
MATADOR PRODUCTION COMPANY

Charles Ling Fed Com

Nos. 211H, 212H, 213H and 214H

Cases 15891, 15892, 15893 and 15894

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

**APPLICATIONS OF MATADOR
PRODUCTION COMPANY
FOR COMPULSORY POOLING
AND NONSTANDARD OIL SPACING
AND PRORATION UNITS
LEA COUNTY, NEW MEXICO**

CASE NOS. 15891, 15892, 15893, & 15894

December 21, 2017

EXHIBIT NOTEBOOK

Charles Ling Fed Com #211H, #212H, #213H, & #214H

- | | |
|------------|--|
| Exhibit 1 | C-102 Forms |
| Exhibit 2 | Midland Map |
| Exhibit 3 | Summary of Interests |
| Exhibit 4 | Well Proposal Letters |
| Exhibit 5 | Summary of Communications |
| Exhibit 6 | AFEs |
| Exhibit 7 | Affidavit, notice letters, proof of mailing (compulsory pooling) |
| Exhibit 8 | Affidavit, notice letters, proof of mailing (offsets) |
| Exhibit 9 | Locator Map |
| Exhibit 10 | Structure Map |
| Exhibit 11 | Stratigraphic Cross Section A-A' |
| Exhibit 12 | Isopach Map |
| Exhibit 13 | Charles Ling Fed Com Wells' Completions |

CASE 15893

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., Sante 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.
Sante 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	³ Pool Name
	98135	WC-025 G-09 S243310P; Upper Wolfcamp
⁴ Property Code	⁵ Property Name	
	CHARLES LING FED COM	
⁶ OGRID No.	⁷ Operator Name	
228937	MATADOR PRODUCTION COMPANY	
		⁸ Well Number
		#213H
		⁹ Elevation
		3616'

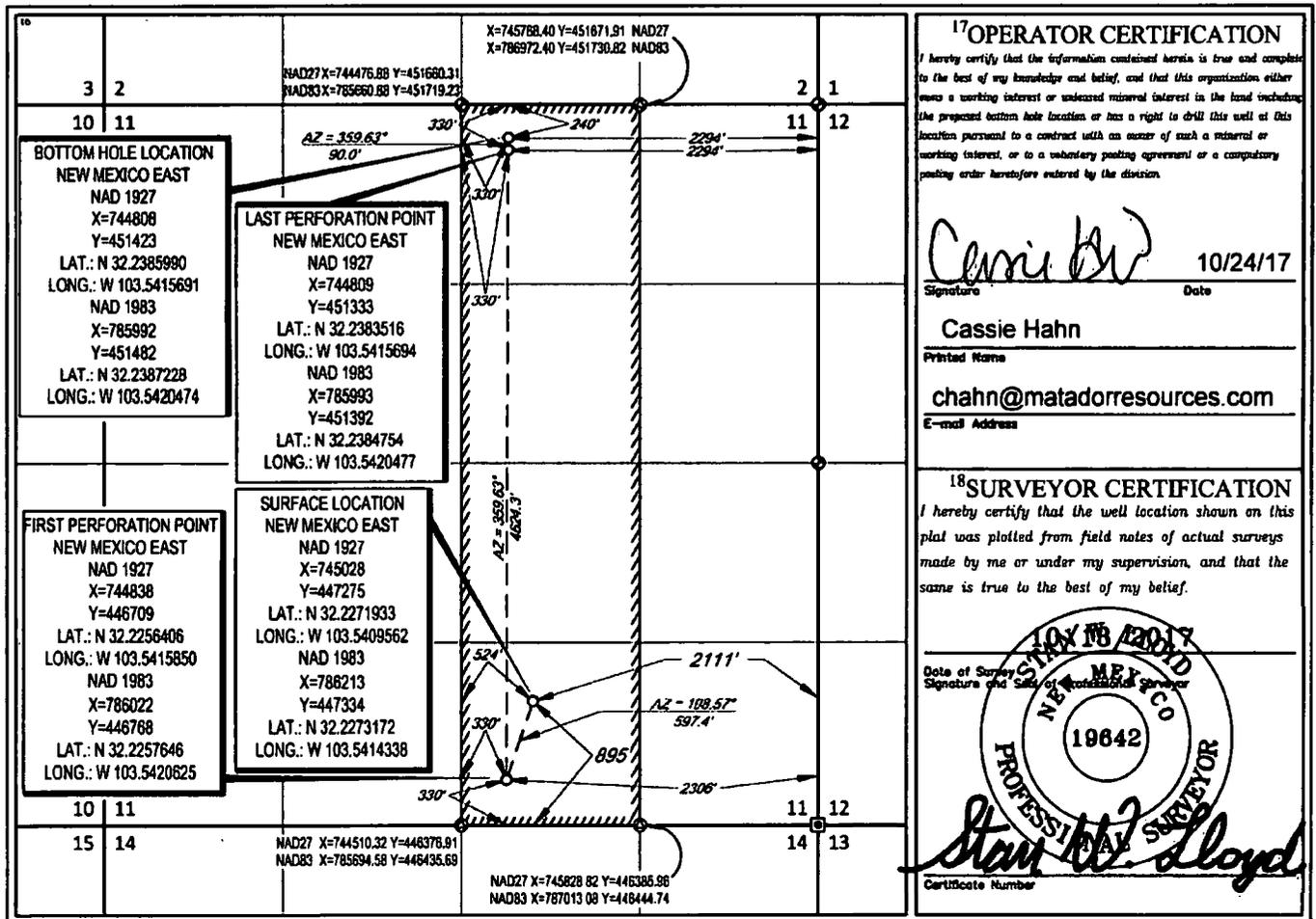
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	11	24-S	33-E	-	895'	SOUTH	2111'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	11	24-S	33-E	-	240'	NORTH	2294'	EAST	LEA

¹¹ Dedicated Acres	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
160			

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.



Case 15901

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
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1220 S. St. Francis Dr., Sante 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.
Sante 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	³ Pool Name
		98135	WC-025 G-09 S243310P; Upper Wolfcamp
⁴ Property Code	⁵ Property Name		⁶ Well Number
	CHARLES LING FED COM		#214H
⁷ OGRID No.	⁸ Operator Name		⁹ Elevation
228937	MATADOR PRODUCTION COMPANY		3609'

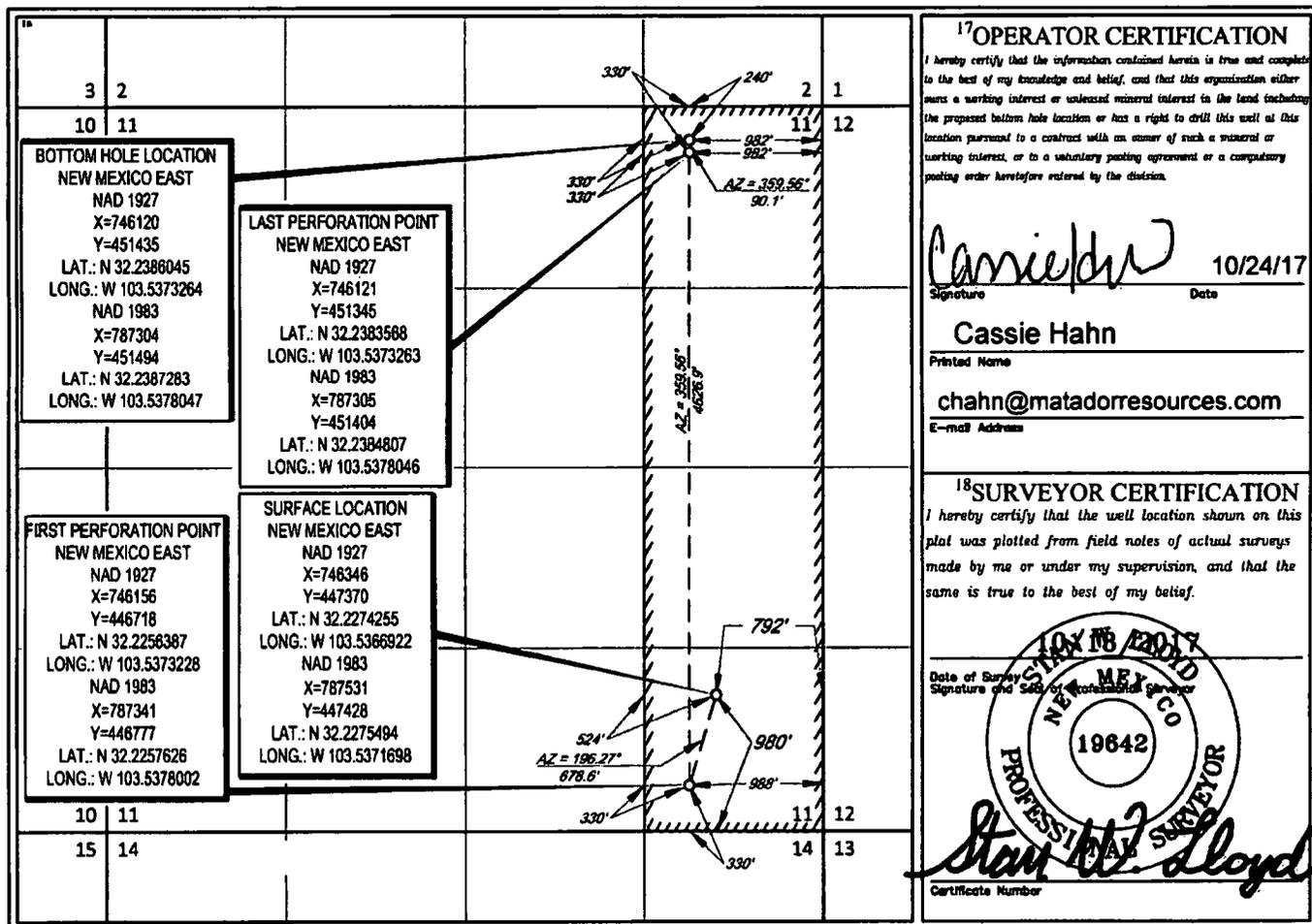
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	11	24-S	33-E	-	980'	SOUTH	792'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	11	24-S	33-E	-	240'	NORTH	982'	EAST	LEA

