### **BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING AUGUST 3, 2023**

## **CASE NO. 23651**

LONNIE KING FED COM 135H

### Lea County, New Mexico



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

#### APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22224, LEA COUNTY, NEW MEXICO.

CASE NO. 23651 ORDER NO. R-22224

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

#### APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22224, LEA COUNTY, NEW MEXICO.

#### CASE NO. 23651

#### **APPLICATION**

Matador Production Company ("Matador" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division for an extension of the drilling deadline under Division Order No. R-22224. In support of its application, Matador states:

1. Division Order No. R-22224, entered on August 29, 2022, in Case No. 22417, pools a standard 320-acre horizontal well spacing unit in the Bone Spring formation comprised of the W/2 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The Order initially dedicates this acreage to the proposed **Lonnie King Fed Com 135H** well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 30, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 18.

2. Under the Order, Applicant is required to commence drilling the well by August 29, 2023.

3. Good cause exists to now extend that drilling deadline to August 29, 2024.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 3, 2023, and, after notice and hearing as required by law, the Division enter an order extending the time for Matador to commence drilling the proposed initial well under Order No. R-22224.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Matador Production Company Hearing Date: August 3, 2023 Case No. 23651 Respectfully submitted,

#### HOLLAND & HART LLP

ens By:

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

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

CASE :

Application of Matador Production Company to Extend the Drilling Deadline Under Order No. R-22224, Lea County, New Mexico. Applicant in the above-styled cause seeks a one-year extension of time for drilling the initial well under Order No. R-22224. This Order pools a standard 320-acre horizontal well spacing unit in the Bone Spring formation comprised of the W/2 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The Order initially dedicates this acreage to the proposed Lonnie King Fed Com 135H well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 30, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 18. Under the current Order, Applicant is required to commence drilling the well by August 29, 2023. Said area is located approximately 9 miles northwest of Jal, New Mexico.

#### STATE OF NEW MEXICO Case No. 236 ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 22417 ORDER NO. R-22224

#### **ORDER**

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on May 19, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

#### **FINDINGS OF FACT**

- 1. Matador Production Company ("Operator") submitted an application ("Application") to compulsory 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.
- 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 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

CASE NO. 22417 ORDER NO. R-22224 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 that exceed the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable 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

CASE NO. 22417 ORDER NO. R-22224 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.



Date: <u>8/29/2022</u>

#### Exhibit A

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS					
Case: 22417	APPLICANT'S RESPONSE				
Date	February 17, 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:	Danglade/Speight Family Oil and Gas I, L.P.				
Well Family	Lonnie King 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 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/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)	BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Matador Production Company				

CASE NO. 22417 ORDER NO. R-22224

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Received by OCD: 5/17/2022 3:10:19 PM Well #1	Lonnie King Fed Com #135H well SHL: SW/4 NW/4 (Unit E) of Section 30 BHL:NW/4 SW/4 (Unit L) of Section 18 Target: Bone Spring
	Orientation: South-North Completion: Standard Location
Well #2	
Well #3	
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	<u>¢8 000</u>
Drilling Supervision/Month \$ Production Supervision/Month \$	\$8,000 \$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Splacing iorimeximentalit?/2022 3:12:10 PM	Exhibit D-1

CASE NO. 22417 ORDER NO. R-22224

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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-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 pro	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Adam G. Rankin
Signed Name (Attorney or Party Representative): Date:	17-Feb-22

Released to Imaging: 5/17/2022 3:12:10 PM

#### CASE NO. 22417 ORDER NO. R-22224

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

#### APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22224, LEA COUNTY, NEW MEXICO.

CASE NO. 23651 ORDER NO. R-22224

#### APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22225, LEA COUNTY, NEW MEXICO.

CASE NO. 23652 ORDER NO. R-22225

#### APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22226, LEA COUNTY, NEW MEXICO.

CASE NO. 23653 ORDER NO. R-22226

#### APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22227, LEA COUNTY, NEW MEXICO.

CASE NO. 23654 ORDER NO. R-22227

#### AFFIDAVIT DAVID JOHNS

David Johns, of lawful age and being first duly sworn, declares as follows:

1. My name is David Johns. I work for MRC Energy Company, and affiliate of

Matador Production Company ("Matador") as a Senior Staff Landman.

eclares as follows: lergy Company, and affiliate of ldman. BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Matador Production Company Hearing Date: August 3, 2023 Case Nos. 23651-23654

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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 cases, and I am familiar with the status of the lands in the subject area.

