

DATE IN 11/23/2016	SUSPENSE	ENGINEER M. Am	LOGGED IN 11/24/2016	TYPE PLC	APP NO. RMA416 33337272
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

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

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication

☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement

☐ DHC ☒ CTB ☐ PLC ☒ PC ☒ OLS ☒ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

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

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

Jordan L. Kessler

Print or Type Name

Signature

Attorney

Title

Date

jlkessler@hollandhart.com

e-mail Address

- PLC 459
 - in a production company
 228537

RECEIVED
 2016 11 23 10 10 AM

U211
 - Pay 125245285
 RB # 121H
 30-015-4304
 - PLC 125245285
 RB # 221H
 30-015-43018

with 2 AK-1
 1304 = 5PH
 64850
 - Pick = Chassy
 WOLFMAN
 60373
 11/23/16

HOLLAND & HART LLP



Jordan L. Kessler

Associate

Phone (505) 988-4421

Fax (505) 983-6043

jlkessler@hollandhart.com

November 23, 2016

VIA HAND DELIVERY

David Catanach
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Matador Production Company for administrative approval to surface commingle (pool-lease commingle) oil and gas production from the Willow Lake; Bone Spring Pool (64450) and the Pierce Crossing; Wolfcamp Pool (50373) located in the N/2 N/2 of Section 25, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

Dear Mr. Catanach,

Matador Production Company (OGRID No. 228937) seeks administrative approval to surface commingle (pool-lease commingle) oil and gas production from *all existing and future wells and existing and future leases* drilled in the following leases with diverse ownership in the N/2 N/2 of Section 25, Township 24 South, Range 28 East, NMPM, in Eddy County, New Mexico:

(a) The 160-acre standard spacing unit comprised of the N/2 N/2 of Section 25 within the Willow Lake; Bone Spring Pool (Pool Code 64450). This spacing unit is currently dedicated to the Paul 25-24S-28E RB No. 121H Well, (API No. 30-015-43011). This well will produce from the Willow Lake; Bone Spring Pool (Pool Code 64450).

(b) The 160-acre standard spacing unit comprised of the N/2 N/2 of Section 25 within the Pierce Crossing; Wolfcamp Pool (Pool Code 50373). This spacing unit is currently dedicated to the Paul 25-24S-28E RB No. 221H Well, (API No. 30-015-43018). This well is producing from the Pierce Crossing; Wolfcamp Pool (Pool Code 50373).

Pursuant to NMAC 19.15.12.7, approved spacing units producing from separate pools with diverse ownership are considered separate leases for surface commingling purposes. Matador seeks authority to surface commingle production according to the provisions of NMAC 19.15.12.10.C *from all existing and future wells* in these separate leases at a surface facility located in the NW/4 NW/4 (Unit D) of Section 25. Pursuant to 19.15.12.10(C)(4)(g), Matador also seeks authority to commingle production into the DLK Black River South Trunk Line from

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐

HOLLAND & HART LLP



future leases with notice provided only to interest owners within future leases. Prior to commingling, gas production from each well will be separately metered using individual test separators with calibrated orifice meters that are manufactured to AGA specifications. Oil production from each well will also be separately metered using a turbine meter.

Exhibit 1 is a land plat showing Matador's current development and gathering system in the subject area. The plat identifies the wellbores, the spacing units, and the common surface facility located in the NW/4 NW/4 (Unit D) of Section 25. All lands in the N/2 N/2 of Section 25 are fee lands.

Exhibit 2 is a completed Application for Surface Commingling (Diverse Ownership) C-107-B with attachments.

Exhibit 3 is an in depth engineering explanation of Matador's commingling process.

Exhibit 4 is a C-102 for each of the current wells drilled and planned within the existing spacing units.

Exhibit 5 is a diagram of the surface facilities.

