

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JANUARY 25, 2018**

CASE NO. 15954

DAVID EDELSTEIN STATE COM NO. 203H WELL

EDDY COUNTY, NEW MEXICO



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

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|----------------------------------|--|--|--|---|-----------------------------------|
| ¹ API Number | | ² Pool Code 98220 | | ³ Pool Name PURPLE SAGE, WOLFCAMP (GAS) | |
| ⁴ Property Code | | ⁵ Property Name DAVID EDELSTEIN STATE COM | | | ⁶ Well Number #203H |
| ⁷ OGRID No. 228937 | | ⁸ Operator Name MATADOR PRODUCTION COMPANY | | | ⁹ Elevation 3093' |

| ¹⁰ Surface Location | | | | | | | | | |
|--------------------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| I | 12 | 24-S | 27-E | - | 2106' | SOUTH | 330' | EAST | EDDY |

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L | 11 | 24-S | 27-E | - | 2420' | SOUTH | 240' | WEST | EDDY |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹¹ Dedicated Acres 328.09 | ¹² Joint or Infill | ¹³ Consolidation Code | ¹⁴ 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.

| | | | |
|--|--|---|--|
| BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=550906 Y=447765 LAT.: N 32.2309161 LONG.: W 104.1687038 NAD 1983 X=592089 Y=447823 LAT.: N 32.2310361 LONG.: W 104.1692003 | LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=550996 Y=447766 LAT.: N 32.2309189 LONG.: W 104.1684128 NAD 1983 X=592179 Y=447825 LAT.: N 32.2310389 LONG.: W 104.1689092 | FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=560994 Y=447894 LAT.: N 32.2312251 LONG.: W 104.1360775 NAD 1983 X=602177 Y=447953 LAT.: N 32.2313456 LONG.: W 104.1365726 | SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=560995 Y=447690 LAT.: N 32.2306642 LONG.: W 104.1360771 NAD 1983 X=602178 Y=447749 LAT.: N 32.2307847 LONG.: W 104.1365722 |
|--|--|---|--|

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 enclosing 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 to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Sara Hartsfield 11.21.17
Signature Date

Sara Hartsfield
Printed Name

shartsfield@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.

11/17/2017
Date of Survey

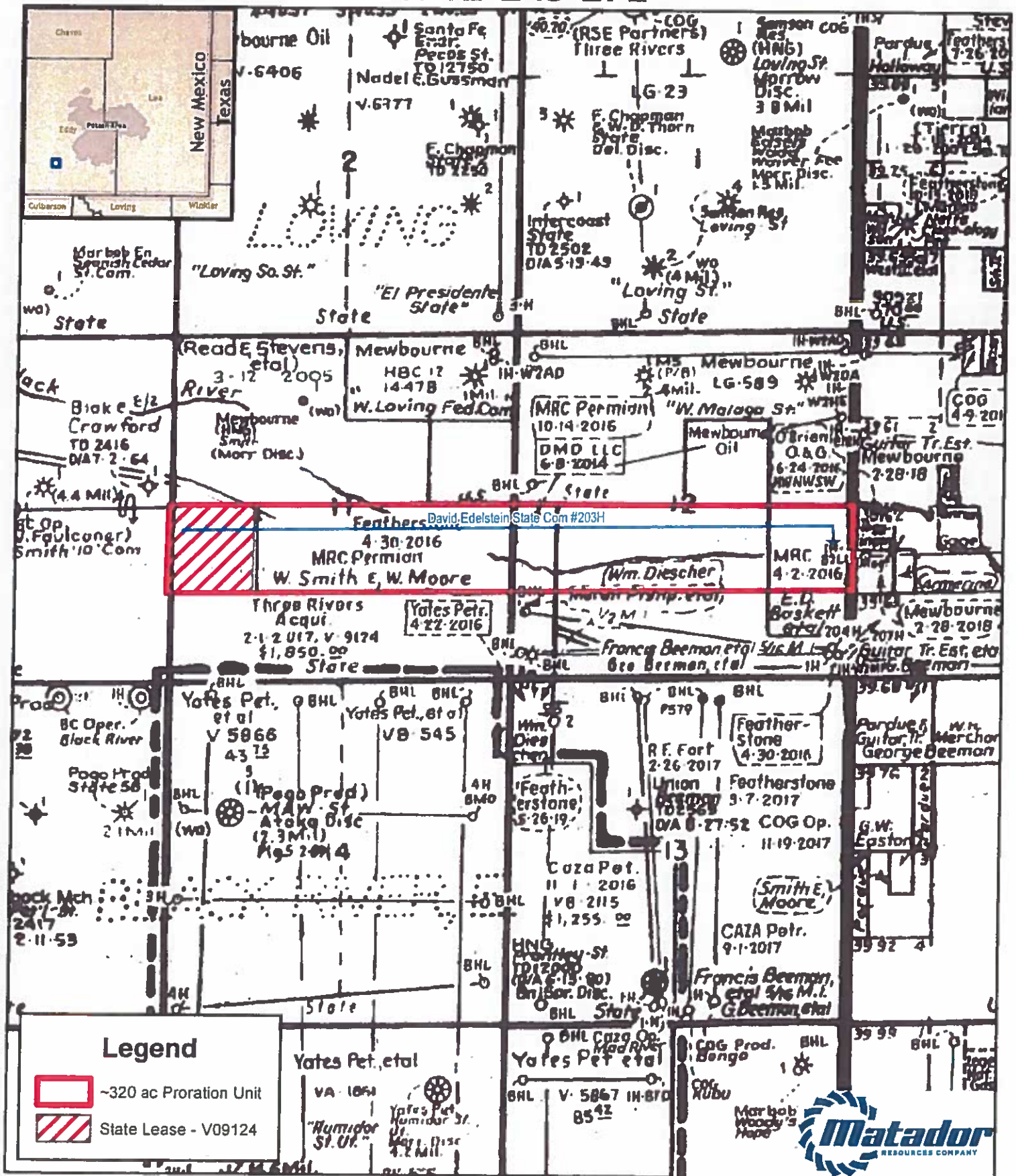
Michael R. Brown
Signature and Seal of Surveyor

10329
Professional Surveyor

Certificate Number

S:\SURVEY\MATADOR_RESOURCES\DAVID_EDELSTEIN_STATE_COM_203H\FINAL_PRODUCT\20.0_DAVI EDLSTEIN STATE COM_203H_NEWZONING 11/22/2017 2:22:18 PM

11/12-24S-27E



1:24,000

1 inch = 2,000 feet

Southeast New Mexico

Date: January 22, 2018
Coordinate System: NAD 1927 StatePlane New Mexico East FIPS 3001
Projection: Transverse Mercator; Datum: North American 1927; Units: Foot US
Sources: IHS; ESRI;

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 2

Submitted by: MATADOR PROD. CO.



