

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING APRIL 4, 2019**

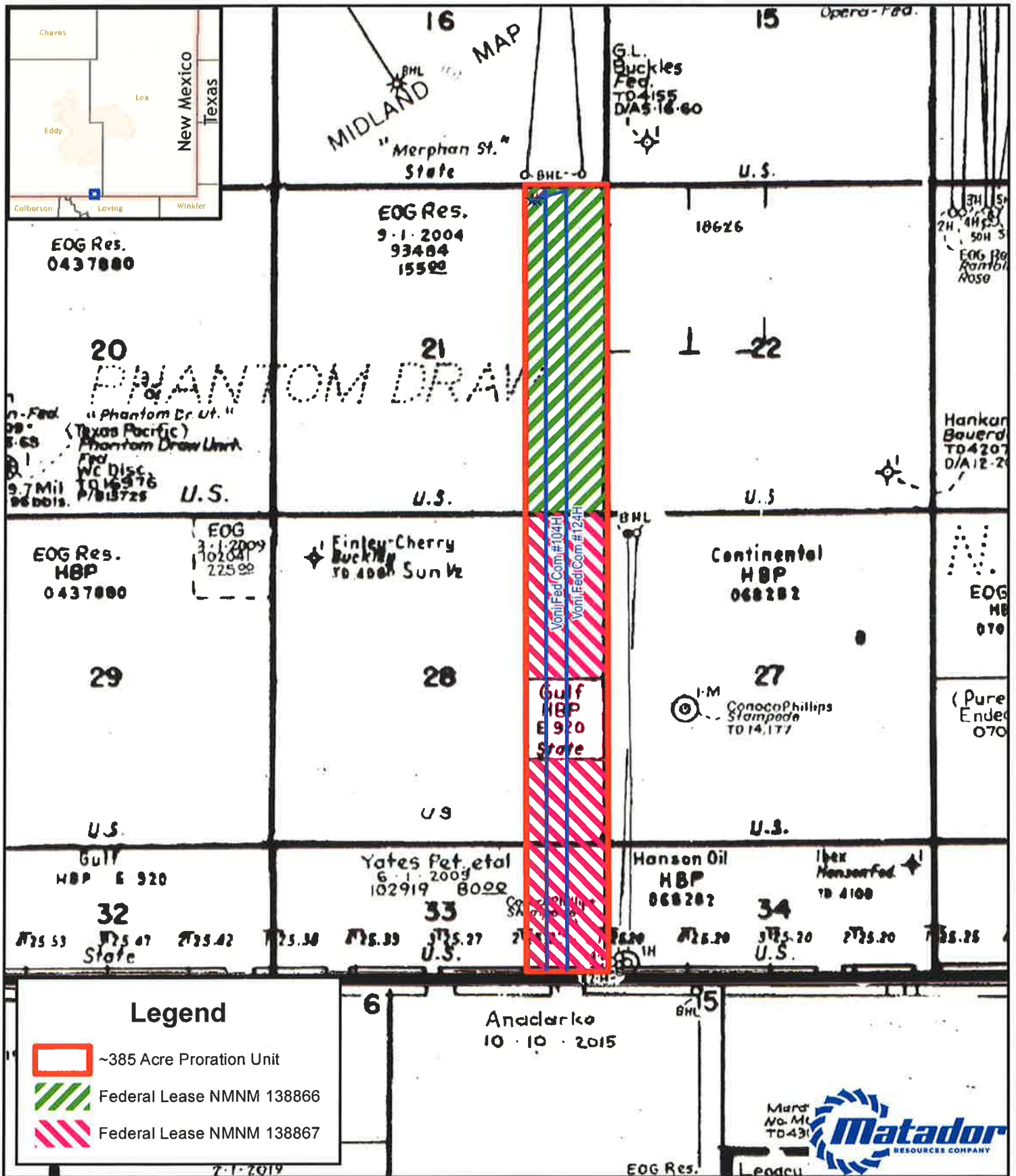
CASE NO. 20367 & 20368

*VONI FED COM 104H AND 124H
VONI FED COM 203-204H AND 223-224H*

EDDY COUNTY, NEW MEXICO



21/28/33-26S-31E



Legend

-  ~385 Acre Proration Unit
-  Federal Lease NMNM 138866
-  Federal Lease NMNM 138867

GIS Standard Map Disclaimer:

This cartographic product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

1:30,000

1 inch = 2,500 feet

0 1,250 2,500 5,000 7,500 10,000 Feet

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

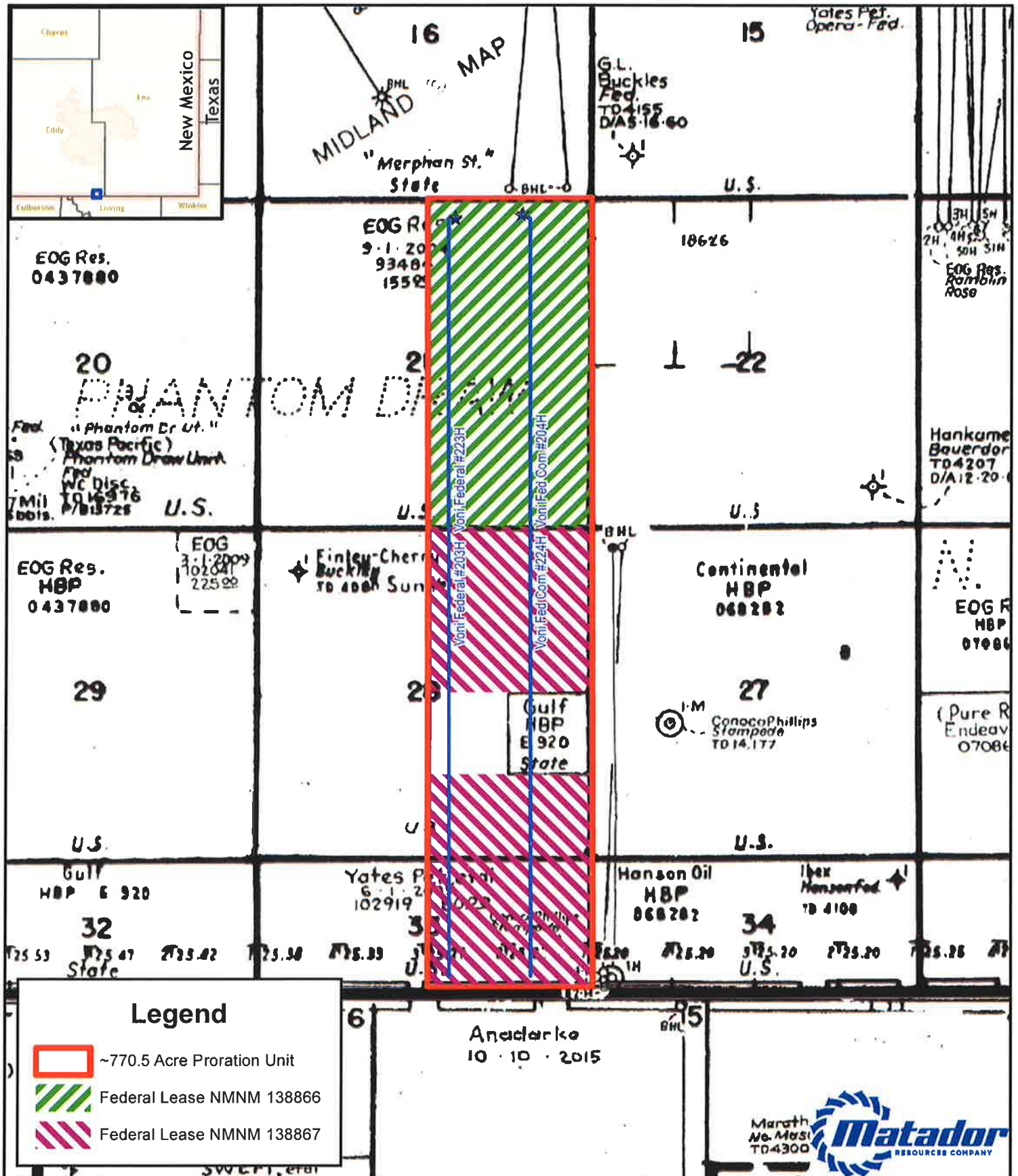
Exhibit No. 1

Submitted by: MRC PERMIAN CO.

Hearing Date: April 4, 2019

Case Nos. 20367 & 20368

21/28/33-26S-31E



Legend

 ~770.5 Acre Proration Unit

 Federal Lease NMNM 138866

 Federal Lease NMNM 138867

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1:30,000

1 inch = 2,500 feet

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 2

Submitted by: **MRC PERMIAN CO.**

Hearing Date: April 4, 2019

Case Nos. 20367 & 20368

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 97860		³ Pool Name JENNINGS BONE SPRING WEST	
⁴ Property Code		⁵ Property Name VONI FED COM			⁶ Well Number 104H
⁷ OGRID No.		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3191'

¹⁰Surface Location

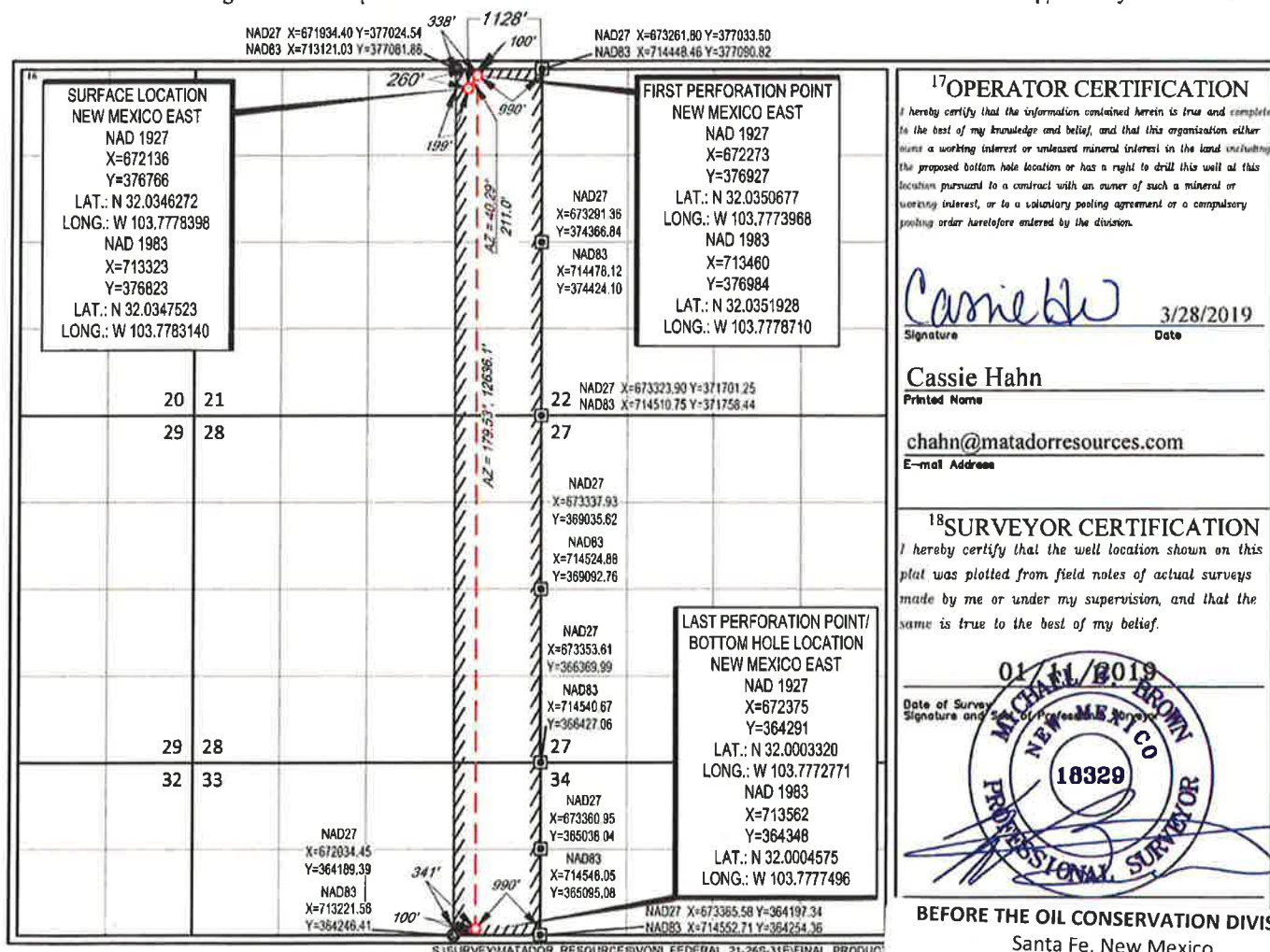
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	21	26-S	31-E	-	260'	NORTH	1128'	EAST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	33	26-S	31-E	-	100'	SOUTH	990'	EAST	EDDY

¹² Dedicated Acres 385.22	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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 unleased mineral interest in the land including 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.