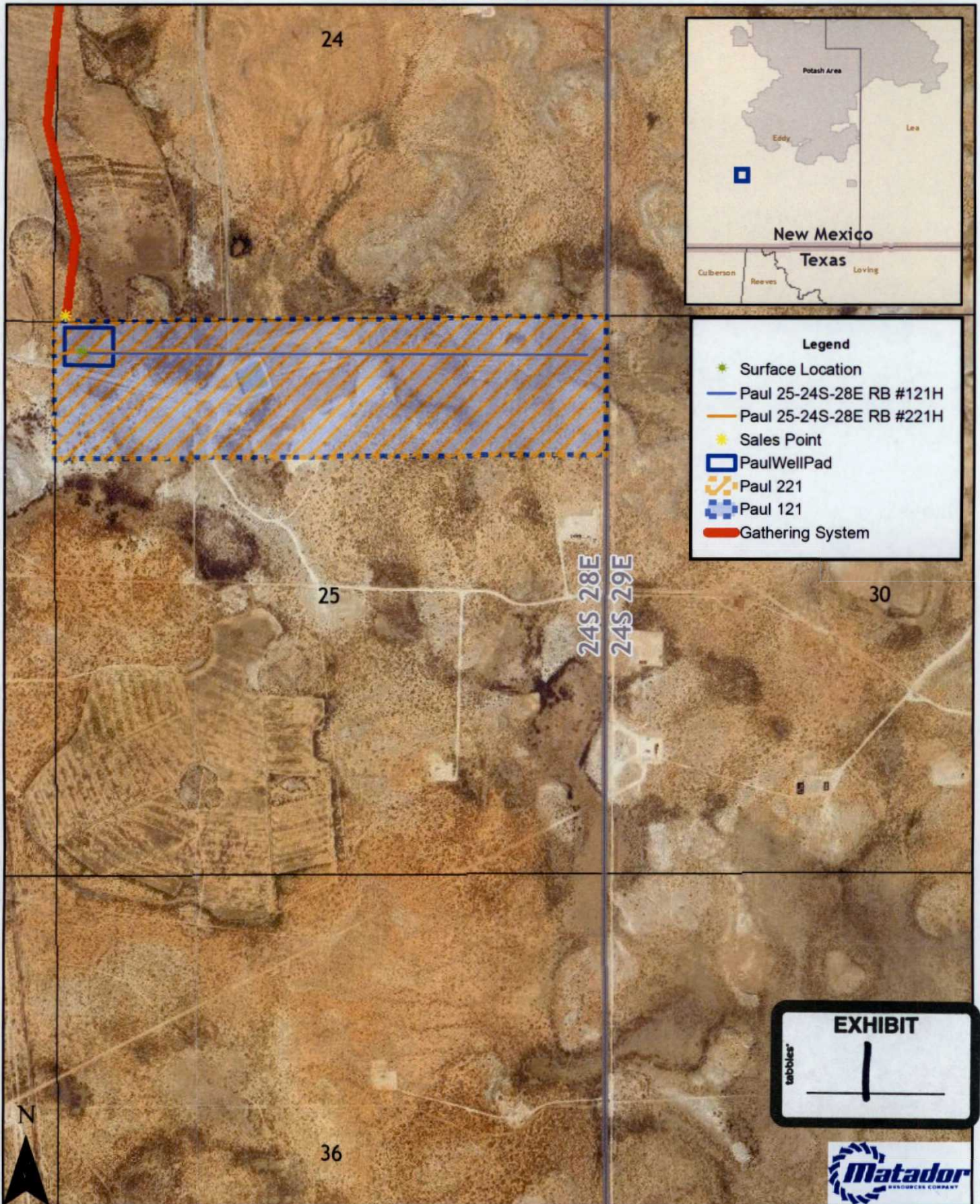
Exhibit 6 is a list of the working interest, royalty, and overriding royalty interests affected by this request for approval to surface commingle oil and gas production. A copy of this application with all attachments has been sent by certified mail to all affected parties advising them that if they have an objection they must file it in writing with the division within 20 days from the date the division receives Matador's application.

Your attention to this matter is appreciated.

Sincerely,

Jordan L. Kessler
**ATTORNEY FOR
MATADOR PRODUCTION COMPANY**

Paul Land Plat



- Legend**
- ★ Surface Location
 - Paul 25-24S-28E RB #121H
 - Paul 25-24S-28E RB #221H
 - ★ Sales Point
 - Paul Well Pad
 - ✂ Paul 221
 - ✂ Paul 121
 - Gathering System



Southeast New Mexico

0 750 1,500 3,000 Feet

Date: November 17, 2016
 Filename: Paul_LandPlat - Copy
 Projection: NAD27 State Plane New Mexico East FIPS 3001
 Sources: IHS; ESRI;