Southeast New Mexico

Map Prepared by: AGreen
Date: January 22, 2018
Filename: EdelsteinExhibit
Coordinate System: NAD 1927 StatePlane New Mexico East FIPS 3001
Projection: Transverse Mercator; Datum: North American 1927; Units: Foot US
Source: IMH; ESRI;

1:24,000
1 inch = 2,000 feet
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 3
Submitted by: MATADOR PROD. CO.



Oil & Gas Leasehold
This map is prepared by or for the Oil & Gas Leasehold Division of the New Mexico State Land Office. It is not to be used for any other purpose without the express written consent of the New Mexico State Land Office.

Legend

★ Surface Location

Planned Well

----- David Edelstein State Com #203H

Producing Wells

API #30-015-43967

----- Switchback State #021H

API #30-015-41775

----- Rustler Breaks 12-24-27 #001H

API #30-015-43194

----- Rustler Breaks 12-24-27 #204H

Proposed Unit

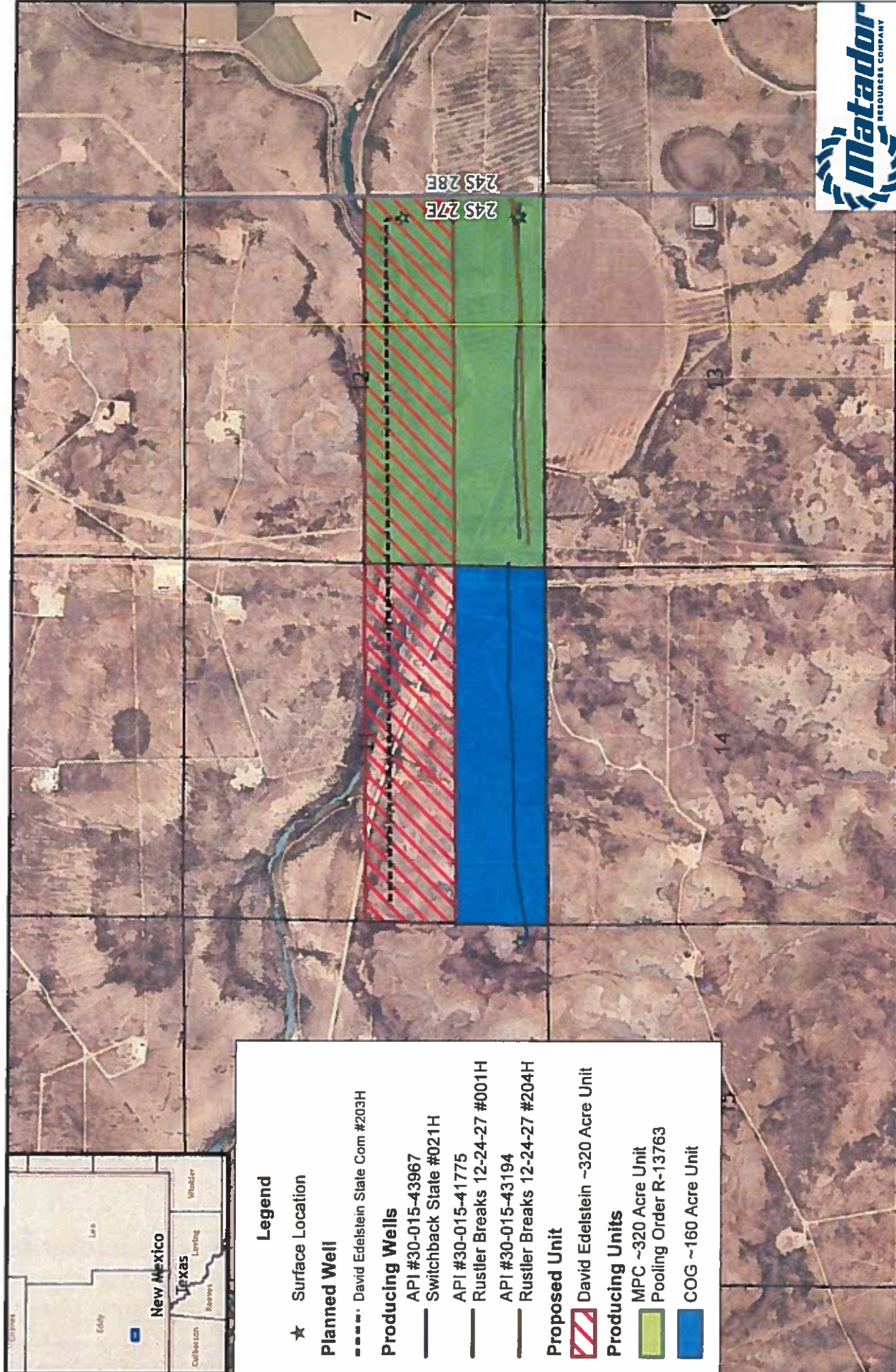
David Edelstein ~320 Acre Unit

Producing Units

MPC ~320 Acre Unit

Pooling Order R-13763

COG ~160 Acre Unit



Summary of Interests*

| MRC Permian Company: | | | 86.58745% |
|---|---------------------------|-----------|------------|
| Compulsory Pool: | | | 13.41255% |
| Interest Owner: | Description: | Interest: | |
| COG Operating, LLC | Working Interest | | 12.500000% |
| Pamela Rae Cummings | Unleased Mineral Interest | | 0.005196% |
| Patricia Gae Stamps | Unleased Mineral Interest | | 0.005196% |
| Geneva Floyd Osborn | Unleased Mineral Interest | | 0.005196% |
| Sue Osborn | Unleased Mineral Interest | | 0.002598% |
| Mary Camille Hall | Unleased Mineral Interest | | 0.002598% |
| Martha Joy Stribling | Unleased Mineral Interest | | 0.243039% |
| Margaret M. Stribling | Unleased Mineral Interest | | 0.243039% |
| John D. Stribling | Unleased Mineral Interest | | 0.243039% |
| **Possible Claimants to the Mineral Interest Owned by Joe H. Beeman (Please see page 2 for list of possible claimants) | | | 0.162647% |



DAVID EDELSTEIN STATE COM #203H

*The Summary of Interests was calculated based on a 328.09 acre unit and is subject to the final surveyed perimeter.