Cassie Hahn
Signature Date 3/28/2019

Cassie Hahn
Printed Name
chahn@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.

01/16/2019
Date of Survey
Signature and Seal of Michael Brown, Professional Surveyor, No. 16329

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 3

Submitted by: MRC PERMIAN CO.

Hearing Date: April 4, 2019

Case Nos. 20367 & 20368

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
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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
⁴ Property Code	⁵ Property Name VONI FED COM	⁶ Well Number 203H
⁷ GRID No.	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3191'

¹⁰Surface Location

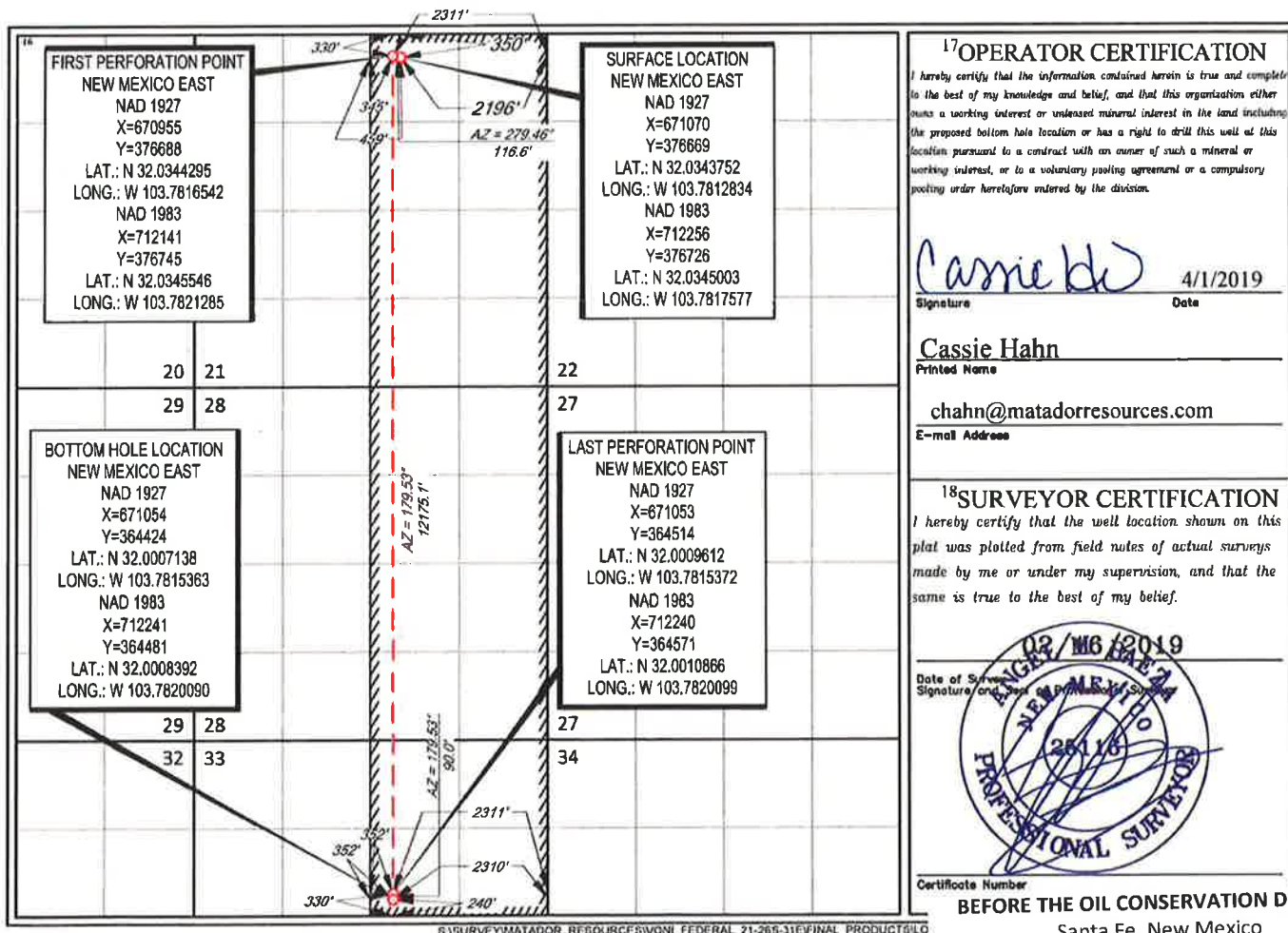
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	21	26-S	31-E	-	350'	NORTH	2196'	EAST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	33	26-S	31-E	-	240'	SOUTH	2310'	EAST	EDDY

¹² Dedicated Acres 770.49	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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 leased mineral interest in the land including 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 under heretofore entered by the division.

Cassie Hahn 4/1/2019
Signature Date

Cassie Hahn
Printed Name
chahn@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/M6/2019
Date of Survey
Signature and Seal of Professional Surveyor
Professional Surveyor
Certificcate Number

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 4

Submitted by: MRC PERMIAN CO.

Hearing Date: April 4, 2019

Case Nos. 20367 & 20368

District I
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Phone: (575) 393-6161 Fax: (575) 393-0720
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Phone: (575) 748-1283 Fax: (575) 748-9720
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District IV
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Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98220	³ Pool Name PURPLE SAGE WOLFCAMP
⁴ Property Code	⁵ Property Name VONI FED COM	⁶ Well Number 204H
⁷ OGRID No.	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3191'

¹⁰Surface Location

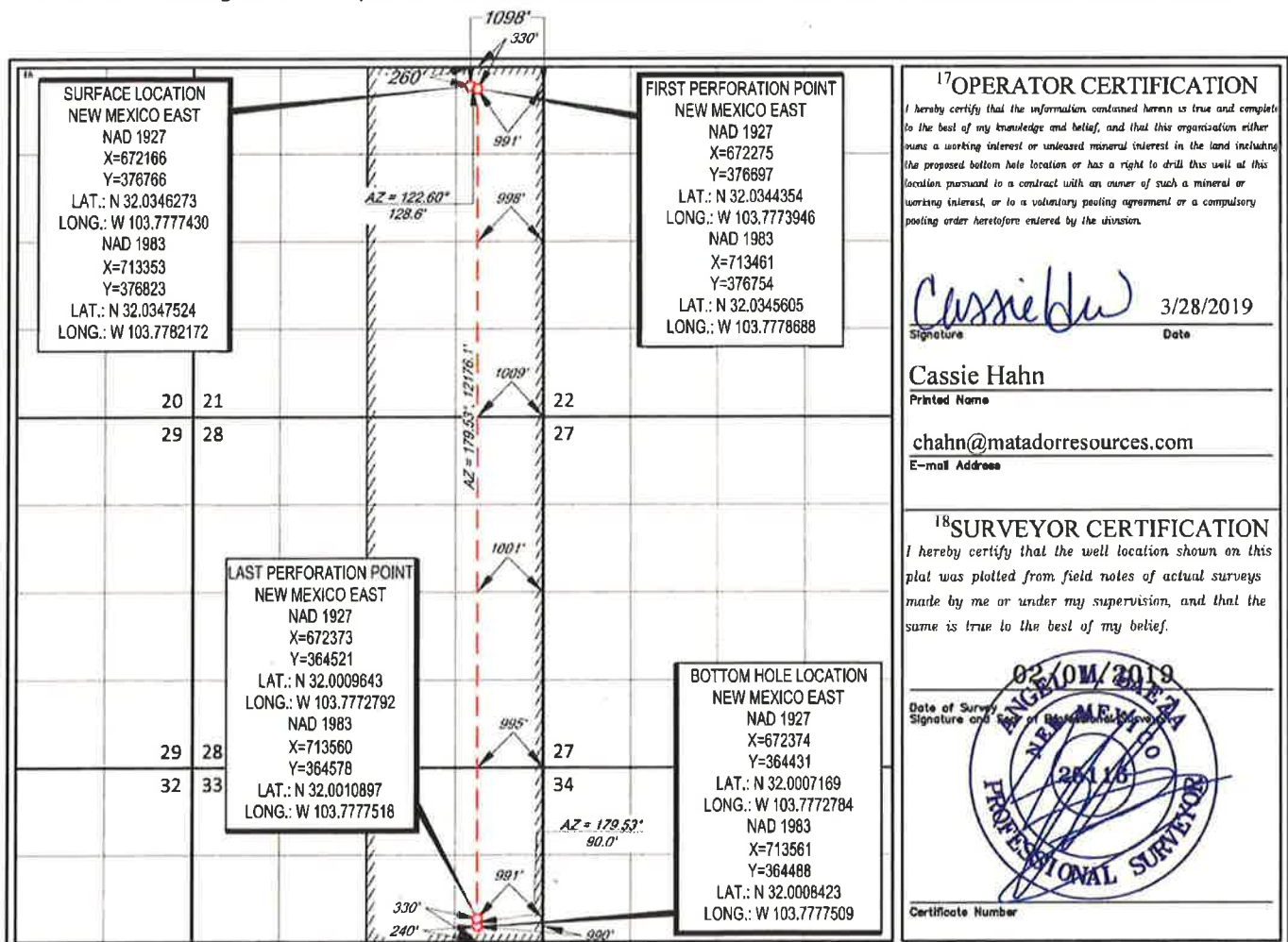
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	21	26-S	31-E	-	260'	NORTH	1098'	EAST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	33	26-S	31-E	-	240'	SOUTH	990'	EAST	EDDY

¹² Dedicated Acres 770.49	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ 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.



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FORM C-102
Revised August 1, 2011
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 98220		³ Pool Name PURPLE SAGE WOLFCAMP					
⁴ Property Code		⁵ Property Name VONI FED COM						⁶ Well Number 223H	
⁷ GRID No.		⁸ Operator Name MATADOR PRODUCTION COMPANY						⁹ Elevation 3191'	
¹⁰ Surface Location									
UL or lot no. B	Section 21	Township 26-S	Range 31-E	Lot Idn -	Feet from the 320'	North/South line NORTH	Feet from the 2196'	East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. 2	Section 33	Township 26-S	Range 31-E	Lot Idn -	Feet from the 240'	North/South line SOUTH	Feet from the 2310'	East/West line EAST	County EDDY
¹² Dedicated Acres 770.49		¹³ Joint 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.

¹⁶ FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=670955 Y=376688 LAT.: N 32.0344295 LONG.: W 103.7816542 NAD 1983 X=712141 Y=376745 LAT.: N 32.0345546 LONG.: W 103.7821285				SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=671070 Y=376699 LAT.: N 32.0344577 LONG.: W 103.7812834 NAD 1983 X=712256 Y=376756 LAT.: N 32.0345828 LONG.: W 103.7817577		¹⁷ OPERATOR 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 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. Signature Date 4/1/2019 Printed Name chahn@matadorresources.com E-mail Address	
20 21 29 28		22 27		¹⁸ SURVEYOR 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. Date of Survey Signature and Seal of Professional Surveyor Certificate Number			
BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=671054 Y=364424 LAT.: N 32.0007138 LONG.: W 103.7815363 NAD 1983 X=712241 Y=364481 LAT.: N 32.0008392 LONG.: W 103.7820090		LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=671053 Y=364514 LAT.: N 32.0009612 LONG.: W 103.7815372 NAD 1983 X=712240 Y=364571 LAT.: N 32.0010866 LONG.: W 103.7820099					
29 28 32 33		27 34					