4. Under **Case No. 23651**, Matador seeks an order to amend Order No. R-22224 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-22224, entered on August 29, 2022, in Case No. 22417, created a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Matador as operator of the Unit. Order No. R-22224 further pooled the uncommitted interests in the Bone Spring formation (WC-025 G-08 S2535340; Bone Spring [97088]) in the Unit and dedicated the Unit to the proposed initial **Lonnie King Fed Com 135H** well (API No. 30-025-PENDING).

5. Under **Case No. 23652**, Matador seeks an order to amend Order No. R-22225 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-22225, entered on August 29, 2022, in Case No. 22418, created a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 18, the E/2 W/2 of Section 19, and the E/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Matador as operator of the Unit. Order No. R-22225 further pooled the uncommitted interests in the Bone Spring formation (WC-025 G-08 S2535340; Bone Spring [97088]) in the Unit and dedicated the Unit to the proposed initial **Lonnie King Fed Com 136H** well (API No. 30-025-PENDING).

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6. Under **Case No. 23653**, Matador seeks an order to amend Order No. R-22226 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-22226, entered on August 29, 2022, in Case No. 22419, created a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Matador as operator of the Unit. Order No. R-22226 further pooled the uncommitted interests in the Wolfcamp formation (Jal; Wolfcamp, West [33813]) in the Unit and dedicated the Unit to the proposed initial **Lonnie King Fed Com 211H** well (API No. 30-025-PENDING).

7. Under **Case No. 23654**, Matador seeks an order to amend Order No. R-22227 ("Order") to allow for an extension of time for drilling the proposed initial well under the Order. Division Order No. R-22227, entered on August 29, 2022, in Case No. 22420, created a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 SW/4 of Section 18, the E/2 W/2 of Section 19, and the E/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico (the "Unit"), and designated Matador as operator of the Unit. Order No. R-22227 further pooled the uncommitted interests in the Wolfcamp formation (Jal; Wolfcamp, West [33813]) in the Unit and dedicated the Unit to the proposed initial **Lonnie King Fed Com 212H** well (API No. 30-025-PENDING).

8. Matador is eager to develop this acreage; however, there is good cause for Applicant's request for an extension of time to drill this well. Matador previously filed permits with the Bureau of Land Management back in September 2021 for each of the above-referenced initial wells and has not yet received approval, thereby causing Matador to delay its intended plans to develop the acreage subject to the Orders.

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9. **Matador Exhibit C-1** is a copy of the mailing report from the original hearing in Case Nos. 22417–22420.

Matador Exhibit C-2 is an updated copy of the pooling exhibit from Case Nos.
22417-22420, with updates reflecting owners that have either reached voluntary joinder with
Matador or have assigned their interest to another.

11. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable wells or pay their estimated share of the costs to drill, complete and equip the applicable wells.

12. The granting of this application will prevent waste and protect correlative rights.

13. **Matador Exhibit C-1 through C-2** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NAUGHT.

4

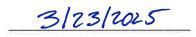
David Johns

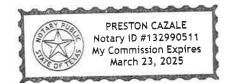
STATE OF TEXAS

SUBSCRIBED and SWORN to before me this 31st day of July 2023 by David Johns.

NOTARY PUBLIC

My Commission Expires:





