# BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING MAY 19, 2022

CASE Nos. 22571-22574

HUNEKE FED COM #137H HUNEKE FED COM #138H HUNEKE FED COM #213H HUNEKE FED COM #214H

### **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. 22571, 22572, 22573, 22574

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#### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22571	APPLICANT'S RESPONSE					
Date	May 19, 2022					
Applicant	Matador Production Company					
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 228937					
Applicant's Counsel:	Holland & Hart LLP					
Case Title:	APPLICATION OF MATADOR PRODUCTION					
	COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.					
	LEA COOKTT, NEW MEXICO.					
Entries of Appearance/Intervenors:	N/A					
Well Family	Huneke Fed Com					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Bone Spring Formation					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	N/A					
Pool Name and Pool Code:	WC-025 G-08 S253534O; Bone Spring (97088)					
Well Location Setback Rules:	Statewide oil rules					
Spacing Unit Size:	320 acres					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	320					
Building Blocks:	40 acres					
Orientation:	South-North					
Description: TRS/County	W/2 SE/4 of Section 18, the W/2 E/2 of Section 19,					
	and the W/2 NE/4 of Section 30, Township 24 South,					
	Range 36 East, NMPM, 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	N/A					
Applicant's Ownership in Each Tract	See Exhibit C-3					
Well(s)						
Name & API (if assigned), surface and bottom hole location,	BEFORE THE OIL CONSERVATION DIVISION					
footages, completion target, orientation, completion status	Santa Fe, New Mexico Exhibit No. A					
(standard or non-standard)	Submitted by: Matador Production Company Hearing Date: May 19, 2022					

Hearing Date: May 19, 2022 Case Nos. 22571-22574

Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-3
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-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	19-May-22

#### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22572	APPLICANT'S RESPONSE					
Date	May 19, 2022					
Applicant	Matador Production Company					
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 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:	ConocoPhillips and Burlington Resources Oil & Gas Company, LP					
Well Family	Huneke Fed Com					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Bone Spring Formation					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	N/A					
Pool Name and Pool Code:	WC-025 G-08 S253534O; Bone Spring (97088)					
Well Location Setback Rules:	Statewide oil rules					
Spacing Unit Size:	320 acres					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	320					
Building Blocks:	40 acres					
Orientation:	South-North					
Description: TRS/County	E/2 SE/4 of Section 18, the E/2 E/2 of Section 19, and the E/2 NE/4 of Section 30, Township 24 South, Range 36 East, NMPM, 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	N/A					
Applicant's Ownership in Each Tract	See Exhibit C-3					
Well(s)						
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)						

Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
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Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	19-May-22

#### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22573	APPLICANT'S RESPONSE				
Date	May 19, 2022				
Applicant	Matador Production Company				
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 228937				
Applicant's Counsel:	Holland & Hart LLP  APPLICATION OF MATADOR PRODUCTION  COMPANY FOR COMPULSORY POOLING,  LEA COUNTY, NEW MEXICO.				
Case Title:					
Entries of Appearance/Intervenors:	N/A				
Well Family	Huneke Fed Com				
Formation/Pool					
Formation Name(s) or Vertical Extent:	Wolfcamp Formation				
Primary Product (Oil or Gas):	Oil				
Pooling this vertical extent:	N/A				
Pool Name and Pool Code:	Jal; Wolfcamp, West (33813)				
Well Location Setback Rules:	Statewide oil rules				
Spacing Unit Size:	320 acres				
Spacing Unit					
Type (Horizontal/Vertical)	Horizontal				
Size (Acres)	320				
Building Blocks:	40 acres				
Orientation:	South-North				
Description: TRS/County	W/2 SE/4 of Section 18, the W/2 E/2 of Section 19, and the W/2 NE/4 of Section 30, Township 24 South, Range 36 East, NMPM, 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	N/A				
Applicant's Ownership in Each Tract	See Exhibit C-3				
Well(s)					
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)					

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Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-5
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
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Cross Section Location Map (including wells)	Exhibit D-4
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Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	rovided in this checklist is complete and accurate.
<b>Printed Name</b> (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	19-May-22

#### ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 22574	APPLICANT'S RESPONSE					
Date	May 19, 2022					
Applicant	Matador Production Company					
Designated Operator & OGRID (affiliation if applicable)	OGRID No. 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:	ConocoPhillips and Burlington Resources Oil & Gas Company, LP					
Well Family	Huneke Fed Com					
Formation/Pool						
Formation Name(s) or Vertical Extent:	Wolfcamp Formation					
Primary Product (Oil or Gas):	Oil					
Pooling this vertical extent:	N/A					
Pool Name and Pool Code:	Jal; Wolfcamp, West (33813)					
Well Location Setback Rules:	Statewide oil rules					
Spacing Unit Size:	320 acres					
Spacing Unit						
Type (Horizontal/Vertical)	Horizontal					
Size (Acres)	320					
Building Blocks:	40 acres					
Orientation:	South-North					
Description: TRS/County	E/2 SE/4 of Section 18, the E/2 E/2 of Section 19, and the E/2 NE/4 of Section 30, Township 24 South, Range 36 East, NMPM, 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	N/A					
Applicant's Ownership in Each Tract	See Exhibit C-3					
Well(s)						
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)						

	8
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D
HSU Cross Section	Exhibit D-5
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
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Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative):	
Date:	19-May-22

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

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

CASE NO. <u>22571</u>

#### **APPLICATION**

Matador Production Company ("Matador" or "Applicant"), 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 well spacing unit comprised of the W/2 NE/4 of Section 30, W/2 E/2 of Section 19 and W/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Huneke Fed Com #137H** well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NW/4 SE/4 of Section 18.
- 3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

  BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: May 19, 2022
Case Nos. 22571-22574

5. To allow 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 horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on March 3, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- 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 well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:

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

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

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

CASE NO. <u>22572</u>

#### **APPLICATION**

Matador Production Company ("Matador" or "Applicant"), 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 well spacing unit comprised of the E/2 NE/4 of Section 30, E/2 E/2 of Section 19 and E/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Huneke Fed Com #138H** well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NE/4 SE/4 of Section 18.
- 3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. To allow 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 horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on March 3, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- 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 well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

**HOLLAND & HART LLP** 

By:

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

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

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

**CASE NO. 22573** 

#### **APPLICATION**

Matador Production Company ("Matador" or "Applicant"), 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 320-acre, more or less, horizontal well spacing unit comprised of the W/2 NE/4 of Section 30, W/2 E/2 of Section 19 and W/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Huneke Fed Com #213H** well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NW/4 SE/4 of Section 18.
- 3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. To allow 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 horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on March 3, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- 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 well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

**HOLLAND & HART LLP** 

Bv:

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

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

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

**CASE NO. 22574** 

#### **APPLICATION**

Matador Production Company ("Matador" or "Applicant"), 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 320-acre, more or less, horizontal well spacing unit comprised of the E/2 NE/4 of Section 30, E/2 E/2 of Section 19 and E/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Huneke Fed Com #214H** well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NE/4 SE/4 of Section 18.
- 3. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject spacing unit.
- 4. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

5. To allow 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 horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this matter be set for hearing on March 3, 2022, before an Examiner of the Oil Conservation Division, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- 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 well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

**HOLLAND & HART LLP** 

Bv:

Michael H. Feldewert Adam G. Rankin Julia Broggi Post Office Box 2208 Santa Fe, NM 87504 505-998-4421 505-983-6043 Facsimile mfeldewert@hollandhart.com agrankin@hollandhart.com jbroggi@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. 22571, 22572, 22573, and 22574

#### **AFFIDAVIT OF DAVID JOHNS**

David Johns, of lawful age and being first duly sworn, states the following:

- 1. My name is David Johns and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
- 3. I am familiar with the applications filed by Matador in these consolidated cases and the status of the lands in the subject area.
- 4. In these consolidated cases, Matador seeks orders pooling uncommitted interests in the Bone Spring and Wolfcamp formations in the following standard horizontal spacing units, each within Township 24 South, Range 36 East, NMPM, Lea County, New Mexico, as follows:
  - In Case 22571, Matador seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 NE/4 of Section 30, W/2 E/2 of Section 19 and W/2 SE/4 of Section 18. The spacing unit will be dedicated to the proposed initial Huneke Fed Com #137H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the NW/4 SE/4 (Unit J) of Section 18.
  - In Case 22572, Matador seeks to pool all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 NE/4 of Section 30, E/2 E/2 of Section 19 and E/2 SE/4 of Section 18. The spacing unit will be dedicated to the proposed initial Huneke Fed Com #138H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 18.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Matador Production Company
Hearing Date: May 19, 2022
Case Nos. 22571-22574

- In Case 22573, Matador seeks to pool all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre more or less, horizontal spacing unit comprised of the W/2 NE/4 of Section 30, W/2 E/2 of Section 19 and W/2 SE/4 of Section 18. The spacing unit will be dedicated to the proposed initial Huneke Fed Com #213H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the NW/4 SE/4 (Unit J) of Section 18.
- In Case 22574, Matador seeks to pool all uncommitted interests in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 NE/4 of Section 30, E/2 E/2 of Section 19 and E/2 SE/4 of Section 18. The spacing unit will be dedicated to the proposed initial Huneke Fed Com #214H well, to be drilled from a surface location in the NW/4 SE/4 (Unit J) of Section 30, to a bottom hole location in the NE/4 SE/4 (Unit I) of Section 18.
- 5. **Matador Exhibit C-1** contains draft Form C-102's 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 horizontal oil wells.
- 6. For **Case Nos. 22571 and 22572**, Matador understands that these Bone Spring wells will be placed in the WC-025 G-08 S253534O; Bone Spring [97088] pool.
- 7. For Case Nos. 22573 and 22574, Matador understands that these Wolfcamp wells will be placed in the Jal; Wolfcamp, West [33813] pool.
- 8. **Matador Exhibit C-2** identifies the tracts of land comprising each of the proposed horizontal spacing units. The subject acreage is comprised of federal and fee lands.
- 9. There are no depth severances within the Bone Spring formation underlying this acreage.
- 10. There are no depth severances within the Wolfcamp formation underlying this acreage.
- 11. **Matador Exhibit C-3** identifies the working interest owners that Matador is seeking to pool in each of the proposed horizontal spacing units.
- 12. **Matador Exhibit C-3** also identifies the non-participating mineral interest owners that Matador is seeking to pool in each of the proposed horizontal spacing units.

- 13. Matador has conducted a diligent search of the public records in the county where the property is located, reviewed telephone directors and conducted computer searches to locate contact information for each of these mineral owners.
- 14. **Matador Exhibit C-4** contains a sample of the well proposal letters and AFEs sent to the working interest owners Matador is seeking to pool. 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.
- 15. **Matador Exhibit C-5** contains a general summary 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.
- 16. 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.
- 17. Matador has provided the law firm of Holland & Hart LLP with the names and addresses (where available) of the parties that Matador seeks to pool and instructed that they be notified of this hearing.
- 18. **Matador Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

David Johns

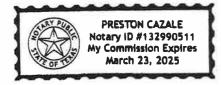
STATE OF TEXAS )
COUNTY OF DALLAS )

SUBSCRIBED and SWORN to before me this 12th day of May 2022 by David Johns.

NOTARY PUBLIC

My Commission Expires:

3/23/2025



## EXHIBIT C-1

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

30

24-S

J

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

LEA

Fact/West liv

**EAST** 

WELL LOCATION AND ACREAGE DEDICATION PLAT

	TI EEE EG CITTOITIET	DITCHERGE DEDICATION			
<sup>1</sup> API Number	<sup>2</sup> Paal Code	3р	ool Name		
	97088	WC-025 G-08	52535340		
Property Code		<sup>5</sup> Property Name	<sup>6</sup> Well Number		
	HUN	EKE FED COM	137H		
OGRID No.		Operator Name	<sup>9</sup> Elevation		
228937	MATADOR PE	RODUCTION COMPANY	3373'		
	10S	urface Location			

E - 2429' SOUTH 1810'

Feet from

Feet from th

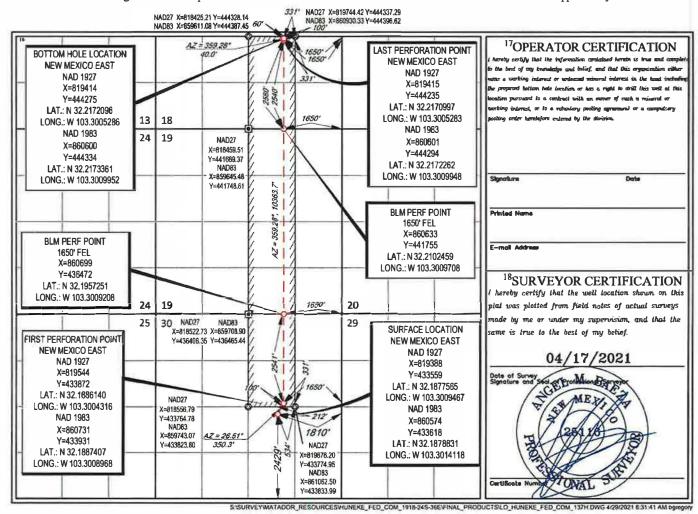
Range

36-E

Lot Ide

				pottom ric	de Location II D	merent From Sur	lace		
UL or lot no.	Section	Tewnship	Range	Let idn	Feet from the	North/South Hac	Feet from the	East/West line	Сеппту
J	18	24-S	36-E		2580'	SOUTH	1650'	EAST	LEA
12 Dedicated Acres	13 Joint or 1	nfill "C	onsolidation Co	de Merd	er No.				
320									

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



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C1
Submitted by: Matador Production Company
Hearing Date: May 19, 2022

Case Nos. 22571-22574

District I
1625 N. French Dr., Hobbs, NM 8R240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