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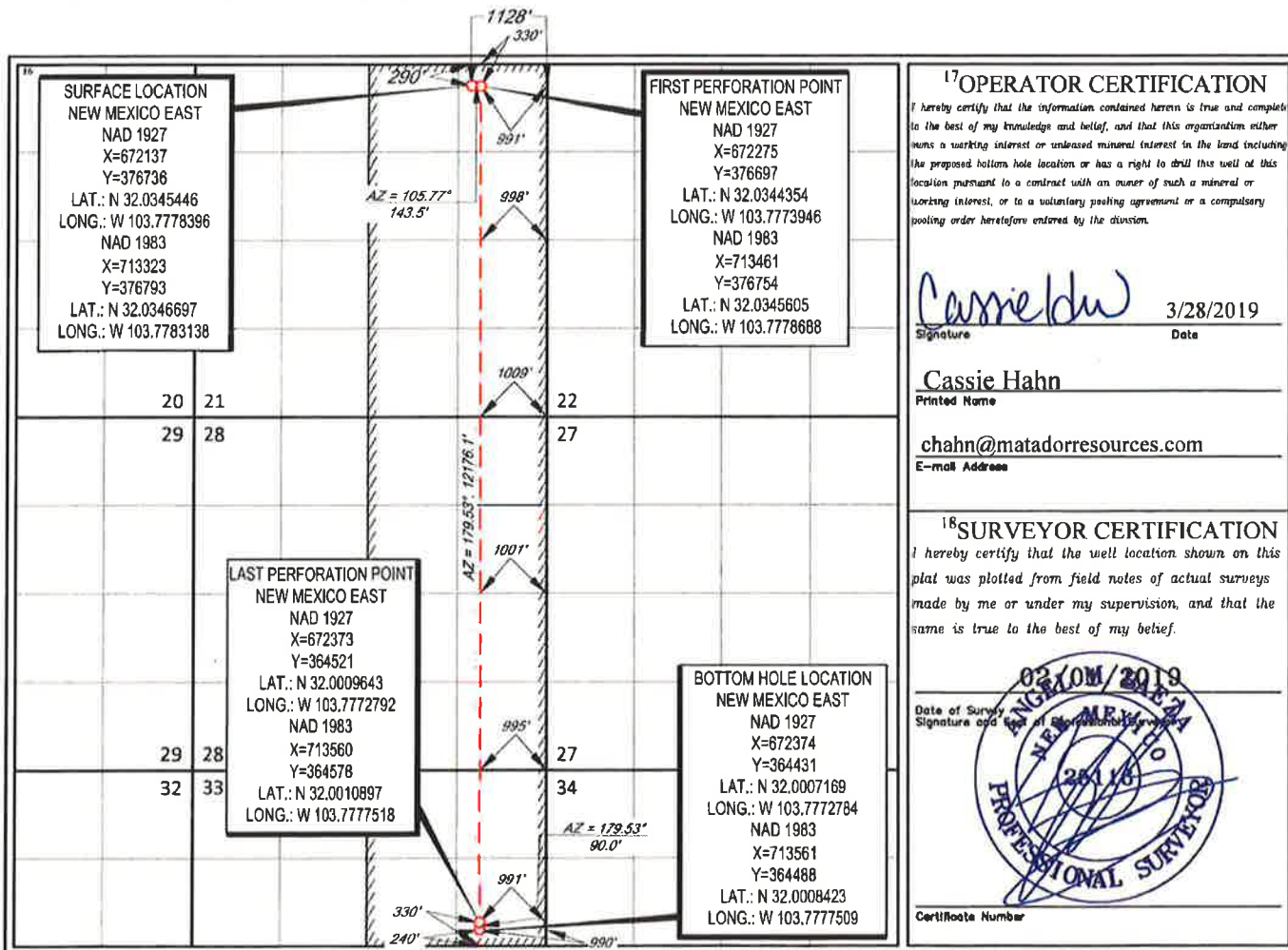
FORM C-102
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 98220		³ Pool Name PURPLE SAGE WOLFCAMP					
⁴ Property Code		⁵ Property Name VONI FED COM						⁶ Well Number 224H	
⁷ OGRID No.		⁸ Operator Name MATADOR PRODUCTION COMPANY						⁹ Elevation 3190'	
¹⁰ Surface Location									
UL or lot no. A	Section 21	Township 26-S	Range 31-E	Lot Idn -	Feet from the 290'	North/South line NORTH	Feet from the 1128'	East/West line EAST	County EDDY
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no. 1	Section 33	Township 26-S	Range 31-E	Lot Idn -	Feet from the 240'	North/South line SOUTH	Feet from the 990'	East/West line EAST	County EDDY
¹² Dedicated Acres 770.49		¹³ Joint 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.



Summary of Interests

MRC Permian Company Working Interest		89.616323%
Voluntary Joinder		0.000000%
Compulsory Pool Interest Total:		10.383677%
Interest Owner:	Description:	Interest:
Chevron USA, Inc.	Uncommitted Working Interest Owner	10.383677%



Voni Fed Com #104, #124H

Summary of Interests

MRC Permian Company Working Interest			94.808498%
Voluntary Joinder			0.000000%
Compulsory Pool Interest Total:			5.191502%
Interest Owner:	Description:	Interest:	
Chevron USA, Inc.	Uncommitted Working Interest Owner	5.191502%	



Voni Fed Com #203H, #204H, #223H, 224H

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5440 • Fax 214.866.4883
chahn@matadorresources.com

Cassie Hahn
Landman

December 19, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

Chevron USA, Inc.
1400 Smith Street
Houston, TX 77002

Re: Voni Federal #121H, #122H, #123H, #101H, #102H, #103H, #201H, #202H, #203H,
#221H, #222H, #223H and Voni Fed Com #124H, #104H, #204H, #224H the "Wells")
Participation Proposal
Sections 21, 28 & 33 Township 26 South, Range 31 East
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of the following Matador Production Company's Wells, located in Sections 21, 28 and 33, Township 26 South, Range 31 East, Eddy County, New Mexico. Accordingly, enclosed are the AFE's dated on October 22, 2018 for the following:

In connection with the above, please note the following:

- **Voni Federal #121H** to be drilled from SHL in the NW/4NW/4 of Section 21-26S-31E to a BHL in the SW/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate Total Vertical Depth ("TVD") of 10075' subsurface in the Bone Spring Formation. The proposed well will have a Measured Depth ("MD") of approximately 22342'.
- **Voni Federal #122H** to be drilled from SHL in the NE/4NW/4 of Section 21-26S-31E to a BHL in the SE/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 10075' subsurface in the Bone Spring Formation. The proposed well will have a ("MD") of approximately 22342'.
- **Voni Federal #123H** to be drilled from SHL in the NW/4NE/4 of Section 21-26S-31E to a BHL in the SW4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 10075' subsurface in the Bone Spring Formation. The proposed well will have a ("MD") of approximately 22342'.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 7

Submitted by: MRC PERMIAN CO.

Hearing Date: April 4, 2019

Case Nos. 20367 & 20368

- **Voni Federal #101H** to be drilled from SHL in the NW/4NW/4 of Section 21-26S-31E to a BHL in the SW/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 8375' subsurface in the Avalon Formation. The proposed well will have a ("MD") of approximately 20642'.
- **Voni Federal #102H** to be drilled from SHL in the NE/4NW/4 of Section 21-26S-31E to a BHL in the SE/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 8375' subsurface in the Avalon Formation. The proposed well will have a ("MD") of approximately 20642'.
- **Voni Federal #103H** to be drilled from SHL in the NW/4NE/4 of Section 21-26S-31E to a BHL in the SW/4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 8375' subsurface in the Avalon Formation. The proposed well will have a ("MD") of approximately 20642'.
- **Voni Federal #201H** to be drilled from SHL in the NW/4NW/4 of Section 21-26S-31E to a BHL in the SW/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 11380' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 23547'.
- **Voni Federal #202H** to be drilled from SHL in the NE/4NW/4 of Section 21-26S-31E to a BHL in the SE/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 11380' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 23547'.
- **Voni Federal #203H** to be drilled from SHL in the NW/4NE/4 of Section 21-26S-31E to a BHL in the SW/4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 11380' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 23547'.
- **Voni Federal #221H** to be drilled from SHL in the NW/4NW/4 of Section 21-26S-31E to a BHL in the SW/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 12500' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 24667'.
- **Voni Federal #222H** to be drilled from SHL in the NE/4NW/4 of Section 21-26S-31E to a BHL in the SE/4NW/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 12500' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 24667'.
- **Voni Federal #223H** to be drilled from SHL in the NW/4NE/4 of Section 21-26S-31E to a BHL in the SW/4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 12500' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 24667'.
- **Voni Fed Com #124H** to be drilled from SHL in the NE/4NE/4 of Section 21-26S-31E to a BHL in the SE/4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 10075' subsurface in the Bone Spring Formation. The proposed well will have a ("MD") of approximately 22342'.
- **Voni Fed Com #104H** to be drilled from SHL in the NE/4NE/4 of Section 21-26S-31E to a BHL in the SE/4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 8375' subsurface in the Avalon Formation. The proposed well will have a ("MD") of approximately 20642'.

- **Voni Fed Com #204H** to be drilled from SHL in the NE/4NE/4 of Section 21-26S-31E to a BHL in the SE/4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 11380' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 23547'.
- **Voni Fed Com #224H** to be drilled from SHL in the NE/4NE/4 of Section 21-26S-31E to a BHL in the SE/4NE/4 of Section 33-26S-31E. The proposed well will be drilled to an approximate ("TVD") of 12500' subsurface in the Wolfcamp Formation. The proposed well will have a ("MD") of approximately 24667'.

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.

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 December 6, 2018, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covers all of Section 21, all of Section 28, and the N/2 of Section 33, Township 26 South, Range 31 East, Eddy County, New Mexico and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$8,000/\$800 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the 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.

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

MRC PERMIAN COMPANY


Cassie Hahn

Chevron USA, Inc. hereby elects to:

_____ Participate in the **Voni Federal #121H**

_____ Not to participate in the **Voni Federal #121H**

_____ Participate in the **Voni Federal #122H**

_____ Not to participate in the **Voni Federal #122H**

_____ Participate in the **Voni Federal #123H**

_____ Not to participate in the **Voni Federal #123H**

_____ Participate in the **Voni Federal #101H**

_____ Not to participate in the **Voni Federal #101H**

_____ Participate in the **Voni Federal #102H**

_____ Not to participate in the **Voni Federal #102H**

_____ Participate in the **Voni Federal #103H**

_____ Not to participate in the **Voni Federal #103H**

_____ Participate in the **Voni Federal #201H**

_____ Not to participate in the **Voni Federal #201H**

_____ Participate in the **Voni Federal #202H**

_____ Not to participate in the **Voni Federal #202H**

_____ Participate in the **Voni Federal #203H**

_____ Not to participate in the **Voni Federal #203H**

_____ Participate in the **Voni Federal #221H**

_____ Not to participate in the **Voni Federal #221H**

_____ Participate in the **Voni Federal #222H**

_____ Not to participate in the **Voni Federal #222H**

_____ Participate in the **Voni Federal #223H**

_____ Not to participate in the **Voni Federal #223H**

_____ Participate in the **Voni Fed Com #124H**

_____ Not to participate in the **Voni Fed Com #124H**

_____ Participate in the **Voni Fed Com #104H**

_____ Not to participate in the **Voni Fed Com #104H**

_____ Participate in the **Voni Fed Com #204H**

_____ Not to participate in the **Voni Fed Com #204H**

_____ Participate in the **Voni Fed Com #224H**

_____ Not to participate in the **Voni Fed Com #224H**

Chevron USA, Inc.

By: _____

Title: _____

Date: _____

Contact Number: _____

MATADOR PRODUCTION COMPANY
 ONE LINCOLN CENTRE • 8400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240
 Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	October 22, 2018	AFE NO.:	
WELL NAME:	Vonl Fed Com #104H	FIELD:	
LOCATION:	Section 21&28&33-26S-31E	MD/TVD:	20642'/8375'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	about 11,800'
MRC WI:			
GEOLOGIC TARGET:	Avalon		
REMARKS:	Drill and complete a horizontal Avalon target with 56 stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 61,500	\$ -	\$ -	\$ -	\$ 61,500
Location, Surveys & Damages	103,000	13,000	10,000	5,000	131,000
Drilling	964,000	-	-	-	964,000
Cementing & Float Equip	223,000	-	-	-	223,000
Logging / Formation Evaluation	-	6,500	-	-	6,500
Mud Logging	40,500	-	-	-	40,500
Mud Circulation System	76,000	-	-	-	76,000
Mud & Chemicals	116,000	67,000	-	-	183,000
Mud / Wastewater Disposal	200,000	-	-	-	200,000
Freight / Transportation	16,000	49,500	-	-	67,500
Rig Supervision / Engineering	167,200	141,000	7,200	5,400	340,800
Drill Bits	121,500	-	-	-	121,500
Fuel & Power	176,800	-	-	-	176,800
Water	90,000	479,000	180,000	-	749,000
Drig & Completion Overhead	17,000	46,000	-	-	63,000
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	335,000	-	-	-	335,000
Completion Unit, Swab, CTU	-	144,000	20,000	-	164,000
Perforating, Wireline, Slickline	-	359,000	-	-	359,000
High Pressure Pump Truck	-	198,700	-	-	198,700
Stimulation	-	5,096,000	-	-	5,096,000
Stimulation Flowback & Disp	-	208,000	-	-	208,000
Insurance	37,156	-	-	-	37,156
Labor	165,500	106,000	30,000	1,000	302,500
Rental - Surface Equipment	112,200	526,700	60,000	3,000	703,900
Rental - Downhole Equipment	134,000	65,000	-	-	219,000
Rental - Living Quarters	68,750	61,020	6,000	2,000	137,770
Contingency	262,692	249,242	-	-	511,934
Operations Center	36,550	-	-	-	36,550
TOTAL INTANGIBLES >	3,546,348	7,837,662	313,200	16,400	11,713,610
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 53,000	\$ -	\$ -	\$ -	\$ 53,000
Intermediate Casing	140,300	-	-	-	140,300
Drilling Liner	-	-	-	-	-
Production Casing	644,581	-	-	-	644,581
Production Liner	-	-	-	-	-
Tubing	-	-	52,000	-	52,000
Wellhead	65,000	-	40,000	-	105,000
Packers, Liner Hangers	-	126,800	10,000	-	136,800
Tanks	-	-	-	16,000	16,000
Production Vessels	-	-	60,000	13,025	73,025
Flow Lines	-	-	50,000	-	50,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	270,000	-	270,000
Compressor	-	-	-	2,000	2,000
Installation Costs	-	-	-	24,000	24,000
Surface Pumps	-	-	5,000	-	5,000
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	12,500	5,500	18,000
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	15,000	15,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	4,000	1,000	5,000
Tank / Facility Containment	-	-	-	2,000	2,000
Flare Stack	-	-	-	2,000	2,000
Electrical / Grounding	-	-	5,000	500	5,500
Communications / SCADA	-	-	10,000	1,000	11,000
Instrumentation / Safety	-	-	5,000	5,000	10,000
TOTAL TANGIBLES >	902,881	126,600	523,500	67,025	1,640,006
TOTAL COSTS >	4,449,229	7,964,262	836,700	103,425	13,353,616

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hermes	Team Lead - WTX/NM <u>WTE</u>
Completions Engineer: Waylon Wolf	WTE
Production Engineer: Ben Peterson	

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO _____	VP - Res Engineering _____	VP - Drilling _____
Executive VP, Legal _____	Exec Dir - Exploration _____	BG _____
President _____		

NON OPERATING PARTNER APPROVAL:

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

The costs on this AFE are estimates only and may not be sufficient to complete the well. The operator shall be responsible for obtaining the necessary permits, licenses, and approvals from the appropriate regulatory agencies and other entities. The operator shall be responsible for obtaining the necessary permits, licenses, and approvals from the appropriate regulatory agencies and other entities. The operator shall be responsible for obtaining the necessary permits, licenses, and approvals from the appropriate regulatory agencies and other entities.