** Title and curative is still ongoing with respect to this interest.

Summary of Interests

| Possible Claimants to the Mineral Interest Owned by Joe H. Beeman: | | |
|--|--|--|
| Estate of Virginia Lee Davis | | |
| JoAnn McNeill | | |
| Patricia Ann Long | | |
| Marilyn Gaye Bitsis | | |
| John E. Hall, III | | |
| Louis M. Ratliff Jr. | | |
| Nolan Creek | | |
| Nevill Manning | | |
| Law Firm of Klipstine & Hanratty | | |
| Childs & Bishop Law Offices, Inc. | | |
| Irma J. Gregory | | |
| Daniel Taschner & Arin Bratcher | | |
| William E. Gregory | | |
| Kathy Gregory | | |
| Chasty Garza | | |
| Clarence W. Ervin | | |
| Peter A. Panagopoulos | | |
| Peter A. Panagopoulos, Andreas P. | | |
| Panagopoulos, Pavlos P. Panagopoulos, | | |
| Panagiota P. Panagopoulos, Magdalene | | |
| P. Panagopoulos d/b/a Panagopoulos | | |
| Enterprises | | |
| Panagopoulos Enterprises, LLC | | |

DAVID EDELSTEIN STATE COM #203H

*The Summary of Interests was calculated based on a 328.09 acre unit and is subject to the final surveyed perimeter.

** Title and curative is still ongoing with respect to this interest.



MRC Permian Company

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

Voice 972.371.5446 • Fax 214.866.4946

shartsfield@matadorresources.com

Sara Hartsfield
Associate Landman

November 21, 2017

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating, LLC
600 West Illinois
Midland, Texas 79701

Re: Matador Production Company – David Edelstein State Com #203H (the “Well”)
Participation Proposal
Sections 12 & 11, Township 24 South, Range 27 East
Eddy County, New Mexico

Dear Ms. Buress:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s David Edelstein State Com #203H well, located in Section 12, Township 24 South, Range 27 East, Eddy County, New Mexico and Section 11, Township 24 South, Range 27 East, Eddy County, New Mexico, to the Wolfcamp formation.

In connection with the above, please note the following:

The estimated cost of drilling, testing, completing, and equipping the Well is \$10,655,342 as found on the enclosed AFE dated October 31, 2017.

The proposed surface location of the Well is approximately 2078’ FNL and 312’ FEL of Section 12, Township 24 South, Range 27 East, Eddy County, New Mexico. The proposed bottom hole location of the subject well is approximately 2310’ FSL and 240’ FWL of Section 11, Township 24 South, Range 27 East, Eddy County, New Mexico.

The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~9,295’ TVD) to a Total Measured Depth of approximately 19,000’ resulting in a productive lateral of approximately 9,800’.

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.

COG Operating, LLC, will own an approximate 0.12500000 working interest in the Well, subject to title verification.

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

MRC is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The enclosed Operating Agreement dated November 20, 2017, by and between Matador Production Company, as operator and MRC Permian Company et al as Non-Operators, covers the N/2S/2 of Section 12, Township 24 South, Range 27 East, Eddy County, New Mexico and the N/2S/2 of 11, Township 24 South, Range 27 East, Eddy County, New Mexico and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$7,000/\$700 Drilling and Producing rate
- Matador Production Company named as Operator

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

Sincerely,


Sara Hartsfield

Enclosure(s)

Please elect one of the following and return to sender.

_____ COG Operating, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's David Edelstein State Com #203H well, located in Eddy County, New Mexico.

_____ COG Operating, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's David Edelstein State Com #203H well, located in Eddy County, New Mexico.

_____ COG Operating, LLC is interested in selling its interest in this unit, please contact us to discuss.

COG Operating, LLC

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5446 • Fax 214.866.4946
shartsfield@matadorresources.com

Sara Hartsfield
Associate Landman

November 21, 2017

VIA CERTIFIED RETURN RECEIPT MAIL

Pamela Rae Cummings
PO Box 817
Panhandle, Tx 79068

Re: Matador Production Company – David Edelstein State Com #203H (the “Well”)
Participation Proposal/Offer to Lease
Section 12&11, Township 24 South, Range 27 East
Eddy County, New Mexico

Dear Pamela Rae Cummings:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production David Edelstein State Com #203H well, located in Section 12 & 11, Township 24 South, Range 27 East, Eddy County, New Mexico, to the Wolfcamp formation.

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

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping the Well is \$10,655,342.00 as itemized on the enclosed Authority for Expenditure (“AFE”) dated October 31, 2017.
- The proposed surface location of the Well is approximately 2078’ FSL and 312’ FEL of Section 12, Township 24 South, Range 27 East, Eddy County, New Mexico. The proposed bottom hole location of the subject well is approximately 2310’ FSL and 240’ FWL of Section 11, Township 24 South, Range 28 East, Eddy County, New Mexico.
- The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~9,295’ TVD) to a Total Measured Depth of approximately 19,000’ resulting in a productive lateral of approximately 9,800’.

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.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 6
Submitted by: MATADOR PROD. CO.
Hearing Date: January 25, 2018

Pamela Rae Cummings, will own an approximate 0.00005196 working interest in the Well, subject to title verification.

As an alternative to participation in the well Matador is interested in leasing your mineral interest, subject to title verification, for \$1,500/acre, 1/5 royalty, and a 3 year term on the lease form enclosed. Should you elect to lease your minerals, please sign the enclosed lease, in the presence of a notary public, and return it to my attention, at the address listed above.

If your election is to participate in the drilling and completion of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs in the amount of \$553.65 to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for their proportionate share of all costs incurred.

Please contact me if you have any questions.

Sincerely,


Sara Hartsfield

Enclosure(s)

Please elect one of the following and return to sender.

_____ Pamela Rae Cummings, hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's David Edelstein State Com #203H well, located in Eddy County, New Mexico.

