Form C-145

Permit 278864

Revised May 19, 2017

District I

1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 <u>District II</u>

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

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

District IV

State of New Mexico Energy, Minerals and Natural Resources **Oil Conservation Division** 1220 S. St Francis Dr.

Santa Fe, NM 87505 **Change of Operator**

Previous Operator Information

New Operator Information

		Effective Date:	Effective on the date of approval by the OCD
OGRID:	373013	OGRID:	228937
Name:	Ridge Runner Resources Operating, LLC	Name:	MATADOR PRODUCTION COMPANY
Address:	1004 N. Big Spring Street	Address:	One Lincoln Centre
	Suite 325	_	_5400 LBJ Freeway, Ste 1500
City, State, Zip:	Midland, TX 79701	City, State,	Dallas, TX 75240

I hereby certify that the rules of the Oil Conservation Division ("OCD") have been complied with and that the information on this form and the certified list of wells is true to the best of my knowledge and belief.

Additionally, by signing below, MATADOR PRODUCTION COMPANY certifies that it has read and understands the following synopsis of applicable rules.

PREVIOUS OPERATOR certifies that all below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells being transferred are either (1) in compliance with 19.15.17 NMAC, (2) have been closed pursuant to 19.15.17.13 NMAC or (3) have been retrofitted to comply with Paragraphs 1 through 4 of 19.15.17.11(I) NMAC.

MATADOR PRODUCTION COMPANY understands that the OCD's approval of this operator change:

- 1. constitutes approval of the transfer of the permit for any permitted pit, below-grade tank or closed-loop system associated with the selected wells: and
- 2. constitutes approval of the transfer of any below-grade tanks constructed and installed prior to June 16, 2008 associated with the selected wells, regardless of whether the transferor has disclosed the existence of those below-grade tanks to the transferee or to the OCD, and regardless of whether the below-grade tanks are in compliance with 19.15.17 NMAC.

As the operator of record of wells in New Mexico, MATADOR PRODUCTION COMPANY agrees to the following statements:

1. Initials () am responsible for ensuring that the wells and related facilities comply with applicable statutes and rules, and am responsible for all regulatory filings with the OCD. I am responsible for knowing all applicable statutes and rules, not just the rules referenced in this list. I understand that the OCD's rules are available on the OCD website under "Rules," and that the Water Quality Control Commission rules are available on the OCD website on the "Publications" page.

2. Initials I understand that if I acquire wells from another operator, the OCD must approve the operator change before I begin operating those wells. See Subsection B of 19.15.9.9 NMAC. I understand that if I acquire wells or facilities subject to a compliance order addressing inactive wells or environmental cleanup, before the OCD will approve the operator change it may require me to enter into an enforceable agreement to return those wells to compliance. See Paragraph (2) of Subsection C of

19.15.9.9 NMAC.
3. Initials In has approved an allowable and authorization to transport, and injection for each injection well. See 19.15.7.24 NMAC. I understand that the OCD may cancel my authority to transport from or inject into all the wells I operate if I fail to file C-115 reports, See Subsection C of 19.15.7.24 NMAC.

4. Initials I understand that New Mexico requires wells that have been inactive for certain time periods to be plugged or placed in approved temporary abandonment. See 19.15.25.8 NMAC. I understand the requirements for plugging and approved temporary abandonment in 19.15.25 NMAC. I understand that I can check my compliance with the basic requirements of

19.15.25.8 NMAC by using the "Inactive Well List" on OCD's website.
5. Initials I must keep current with financial assurances for well plugging. I understand that New Mexico requires each state or fee well that has been inactive for more than two years and has not been plugged and released to be covered by a single-well financial assurance or a "blanket plugging financial assurance for wells in temporarily abandoned statues", even if the well is also covered by a blanket financial assurance and even if the well is on approved temporary abandonment status. See Subsection C of 19.15.8.9 NMAC. I understand that I can check my compliance with the financial assurance requirement by using the "Inactive Well Additional Financial Assurance Report" on the OCD's website.

6. Initials I am responsible for reporting and remediating releases pursuant to 19.15.29 NMAC. I understand the OCD will

look to me as the operator of record to take corrective action for releases at my wells and related facilities, including releases that occurred before I became operator of record. I am responsible for conducting my own due diligence for any releases that have occurred prior to becoming operator of my wells and related facilities and am responsible for any open releases or

unreported releases.