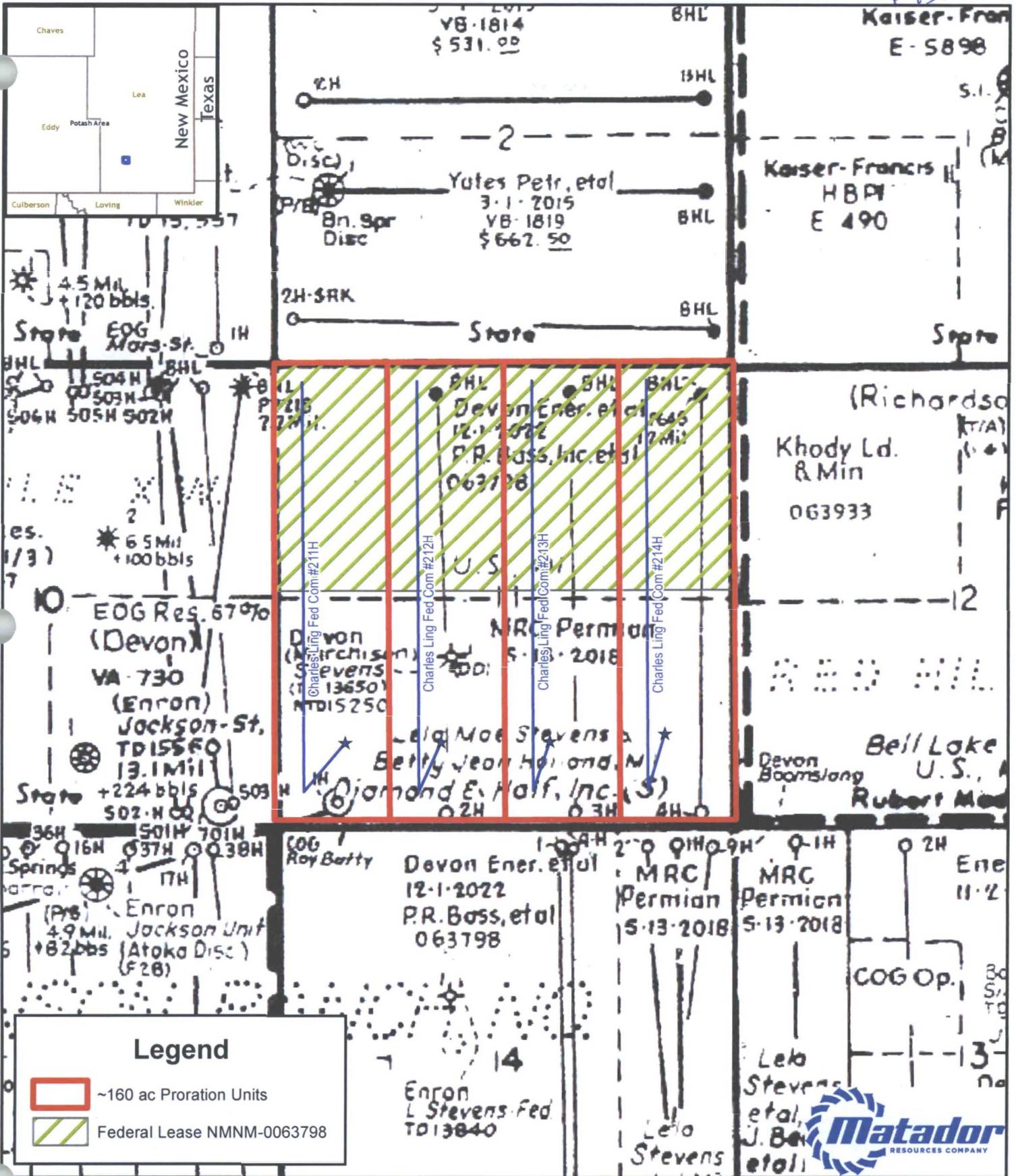
¹¹ Dedicated Acres	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
160			

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.



11-24S-33E

See Com 20 m W of Jal
10 m N of Tx



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 suitability of the information.

1:18,000
1 inch = 1,500 feet

Southeast New Mexico



Date: December 14, 2017
Coordinate System: NAD 1927 StatePlane New Mexico East FIPS 3001
Projection: Transverse Mercator; Datum: North American 1927; Units: Foot US
Sources: IHS; ESRI;



Summary of Interests*

MRC Permian Company Working Interest		50.000000%
Compulsory Pool Interest Total:		50.000000%
Interest Owner:	Description:	Interest:
Devon Energy Production Company, L.P.	Uncommitted Working Interest Owner	25.000000%
Murchison Bone Springs Drilling Program 1, LLC	Uncommitted Working Interest Owner	14.998321%
COG Operating LLC	Uncommitted Working Interest Owner	1.666480%
Mobil Producing Texas & New Mexico Inc.	Uncommitted Working Interest Owner	8.335199%

Charles Ling Fed Com #211H, #212H, #213H, & #214H

*The Summary of Interests was calculated based on 160 acre units and is subject to the final surveyed perimeter. Additionally, there is an unfiled Joint Operating Agreement that could affect these calculated percentages.



MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5440 • Fax 214.866.4946
chahn@matadorresources.com

Cassie Hahn
Associate Landman

September 7, 2017

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating LLC
600 West Illinois Avenue
Midland, Texas 79701

Re: Matador Production Company – Charles Ling Fed Com #211H (the “Well”)
Participation Proposal
Section 11, Township 24 South, Range 33 East
Lea County, New Mexico

Dear COG Operating LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Charles Ling Fed Com #211H well, located in Section 11, Township 24 South, Range 33 East, Lea 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 \$7,992,957.00 as found on the enclosed AFE dated June 14, 2017.

The proposed surface location of the Well will be located in the NW/4NW/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico. The proposed bottom hole location of the subject well will be located in the SW/4SW/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~12,575’ TVD) to a Total Measured Depth of approximately 17,400’ resulting in a productive lateral of approximately 4,500’.

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 1.666480% 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 June 14, 2017 by and between Matador Production Company, as operator and MRC Permian Company, et al, as Non-Operators covers the all of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico, limited to the Wolfcamp formation 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.

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

Sincerely,



Cassie Hahn

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 Charles Ling Fed Com #211H well, located in Lea 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 Charles Ling Fed Com #211H well, located in Lea County, New Mexico.

_____ I / We are interested in selling our 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 972.371.5440 • Fax 214.866.4946
chahn@matadorresources.com

Cassie Hahn
Associate Landman

September 7, 2017

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating LLC
600 West Illinois Avenue
Midland, Texas 79701

Re: Matador Production Company – Charles Ling Fed Com #212H (the “Well”)
Participation Proposal
Section 11, Township 24 South, Range 33 East
Lea County, New Mexico

Dear COG Operating LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Charles Ling Fed Com #212H well, located in Section 11, Township 24 South, Range 33 East, Lea 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 \$7,916,332.00 as found on the enclosed AFE dated June 14, 2017.

The proposed surface location of the Well will be located in the NE/4NW/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico. The proposed bottom hole location of the subject well will be located in the SE/4SW/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~12,550’ TVD) to a Total Measured Depth of approximately 17,375’ resulting in a productive lateral of approximately 4,500’.

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 1.666480% 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.

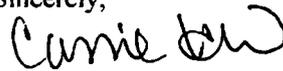
MRC is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The enclosed Operating Agreement dated June 14, 2017 by and between Matador Production Company, as operator and MRC Permian Company, et al, as Non-Operators covers the all of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico, limited to the Wolfcamp formation 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.

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

Sincerely,



Cassie Hahn

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 Charles Ling Fed Com #212H well, located in Lea 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 Charles Ling Fed Com #212H well, located in Lea County, New Mexico.

_____ I / We are interested in selling our 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 972.371.5440 • Fax 214.866.4946
chahn@matadorresources.com

Cassie Hahn
Associate Landman

September 7, 2017

VIA CERTIFIED RETURN RECIEPT MAIL

COG Operating LLC
600 West Illinois Avenue
Midland, Texas 79701

Re: Matador Production Company – Charles Ling Fed Com #213H (the “Well”)
Participation Proposal
Section 11, Township 24 South, Range 33 East
Lea County, New Mexico

COG Operating LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Charles Ling Fed Com #213H well, located in Section 11, Township 24 South, Range 33 East, Lea 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 \$7,923,307.00 as found on the enclosed AFE dated June 14, 2017.

The proposed surface location of the Well will be located in the NE/4NE/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico. The proposed bottom hole location of the subject well will be located in the SW/4SE/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~12,525’ TVD) to a Total Measured Depth of approximately 17,350’ resulting in a productive lateral of approximately 4,500’.

