CASE NO. 22922 & 22923

APPLICATIONS OFMATADOR PRODUCTION COMPANY TORE-OPEN CASES FOR COMPLUSORY POOLING LEA COUNTY, NEW MEXICO

EXHIBITS

- A. Applications and Proposed Notices
- B Prior Orders
- C Landman's Affidavit
- D. Affidavit of Notice
- E. Affidavit of Publication

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO RE-OPEN CASE NO. 21796 FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 2292

APPLICATION

Matador Production Company applies for an order re-opening Case No. 21796 for the pooling of additional uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an operator in the E/2E/2 of Section 3 and the E/2E/2 of Section 10, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Nina Cortell Fed. Com. Well No. 128H to a depth sufficient to test the Bone Spring formation, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3. Pooling was granted by the Division by Order No. R-21667.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E/2E/2 of Section 3 and the E/2E/2 of Section 10 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring

EXHIBIT ∤

formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all uncommitted mineral interest owners in the Bone Spring formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

Application of Matador Production Company to re-open Case No. 21796 for compulsory pooling, Lea County, New Mexico. Applicant seeks an order re-opening Case No. 21796 for the pooling of additional uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 128H, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 10 miles south-southeast of Halfway, New Mexico.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO RE-OPEN CASE NO. 21798 FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 22923

APPLICATION

Matador Production Company applies for an order re-opening Case No. 21798 for the pooling of additional uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an operator in the E/2E/2 of Section 3 and the E/2E/2 of Section 10, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Nina Cortell Fed. Com. Well No. 204H to a depth sufficient to test the Bone Spring formation, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3. Pooling was granted by the Division by Order No. R-21669.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E/2E/2 of Section 3 and the E/2E/2 of Section 10 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp

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formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Wolfcamp formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

Application of Matador Production Company ro re-open Case No. 21798 for compulsory pooling, Lea County, New Mexico. Applicant seeks an order re-opening Case No. 21798 for the pooling of additional uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 204H, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 10 miles south-southeast of Halfway, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY MATADOR PRODUCTION COMPANY

CASE NO. 21796 ORDER NO. R-21667

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard these matters through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

FINDINGS OF FACT

- 1. Matador Production Company ("Operator") submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

D

EXHIBIT

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

CASE NO. 21796 ORDER NO. R-21667

Page 2 of 8

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of

- the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 et seq., and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 et seq.
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/kms

Date: _____4/20/2021

Exhibit "A"

| ALL INFORMATION IN THE APPLICA | TION MUST BE SUPPORTED BY SIGNED AFFIDAVITS |
|--|---|
| Case: | 21796 |
| Date | April 8, 2021 |
| Applicant | Matador Production Company |
| Designated Operator & OGRID | |
| (affiliation if applicable) | Matador Production Company/OGRID No. 228937 |
| Applicant's Counsel: | James Bruce |
| Case Title: | Application of Matador Production Company for Compulsory Pooling Eddy County, New Mexico |
| Entries of Appearance/Intervenors: | ConocoPhillips Company/Holland & Hart LLP |
| Well Family | Nina Cortell Bone Spring Wells |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring Formation |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Entire Bone Spring formation |
| Pool Name and Pool Code: | Bilbrey Basin; Bone Spring/Pool Code 5695 |
| Well Location Setback Rules: | Statewide rules and current horizontal well rules |
| Spacing Unit Size: | Quarter-quarter sections/40 acres |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 320 acres |
| Building Blocks: | 40 acres |
| Orientation: | South-North |
| Description: TRS/County | E/2E/2 §10 and E/2E/2 §3-22S-32E, NMPM, Lea County |
| 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 | |
| Applicant's Ownership in Each Tract | Exhibits C-2 and C-3 |
| Well(s) | |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Nina Cortell Fed. Com. Well No. 128H, API No. Pending SHL: 274 FSL and 1230 FEL (Unit P) §10-22S-32E BHL: 60 feet FNL and 660 feet FEL (Unit A) §3-22S-32E FTP: 100 FSL & 660 FEL §10 LTP: 100 FNL & 660 FEL §3 Bone Spring Sand/TVD 10850 feet/MD 21114 feet |

| Horizontal Well First and Last Take | See above |
|--|--|
| Points | |
| Completion Target (Formation, TVD and | See above |
| MD) | |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$8000 |
| Production Supervision/Month \$ | \$800 |
| Justification for Supervision Costs | Exhibit C, page 4 |
| Requested Risk Charge | Cost + 200%/Exhibit A, Case No. 21796 |
| Notice of Hearing | the state of the s |
| Proposed Notice of Hearing | Exhibit A |
| Proof of Mailed Notice of Hearing (20 | |
| days before hearing) | Exhibit B |
| Proof of Published Notice of Hearing (10 | |
| days before hearing) | Not necessary |
| Ownership Determination | |
| Land Ownership Schematic of the | |
| Spacing Unit | Exhibits C-2 and C-3 |
| Tract List (including lease numbers and | |
| owners) | Exhibit C-2 |
| Pooled Parties (including ownership | |
| type) | Exhibit C-3 |
| Unlocatable Parties to be Pooled | N/A |
| Ownership Depth Severance (including | |
| percentage above & below) | None |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit C-4 |
| List of Interest Owners (i.e. Exhibit A of | |
| JOA) | Exhibit C-3 |
| | |
| Chronology of Contact with Non-Joined | |
| Working Interests | Exhibit C-4 |
| Overhead Rates In Proposal Letter | \$8000/\$800 |
| Cost Estimate to Drill and Complete | Exhibit C-5 |
| Cost Estimate to Equip Well | Exhibit C-5 |
| Cost Estimate for Production Facilities | Exhibit C-5 |
| Geology | |
| Summary (including special | |
| considerations) | Exhibit C |
| Spacing Unit Schematic | Exhibits C-1 and C-2 |
| Gunbarrel/Lateral Trajectory Schematic | Exhibits D-2 and D-3 |
| Well Orientation (with rationale) | Standup/Exhibit D |
| Target Formation | Bone Spring |
| HSU Cross Section | Exhibit D-3 |
| Depth Severance Discussion | Not Applicable |
| Forms, Figures and Tables | |
| C-102 | Exhibit C-1 |

| Tracts | Exhibit C-1 and C-2 |
|---|----------------------|
| Summary of Interests, Unit | |
| Recapitulation (Tracts) | Exhibits C-1 and C-3 |
| General Location Map (including basin) | Exhibit D-1 |
| Well Bore Location Map | Exhibit C-1 |
| Structure Contour Map - Subsea Depth | Exhibit D-2 |
| Cross Section Location Map (including wells) | Exhibit D-3 |
| Cross Section (including Landing Zone) | Exhibit D-3 |
| Additional Information | |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | James/Bruce |
| Signed Name (Attorney or Party Representative): | James Trues |
| Date: | April 6, 2021 |