_____ Pamela Rae Cummings, hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's David Edelstein State Com #203H well, located in Eddy County, New Mexico.

_____ Pamela Rae Cummings, hereby elects to lease our minerals for \$1,500/acre, 1/5 royalty, and a 3-year term.

Pamela Rae Cummings

By: _____

Title: _____

Date: _____

MATADOR PRODUCTION COMPANY
 ONE LINCOLN CENTRE • 8406 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240
 Phone (972) 371-8200 • Fax (972) 371-8201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

| | | | |
|------------------|---|-----------------|----------------------------|
| DATE: | October 31, 2017 | AFE NO.: | |
| WELL NAME: | David Edelstein State Com 203H | FIELD: | Purple Sage |
| LOCATION: | Section 12&11-24S-27E | MD/TVD: | 19,000' MD / 8295' @ 0' VS |
| COUNTY/STATE: | Eddy, NM | LATERAL LENGTH: | about 9800 ft |
| MRC Wt: | | | |
| GEOLOGIC TARGET: | Wolfcamp | | |
| REMARKS: | Drill and complete a 2 mile long horizontal upper Wolfcamp Gen 3 design with 46 frac stages | | |

| | DRILLING COSTS | COMPLETION COSTS | PRODUCTION COSTS | FACILITY COSTS | TOTAL COSTS |
|----------------------------------|------------------|------------------|------------------|----------------|-------------------|
| INTANGIBLE COSTS | | | | | |
| Land / Legal / Regulatory | \$ 21,700 | | | | \$ 21,700 |
| Location, Surveys & Damages | 131,000 | 13,000 | 4,000 | 10,000 | 158,000 |
| Drilling | 804,100 | | | | 804,100 |
| Cementing & Float Equip | 192,500 | | | | 192,500 |
| Logging / Formation Evaluation | - | 9,000 | | | 9,000 |
| Mud Logging | 12,000 | | | | 12,000 |
| Mud Circulation System | 54,550 | | | | 54,550 |
| Mud & Chemicals | 131,000 | 40,000 | | | 171,000 |
| Mud / Wastewater Disposal | 160,000 | | | | 160,000 |
| Freight / Transportation | 15,000 | 27,000 | | 7,000 | 49,000 |
| Rig Supervision / Engineering | 104,400 | 105,100 | 8,000 | 14,400 | 232,900 |
| Drill Bits | 67,000 | | | | 67,000 |
| Fuel & Power | 48,800 | | | | 48,800 |
| Water | 50,000 | 651,240 | | 75,000 | 776,240 |
| Drig & Completion Overhead | 12,500 | 30,000 | | | 42,500 |
| Plugging & Abandonment | - | | | | - |
| Directional Drilling, Surveys | 195,000 | | | | 195,000 |
| Completion Unit, Swab, CTU | - | 140,000 | 25,000 | | 165,000 |
| Perforating, Wireline, Slickline | - | 207,000 | | | 207,000 |
| High Pressure Pump Truck | - | 63,000 | | | 63,000 |
| Stimulation | - | 4,462,000 | | | 4,462,000 |
| Stimulation Flowback & Disp | - | 216,000 | | | 216,000 |
| Insurance | 25,560 | | | | 25,560 |
| Labor | 117,500 | 22,000 | 8,000 | | 147,500 |
| Rental - Surface Equipment | 85,000 | 240,250 | 12,000 | 15,000 | 322,250 |
| Rental - Downhole Equipment | 74,000 | 70,000 | | 10,000 | 154,000 |
| Rental - Living Quarters | 50,700 | 49,900 | 10,000 | | 110,600 |
| Contingency | 118,356 | 186,349 | 8,600 | | 313,305 |
| TOTAL INTANGIBLES > | 2,443,468 | 6,533,839 | 72,600 | 131,400 | 9,181,305 |
| TANGIBLE COSTS | | | | | |
| Surface Casing | \$ 22,888 | | | | \$ 22,888 |
| Intermediate Casing | 66,025 | | | | 66,025 |
| Drilling Liner | 278,575 | | | | 278,575 |
| Production Casing | 291,050 | | | | 291,050 |
| Production Liner | - | | | | - |
| Tubing | - | | 50,000 | | 50,000 |
| Wellhead | 50,000 | | 25,000 | | 75,000 |
| Packers, Liner Hangers | - | 105,000 | 12,000 | | 117,000 |
| Tanks | - | | | 30,000 | 30,000 |
| Production Vessels | - | | 78,000 | 38,000 | 116,000 |
| Flow Lines | - | | | | - |
| Rod string | - | | | | - |
| Artificial Lift Equipment | - | | 30,000 | | 30,000 |
| Compressor | - | | | | - |
| Installation Costs | - | | 67,000 | 64,000 | 131,000 |
| Surface Pumps | - | | 5,000 | 8,500 | 13,500 |
| Non-controllable Surface | - | | 66,000 | 60,000 | 126,000 |
| Non-controllable Downhole | - | | | | - |
| Downhole Pumps | - | | | | - |
| Measurement & Meter Installation | - | | 12,500 | 35,000 | 47,500 |
| Gas Conditioning / Dehydration | - | | | | - |
| Interconnecting Facility Piping | - | | | | - |
| Gathering / Bulk Lines | - | | | 41,000 | 41,000 |
| Valves, Dumps, Controllers | - | | | 4,000 | 4,000 |
| Tank / Facility Containment | - | | | 8,000 | 8,000 |
| Flare Stack | - | | | 10,500 | 10,500 |
| Electrical / Grounding | - | | | 10,000 | 10,000 |
| Communications / SCADA | - | | | | - |
| Instrumentation / Safety | - | | | 10,000 | 10,000 |
| TOTAL TANGIBLES > | 710,838 | 105,000 | 343,500 | 316,600 | 1,474,038 |
| TOTAL COSTS > | 3,154,303 | 6,638,839 | 416,100 | 448,000 | 10,656,342 |

PREPARED BY MATADOR PRODUCTION COMPANY:

| | | | |
|-----------------------|-------------|--------------------|------------|
| Drilling Engineer: | Adam Lange | Team Lead - WTX/NM | <u>WTE</u> |
| Completions Engineer: | Waylon Wolf | | WTE |
| Production Engineer: | John Romano | | |