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr, Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

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

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

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: Matador Production Company
OPERATOR ADDRESS: 5400 LBJ Freeway Tower 1 Suite 1500 Dallas, TX 75240
APPLICATION TYPE:

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

LEASE TYPE: ☒ Fee ☐ State ☐ Federal

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

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes
Paul 121H: Willow Lake; Bone Spring [64450]	45 degree API / 1250 BTU	46 API / 1260 BTU		~1000 BOPD @ \$44/bbl for WTI coupled with 1260 BTU gas at a rate of 1450 mcf/d with \$2.42/mcf price includes deduct for processing but uptick in mmbtu equates to \$47,510/day for the month of November	910 bbl oil per day 1450 mcf per day
Paul 221H: Pierce Crossing; Wolfcamp	46 degree API / 1270 BTU				

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

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code- Paul 221H: Pierce Crossing; Wolfcamp and Paul 121H: Willow Lake; Bone Spring [64450]
(2) Is all production from same source of supply? ☐ Yes ☒ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No
(4) Measurement type: ☒ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attached sheets with the following information

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

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

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

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

EXHIBIT

2

SIGNATURE: John

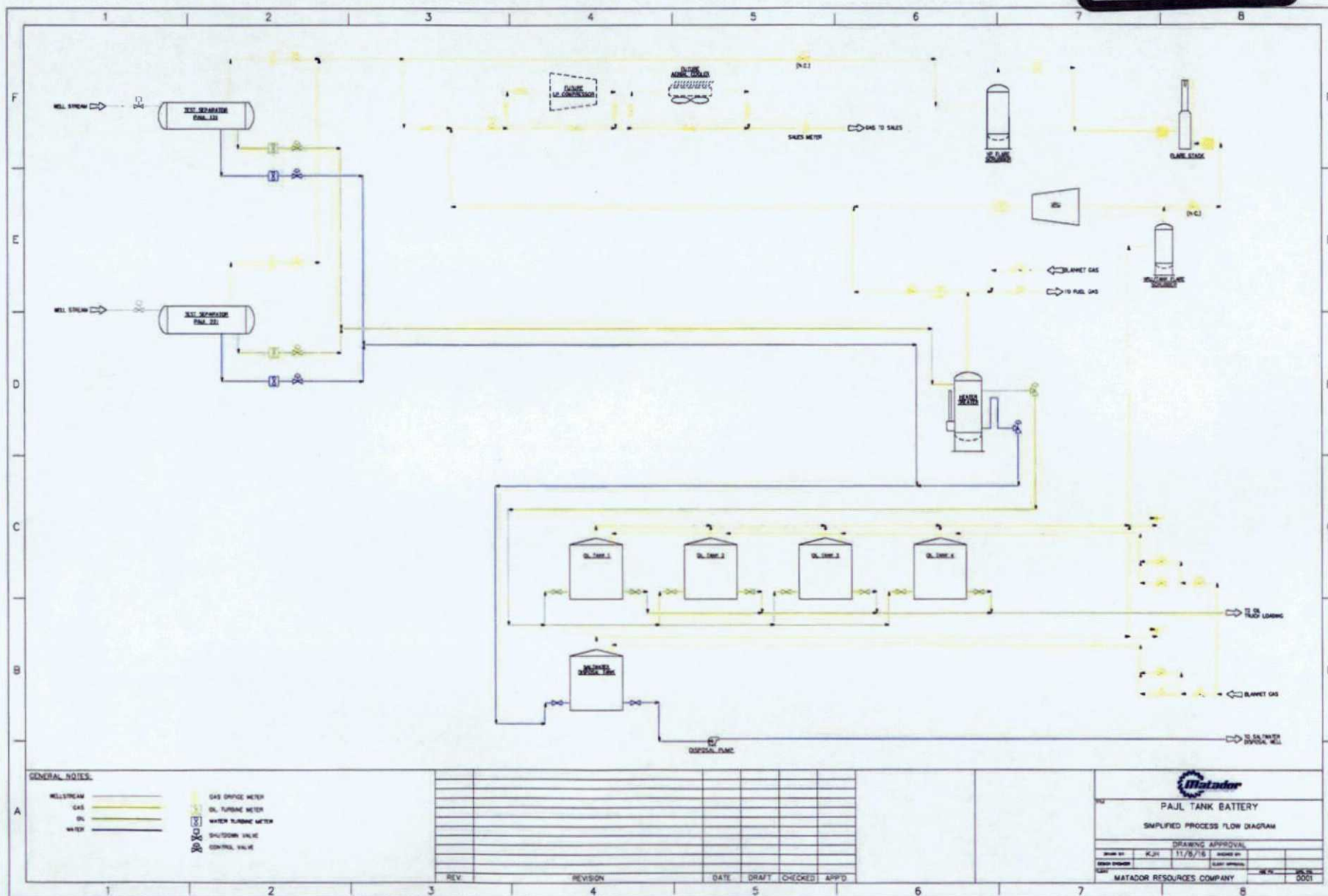
TITLE: Senior Production Engineer

DATE: 11/17/16

TYPE OR PRINT NAME: John Romano

TELEPHONE NO.: (972) 371-5245

E-MAIL ADDRESS: jromano@matadorresources.com





May 17, 2016

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

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

Sample: Paul 25 24S 28E RB No. 221H
Separator Gas
Sampled @ 277 psig & 105 °F

Date Sampled: 05/09/2016

Job Number: 62187.021

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	0.920	
Carbon Dioxide	0.085	
Methane	74.484	
Ethane	13.477	3.599