#### Matador - Lonnie King 135H, 136H, 211H , and 212H Case Nos. 22417-22420 Postal Delivery Reports

FrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered to an individual at the address at 1:42 pm on
9414811898765845739027	Chisos, Ltd.	1331 Lamar St	Houston	ТХ	77010-3025	December 23, 2021 in HOUSTON, TX 77010.
						Your package will arrive later than expected, but is still on its way. It is
9414811898765845739003	Apache Corporation	2000 Post Oak Blvd Ste 100	Houston	ТХ	77056-4497	currently in transit to the next facility.
						Your item has been delivered to an agent for final delivery in MIDLAND, T
9414811898765845739096	Danglade/Speight Family Oil and Gas I, LP	6 Desta Dr Ste 5850	Midland	тх	79705-5555	79705 on December 21, 2021 at 10:36 am.
					1	Your item has been delivered and is available at a PO Box at 12:10 pm on
9414811898765845739041	John & Theresa Hillman Family Properties, LP	PO Box 50187	Midland	тх	79710-0187	December 22, 2021 in MIDLAND, TX 79705.
						Your package will arrive later than expected, but is still on its way. It is
9414811898765845739089	Manix Royalty, Ltd.	PO Box 2818	Midland	тх	79702-2818	currently in transit to the next facility.
						Your item was delivered to an individual at the address at 1:42 pm on
9414811898765845739034	Chisos, Ltd.	1331 Lamar St	Houston	тх	77010-3025	December 23, 2021 in HOUSTON, TX 77010.
						Your item was delivered to an individual at the address at 12:41 pm on
9414811898765845739485	Milagro Besources J.P.	415 W Wall St Ste 1118	Midland	тх	79701-4439	December 23, 2021 in MIDLAND, TX 79701.
111011030705010705105					/5/01 1105	Your item was returned to the sender on January 5, 2022 at 12:15 pm in
						SANTA FE, NM 87501 because the addressee was not known at the delive
0/1/8118087658/5720/20	G.W. Hannett, whose marital status is unknown	PO Box 1849	Albuquerque	NM	87102-1840	address noted on the package.
9414811838703843739430		FO BOX 1843	Albuqueique		87103-1849	Your item was returned to the sender on January 5, 2022 at 12:15 pm in
44 404 40007050 45720 470	Charles F. Dambart Mileses Marital Chatter Is University	DO Dou 1840	A 11		07102 1040	SANTA FE, NM 87501 because the addressee was not known at the delive
9414811898765845739478	Charles E. Barnhart, Whose Marital Status Is Unknown	PO Box 1849	Albuquerque	NM	8/103-1849	address noted on the package.
						Your item could not be delivered on December 29, 2021 at 12:38 pm in
						SANTA FE, NM 87501. It was held for the required number of days and is
9414811898765845739515	T.G. Cornish, whose marital status is unknown	PO Box 1849	Albuquerque	NM	87103-1849	being returned to the sender.
						Your item was picked up at the post office at 9:25 am on January 20, 2022
9414811898765845739553	Janeen Scott, as her separate property	PO Box 33	Scio	OH	43988-0033	in SANTA FE, NM 87501.
						Your item was delivered at 10:34 am on December 24, 2021 in BEACH CIT
9414811898765845739560	Luann Youngman, as her separate property	12374 Lawndell St SW	Beach City	OH	44608-9771	OH 44608.
						Your item has been delivered to the original sender at 9:25 am on January
9414811898765845739522	DMA, Inc.	PO Box 1496	Roswell	NM	88202-1496	20, 2022 in SANTA FE, NM 87501.
						Your item was delivered to an individual at the address at 12:42 pm on
9414811898765845739508	Charmar, LLC	4815 Vista Del Oso Ct NE	Albuquerque	NM	87109-2558	December 22, 2021 in ALBUQUERQUE, NM 87109.
						Your item was delivered to an individual at the address at 12:43 pm on
9414811898765845739591	Richard C. Deason, Whose Marital Status Is Unknown	1301 Havenhurst Dr Apt 217	West Hollywood	CA	90046-4546	December 23, 2021 in LOS ANGELES, CA 90046.
	· · · · · · · · · · · · · · · · · · ·					Your item has been delivered to the original sender at 9:25 am on January
9414811898765845739546	Thomas D. Deason, Whose Marital Status Is Unknown	6402 Cr 7240	Lubbock	тх	79424	20, 2022 in SANTA FE, NM 87501.
	,,					Your package will arrive later than expected, but is still on its way. It is
9414811898765845739072	Anache Corporation	2000 Post Oak Blvd Ste 100	Houston	тх	77056-4497	currently in transit to the next facility.
,11011030703043733072			nouston		77050 4457	Your package will arrive later than expected, but is still on its way. It is
0/1/8118987658/573958/	Ronald H. Mayer, Trustee of the Ronald H. Mayer And	PO Box 2391	Roswell	NM	88202-2391	currently in transit to the next facility.
717011030703043733304	Rohald H. Wayer, Hustee of the Rohald H. Wayer And	10 00x 2351	Roswell		00202 2331	Your package will arrive later than expected, but is still on its way. It is
9414811898765845739539	SADILC	4901 Whitney Ln	Roswell	NM	88203-0002	currently in transit to the next facility.
9414011090705045759559	SAP, LLC		RUSWEII	INIVI	88203-9002	Your item was returned to the sender on January 5, 2022 at 12:15 pm in
44 404 40007650 45700577		DO D. 2424	C		07504 0404	SANTA FE, NM 87501 because the addressee was not known at the delive
9414811898765845739577	Robert N. Enfield, Trustee of the Robert N. Enfield Rev	PO Box 2431	Santa Fe	NM	87504-2431	address noted on the package.
						Your item was delivered to an individual at the address at 2:16 pm on
	Lisa M. Enfield, Trustee of the Lisa M. Enfield Trust Da	465 Camino Manzano	Santa Fe	NM	87505-2833	December 23, 2021 in SANTA FE, NM 87505.
9414811898765845733216	Lisa IVI. Liniela, musice of the Lisa IVI. Liniela musica					Your item was delivered to an individual at the address at 11:04 am on
9414811898765845733216 9414811898765845733254		1211 W Muirlands Dr	La Jolla	CA	92037-5506	December 23, 2021 in LA JOLLA, CA 92037.
		1211 W Muirlands Dr	La Jolla	CA	92037-5506	December 23, 2021 in LA JOLLA, CA 92037. Your package will arrive later than expected, but is still on its way. It is
	MLE, LLC	1211 W Muirlands Dr 213 20th St	La Jolla New Orleans	CA LA		
9414811898765845733254	MLE, LLC					Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765845733254 9414811898765845733261	MLE, LLC Bryan Bell Family LLC				70124-1235	Your package will arrive later than expected, but is still on its way. It is
9414811898765845733254 9414811898765845733261	MLE, LLC Bryan Bell Family LLC	213 20th St	New Orleans	LA	70124-1235	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. Your item has been delivered to an agent for final delivery in MIDLAND, T