MATADOR RESOURCES COMPANY APPROVAL:

| | | |
|-----------------------|------------------------|-----------------|
| Executive VP, COO/CFO | VP - Res Engineering | VP - Drilling |
| DEL | BMR | BO |
| Executive VP, Legal | Exec Dir - Exploration | VP - Production |
| CA | NLF | |
| President | | |
| MVH | | |

NON OPERATING PARTNER APPROVAL:

| | | |
|---------------|----------------------|---------------|
| Company Name: | Working Interest (%) | Tax ID: |
| Signed by: | Date: | |
| Title: | Approval: Yes | No (mark one) |

The wells on this AFE are estimated only and may not be completed or modified on any specific date in the future. Telling information regarding the AFE may be developed up to a year after the well has been completed. In closing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, engineering, geology, regulatory, formation and well costs under the terms of the participant joint operating agreement, regulatory order or other agreement governing this well. Participants shall be responsible for accounting and audit procedures. The Operator's well control and liability insurance policy shall be maintained for the life of the well.

Affidavit of Publication

State of New Mexico,
County of Eddy, ss.

Danny Fletcher, being first duly
sworn, on oath says:

That he is the Publisher 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 on the date as follows, to wit:

January 9 2018

That the cost of publication is
\$228.38 and that payment thereof
has been made and will be
assessed as court costs.

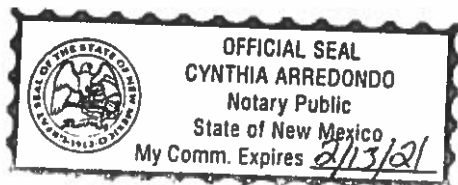
[Signature]

Subscribed and sworn to before me
this 17 day of January, 2018

Cynthia Arredondo

My commission Expires 2/13/21

Notary Public



January 9, 2018 STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on January 25, 2018, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by January 15, 2018. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF

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

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

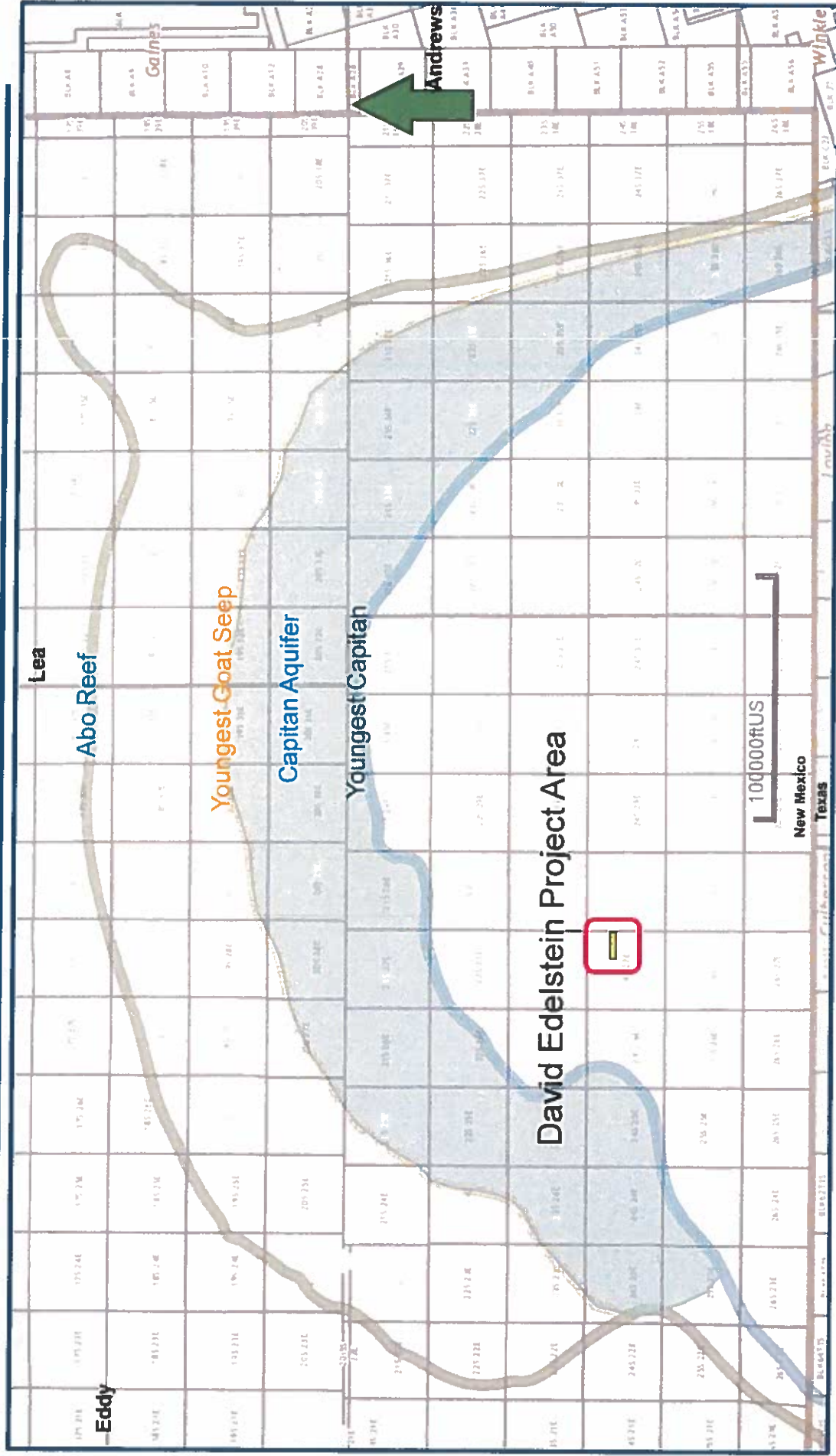
To: All offset owners and pooled parties, including: Pamela Rae Cummings, her heirs and devisees; Patricia Gae Stamps, her heirs and devisees; Gerieva Floyd Osborn, her heirs and devisees; Sue Osborn, her heirs and devisees; Mary Camille Hall, her heirs and devisees; Martha Joy Stribling, her heirs and devisees; Margaret M. Stribling, her heirs and devisees; John D. Stribling, his heirs and devisees; Joe H. Beeman, his heirs and devisees; Estate of Virginia Lee Davis, her heirs and