Propane	6.565	1.808
Isobutane	0.789	0.258
n-Butane	1.886	0.594
2-2 Dimethylpropane	0.017	0.006
Isopentane	0.373	0.136
n-Pentane	0.451	0.163
Hexanes	0.423	0.174
Heptanes Plus	<u>0.530</u>	<u>0.219</u>
Totals	100.000	6.954

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity ----- 3.387 (Air=1)
Molecular Weight ----- 97.69
Gross Heating Value ----- 5066 BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity ----- 0.771 (Air=1)
Compressibility (Z) ----- 0.9959
Molecular Weight ----- 22.24
Gross Heating Value
Dry Basis ----- 1325 BTU/CF
Saturated Basis ----- 1303 BTU/CF

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

Base Conditions: 14.650 PSI & 60 Deg F

Sampled By: (24) Wagner
Analyst: NG
Processor: NG
Cylinder ID: T-4143

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

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

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	0.920		1.159
Carbon Dioxide	0.085		0.168
Methane	74.484		53.740
Ethane	13.477	3.599	18.225
Propane	6.565	1.806	13.019
Isobutane	0.789	0.258	2.062
n-Butane	1.886	0.594	4.930
2,2 Dimethylpropane	0.017	0.006	0.055
Isopentane	0.373	0.136	1.210
n-Pentane	0.451	0.163	1.463
2,2 Dimethylbutane	0.006	0.003	0.023
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.040	0.016	0.155
2 Methylpentane	0.129	0.053	0.500
3 Methylpentane	0.068	0.028	0.264
n-Hexane	0.180	0.074	0.698
Methylcyclopentane	0.074	0.025	0.280
Benzene	0.010	0.003	0.035
Cyclohexane	0.080	0.027	0.303
2-Methylhexane	0.023	0.011	0.104
3-Methylhexane	0.025	0.011	0.113
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.067	0.029	0.299
n-Heptane	0.056	0.026	0.252
Methylcyclohexane	0.072	0.029	0.318
Toluene	0.013	0.004	0.054
Other C8's	0.060	0.028	0.297
n-Octane	0.016	0.008	0.082
Ethylbenzene	0.001	0.000	0.005
M & P Xylenes	0.006	0.002	0.029
O-Xylene	0.001	0.000	0.005
Other C9's	0.017	0.009	0.097
n-Nonane	0.003	0.002	0.017
Other C10's	0.004	0.002	0.025
n-Decane	0.001	0.001	0.006
Undecanes (11)	<u>0.001</u>	<u>0.001</u>	<u>0.008</u>
Totals	100.000	6.954	100.000

Computed Real Characteristics Of Total Sample:

Specific Gravity	0.771	(Air=1)
Compressibility (Z)	0.9959	
Molecular Weight	22.24	
Gross Heating Value		
Dry Basis	1325	BTU/CF
Saturated Basis	1303	BTU/CF