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY MATADOR PRODUCTION COMPANY

CASE NO. 21798 ORDER NO. R-21669

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard these matters through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

FINDINGS OF FACT

- 1. Matador Production Company ("Operator") submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

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- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of

- the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL

DIRECTOR AES/kms

Date: 4/20/2021

Exhibit "A"

| ALL INFORMATION IN THE APPLICA | TION MUST BE SUPPORTED BY SIGNED AFFIDAVITS |
|---|--|
| Case: | 21798 |
| Date | April 8, 2021 |
| Applicant | Matador Production Company |
| Designated Operator & OGRID | |
| (affiliation if applicable) | Matador Production Company/OGRID No. 228937 |
| Applicant's Counsel: | James Bruce |
| Case Title: | Application of Matador Production Company for Compulsory Pooling, Eddy County, New Mexico |
| Entries of Appearance/Intervenors: | ConocoPhillips Company/Holland & Hart LLP |
| Well Family | Nina Cortell Wolfcamp Wells |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Wolfcamp Formation |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Entire Wolfcamp formation |
| Pool Name and Pool Code: | WC-025 G-09 S233216K; Upper Wolfcamp/Pool Code 98166 |
| Well Location Setback Rules: | Statewide rules and current horizontal well rules |
| Spacing Unit Size: | Quarter-quarter sections/40 acres |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 320 acres |
| Building Blocks: | 40 acres |
| Orientation: | South-North |
| Description: TRS/County | E/2E/2 §10 and E/2E/2 §3-22S-32E, NMPM, Lea County |
| 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 | |
| Applicant's Ownership in Each Tract | Exhibits C-2 and C-3 |
| Well(s) | |
| Name & API (if assigned), surface and | Nina Cortell Fed. Com. Well No. 204H, API No. Pending |
| bottom hole location, footages, | SHL: 274 FSL and 1370 FEL (Unit O) §10-22S-32E |
| completion target, orientation, | BHL: 60 feet FNL and 990 feet FEL (Unit A) §3-22S-32E |
| completion status (standard or non- | FTP: 100 FSL & 990 FEL §10 |
| standard) | LTP: 100 FNL & 990 FEL §3 |
| | Bone Spring Sand/TVD 12200 feet/MD 22350 feet |

| Horizontal Well First and Last Take | See above |
|---|--|
| Points | Carahaua |
| Completion Target (Formation, TVD and MD) | See above |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$8000 |
| Production Supervision/Month \$ | \$800 |
| | 7 |
| Justification for Supervision Costs | Exhibit C, page 4 |
| Requested Risk Charge | Cost + 200%/Exhibit A, Case No. 21798 |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit A |
| Proof of Mailed Notice of Hearing (20 | 511110 |
| days before hearing) | Exhibit B |
| Proof of Published Notice of Hearing (10 | Net |
| days before hearing) | Not necessary |
| Ownership Determination | |
| Land Ownership Schematic of the | |
| Spacing Unit | Exhibits C-2 and C-3 |
| Tract List (including lease numbers and | 514400 |
| owners) | Exhibit C-2 |
| Pooled Parties (including ownership | 5144.60 |
| type) Unlocatable Parties to be Pooled | Exhibit C-3 |
| | N/A |
| Ownership Depth Severance (including | N. Control of the Con |
| percentage above & below) Joinder | None |
| | F. Lillia C. A |
| Sample Copy of Proposal Letter | Exhibit C-4 |
| List of Interest Owners (i.e. Exhibit A of JOA) | 5144.00 |
| JOA) | Exhibit C-3 |
| Chronology of Contact with Non-Joined | |
| Working Interests | Exhibit C-4 |
| Overhead Rates In Proposal Letter | \$8000/\$800 |
| Cost Estimate to Drill and Complete | Exhibit C-5 |
| Cost Estimate to Equip Well | Exhibit C-5 |
| Cost Estimate for Production Facilities | Exhibit C-5 |
| Geology | LAMBIL C J |
| Summary (including special | |
| considerations) | Exhibit C |
| Spacing Unit Schematic | Exhibits C-1 and C-2 |
| Gunbarrel/Lateral Trajectory Schematic | Exhibits D-4 and D-5 |
| Well Orientation (with rationale) | Standup/Exhibit D |
| Target Formation | Bone Spring |
| HSU Cross Section | Exhibit D-5 |
| Depth Severance Discussion | Not Applicable |
| Forms, Figures and Tables | Harr Applicante |
| C-102 | Exhibit C-1 |

| Tracts | Exhibit C-1 and C-2 |
|---|----------------------|
| Summary of Interests, Unit | |
| Recapitulation (Tracts) | Exhibits C-1 and C-3 |
| General Location Map (including basin) | Exhibit D-1 |
| Well Bore Location Map | Exhibit C-1 |
| Structure Contour Map - Subsea Depth | Exhibit D-4 |
| Cross Section Location Map (including wells) | Exhibit D-5 |
| Cross Section (including Landing Zone) | Exhibit D-5 |
| Additional Information | 这种种种的发展的大型。 |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | James Bruce |
| Signed Name (Attorney or Party Representative): | James Surg |
| Date: | April 6, 2021 |

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

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

CASE NOS. 22922 and 22923

AFFIDAVIT OF ROB HELBING

Rob Helbing, of lawful age and being first duly sworn, states the following:

- 1. My name is Rob Helbing 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 public 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 Case No. 22922, Matador seeks to re-open previous Case No 21796 and add additional parties to be pooled under NMOCD Order No. 21667, which created a standard horizontal spacing unit in the Bone Spring formation comprised of the E/2 E/2 of Sections 3 and 10, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. The spacing unit was initially dedicated to the proposed initial Nina Cortell #128H well, with a first take point in the SE/4 SE/4 (Unit P) of Section 10 and a last take point in the NE/4 NE/4 (Unit A) of Section 3. Under NMOCD Case No. 22849, Matador has requested to amend the initial well under NMOCD Order No. 21667 to the Nina Cortell #134H well, with a first



take point in the SE/4 SE/4 (Unit P) of Section 10 and a last take point in the NE/4 NE/4 (Unit A) of Section 3.