Santa Fe, New Mexico Exhibit No. C-1 Submitted by: Matador Production Company Hearing Date: August 3, 2023 Case Nos. 23651-23654

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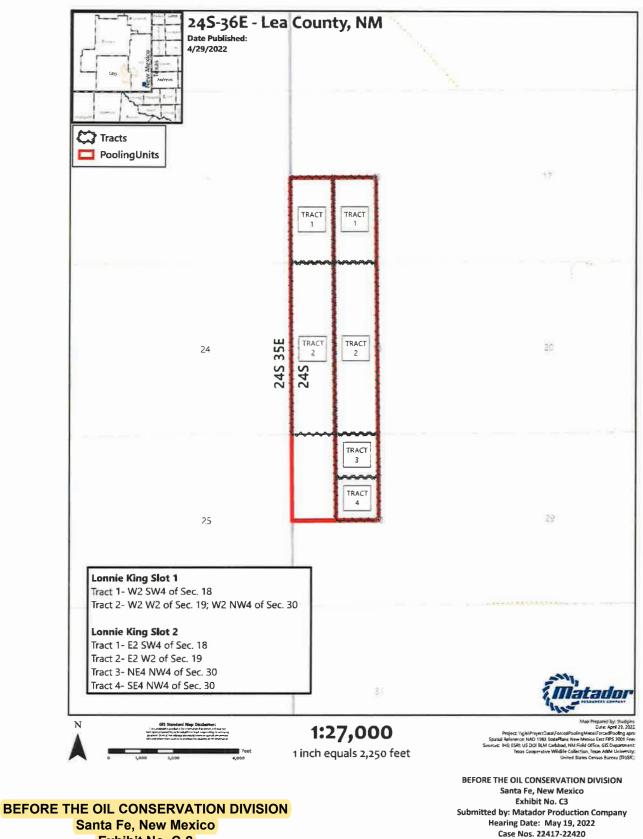
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#### Matador - Lonnie King 135H, 136H, 211H, and 212H Case Nos. 22417-22420 Postal Delivery Reports