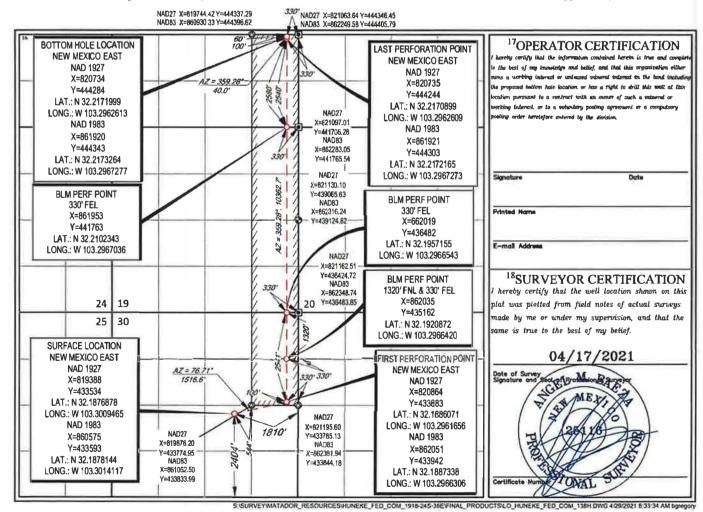
AMENDED REPORT

UL or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County

J 30 24-S 36-E - 2404' SOUTH 1810' EAST LEA

East/West lin UL or lot no Lot Id Feet from th North/South lie Reet from the County I 18 24-S 36-E 2580' SOUTH 330' **EAST** LEA leated Acres Order No. 320

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



District [
1625 N, French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
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District III
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Phone: (505) 334-6178 Fax: (505) 334-6170
District IIV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

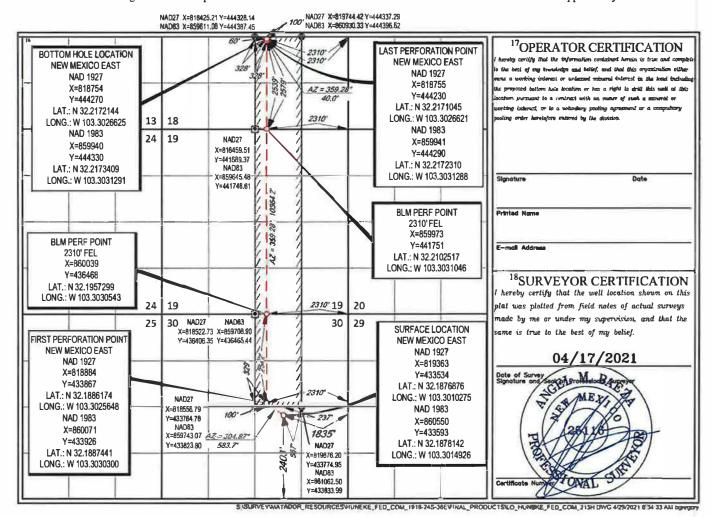
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT <sup>1</sup>API Number <sup>2</sup>Pool Code Wolfcamp <u> 33813</u> West Sal Property Code Well Number HUNEKE FED COM 213H OGRID No. Operator Name Elevation MATADOR PRODUCTION COMPANY 3373 22 B937 <sup>10</sup>Surface Location Range East/West li Feet from t J 30 24-S 36-E 2403' SOUTH 1835' **EAST** LEA 11 Bottom Hole Location If Different From Surface Feet from th East/West für UL or lot no. Secti Township Rang Lot Ide Feet from th North/South lin Cenaty 2579' 2310' J 18 24-S 36-E SOUTH **EAST** LEA 320

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



District 1
1625 N. French Dr., Hobbs, NM 88240
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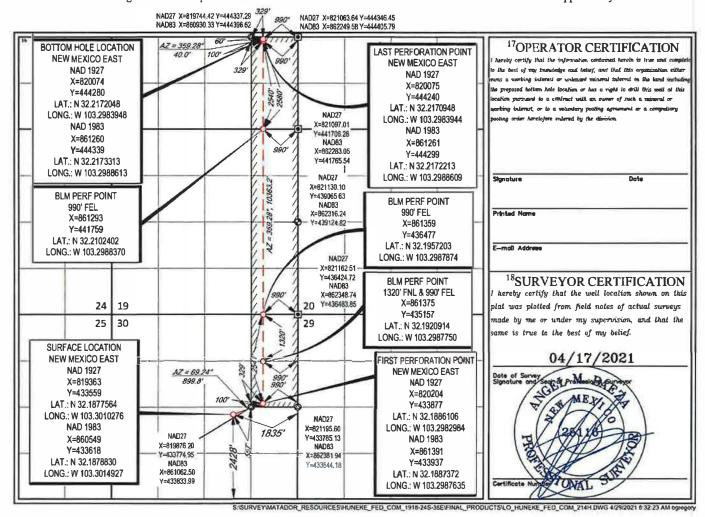
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

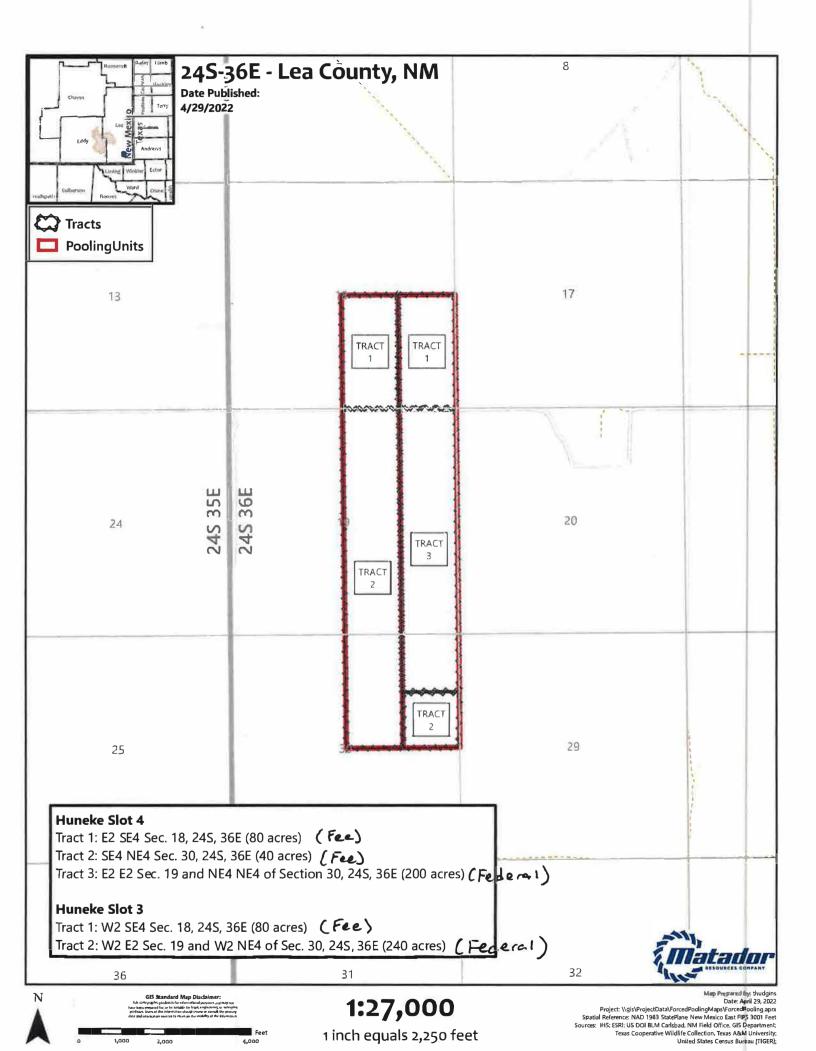
AMENDED REPORT

<sup>1</sup> API Number				Pool Code		Pool Name			
33813				Jal: W	Jal; Wolfcamp, West				
<sup>4</sup> Property	Code	*Property 1				me )	(1)	°We	Il Number
				I	IUNEKE FE	D COM		2	214H
OGRID	No.				Operator Na	me		,,	Elevation
2289	37		N.	<b>IATADOI</b>	OR PRODUCTION COMPANY 3373				373'
200					<sup>10</sup> Surface Loc	cation			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West Jine	County
J	30	24-S	36-E	1	2428'	SOUTH	1835'	EAST	LEA
			11 <sub>B</sub>	ottom Hol	e Location If Di	fferent From Sur	face		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	18	24-S	36-E	-	2580'	SOUTH	990'	EAST	LEA

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



## **EXHIBIT C-2**



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C2
Submitted by: Matador Production Company

Submitted by: Matador Production Compa Hearing Date: May 19, 2022 Case Nos. 22571-22574

## **EXHIBIT C-3**

### Summary of Interests (Case Nos. 22572 and 22574)

Matador's Working Interest			83.7494%
Voluntary Joinder			1.5917%
Anticipated Voluntary Joinder			0.0012%
Compulsory Pool Interest Total:			14.6577%
Interest Owner:	Description:	Tract:	Interest:
ZPZ Delaware I LLC*	Uncommitted Mineral Interest Owner	1	3.1275%
ConocoPhillips	Uncommitted Working Interest Owner	2	6.25%
Loralee Palfini**	Uncommitted Mineral Interest Owner	2	2.0831%
Susan Scott	Uncommitted Mineral Interest Owner	2	1.0417%
Susan Marie Swanhart Connors Owens**	Uncommitted Mineral Interest Owner	2	1.0417%

<sup>\*</sup>ZPZ Delaware I LLC leased Apache's mineral interest subsequent to Matador's well proposals and filing for hearing.

Santa Fe, New Mexico
Exhibit No. C3

Submitted by: Matador Production Company
Hearing Date: May 19, 2022
Case Nos. 22571-22574

1

<sup>\*\*</sup>Subsequent to Matador proposing the wells and filing for hearing, it appears that this interest has been conveyed numerous times. The conveyances have all been recorded within the last month. We will continue to work with all the assignees to reach voluntary joinder.

## Summary of Interests (continued) (Case Nos. 22572 and 22574)

Interest Owner:	Description:	Tract:	Interest:	
Angela Trapp Fuhrmann, Successor Trustee for the Renaissance Revocable Trust	Uncommitted Mineral 2 Interest Owner		0.3906%	
K.T. Graham, LLC	Uncommitted Mineral Interest Owner	2	0.3906%	
Royalty Holding Company	Uncommitted Mineral Interest Owner	2	0.2604%	
Jeff Martin and wife, Karen Martin as joint tenants	Uncommitted Mineral Interest Owner	2	0.0279%	
Roy D. Benningfield, Trustee of the Roy D. Binningfield Family Revocable Trust dated 9/16/1996	Uncommitted Mineral Interest Owner	2	0.0279%	
Maverick Development, LLC	Uncommitted Mineral Interest Owner	2	0.0140%	
Brian Bray - heir of Larry Don Bray	Uncommitted Mineral Interest Owner	2	0.0012%	
Keith Bray - heir of Larry Don Bray	Uncommitted Mineral Interest Owner	2	0.0012%	



## Summary of Interests (continued) (Case Nos. 22572 and 22574)

Interest Owner:	Description:	Tract:	Interest:
John & Theresa Hillman Family Properties, LP	Non-participating Royalty Interest Owner	2	
Manix Royalty, Ltd.	Non-participating Royalty Interest Owner	2	



## Summary of Interests (Case Nos. 22571 and 22573)

Matador's Working Interest			95.3087%
Voluntary Joinder			1.5638%
Compulsory Pool Interest Total:			3.1275%
Interest Owner:	Description:	Tract:	Interest:
ZPZ Delaware I LLC*	Uncommitted Mineral Interest Owner	1	3.1275%

\*ZPZ Delaware I LLC leased Apache's mineral interest subsequent to Matador's well proposals and filing for hearing.



## Summary of Interests (Case Nos. 22571 and 22573)

Interest Owner:	Description:	Tract:	Interest:
John & Theresa Hillman Family Properties, LP	Non-participating Royalty Interest Owner	1	
Manix Royalty, Ltd.	Non-participating Royalty Interest Owner	1	



## EXHIBIT C-4

MRC Permian Company
One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.619.1259 • Fax 214.866.4946 dinha@matadorresources.com

David Johns

June 1, 2021

#### VIA CERTIFIED RETURN RECEIPT MAIL

Apache Corporation 2000 Post Oak Blvd, Suite 100 Houston, TX 77056

Huneke Fed Com #137H, #138H, #213H & #214H (the "Wells") Participation Proposal
N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East
Lea County, New Mexico

#### Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Huneke Fed Com #13711. Huneke Fed Com #13711. Huneke Fed Com #13811, Huneke Fed Com #21311 and Huneke Fed Com #21414 wells, located in N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East, Lea County, New Mexico, to the Bone Spring and Wolfcamp formation.

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 four (4) enclosed Authority for Expenditures ("AFE") both dated April 27, 2021.
- Huneke Fed Com #137H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NW/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring ( $\sim$ 11,450' TVD) to a Measured Depth of approximately 21,550'.
- Huncke Fed Com #138H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NE/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 21,550'.
- Huneke Fed Com #213H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NW/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 21,750'.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C4 **Submitted by: Matador Production Company** 

Hearing Date: May 19, 2022 Case Nos. 22571-22574

Huneke Fed Com #214H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NE/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 21,750'.

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.

Apache Corporation will own an approximate 3.118511% working interest in each Well, subject to title verification.

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 dated June 1, 2021, by and between Matadur Production Company, as Operator and MRC Permian Company et al as Non-Operators covering the N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East, Lea County, New Mexico, and has 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 AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) 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

David Johns

Pav-	
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado
	Production Company's Huneke Fed Com #137H well, in the estimated amount of \$277,662.67.  Not to participate in the Huneke Fed Com #137H
	_ivot to participate in the Huberte Feb Com #35/H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado
	Production Company's Huncke Fed Com #138H well, in the estimated amount of \$277,662.67,
	_Not to participate in the Huneke Fed Com #138H
	Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado
	Production Company's Huncke Fed Com #213H well, in the estimated amount of \$300.123.31.
	Not to participate in the Huneke Fed Com #213H
	Participate for its proportionate share of the costs detailed in the enclused AFE associated with Matado
	Production Company's Huncke Fed Com #214H well, in the estimated amount of \$300.123.31.
	_Not to participate in the Huneke Fed Com #214H
Anach	e Corporation
By: _	
Title:	
Date:	
Contac	Number:

### MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.619.1259 • Fax 214.866.4946
djohns@matedorresources.com

David Johns Landman

October 18, 2021

#### YLA CERTIFIED RETURN RECEIPT MAIL

Danglade/Speight Family Oil and Gas I, LP 777 Main Street, Suite 3250 Fort Worth, TX 76113

Danglade/Speight Family Oil and Gas I, LP Attn: Joe L. Lindemood 6 Desta Drive, Suite 5850 Midland, TX 79705

Re: Huneke Fed Com #137H, #138H, #213H & #214H (the "Wells")
Participation Proposal
N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East
Lea County, New Mexico

#### Dear Sir/Madam

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Huneke Fed Com #137H, Huneke Fed Com #138H, Huneke Fed Com #138H, Huneke Fed Com #214H wells, located in N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East, Lea County, New Mexico, to the Bone Spring and Wolfcamp formation.