Matador Production Company

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

Voice 972.371.5245 • Fax 972.371.5201

jromano@matadorresources.com

John L. Romano
Senior Production Engineer

November 17, 2016

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

Re: Application of Matador Production Company for administrative approval for off-lease measurement and approval to surface commingle (pool and lease commingle) gas and oil production from the spacing units comprised of the Pierce Crossing; Wolfcamp [50373] and Willow Lake; Bone Spring [64450] pools in N/2 N/2 of Section 15, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico (the "Lands")

To Whom This May Concern,

Matador Production Company ("Matador"), OGRID: 228937, requests to commingle current gas production from two (2) distinct wells located on the Lands and future production from the Lands as described herein. Both wells will be metered through a test separator with an oil turbine meter and gas orifice meter. The gas commingling will occur after individual measurement at each well. Gas exiting each well test flows into one gathering line, as depicted on **Exhibit A**, the DLK Black River South Trunk Line. Each well on the Lands will have its own test separator with an orifice meter manufactured and assembled in accordance with American Gas Association (AGA) specifications. All primary and secondary Electronic Flow Measurement (EFM) equipment is tested and calibrated by a reputable third party measurement company in accordance with industry specifications.

The orifice meter is the preferred measurement device utilized by midstream and E&P companies in the natural gas business. The gas samples are obtained at the time of the meter testing/calibration and the composition and heating value are determined by a laboratory in accordance with American Petroleum Institute (API) specifications to ensure accurate volume and Energy (MMBTU) determinations. See example from Fesco Laboratory attached as **Exhibit B** hereto.

The flow stream from each wellhead is demonstrated in the Process Flow Diagram (PFD) attached as **Exhibit A** hereto. The PFD shows that the water, oil, and gas leave the wellbore and flow into a wellhead test separator which separates the oil, gas, and water. The oil is measured via turbine meter which is calibrated periodically by a third party measurement company for accuracy. The gas is measured on a volume and MMBTU basis by an orifice meter and supporting EFM equipment in accordance with American Petroleum Association (API) Chapter 21.1. The gas is



then sent into a gathering line where it is commingled with each of the other well's metered gas. The gathering line gas is then metered by another orifice meter at the tank battery check to show the total volume of gas leaving the Tank Battery. This meter is tested and calibrated in accordance with industry specifications and volume and energy are determined on an hourly, daily, and monthly basis. Once the gas exits this final tank battery sales check it travels directly into a third party sales connect meter. The Black River Gathering System has its own orifice meter that measures the gas for custody transfer. These meters are also calibrated periodically to ensure the measurement accuracy.

In conclusion, all the oil and gas produced on the Lands is and will be metered at each wellhead and allocated correctly using the same measurement equipment as the pipeline sales measurement specifications accepted by API as industry standard.

Very truly yours,

MATADOR PRODUCTION COMPANY

A handwritten signature in black ink, appearing to read 'John L. Romano', with a long horizontal flourish extending to the right.

John L. Romano
Production Engineer

District I
1625 N French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0730
District II
811 S First St., Artesia, NM 88210
Phone: (575) 746-1263 Fax: (575) 746-9720
District III
1000 Rio Bravos 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-015-13011		*Pool Code 64450	*Pool Name Willow Lake; Bone Spring
*Property Code 314392	*Property Name PAUL 25-24S-28E RB		*Well Number #121H
*OCRID No. 228937	*Operator Name MATADOR PRODUCTION COMPANY		*Elevation 2919'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
D	25	24-S	28-E	-	359'	NORTH	277'	WEST	EDDY

UL or lot no.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
A	25	24-S	28-E	-	380'	NORTH	240'	EAST	EDDY

*Dedicated Acres 160	*Joint or tefill	*Consolidation Code	*Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

				<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land underlying the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or it is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Chris Carleton</i> 3/29/16 Signature Date</p> <p>Chris Carleton Printed Name</p> <p>Carleton@matadorresources.com E-mail Address</p>
<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=588253 Y=434875 LAT.: N 32.1947178 LONG.: W 104.0480343</p>	<p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=588305 Y=434854 LAT.: N 32.1946801 LONG.: W 104.0478671</p>	<p>LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=588304 Y=434848 LAT.: N 32.1946811 LONG.: W 104.0323804</p>	<p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=588304 Y=434848 LAT.: N 32.1946800 LONG.: W 104.0323805</p>	
<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>03/09/2015 Date of Survey</p> <p><i>Michael B. Brown</i> Signature and Seal of Surveyor</p> <p>MICHAEL B. BROWN NEW MEXICO 16329 PROFESSIONAL SURVEYOR</p> <p>Certificate Number</p>				