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 1.666480% 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 June 14, 2017 by and between Matador Production Company, as operator and MRC Permian Company, et al, as Non-Operators covers the all of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico, limited to the Wolfcamp formation 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.

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

Sincerely,



Cassie Hahn

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 Charles Ling Fed Com #213H well, located in Lea 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 Charles Ling Fed Com #213H well, located in Lea County, New Mexico.

_____ I / We are interested in selling our 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 972.371.5440 • Fax 214.866.4946
chahn@matadorresources.com

Cassie Hahn
Associate Landman

September 7, 2017

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating LLC
600 West Illinois Avenue
Midland, Texas 79701

Re: Matador Production Company – Charles Ling Fed Com #214H (the “Well”)
Participation Proposal
Section 11, Township 24 South, Range 33 East
Lea County, New Mexico

Dear COG Operating LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Charles Ling Fed Com #214H well, located in Section 11, Township 24 South, Range 33 East, Lea 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 \$7,907,3612.00 as found on the enclosed AFE dated June 14, 2017.

The proposed surface location of the Well will be located in the NE/4NE/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico. The proposed bottom hole location of the subject well will be located in the SE/4SE/4 of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico.

The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~12,500’ TVD) to a Total Measured Depth of approximately 17,325’ resulting in a productive lateral of approximately 4,500’.

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 1.666480% 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 June 14, 2017 by and between Matador Production Company, as operator and MRC Permian Company, et al, as Non-Operators covers the all of Section 11, Township 24 South, Range 33 East, Lea County, New Mexico, limited to the Wolfcamp formation 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.

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

Sincerely,



Cassie Hahn

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 Charles Ling Fed Com #214H well, located in Lea 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 Charles Ling Fed Com #214H well, located in Lea County, New Mexico.

_____ I / We are interested in selling our interest in this unit, please contact us to discuss.

COG Operating LLC

By: _____

Title: _____

Date: _____

Communication Summary—Charles Ling Fed Com

June 14, 2017

Well proposals and Joint Operating Agreement (“JOA”) sent to Devon Energy Production Company, L.P (“Devon”).

June 20, 2017

Received email from Devon confirming receipt of proposals and asking for engineering and geology information.

June 20-27, 2017

Communication with Devon about wells.

July 11, 2017

Received call from Devon requesting title information for the wells.

July 25, 2017

Received call and followed up my email with Devon requesting more basic well information and data information.

August 22, 2017

Received email from Devon with questions on title.

September 7, 2017

Well proposals and JOAs sent to Murchison Bone Springs Drilling Program 1, LLC (“Murchison”), COG Operating LLC (“COG”), and Mobil Producing Texas & New Mexico Inc. (“Mobil”).

September 11, 2017

Sent Devon over title opinion for whole section.

September 21, 2017

Received email from COG wanting to confirm its interest.

September 25, 2017

Emailed COG title opinion.

September 27-29, 2017

COG mentioned that there was a JOA covering some of the acreage involved in the wells, but that only a memorandum of such was in the public domain.

Emailed Devon to check on review status of proposals and JOA. Emailed back and forth about their interest and requested copy of existing JOA covering the section.

October 2-3, 2017

Matador's geologist and COG's geologist spoke over phone and email.

October 4, 2017

Received response from Devon that they were still evaluating proposals. Also reached out to Devon to get a copy of existing JOA, but was told that they did not have a copy.

Emailed COG requesting copy of existing JOA and received no response

October 10, 2017

Requested JOA from COG again and was told they were running the proposal information through their team.

October 12, 2017

COG recommends some areas of a potential trade deal via email. Matador responds to email requesting a phone call.

October 23, 2017

Requested update on JOA from COG and was told they were still reviewing proposals.

October 27, 2017

Second set of proposals were sent to non-deliverable addresses for Mobil and Murchison.

October 30, 2017

Emailed COG that Matador planned to file for compulsory pooling and requested an update on their evaluation.

COG recommends more acreage for a potential trade via email.

October 31, 2017

Received email from COG asking if they should send over a trade proposal.

November 1, 2017

Received email from Murchison confirming receipt of proposals.

November 2, 2017

COG recommends additional acreage for a potential trade via email.

November 6, 2017

Reached out to Murchison via phone and email for any update on the status of the proposal review and was told Murchison management was still reviewing.

November 10, 2017

Received letter from COG electing not to participate in the wells.

November 11, 2017

Received email from COG with potential trade acreage.

November 14, 2017

Call between COG and Matador discussing trade options.

November 15, 2017

Received phone call and email from Mobil confirming receipt of well proposals and asking for well information.

COG confirms a potential trade merits further attention from their geology and engineering teams.

November 17, 2017

Received email from COG updating Matador that trade evaluations are still being run through its geology department, and they will have a response by December 1, 2017.

November 21, 2017

Received email from Mobil asking for engineering and geology information and gave them contact information for engineers and geologist.

November 20- 28, 2017

Discussed options with Devon for the JOA.

November 29, 2017

Spoke with Murchison about signing a JOA or participating, and was told they were still reviewing the proposal.

December 6, 2017

Followed up with Devon about progress of JOA.

Followed up with Murchison on status of proposals and was told Murchison elected to not participate.

December 11, 2017

Emailed Mobil to follow up on status of proposals.

December 12, 2017

Received notice that Landman handling the proposals had left Mobil, and that the new Landman will review the proposals and JOA.

Received email from COG asking for additional well information (i.e. spud date).

December 18, 2017

Received email from COG reiterating their desire to work a trade and acknowledging that it could take additional time.

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE - 6400 LBJ FREEWAY - SUITE 1800 - DALLAS, TEXAS 75240
Phone (972) 371-6200 • Fax (972) 371-6201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	June 14, 2017	AFE NO.:	0
WELL NAME:	Charles Ling Fec Cam 211H	FIELD:	0
LOCATION:	Section 11.245 33E	MDYTD:	17400/12575'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 4500'
MRC No:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a horizontal upper Wolfcamp target with 22 stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Lease / Legal / Royalty	\$ 181,500	\$ -	\$ -	\$ 40,000	\$ 221,500
Location, Surveys & Damages	125,000	12,000	4,000	5,000	146,000
Drilling	877,000	-	-	-	877,000
Cementing & Fluid Equip	193,000	-	-	-	193,000
Logging / Formation Evaluation	-	6,000	-	-	6,000
Mud Logging	20,400	-	-	-	20,400
Mud Circulation System	42,000	-	-	-	42,000
Mud & Chemicals	111,000	20,000	-	-	131,000
Mud / Wastewater Disposal	160,000	-	-	75,000	235,000
Freight / Transportation	30,000	18,000	-	7,500	55,500
Rig Deposition / Engineering	117,000	48,000	10,000	43,000	222,000
Drill Bits	80,000	-	-	-	80,000
Fuel & Power	72,000	-	-	-	72,000
Water	50,000	334,100	-	-	384,100
Drill & Completion Overhead	10,000	16,000	-	-	26,000
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	104,000	-	-	-	104,000
Completion Unit, Wash, CTU	-	67,000	30,000	-	97,000
Perforating, Wireline, Stickline	-	83,000	-	-	83,000
High Pressure Pump Truck	-	45,000	-	-	45,000
Stimulation	-	7,620,000	-	-	7,620,000
Stimulation Flowback & Slip	-	113,000	-	-	113,000
Insurance	31,140	-	-	-	31,140
Labor	121,000	17,000	6,000	-	144,000
Rental - Surface Equipment	26,000	130,000	17,000	5,000	278,000
Rental - Downhole Equipment	30,000	40,000	-	10,000	80,000
Rental - Living Quarters	11,000	27,000	10,000	-	58,000
Contingency	184,000	97,000	7,500	-	288,500
TOTAL INTANGIBLES >	2,843,900	3,107,800	80,000	180,000	6,072,440

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 42,310	\$ -	\$ -	\$ -	\$ 42,310
Intermediate Casing	100,750	-	-	-	100,750
Drilling Liner	348,775	-	-	-	348,775
Production Casing	271,430	-	-	-	271,430
Production Liner	-	-	-	-	-
Tubing	-	-	63,875	-	63,875
Wellhead	70,000	-	75,000	-	145,000
Perchors, Liner Hangers	-	52,000	12,000	-	64,000
Tanks	-	-	-	134,000	134,000
Production Vessels	-	-	-	32,000	32,000
Flow Lines	-	-	-	43,750	43,750
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	20,000	-	20,000
Compressor	-	-	-	8,000	8,000
Installation Costs	-	-	70,000	200,000	270,000
Surface Pumps	-	-	6,000	-	6,000
Non-controllable Surface	-	-	60,000	140,000	200,000
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	74,000	74,000
Measurement & Wellbore Installation	-	-	12,500	74,000	86,500
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	66,154	66,154
Gathering / Buss Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	12,000	14,000
Tests / Facility Construction	-	-	-	36,000	36,000
Flare Stack	-	-	-	42,000	42,000
Electrical / Grounding	-	-	-	30,000	30,000
Communications / SCADA	-	-	-	25,000	25,000
Instrumentation / Safety	-	-	10,000	45,000	55,000
TOTAL TANGIBLES >	834,330	63,000	284,375	897,904	2,082,414
TOTAL COSTS >	3,648,230	3,210,780	368,455	1,068,404	7,997,894

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Shawny McQueen	Team Lead - WTX/NM	<u>WTE</u>
Completions Engineer:	Waylon Wolf		WTE
Production Engineer:	John Ackerly		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO	VP - Res engineering	VP - Drilling
DEL	BNR	BC
Executive VP, Legal	Exec Dir - Exploration	VP - Production
CA	N.F	TWB
President	VP & General Manager	
MVA		

NON OPERATING PARTNER APPROVAL:

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

Signed by: _____ Date: _____

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

The intent of this AFE is to provide a summary of the estimated costs for the well and to provide a summary of the estimated costs for the well. This AFE is not intended to be used as a contract. It is intended to be used as a summary of the estimated costs for the well. It is not intended to be used as a contract. It is not intended to be used as a contract. It is not intended to be used as a contract.