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DATE:	October 22, 2018	AFE NO.:	
WELL NAME:	Voni Fed Com #124H	FIELD:	
LOCATION:	Section 21&28&33-26S-31E	MD/TVD:	22342'/10075'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	about 11,800'
MRC WI:			
GEOLOGIC TARGET:	2nd Bone Spring		
REMARKS:	Drill and complete a horizontal 2nd Bone Spring target with 56 stages		

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hernas
 Completions Engineer: Waylon Wolf
 Production Engineer: Ben Peterson

Team Lead - WTX/NM WTE
WTE

Executive VP, COO/CFO	VP - Res Engineering	VP - Drilling
DEL	BMR	BG
Executive VP, Legal	Exec Dir - Exploration	
CA		
President		
MVH		

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

The results on this AFE are estimates only and may not be considered as evidence on any specific stock or the total cost of the project. Taking mistakes approved under the AFE may be enjoyed as it is a paper after the well has been completed. In executing this AFE, the Participant agrees to pay the proppant share of actual costs incurred, including legal, training, regulatory, wellhead and well costs under the terms of the applicable cost sharing agreement, regulatory order or other agreement governing this well. Participants that are covered by and third parties that rely for Operator's well control and general liability coverage unless participant provides Operator a certificate of coverage to back their own insurance applicable to the Operator in two days of this date.

MATADOR PRODUCTION COMPANY

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ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	October 22, 2018	AFE NO.:	
WELL NAME:	Voni Fed Com #204H	FIELD:	
LOCATION:	Section 21&28&33-26S-31E	MD/TVD:	23547/11380'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	about 11,700'
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a horizontal Wolfcamp target with 56 stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 86,500				\$ 86,500
Location, Surveys & Damages	100,500	13,000	10,000	5,000	128,500
Drilling	1,095,000				1,095,000
Cementing & Float Equip	242,000				242,000
Logging / Formation Evaluation	-	6,500			6,500
Mud Logging	42,000				42,000
Mud Circulation System	100,835				100,835
Mud & Chemicals	161,000	47,000			208,000
Mud / Wastewater Disposal	205,000				205,000
Freight / Transportation	30,000	46,500			76,500
Rig Supervision / Engineering	211,200	133,800	7,200	5,400	357,600
Drill Bits	146,200				146,200
Fuel & Power	202,800				202,800
Water	60,000	469,000			529,000
Drig & Completion Overhead	19,500	44,000			63,500
Plugging & Abandonment	-				-
Directional Drilling, Surveys	395,000				395,000
Completion Unit, Swab, CTU	-	240,000	20,000		260,000
Perforating, Wireline, Slickline	-	359,000			359,000
High Pressure Pump Truck	-	149,500			149,500
Stimulation	-	5,712,000			5,712,000
Stimulation Flowback & Disp	-	208,000	180,000		388,000
Insurance	42,385				42,385
Labor	183,000	94,000	30,000		307,000
Rental - Surface Equipment	120,150	437,500	60,000	1,000	618,650
Rental - Downhole Equipment	115,000	50,000		3,000	168,000
Rental - Living Quarters	78,200	56,260	6,000	2,000	142,460
Contingency	294,256	235,406			529,662
Operations Center	41,925				41,925
TOTAL INTANGIBLES >	3,972,450	8,301,466	313,200	16,400	12,603,516
TANGIBLE COSTS					
Surface Casing	\$ 53,000				\$ 53,000
Intermediate Casing	140,300				140,300
Drilling Liner	383,800				383,800
Production Casing	479,185				479,185
Production Liner	-				-
Tubing	-		116,600		116,600
Wellhead	90,000		25,000		115,000
Packers, Liner Hangers	-	123,000	10,000		133,000
Tanks	-		-	16,000	16,000
Production Vessels	-		90,000	13,025	103,025
Flow Lines	-		50,000		50,000
Rod string	-				-
Artificial Lift Equipment	-		30,000		30,000
Compressor	-		-	2,000	2,000
Installation Costs	-		-	24,000	24,000
Surface Pumps	-		5,000		5,000
Non-controllable Surface	-		-		-
Non-controllable Downhole	-		-		-
Downhole Pumps	-		-		-
Measurement & Meter Installation	-		12,500	5,500	18,000
Gas Conditioning / Dehydration	-		-		-
Interconnecting Facility Piping	-		-	15,000	15,000
Gathering / Bulk Lines	-		-		-
Valves, Dumps, Controllers	-		4,000	1,000	5,000
Tank / Facility Containment	-		-	2,000	2,000
Flare Stack	-		-	2,000	2,000
Electrical / Grounding	-		-	500	500
Communications / SCADA	-		-	1,000	1,000
Instrumentation / Safety	-		5,000	5,000	10,000
TOTAL TANGIBLES >	1,146,286	123,000	348,100	87,025	1,704,411
TOTAL COSTS >	5,118,736	8,424,466	661,300	103,425	14,307,927

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hermes	Team Lead - WTX/NM <u>L TE</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	BG
Executive VP, Legal _____	Exec Dir - Exploration _____	
CA	NLF	
President _____		
MVR		

NON OPERATING PARTNER APPROVAL:

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

The undersigned hereby certifies that the information contained herein is true and correct to the best of his knowledge and belief, and that he is not aware of any material misstatements or omissions. This document is not to be used for any purpose other than the specific purpose for which it was prepared. The undersigned hereby certifies that the information contained herein is true and correct to the best of his knowledge and belief, and that he is not aware of any material misstatements or omissions. This document is not to be used for any purpose other than the specific purpose for which it was prepared.

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ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	October 22, 2018	AFE NO.:	
WELL NAME:	Voni Federal #203H	FIELD:	
LOCATION:	Section 21&28&33-26S-31E	MD/TVD:	23547'/11380'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	about 11,700'
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a horizontal Wolfcamp target with 56 stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 86,500				\$ 86,500
Location, Surveys & Damages	100,600	13,000	10,000	5,000	128,500
Drilling	1,095,000				1,095,000
Cementing & Float Equip	242,000				242,000
Logging / Formation Evaluation		8,500			8,500
Mud Logging	42,000				42,000
Mud Circulation System	100,835				100,835
Mud & Chemicals	181,000	47,000			208,000
Mud / Wastewater Disposal	205,000				205,000
Freight / Transportation	30,000	46,500			76,500
Rig Supervision / Engineering	211,200	133,800	7,200	5,400	357,600
Drill Bits	146,200				146,200
Fuel & Power	202,800				202,800
Water	60,000	468,000			528,000
Drig & Completion Overhead	19,500	44,000			63,500
Plugging & Abandonment					
Directional Drilling, Surveys	395,000				395,000
Completion Unit, Swab, CTU		240,000	20,000		260,000
Perforating, Wireline, Slickline		350,000			350,000
High Pressure Pump Truck		149,500			149,500
Stimulation		5,712,000			5,712,000
Stimulation Flowback & Disp		208,000	180,000		388,000
Insurance	42,385				42,385
Labor	183,000	94,000	30,000		307,000
Rental - Surface Equipment	120,150	437,500	60,000	1,000	618,650
Rental - Downhole Equipment	115,000	50,000		3,000	168,000
Rental - Living Quarters	78,200	56,280	6,000	2,000	142,480
Contingency	294,256	235,408			529,664
Operations Center	41,925				41,925
TOTAL INTANGIBLES >	3,972,480	8,301,466	313,200	18,400	12,603,516
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 53,000				\$ 53,000
Intermediate Casing	140,300				140,300
Drilling Liner	383,800				383,800
Production Casing	479,186				479,186
Production Liner					
Tubing			116,600		116,600
Wellhead	90,000		25,000		115,000
Packers, Liner Hangers		123,000	10,000		133,000
Tanks				16,000	16,000
Production Vessels			90,000	13,025	103,025
Flow Lines			50,000		50,000
Rod string					
Artificial Lift Equipment			30,000		30,000
Compressor				2,000	2,000
Installation Costs				24,000	24,000
Surface Pumps			5,000		5,000
Non-controllable Surface					
Non-controllable Downhole					
Downhole Pumps					
Measurement & Meter Installation			12,500	5,500	18,000
Gas Conditioning / Dehydration					
Interconnecting Facility Piping				15,000	15,000
Gathering / Bulk Lines					
Valves, Dumps, Controllers			4,000	1,000	5,000
Tank / Facility Containment				2,000	2,000
Flare Stack				2,000	2,000
Electrical / Grounding				500	500
Communications / SCADA				1,000	1,000
Instrumentation / Safety			5,000	5,000	10,000
TOTAL TANGIBLES >	1,146,286	123,000	348,100	87,025	1,704,411
TOTAL COSTS >	5,118,738	8,424,466	661,300	103,425	14,307,927

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hermes	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 _____
Executive VP, Legal _____	Exec Dir - Exploration _____	
President _____		

NON OPERATING PARTNER APPROVAL:

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

The costs on this AFE are estimates only and may not be accurate as to actual costs of the project. Taking into account the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred including legal, surface, regulatory, insurance and all costs under the terms of the applicable permit, operating agreement, regulatory order or other agreement covering the well. Participant shall be bound by and held responsible for Operator's well control and general liability insurance unless participant provides Operator a sufficient release of its own insurance in an amount acceptable to the Operator by the date of start.