						Your item has been delivered and is available at a PO Box at 11:06 am on
9414811898765845739461	John & Theresa Hillman Family Properties, LP	PO Box 50187	Midland	тх	79710-0187	December 23, 2021 in MIDLAND, TX 79705.
						Your item was returned to the sender on January 27, 2022 at 9:16 am in
9414811898765845739423	Manix Royalty, Ltd.	PO Box 2818MIDLAND Tx 79702	Midland	тх	79702	SANTA FE, NM 87501 because of an incomplete address.
						Your item has been delivered to the original sender at 9:25 am on January
9414811898765845739409	Special Exploration, LLC	1801 Avenue I	Eunice	NM	88231-3505	20, 2022 in SANTA FE, NM 87501.
						Your item was delivered to the front desk, reception area, or mail room at
9414811898765845739492	The McDaniel Company, Inc.	12900 Preston Rd Ste 415	Dallas	тх	75230-1353	3:03 pm on December 28, 2021 in DALLAS, TX 75230.
						Your item was delivered to the front desk, reception area, or mail room at
9414811898765845739447	Marjam Energy, LLC Texas	8150 N Central Expy Ste 1525	Dallas	тх	75206-1852	10:04 am on December 29, 2021 in DALLAS, TX 75206.

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Santa Fe, New Mexico Exhibit No. C-2 Submitted by: Matador Production Company Hearing Date: August 3, 2023 Case Nos. 23651-23654

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Matador Exhibit

### Summary of Interests (W2 SW4 of Sec. 18, W2 W2 of Sec. 19, & W2 NW4 of Sec. 30, 24S, 36E)

Matador's Working Interest			95.3662%
Voluntary Joinder	-		1.5446%
Compulsory Pool Interest Total:			3.0892%
Interest Owner:	Description:	Tract	Interest:
PZ Delaware I LLC	Uncommitted Working Interest Owner	1	3.0892%



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## Summary of Interests continued (W2 SW4 of Sec. 18, W2 W2 of Sec. 19, & W2 NW4 of Sec. 30, 24S, 36E)

John & Theresa Hillman Family Properties, LP	NPRI	1
Manix Royalty, Ltd.	NPRI	1



## Summary of Interests (E2 SW4 of Sec. 18, E2 W2 of Sec. 19, & E2 NW4 of Sec. 30, 24S, 36E)

Matador's Working Interest			82.8125%
Voluntary Joinder			1.5625%
Compulsory Pool Interest Total:			15.5625%
Interest Owner:	Description:	Tract	Interest:
ZPZ Delaware I LLC	Uncommitted Working Interest Owner	1	3.125%
Gulf Coast Western, LLC	Uncommitted Working Interest Owner	3	12.5%



## Summary of Interests continued (E2 SW4 of Sec. 18, E2 W2 of Sec. 19, & E2 NW4 of Sec. 30, 24S, 36E)

Matador's Working Interest			95.3662%
Voluntary Joinder			1.5446%
Compulsory Pool Interest Total:			23.1689%
Interest Owner:	Description:	Tract	Interest:
John & Theresa Hillman Family Properties, LP	NPRI	1	
Manix Royalty, Ltd.	NPRI	1	
Special Exploration, LLC	ORRI	3	
The McDaniel Company, Inc.	ORRI	3	
Marjam Energy, LLC (Texas)	ORRI	3	المالي المالية
Milagro Resources, LP	ORRI	3	
G.W. Hannett, whose marital status is unknown	ORRI	3	
Charles E. Barnhart, whose marital status is unknown	ORRI	3	
T.G. Cornish, whose marital status is unknown	ORRI	3	
Janeen Scott, as her separate property	ORRI	3	



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### E2 SW4 of Sec. 18, E2 W2 of Sec. 19, & E2 NW4 of Sec. 30, 24S, 36E

Luann Youngman, as her separate property	ORRI	3	
DMA, Inc.	ORRI	3	
Charmar, LLC	ORRI	3	
Richard C. Deason, whose marital status is unknown	ORRI	3	
Thomas D. Deason, whose marital status is unknown	ORRI	3	
Ronald H. Mayer, Trustee of the Ronald H. Mayer and Martha M. Mayer Revocable Trust dated March 19, 1990	ORRI	3	
SAP, LLC	ORRI	3	
Robert N. Enfield, Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999	ORRI	3	
Lisa M. Enfield, Trustee of the Lisa M. Enfield Trust dated January 23, 2015	ORRI	3	
MLE, LLC	ORRI	3	
Bryan Bell Family LLC	ORRI	3	



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

#### APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22224, LEA COUNTY, NEW MEXICO.

#### CASE NO. 23651 ORDER NO. R-22224

#### <u>SELF-AFFIRMED STATEMENT OF</u> <u>PAULA M. VANCE</u>

1. I am attorney in fact and authorized representative of Matador Production Company ("Matador"), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. 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 July 28, 2023.