MATADOR PRODUCTION COMPANY
 ONE LINCOLN CENTRE - 5400 LBJ FREEWAY - SUITE 1500 - DALLAS, TEXAS 75244
 Phone (972) 371-5200 - Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	June 14, 2017	AFE NO.:	0
WELL NAME:	Charles Ling Fed Com 213H	FIELD:	0
LOCATION:	Section 11-24S-33F	MD/TVD:	17350'/12525'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 4500'
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill complete and equip a horizontal upper Wolfcamp target with 52 stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 181,500			\$ 10,000	\$ 191,500
Location, Surveys & Damages	175,500	13,000	4,000	3,000	195,500
Drilling	677,000				677,000
Cementing & Float Equip	193,000				193,000
Logging / Formation Evaluation		6,000			6,000
Mud Logging	20,400				20,400
Mud Circulation System	44,960				44,960
Mud & Chemicals	111,000	20,000			131,000
Mud / Wastewater Disposal	106,000			75,000	181,000
Freight / Transportation	36,000	16,500		2,500	55,000
Rig Supervision / Engineering	117,800	49,300	10,800	39,600	217,500
Drill Bits	86,300				86,300
Fuel & Power	72,000				72,000
Water	50,000	324,100			374,100
Drig & Completion Overhead	10,500	16,000			26,500
Plugging & Abandonment					
Directional Drilling, Surveys	154,000				154,000
Completion Unit, Swab, CTU		61,200	30,000		91,200
Perforating, Wireline, Stickle		83,600			83,600
High Pressure Pump Truck		45,500			45,500
Stimulation		2,090,000			2,090,000
Stimulation Flowback & Disp		113,000			113,000
Insurance	31,140				31,140
Labor	121,000	17,000	6,000		144,000
Rental - Surface Equipment	58,400	138,625	12,000	5,000	212,025
Rental - Downhole Equipment	50,000	40,000		10,000	100,000
Rental - Living Quarters	51,300	27,080	10,000		88,380
Contingency	164,400	97,091	7,280		268,771
TOTAL INTANGIBLES >	2,513,985	3,157,998	80,080	145,100	5,897,163

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 42,375				\$ 42,375
Intermediate Casing	100,750				100,750
Drilling Liner	349,775				349,775
Production Casing	271,430				271,430
Production Liner					
Tubing			62,625		62,625
Wellhead	70,000		25,000		95,000
Packers, Liner Hangers		52,800	12,000		64,800
Tanks				124,000	124,000
Production Vessels				52,000	52,000
Flow Lines				43,750	43,750
Rod string					
Artificial Lift Equipment			20,000		20,000
Compressor				9,000	9,000
Installation Costs			70,000	176,000	246,000
Surface Pumps			5,000		5,000
Non-controllable Surface			66,000	140,000	206,000
Non-controllable Downhole					
Downhole Pumps					
Measurements & Meter Installation			12,500	74,000	86,500
Gas Conditioning / Dehydration					
Interconnecting Facility Piping				66,154	66,154
Gathering / Built Lines					
Valves, Dumps, Controls			2,000	12,000	14,000
Tank / Facility Containment				30,000	30,000
Flare Stack				30,000	30,000
Electrical / Grounding				30,000	30,000
Communications / SCADA				25,000	25,000
Instrumentation / Safety			10,000	42,000	52,000
TOTAL TANGIBLES >	834,330	62,800	285,125	652,804	2,026,160
TOTAL COSTS >	3,348,315	3,210,798	365,205	892,904	7,823,307

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Shirley A. ...	Team Lead - WTX/NM:	<u>WTE</u>
Completions Engineer:	M. ...		WTE
Production Engineer:	...		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO:	VP - Res Engineering:	VP - Drilling:
Executive VP, Legal:	Exec. Dir. - Exploration:	VP - Production:
President:	VP & General Manager:	

NON OPERATING PARTNER APPROVAL:

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

MATADOR PRODUCTION COMPANY
 ONE LINCOLN CENTRE • 6400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240
 Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	June 14 2017	AFE NO.:	0
WELL NAME:	Charles Ling Fed Com 214H	FIELD:	0
LOCATION:	Section 11-24S-33E	MD/TVD:	17325'/12500'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 4500'
MRC NO.:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equo a horizontal upper Wolfcamp target with 22 stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	181,500			10,000	191,500
Location, Surveys & Damages	125,500	13,000	4,000	3,000	145,500
Drilling	677,000				677,000
Cementing & Float Equip	193,000				193,000
Logging / Formation Evaluation		6,000			6,000
Mud Logging	23,400				23,400
Mud Circulation System	44,950				44,950
Mud & Chemicals	111,000	20,000			131,000
Mud / Waste/ Water Disposal	160,000			75,000	235,000
Freight / Transportation	38,000	16,500		2,500	57,000
Rig Supervision / Engineering	117,800	48,300	10,800	37,800	215,500
Drill Bits	88,300				88,300
Fuel & Power	72,000				72,000
Water	50,000	324,100			374,100
Drig & Completion Overhead	16,500	16,000			32,500
Plugging & Abandonment					
Directional Drilling, Surveys	154,000				154,000
Completion Unit, Swab, CTU		61,200	30,000		91,200
Perforating, Wireline, Stacks		63,600			63,600
High Pressure Pump Truck		45,500			45,500
Simulation		2,090,000			2,090,000
Stimulation Flowback & Dtap		113,000			113,000
Insurance	31,140				31,140
Labor	121,000	17,000	6,000		144,000
Rental - Surface Equipment	56,400	136,825	12,000	5,000	212,225
Rental - Downhole Equipment	50,000	40,000		10,000	100,000
Rental - Living Quarters	51,200	27,060	10,000		88,260
Contingency	164,485	97,091	7,280		268,856
TOTAL INTANGIBLES >	2,513,985	3,187,998	60,830	143,300	5,895,313

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	42,375				42,375
Intermediate Casing	160,750				160,750
Drilling Liner	349,775				349,775
Production Casing	271,438				271,438
Production Liner					
Tubing			62,500		62,500
Wellhead	70,000		25,000		95,000
Packers, Liner Hangers		62,600	12,000		74,600
Tanks				124,000	124,000
Production Vessels				52,000	52,000
Flow Lines				43,750	43,750
Rod string					
Artificial Lift Equipment			20,000		20,000
Compressor				8,000	8,000
Installation Costs		70,000	168,000		238,000
Surface Pumps		5,000			5,000
Non-controllable Surface		68,000		140,000	208,000
Non-controllable Downhole					
Downhole Pumps					
Measurement & Meter Installation			12,500	74,000	86,500
Gas Conditioning / Dehydration					
Interconnecting Facility Piping				60,384	60,384
Gathering / Bulk Lines					
Valves, Dumps, Controllers			2,000	12,000	14,000
Tank / Facility Containment				30,000	30,000
Flare Stack				30,000	30,000
Electrical / Grounding				25,000	25,000
Communications / SCADA				42,000	42,000
Instrumentation / Safety			10,000		10,000
TOTAL TANGIBLES >	834,338	52,600	285,000	849,134	2,021,272
TOTAL COSTS >	3,348,323	3,210,798	365,830	893,434	7,807,813

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Steve McGee	Team Lead - WTX/NM:	<u>WTE</u>
Completions Engineer:	Keppel		WLE
Production Engineer:	John Reilly		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO	VP - Res Engineering	VP - Drilling
_____	_____	_____
Executive VP Legal	Exec Dr - Exploration	VP - Production
_____	_____	_____
President	VP & General Manager	
_____	_____	

NON OPERATING PARTNER APPROVAL:

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

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

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15891

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15892

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15893

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15901

AFFIDAVIT OF NOTICE

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

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Matador Production Company.
3. Matador Production Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the interest owners, at their correct addresses, by certified mail. Copies of the notice letter and certified return receipts are attached hereto as Attachment A.

EXHIBIT 7

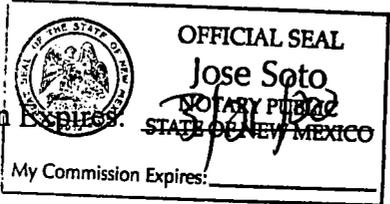
5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.



James Bruce

SUBSCRIBED AND SWORN TO before me this 20 day of December, 2017 by James Bruce.

My Commission Expires:





Notary Public

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

November 9, 2017

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following applications filed with the New Mexico Oil Conservation Division by Matador Production Company:

1. Case No. 15891, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 211H, a Wolfcamp well in the W/2W/2 of Section 11;
2. Case No. 15892, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 212H, a Wolfcamp well in the E/2W/2 of Section 11;
3. Case No. 15893, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 213H, a Wolfcamp well in the W/2E/2 of Section 11; and
4. Case No. 15901, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 214H, a Wolfcamp well in the E/2E/2 of Section 11,

all in Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, November 30, 2017, in Porter Hall at the Division's offices at 1220 South St. 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 these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

ATTACHMENT *A*

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, November 23, 2017. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the 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 need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

A handwritten signature in black ink that reads "James Bruce". The signature is written in a cursive style with a large, prominent initial "J".