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 four (4) enclosed Authority for Expenditures ("AFE") both dated April 27, 2021.
- Huneke Fed Com #137H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NW/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 21,550'.
- Huneke Fed Com #138H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NE/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (-11,450° TVD) to a Measured Depth of approximately 21,550°.
- Huneke Fed Com #213H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NW/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 21,750'.

Huncke Fed Com #214H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NE/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 21,750'.

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.

Danglade/Speight Family Oil and Gas I, LP will own an approximate .18711303 working interest in each Well, subject to title verification.

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 dated June 1, 2021, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering the N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East, Lea County, New Mexico, and has 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 AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirry (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) 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

David Johns

Danglade/Speight Family Oil and Gas 1, LP hereby elects to:
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado Production Company's Huncke Fed Com #137H well, in the estimated amount of \$1,665,997,12.  Not to participate in the Huncke Fed Com #137H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado Production Company's Huncke Fed Com #138H well, in the estimated amount of \$1,665,997.12.  Not to participate in the Huncke Fed Com #138H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado Production Company's Huneke Fed Com #213H well, in the estimated amount of \$1,800,762.66.  Not to participate in the Huneke Fed Com #213H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matado Production Company's Huneke Fed Com #21411 well, in the estimated amount of \$1,800.762.66.  Not to participate in the Huneke Fed Com #214H
Dagglade/Speight Family Oil and Gas 1. LP
By:
Title:
Date;
Contact Number:

## MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.619.1259 • Fax 214.866.4946
djohns@matadorresources.com

David Johns Landman

December 21, 2021

#### VIA CERTIFIED RETURN RECEIPT MAIL

Susan Scott 107 Highland Ave. Hope, ID 83836

Re:

Huneke Fed Com #137H, #138H, #213H & #214H (the "Wells")

Participation Proposal

N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East

Lea County, New Mexico

#### Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Huneke Fed Com #137H, Huneke Fed Com #213H and Huneke Fed Com #214H wells, located in N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East, Lea County, New Mexico, to the Bone Spring and Wolfcamp formation.

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 four (4) enclosed Authority for Expenditures ("AFE") both dated April 27, 2021.
- Huneke Fed Com #137H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NW/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 21,550'.
- Huneke Fed Com #138H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NE/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,450' TVD) to a Measured Depth of approximately 21,550'.
- Huneke Fed Com #213H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NW/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 21,750'.

Huneke Fed Com #214H: to be drilled from a legal location with a proposed surface hole location in the NW/4SE/4 of Section 30-24S-36E and a proposed bottom hole location in the NE/4SE/4 of Section 18-24S-36E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,650' TVD) to a Measured Depth of approximately 21,750'.

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.

Susan Scott will own an approximate 0.002596682 working interest in each Well, subject to title verification.

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 dated June 1, 2021, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering the N2 of Section 30, All of Section 19, & S2 of Section 18, Township 24 South, Range 36 East, Lea County, New Mexico, and has 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 AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) 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

David Johns

D.W.B.

Susan Scott hereby elects to:
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matados Production Company's Huneke Fed Com #137H well, in the estimated amount of \$23,120.06.  Not to participate in the Huneke Fed Com #137H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matadon Production Company's Huneke Fed Com #138H well, in the estimated amount of \$23,120.06.  Not to participate in the Huneke Fed Com #138H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matadom Production Company's Huneke Fed Com #213H well, in the estimated amount of \$24,990.29.  Not to participate in the Huneke Fed Com #213H
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matados Production Company's Huneke Fed Com #214H well, in the estimated amount of \$24,990.29.  Not to participate in the Huneke Fed Com #214H
Susan Scott
By:
Title:
Date:
Contact Number:

MATADOR PRODUCTION COMPANY
ONE LINCOLN GENTRE - 6400 LBJ FREEWAY - BUTTE 1800 - DALLAS, TEXAS 76240
Phone (672) 371-5208 - Fax (672) 371-5201

