn and subscribed to before me this 23rd day of July 2021.

Business Manager

My commission expression (Seal)

OFFICIAL GEAL

GUSSIE BLACK

Notary Public

State of New Mexico

My Commission Expires 23

Black

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LEGAL NOTICE July 23, 2021

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL
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To: All overriding royalty interest owners and pooled parties, including: V-F Petroleum Inc. and ConocoPhillips Company.

Case No. 22058: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying a standard 640-acre, more or less, horizontal spacing unit comprised of the W/2 of Sections 19 and 30, Township 21 South, Range 35 East, Lea County, New Mexico. The above-referenced unit will be dedicated to the following proposed initial wells: (1) the Dee Osborne 1930 State Com #201H well, to be drilled from a surface location in the NW/4 NW/4 (Lot 1) of Section 19 to a bottom hole location in the SW/4 SW/4 (Lot 4) of Section 30; and (2) the Dee Osborne 1930 State Com #202H well, to be drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 19 to a bottom hole location in the SE/4 SW/4 (Unit N) of Section 30. The completed interval of the well will comply with statewide setbacks for oil wells. Also to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located 14 miles east of Eunice, New Mexico.

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HOLLAND & HART LLC PO BOX 2208 SANTA FE,, NM 87504-2208