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ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	October 22, 2018	AFE NO.:	
WELL NAME:	Voni Federal #223H	FIELD:	
LOCATION:	Section 21&28&33-26S-31E	MD/TVD:	24667'/12500'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	about 11,700'
MRC Wt:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a horizontal Wolfcamp target with 58 stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 86,500	\$ -	\$ -	\$ -	\$ 86,500
Location, Surveys & Damages	100,500	13,000	10,000	5,000	128,500
Drilling	1,214,500	-	-	-	1,214,500
Cementing & Float Equip	237,000	-	-	-	237,000
Logging / Formation Evaluation	-	8,500	-	-	8,500
Mud Logging	48,000	-	-	-	48,000
Mud Circulation System	111,660	-	-	-	111,660
Mud & Chemicals	172,500	47,000	-	-	219,500
Mud / Wastewater Disposal	200,000	-	-	-	200,000
Freight / Transportation	30,000	46,500	-	\$-	76,500
Rig Supervision / Engineering	235,200	133,800	7,200	5,400	381,600
Drill Bits	136,200	-	-	-	136,200
Fuel & Power	228,800	-	-	\$-	228,800
Water	60,000	469,000	-	-	529,000
Drig & Completion Overhead	22,000	44,000	-	-	66,000
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	417,000	-	-	-	417,000
Completion Unit, Swab, CTU	-	240,000	20,000	-	260,000
Perforating, Wireline, Slickline	-	359,000	-	-	359,000
High Pressure Pump Truck	-	149,500	-	-	149,500
Stimulation	-	5,880,000	-	-	5,880,000
Stimulation Flowback & Disp	-	208,000	180,000	-	388,000
Insurance	44,401	-	-	-	44,401
Labor	183,000	94,000	30,000	-	307,000
Rental - Surface Equipment	134,400	437,500	60,000	1,000	632,900
Rental - Downhole Equipment	105,000	50,000	-	3,000	158,000
Rental - Living Quarters	85,700	56,260	8,000	2,000	149,960
Contingency	389,968	235,408	-	\$-	625,372
Operations Center	47,300	-	-	-	47,300
TOTAL INTANGIBLES >	4,289,827	6,469,486	313,200	16,400	13,088,693
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 53,000	\$ -	\$ -	\$ -	\$ 53,000
Intermediate Casing	140,300	-	-	-	140,300
Drilling Liner	420,313	-	-	-	420,313
Production Casing	504,256	-	-	-	504,256
Production Liner	-	-	-	-	-
Tubing	-	-	121,000	-	121,000
Wellhead	90,000	-	30,000	-	120,000
Packers, Liner Hangers	-	123,000	10,000	-	133,000
Tanks	-	-	-	16,000	16,000
Production Vessels	-	-	90,000	13,025	103,025
Flow Lines	-	-	50,000	\$-	50,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	30,000	-	30,000
Compressor	-	-	-	2,000	2,000
Installation Costs	-	-	-	24,000	24,000
Surface Pumps	-	-	5,000	\$-	5,000
Non-controllable Surface	-	-	-	\$-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	12,500	5,500	18,000
Gas Conditioning / Dehydration	-	-	-	\$-	-
Interconnecting Facility Piping	-	-	-	15,000	15,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	4,000	1,000	5,000
Tank / Facility Containment	-	-	-	2,000	2,000
Flare Stack	-	-	-	2,000	2,000
Electrical / Grounding	-	-	-	500	500
Communications / SCADA	-	-	-	1,000	1,000
Instrumentation / Safety	-	-	5,000	5,000	10,000
TOTAL TANGIBLES >	1,207,868	123,000	367,500	87,025	1,775,393
TOTAL COSTS >	5,497,495	6,592,486	670,700	103,425	14,864,086

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Blake Hermes	Team Lead - WTX/NM	<u>WTE</u>
Completions Engineer:	Waylon Wolf		WTE
Production Engineer:	John Romano		

MATADOR RESOURCES COMPANY APPROVAL:

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

NON OPERATING PARTNER APPROVAL:

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

The AFE or this AFE is an estimate only and may not be considered as coverage on any specific item or the total cost of the project. Taking material approval under the AFE may be subject to a later after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred including legal, station, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regardless of whether the Participant is a party to such agreement. Participants shall be bound by and held accountable for Operator's cost control and general liability insurance unless prior written approval is obtained from the Operator. This document is not intended to be used as a contract or any other legal instrument.

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DATE:	October 22, 2018	AFE NO.:	
WELL NAME:	Voni Fed Com #224H	FIELD:	
LOCATION:	Section 21&28&33-26S-31E	MDTV/D:	24667/12500'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	about 11,700'
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a horizontal Wolfcamp target with 56 stages		

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 53,000	\$ -	\$ -	\$ -	\$ 53,000
Intermediate Casing	140,300	-	-	-	140,300
Drilling Liner	420,313	-	-	-	420,313
Production Casing	504,256	-	-	-	504,256
Production Liner	-	-	-	-	-
Tubing	-	-	121,000	-	121,000
Wellhead	90,000	-	30,000	-	120,000
Packers, Liner Hangers	-	123,000	10,000	-	133,000
Tanks	-	-	-	16,000	16,000
Production Vessels	-	-	90,000	13,025	103,025
Flow Lines	-	-	50,000	\$-	50,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	30,000	-	30,000
Compressor	-	-	-	2,000	2,000
Installation Costs	-	-	-	24,000	24,000
Surface Pumps	-	-	5,000	\$-	5,000
Non-controllable Surface	-	-	-	\$-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	12,500	5,500	18,000
Gas Conditioning / Dehydration	-	-	-	\$-	-
Interconnecting Facility Piping	-	-	-	15,000	15,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	4,000	1,000	5,000
Tank / Facility Containment	-	-	-	2,000	2,000
Flare Stack	-	-	-	2,000	2,000
Electrical / Grounding	-	-	-	500	500
Communications / SCADA	-	-	-	1,000	1,000
Instrumentation / Safety	-	-	5,000	5,000	10,000
TOTAL TANGIBLES >	1,207,868	123,000	357,500	87,025	1,775,393
TOTAL COSTS >	5,497,495	8,592,466	670,700	103,425	14,864,086

Drilling Engineer: Blake Hernes
 Completions Engineer: Waylon Wolf
 Production Engineer: John Romano

Team Lead - WTX/NM WTE
 WTE

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

Company Name: _____ Working Interest (%): _____ Tax ID: _____

Signed by: _____ Date: _____

Title: _____ Approval: Yes _____ No (mark one) _____

AFE - Version 3

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

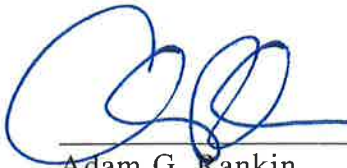
**APPLICATION OF MATADOR RESOURCES COMPANY
FOR COMPULSORY POOLING, EDDY NEW MEXICO.**

CASE NO. 20367

AFFIDAVIT

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

Adam G. Rankin, attorney for Matador Resources Company the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Application has been provided under the notice letter and proof of receipts attached hereto.

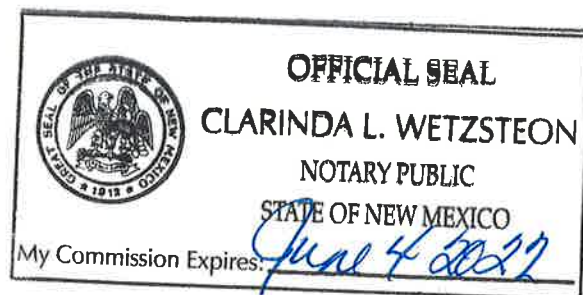


Adam G. Rankin

SUBSCRIBED AND SWORN to before me this 3rd day of April 2019 by Adam G. Rankin.



Notary Public





March 15, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.
Voni Fed Com 104H Well
Voni Fed Com 124H Well

Ladies & Gentlemen:

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 April 4, 2019 and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Cassie Hahn at (972) 371-5440 or chahn@matadorresources.com.

Sincerely,

Adam G. Rankin

**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Matador Voni Wells 104 124 224 204 203 223

CM# 83379.0001

Notice List same for all wells

Shipment Date: 03/12/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0013 2207 15





Firm Mailing Book For Accountable Mail

[illegible]

Voni Postage Report 20190404

Recipient

Status

Chevron USA Inc PO BOX 1635 Houston TX 77251

Delivered Signature Received



Adam G. Rankin
Phone (505) 988-4421
Fax (505) 983-6043
agrarkin@hollandhart.com

March 15, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.
Voni Fed Com 224H Well
Voni Fed Com 204H Well
Voni Fed Com 203H Well
Voni Fed Com 223H Well

Ladies & Gentlemen:

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 April 4, 2019 and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. 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.

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If you have any questions about this matter, please contact Cassie Hahn at (972) 371-5440 or chahn@matadorresources.com.

Sincerely,
A handwritten signature in blue ink, appearing to read 'A. Rankin'.

Adam G. Rankin
**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. ☎



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

Matador Voni Wells 104 124 224 204 203 223

CM# 83379.0001

Notice List same for all wells

Shipment Date: 03/12/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	1
Total	1

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0013 2207 15



Firm Mailing Book For Accountable Mail

[illegible]