WELL NAME: Hunek LOCATION: NE40 COUNTY/STATE: Lea, N MRC W: GEOLOGIC TARGET: 3rd Bc REMARKS: Drill, c  RETANGIBLE COSTS  Land f Legil F Regulatory Location, Surveys & Damages Drilling Comenting & Float Equip Loggling / Formation Evaluation Flowback - Buffer Rentals Flowback - Rental Livring Quartere Mud Loggling Mud Circulation System Mud & Chemicals Mud / Whatewarts - Disposal Freight / Transportation Rig Supervision / Engineering Drill Bits Drill Bit Purchase Fust & Power Water Drill Bit Purchase Fust & Power Fust & Downhole Bit Purchase Conlingency	M ne Spring Send Implete and so	10 SE4 of 18 in 24S-36E  10 SE5 of 18 in 24S-3			AFE NO.:     FIELD:     MD/TVD: ATERAL LENGTH:  50 stages  FACILITY COSTS  10,000  25,000  1,000  1,000  1,000  5,000  5,000  5,000	\$00002 249.01.001  21,550/11,450' 10,000  10,000  TOTAL COSTS \$ \$6,500 161,000 762,400 183,000 3,840 71,750 37,500 49,125 310,400 161,000 161,000 161,000 161,000 161,000 161,000 161,000 161,000 161,000 173,
LOCATION:  COUNTY/STATE:  MRC WI:  GEOLOGIC TARGET:  REMARKS:  PREMARKS:  PRE	30, E2 of 19 a M ne Spring Send omplete and so	10 SE4 of 18 in 24S-36E  10 SE5 of 18 in 24S-3	### COMPLETION COSTS  ### 13,000  ### 13,000  #### 13,000  #### 13,000  #### 130,000  ##### 130,000  ##### 130,000  ################################	PRODUCTION CUSTS  \$ 25,600	### ### ##############################	10,000  TOTAL COSTS  \$ 56,000 161,000 766,400 183,000 3,840 71,750 4P,125 310,400 141,000 141,000 141,000 1517,000 161,750 13,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000
COUNTY/BTATE:  MRC WI:  GEOLOGIC TARGET:  REMARKS:  Drill, c  REMARKS:  REMA	M Spring Send	ORALLAND COSTS  61,500 116,000 116,000 1356,400 (63,000  37,540 140,000 12,300 100,750	### COMPLETION COSTS  ### 13,000  ### 13,000  #### 13,000  #### 13,000  #### 130,000  ##### 130,000  ##### 130,000  ################################	PRODUCTION CUSTS  \$ 25,600	### STATE   ST	10,000  TOTAL COSTS  \$ 56,000 161,000 766,400 183,000 3,840 71,750 4P,125 310,400 141,000 141,000 141,000 1517,000 161,750 13,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000 173,000
MRC WI:  GEOLOGIC TARGET:  RETANGIDLE COSTS  Lend / Leg si / Regulatory Location, Surveys & Damages Drilling Cementing & Final Equip Logging / Formation Evaluation Flowback - Labor Flowback - Buriace Rentale Flowback - Rantal Living Quertere Mud Logging Mud Circulation System Mud & Chemicals Mud Chemicals Mud Chemicals Mud / Wastwarter Dispossi Freight / Trensportation Rig Supervision / Engineering Drill Bits Drill Bit Purchase Flow & Power Water United Completion Overhead Plugging & Abendenment Ornectional Drilling, Surveys Completion Unit, Swab, CTU Perforating, Warsins, Sitchine Righ Pressure Pump Truck Stimulation Stimulation Flowback & Disp Inaurance Labor Rental - Living Querans Conlingency MexCom  TOTAL  TANGIBLE COSTS  Surface Cating Intermediate Ceating Production Liner Froduction Liner Froduction Liner Froduction Liner	ne Spring Send	DRALEND COSTS  6-1,500 116,000 116,000 116,000 116,000 128,000 149,125 255,460 149,000 108,500	COMPLETION COSTS  13.000  3,600  40.000  40.000  6,500  736,750  130,000  173,000  2,006,600  15,300  61,000  61,000  64,000  64,000  43,705	PRODUCTION CUSTS  \$ 25,600	50 stages  FACILITY COSTS  \$ 10,000  25,000  1,000  114,400	107AL COSTS 9-6,600 161,000 162,400 183,000 0,500 3,646 71,750 49,125 310,400 141,000 30,500 2242,750 13,000 177,000
REMARKS: Drill, c  Retavorible COSTS  Lend / Leg si / Registory Location, Surveys & Demages Drilling Committing & Final Equip Logging / Formation Evaluation Flowback - Labor Flowback - Burface Rentals Flowback - Rental Living Quarters Mud Logging Mud Circulation System Mud a Chemicata Mud / Whatewriter Disposal Freight / Treasportation Rig Supervision / Engineering Drill Bit Purchase Fuel & Power Water Drill Bit Purchase Fuel & Power Water Drill Bit Purchase Fuel & Power Water Freight / Treasportation Rig Supervision / Engineering Drill Bit Purchase Fuel & Power Water Water Freight / Treasportation Fleg Supervision / Engineering Drill Bit Purchase Fuel & Power Water Water Fuel & Power Water Station / Engineering Drill Bit Purchase Fuel & Drilling, Surveys Commission Unit, Swab, CTU Perforating, Wiraline, Silchtine tilgh Pressure Pump Track Silmulation Flowback & Diap Inaumore Labor Rental - Lining Querane Conlingency MexCom  TOTAL  TANGIBLE CDSTS  Surface Caling Intermediate Cating Drilling Months Intermediate Cating Drill	amblete and so	DRALEND COSTS  6-1,500 116,000 116,000 116,000 116,000 128,000 149,125 255,460 149,000 108,500	COMPLETION COSTS  13.000  3,600  40.000  40.000  6,500  736,750  130,000  173,000  2,006,600  15,300  61,000  61,000  64,000  64,000  43,705	PRODUCTION COSTS \$ 25,000 75,000 2,000 3,840 71,760 6,000 7,700 2,000 16,000 260,000 15,000 10,000	FACILITY COSTS  \$ 10,000  35,000  1,000  1,000  1,000	COSTS  96,600 161,000 161,000 176,400 183,000 0,500 3,846 171,750 37,500 189,125 310,400 181,0
Instancial Costs  Lend Legil Reguletory Location, Surveys & Damages Drilling Comenting & Final Equip Comenting & Final Equip Logging / Formation Evaluation Flowback - Lehor Plowback - Surface Rentale Flowback - Rental Living Quartere Mud Logging Mud Circulation System Mud & Chemicals Mud Circulation System Mud & Chemicals Mud / Wastwarter Disposal Freight / Treasportation Rig Supervision / Engineering Drill Bits Drill Bit Purchase Fuel & Power Water Water Visite Completion Overhead Plugging & Abendenment Orizectional Drilling, Surveys Completion Unit, Swab, CTU Perforating, Wireline, Silickine tight Pressure Pump Track Stimulation Stimulation Flowback & Disp Inaumnor Lebor Rental - Downhole Equipment Rental - Downhole Equipment Rental - Downhole Equipment Conlingency MexCom  TOTAL  TANGIBLE COSTS  Surface Cating Intermediate Cesting Unitamediate Cesting Unit		ORALEND COSTS 61,500 116,000 116,000 156,400 (63,000 163,000 163,000 163,000 175,000	COMPLETION COSTS  13.000  3,600  40.000  40.000  6,500  736,750  130,000  173,000  2,006,600  15,300  61,000  61,000  64,000  64,000  43,705	PRODUCTION COSTS \$ 25,000 75,000 2,000 3,840 71,760 6,000 7,700 2,000 16,000 260,000 15,000 10,000	FACILITY COSTS  \$ 10,000  35,000  1,000  1,000  1,000	COSTS  96,600 161,000 161,000 176,400 183,000 0,500 3,846 171,750 37,500 189,125 310,400 181,0
Lend / Leg si / Regulatory Location, Surveys & Damages Drilling Cementing & Finat Equip Logging / Formation Evaluation Flowback - Leibor Plowback - Leibor Plowback - Rental Livring Quartere Mud Logging Mud Circulation System Mud & Chemicats Mud Circulation System Mud & Chemicats Mud / Wastwarter Disposal Freight / Treasportation Rig Supervision / Engineering Drill Bits Drill Bit Purchase Flowd & Power Water Patie & Power Water United Completion Overhead Plugging & Abendenment Orrectional Drilling, Surveys Completion Unit, Swab, CTU Perforating, Waraline, Sitchine fligh Pressure Pump Truck Stimulation Stimulation Flowback & Disp Inaumace Labor Rental - Ling Quarters Conlingency MexCom  TOTAL  TANGIBLE COSTS  Surface Cating Intermediate Cesting Driting Ince Intermediate Cesting Driting Ince Frodoction Uniter Frodoction Uniter Frodoction Uniter		COSTS 61,500 116,000 116,000 156,400 (63,000 (63,000 146,000 146,000 172,000	\$ 12,000  3,500  49,000  49,000  6,500  738,760  173,000  773,000  \$ 100,000  15,000  61,000  61,000  43,705  64,000  43,705	COSTS  \$ 25,000  25,000  3,000  5,840  71,750  6,000  7,700  2,000  16,000  260,000  15,000  10,000	1,000 1,000 1,000 1,000	COSTS  96,600 161,000 161,000 176,400 183,000 0,500 3,846 171,750 37,500 189,125 310,400 181,0
Lend / Legal / Regulatory Location, Surveys & Damages Drilling Cementing & Finat Equip Logging / Formation Evaluation Flowback - Lebor Flowback - Rental Living Quartere Mud Logging Mud Circulation Mud Girculation System Mud & Chemicats Mud & Chemicats Mud / Wastwarter Disposal Freight / Transportation Rig Supervision / Engineering Drill Bits Drill Bit Burchase Flows / Completion Overhead Plugging & Abendenment Oractional Drilling, Surveys Completion Unit, Swab, CTU Perforating, Wireline, Silickine (tigh Pressure Pump Track Stimulation Stimulation Flowback & Disp Inaumoc Lebor Rental - Living Querran Conlingency MexCom  TOTAL  TANGIBLE COSTS  Surface Cating Intermediate Cesting Unitermediate Cest		COSTS 61,500 116,000 116,000 156,400 (63,000 (63,000 146,000 146,000 172,000	\$ 12,000  3,500  49,000  49,000  6,500  738,760  173,000  773,000  \$ 100,000  15,000  61,000  61,000  43,705  64,000  43,705	COSTS  \$ 25,000  25,000  3,000  5,840  71,750  6,000  7,700  2,000  16,000  260,000  15,000  10,000	1,000 1,000 1,000 1,000	COSTS  96,600 161,000 161,000 176,400 183,000 0,500 3,846 171,750 37,500 189,125 310,400 181,0
Location, Surveys & Damages Drilling Comenting & Float Equip Logging / Formation Evaluation Flowback - Labor Plowback - Surface Rentals Flowback - Rental Living Quarters Mud Logging Mud Circulation System Mud a Chemicals Mud / Whateworter Disposal Freight / Trensportation Rig Supervision / Engineering Drill Bits Drill Bits Drill Bits Drill Bits Drill Bits Drill Bits Completion Overhead Plugging & Abandenment Orrectional Drilling, Surveys Completion Unit, Swab, CTU Perforating, Warsins, Sitchine High Pressure Pump Track Simulation Flowback & Disp Inaumance Labor Rental - Surface Equipment Rental - Downhole Equipment Rental - Living Querrars Confingency MexCom TOTAL  TANGIBLE COSTS Surface Cating Intermediate Cating Driting Liner Prodoction Uniter Prodoction Uniter Prodoction Uniter Prodoction Uniter		116,000 756,460 (83,000 (83,000 (83,000 49,175 235,460 140,000 172,800 100,750 91,400 100,750 101,500 13,000 13,000 203,175	3,600 49,000 (02,400 (02,400 130,000 173,000 (7,500 2,009,600 15,300 61,000 64,000 43,705 64,000	75,000 2,000 3,840 71,760 6,000 7,700 2,000 16,000 260,000 15,600 10,000	1,000 1,000 11,400	181,000 762,400 183,000 0,500 3,840 71,750 49,125 310,400 141,000 222,750 13,000 10,750 13,000 200,750 140,000 173,000 200,750 173,000 200,750 200
Drilling Commenting & Final Equip Logging / Formation Evaluation Flowback - Labor Flowback - Labor Flowback - Rental Mud & Circulation System Mud & Circulation System Mud & Chemicata Mud / Waterwarter Dieposal Freight / Treasportation Rig Supervision / Engineering Drill Bits Drill Bits Drill Bits Drill Bits Drill Bits Probation / Engineering Drill Bits Flowback - Rental Flowback Flowback Flowback Flowback Simulation Simulation Simulation Simulation Simulation Simulation Simulation Flowback & Diap Inaumore Labor Rental - Ling Overtare Confingency MexCom  TOTAL  TANGIBLE COSTS Switsere Casing Driting Driting Lings Fredbection Casing Prodoction Union	INTANG:BLES	375,460 (63,000) 37,506 48,175 265,400 140,500 140,500 140,500 150,500 15,000 13,000 13,000 13,000 140,000 175,000 40,600 177,500 40,600 177,000 50,006 125,600 203,60	3,600 49,000 (02,400 (02,400 130,000 173,000 (7,500 2,009,600 15,300 61,000 64,000 43,705 64,000	2,000 5,840 71,760 6,000 7,700 2,000 16,000 260,000	1,000 14,40D 1,000	766,400 183,600 0,500 3,840 71,750 49,125 310,400 141,000 30,500 224,750 01,400 117,000 11
Logging / Formation Evaluation Flowback - Lebor Plowback - Surface Rentale Flowback - Rentale Mud Cogging Mud Circulation System Mud a Chemicale Mud / Whaterwith r Disposal Freight / Treasportston Rig Supervision / Engineering Drill Bits Flowbach	INTANG:BLES	37,506 49,125 285,400 140,000 12,800 100,750 91,400 100,500 15,000	49,000 26,700 (02,400 6,500 738,750 130,000 173,000 5,006,600 15,000 61,000 284,195 66,000 43,795	3,840 71,760 6,000 7,700 2,000 16,000 260,000	1,000 1,000	9,500 3,840 71,780 17,780 49,125 310,400 181,000 30,500 01,400 117,000 117,000 117,000 117,000 117,730 117,730 117,730 117,730 117,730 117,300
Flowback - Labor Flowback - Surface Rentale Flowback - Surface Rentale Flowback - Rental Living Quartere Mud Cogsing Mud Circulation System Mud & Chemicala Mud & Chemicala Mud I Washington Dignossi Freight   Treasportation Rig Supervision / Engineering Drill Bits Drill Bit Purchase Fuel & Power Water Drill Bits Drill Bit Purchase Puel & Power Water Oriectional Drilling, Surveys Completion Unit, Swab. CTU Perforating, Weraling, Stretche High Preseure Pump Truck Stimulation Stimulation Flowback & Disp Insurance Labor Rental - Living Querrans Conlings ncy MexCom  TOTAL  TANGIBLE CDSTS  Surface Casing Driting Dignos Intermediate Casing Driting Casing Prodoction Uniter Intermediate Casing Driting Clear Prodoction Uniter	INTANG:BLES	48,175 285,400 140,000 12,800 100,750 11,800 100,750 11,800 13,000 13,000 13,000 13,000 140,600 177,000 40,600 177,000 50,000 125,600 125,600	49,000 26,700 (02,400 6,500 738,750 130,000 173,000 5,006,600 15,000 61,000 284,195 66,000 43,795	3,840 71,760 6,000 7,700 2,000 16,000 260,000	1,000 1,000	3,640 F1,750 37,560 49,125 310,400 141,000 51,400 117,000 117,
Flowbook - Rental Living Quartere Mud Logging Mud Circulation System Mud Circulation System Mud & Chemicala Mud & Chemicala Mud & Chemicala Freight (Treaportation Rig Supervision / Engineering Drill Bits Drill Bit Purchaea Freight (Treaportation Drill Bits Drill Bit Purchaea Flets & Power Water Drill Bits Completion Overhead Plugging & Abandonment Orizectional Drilling, Surveys Completion Unit, Swab. CTU Perforating, Wireline, Sürchine High Pressure Pump Track Stimulation Flowbook & Otep Inaument Rental - Downhole Equipment Rental - Living Querrara Conlingency  TANGIBLE COSTS  Surface Casing Uniter Casing Driting Liner Production Casing Production Casing Production Casing	INTANG:BLES	48,175 285,400 140,000 12,800 100,750 11,800 100,750 11,800 13,000 13,000 13,000 13,000 140,600 177,000 40,600 177,000 50,000 125,600 125,600	26,700 107,400 6,500 736,730 1730,000 173,000 2,006,600 15,500 264,100 66,000 43,705	6,000 7,700 2,000 16,000 6,000 260,000 15,600	1,000 1,000	37,500 49,125 310,405 141,000 30,500 224,750 01,400 117,000 117,000 110,750 13,000 200,175 144,000 173,000 173,000 200,175 145,000 173,000 200,175 145,000 173,000 200,175 145,000 173,000 200,175 155,000 200,175 200
Mud Logsing Mud Circulation System Mud & Chemicals Mud & Chemicals Mud # Whatewriter Disposals Freight 1 Transportation Rig Supervision / Engineering Drill Bits Bits Bits Bits Bits Bits Bits Bits	INTANG:BLES	48,175 285,400 140,000 12,800 100,750 11,800 100,750 11,800 13,000 13,000 13,000 13,000 140,600 177,000 40,600 177,000 50,000 125,600 125,600	26,700 107,400 6,500 736,730 1730,000 173,000 2,006,600 15,500 264,100 66,000 43,705	7,700 2,000 16,000 6,000 260,000 15,600 10,000	1,000 1,000	49,125 310,466 141,000 30,500 224,750 91,400 117,000 1
Mud & Chemicals Mud / Washwite Disposal Freight / Trensportation Rig Supervision / Engineering Drill Bits Bits Bits Bits Bits Bits Bits Bits	INTANG:BLES	255, 460 140,000 12,300 100,750 91,400 100,500 75,000 13,000 200,175 200,175 30,005 49,660 77,000 30,005 127,660	26,700 107,400 6,500 736,730 1730,000 173,000 2,006,600 15,500 264,100 66,000 43,705	7,700 2,000 16,000 6,000 260,000 15,600 10,000	1,000 1,000	49,125 310,466 141,000 30,500 224,750 91,400 117,000 1
Mud I Wasterwiter Disposal Freight I Treasportation Rig Supervision I Engineering Drill Bits Drill Bits Drill Bits Drill Bits Drill Bit Purchase Foul & Power Wester Drig & Completion Overhead Plugging & Abendenment Oirectional Drilling, Surveys Complesion Unit, Swab. CTU Perforaling, Wurzeline, Silchille tilgh Pressure Pump Truck Silmulation Silmulation Silmulation Silmulation Rental - Living Dierrent Rental - Living Dierrent Rental - Living Dierrent Rental - Living Dierrent Conlingency MexCom TOTAL  TANGIBLE COSTS  Surface Casing Intermediate Casing Dritting Liner Prodoction Uniter	INTANG:BLES	140,000 12,800 100,150 91,400 100,500 15,000 13,000 200,175 97,500 49,600 97,500 30,005 125,600 27,500	26,700 107,400 6,500 736,730 1730,000 173,000 2,006,600 15,500 264,100 66,000 43,705	7,700 2,000 16,000 6,000 260,000 15,600 10,000	1,000 1,000	141,000 30,600 224,750 91,400 117,000 1810,750 13,000 200,178 140,000 173,000 173,000 200,178 140,000 173,000 200,178 140,000 173,000 200,178 140,000 173,000 174,000 175,0
Rig Supervision / Engineering Drill Bits Dri	INTANG:BLES	100 750 91 405 100 500 175,000 13 000 203,175 203,175 97,500 49,500 97,500 30,075 125,000 23,075	130,000 173,900 173,00	2,000 16,000 6,000 246,000 15,000	1,000	224,750 01,460 117,060 510,753 13,060 200,178 140,000 173,000 773,900 200,780
Drill Bike Drill Bike Drill Bike Purchaea Fuel & Power Water Water Water Water Orig & Completion Overhead Plugging & Abendonment Orischone Donling, Surveys Completion Unit, Swab, CTU Perforating, Wiraline, Slicktine High Pressure Pump Track Simulation Simulation Simulation Simulation Simulation Rental - Downhole Equipment Rental - Downhole Equipment Rental - Ling Quertara Conlingency MexCom  TANGIBLE CDSTS  Surface Casing Ditting Liner Prodoction Uniter	INTANG:BLES	91 400 100,500 75,000 13 600 200,175 200,175 97,500 40,800 97,000 50,075 125,600 27,600	6,500 736,760 130,000 173,000 5,000,600 15,300 61,000 284,105 66,000 43,705	2,000 16,000 6,000 246,000 15,000	1,000	91,400 117,000 810,750 13,000 200,178 144,000 173,000 77,500 2,009,400 275,500 32,325
Drill 8th Purchase Freis & Power Wester Unit & Complision Overhead Plugging & Abendonment Orsectional Drilling, Surveys Cornolision Unit, Swab, CTU Perforaling, Wirelins, Silchine fligh Pressure Pump Truck Simulation Stimulation Flowback & Disp Inaurance Lebor Rental - Serface Equipment Rental - Owenhole Equipment Rental - Living Querrans Conlingency MexCom TOTAL  **TANGIBLE COSTS** Surface Casing Intermediate Casing Dritting Liner Prodoction Uniter	INTANGIBLES :	75,000 13 600 200,175 32,375 97,500 49,600 77,600 30,076 125,690 27,690	738,740 130,000 173,000 €,7,900 \$,006,600 15,500 61,000 284,195 66,000	16,000 5,000 260,000 15,000	5,000	117,000 810,750 13,000 200,178 140,000 173,000 77,500 2,009,400 275,500
Wester Drig & Completion Overhead Pluggling & Abendonment Oirectional Drilling, Surveys Completion Unit, Swab. CTU Perforaling, Wirsting, Sürckine High Pressure Pump Truck, Simulation Stimulation Flowback & Olep Insurance Stimulation Flowback & Olep Insurance Labor Rental - Surface Equipment Rental - Downhole Squipment Rental - Ling Quertars Conlingency MexCom  TOTAL  TANGIBLE COSTS Surface Casting Intigmediate Casting Diffice Fredection Units Fredection Casting Production Units	INTANG:BLES	75,000 13 600 200,175 32,375 97,500 49,600 77,600 30,076 125,690 27,690	738,740 130,000 173,000 €,7,900 \$,006,600 15,500 61,000 284,195 66,000	16,000 5,000 260,000 15,000	5,000	\$10,750 13,000 200,176 146,000 173,000 73,500 2,009,400 274,500
Drig & Completion Overhead Pilugging & Abandonment Orrectional Drilling, Surveys Comptesson Unit, Swab, CTU Perforating, Wireline, Sückihre High Preseure Pump Truck Stimulation Stimulation Flowback & Disp Inaurance Labor Rental - Serface Equipment Rental - Serface Equipment Rental - Chambole Requipment Rental - Living Querrans Conlingency MexCom TOTAL  TANGIBLE COSTS  Surface Casing Indian Prodoction Union	INTANG:BLES	32,325 97,500 49,600 97,500 49,600 97,500 30,005 125,600	130,000 173,000 67,500 2,006,000 15,500 61,000 284,105 66,000 43,705	16,000 5,000 260,000 15,000	5,000	13,000 203,178 146,000 173,000 71,500 2,007,400 275,500 32,525
Ornectional Drilling, Surveys Complision Unit, Swab, CTU Perforating, Wirelins, Silchine fligh Pressure Pump Truck Stimulation Stimulation Flowback & Olep Inaurance Labor Rental - Sartace Equipment Rental - Oowenhole Equipment Rental - Living Querrans Conlingency MexCom  TANGIBLE COSTS Surface Casing Intermediate Casing Dritting Liner Production Uniter	intangibles :	32,575 97,500 49,800 77,000 50,076 175,902 27,550	173,000 77,500 2,009,400 15,500 61,000 294,103 66,000 43,705	5,000 260,000 15,000 10,000		145,000 173,000 73,500 2,007,400 275,500 32,325
Complesion Unit, Swab, CTU Perforating, Wiraline, Sticktine High Pressure Pump Track Stimulation Stimulation Flowback & Diap Inaurance Labor Rental - Surface Equipment Rental - Living Quertane Conlingency MexCom  TANGIBLE COSTS Surface Casing Ditting Licar Production Casing Production Units	intangibles	32,575 97,500 49,800 97,000 50,076 175,902 21,550	173,000 77,500 2,009,400 15,500 61,000 294,103 66,000 43,705	5,000 260,000 15,000 10,000		145,000 173,000 73,500 2,007,400 275,500 32,325
High Pressure Pump Truck Silmulation Silmulation Flowback & Disp Inaurance Lebor Rental - Serface Equipment Rental - Serface Equipment Rental - Living Querters Gonlingency MexCom  TANGIBLE COSTS  Surface Casing Intermediate Cesting Ditting Liner Production Liner	intangibles :	97,500 49,600 77,000 30,076 175,962 27,950	61,000 2,005,400 15,900 61,000 284,193 66,000 43,295	260,000 15,600 10,000		73,500 2,009,400 275,500 32,325
Stimulation Stimulation Flowback & Disp Insurance Labor Rental - Serface Equipment Rental - Downhole Equipment Rental - Lithing Querrare Conlingency MexCom  TOTAL  TANGIBLE COSTS  Surface Catang Intermediate Ceating Drition Street Production Union	intangibles :	97,500 49,600 77,000 30,076 175,962 27,950	\$ 000,400 15,000 61,000 284,185 65,000 43,295	260,000 15,600 10,000		2,009,400 275,500 32,325
Inaumice Lebor Rental - Serface Equipment Rental - Downhole Equipment Rental - Lining Queriers Conlingency MexCom  TOTAL  TANGIBLE COSTS  Surface Casing Intermediate Casing Ortino Liner Production Liner	INTANG:BLES	97,500 49,600 77,000 30,076 175,962 27,950	61,060 284,193 66,000 43,295	15,600		32,325
Lebor Rental - Surface Equipment Rental - Downhole Equipment Rental - Living Quertars Conflingency MexCom  TOTAL  TANGIBLE COSTS  Surface Casing Production Casing Production Uniter	INTANG:BLES	97,500 49,600 77,000 30,076 175,962 27,950	284,195 66,000 43,295	10,000		
Renial - Downhole Equipment Renial - Living Operans Contingency MexCom  TOTAL  TANGIBLE COSTS  Surface Casing Intermediate Casing Oriting Liner Production Unar	INTANGIBLES	77,000 50 026 125,962 27,950	66,000 43,295		6,000	178,500
Rental - Living Overrans Conlingency MexCom  TOTAL  TANGIBLE COSTS  Surface Casting Intermediate Casting Diffuse Liner Production Uniter  Transcription Uniter  Total Casting Transcription Uniter Transcription Uniter Transcription Uniter Total Casting Transcription Uniter Total Casting Transcription Uniter Total Casting Transcription Uniter Total Casting Transcription Transcription Total Casting Transcription Transcript	intangibles :	36.026 126,962 27,950	43,295	3.0(2)		347,985
TOTAL  YANGIBLE COSTS  Surface Casing Intermediate Casing Production Casing Production Union	INTANGIBLES :	27,990		-	3,000	76,320
TOTAL  TANGIBLE COSTS  Swifece Casing Intermediate Casing Ditting Liner Production Casing Production Unior	INTANGIBLES:		11110000	45,379	6,640	358,206
TANGIBLE COSTS Surface Casing Intermediate Casing Ditting Liner Production Casing Production Unior	IN INVIDEES		3,991,876	499,169	73,040	27,950 1,209,278
Surface Cating Intermediate Cating Ditting Liner Prediscreen Casing Production Unar		DAELING	COMPLETION	PRODUCTION	73,040	TOTAL
Intermediate Casing Ditting Liner Production Casing Production Unar		COSTS	COSTE	COSTS	FACILITY COSTS	COSTS
Dritting Liner Production Casing Production Unar		240,500 240,506	•	,	•	\$ 44 950 246,356
Production Unar		reality				
		456,775				456,775
				82.500		92,500
Wellhood Peckers, Liner Hangers		65,000	69,600	25,000 5,000		74,600
Tanica		100		31	29,900	29,900
Production Versons Flow Lines		-			118,838	119,636
Rod string					120,000	E
Artifleial Lift Equipment Compressor				20,000	42.500	20,000 42,500
Installation Costs		-	-	- 2	96,000	96,000
Surface Pumps Nan-controlleble Surface				5,000	26,250 2,000	31,250
Hen-controlishie Commons					2,000	2,000
Downtole Pumps				- 2		
Messurement & Meter Insultation Ges Conditioning J Deliyambara				10,000	39,000	59,000
interconnecting facility Piping					62,500	62,500
Gethering / Bulk Little Valvas, Dumps, Controllers				2,000		2,000
Trink / Facility Containment				2	11,350	11,250
Plant Black Electrical / Grounding				2.000	20,000	16,000
Communications / SCADA				5,000	2,600	7,500
Instrumentation / Safety	AL TANCER ES		40.600	144 100	55 755	55,750
101	TOTAL COSTS:		4,001,475	156,600	653,280 726,328	1,654,41E 8,903,694
			The state of the s			
PARED BY MATADOR PRODU	TION COMPA					
Orlling Engineer: Bigs	e Fiorman	Team Lead - WTX	MM LITE			
	reff Husik		WIE			
Production Engineer: .llu	Mosnea					
ADDR RESOURCES COMPANY	APPROVAL:					
Exec VP & CFO	DEL			•	Exec VP & COD - Land & L	egalCNA
Prasident		Senior VP - Geoscie	RUCA RUCA		Exec VP & COO - Operal	lioxes
11000001	MVH		NLF			6EÓ
1 Anna 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2						
OPERATING PARTNER APPR						
	VAL		Working Interest (%);		Tec	x ID:
Company Name:	OVAL					
	OVAL		Date:			
Company Name:	OVAL		Date:	Yes		No (mork one)