James Bruce

Attorney for Matador Production Company

EXHIBIT A

Devon Energy Production Company, L.P.
333 West Sheridan
Oklahoma City, Oklahoma 73102

Attention: Cari Allen

Murchison Bone Springs Drilling Program 1, LLC
Suite 303
814 San Jacinto
Austin, Texas 78701

COG Operating LLC
600 West Illinois
Midland, Texas 79720

Mobil Producing Texas & New Mexico Inc.
c/o XTO Energy Inc.
810 Houston Street
Fort Worth, Texas 76102

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mobil Producing Texas & New Mexico Inc.
c/o XTO Energy Inc.
810 Houston Street
Fort Worth, Texas 76102

9590 9402 3019 7124 1176 35

2. Article Number (Transfer from service label)

9590 9402 3019 7124 1176 35

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

Mat CC

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Agent
 Addressee
- B. Received by (Printed Name) *Kevin Gaden*
- C. Date of Delivery **NOV 14 2017**
- D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
- Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Insured Mail
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

U.S. Postal Service™

CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$
- Return Receipt (electronic) \$
- Certified Mail Restricted Delivery \$
- Adult Signature Required \$
- Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To

COG Operating LLC

600 West Illinois

Midland, Texas 79720

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

Postmark Here

U.S. Postal Service™

CERTIFIED MAIL® RECEIPT

Domestic Mail Only

For delivery information, visit our website at www.usps.com

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$
- Return Receipt (electronic) \$
- Certified Mail Restricted Delivery \$
- Adult Signature Required \$
- Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Mobil Producing Texas & New Mexico Inc.

c/o XTO Energy Inc.

810 Houston Street

Fort Worth, Texas 76102

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

COG Operating LLC
600 West Illinois
Midland, Texas 79720

2. Article

9590 9402 3019 7124 1176 35

7017 1450 0002 2176 8519

(Over \$500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

Mat CC

COMPLETE THIS SECTION ON DELIVERY

- A. Signature Agent
 Addressee
- B. Received by (Printed Name) *Kevin Gaden*
- C. Date of Delivery **NOV 15 2017**
- D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
- Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Devon Energy Production Company, L.P.
 333 West Sheridan
 Oklahoma City, Oklahoma 73102

9590 9402 3019 7124 7116 59

2. Article Number (Transfer from service label)

7017 1450 0002 2176 8526
 (over \$500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

Signature of Addressee
Richard Carroll
 Agent
 Addressee

B. Received by (Printed Name) C. Date of Delivery

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below: Yes No

3. Service Type
- Adult Signature
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Insured Mail
 - Insured Mail Restricted Delivery
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Return Receipt for Merchandise
 - Signature Confirmation
 - Signature Confirmation Restricted Delivery
 - Priority Mail Express®
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Return Receipt for Merchandise
 - Signature Confirmation
 - Signature Confirmation Restricted Delivery

Domestic Return Receipt

not cc

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

Total Postage and Fees \$ _____

Sent To Devon Energy Production Company, L.P.

333 West Sheridan

Street and Apt. # Oklahoma City, Oklahoma 73102

City, State, ZIP+4® _____

Postmark Here

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

7017 1450 0002 2176 8526

U.S. Postal Service™
CERTIFIED MAIL® RETURN
 Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee

Extra Services & Fees (check box, add fee as appropriate)

- Return Receipt (hardcopy) \$ _____
- Return Receipt (electronic) \$ _____
- Certified Mail Restricted Delivery \$ _____
- Adult Signature Required \$ _____
- Adult Signature Restricted Delivery \$ _____

Postmark
Here

Postage

Total Postage Murchison Bone Springs Drilling Program 1, LLC

Sent To Suite 303

814 San Jacinto

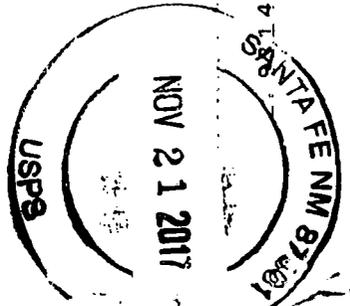
Street and Apt. Austin, Texas 78701

City, State, ZIP+4®

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

2017 1450 0002 2176 8502

James Bruce
 P.O. Box 1056
 Santa Fe, New Mexico 87504



REFUSED

14189861414963

7895555555

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE

CERTIFIED MAIL®

\$6.69
US POSTAGE
FIRST-CLASS

071V00607931
 87501
 000101318

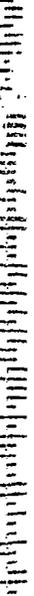
7017 1450 0002 2176 8502

Murchison Bone Springs Drilling Program 1,
 Suite 303
 814 San Jacinto

NIXIE 787 FE 1

RETURN TO
 NOT DELIVERABLE
 UNABLE TO

BC: 87504105656 *0968-



Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

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

Beginning with the issue dated
December 07, 2017
and ending with the issue dated
December 07, 2017.



Publisher

Sworn and subscribed to before me this
7th day of December 2017.

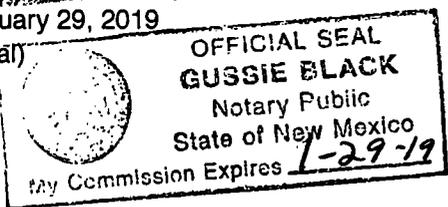


Business Manager

My commission expires

January 29, 2019

(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE
December 7, 2017

NOTICE

To: Murchison Bone Springs Drilling Program 1, LLC (working interest owner), and EOG Resources, Inc. Thompson (offset), or your successors or assigns: Matador Production Company has filed four applications with the New Mexico Oil Conservation Division seeking orders approving non-standard spacing and proration units and the compulsory pooling of all mineral interests in the Wolfcamp formation for the following wells: the Charles Ling Fed. Com. Well No. 211H, in the W/2W/2 of Section 11 (Case No. 15891); the Charles Ling Fed. Com. Well No. 212H, in the E/2W/2 of Section 11 (Case No. 15892); the Charles Ling Fed. Com. Well No. 213H, in the W/2E/2 of Section 11 (Case No. 15893); and the Charles Ling Fed. Com. Well No. 214H, in the E/2E/2 of Section 11 (Case No. 15901), in Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for the risk involved in drilling and completing the wells. The applications are scheduled to be heard at 8:15 a.m. on Thursday, December 21, 2017 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As a working interest owner in the well units, or offsetting the well units, you have the right to enter an appearance and participate in the cases. Failure to appear will preclude you from contesting these matters at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The units are located approximately 22 miles west-northwest of Jal, New Mexico.
#32309

Cases 15891, 15892, 15893, 15901
EXHIBIT 7

01101711

00203829

JAMES BRUCE
JAMES BRUCE, ATTORNEY AT LAW
P.O. BOX 1056
SANTA FE, NM 87504

Offset Operators or Working Interest Owners

E/2E/2 Section 10 and SE/4SE/4 Section 3
EOG Resources, Inc.

S/2S/2 Section 2
COG Operating LLC

SW/4SW/4 Section 1 and W/2W/2 Section 12
Kaiser-Francis Oil Company

NW/4NW/4 Section 13
Matador Production Company

N/2N/2 Section 14
Devon Energy Production Company, L.P.

NE/4NE/4 Section 15
Murchison Oil & Gas, Inc.

EXHIBIT

8

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

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15891

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15892

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15893

**APPLICATION OF MATADOR PRODUCTION
COMPANY FOR A NON-STANDARD OIL SPACING
AND PRORATION UNIT AND COMPULSORY
POOLING, LEA COUNTY, NEW MEXICO.**

Case No. 15901

AFFIDAVIT OF NOTICE

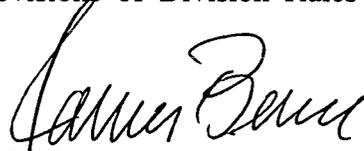
COUNTY OF SANTA FE)
) ss.
STATE OF NEW MEXICO)

James Bruce, being duly sworn upon his oath, deposes and states:

1. I am over the age of 18, and have personal knowledge of the matters stated herein.
2. I am an attorney for Matador Production Company.
3. Matador Production Company has conducted a good faith, diligent effort to find the names and correct addresses of the offset operators or working interest owners entitled to receive notice of the application filed herein.
4. Notice of the application was provided to the offsets by certified mail. Copies of the notice letters and certified return receipts are attached hereto as Attachment A.

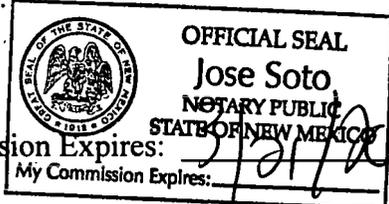
EXHIBIT 8

5. Applicant has complied with the notice provisions of Division Rules NMAC 19.15.4.9 and 19.15.4.12.C.

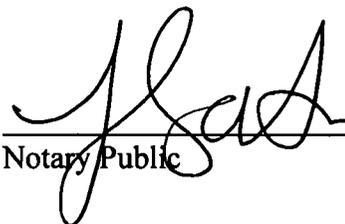


James Bruce

SUBSCRIBED AND SWORN TO before me this 20 day of December, 2017 by James Bruce.