Voni Postage Report 20190404

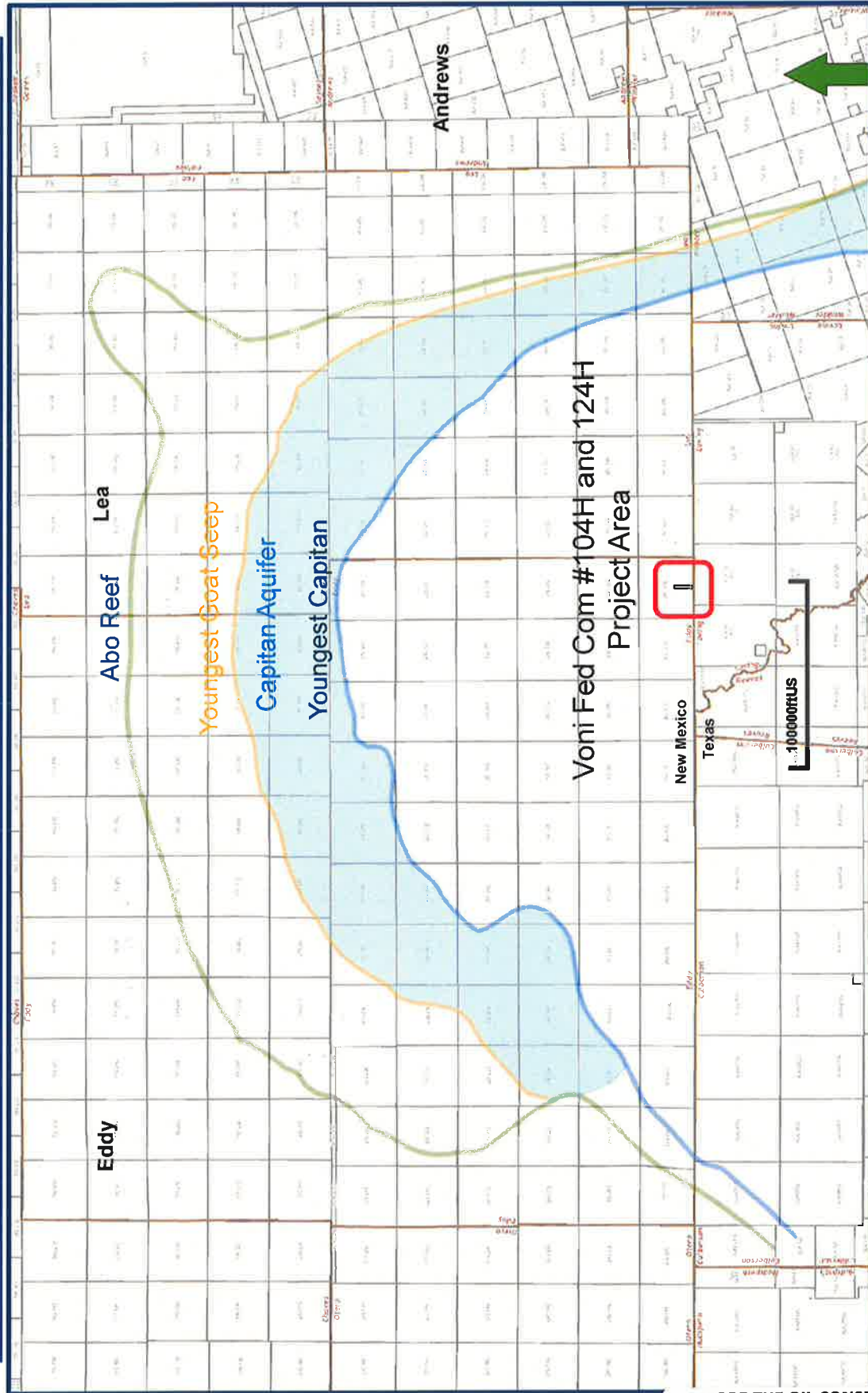
Recipient

Status

Chevron USA Inc PO BOX 1635 Houston TX 77251

Delivered Signature Received

Jennings; Bone Spring, West (Pool Code 97860) Locator Map



Voni Fed Com #104H and #124H

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

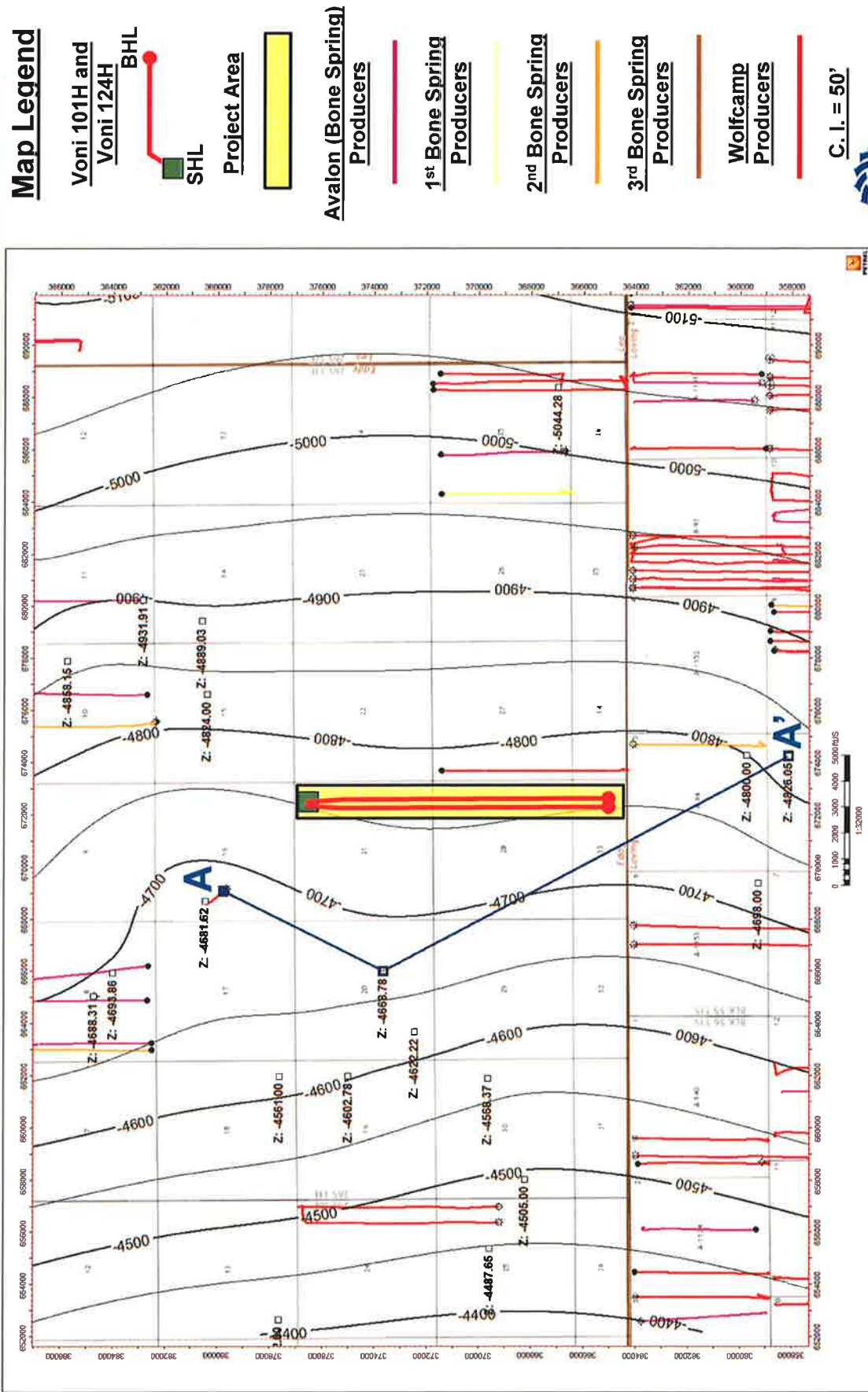
Exhibit No. 10

Submitted by: MRC PERMIAN CO.

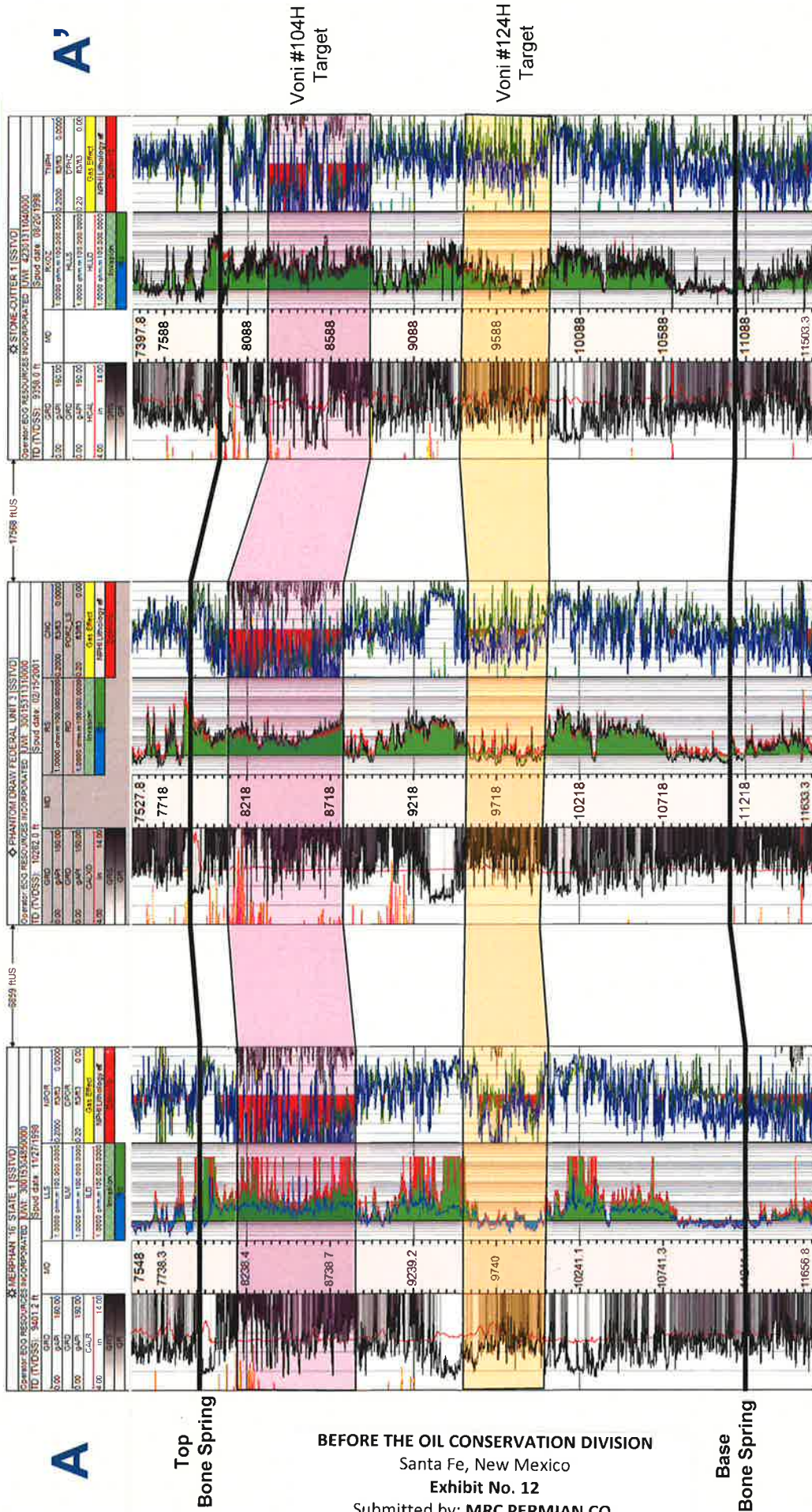
Hearing Date: April 4, 1919

Case Nos. 20367 & 20368

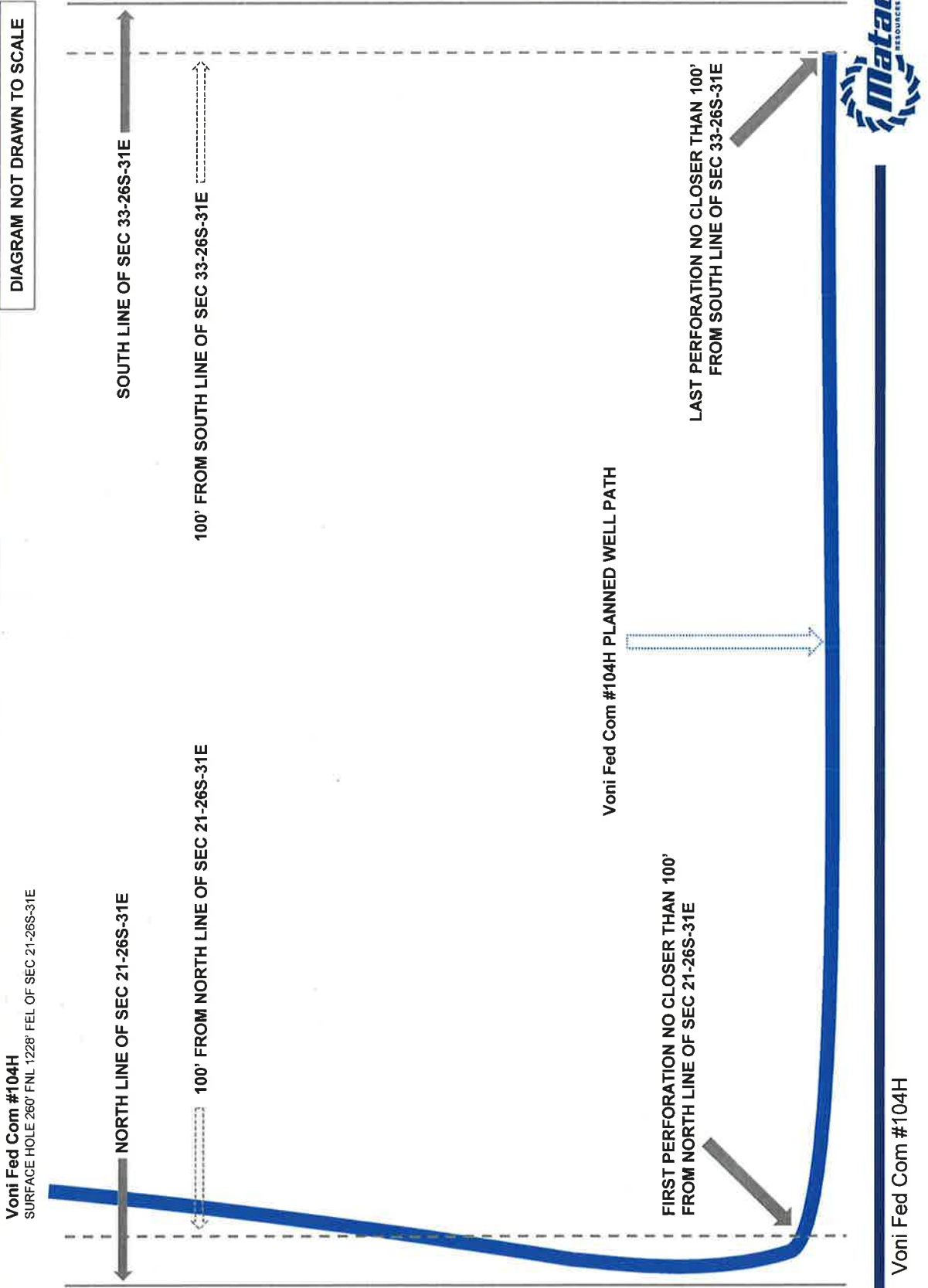
Jennings; Bone Spring, West (Pool Code 97860) Structure Map (Top Bone Spring Lime Subsea)



Jennings; Bone Spring, West (Pool Code 97860) Structural Cross Section A - A'



Jennings; Bone Spring, West (Pool Code 97860) Voni Fed Com #104H



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 13

Submitted by: MRC PERMIAN CO.