devisees; JoAnn McNeill, her heirs and devisees; Patricia Ann Long, her heirs and devisees; Marilyn Gave Bitals, her heirs and devisees; John E. Hall, III, his heirs and devisees; Louis M. Ratliff Jr., his heirs and devisees; Nolan Creek, his heirs and devisees; Nevill Manning, his heirs and devisees; Law Firm of Klipstine & Hanratty; Childs & Bishop Law Offices, Inc.; Irma J. Gregory, her heirs and devisees; Daniel Taschner & Arin Bratcher, husband and wife, their heirs and devisees; William E. Gregory, his heirs and devisees; Kathy Gregory, her heirs and devisees; Ghazity Garza, her heirs and devisees; Clarence W. Ervin, his heirs and devisees; Peter A. Panagopoulos, his heirs and devisees; Peter A. Panagopoulos, Andreas P. Panagopoulos, Pavlos P. Panagopoulos, Panagiotis P. Panagopoulos, Magdalene P. Panagopoulos d/b/a Panagopoulos Enterprises, their heirs and devisees; Panagopoulos Enterprises, LLC; COG Operating LLC;

Case No. 15954: Application of Matador Production Company for a non-standard spacing and proration unit in the Purple Sage Pool, a non-standard spacing and proration unit for compulsory pooling, and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) authorizing a non-standard spacing unit in the Purple Sage Wolfcamp Gas Pool (98220); (2) creating a 328.09-acre, more or less, spacing and proration unit in the Purple Sage Pool comprised of the N/2 S/2 of Section 11 and the N/2 S/2 of Section 12, Township 24 South, Range 27 East, NMPM; Eddy County, New Mexico; and (3) pooling all uncommitted mineral interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed David Edelstein State Com No. 203H Well, which will be horizontally

drilled from a surface location in the NE/4 NE/4 (Unit 1) of Section 12 to a standard bottom hole location in the NW/4 SW/4 (Unit 1) of Section 11. The completed interval for this well will remain within the 330-foot standard offset required by the Special Rules for the Purple Sage Pool. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 4 miles southwest of Loving, NM.