My Commission Expires:



Notary Public

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

November 9, 2017

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of the following applications filed with the New Mexico Oil Conservation Division by Matador Production Company:

1. Case No. 15891, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 211H, a Wolfcamp well in the W/2W/2 of Section 11;
2. Case No. 15892, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 212H, a Wolfcamp well in the E/2W/2 of Section 11;
3. Case No. 15893, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 213H, a Wolfcamp well in the W/2E/2 of Section 11; and
4. Case No. 15901, for a non-standard spacing and proration unit and compulsory pooling, regarding the Charles Ling Fed. Com. Well No. 214H, a Wolfcamp well in the E/2E/2 of Section 11,

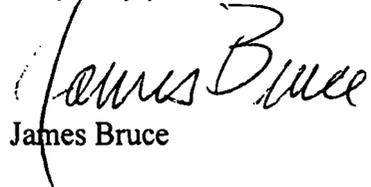
all in Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, November 30, 2017, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an **offset interest owner or operator** that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

ATTACHMENT **A**

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, November 23, 2017. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the 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 need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in black ink and is positioned above the printed name.

James Bruce

Attorney for Matador Production Company

EXHIBIT A

EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, Oklahoma 74121

Murchison Oil & Gas, Inc.
Legacy Tower One
Suite 1400
7250 Dallas Parkway
Plano, Texas 75024

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706

9590 9402 3019 7124 / 11b / 3

2. Article 7017 1450 0002 2176 8557 (over \$500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

Domestic Return Receipt

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee

B. Received by (Printed Name) *[Signature]*

C. Date of Delivery 11-17-17

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type

Priority Mail Express®

Registered Mail™

Registered Mail Restricted Delivery

Certified Mail®

Return Receipt for Merchandise

Signature Confirmation™

Signature Confirmation Restricted Delivery

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, Oklahoma 74121

City, State, ZIP+4®

7017 1450 0002 2176 8557

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®.

OFFICIAL USE

Certified Mail Fee \$

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$

Return Receipt (electronic) \$

Certified Mail Restricted Delivery \$

Adult Signature Required \$

Adult Signature Restricted Delivery \$

Postage \$

Total Postage and Fees \$

Sent To EOG Resources, Inc.
5509 Champions Drive
Midland, TX 79706

City, State, ZIP+4®

7017 1450 0002 2176 8557

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Kaiser-Francis Oil Company
P.O. Box 21468
Tulsa, Oklahoma 74121

9590 9402 3019 7124 / 11b / 3

2. Article 7017 1450 0002 2176 8540 (over \$500)

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

A. Signature *[Signature]* Agent Addressee

B. Received by (Printed Name) *[Signature]* C. Date of Delivery NOV 1 2017

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below:

3. Service Type

Priority Mail Express®

Registered Mail™

Registered Mail Restricted Delivery

Certified Mail®

Return Receipt for Merchandise

Signature Confirmation™

Signature Confirmation Restricted Delivery

Domestic Return Receipt

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Murchison Oil & Gas, Inc.
 Legacy Tower One
 Suite 1400
 7250 Dallas Parkway
 Plano, Texas 75024

0000 9402 3019 7124 7116 80

Article Number (transfer from service label)

7017 1450 0002 2176 8533

PS Form 3811, July 2015 PSN 7530-02-000-9053

COMPLETE THIS SECTION ON DELIVERY

Signature Agent
 Received by Addressee
 Date of Delivery 11-16-17
 D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

- 3. Service Type**
- Adult Signature
 - Adult Signature Restricted Delivery
 - Certified Mail®
 - Certified Mail Restricted Delivery
 - Collect on Delivery
 - Collect on Delivery Restricted Delivery
 - Registered Mail™
 - Registered Mail Restricted Delivery
 - Return Receipt for Merchandise
 - Signature Confirmation™
 - Signature Confirmation Restricted Delivery
 - Priority Mail Express®

ated Delivery

(over \$500)

Domestic Return Receipt

U.S. Postal Service™
CERTIFIED MAIL® RECEIPT
Domestic Mail Only

For delivery information, visit our website at www.usps.com®

OFFICIAL USE

Certified Mail Fee \$ _____

Extra Services & Fees (check box, add fee as appropriate)

Return Receipt (hardcopy) \$ _____

Return Receipt (electronic) \$ _____

Certified Mail Restricted Delivery \$ _____

Adult Signature Required \$ _____

Adult Signature Restricted Delivery \$ _____

Postage \$ _____

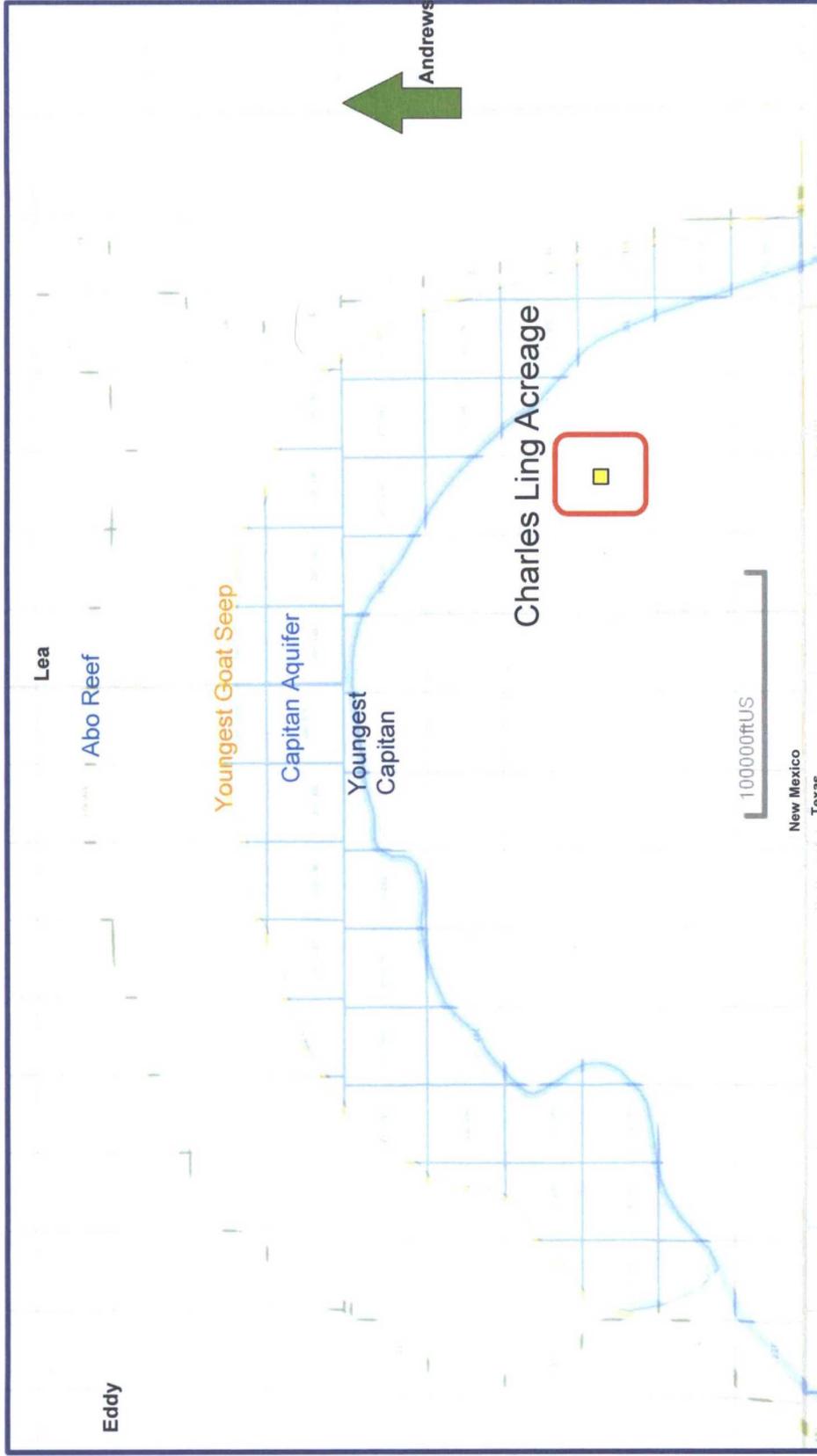
Total Postage and Fees \$ _____

Sent To Murchison Oil & Gas, Inc.
 Legacy Tower One
 Suite 1400
 Street and Apt. No., or PO Box 7250 Dallas Parkway
 City, State, ZIP+4® Plano, Texas 75024