- 5. In Case No. 22923, Matador seeks to re-open previous Case No 21798 and add additional parties to be pooled under NMOCD Order No. 21669, which created a standard horizontal spacing unit in the Wolfcamp formation comprised of the E/2 E/2 of Sections 3 and 10, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico. The spacing unit is dedicated to the proposed initial **Nina Cortell #204H well,** with a first take point in the SE/4 SE/4 (Unit P) of Section 10 and a last take point in the NE/4 NE/4 (Unit A) of Section 3.
- 6. **Matador Exhibit C-1** contains a draft Form C-102 for each of the proposed initial wells in these standard horizontal spacing units. These forms demonstrate that the completed interval for the wells will meet the standard setback requirements for horizontal oil wells.
- 7. Matador understands the **Nina Cortell Fed #134H** Bone Spring well will be placed in the Bilbrey Basin; Bone Spring [5695] pool.
- 8. Matador understands the **Nina Cortell Fed #204H** Wolfcamp well will be placed in the WC-025 G-09 S233216K; Upper Wolfcamp [98166] pool.
- 9. **Matador Exhibit C-2** identifies the tracts of land comprising the proposed horizontal spacing units. The subject acreage is comprised of federal and fee lands.
- 10. There are no depth severances within the Bone Spring formation underlying this acreage.
- 11. There are no depth severances within the Wolfcamp formation underlying this acreage.

- 12. **Matador Exhibit C-3** identifies the additional working interest owners that Matador is seeking to pool in these proposed horizontal spacing units.
- 13. **Matador Exhibit C-3** also identifies the overriding royalty interest owners interest owners that Matador is seeking to pool in these proposed horizontal spacing units.
- 14. 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. As indicated in **Exhibit C-5**, Matador has been able to locate and has had discussions with each working interest owners that it seeks to pool in these cases in an effort to reach voluntary joinder.
- 15. **Matador Exhibit C-4** contains a sample of the well proposal letter and AFE sent to the working interest owners Matador is seeking to pool. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area in these formations.
- 16. **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.
- 17. 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.
- 18. Matador has provided its outside counsel, Jim Bruce, with the names and addresses (where available) of the parties that Matador seeks to pool and instructed that they be notified of this hearing.

19. **Matador Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Rob Helbing

STATE OF TEXAS)
COUNTY OF DALLAS)

SUBSCRIBED and SWORN to before me this ______ day of ______ 2022 by Rob Helbing.

NOTARY PUBLIC

My Commission Expires:

3/23/2025

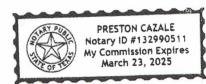


EXHIBIT C-1

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

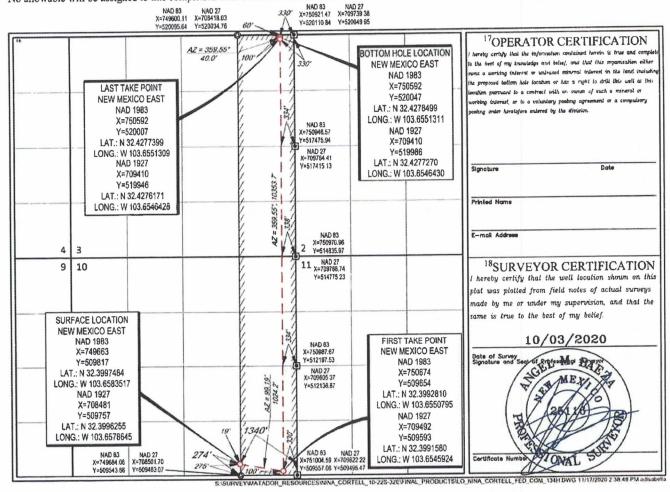
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

■ AMENDED REPORT

| | | W | ELL LO | | N AND ACR | EAGE DEDIC | ATION PLA | T | | |
|--------------------------|------------|------------|-----------------|------------------------|-------------------------|---------------------|---------------|------|---------------|--------------------|
| 1 | API Number | | | ² Pool Code | | | | | _ | |
| | | | | 5695 | | Bilbrey | Basin; | Bone | Spring | |
| ⁴ Property C | ode | | | | Property N A CORTELI | FED COM | | | 1 | 34H |
| 70GRID N | | | 1 | MATADO | Operator N R PRODUC' | name FION COMPAR | NY | | | Elevation 3789' |
| | | | | | 10 Surface Lo | ocation | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | | st/West line | County |
| 0 | 10 | 22-S | 32-E | - | 274' | SOUTH | 1340' | EA | ST | LEA |
| | | | 11 | Bottom Ho | le Location If D | ifferent From Sui | face | | | |
| UL or lot no. | Section | Township | Range | Lat Idn | Feet from the | North/South line | Feet from the | | asi/West line | County |
| 1 | 3 | 22-S | 32-E | - | 60' | NORTH | 330' | EA | ST | LEA |
| T2Dedicated Acres 319.92 | Joint or | Infill 14C | ensolidation Co | de l ¹⁵ Ord | er No. | | | | | |

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



District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

| | | , | WELL LO | CATIC | ON AND ACI | REAGE DEDIC | ATION PLA | Γ | |
|--------------------------------------|------------------------|---------------|-------------------------------|--------------------------------|-------------------------|------------------------|---------------------|----------------|-----------------------------|
| | API Number | | | ² Pool Code 98/6 | lo W | 11-025 6 | -09 S23 | 3216K; U | pps, Wolfe Well Number |
| ⁴ Property C | Code | | | | NA CORTEL | L FED COM | | , 6 | Vell Number 204H Selevation |
| 70GRID 1 | | | | MATAD | OR PRODUC | Name CTION COMPA | NY | | 3789' |
| | | | | | ¹⁰ Surface I | | | | County |
| UL or lot no. | Section 10 | Township 22-S | Range 32-E | Lot Id: | Feet from the 274' | North/South line SOUTH | Feet from the 1370' | EAST | LEA |
| | | | 11 | Bottom H | lole Location If | Different From Su | rface | | |
| UL or lot no. | Section 3 | Township 22-S | Range 32-E | Lot Id | Feet from th | North/South line | Feet from the | East/West line | LEA County |
| ¹² Dedicated Acres 320 | ¹³ Joint or | Infilii 1 | ⁴ Consolidation Co | de 15O | rder No. | | | | |