AFE - Version 4

MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE - 5600 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 75240
Phone (872) 371-8280 - Fax (872) 371-8201
ESTIMATE OF COSTS AND AUTHORIZATION FOR EVIDENING

DATE: WELL NAME: LOCATION:		38H and SE4 of 18 in 24S-36E			AFE ND,: FIELD: MD/TVD:	21,550711,450
COUNTY/STATE:	Las, NM			u	ATERAL LENGTH:	10,000
MRC WI:	3					
SEDLOGIC TARGET: IEMARK9;	Drill complete and o	equip a 2 mile horizontal 3rd	d Bone Spring Sand w	all with approximately :	50 stages	
		DRILLING	COMPLETION	PRODUCTION	To To All	TOTAL
INTANGIBLE	OSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
and I Legal I Regulatory		5 61,500	13,000	35,660	75,000	\$ 96,50
<del>ocation, Surveys &amp; Dam</del> ag rilling		118,000 756,400	13,000	25,000	73,000	181,00 756,40
ementing & Float Equip		183,000				183,00
ogging / Formation Evalua	Mon		3,600	3,000		6,50
lowback - Labor				3,640		3,84
lowoack - Surface Rentals				71,750		71,75
lowbock - Rental Living Q	INTER-		10 10			
lud Logging		31,500				27,50
lud Circulation System		49,175				49,12
kid & Chemicele lud / Wastewater Diapcesi		140,000	49,000	6,000	1,000	310,40
reight / Transportation		12,800	25,700		1,000	39 60
ig Supervision / Eagineer	nti	100 750	102,400	7,200	14,400	224,75
Will Bita		91 400				D1.40
rill Bit Purchasa						
uel & Power		108,500	8,600			117,00
Vator		75.000	738,760	2,000	1,000	616,75
rig B. Completion Overhee	đ	17/000				13,00
lugging & Abandonment		202.72				203.17
Pirectional Orbiting, Surveys Completion Unit, Swab, CT		200,178	130,000	16,000		146,03
erfording, Wreline, Silcki			173,000	IN, GOU	-	173,63
ligh Pressure Pump Truck	•••		67,560	6,000		73,50
dentiation			7,009,400			2.009,40
Simulation Flowback & Die	P		16,500	260,000	)	275,50
nsurance		37,375				32,32
Sbor		67,505	51,000	15,000	5,000	178,50
Mantal - Surface Equipment		40.860 77,000	284,105 85,000	10,000	5,000	347,58
iestal - Downbols Equipio: Isnial - Living Quartera	411	30,075	43,298	3,000	5,000	166,00 76,32
Contingency		125,962	180,225	45,37B	6,640	358,20
laxCom		27,650	,			27,95
	TOTAL INTAKGIBLES	3 2,645,197	3,991,628	499,169	73,040	7,209,27
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE C	0515	COSTE	COSTS	COSTS	FACILITY COSTS	COSTS
urface Casing		\$ 44 056	1	5	1	\$ 44,050
ntermediate Caeing		248306	V			248 304
Orilling Liner		- van her-				454.99
roduction Casing		430,776				458,773
Production Liner Fubling				82,500		82.60
Nating Nating		85,000		25,000		60,00
Packers, Lines Hangers		03,000	74 500	5,000		74,60
inhs		-			29.900	29,900
Production Vessals		-			116 636	119,630
low Lines					120,000	120,000
Rod string				20 000		20,00
Vilicial Lift Equipment Compressor				20,000	42,500	42.50
nstaliation Costs				-	90,000	96,00
luriaca Pumpa		(+)		5,000	2€.250	31,25
for echtrolistic Suffre					7,000	2.60
ion controllable Downtole						
lownhole Pumps		1.20				
leasurement & Methr Insta				10,000	48,000	60.00
Bas Conditioning / Dehydra Interconnecting Facility Pig				<del></del>	52,500	62,50
Sathering / Buik Linus	ing				42,500	- ug,00
/alves, Dumps, Controllers				2,000	-	2,00
anh / Facility Containment				4	17,250	11,25
Hary Black					20,000	20,00
Electrical / Grounding				2,000	10,000	18,00
ommunications / SCADA				5,000	7,500	7,60
mibumintation / Safety	TOTAL TANGIBLE	815.031	69,600	156,500	55.750 653,788	55.750
	TOTAL COST		4,061,473	059,649	775,328	8,903,61
			4,001,415	433,447	710,510	1,003,01
PARED BY MATADOR	PRODUCTION COMP					
Dritting Enginee	Bake Hermes	Team Lead - WTX/	NM WTE			
Completions Enginee			WTE			
Production Enginee						
ADOR RESOURCES CO	MPANY APPROVAL	:				
Exec VP & CF	)				xec VP & COO - Land &	Legal
	DEL					CNA
Presiden		Senior VP - Geoscier	NLP NLP		Exec, VP & COO - Open	BEG BEG
OPERATING PARTNE						
			Working Interest (%):		Т	BX (D:
Company Name						
Company Name			Dele			
Company Name	-		Dela:			
Company Name	-		Dele: Approvel:	Yes		No (mank one)