Purple Sage; Wolfcamp (Gas) (Pool Code 98220) Locator Map



BEFORE THE OIL CONSERVATION DIVISION

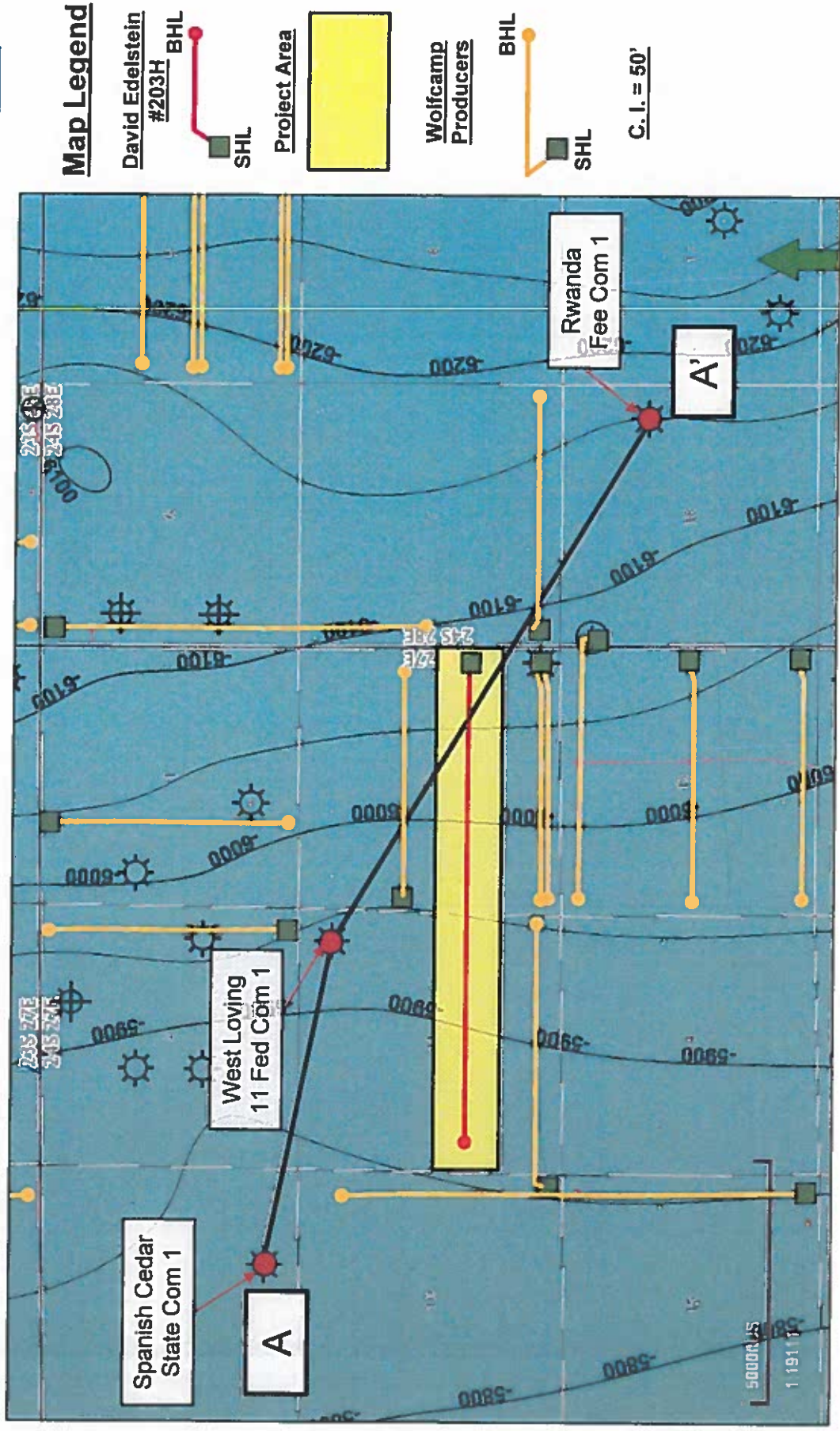
Santa Fe, New Mexico

Exhibit No. 9

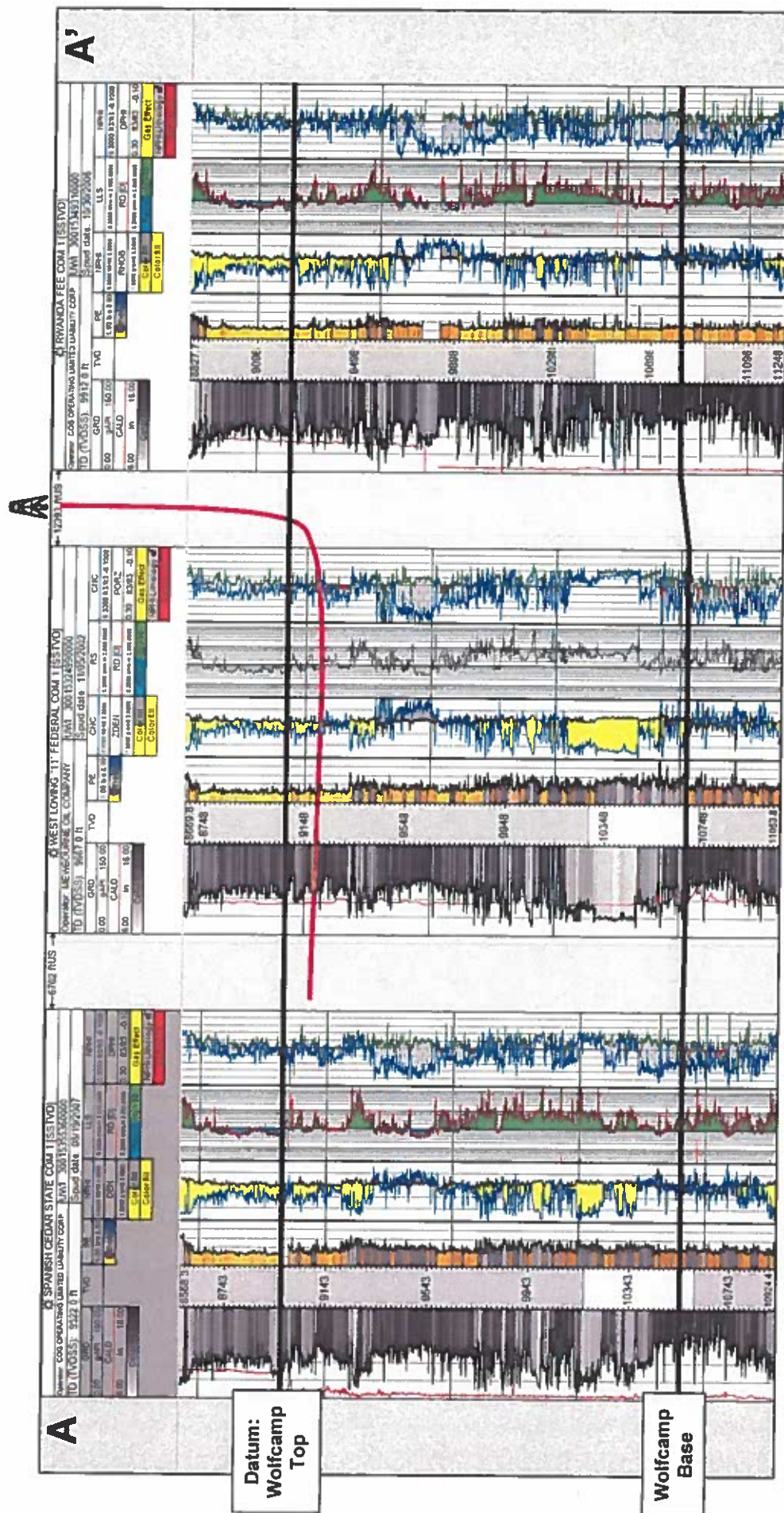
Submitted by: MATADOR PROD. CO.

Hearing Date: January 25, 2018

Purple Sage; Wolfcamp (Gas) (Pool Code 98220) Structure Map (Top Wolfcamp Subsea)