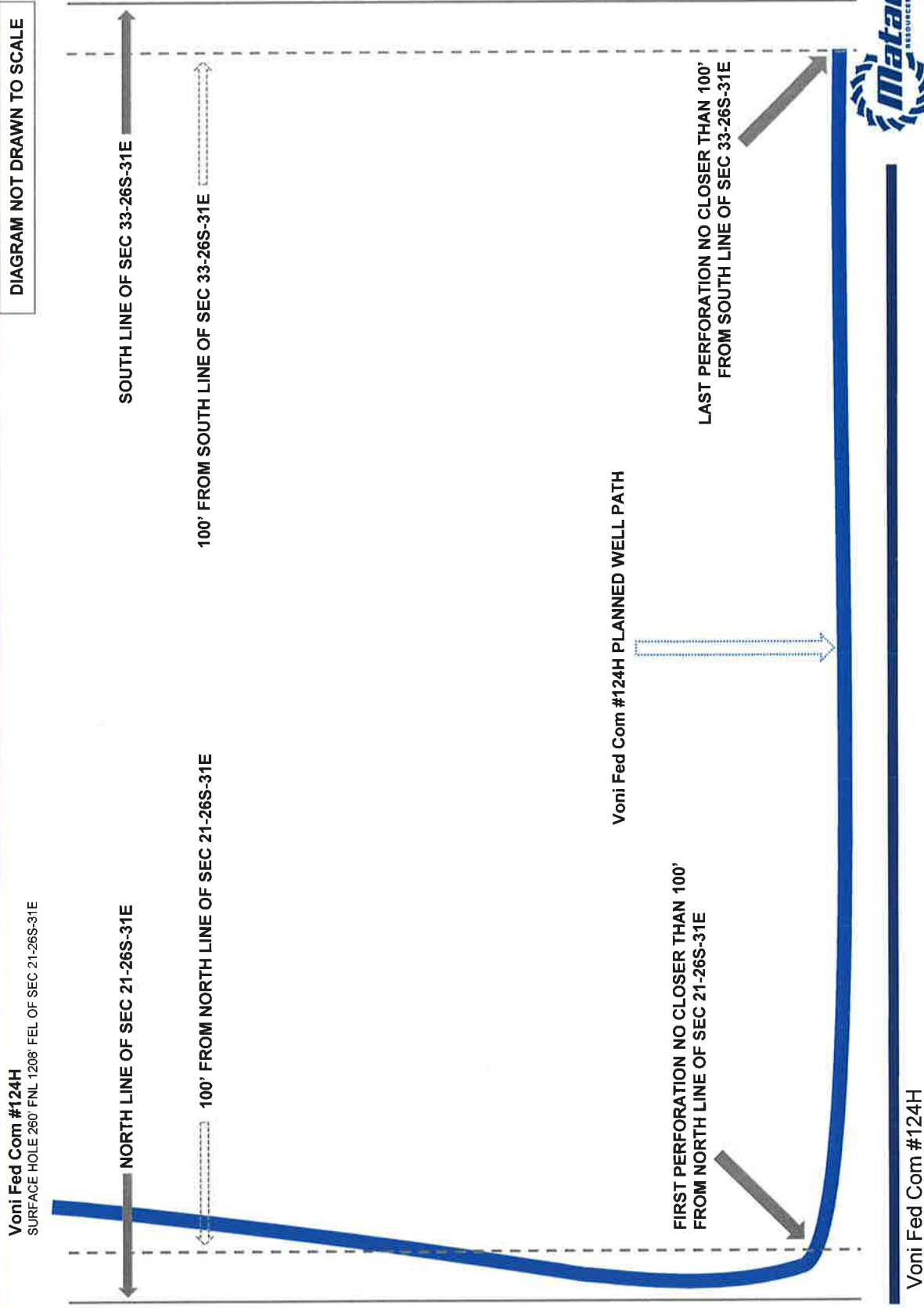
Hearing Date: April 4, 2019

Case Nos. 20367 & 20368

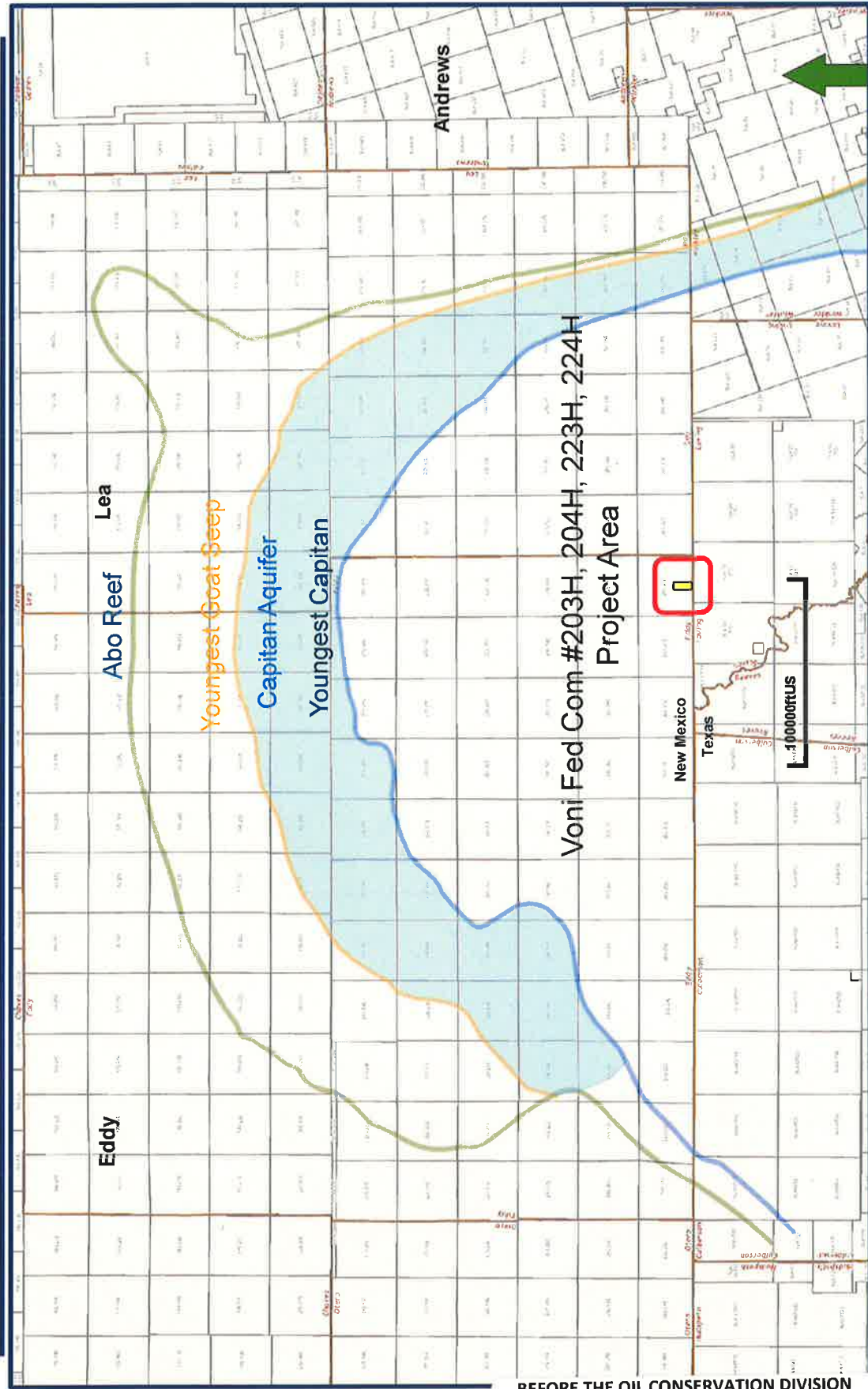
Jennings; Bone Spring, West (Pool Code 97860)

Voni Fed Com #124H

Matador
Exhibit



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



Voni Federal #203H, #223H, #204H, and #224H

BEFORE THE OIL CONSERVATION DIVISION

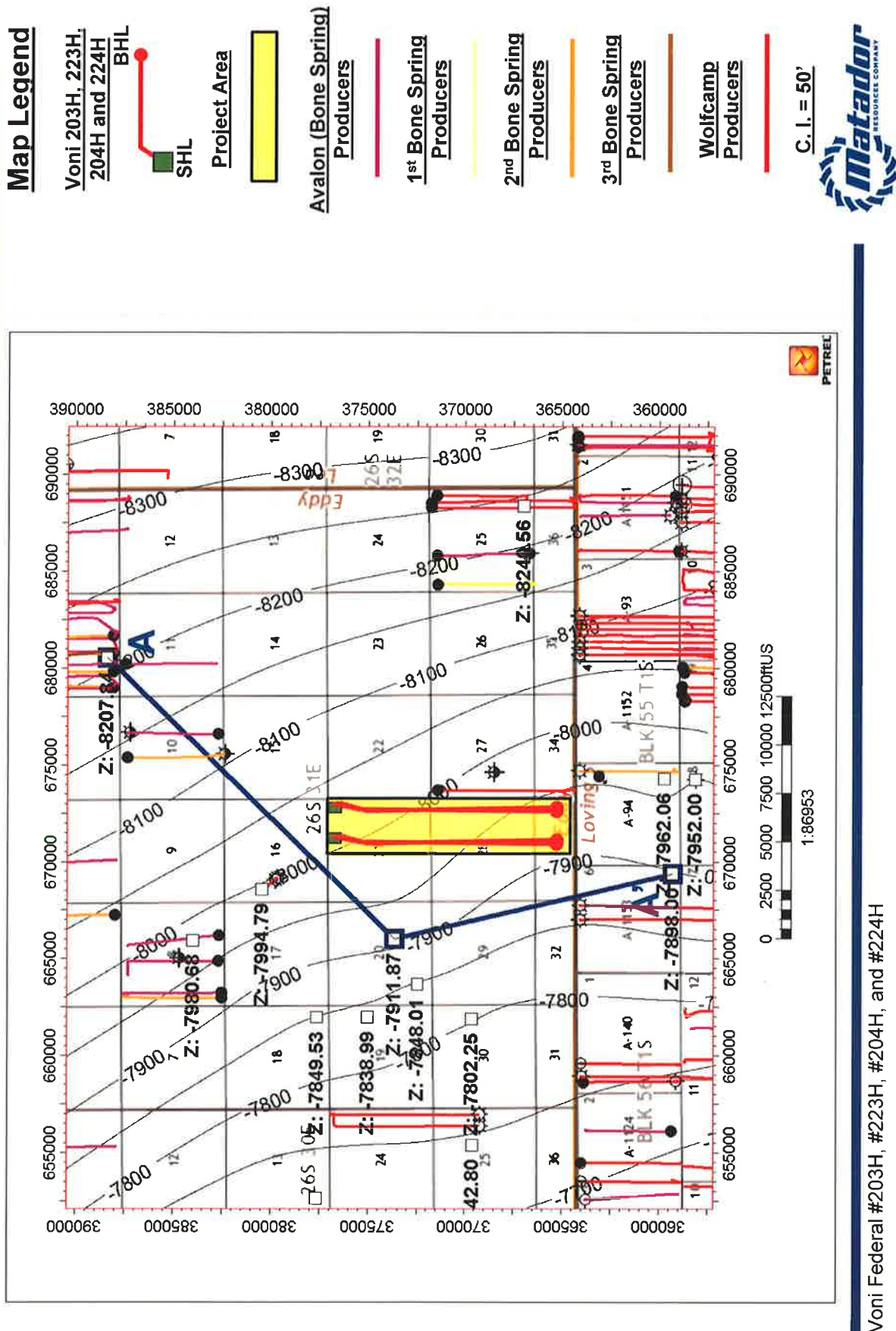
Santa Fe, New Mexico

Exhibit No. 14

Submitted by: MRC PERMIAN CO.