#### MATADOR PRODUCTION COMPANY

CINE LINCOLN CENTRE - 6400 LBJ FREEWAY - SUITE 1600 - DALLAS, TEXAS 75240
Phone (972) 371-5200 - Fax (872) 371-5201
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE: A	Vpril 27, 2021				AFE NO.;	500002 251,01.00
_	luneke Fed Com 213				FIELD:	
		od SE4 of 18 in 245-36E			MO/TVO:	21,750' / 11,650'
_	ea, NM			Ł	ATERAL LENGTH:	10,000
IRC WI:	Athena A					
	Vollcamp A	urp a 2 mile horizontal W	oticeme & wall with upo	roamstatu ER sisoas		
EMAPONS:	THE, CONTRICTO SEE DOL	SP 8 2 THIS HOUGHIN PH	DISCRING Y MISH MILL RAD	OFFICE OF STREET		
		DAILLING	COMPLETION	PRODUCTION		TOTAL
INTANGELE CO	578	COSTS	COSTS	COBTS	FACILITY COSTS	C0973
and f Legal & Regulatory ocation, Surveys & Demaga		61,600	13,000	25,000	\$ 10,000	151.0
rilling		663,900	13,000	4 3,000	40,000	863,44
ementing & Floot Equip		195 000				107,0
opping / Formation Evaluati	ign .		3.900	3,000		6,0
owbeck - Labor owbeck - Surface Rentals				3.640 71,750		3.6
owback - Rental Living Qui	arters			11,730		-
ud Logging		37.600				37,5
ud Circulation System		95,660				65.6
ud & Chemicals ud ! Wasuwater Disposal		255.400 140,000	40,000	6.000	1,000	310,4 141,0
might / Transportation		15.000	28.700		1,000	39,5
ig Süpenyiston i Engliseerin	a ·	111,000	112,000	7,200	14,400	250,B
riit 45ta		41,400				91.4
rili Bit Purchese		126,000	10,000			(36.0
uel & Power Stor		75 000	858.000	2,000	1,000	036.0
rig & Completion Overhead	- 1	15,500	059.000	2,000	1,560	16,5
lugging & Abandonmani						
frectional Drilling, Guveys		204,875	7 July 10			201,6
ompletion Unit, Swab, CT\1			251,636	10,000		148.0
erforsting, Wiretine, Silchlie igh Pressurs Pump Truck	-		75,800	6,000		81.0
timulation			2.156.500			2,156 9
timulation Flowback & Disp	·		15,500	760,000		275,5
Abor		97,500	62,500	15,000	5,000	32,6
abor iental - Surface Equipment		36,760	305,990	10,000	5,000	380,1
tantal - Downhole Equipmen	ne S	122 000	N6,000	3.000	1	211,0
Cental - Living Quarters		35,500	48,050		5.000	85,9
onUngency		721,040	109,714	45,379	0.640	472,7
laxCom	TOTAL INTANGIBLES >	20,373	4 313 544	400.440	73,640	7,910.0
	DIAL MIAMBERS	2,984,045 DRILLING	4,353,768 COMPLETION	499,169 PRODUCTION	13,040	TOTAL
TANGIBLE CO	519	COSTS	C0513	COSTS	FACILITY COSTS	COSTS
urface Casing	\$	44.050	F	1	\$	\$ 44.5
termediate Casing		358,756				254.7
iriling Liner		400,875				400.6
roduction Casing roduction Liner		400,973				40//8
ubling		65,000		65,250		151,2
Veilhead				23,000		25,0
ackers, Liner Hangars			74.800	\$,000	******	81,8
anta Production Vestels					000,05	29,9
low Lines					120,000	120,0
ted etring				10		117
rtificial Lift Equipment		-		20,000	42.500	20,0
ompressor ustalistion Costs					96,000	42,5 66,0
uriece Pumps				5,000	26,250	31,2
on-controllable Surface					2,000	2,0
on-controllable Downhola						
ownhole Pumps leasurement & Meter Imitali	atte-			10,000	49,000	59,D
au Conditioning i Dehydrat				10,000	48,000	30,0
terconnecting Facility Pipi					62,500	62,5
lethering / Bulk Lines	•			7.7	- X	
ahee, Dumps, Controllers					11,2:0	11.5
ank / Facility Consultations					30,000	20.0
lectrical / Grounding		-		2,000	16,000	15 0
ommunications / SCADA				5,000	2,500	7,9
ustrumentation I Safety				7	25.760	55,7
	101AL TANGIBLES >		008,41	158,758	650,741	1,713,1
	TOTAL COSTS >	3,609,924	4,430,850	657,419	125,316	9,623,
PARED BY MATADOR P		ANY:				
	RODUCTION COMP		1 -1			
Driting Engineer	ROOUCTION COMP		NON WIF.			
Drilling Engineer Completions Engineer.	RODUCTION COMPA Blake Hormes Gerrell Hunt		NOM LIF.			
Drilling Engineer	ROOUCTION COMP		WIE WIE			
Drilling Engineer Completions Engineer: Production Engineer:	ROUCTION COMP Blake Hermes Gerrel Hant Jan Mosnes	Team Lead - WTX	WIE WIE			
Drilling Engineer Completions Engineer: Productions Engineer:	ROUCTION COMP Blake Hermes Gerrel Hant Jan Mosnes	Team Lead - WTX	NOM WIFE			
Drilling Engineer Completions Engineer: Production Engineer:	RODUCTION COMPA Blade Normes Gennel Hami Jain Mornes MPANY APPROVAL:	Team Lead - WTX	NOM LATE.		Exec VP & COO - Land &	Logal
Drilling Engineer Completions Engineer: Production Engineer: ADOR RESOURCES CO	ROUCTION COMP Blake Hermes Gerrel Hant Jan Mosnes	Team Lead - WTX	WTE	.1		CHA
Driling Engineer Completions Engineer: Production Engineer: ADOR RESOURCES CO	RODUCTION COMPA Blada Normas Gerroll Ham Jan Monnes MPANY APPROVAL:	Team Lead - WTX	MTE	.,	Exec VP & COO - Land & Exec VP & COO - Oper	ellons
Driting Engineer Completions Engineer: Production Engineer: DOR RESOURCES CO Exec VP B CFO	RODUCTION COMPA Blade Normes Gennel Hami Jain Mornes MPANY APPROVAL:	Team Lead - WTX	WTE	1		CHA
Driling Engineer Complictions Engineer. Production Engineer.  ADOR RESOURCES CO.  Exec VP 8 CFO.  President.	RODUCTION COMPA Blake Nermes Genet Nam Jan Mesnes MPANY APPROVAL:	Team Lead - WTX	MTE	ı		ellons
Driling Engineer Completions Engineer. Production Engineer. ADOR RESOURCES CO Exec VP 8 CFO Productors.  OPERATING PARTNER	RODUCTION COMPA Blake Nermes Genet Nam Jan Mesnes MPANY APPROVAL:	Team Lead - WTX	MCO NLF		Exec VP & COD - Oper	relions ero
Driling Engineer Complictions Engineer, Production Engineer.  ADOR RESOURCES CO  Exec VP 8 CFO  Fixeddott	RODUCTION COMPA Blake Nermes Genet Nam Jan Mesnes MPANY APPROVAL:	Team Lead - WTX	MTE		Exec VP & COD - Oper	ellons
Completions Engineer: Production Engineer:  ADOR RESOURCES CO  Exec VP 8 CFO  Production:  OPERATING PARTINER	RODUCTION COMPA Blake Nermes Genet Nam Jan Mesnes MPANY APPROVAL:	Team Lead - WTX	MCO NLF		Exec VP & COD - Oper	relions ero
Driting Engineer Completions Engineer. Production Engineer.  ADOR RESOURCES CO  Exec VP B CFO  Provident  OPERATING PARTNER  Company Name:  Signed by:	RODUCTION COMPA Blake Nermes Genet Nam Jan Mesnes MPANY APPROVAL:	Team Lead - WTX	AnceNLF  Warking Interdel (%):  Deta:		Exec VP & COD - Oper	ellons BEG
Driling Engineer Completions Engineer. Production Engineer. ADOR RESOURCES CO Exec VP 8 CFO President OPERATING PARTNER Company Name:	RODUCTION COMPA Blake Nermes Centel Nate Jan Mennes MPANY APPROVAL: NEVY APPROVAL:	Team Lead - WDX	ance		Exec VP & COD - Oper	relions ero

MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE : 6400 LBJ FREEWAY : GUITE 1600 - DALLAS, TEXAS 78240
Phone (972) 371-3200 - Fax (972) 371-3201

BETWATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	April 22 2021	MINNIE OF CUSTS A	IND AUTHORIZATION FC	H EAFENDITUNE	455.140	500000 303 04 004
WELL NAME:	April 23, 2021 Huneke Fed Com 214	411			AFE NO.: FIELD:	500002 252 01 001
LOCATION:		and SE4 of 18 in 24S-36E			MD/TVD:	21,750'/11,650'
COUNTY/STATE:	Lea, NM	BIG OE4 OF 10 111 240-30E			ATERAL LENGTH:	10,000
MRC WI:	LOG, (1)(I				ATERAL LENGTH.	10,000
GEOLOGIC TARGET:	Walfcamp A					
REMARKS:		ruip a 2 mile honzontal Wo	Meamp A well with and	roxymately 58 stages		
INTANGIBL	COPTE	COSTS	COMPLETION	PRODUCTION	EACIL IN CORTE	TOTAL
Lang I Legal / Regulator		61,500	LUSTE	1 75.000	FACILITY COSTS	\$ 90,500
Location, Surveys & Dan		118,000	13,000	75,000	23 000	181,000
Drilling	-	640),600				680,668
Gementing & Float Equip Logging / Fermation Eve		165 700	3,500	2.000		162,000
Flowback - Labor	selloob		3,300	3,000		0,600 3,640
Flowback - Surface Rent				*1,750		71,730
Flowback - Rental Living	Quarters.				· ·	\*E
Mud Logging Mud Circulation System		37,500 53,500				37,500
Mud & Chemicale		255,400	49,000	6,000		55,500 310,400
Mud / Wastewater Dispo	<b>et</b> i	140,000			1,000	141,000
Freight / Transportation		12,600	26,700		100	39,600
Rig Supervision ( Engine Drill Bits	Briton	91,400	112,000	7,200	14,400	250,600
Drift Bit Purchase		91,400			-	91,400
Fuel & Power		126,000	10,000		000	130,000
Water		76,000	858,000	2,000	1,000	235,000
Drig & Completion Over Plugging & Abendonmer		15,500	4			15,500
Otrectional Sriking, Sun		204,676				204.875
Completion Unit, Swab,			130,000	16,000		748,000
Perforating, Vitration, 57			201,000		3-20-	201,000
High Pressure Pump Tru Stimulation	ICIL	. 10	75,000 2,156,904	5,000		81,000 2,156,994
Stimulation Flowback &	Disp		15,500	280,000		2,150,994
Insurance	-	31,625	GCT N	====		32,625
Labor		97,500	62,500	15,000	5,000	180,000
Rental - Surface Equipm Rental - Downhole Equip		58,250 122,000	3/76,890	3,000	5,000	380,170
Rentel : Living Quarters		32,900	40,050	3,000	5,000	211,000 85,950
Contingency		221,040	199,714	45,379	8,840	472,775
MarCere		30,325	1406.000			33,325
	TOTAL INTANGIBLES	> 1,504,045 DRILLING	COMPLETION	PRODUCTION	17.010	7,910,012
TANGIBLE	COSTS	COSTE	COSTS	COSTS	FACILITY COSTS	TOTAL COSTS
Surface Cusing	*****	\$ 44,950	1	1	1	1 44,000
incommittels Caring		254,750				254,756
Ording Liner Preduction Casing		400,875				450,075
Production Lines		400,015		-	-	430,015
Tebing		6.5 (400)		80,250		151,250
Weilited		-		25,000		25,000
Pactors, Links Hungars Tentes			76,800	5,000	29,900	81,800 29,900
Production Vessels					110 638	119,636
Flore, Lines		-			120,000	120,000
Rod sining						1
Artificial Lift Equipment Compressor				70,000	42,500	20,000 42,500
Instellation Costs					99,000	95,000
Surface Pumpe		*	333	5,000	26,750	31,250
Hon-controlletie Burtace				2 2	2.650	2,000
Non-controllable Downb Downhole Pumpe	1016					
Massurement & Mater In	mulicion	-		10,000	49,000	69,000
Gas Conditioning / Dehy	dration			2	- 20	
Interconnecting Facility Gathering / Buth Lines	Piping				62,500	62,500
Valves, Dumpe, Control	em				- 0	
Tank / Facility Containm	eni		14 15	1000	11,250	11,750
Flare Stack Electrical / Grounding				7 700	20,000	20.000
Communications / SCAL	1A			2,000 5,000	16,000	7,500
Instrumentation / Safety					95,750	55,750
	TOTAL TANGIDLES		70,600	108,160	653,288	1,713,618
	TOTAL COS1S	3,809,626	4,430,559	\$57,418	736,528	9,623,930
EPAREO BY MATADO	R PRODUCTION COMP	ANY:				
		Team Laad - WTX/r	11 h m=			
Onting Engine Completions Engine		I BM M T.BBO - VV J.AUT	VM - V			
Production Engine			MIE			
- American English						
TADOR RESOURCES	COMPANY APPROVAL	:				
Exec VP & CF	0				Exac VP & COO - Land & I	eg el
	DE1.				THE VI GOOT LANGE.	CHA
Preside	anl	Senior VP - Geralden	re		Exoc VP & COD - Opera	Nions BEC
	MVH		NLF			eec eec
N OPERATING PARTN	ER APPROVAL					
Company Nav			Working Interest (%)		Ti	κ ID;
Signed I	PY:		Dale _			
Tit	sec		Approval.	Yes		No (mark one)
- 100 (10) to		المستعمد ينعن منبنة والاستان	and When the same of a part of		441 HALLES	
			ها الماري مستحد أبه عامة المانية المارية	and the same of th		
					Α	FE - Version 4
					,	

# **EXHIBIT C-5**

#### **Summary of Communications**

#### **Uncommitted Working Interest Owner**

#### 1. ZPZ Delaware I LLC

In addition to sending well proposals to ZPZ Delaware I LLC's predecessor, Matador will continue to have discussions with ZPZ regarding their interest and potential voluntary joinder.

#### **Unleased Mineral Owner:**

#### 2. ConocoPhillips

In addition to sending well proposals, Matador has had discussions with ConocoPhillips regarding their interest and we are continuing to discuss voluntary joinder.

#### 3. Loralee Palfini

Following Matador's proposals and filing for hearing, it appears Loralee Palfini has leased her minerals and the lease has been assigned numerous times in the last month. In addition to sending well proposals to Loralee Palfini, Matador will continue to contact the various assignees regarding their interest and potential voluntary joinder.

#### 4. Susan Scott

In addition to sending well proposals, Matador has had discussions with Susan Scott regarding her interest and we are continuing to discuss voluntary joinder.

#### 5. Susan Marie Swanhart Connors Owens

Following Matador's proposals and filing for hearing, it appears Susan Marie Swanhart Connors Owens has leased her minerals and the lease has been assigned numerous times in the last month. In addition to sending well proposals to Susan Marie Swanhart Connors Owens, Matador will continue to contact the various assignees regarding their interest potential voluntary joinder.

#### 6. Angela Trapp Fuhrmann, Successor Trustee for the Renaissance Revocable Trust

In addition to sending well proposals, Matador has had discussions with Angela Trapp Fuhrmann, Successor Trustee for the Renaissance Revocable Trust regarding their interest and we are continuing to discuss voluntary joinder.

#### 7. K.T. Graham, LLC

In addition to sending well proposals, Matador has had discussions with K.T. Graham, LLC regarding their interest and we are continuing to discuss voluntary joinder.