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

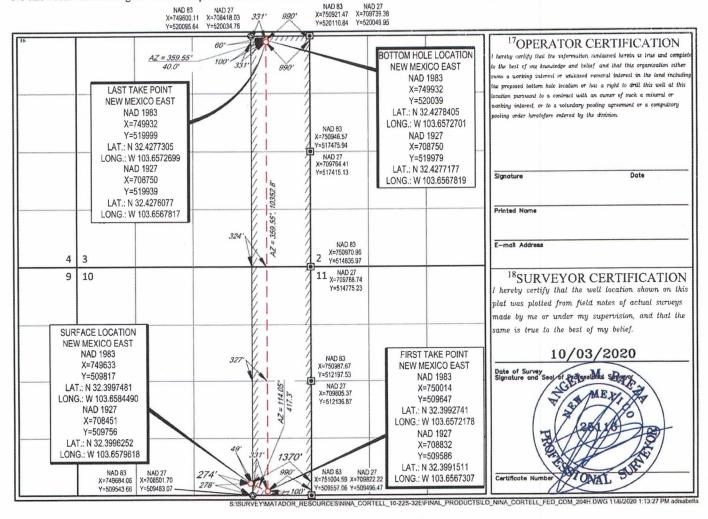


EXHIBIT C-2

T22S-R32E, Lea County, NM

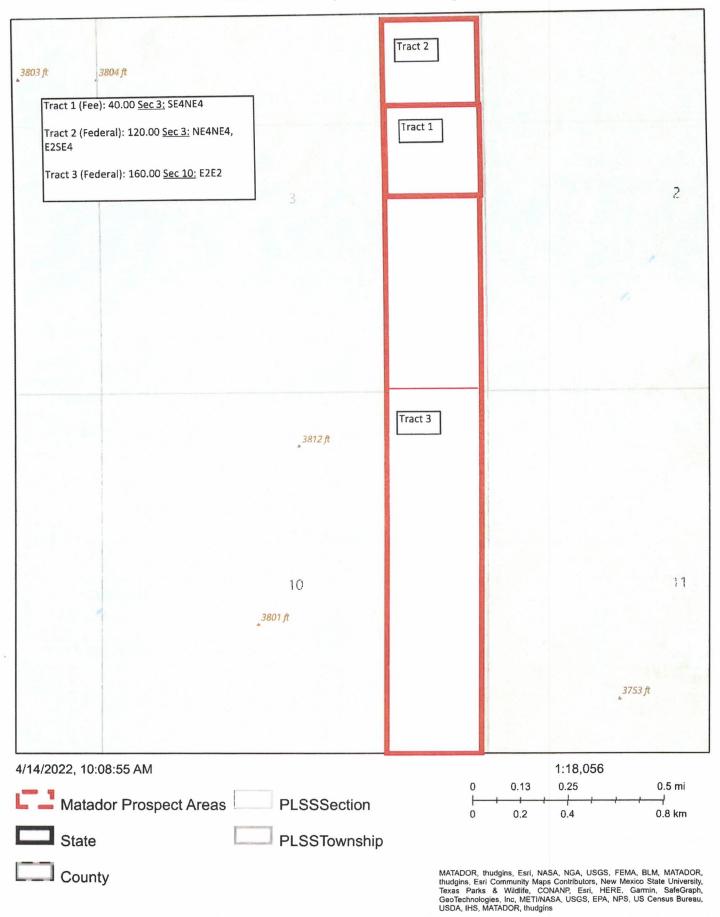


EXHIBIT C-3

Case Nos. 22922 and 22923

Summary of Interests

| MRC Permian Company: | empany: | | 43.30919% |
|--|-----------------------------|-------|-----------|
| Voluntary Joinder: | Joinder: | | 1.18776% |
| Anticipated Voluntary Joi | Joinder: | | 1.30925% |
| Previously Force Pooled: | Pooled: | | 51.25644% |
| Compulsory | ry Pool: | | 2.93736% |
| Interest Owner: | Description: | Tract | Interest: |
| WPX Energy Permian, LLC | Working Interest | 1 | 1.69342% |
| Fortson Oil Company | Working Interest | 1 | 1.24394% |
| J. Hiram Moore, LTD | Overriding Royalty Interest | 1 | |
| MHM Resources, LP | Overriding Royalty Interest | - | |
| Pheasant Energy, LLC | Overriding Royalty Interest | _ | |
| Robert G. Hooper | Overriding Royalty Interest | 1 | |
| Curtis A. Anderson and Edna I. Anderson, as Joint Tenants | Overriding Royalty Interest | - | |
| Daniel E. Gonzalez | Overriding Royalty Interest | - | |



T22S-R32E, Lea County, NM

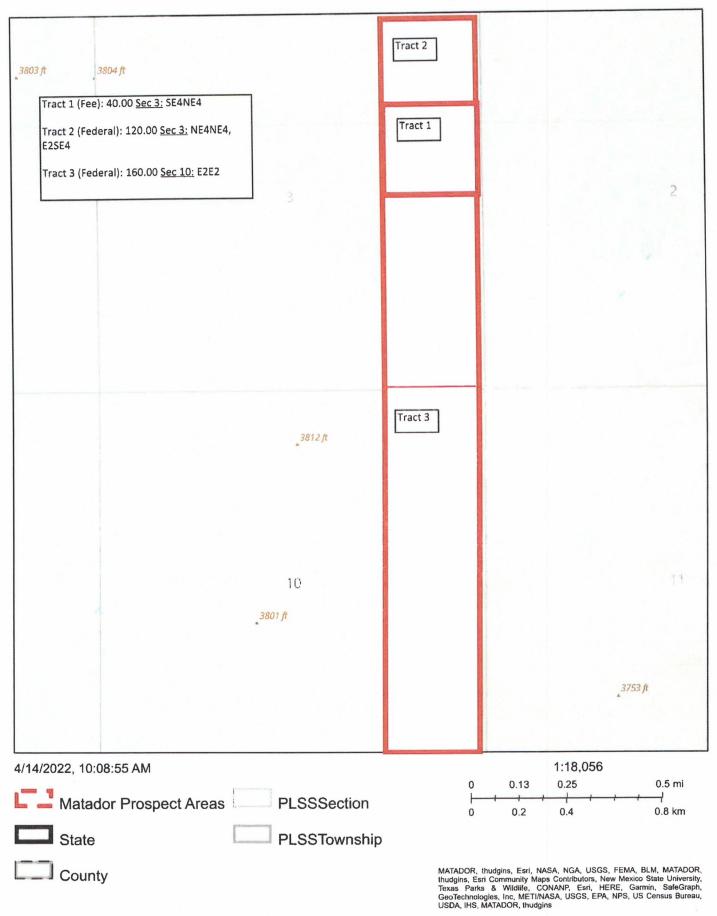


EXHIBIT C-4

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.629.2163 • Fax 972.371.5201 rhelbing@matadorresources.com

Robert Helbing Landman

June 18, 2020

VIA CERTIFIED RETURN RECEIPT MAIL

Fortson Oil Company 500 Throckmorton Street Fort Worth, TX 76102

Re:

Nina Cortell Fed Com #113H, #114H, #127H, #128H, #133H, #134H, #203H and #204H (the "Wells") Participation Proposal Sections 3&10, Township 22 South, Range 32 East Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of the following Matador Production Company's Nina Cortell Fed Com #113H, #114H, #127H, #128H, #133H, #134H, #203H and #204H (the "Wells"), located in Sections 3 & 10, Township 22 South, Range 32 East, Lea County, New Mexico.