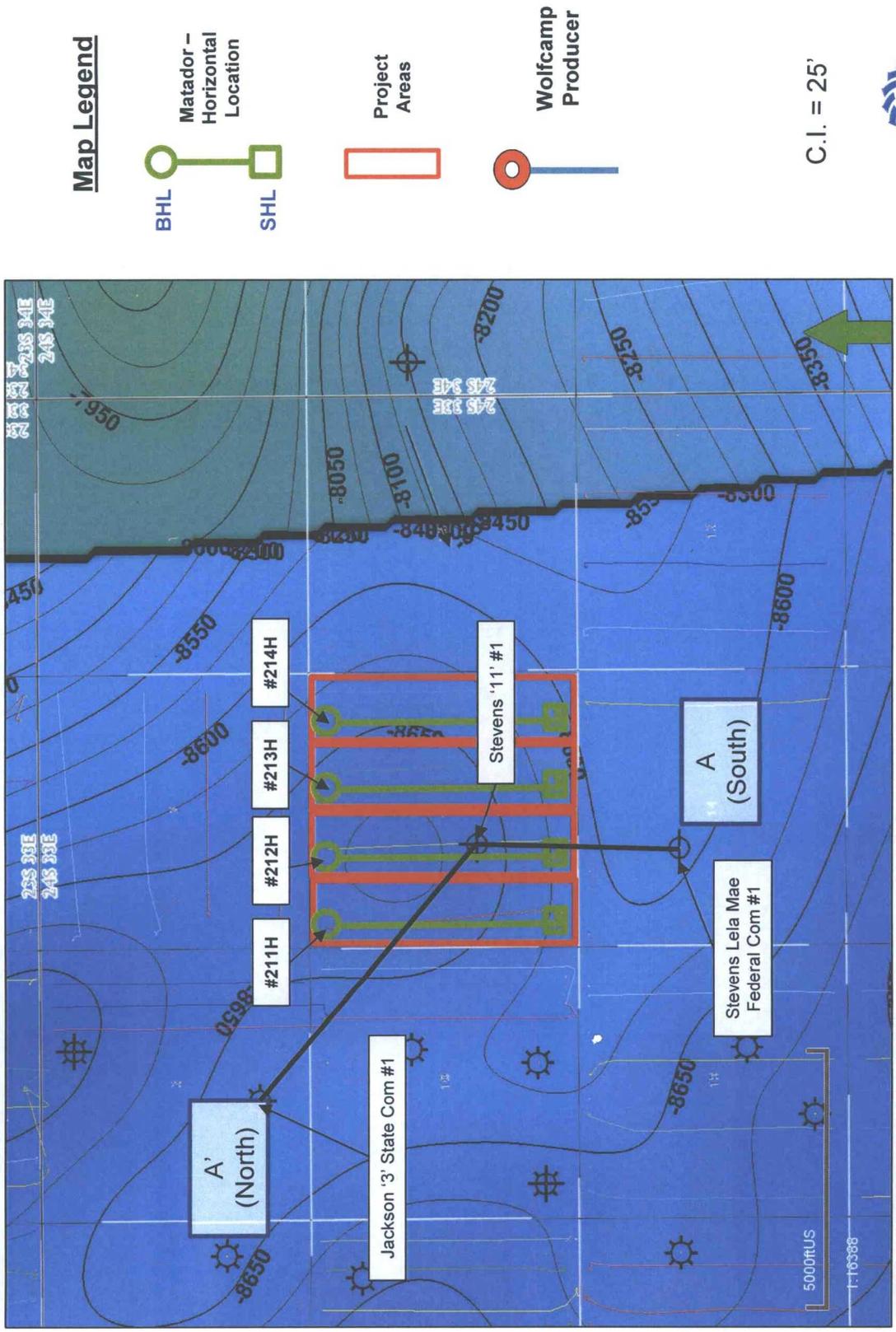
Postmark Here

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

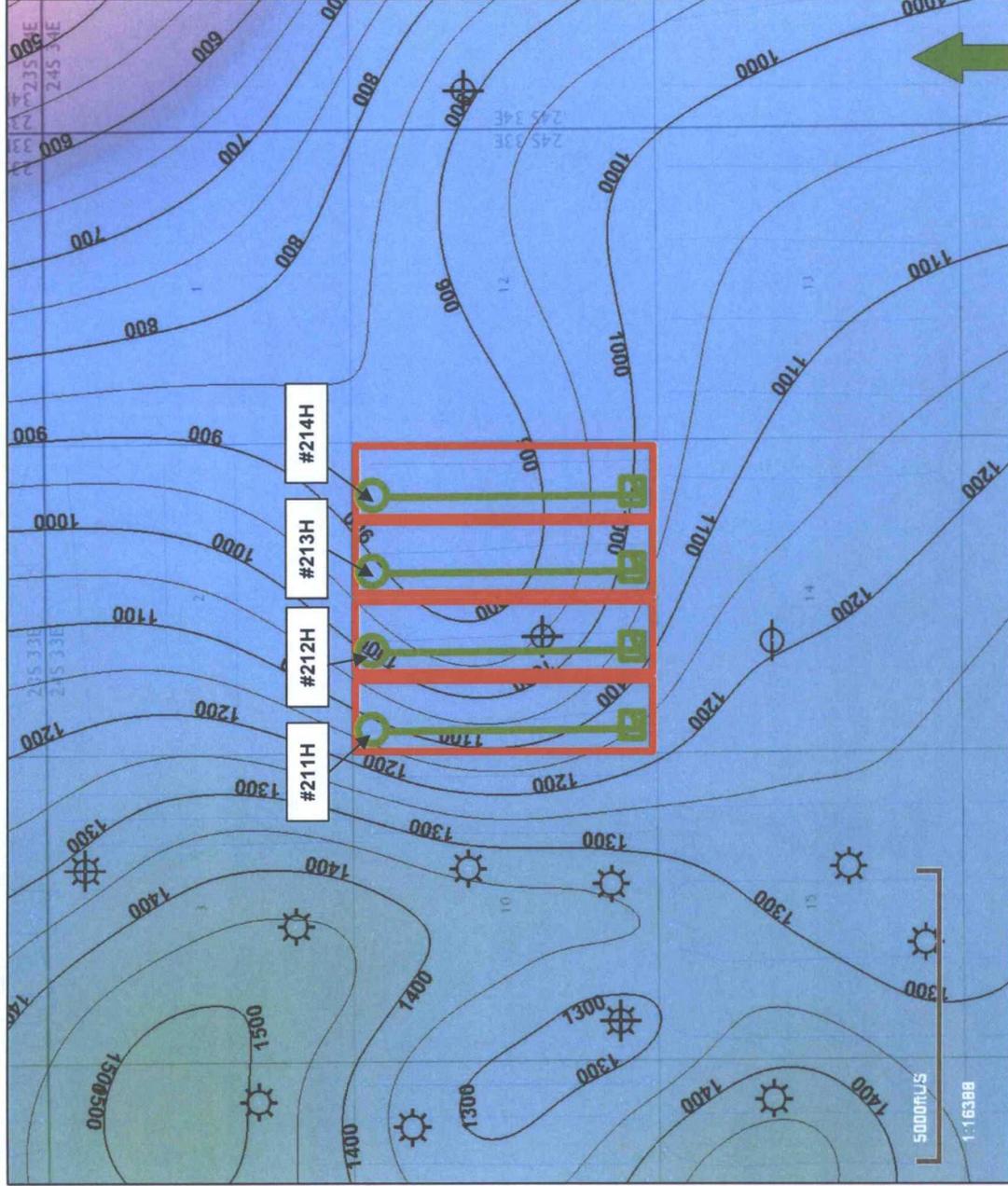
WC-025 G-09 S243310P; Upper Wolfcamp, (Pool Code 98135) Locator Map



