

| 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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 | State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505 | Form C-103 August 1, 2011 Permit 239885 <hr/> WELL API NUMBER 30-015-44197 <hr/> 5. Indicate Type of Lease P <hr/> 6. State Oil & Gas Lease No. <hr/> 7. Lease Name or Unit Agreement Name TOM WALTERS 12 23S 27E RB | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Type of Well: G | | 8. Well Number 208H | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. Name of Operator MATADOR PRODUCTION COMPANY | | 9. OGRID Number 228937 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. Address of Operator One Lincoln Centre, 5400 LBJ Freeway Ste 1500, Dallas, TX 75240 | | 10. Pool name or Wildcat | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. Well Location Unit Letter <u>P</u> : <u>159</u> feet from the <u>S</u> line and feet <u>245</u> from the <u>E</u> line Section <u>11</u> Township <u>23S</u> Range <u>27E</u> NMPM _____ County <u>Eddy</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3099 GR | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____ | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2" style="text-align: center;">NOTICE OF INTENTION TO:</td> <td colspan="2" style="text-align: center;">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> <td>REMEDIAL WORK <input type="checkbox"/></td> <td>ALTER CASING <input type="checkbox"/></td> </tr> <tr> <td>TEMPORARILY ABANDON <input type="checkbox"/></td> <td>CHANGE OF PLANS <input type="checkbox"/></td> <td>COMMENCE DRILLING OPNS. <input type="checkbox"/></td> <td>PLUG AND ABANDON <input type="checkbox"/></td> </tr> <tr> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>MULTIPLE COMPL <input type="checkbox"/></td> <td>CASING/CEMENT JOB <input type="checkbox"/></td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/></td> </tr> </table> | | | NOTICE OF INTENTION TO: | | SUBSEQUENT REPORT OF: | | PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | | Other: _____ | | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTER CASING <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE OF PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Other: _____ | | Other: <u>Drilling/Cement</u> <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Casing and cementing of horizontal Wolfcamp well. 6/28/2017 Spudded well. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Casing and Cement Program <table border="1" style="width:100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>06/28/17</td> <td>Surf</td> <td>FreshWater</td> <td>17.5</td> <td>13.375</td> <td>54.5</td> <td>J55</td> <td>0</td> <td>467</td> <td>556</td> <td>1.38</td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> <tr> <td>07/02/17</td> <td>Int1</td> <td>Brine</td> <td>12.25</td> <td>9.625</td> <td>29.7</td> <td>J55</td> <td>0</td> <td>2395</td> <td>810</td> <td>1.38</td> <td>C</td> <td></td> <td>1350</td> <td>0</td> <td>N</td> </tr> <tr> <td>07/10/17</td> <td>Int2</td> <td>CutBrine</td> <td>8.75</td> <td>7.625</td> <td>29.7</td> <td>P110</td> <td>0</td> <td>2341</td> <td>757</td> <td>1.37</td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>07/10/17</td> <td>Int2</td> <td>CutBrine</td> <td>8.75</td> <td>7.625</td> <td>29.7</td> <td>P110</td> <td>0</td> <td>8623</td> <td>757</td> <td>1.37</td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>07/10/17</td> <td>Int2</td> <td>CutBrine</td> <td>8.75</td> <td>7</td> <td>29</td> <td>P110</td> <td>0</td> <td>9460</td> <td>757</td> <td>1.37</td> <td>C</td> <td></td> <td>1500</td> <td>0</td> <td>N</td> </tr> <tr> <td>08/03/17</td> <td>Prod</td> <td>OilBasedMud</td> <td>6.125</td> <td>5.5</td> <td>20</td> <td>P110</td> <td>7300</td> <td>8514</td> <td>508</td> <td>1.17</td> <td>H</td> <td></td> <td>6000</td> <td>0</td> <td>N</td> </tr> <tr> <td>08/03/17</td> <td>Prod</td> <td>OilBasedMud</td> <td>6.125</td> <td>4.5</td> <td>13.5</td> <td>P110</td> <td>7300</td> <td>14105</td> <td>508</td> <td>1.17</td> <td>H</td> <td></td> <td>6000</td> <td>0</td> <td>N</td> </tr> </tbody> </table> | | | Date | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class | 1" Dpth | Pres Held | Pres Drop | Open Hole | 06/28/17 | Surf | FreshWater | 17.5 | 13.375 | 54.5 | J55 | 0 | 467 | 556 | 1.38 | C | | 1000 | 0 | N | 07/02/17 | Int1 | Brine | 12.25 | 9.625 | 29.7 | J55 | 0 | 2395 | 810 | 1.38 | C | | 1350 | 0 | N | 07/10/17 | Int2 | CutBrine | 8.75 | 7.625 | 29.7 | P110 | 0 | 2341 | 757 | 1.37 | C | | 1500 | 0 | N | 07/10/17 | Int2 | CutBrine | 8.75 | 7.625 | 29.7 | P110 | 0 | 8623 | 757 | 1.37 | C | | 1500 | 0 | N | 07/10/17 | Int2 | CutBrine | 8.75 | 7 | 29 | P110 | 0 | 9460 | 757 | 1.37 | C | | 1500 | 0 | N | 08/03/17 | Prod | OilBasedMud | 6.125 | 5.5 | 20 | P110 | 7300 | 8514 | 508 | 1.17 | H | | 6000 | 0 | N | 08/03/17 | Prod | OilBasedMud | 6.125 | 4.5 | 13.5 | P110 | 7300 | 14105 | 508 | 1.17 | H | | 6000 | 0 | N |
| Date | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class | 1" Dpth | Pres Held | Pres Drop | Open Hole | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| 07/10/17 | Int2 | CutBrine | 8.75 | 7.625 | 29.7 | P110 | 0 | 2341 | 757 | 1.37 | C | | 1500 | 0 | N | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 07/10/17 | Int2 | CutBrine | 8.75 | 7.625 | 29.7 | P110 | 0 | 8623 | 757 | 1.37 | C | | 1500 | 0 | N | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 07/10/17 | Int2 | CutBrine | 8.75 | 7 | 29 | P110 | 0 | 9460 | 757 | 1.37 | C | | 1500 | 0 | N | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 08/03/17 | Prod | OilBasedMud | 6.125 | 5.5 | 20 | P110 | 7300 | 8514 | 508 | 1.17 | H | | 6000 | 0 | N | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> or an (attached) alternative OCD-approved plan <input type="checkbox"/> . | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>Engineering Tech</u></td> <td>DATE</td> <td><u>9/25/2017</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Ava Monroe</u></td> <td>E-mail address</td> <td><u>amonroe@matadorresources.com</u></td> <td>Telephone No.</td> <td><u>972-371-5218</u></td> </tr> </table> | | | SIGNATURE | <u>Electronically Signed</u> | TITLE | <u>Engineering Tech</u> | DATE | <u>9/25/2017</u> | Type or print name | <u>Ava Monroe</u> | E-mail address | <u>amonroe@matadorresources.com</u> | Telephone No. | <u>972-371-5218</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Type or print name | <u>Ava Monroe</u> | E-mail address | <u>amonroe@matadorresources.com</u> | Telephone No. | <u>972-371-5218</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| For State Use Only: <table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Raymond Podany</u></td> <td>TITLE</td> <td><u>Geologist</u></td> <td>DATE</td> <td><u>9/29/2017 10:38:04 AM</u></td> </tr> </table> | | | APPROVED BY: | <u>Raymond Podany</u> | TITLE | <u>Geologist</u> | DATE | <u>9/29/2017 10:38:04 AM</u> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Comments

Permit 239885

DRILLING COMMENTS

| | |
|---|--------------------------|
| Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240 | OGRID: 228937 |
| | Permit Number: 239885 |
| | Permit Type: Drilling |

Comments

| Created By | Comment | Comment Date |
|------------|--|--------------|
| amonroe | All casing integrity tests for the duration of 30 minutes. | 8/31/2017 |