In connection with the above, please note the following:

The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the eight (8) enclosed Authority for Expenditures ("AFE"), all dated October 22, 2019.

- Nina Cortell #113H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,250'.
- Nina Cortell #114H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,250'.
- Nina Cortell #127H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bonespring (~10,700' TVD) to a Measured Depth of approximately 20,850'.

- Nina Cortell #128H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,700' TVD) to a Measured Depth of approximately 20,850'.
- Nina Cortell #133H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,900' TVD) to a Measured Depth of approximately 22,000'.
- Nina Cortell #134H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,900' TVD) to a Measured Depth of approximately 22,000'.
- Nina Cortell #203H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,200' TVD) to a Measured Depth of approximately 22,350'.
- Nina Cortell #204H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,200' TVD) to a Measured Depth of approximately 22,350'.

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.

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of this letter along with the enclosed AFE(s) within thirty (30) days of receipt of this notice. 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.

Robert Helbing 1974

Fortson Oil Company hereby elects to:

| Not to participate in the Nina Cortell #113H. |
|--|
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| Production Company's Nina Cortell #113H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| |
| Not to participate in the Nina Cortell #114H. |
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| Production Company's Nina Cortell #114H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| we are interested in senting out motors in and and, prease constant |
| Not to participate in the Nina Cortell #127H. |
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| |
| Production Company's Nina Cortell #127H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| |
| Not to participate in the Nina Cortell #128H. |
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| Production Company's Nina Cortell #128H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| |
| Not to participate in the Nina Cortell #133H. |
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| Production Company's Nina Cortell #133H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| we are interested in sering our interest in this drift, predict condent to discuss. |
| Not to participate in the Nina Cortell #134H. |
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| |
| Production Company's Nina Cortell #134H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| |
| Not to participate in the Nina Cortell #203H. |
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| Production Company's Nina Cortell #203H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| |
| Not to participate in the Nina Cortell #204H. |
| Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador |
| Production Company's Nina Cortell #204H well. |
| We are interested in selling our interest in this unit, please contact to discuss. |
| |
| |
| Fortson Oil Company |
| |
| By: |
| |
| Title: |
| A LIVE |
| Date: |
| Amendment of the control of the cont |
| Contact Number: |
| |
| Email Address: |

MATADOR PRODUCTION COMPANY

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

| | | 220000000000000000000000000000000000000 | 371-5200 • Fax (972) 371 | | | |
|---|-------------------------|---|---|--|---|--------------------------|
| | | ESTIMATE OF COSTS A | ND AUTHORIZATION FO | R EXPENDITURE | | |
| DATE: | October 9, 2020 | | | | AFE NO.: | |
| WELL NAME: | Nina Cortell Fed Com | | | | FIELD: | 22 223144 222 |
| LOCATION: | Sections 3&10-22S-32 | E | | | MO/TVD: | 22,067'/11,900' 9,800 |
| COUNTY/STATE: | Lea, NM | | | LA | TERAL LENGTH: | 3,800 |
| MRC WI: | | | | | | |
| GEOLOGIC TARGET: | 3rd Bone Spring Sand | in a 2 mile beginnet 2 | rd Bone Spring Sand w | ell with approximately 5 | 0 stages | |
| REMARKS: | Drill, complete and equ | ip a 2 fille flotizontal Si | u Boile opining Garid w | eli viiti approximatory o | o diagoo | |
| | | DRILLING | COMPLETION | PRODUCTION | | TOTAL |
| INTANGIBLE | COSTS | COSTS | COSTS | COSTS | FACILITY COSTS | \$ 96,500 |
| Land / Legal / Regulatory | \$ | 61,500 118,000 | 13,000 | \$ 25,000 | \$ 10,000 16,667 | 172,667 |
| Location, Surveys & Damag Drilling | las | 756,400 | 10,000 | 20,000 | | 756,400 |
| Cementing & Float Equip | | 183,000 | | | | 183,000 |
| Logging / Formation Evalua | ation | · . | 3,500 | 3,000 | - | 6,500 3,840 |
| Flowback - Labor Flowback - Surface Rentals | | *************************************** | | 71,750 | | 71,750 |
| Flowback - Rental Living Q | | | | * | | 07.600 |
| Mud Logging | | 37,500 49,125 | | - | | 37,500 49,125 |
| Mud Circulation System Mud & Chemicals | | 255,400 | 49,000 | 6,000 | | 310,400 |
| Mud / Westewater Disposal | | 140,000 | , | | 1,000 | 141,000 39,500 |
| Freight / Transportation | | 12,800 | 26,700 102,400 | 7,200 | 14,400 | 224,750 |
| Rig Supervision / Engineer | ing | 91,400 | 102,400 | | | 91,400 |
| Drill Bit Purchase | | * | | | | 117.000 |
| Fuel & Power | | 108,500 75,000 | 8,500 738,750 | 2,000 | 1,000 | 117,000 816,750 |
| Water Drig & Completion Overhea | nd - | 13,000 | 730,130 | 2,000 | | 13,000 |
| Plugging & Abandonment | | - | | | | 207 570 |
| Directional Drilling, Survey | | 207,570 | 130,000 | 18,000 | *************************************** | 207,570 |
| Completion Unit, Swab, CT Perforating, Wireline, Slick | | | 173.000 | 10,000 | | 173,000 |
| High Pressure Pump Truck | | , | 67,500 | 8,000 | | 73,500 |
| Stimulation | | | 2,009,400 | 260,000 | | 275,500 |
| Stimulation Flowback & Di- Insurance | op. | 33,101 | 10,000 | | | 33,101 |
| Labor | | 97,500 | 61,000 | 15.000 | 5,000 | 178,500 347,985 |
| Rental - Surface Equipmen Rental - Downhole Equipm | | 48,880 77,000 | 284,105 86,000 | 10 000 | 5,000 | 166,000 |
| Rental - Living Quarters | ent | 30,025 | 43.295 | , | 5.000 | 78,320 |
| Contingency | | 126,220 | 180,225 | 45,379 | 5,807 | 357,631 27,950 |
| MaxCom | | 27,950 | 3,991,875 | 499,169 | 63,873 | 7,205,537 |
| | TOTAL INTANGIBLES > | 2,650,620 DRILLING | COMPLETION | PRODUCTION | 00,070 | TOTAL |
| TANGIBLE | COSTS | COSTS | costs | COSTS | FACILITY COSTS | COBTS 44.950 |
| Surface Casing Intermediate Casing | 1 | 248,306 | 3 | \$ | , | 248,306 |
| Drilling Liner | | | | | | |
| Production Casing | | 467,374 | | | | 467,374 |
| Production Liner Tubing | | , | | 82,500 | | 82,500 |
| Wellhead | | 65,000 | | 25,000 | | 90,000 |
| Packers, Liner Hangers Tanks | | | 69,600 | 5,000 | 29,900 | 74,60G 29,900 |
| Production Vessels | | | | Name of the last o | 122,432 | 122,432 |
| Flow Lines | | , | | | 120,000 | 120,000 |
| Rod string Artificial Lift Equipment | | | | 20,000 | | 20,000 |
| Compressor | | | *************************************** | 20,000 | 42,500 | 42,500 |
| Installation Costs | | | | | 104,000 | 104,000 |
| Surface Pumpa Non-controllable Surface | | | | 5,000 | 17,333 | 22,333 |
| Non-controllable Downhol | e | | *************************************** | | | |
| Downhole Pumps | | | *************************************** | | 32,667 | 42,667 |
| Measurement & Meter Inst Gas Conditioning / Dehydr | | | | 10,000 | 32,007 | 42,007 |
| Interconnecting Facility Pi | | | - | | 41,667 | 41,667 |
| Gathering / Bulk Lines | | | | | | 2,000 |
| Valves, Dumps, Controller Tank / Facility Containmen | | | - | 2,000 | 7,500 | 7,500 |
| Flare Stack | *** | | | | 13,333 | 13,333 |
| Electrical / Grounding | | | | 2,000 5,000 | 19,000 | 21,000 6,667 |
| Communications / SCADA Instrumentation / Safety | | - | ~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~ | 5,000 | 49,500 | 49,500 |
| | TOTAL TANGIBLES | 825,629 | 69,600 | 156,500 | 603,498 | 1,855,227 |
| | TOTAL COSTS : | 3,476,249 | 4,061,475 | 655,669 | 667,372 | 8,860,785 |
| EPARED BY MATADOR | PRODUCTION COMPA | NY: | | | | |
| | | | 17 | | | |
| Dritting Engine | | Team Lead (WT) | ONM COTT | | | |
| Completions Engineer Production Engineer | | | WIE | | | |
| | | | | | | |
| ATADOR RESOURCES C | OMPANY APPROVAL: | | | | | |
| Exec. VP & CF | | Exec. VP - Res Engine | ering | | Exec VP & COO - Land & | Legal |
| Preside | DEL | Senior VP - Geosci | BMR | | Exec VP & COO - Opera | |
| F182/06 | MVH | Sellot VI - Georg | NLF | | and the cook open | BEG |
| | n annous | | | | AND | |
| ON OPERATING PARTNE | | | | | | · |
| Company Nam | ne: | | Working Interest (%): | | Ta | x ID: |
| Signed t | by: | | Date: | | | |
| Tit | te: | | Approval: | Yes | | No (mark one) |