7. Initials VIV I have read 19.15.5.9 NMAC, commonly known as "Part 5.9," and understand that to be in compliance with its requirements I must have the appropriate financial assurances in place, comply with orders requiring corrective action, pay penalties assessed by the courts or agreed to by me in a settlement agreement, and not have too many wells out of compliance with the inactive well rule (19.15.25.8 NMAC). If I am in violation of Part 5.9, I may not be allowed to drill, acquire or produce any additional wells, and will not be able to obtain any new injection permits. See 19.15.16.19 NMAC, 19.15.26.8 NMAC, 19.15.9.9 NMAC and 19.15.14.10 NMAC. If I am in violation of Part 5.9 the OCD may, after notice and hearing, revoke my existing injection permits and seek other relief. See 19.15.26.8 NMAC and 19.15.5.10 NMAC.

8. Initials CTY For injection wells, I understand that I must report injection on my monthly C-115 report and must operate my wells in compliance with 19.15.26 NMAC and the terms of my injection permit. I understand that I must conduct mechanical integrity tests on my injection wells at least once every five years. See 19.15.26.11 NMAC. I understand that when there is a continuous one-year period of non-injection into all wells in an injection or storage project or into a saltwater disposal well or special purpose injection well, authority for that injection automatically terminates. See 19.15.26.12 NMAC. I understand that if I transfer operation of an injection well to another operator, the OCD must approve the transfer of authority to inject, and the OCD may require me to demonstrate the well's mechanical integrity prior to approving that transfer. See 19.15.26.15 NMAC.

9. Initials // I am responsible for providing the OCD with my current address of record and emergency contact information, and I am responsible for updating that information when it changes. See Subsection C of 19.15.9.8 NMAC. I understand that I

can update that information on the OCD's website under "Electronic Permitting."

10. Initials If I transfer well operations to another operator, the OCD must approve the change before the new operator can begin operations. See Subsection B of 19.15.9.9 NMAC. I remain responsible for the wells and related facilities and all related regulatory filings until the OCD approves the operator change. I understand that the transfer will not relieve me of responsibility or liability for any act or omission which occurred while I operated the wells and related facilities.

11. Initials No person with an interest exceeding 25% in the undersigned company is, or was within the last 5 years, an

officer, director, partner or person with a 25% or greater interest in another entity that is not currently in compliance with

Subsection A of 19.15.5.9 NMAC.

12. Initials NMOCD Rule Subsection E and F of 19.15.16.8 NMAC: An operator shall have 90 days from the effective date of an operator name change to change the operator name on the well sign unless the division grants an extension time, for good cause shown, along with a schedule for making the changes. Each sign shall show the (1) well number, (2) property name, (3) operator's name, (4) location by footage, quarter-quarter section, township and range (or unit letter can be substituted for the quarter-quarter section), and (5) API number.

I hereby certify I understand the above. The statements I have made are true and correct and a condition precedent to the Oil Conservation Division accepting this Change of Operator.

Previous Operator New Operator Signature: JF BAE Signature: CRAIG N. ADAMS Germann Printed **Printed** Name: Name: CEO Title: Title: 128/20 Phone: (972)371-5200 2/27/2020 Phone: (432) 684-7877 Date: Date:

Permit 278864

NMOCD Approval

Electronic Signature(s): <u>Daniel J Sanchez, District 2</u>.

Date: <u>March 09, 2020</u>

Wells Selected for Transfer

Permit 278864

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720

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

51 Wells Selected for Transfer

From:		OGRID:
	Ridge Runner Resources Operating, LLC	373013
To:		OGRID:
	MATADOR PRODUCTION COMPANY	228937

OCD District: Artesia (51 Wells selected.)