8 SURVEYOR/ADJ. RESOURCES/PAUL 25-24S-28E RB 121H/PAUL PRODUCTION CO. PAUL 25-24S-28E RB 121H 03/09/2015 03:28 PM

EXHIBIT
4

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Bravo Road, Artec, 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

NM OIL CONSERVATION
ARTESIA DISTRICT

JUN 29 2016
Revised August 1, 2011

Submit one copy to appropriate
District Office

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-43018		² Pool Code 50373		³ Pool Name PIERCE CROSSING;WOLFCAMP	
⁴ Property Code 314392		⁵ Property Name PAUL 25 24S 28E RB			⁶ Well Number #221H
⁷ GRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 2920'

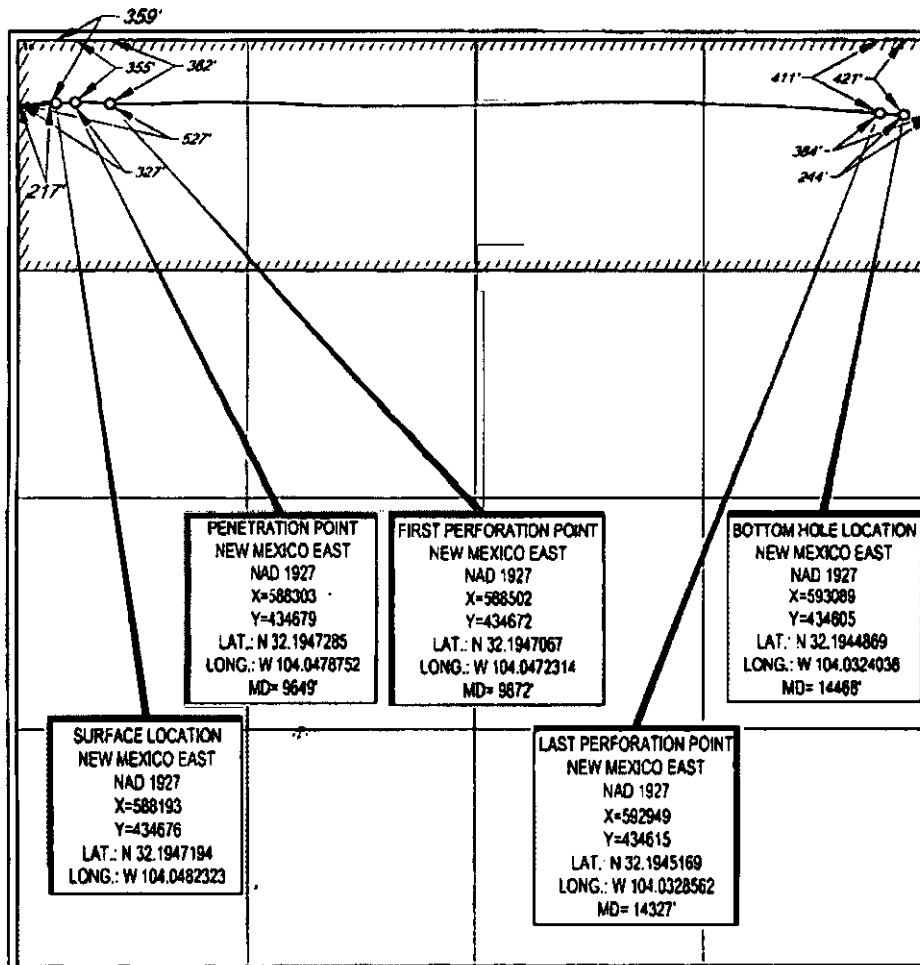
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	25	24-S	28-E	-	359'	NORTH	217'	WEST	EDDY

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	25	24-S	28-E	-	421'	NORTH	244'	EAST	EDDY

¹² Dedicated Acres 160	¹³ Unit or Infill	¹⁴ Consolidation Code	¹⁵ Order 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.