AFE - Version 4

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240
Phone (972) 371-5200 • Fax (972) 371-5201

| ECTIMATE OF | COSYS AND | AUTHORIZATION FOR EXPENDITURE | |
|-------------|-----------|-------------------------------|--|

| DATE: | October 9, 2020 | | | | AFE NO.: | |
|--|--|--|--|---|---|---|
| WELL NAME: | Nina Cortell Fed Com | #204H | | | FIELD: | |
| LOCATION; | Sections 3&10-22S-32 | E | | | MD/TVD: | 22,350′/12,200′ |
| COUNTY/STATE: | Lea, NM | | | L | ATERAL LENGTH: | 9,800 |
| MRC WI: | | | | | | |
| GEOLOGIC TARGET: | Wolfcamp A | | | | | |
| REMARKS: | Drill, complete and equ | ip a 2 mile horizontal | Wolfcamp A well with ap | proximately 58 stages | | |
| | | | | | | |
| | hy ill victories | DRILLING | COMPLETION | PRODUCTION | FACILITY COPTS | TOTAL |
| INTANGIBLE C | OSTS | COSTS | COSTS | COSTS \$ 25,000 | FACILITY COSTS \$ 19,000 | \$ 96,500 |
| Land / Legal / Regulatory Location, Surveys & Damage | » | 61,500 118,000 | 13,000 | 25,000 | 16,667 | 172,607 |
| Drilling | | 883,900 | | | | 883,900 |
| Cementing & Float Equip | | 192,000 | | | | 192,000 |
| Logging / Formation Evaluate Flowback - Labor | tion | | 3,500 | 3,000 | | 3,840 |
| Flowback - Surface Rentals | | | *************************************** | 71,750 | *************************************** | 71,750 |
| Flowback - Rental Living Qu | arters | | | | | - |
| Mud Logging | | 37,500 | | | | 37,500 55,500 |
| Mud Circulation System Mud & Chemicals | | 55,500 255,400 | 49,000 | 6,000 | *************************************** | 310,400 |
| Mud / Wastewater Disposal | | 140,000 | - | | 1,000 | 141,000 |
| Freight / Transportation | | 12,890 | 26,700 | | | 39,500 |
| Rig Supervision / Engineering | ng | 117,000 | 112.000 | 7,200 | 14,400 | 250.600 91,400 |
| Drill Bits Drill Bit Purchase | | 91,400 | | | | 51,400 |
| Fuel & Power | | 126,000 | 10.000 | | | 136,000 |
| Water | | 75,000 | 858,000 | 2,000 | 1,000 | 936,000 |
| Drig & Completion Overhead | ď | 15,500 | | | | 15,500 |
| Plugging & Abandonment Directional Drilling, Surveys | ş. | 209,975 | | *************************************** | | 209.975 |
| Completion Unit, Swab, CTL | | | 130,000 | 16,000 | | 146,000 |
| Perforating, Wireline, Slickli | ue | | 201,000 | 0.000 | | 201,000 61,000 |
| High Pressure Pump Truck Stimulation | | | 75,000 2.156,904 | 6,000 | | 2,156,904 |
| Stimulation Flowback & Dis | D | - | 15,500 | 260,000 | | 275,500 |
| Insurance | | 33,525 | | | | 33,525 |
| Labor | | 97,500 | 62,500 | 15,000 | 5,000 5,000 | 180,000 380,170 |
| Rental - Surface Equipment Rental - Downhole Equipme | | 58,280 122,000 | 306,890 86,000 | 3,000 | 5,000 | 211,000 |
| Rental - Living Quarters | | 32 900 | 48,050 | | 5,000 | 85,950 |
| Contingency | | 221,520 | 199,714 | 45,379 | 5,807 | 472,420 |
| MaxCom | | 33,325 | | | | 33,325 |
| | TOTAL INTANGIBLES > | | | 499,169 PRODUCTION | 63,873 | 7,907,326 TOTAL |
| TANGIBLE C | OSTS | DRILLING COSTS | COMPLETION | COSTS | FACILITY COSTS | COSTS |
| Surface Casing | 5 | 44,950 | \$ | \$ | \$ | \$ 44,950 |
| Intermediate Casing | | 254,756 | | | | 254,756 |
| Drilling Liner | | 473,175 | | | *************************************** | 473,175 |
| Production Casing Production Liner | | 410,170 | | | - | A. |
| Tubing | | 65,000 | *************************************** | 86,250 | | 151,250 |
| Wellhead | | | | 25,000 | | 25,000 81,800 |
| Packers, Liner Hangers Tanks | | 15.4 | 76,800 | 5,000 | 29,900 | 29,900 |
| Production Vessels | | | | | 122,432 | 122,432 |
| Flow Lines | | , | | | 120,000 | 120,000 |
| Rod string | | | | 20,000 | | 20,000 |
| Artificial Lift Equipment Compressor | | | | 20,000 | 42,500 | 42,500 |
| Installation Costs | | | *************************************** | 4 | 104,000 | 104,000 |
| Surface Pumps | | , | | 5,000 | 17,333 | 22,333 |
| Non-controllable Surface Non-controllable Downhole | | | | | 2,000 | 2,000 |
| Downhole Pumps | | | | | | - |
| Messurement & Meter insta | listion | | | 10,000 | 32,667 | 42,667 |
| Gas Conditioning / Dehydra | | | | * | 41,667 | 41,687 |
| Interconnecting Facility Pip Gathering / Bulk Lines | ing | | | | 41,007 | 41,001 |
| Valves, Dumps, Controllers | | *************************************** | | * | | |
| Tank / Facility Containment | | | | | 7,500 | 7,500 |
| Flare Stack Electrical / Grounding | | | | 2,000 | 13,333 19,000 | 13,333 |
| Communications / SCADA | | | | 5,000 | 1,667 | 6,667 |
| Instrumentation / Safety | | | | | 49,500 | 49,500 |