Property	Well	Lease Type	ULSTR	OCD Unit	API	Pool ID	Pool Name	Well Type
327270	AUSTIN STATE #001	S	B-36-21S-27E	В	30-015-31535	74080	CARLSBAD; STRAWN, EAST (GAS)	G
					30-015-31535	96144	CARLSBAD; BONE SPRING, EAST	
327271	BIG CHIEF COM #002	Р	N-22-22S-28E	N	30-015-22718	76130	DUBLIN RANCH; ATOKA (GAS)	G
	BIG CHIEF COM #003	Р	J-21-22S-28E	J	30-015-22791	76130	DUBLIN RANCH; ATOKA (GAS)	G
	BIG CHIEF COM #004	Р	N-15-22S-28E	N	30-015-22932	76130	DUBLIN RANCH; ATOKA (GAS)	G
327272	BIG CHIEF FEE #006	Р	F-21-22S-28E	F	30-015-33556	76140	DUBLIN RANCH; MORROW (GAS)	G
	BIG CHIEF FEE #007	Р	L-21-22S-28E	L	30-015-33726	76140	DUBLIN RANCH; MORROW (GAS)	G
	BIG CHIEF FEE #009	Р	J-15-22S-28E	J	30-015-34204	76140	DUBLIN RANCH; MORROW (GAS)	G
	BIG CHIEF FEE #010	Р	D-22-22S-28E	D	30-015-35337	76130	DUBLIN RANCH; ATOKA (GAS)	G
					30-015-35337	76140	DUBLIN RANCH; MORROW (GAS)	
327273	BIG CHIEF FEE 22 21 B #001H	Р	B-22-22S-28E	В	30-015-45292	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	BIG CHIEF FEE 22 21 B #003H	Р	I-22-22S-28E	I	30-015-45293	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	BIG CHIEF FEE 22 21 B #004H	Р	P-22-22S-28E	Р	30-015-45294	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
327274	BIG CHIEF FEE 22 21 W #001H	Р	B-22-22S-28E	В	30-015-45290	98220	PURPLE SAGE; WOLFCAMP (GAS)	G
	BIG CHIEF FEE 22 21 W #002H	Р	P-22-22S-28E	Р	30-015-45291	98220	PURPLE SAGE; WOLFCAMP (GAS)	G
327275	BIG CHIEF STATE COM 15 16 B #001H	S	C-15-22S-28E	С	30-015-45284	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	BIG CHIEF STATE COM 15 16 B #002H	S	F-15-22S-28E	F	30-015-45285	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	BIG CHIEF STATE COM 15 16 B #003H	S	K-15-22S-28E	К	30-015-45286	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	BIG CHIEF STATE COM 15 16 B #004H	S	N-15-22S-28E	N	30-015-45287	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
327276	BIG CHIEF STATE COM 15 16 W #001H	S	C-15-22S-28E	С	30-015-45288	98220	PURPLE SAGE; WOLFCAMP (GAS)	G
	BIG CHIEF STATE COM 15 16 W #002H	S	N-15-22S-28E	N	30-015-45289	98220	PURPLE SAGE; WOLFCAMP (GAS)	G
327277	DINERO 16 STATE #004	S	N-16-22S-28E	N	30-015-34139	76140	DUBLIN RANCH; MORROW (GAS)	G
327278	DINERO STATE #005	S	G-16-22S-28E	G	30-015-34492	76140	DUBLIN RANCH; MORROW (GAS)	G
327279	DINERO STATE COM #002	S	P-16-22S-28E	Р	30-015-25093	76130	DUBLIN RANCH; ATOKA (GAS)	G
327280	E J GARNER COM #001	F	P-26-21S-27E	Р	30-015-22722	74160	CARLSBAD; WOLFCAMP, EAST (GAS)	G
327281	EDMONTON STATE #001H	S	H-25-21S-27E	Н	30-015-46059	96144	CARLSBAD; BONE SPRING, EAST	0
	EDMONTON STATE #002H	S	N-25-21S-27E	N	30-015-46060	96144	CARLSBAD; BONE SPRING, EAST	0
327282	ESPERANZA 22 STATE COM #002	S	L-22-21S-27E	L	30-015-33555	73280	BURTON FLAT; MORROW (PRO GAS)	G
					30-015-33555	97208	LONE TREE DRAW; WOLFCAMP	
327283	ESPERANZA 22 STATE COM B #003H	S	L-22-21S-27E	L	30-015-46414	96144	CARLSBAD; BONE SPRING, EAST	0
	ESPERANZA 22 STATE COM B #005H	S	M-22-21S-27E	М	30-015-46416	96144	CARLSBAD; BONE SPRING, EAST	0
327284	ESPERANZA 22 STATE COM W #004H	S	L-22-21S-27E	L	30-015-46415	97208	LONE TREE DRAW; WOLFCAMP	0
327285	LITTLE SQUAW COM #001	Р	F-27-22S-28E	F	30-015-22475	76130	DUBLIN RANCH; ATOKA (GAS)	G
	LITTLE SQUAW COM #002	Р	N-27-22S-28E	N	30-015-22841	76130	DUBLIN RANCH; ATOKA (GAS)	G
327286	LITTLE SQUAW COM 27 B #001H	Р	D-27-22S-28E	D	30-015-45295	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	LITTLE SQUAW COM 27 B #002H	Р	C-27-22S-28E	С	30-015-45296	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	LITTLE SQUAW COM 27 B #003H	Р	P-22-22S-28E	Р	30-015-45297	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	LITTLE SQUAW COM 27 B #004H	Р	P-22-22S-28E	Р	30-015-45298	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
327287	LITTLE SQUAW COM 27 W #001H	Р	D-27-22S-28E	D	30-015-45299	98220	PURPLE SAGE; WOLFCAMP (GAS)	G
	LITTLE SQUAW COM 27 W #002H	Р	P-22-22S-28E	Р	30-015-45300	98220	PURPLE SAGE; WOLFCAMP (GAS)	G
327288	NIX YATES #001	Р	G-02-22S-27E	G	30-015-21113	73920	CARLSBAD; MORROW, EAST (GAS)	G
					30-015-21113	74160	CARLSBAD; WOLFCAMP, EAST (GAS)	
327289	PECOS FEDERAL COM #001	F	3-01-22S-27E	С	30-015-21048	74160	CARLSBAD; WOLFCAMP, EAST (GAS)	G
327290	REEVES FEDERAL #002	F	C-35-21S-27E	С	30-015-22330	73920	CARLSBAD; MORROW, EAST (GAS)	G
327291	STATE 36 #002	S	C-36-21S-27E	С	30-015-22459	74160	CARLSBAD; WOLFCAMP, EAST (GAS)	G
327293	VIKING FEE SWD #001	Р	B-22-22S-28E	В	30-015-45309	97869	SWD; DEVONIAN-SILURIAN	s