WC-025 G-09 S243310P; Upper Wolfcamp, (Pool Code 98135) Wolfcamp Structure Map



WC-025 G-09 S243310P; Upper Wolfcamp, (Pool Code 98135) Wolfcamp Isopach



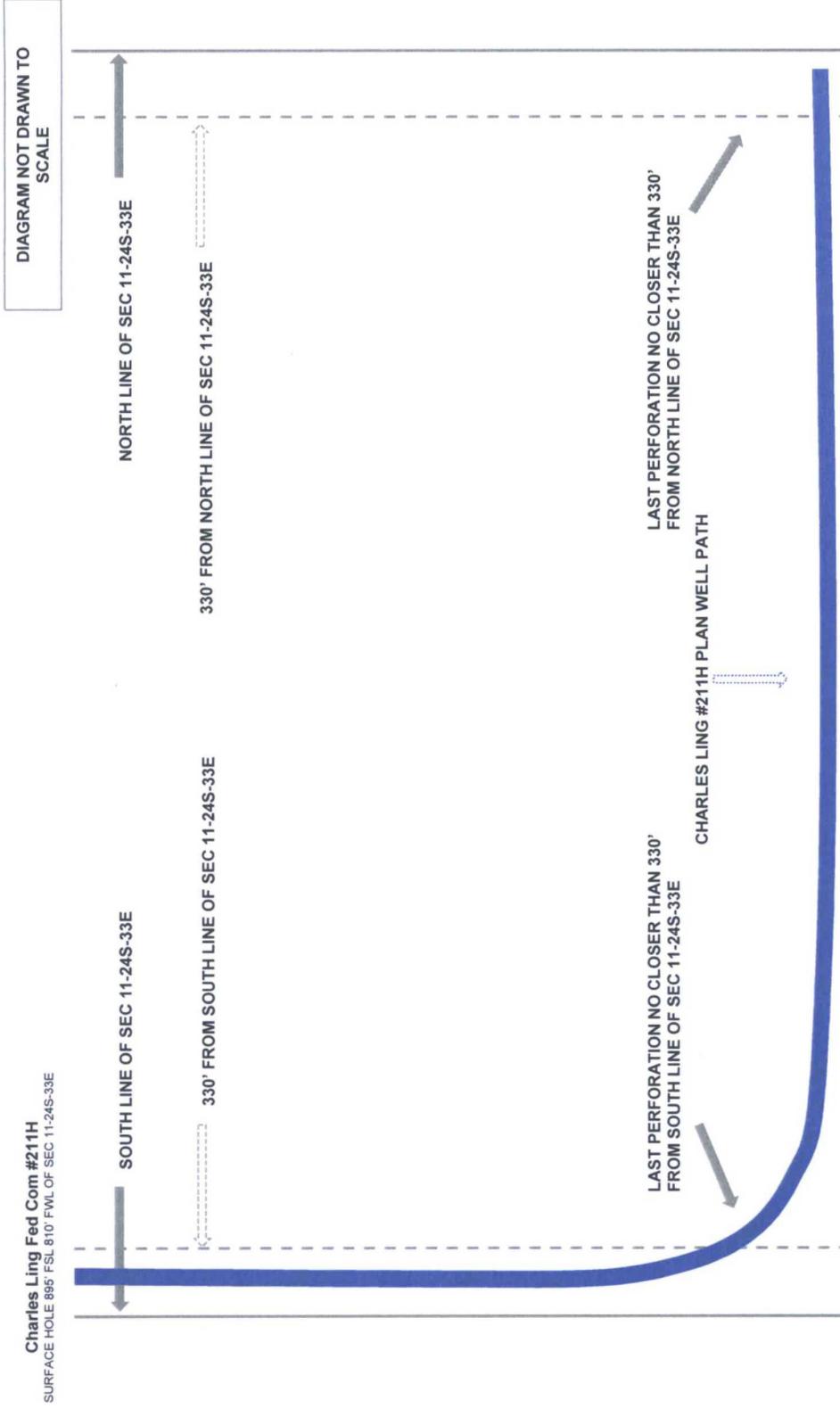
Map Legend

- BHL Matador - Horizontal Location
- SHL
- Project Area

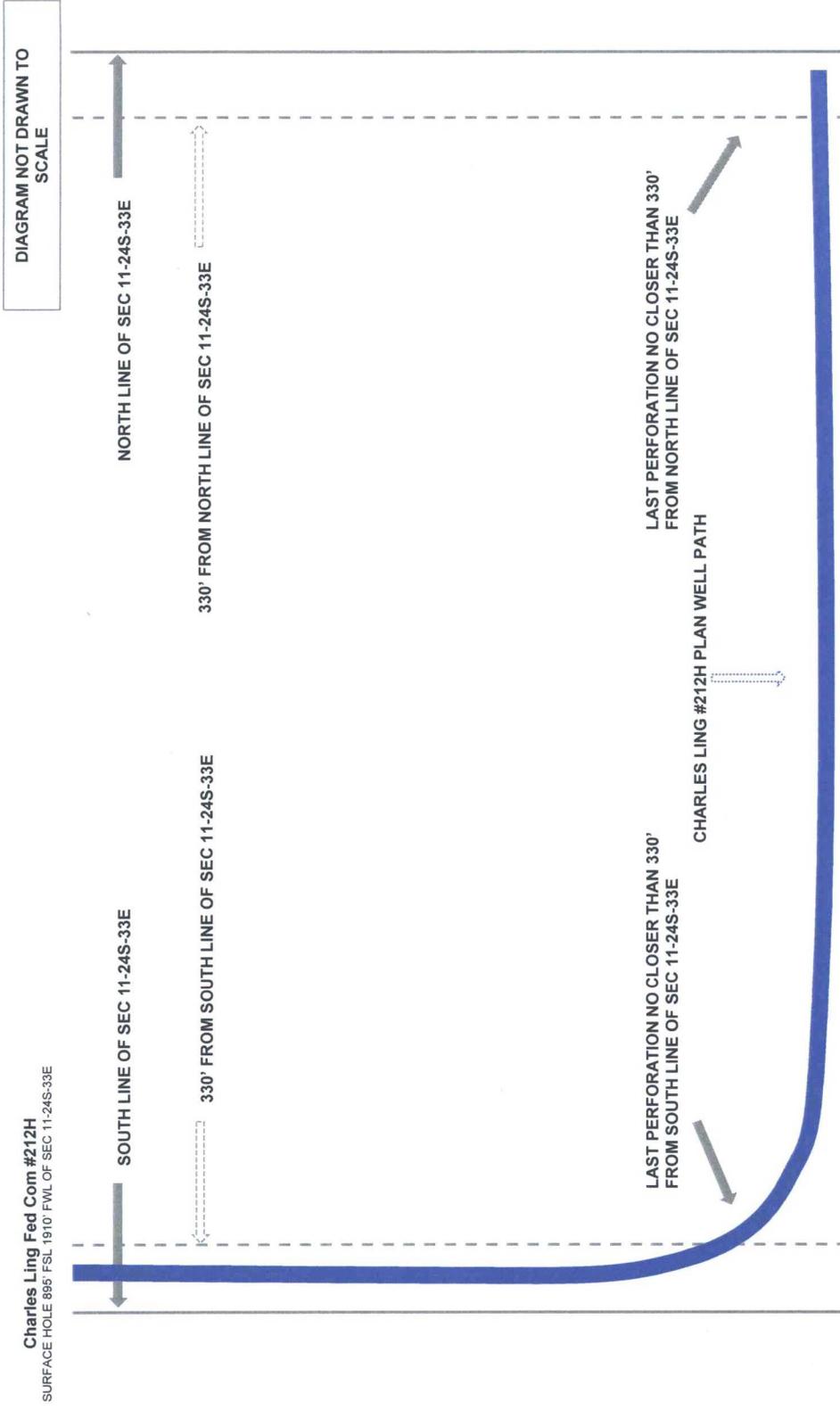
C.I. = 50'



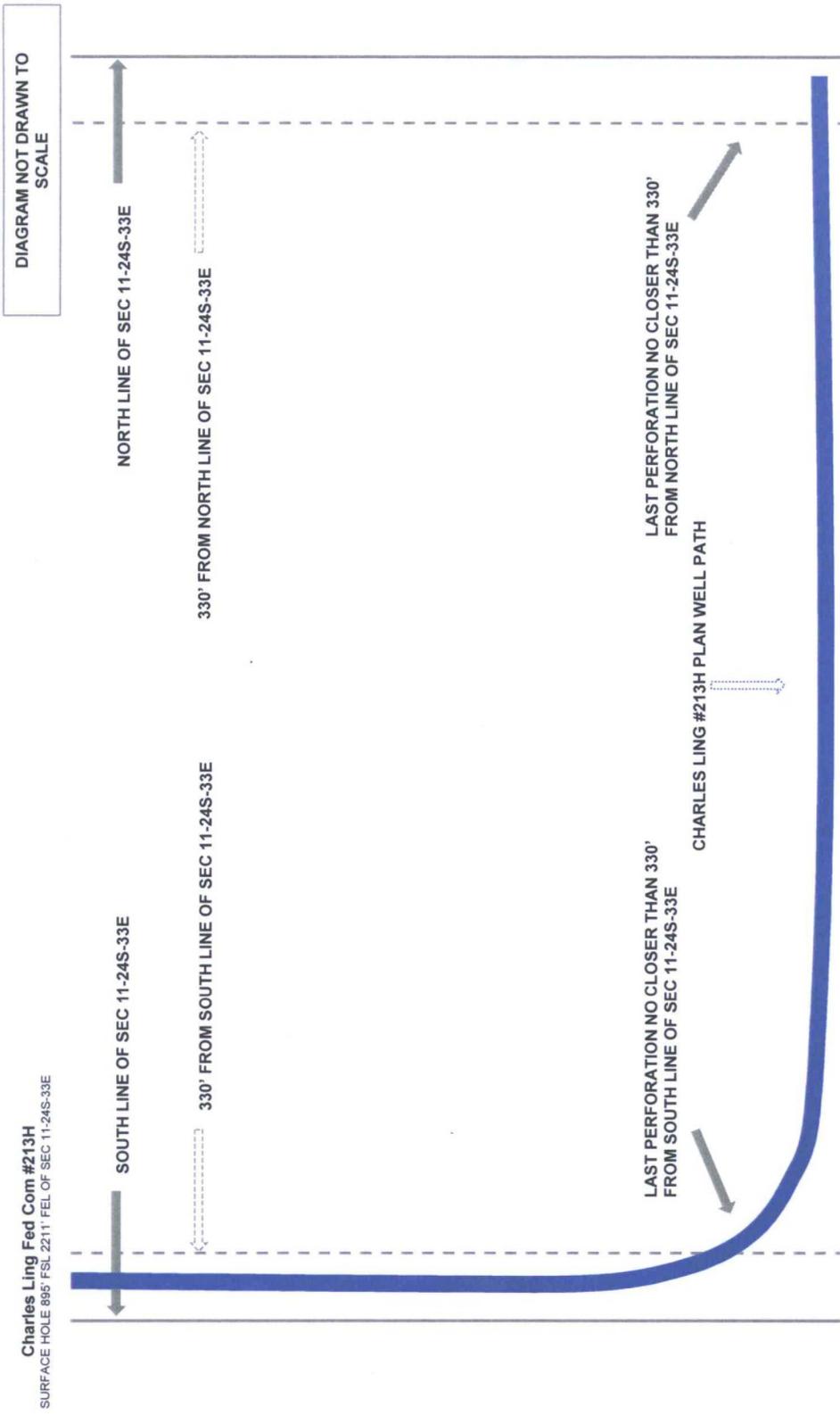
WC-025 G-09 S243310P; Upper Wolfcamp, (Pool Code 98135) Charles Ling Fed Com #211H Completion



WC-025 G-09 S243310P; Upper Wolfcamp, (Pool Code 98135) Charles Ling Fed Com #212H Completion



WC-025 G-09 S243310P; Upper Wolfcamp, (Pool Code 98135) Charles Ling Fed Com #213H Completion



WC-025 G-09 S243310P; Upper Wolfcamp, (Pool Code 98135) Charles Ling Fed Com #214H Completion