¹⁷OPERATOR CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill the well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.	
	05/25/2016
Chris Carleton	Date
ccarleton@matadorresources.com	
E-mail Address	
¹⁸SURVEYOR CERTIFICATION	
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.	
02/26/2015	
Date of Survey	
Signature and Seal of Professional Surveyor	
Certificate Number	

***Application of Matador Production Company for administrative approval to surface commingle (pool-lease commingle) oil and gas production from the Willow Lake; Bone Spring Pool (64450) and the Pierce Crossing; Wolfcamp Pool (50373) located in the N/2 N/2 of Section 25, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.**

MRC Permian Company
5400 LBJ Freeway
One Lincoln Centre, Ste 1500
Dallas, TX 75240-1017
7015 1520 0002 0439 0195

Judith Ann Anderson
1434 Vanessa Circle
Encinitas, CA 92024
7015 1520 0002 0439 0201

Big Three Energy Group LLC
P. O. Box 429
Roswell, NM 88202-0429
7015 1520 0002 0439 0218

Conquistador Council Boy Scouts of
America Trust Fund
Bank of America, NA, Agent for the Trustees
P.O. Box 840738
Dallas, TX 75284
7015 1520 0002 0439 0225

Featherstone Development Corp
P. O. Box 429
Roswell, NM 88202-0429
7015 1520 0002 0439 0232

Prospector LLC
P. O. Box 429
Roswell, NM 88202-0429
7015 1520 0002 0439 0249

Jerry L Pulley
359 FM 969
Bastrop, TX 78602
7015 1520 0002 0439 0256

Brian C Reid and wife,
Katherine A Reid
2502 Camarie
Midland, TX 79705
7015 1520 0002 0439 0263

Ross Duncan Properties LLC
P. O. Box 647
Artesia, NM 88211-0647
7015 1520 0002 0439 0270

Elizabeth Ann Wilson
206 Sagebrush Valley Rd
Hagerman, NM 88232
7015 1520 0002 0439 0287

XPLOR Resources LLC
1104 North Shore Drive
Carlsbad, NM 88220-4638
7015 1520 0002 0439 0294

Stephen C Baxter & Doris June
Baxter as joint tenants
PO Box 906
Ada, OK 74821
7015 1520 0002 0439 0300

Carroll Family Trust, Jerry W.
Carroll, Sole Trustee
15801 CR 3581
Ada, OK 74820
7015 1520 0002 0439 0317

CHI Energy, Inc
PO Box 1799
Midland, TX 79702
7015 1520 0002 0439 0324

Hope Royalties, LLC
PO 1326
Artesia, NM 88211
7015 1520 0002 04390331

Mo Oil, LLC
P O Box 429
Roswell, NM 88202
7015 1520 0002 0439 0348

Taylor Mineral Trust, Jan Baxter
Taylor & Gregory S Taylor, Trustees
PO Box 1737
Ada, OK 74821
7015 1520 0002 0439 0355

Giebel Petroleum, Ltd.
130 Spring Park Dr. #100
Midland, Texas 79705
7015 1520 0002 0439 0362

Delta Development I
447 Belvedere St.
La Jolla, CA 92037
7015 1520 0002 0439 0379

Mizel Resources, A Trust
4350 S Monaco St 5th Floor
Denver, CO 80237
7015 1520 0002 0439 0386

Yosemite Creek Oil and Gas, LLLP
4350 S Monaco St 5th Floor
Denver, CO 80237
7015 1520 0002 0439 0393

Tom E. Johnson
P.O. Box 1707
Midland, TX 79702
7015 1520 0002 0439 0409

D. R. Ventures
8445 Camino Santa Fe,
Suite 101
San Diego, CA 92121
7015 1520 0002 0439 0416

Barney Martin Partners
8445 Camino Santa Fe,
Suite 101
San Diego, CA 92121
7015 1520 0002 0439 0423

Dyna-Plex, Inc.
447 Belvedere St.
La Jolla, CA 92037
7015 1520 0002 0439 0430



May 17, 2016

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

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

Sample: Paul 25 24S 28E RB No. 221H
Separator Gas
Sampled @ 277 psig & 105 °F

Date Sampled: 05/09/2016

Job Number: 62187.021

CHROMATOGRAPH EXTENDED ANALYSIS - GPA 2286

COMPONENT	MOL%	GPM
Hydrogen Sulfide*	< 0.001	
Nitrogen	0.920	
Carbon Dioxide	0.085	
Methane	74.484	
Ethane	13.477	3.599
Propane	6.565	1.806
Isobutane	0.789	0.258
n-Butane	1.886	0.594
2-2 Dimethylpropane	0.017	0.006
Isopentane	0.373	0.136
n-Pentane	0.451	0.163
Hexanes	0.423	0.174
Heptanes Plus	0.530	0.219
Totals	100.000	6.954