5. I caused a notice to be published to all parties subject to this request for an extension proceeding. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below. BEFORE THE OIL CONSERVATION

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Matador Production Company Hearing Date: August 3, 2023 Case No. 23651

Pathik

Paula M. Vance

8/1/23 Date

## Holland & Hart

July 14, 2023

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

#### **TO: ALL AFFECTED PARTIES**

#### **Re:** Application of Matador Production Company to Extend the Drilling Deadline Under Order No. R-22224, Lea County, New Mexico: Lonnie King Fed Com 135H well

Greetings:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on August 3, 2023, and the status of the hearing can be monitored through the Division's website at <u>http://www.emnrd.nm.gov/ocd/</u>.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>.

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 to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact David Johns (972) 619-1259, or at djohns@matadorresources.com

Sincerely,

Tichal & Filewers

Michael H. Feldewert ATTORNEY FOR MATADOR PRODUCTION COMPANY

#### MRC - Lonnie King 135H Case No. 23651 Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
						Your item was delivered to an individual at the address at 9:32 am
9414811898765414078076	ZPZ Delaware I LLC	2000 Post Oak Blvd Ste 100	Houston	ΤХ	77056-4497	on July 20, 2023 in HOUSTON, TX 77056.
						Your item was delivered to the front desk, reception area, or mail
9414811898765414078410	John & Theresa Hillman Family Properties, LP	PO Box 50187	Midland	ΤХ	79710-0187	room at 9:01 am on July 25, 2023 in MIDLAND, TX 79710.
						This is a reminder to pick up your item before August 2, 2023 or
						your item will be returned on August 3, 2023. Please pick up the
9414811898765414078458	Manix Royalty, Ltd.	PO Box 2818	Midland	тх	79702-2818	item at the MIDLAND, TX 79702 Post Office.

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# <u>Affidavit of Publication</u>

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated July 18, 2023 and ending with the issue dated July 18, 2023.

PM

4:09:51

Received

Sworn and subscribed to before me this 18th day of July 2023.

Business Manager

My commission expires January 29, 2027

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

COMMISSION EXPIRES 01/29/2027 This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication whas been made.

#### LEGAL NOTICE July 18, 2023

#### 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. The hearing will be conducted remotely on Thursday, August 3, 2023, 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/hearinginfo/ or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.gov. Documents filed in the case may be viewed at https://ocdimage.emnrd.nm.gov/Imaging/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@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than July 23, 2023.

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com/nmemnrd/j.php?MTID=mc68e708eacdd7b6354353 2aead523b82 Webiage pumber: 2480 130 3502

Webinar number: 2480 139 3502

Join by video system: 24801393502@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll Access code: 2480 139 3502

Panelist password: PGpPdJhW277 (74773549 from phones and video systems)

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 affected interest owners, including: ZPZ Delaware I LLC; John & Theresa Hillman Family Properties, LP; and Manix Royalty, Ltd.

Case No. 23651: Application of Matador Production Company to Extend the Drilling Deadline Under Order No. R-22224, Lea County, New Mexico. Applicant in the above-styled cause seeks a one-year extension of time for drilling the initial well under Order No. R-22224. This Order pools a standard 320-acre horizontal well spacing unit in the Bone Spring formation comprised of the W/2 SW/4 of Section 18, the W/2 W/2 of Section 19, and the W/2 NW/4 of Section 30, Township 24 South, Range 36 East, NMPM, Lea County, New Mexico. The Order initially dedicates this acreage to the proposed Lonnie King Fed Com 135H well, to be drilled from a surface location in the SW/4 NW/4 (Unit E) of Section 30, to a bottom hole location in the NW/4 SW/4 (Unit L) of Section 18. Under the current Order, Applicant is required to commence drilling the well by August 29, 2023. Said area is located approximately 9 miles northwest of Jal, New Mexico.

67100754

PO BOX 2208

HOLLAND & HART LLC

SANTA FE, NM 87504-2208

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BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. E Submitted by: Matador Production Company Hearing Date: August 3, 2023 Case No. 23651