David Edelstein State Com #203H



David Edelstein State Com #203H



BEFORE THE OIL CONSERVATION DIVISION

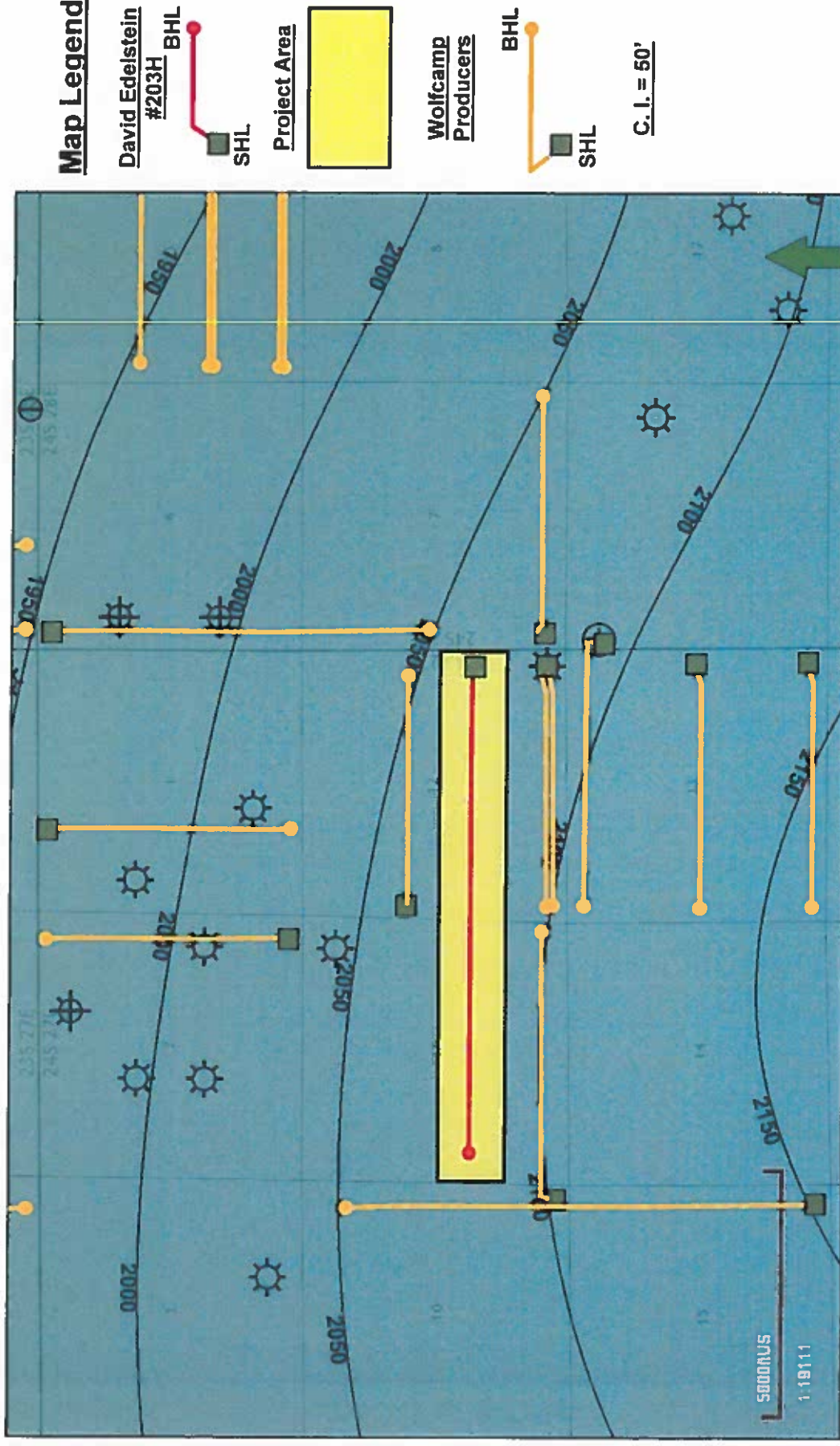
Santa Fe, New Mexico

Exhibit No. 11

Submitted by: MATADOR PROD. CO.

Hearing Date: January 25, 2018

Purple Sage; Wolfcamp (Gas) (Pool Code 98220) Isopach Map (Wolfcamp)



David Edelstein State Com #203H

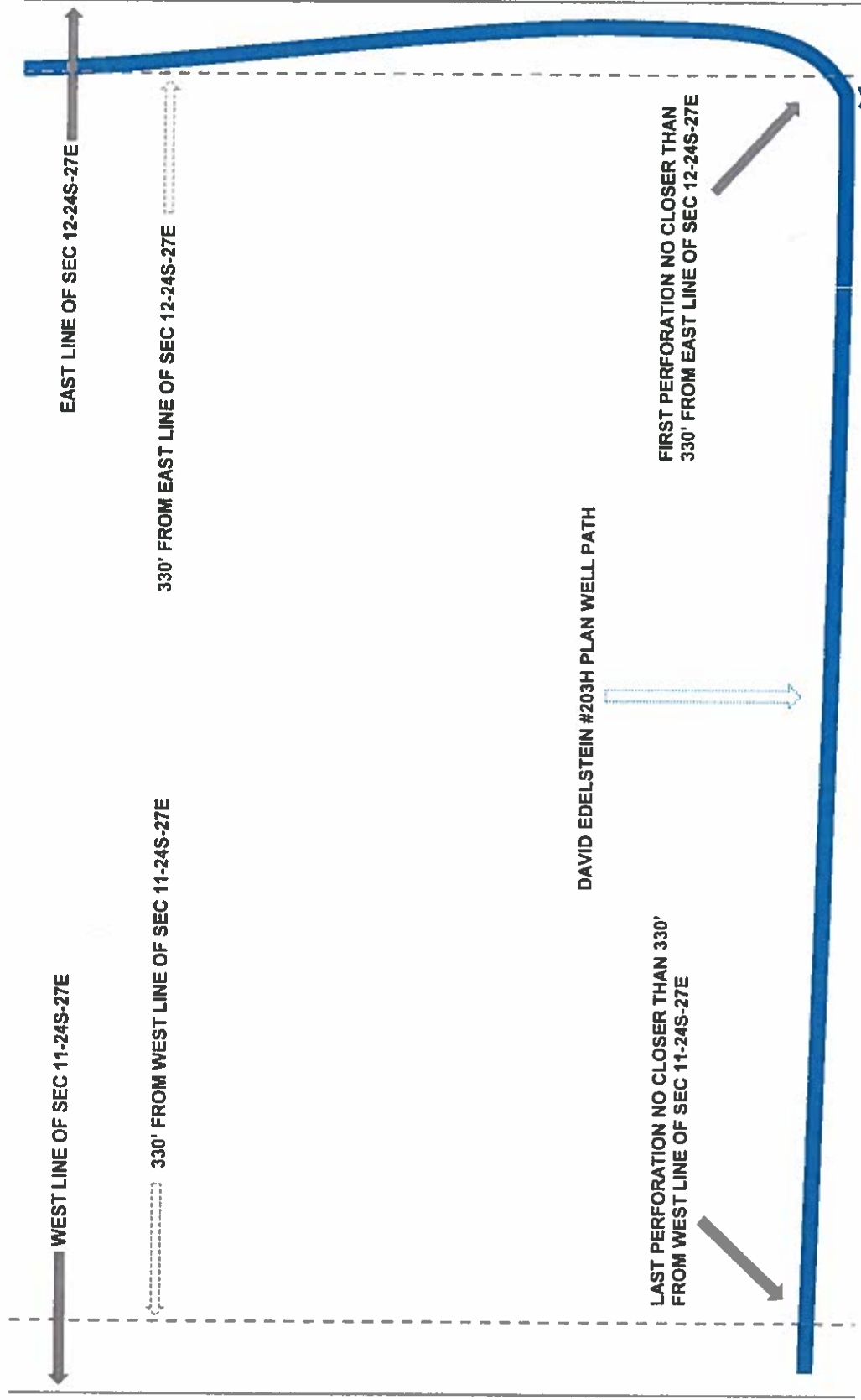
BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 12
Submitted by: MATADOR PROD. CO.
Hearing Date: January 25, 2018

Purple Sage; Wolfcamp (Gas) (Pool Code 98220) David Edelstein State Com #203H Completion

Matador
Exhibit

DIAGRAM NOT DRAWN TO SCALE

David Edelstein State Com #203H
SURFACE HOLE 2106' FSL 330' FEL OF SEC 12-24S-27E



David Edelstein State Com #203H

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 13

Submitted by: MATADOR PROD. CO.

Hearing Date: January 25, 2018