Computed Real Characteristics Of Heptanes Plus:

Specific Gravity _____ 3.387 (Air=1)
Molecular Weight _____ 97.69
Gross Heating Value _____ 5066 BTU/CF

Computed Real Characteristics Of Total Sample:

Specific Gravity _____ 0.771 (Air=1)
Compressibility (Z) _____ 0.9959
Molecular Weight _____ 22.24
Gross Heating Value
Dry Basis _____ 1325 BTU/CF
Saturated Basis _____ 1303 BTU/CF

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

Base Conditions: 14.650 PSI & 60 Deg F

Sampled By: (24) Wagner
Analyst: NG
Processor: NG
Cylinder ID: T-4143

Certified: FESCO, Ltd. - Alice, Texas

David Dannhaus 361-661-7015

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

COMPONENT	MOL %	GPM	WT %
Hydrogen Sulfide*	< 0.001		< 0.001
Nitrogen	0.920		1.159
Carbon Dioxide	0.085		0.168
Methane	74.484		53.740
Ethane	13.477	3.599	18.225
Propane	6.565	1.806	13.019
Isobutane	0.789	0.258	2.062
n-Butane	1.886	0.594	4.930
2,2 Dimethylpropane	0.017	0.006	0.055
Isopentane	0.373	0.136	1.210
n-Pentane	0.451	0.163	1.463
2,2 Dimethylbutane	0.006	0.003	0.023
Cyclopentane	0.000	0.000	0.000
2,3 Dimethylbutane	0.040	0.016	0.155
2 Methylpentane	0.129	0.053	0.500
3 Methylpentane	0.068	0.028	0.264
n-Hexane	0.180	0.074	0.698
Methylcyclopentane	0.074	0.025	0.280
Benzene	0.010	0.003	0.035
Cyclohexane	0.080	0.027	0.303
2-Methylhexane	0.023	0.011	0.104
3-Methylhexane	0.025	0.011	0.113
2,2,4 Trimethylpentane	0.000	0.000	0.000
Other C7's	0.067	0.029	0.299
n-Heptane	0.056	0.026	0.252
Methylcyclohexane	0.072	0.029	0.318
Toluene	0.013	0.004	0.054
Other C8's	0.080	0.028	0.297
n-Octane	0.016	0.008	0.082
Ethylbenzene	0.001	0.000	0.005
M & P Xylenes	0.006	0.002	0.029
O-Xylene	0.001	0.000	0.005
Other C9's	0.017	0.009	0.097
n-Nonane	0.003	0.002	0.017
Other C10's	0.004	0.002	0.025
n-Decane	0.001	0.001	0.006
Undecanes (11)	<u>0.001</u>	<u>0.001</u>	<u>0.008</u>
Totals	100.000	6.954	100.000

Computed Real Characteristics Of Total Sample:

Specific Gravity	0.771	(Air=1)
Compressibility (Z)	0.9959	
Molecular Weight	22.24	
Gross Heating Value		
Dry Basis	1325	BTU/CF
Saturated Basis	1303	BTU/CF

HOLLAND & HART^{LLP}



Jordan L. Kessler
Associate
Phone (505) 988-4421
Fax (505) 983-6043
jlkessler@hollandhart.com

November 23, 2016

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of Matador Production Company for administrative approval to surface commingle (pool-lease commingle) oil and gas production from the Willow Lake; Bone Spring Pool (64450) and the Pierce Crossing; Wolfcamp Pool (50373) located in the N/2 N/2 of Section 25, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date at the Division's Santa Fe office located at 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Dana Arnold
Matador Production Company
972-371-5284
darnold@matadorresources.com

Sincerely,

Jordan L. Kessler
ATTORNEY FOR
MATADOR PRODUCTION COMPANY

Holland & Hart LLP

Phone (505) 988-4421 Fax (505) 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C. ☐