#### 8. Royalty Holding Company

In addition to sending well proposals, Matador has had discussions with Royalty Holding Company regarding their interest and we are continuing to discuss voluntary joinder.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C5
Submitted by: Matador Production Company
Hearing Date: May 19, 2022
Case Nos. 22571-22574

#### 9. Jeff Martin and wife, Karen Martin as joint tenants

In addition to sending well proposals, Matador has had discussions with Jeff Martin and wife, Karen Martin as joint tenants regarding their interest and we are continuing to discuss voluntary joinder.

#### 10. Roy D. Benningfield, Trustee of the Roy D. Binningfield Family Revocable Trust dated 9/16/1996

In addition to sending well proposals, Matador has had discussions with Roy D. Benningfield, Trustee of the Roy D. Binningfield Family Revocable Trust dated 9/16/1996 regarding their interest and we are continuing to discuss voluntary joinder.

#### 11. Maverick Development, LLC

In addition to sending well proposals, Matador has had discussions with Maverick Development, LLC regarding their interest and we are continuing to discuss voluntary joinder.

#### 12. Brian Bray - heir of Larry Don Bray

In addition to sending well proposals, Matador has had discussions with Brian Bray, heir of Larry Don Bray, regarding their interest and we are continuing to discuss voluntary joinder.

#### 13. Heath Bray - heir of Larry Don Bray

In addition to sending well proposals, Matador has had discussions with Heath Bray, heir of Larry Don Bray, regarding their interest and we are continuing to discuss voluntary joinder.

#### 14. Keith Bray - heir of Larry Don Bray

In addition to sending well proposals, Matador has had discussions with Keith Bray, heir of Larry Don Bray, regarding their interest and we are continuing to discuss voluntary joinder.

## 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. 22517, 22572, 22573 and 22574

#### **AFFIDAVIT OF ANDREW PARKER**

Andrew Parker, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Andrew Parker and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Vice President of Geology.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. 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.
- 3. **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.

#### Case Nos. 22517 and 22572

- 4. The target interval for the initial wells in these proposed spacing units is the Third Bone Spring sand of the Bone Spring formation.
- 5. **Matador Exhibit D-2** is a subsea structure map that I prepared for the top of the Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring formation gently dipping to the west. 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.
  - 6. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Matador Production Company

Hearing Date: May 19, 2022 Case Nos. 22571-22574

- 7. **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, when available: gamma ray, caliper, resistivity, and porosity. The proposed target interval 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 interval, within the Bone Spring formation, is consistent in thickness across the entirety of the proposed spacing unit.
- 8. 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.
- 9. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.
- 10. 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.
- 11. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

#### Case Nos. 22573 and 22574

- 12. The target interval for the initial wells in these proposed spacing units is the Wolfcamp A formation.
- 13. **Matador Exhibit D-4** is a subsea structure map that I prepared for the top of the Wolfcamp formation. The contour interval is 50 feet. The structure map shows the Wolfcamp formation gently dipping to the west-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.

- 14. Also included on Matador Exhibit D-4 is a line of cross section from A to A'.
- 15. **Matador Exhibit D-5** is a structural cross-section that I prepared displaying openhole logs run over the Wolfcamp formation from two of the three representative wells denoted from A to A' there were not logs from the Wolfcamp formation available for the third of the three wells. For each well in the cross-section, the following logs are included, when available and for the depths available: gamma ray, caliper, resistivity, and porosity. The proposed target interval 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 interval, within the Wolfcamp formation, is consistent in thickness across the entirety of the proposed spacing unit.
- 16. 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.
- 17. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each respective horizontal spacing unit.
- 18. 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.
- 19. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 20. **Matador Exhibits D-1 through 5** were either prepared by me or compiled under my direction and supervision.

#### FURTHER AFFIANT SAYETH NOT

STATE OF TEXAS

COUNTY OF

SUBSCRIBED and SWORN to before me this  $\frac{9}{2}$  th day of March 2022 by

Andrew Parker.

SARA MARIE HARTSFIELD Notary Public, State of Texas Comm. Expires 08-21-2023 Notary ID 130324013

mi Hartsfield

My Commission Expires:

8-21-2023

## **Locator Map**

## **Exhibit D-1**

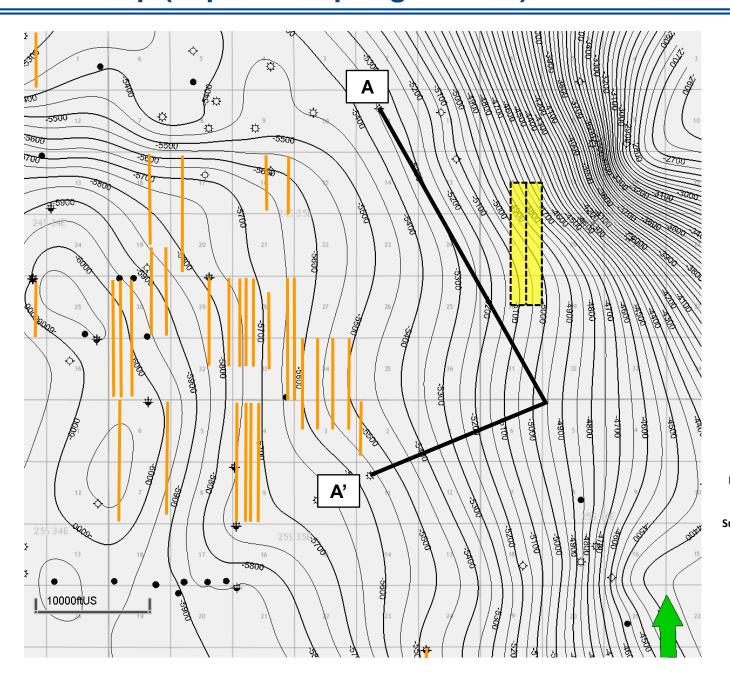
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BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D1
Submitted by: Matador Production Company

Submitted by: Matador Production Comp Hearing Date: May 19, 2022 Case Nos. 22571-22574



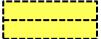
# WC-025 G-08 S253534O;BONE SPRING [97088] Exhibit D-2 Structure Map (Top Bone Spring Subsea) A – A' Reference Line



#### Map Legend

**Third Bone Spring Wells** 

**Project Area** 



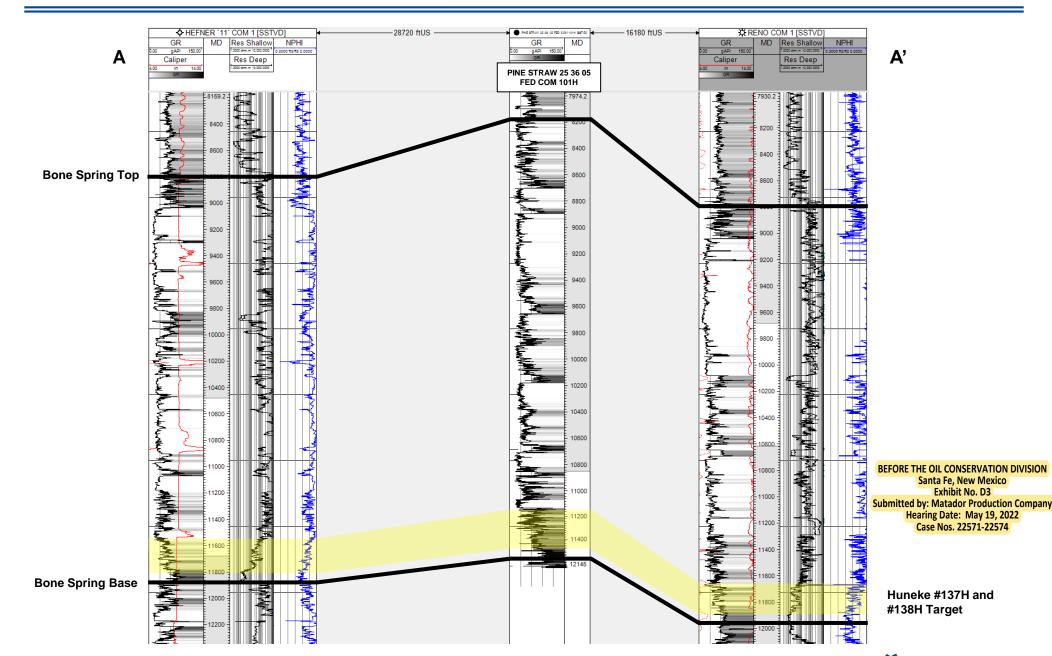
C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D2
Submitted by: Matador Production Company

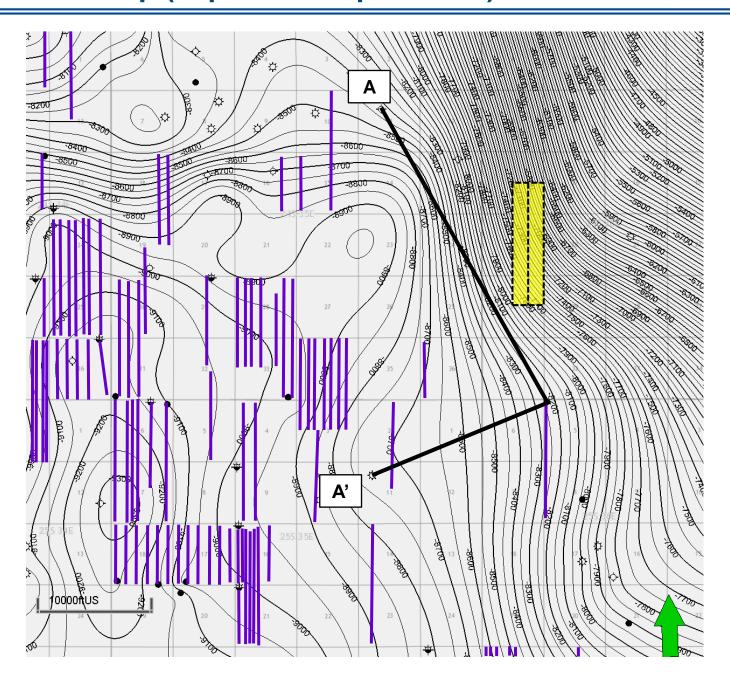
Hearing Date: May 19, 2022 Case Nos. 22571-22574

# **WC-025 G-08 S253534O;BONE SPRING [97088] Structural Cross-Section A – A'**

### Exhibit D-3



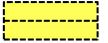
# JAL; WOLFCAMP, WEST [33813] Exhibit D-4 Structure Map (Top Wolfcamp Subsea) A – A' Reference Line



#### **Map Legend**

**Wolfcamp Wells** 

**Project Area** 



C. I. = 50'

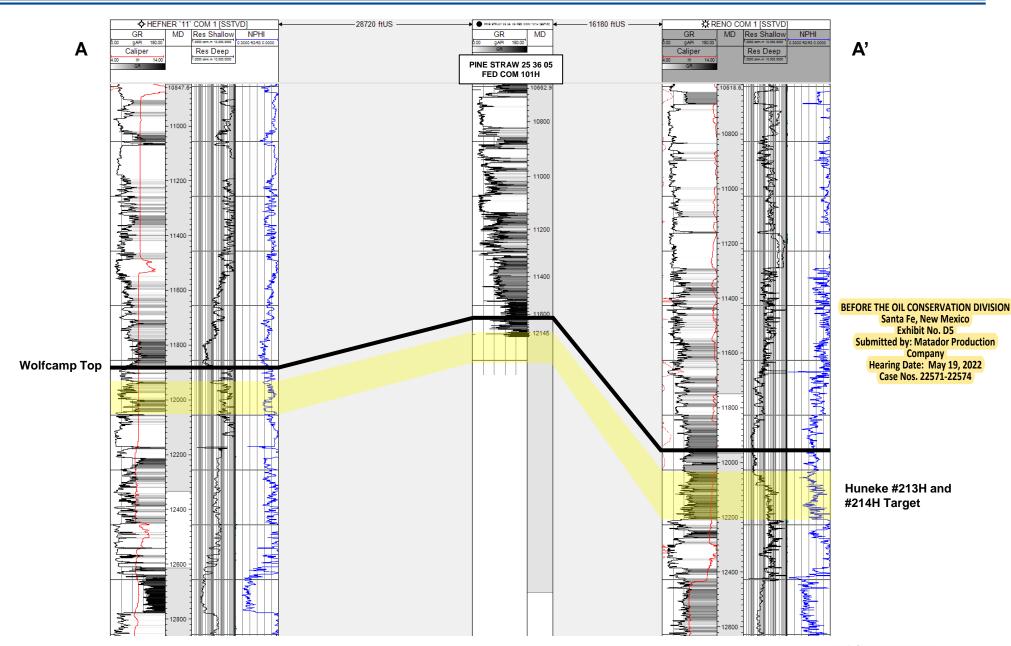
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D4
Submitted by: Matador Production Company
Hearing Date: May 19, 2022

Case Nos. 22571-22574



## JAL; WOLFCAMP, WEST [33813] Structural Cross-Section A – A'

### **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. 22571, 22572, 22573, 22574

#### **AFFIDAVIT**

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

Adam G. Rankin, attorney in fact and authorized representative of the Applicant herein, being first duly sworn, upon oath, states

- 1. The above-referenced applications and notice of the hearing on these applications were sent by certified mail to the affected parties on the date set forth in the letters attached hereto.
- 2. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.
- 3. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 16, 2022.
- 4. I caused a notice to be published to all parties subject to these compulsory pooling proceedings on February 10 and 15, 2022. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit F.

Adam G. Rankin

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Matador Production Company
Hearing Date: May 19, 2022
Case Nos. 22571-22574

SUBSCRIBED AND SWORN to before me this 17th day of May, 2022 by Adam G.

Rankin.

My Commission Expires:

lov. 12,2023

Notary Public

STATE OF NEW MEXICO
NOTARY PUBLIC
CARLA GARC!A
COMMISSION # 1127528
COMMISSION EXPIRES 11/12/2023



February 11, 2022

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

#### TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea

County, New Mexico. Huneke Fed Com #137H

#### 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. Applicant has requested a hearing for this matter on March 3, 2022, beginning at 8:15 a.m. To monitor this case and to participate in the electronic hearing, Eddy and Lease see the instructions posted on the OCD Hearings website: <a href="http://www.emnrd.state.nm.us/OCD/announcements.html">http://www.emnrd.state.nm.us/OCD/announcements.html</a>.