327294	WARRIOR FEDERAL COM 2734 B #002H	F	P-22-22S-28E	Р	30-015-46591	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
	WARRIOR FEDERAL COM 2734 B #004H	F	P-22-22S-28E	Р	30-015-46589	15011	CULEBRA BLUFF; BONE SPRING, SOUTH	0
327295	WARRIOR FEDERAL COM 2734 W #001H	F	M-22-22S-28E	М	30-015-46607	98220	PURPLE SAGE; WOLFCAMP (GAS)	G
327296	WINNIPEG 36 STATE B #001H	S	D-36-21S-27E	D	30-015-46040	96144	CARLSBAD; BONE SPRING, EAST	0
	WINNIPEG 36 STATE B #002H	S	E-36-21S-27E	Е	30-015-46041	96144	CARLSBAD; BONE SPRING, EAST	0
	WINNIPEG 36 STATE B #003H	S	L-36-21S-27E	L	30-015-46042	96144	CARLSBAD; BONE SPRING, EAST	0
	WINNIPEG 36 STATE B #004H	S	M-36-21S-27E	М	30-015-46043	96144	CARLSBAD; BONE SPRING, EAST	0
327297	WINNIPEG 36 STATE W #001H	S	D-36-21S-27E	D	30-015-46023	74160	CARLSBAD; WOLFCAMP, EAST (GAS)	G
	WINNIPEG 36 STATE W #002H	S	M-36-21S-27E	М	30-015-46044	74160	CARLSBAD; WOLFCAMP, EAST (GAS)	G

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Comments

Permit 278864

CHANGEOP COMMENTS

Operator:	OGRID:
Ridge Runner Resources Operating, LLC	373013
1004 N. Big Spring Street	Permit Number:
Midland, TX 79701	278864
	Permit Type:
	ChangeOp

Comments

Created By	Comment	Comment Date
amonroe	Wells transferred to Matador Production Company 02/28/2020.	3/4/2020