| | TOTAL TANGIBLES | 837,881 | 76,800 | 158,250 | 603,496 | 1,676,429 |
| | TOTAL COSTS : | 3,828,406 | 4,430,558 | 657,419 | 667,372 | 9,583,755 |
| EDADED DV MATADOD | BOOLICTION COMPA | MV. | | | | |
| EPARED BY MATADOR F | PRODUCTION COMPA | NY: | | | | |
| Drilling Engineer | r. James Long | Team Lead - W | TXNM LIE | | | |
| Completions Engineer | | | WTE | | | |
| Production Enginee | n Jan Mosnes | | | | | |
| | | | | | - | |
| ATADOR RESOURCES CO | MPANY APPROVAL: | | | | | |
| Exec VP & CF | 0 | Exec. VP - Res Engle | neering | | Exec VP & COO - Land & | Legal |
| | DEL | | BMR | | | CNA |
| Presiden | 1 | Senior VP - Geos | cience | | Exec VP & COO - Oper | ations |
| | MVH | | NLF | | | BEG |
| | | AND DESCRIPTION OF THE PARTY OF | | | | |
| ON OPERATING PARTNE | R APPROVAL: | | | | | |
| Company Name | e: | | Working Interest (%): | | | ax ID: |
| | | | | | | |
| Signed by | y: | | Date: | | | |
| Title | 9; | | Approval | Yes | | No (mark one) |
| man on the APS was promoted and and way with a co- | manued ac 15 Aregs on any symples have or to 975 | r resid of the project. Turking the behavior asset | | to the and Eastern completes. It seem rings | than ASE than Participant agrees to july its prints | numers shad of actual costs venetical distrabing larger |
| re regulations drafte layer and well could bender the form | a of the enginerative acres exercising discovered well | Altry order or other agreement storeing to | a was "attigated and he received by and since pr | specimenty to Epinson's net control and a | power fall by manager universal bedreamed pro- | BLE CHAIRS. \$ 6445,58% a vigital of 12 pice period 12 |

EXHIBIT C-5

Summary of Communications (Nina Cortell Fed Com - E/2 E/2 Sections 3 & 10, T22S, R32E)

1. WPX Energy Permian, LLC

In addition to sending initial well proposals to WPX Energy Permian, LLC in June 2020, Matador has had discussions with WPX regarding voluntary joinder.

2. Fortson Oil Company

In addition to sending initial well proposals to Fortson Oil Company in June 2020, Matador has had discussions with WPX.

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY TO RE-OPEN CASES FOR COMPULSORY POOLING LEA COUNTY, NEW MEXICO.

Case No. 22922 - 22923

| SELF-AFFIRMED | STATEMENT | OF NOTICE |
|---------------|------------------|------------------|
| | | |

| COUNTY OF SANTA FE) |
|---|
| STATE OF NEW MEXICO) |
| James Bruce deposes and states: |
| 1. I am over the age of 18, and have personal knowledge of the matters stated herein. |
| 2. I am an attorney for Matador Production Company. |
| 3. Matador Production Company has conducted a good faith, diligent effort to find the name and correct addresses of the interest owners entitled to receive notice of the applications filed herein. |
| 4. Notice of the applications was provided to the interest owner, at its last known address, by certified mail. Copies of the notice letter and certified return receipt are attached hereto as Attachment A. |
| 5. Matador Production has complied with the notice provisions of Division Rules. |
| 6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below. Date: Date: James Bruce |
| |

EXHIBIT

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax)

jamesbruc@aol.com

June 16, 2022

ATTACHMENT



CERTIFIED MAIL - RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following applications, filed with the New Mexico Oil Conservation Division by Matador Production Company, seeking to pool additional parties into certain well units:

- 1. Case 22922: Applicant seeks an order re-opening Case No. 21796 for the pooling of additional uncommitted mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 128H.
- 2. Case 22923: Applicant seeks an order re-opening Case No. 21798 for the pooling of additional uncommitted mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 204H.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, July 7, 2022. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emmrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emmrd.state.nm.us/OCD/announcements.html. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement five business days before the hearing date. This statement may be filed online with the Division at ocd.hearings@state.nm.us,

and should include: The name of the party and his or her attorney; a concise statement of the case; the name of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