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 at the Division, by mail at 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505 or by email at OCD.Hearings@state.nm.us, 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 David Johns at (972) 619-1259 or at djohns@matadorresources.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR MATADOR PRODUCTION



February 11, 2022

## 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. Huneke Fed Com #138H

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. Applicant has requested a hearing for this matter on March 3, 2022, beginning at 8:15 a.m. To monitor this case and to participate in the electronic hearing, Eddy and Lease 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 at the Division, by mail at 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505 or by email at OCD.Hearings@state.nm.us, 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 David Johns at (972) 619-1259 or at djohns@matadorresources.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR MATADOR PRODUCTION



February 11, 2022

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

#### TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea

County, New Mexico. Huneke Fed Com #213H

#### 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. Applicant has requested a hearing for this matter on March 3, 2022, beginning at 8:15 a.m. To monitor this case and to participate in the electronic hearing, Eddy and Lease 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 at the Division, by mail at 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505 or by email at OCD.Hearings@state.nm.us, 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 David Johns at (972) 619-1259 or at djohns@matadorresources.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR MATADOR PRODUCTION



February 11, 2022

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

#### TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea

County, New Mexico. Huneke Fed Com #214H

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. Applicant has requested a hearing for this matter on March 3, 2022, beginning at 8:15 a.m. To monitor this case and to participate in the electronic hearing, Eddy and Lease 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 at the Division, by mail at 1220 S. St. Francis Dr., Santa Fe, New Mexico 87505 or by email at OCD.Hearings@state.nm.us, 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 David Johns at (972) 619-1259 or at djohns@matadorresources.com.

Sincerely,

Michael H. Feldewert

yearly Fellewers

ATTORNEY FOR MATADOR PRODUCTION

#### MRC - Huneke 137H, 213H Case Nos. 22571, 22573 Postal Delivery Reports

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered to an individual at the address at
9414811898765844613977	Chisos, Ltd.	1331 Lamar St	Houston	TX	77010-3025	11:37 am on February 23, 2022 in HOUSTON, TX 77010.
						Your item was delivered to an individual at the address at
9414811898765844613618	Apache Corporation	2000 Post Oak Blvd Ste 100	Houston	TX	77056-4497	2:11 pm on February 23, 2022 in HOUSTON, TX 77056.
						Your item has been delivered to an agent for final delivery
9414811898765844613656	Danglade/Speight Family Oil and Gas I, LP	6 Desta Dr Ste 5850	Midland	TX	79705-5555	in MIDLAND, TX 79705 on February 15, 2022 at 10:21 am.
						Your package will arrive later than expected, but is still on
9414811898765844613663	John & Theresa Hillman Family Properties, LP	PO Box 50187	Midland	TX	79710-0187	its way. It is currently in transit to the next facility.
						Your item was delivered at 9:51 am on March 8, 2022 in
9414811898765844613601	Manix Royalty, Ltd.	PO Box 2818	Midland	TX	79702-2818	MIDLAND, TX 79701.

#### MRC - Huneke 138H, 214H Case Nos. 22572, 22574 Postal Delivery Reports

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765844613694	Chisos, Ltd.	1331 Lamar St	Houston	TX	77010-3025	Your item was delivered to an individual at the address at 11:37 am on February 23, 2022 in HOUSTON, TX 77010.
9414811898765844613199	Newcomb Business Properties, LLC	3221 NW 69th St	Oklahoma City	ОК	73116-3308	Your item was delivered to an individual at the address at 11:42 am on February 17, 2022 in OKLAHOMA CITY, OK 73116.
9414811898765844613144	Angela Trapp Fuhrmann, Successor Trustee for the Re	6608 N Western Ave Ste 206	Oklahoma City	ОК	73116-7326	Your item was delivered to an individual at the address at 9:06 am on February 17, 2022 in OKLAHOMA CITY, OK 73116.
9414811898765844613182	K.T. Graham, LLC	901 NW 63rd St Ste 202	Oklahoma City	ОК	73116-7627	Your item was returned to the sender on March 17, 2022 at 11:26 am in SANTA FE, NM 87501 because the addressee moved and left no forwarding address.
9414811898765844613137		3535 NW 58th St Ste 720	Oklahoma City	ОК	73112-4802	Your item was delivered to an individual at the address at 11:16 am on February 17, 2022 in OKLAHOMA CITY, OK
9414811898765844613175	Afton Lee Gille	6512 N Missouri Ave	Oklahoma City	ОК	73111-7928	Your item was delivered to an individual at the address at 2:13 pm on February 17, 2022 in OKLAHOMA CITY, OK 73111.
9414811898765844613311	Jeff Martin and wife, Karen Martin as joint tenants	RR 1 Box 90B	Foster	ОК	73434-9643	Your item was returned to the sender on March 10, 2022 at 9:04 am in SANTA FE, NM 87501 because the addressee was not known at the delivery address noted on the package.
						Your item was returned to the sender on March 10, 2022 at 9:04 am in SANTA FE, NM 87501 because the addressee was
9414811898765844613359	Roy D. Benningfield, Trustee of the Roy D. Binningfiel	RR 2 Box 60	Maysville	OK	73057	not known at the delivery address noted on the package.  Your item was delivered to an individual at the address at
9414811898765844613366	Maverick Development, LLC	502 S Main St	Lindsay	ОК	73052-6439	9:40 am on February 17, 2022 in LINDSAY, OK 73052.
0414011000765044612220	Brian Bray - heir of Larry Don Bray	11733 Moon Beam Dr	Oklahoma City	ОК	73162-2074	Your item was delivered to an individual at the address at 12:54 pm on February 17, 2022 in OKLAHOMA CITY, OK
						Your item was returned to the sender on March 17, 2022 at 11:26 am in SANTA FE, NM 87501 because the addressee
9414811898765844613304	Heath Bray - heir of Larry Don Bray	5920 NW 10th St Apt 206-C	Oklahoma City	OK	/312/-4//2	moved and left no forwarding address.  Your item was delivered to an individual at the address at
9414811898765844613649	Apache Corporation	2000 Post Oak Blvd Ste 100	Houston	TX	77056-4497	2:11 pm on February 23, 2022 in HOUSTON, TX 77056.  Your item was delivered to an individual at the address at
9414811898765844613342	Keith Bray - heir of Larry Don Bray	13359 N County Road 3029	Lindsay	ОК	73052-9273	9:16 am on February 17, 2022 in LINDSAY, OK 73052.  Your item has been delivered to an agent for final delivery in
9414811898765844613632	Danglade/Speight Family Oil and Gas I, LP	6 Desta Dr Ste 5850	Midland	TX	79705-5555	MIDLAND, TX 79705 on February 15, 2022 at 10:21 am.
9414811898765844613670	John & Theresa Hillman Family Properties, LP	PO Box 50187	Midland	TX	79710-0187	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

#### MRC - Huneke 138H, 214H Case Nos. 22572, 22574 Postal Delivery Reports

						Your item was delivered at 9:51 am on March 8, 2022 in
9414811898765844613113	Manix Royalty, Ltd.	PO Box 2818	Midland	TX	79702-2818	MIDLAND, TX 79701.
						Your package will arrive later than expected, but is still on its
9414811898765844613151	ConocoPhillips Company	600 W Illinois Ave	Midland	TX	79701-4882	way. It is currently in transit to the next facility.
						Your item was delivered to an individual at the address at
9414811898765844613168	Loralee Palifini	2 Crag Ct	Hercules	CA	94547-1403	10:01 am on February 17, 2022 in HERCULES, CA 94547.
						Your item was returned to the sender at 9:50 am on February
						24, 2022 in SANTA FE, NM 87501 because the forwarding
9414811898765844613120	Susan Scott	583 W Middle Verde Rd	Camp Verde	AZ	86322-8561	order for this address is no longer valid.
						Your item was picked up at the post office at 2:57 pm on
9414811898765844613106	Susan Marie Swanhart Connors Owens	21 Amanda Dr	Lake Placid	NY	12946-1044	March 3, 2022 in TARPON SPRINGS, FL 34689.

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 February 10, 2022 and ending with the issue dated February 10, 2022.

Publisher

Sworn and subscribed to before me this 10th day of February 2022.

Business Manager

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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** February 10, 2022

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 hold public hearings before a hearing examiner on the following case. During the 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, March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.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 February 23, 2022.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7c9bec61fec1d22

f972d6b3205fdea6d Event number: 2494 301 2943 Event password: GdWWpNJc342

Join by video: <u>24943012943@nmemnrd.webex.com</u> Numeric Password: <u>322910</u> You can also dial <u>173.243.2.68</u> and enter your meeting number

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Access code: 2494 301 2943

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 interest owners subject to pooling proceedings: Chisos, Ltd.; Apache Corporation; Danglade/Speight Family Oil and Gas I, LP; John & Theresa Hillman Family Properties, LP; and Manix Royalty, Ltd.

Case No. 22571: Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 NE/4 of Section 30, W/2 E/2 of Section 19 and W/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Huneke Fed Com #137H well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NW/4 SE/4 of Section 18. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is approximately 13 miles Southeast of Malaga, New Mexico. #37306

67100754

**HOLLAND & HART LLC** PO BOX 2208 SANTA FE, NM 87504-2208 00263661

BEFORE THE OIL CONSERVATION DIVISION Santa Fe. New Mexico **Exhibit No. F Submitted by: Matador Production Company** 

Hearing Date: May 19, 2022 Case Nos. 22571-22574

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 February 15, 2022 and ending with the issue dated February 15, 2022.

Sworn and subscribed to before me this 15th day of February 2022.

**Business Manager** 

My commission expires January 29, 2023

(Seal)

GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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** February 15, 2022

## 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 hold public hearings before a hearing examiner on the following case. During the 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, March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@state.nm.us. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.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 February 23, 2022.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7c9bec61fec1d22

f972d6b3205fdea6d Event number: 2494 301 2943 Event password: GdWWpNJc342

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Join by audio: 1-844-992-4726 United States Toll Free Access code: 2494 301 2943

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 interest owners subject to pooling proceedings: Chisos, Ltd.; Apache Corporation; Danglade/Speight Family Oil and Gas I, LP; John & Theresa Hillman Family Properties, LP; Manix Royalty, Ltd.; ConocoPhillips Company; Loralee Palifini, her heirs and devisees; Susan Scott, her heirs and devisees; Susan Marie Swanhart Connors Owens, her heirs and devisees; Newcomb Business Properties, LLC; Angela Trapp Fuhrmann, Successor Trustee for the Renaissance Revocable Trust; K.T. Graham, LLC; Royalty Holding Company; Afton Lee Gille, his or her heirs and devisees; Jeff Martin and wife, Karen Martin as joint tenants, their heirs and devisees; Roy D. Benningfield, Trustee of the Roy D. Binningfield Family Revocable Trust dated 9/16/1996; Maverick Development, LLC; Brian Bray - heir of Larry Don Bray, his heirs and devisees; Heath Bray - heir of Larry Don Bray, his heirs and devisees; and Keith Bray - heir of Larry Don Bray, his heirs and devisees; and Keith Bray - heir of Larry Don Bray, his heirs and devisees;

Case No. 22572: Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 NE/4 of Section 30, E/2 E/2 of Section 19 and E/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Huneke Fed Com #138H well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NE/4 SE/4 of Section 18. Also, to be considered will be the cost of drilling and complement the Section 18. Also, to be considered will be the cost of drilling and complement well and the allocation of the cost thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is approximately 13 miles Southeast of Malaga, New Mexico. #37318

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

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 February 10, 2022 and ending with the issue dated February 10, 2022.

Sworn and subscribed to before me this 10th day of February 2022.

**Business Manager** 

My commission expires January 29, 2023 (Seal)

> GUSSIE BLACK Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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** February 10, 2022

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 Divisien 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, March 3, 2022, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene Salvidrez@state.nm.us. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/lmaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified signalage 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 February 23, 2022.

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

https://nmemnrd.webex.com/nmemnrd/onstage/g.php?MTID=e7c9bec61fec1d22 f972d6b3205fdea6d Event number: 2494 301 2943

Event password: GdWWpNJc342

Join by video: 24943012943@nmemnrd.webex.com Numeric Password: 322910

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: 2494 301 2943

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 interest owners subject to pooling proceedings: Chisos, Ltd.; Apache Corporation; Danglade/Speight Family Oil and Gas I, LP; John & Theresa Hillman Family Properties, LP; and Manix Royalty, Ltd.

Case No. 22573: Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the W/2 NE/4 of Section 30, W/2 E/2 of Section 19 and W/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Huneke Fed Com #213H well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NW/4 SE/4 of Section 18. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk Southeast of Malaga, New Mexico.

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

STATE OF NEW MEXICO COUNTY OF LEA

 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 February 15, 2022 and ending with the issue dated February 15, 2022.

Publisher

Sworn and subscribed to before me this 15th day of February 2022.

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**Business Manager** 

My commission expires January 29, 2023 (Seal)

**GUSSIE BLACK** Notary Public - State of New Mexico Commission # 1087526 My Comm. Expires Jan 29, 2023

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** February 15, 2022

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

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f972d6b3205fdea6d Event number: 2494 301 2943 Event password: GdWWpNJc342

Join by video: 24943012943@nmemnrd.webex.com Numeric Password: 322910

IN CARE

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: 2494 301 2943

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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Case No. 22574: Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Wolfcamp formation underlying a standard 320-acre, more or less, horizontal well spacing unit comprised of the E/2 NE/4 of Section 30, E/2 E/2 of Section 19 and E/2 SE/4 of Section 18, Township 24 South, Range 36 East (NMPM), Lea County New Mexico. The above-referenced unit will be initially dedicated to the proposed Huneke Fed Com #214H well to be drilled from a surface location in the NW/4 SE/4 of Section 30 to a bottom hole location in the NE/4 SE/4 of Section 18. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is approximately 13 miles Southeast of Malaga, New Mexico. Malaga, New Mexico. #37319

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