Hearing Date: April 4, 2019

Case Nos. 20367 & 20368

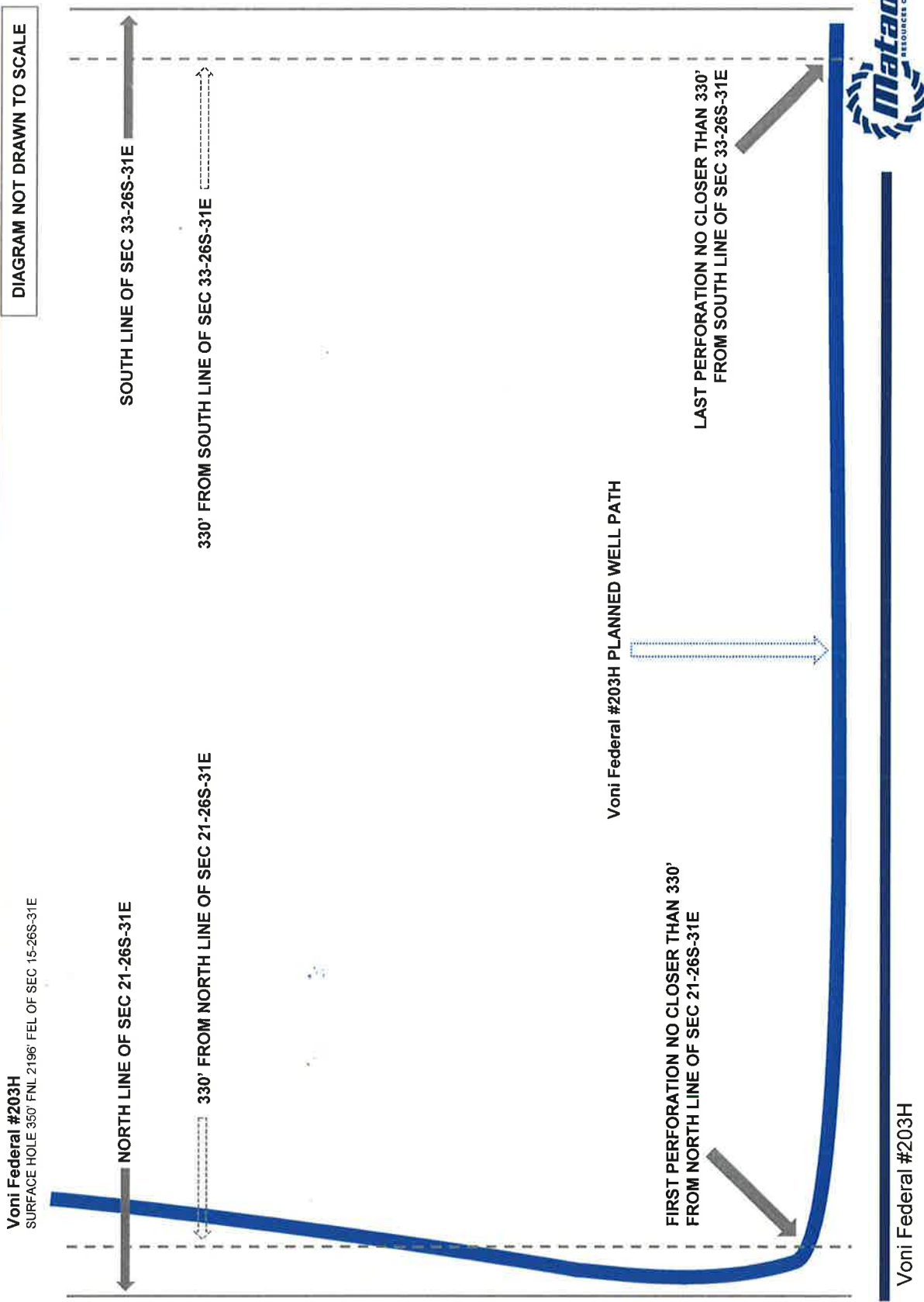


Matador Exhibit



Voni Federal #203H, #223H, #204H, and #224H

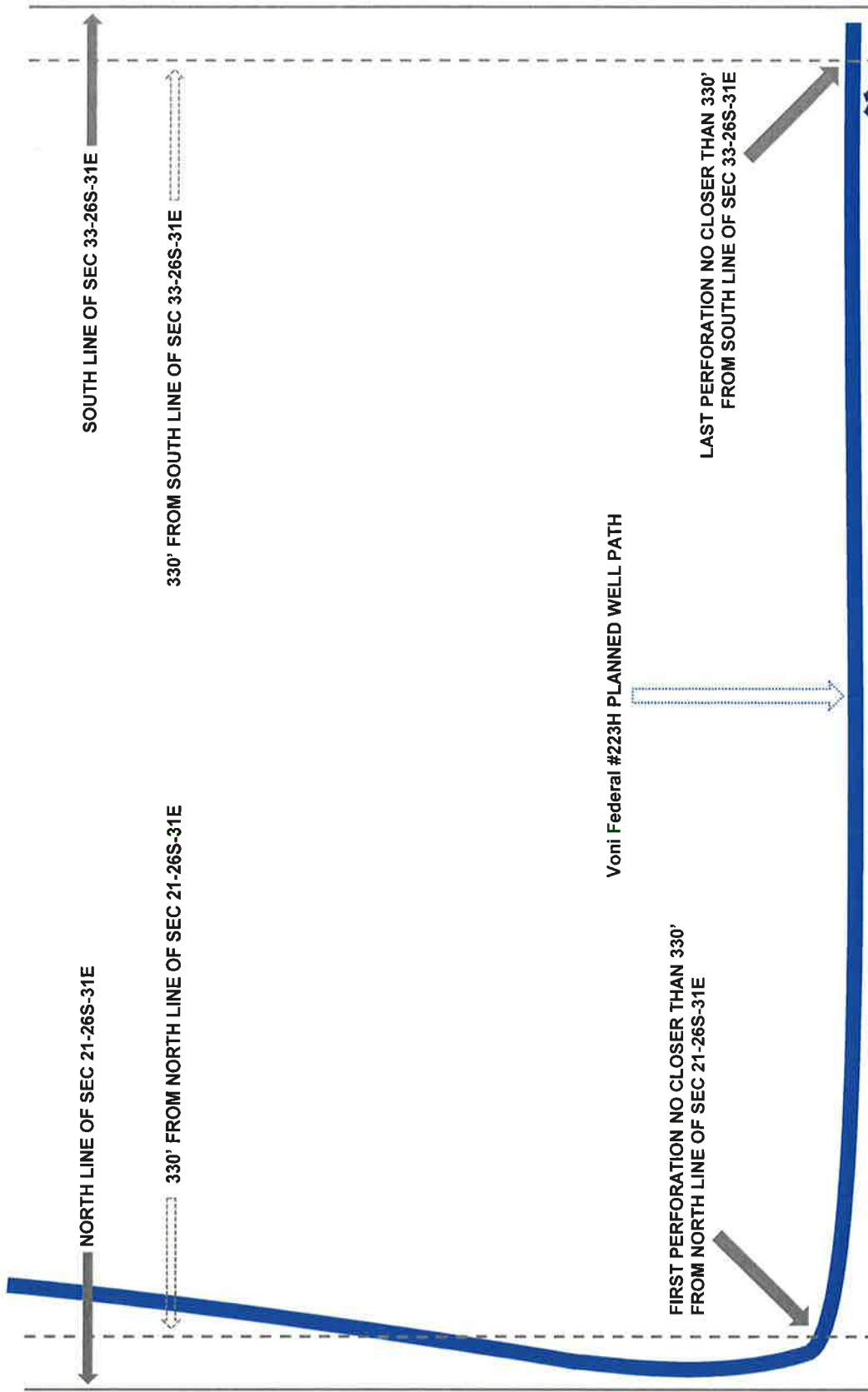
Purple Sage; Wolfcamp (GAS) (Pool Code 98220) Voni Federal #203H



Purple Sage; Wolfcamp (GAS) (Pool Code 98220)
Voni Federal #223H

Voni Federal #223H
SURFACE HOLE 320' FNL 2196' FEL OF SEC 15-26S-31E

DIAGRAM NOT DRAWN TO SCALE

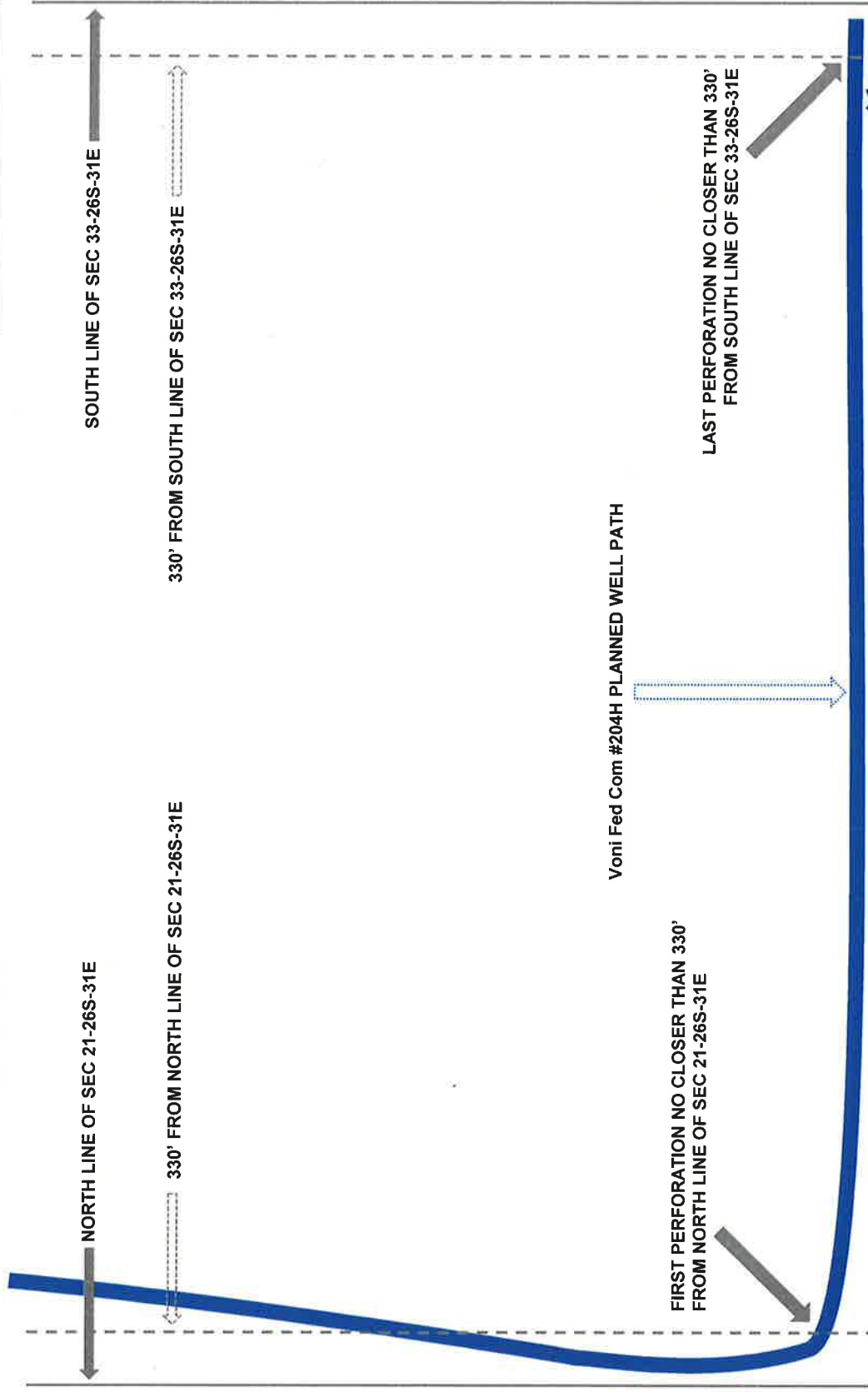


Voni Federal #223H

Purple Sage; Wolfcamp (GAS) (Pool Code 98220)
Voni Fed Com #204H

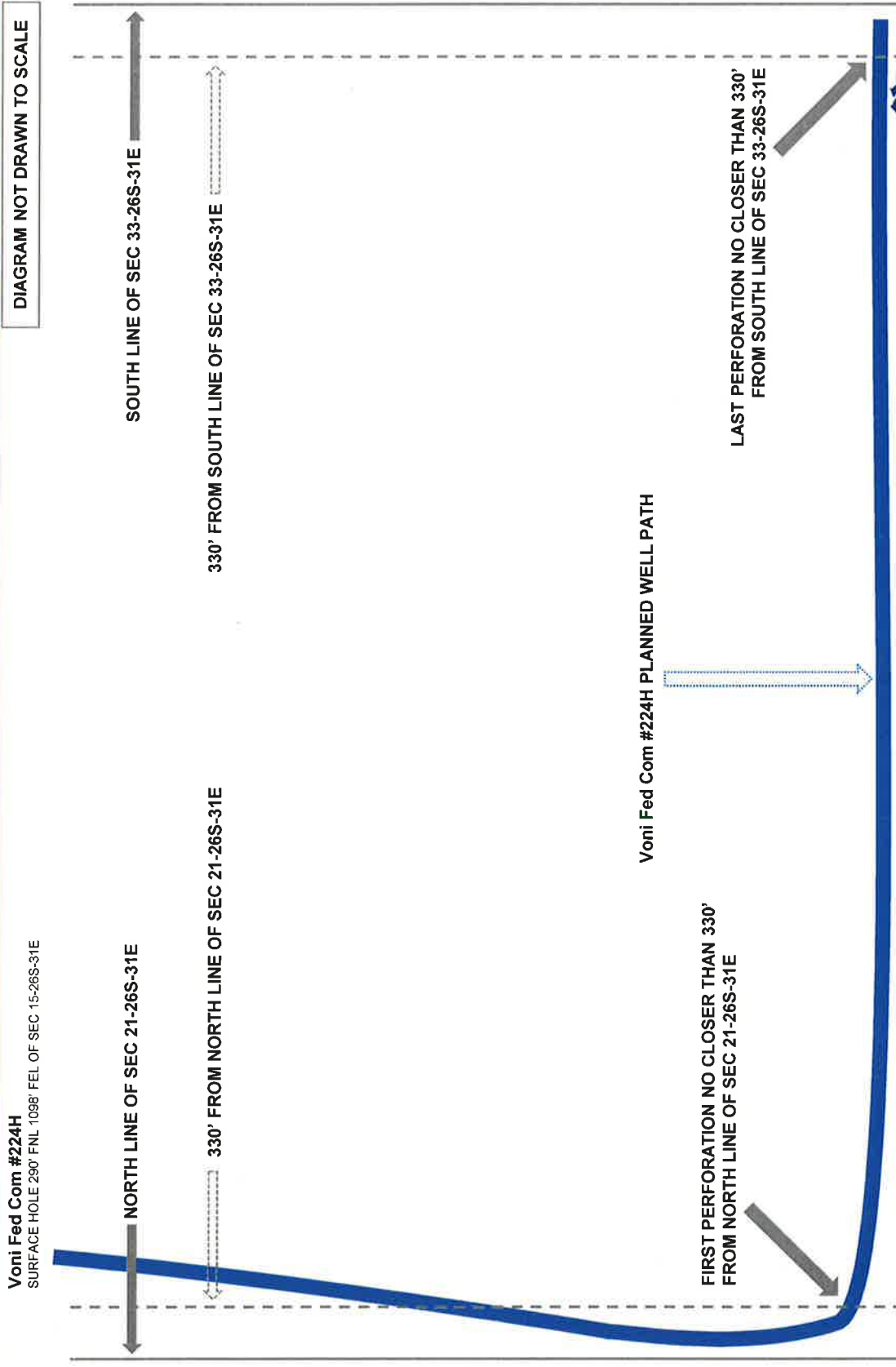
DIAGRAM NOT DRAWN TO SCALE

Voni Fed Com #204H
SURFACE HOLE 260' FNL 1098' FEL OF SEC 15-26S-31E



Voni Fed Com #204H

Purple Sage; Wolfcamp (GAS) (Pool Code 98220)
Voni Fed Com #224H



Voni Fed Com #224H