Attorney for Matador Production Company

Nina Cortell 128 and 204 Notice List

WPX Energy Permian, LLC

333 West Sheridan Avenue

Oklahoma City, Oklahoma 73102

Daniel E. Gonzalez
P.O. Box 2475
Santa Fe, NM 87504

Fortson Oil Company
301 Commerce St., Suite 3301
Fort Worth, Texas 76102

J. Hiram Moore, Ltd. 16400 Dallas Pkwy., Suite 400 Dallas, Texas 75248

MHM Resources, LP P.O. Box 51570 Midland, TX 79710

Pheasant Energy, LLC
P.O. Box 2487
Fort Worth, TX 76113

Robert G. Hooper
P.O. Box 733
Roswell, New Mexico 88202

Curtis A. and Edna I. Anderson 3807 S. County Road 1135 Midland, TX 79706 EXHIBIT

| U.S. Postal Service" | CERTIFIED MAIL® RECCIPIL CERTIFIED MAIL® RECCIPIL Domestic Mail Only For delivery information, visit our website at www.usps.com®. | Certified Mall Fee Stra Services & Fees (check box, add fee as Extra Services & Fees (check box, add fee as I Return Receipt (electronic) \$ | Sireif and Apt. No., or P. City, State, Ziale, ZiP+4* City, State, ZiP+4* PS Form 3800, April 2015 PSN 7530-02-000-8047 Schedul Sireif and April 2015 PSN 7530-02-000-8047 See Reverse for Instructions |
|-----------------------------------|--|---|--|
| COMPLETE THIS SECTION ON DELIVERY | | D. is delivery address different from item 17 (2) (es If YES, enter delivery address below: 27 202 288201 | 3. Service Type 1. Adult Signature 2. Adult Signature Restricted Delivery 2. Certified Mail@ 2. Certified Mail@ 2. Estricted Delivery 3. Signature Confirmation 4. Signature Confirmation 5. Signature Confirmation 6. Signature Confirmation 7. Signature Confirmation 8. Signature Confirmation 9. Signature Confirmation 1. Signature Confirmation 2. Signature Confirmation 3. Signature Confirmation 4. Signature Confirmation 4. Signature Confirmation 5. Signature Confirmation 6. Signature Confirmation 7. Signature Confirmation 8. Signature Confirmation 8. Signature Confirmation 9. Signature Confirmation 9. Signature Confirmation 1. Signature Confirmation 2. Signature Confirmation 3. Signature Confirmation 4. Signature Confirmation 5. Signature Confirmation 6. Signature Confirmation 7. Signature Confirmation 8. Signature Confirmation 9. Signature Con |
| SENDER: COMPLETE THIS SECTION | Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, | or on the front if space permits. 1. Article Addressed to: Robert G. Hooper P.O. Box 733 Roswell, New Mexico 88202 | 2. Article Number 7021 0950 09402 6746 1074 4015 07 0 Certified Machine Transport of the Configuration of the Conf |



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| A. Signature A. Signature A. Signature A. Signature A. Signature A. Signature B. Received by (Printed Name) C. Date of Delivery Scint. Carson Co-28-27 D. Is delivery address different from item 17 Ves. if YES, enter delivery address below: No | | 3. Service Type Adult Signature Adult Signature Adult Signature Restricted Delivery Certified Mail Restricted Delivery L E 5 4 L Signature Confirmation Signature Confirmation Restricted Delivery Signature Confirmation Restricted Delivery Signature Confirmation Restricted Delivery | Mct. NL 16-070 Domestic Return Receipt |
|---|--|--|--|
| SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: | MHM Resources, LP P.O. Box 51570 Midland, TX 79710 | 2. Article Number (Transfer 1 074 4014 84 702 1 0950 0902 0364 | FS Form 56 I I, July 2020 PSN 7530-02-000-9053 |

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| | PS Form 38/00, April 2015 PSN 7530-02-000-9047 See Reverse for Instruc | CITOTIS |

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| 0950 0002 0364 | \$ Extra Services & Fees (check box, a Return Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery Postage \$ Total Postage and Fees | \$ \$ \$ | Postmark Here |
| L- | Sent To Street and Apt. No., or PO Box N. City, State, ZIP-48 | Daniel E. Gonzalez P.O. Box 2475 Santa Fe, NM 87504 | |
| | PS Form 3800, April 2015 PSN 75 | 530-02-000-9047 | See Reverse for Instructions |

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| Postage \$ Total Postage | and Fees | |
| Sent To | Fortson Oil Company 301 Commerce St., Suite 3301 No., or Fort Worth, Texas 76102 | |
| City, State, Zif | 440 | |
| PS Form 380 | 0, April 2015 PSN 7530-02-000-9047 | See Reverse for Instructions |

| For delivery information, visit our website at www.usps.com®. Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) Return Receipt (lectronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Restricted Delivery \$ Total Postage Pheasant Energy, LLC Sent To P.O. Box 2487 Street and Apt. No., or F Fort Worth, TX 76113 City, State, ZiP+4® | | U.S. Postal Service™ CERTIFIED MAIL® REC | EIRIOTO |
|---|-----------------------|---|---------|
| Palagond to Imaging, 7/6/2022 9-16-42 41 7S Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions | 021 0950 0002 0364 65 | Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Return Receipt (electronic) Certified Mail Restricted Delivery Adult Signature Required Adult Signature Required Adult Signature Restricted Delivery \$ Postage \$ Total Postage and Fee \$ Pheasant Energy, LLC Sent To P.O. Box 2487 Sireet and Apt. No., or F Fort Worth, TX 76113 | US E |

Carlsbad Current Argus.

Affidavit of Publication Ad # 0005308137 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW POBOX 1056

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

06/23/2022

Subscribed and sworn before me this June 23, 2022:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

техрисо

KATHLEEN ALLEN Notary Public State of Wisconsin EXHIBIT

Ad # 0005308137 PO #: 5308137 # of Affidavits 1

This is not an invoice

tson Oil Company, J. Hiram Moore, Ltd., MHM Resour-ces, LP, Pheasant Energy, LLC, Robert G. Hooper, and Curtis A. and Edna I. Anderson, or your heirs, de visees, successors, or assigns: Matador Production Company seeks orders (a) In Case No. 22922, re-opening Case No. 21796 to pool additional mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico, for purposes of drilling the Nina Cortell Fed. Com. Well No. 128H (or in the alternative the Nina Cortell Fed. Com. Well No. 134H), and (b) in Case No. 22923, re-opening Case No. 21798 to pool additional mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea Coun-ty, New Mexico, for purpos-es of drilling the Nina Cortell Fed. Com. Well No. 204H. Also to be considered

204H. Also to be considered will be the cost of drilling, completing, and equipping the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as

designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling, completing, and equipping the wells. This matter is scheduled for hearing at 8:15 a.m. on Thursday, July 7, 2022. During the COVID-19 Public Health Emergency state

Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate

NOTICE To: WPX Energy Permian, LLC, Daniel E. Gonzalez, For-

in an electronic hearing, go t o emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html. You are not required to attend this hearing, but