



United States Department of the Interior



BUREAU OF LAND MANAGEMENT
New Mexico State Office
301 Dinosaur Trail
Santa Fe, New Mexico 87508
<https://www.blm.gov/new-mexico>

In Reply Refer To:

NMNM143811
3105.2 (NM920)

Reference:

Communitization Agreement
Ted Paup 3231 205H
Section 32: N2N2
Section 31: Lot 1, N2NE, NENW
T.20 S., R.29 E., N.M.P.M.
Eddy County, NM

Matador Production Co.
5400 LBJ Freeway Suite 1500
Dallas TX 75240

Enclosed is an approved copy of Communitization Agreement NMNM143811 involving 38.30 acres of Federal land in lease NMNM0004825, 40.00 acres of Federal land in lease NMNM0473817, 80.00 acres of Federal land in lease NMNM098175, and 160.00 acres of Federal land in lease NMNM129261, Eddy County, New Mexico, which comprise a 318.30 acre well spacing unit.

The agreement communitizes all rights to crude oil and associated natural gas from the Wolfcamp formation beneath the N2N2 of Sec. 32 and Lot 1, N2NE, NENW of Sec. 31 of T. 20 S., R. 29 E., NMPM, Eddy County, NM, and is effective February 1, 2021. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Approval of this agreement does not constitute an adjudication of any state, local government, or private interests, and does not constitute a warranty or certification that the information supplied by the party submitting this agreement regarding any private, state, or local government interests is accurate.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue. Please direct questions regarding royalty payments and production reports to your primary contacts at the Office of Natural Resources Revenue (ONRR). If unknown, please use ONRR's website, <https://onrr.gov/about/contact>, to identify the correct contact for your company or to find a general contact to get started.

INTERIOR REGION 5 · MISSOURI BASIN
Kansas, Most of Montana, North Dakota,
Nebraska, South Dakota

**INTERIOR REGION 6 · ARKANSAS-
RIO GRANDE-TEXAS GULF**
Oklahoma, Texas

**INTERIOR REGION 7 · UPPER
COLORADO BASIN**
Colorado, New Mexico, Utah, Wyoming

To ensure the BLM ties the wells to the correct associated agreements, the BLM requires you to submit a letter to the relevant Field Office providing a list of associated producing wells (well name and number, US Well Number, and first production date), which matches each pending Federal oil and gas agreements. **For the Carlsbad Field Office, please submit this information to BLM_NM_CFO_ADJ@blm.gov**

As a reminder, you must also submit a completion report for each well (Federal, State, or private), which will allocate to the pending oil and gas agreement. You cannot report production or royalties or pay royalties until this information is submitted to the BLM in writing.

If you have any questions regarding this approval, please contact Jordan Yawn by email at jyawn@blm.gov or by phone (505) 954-2138. Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,

KYLE
PARADIS

Digitally signed by
KYLE PARADIS
Date: 2025.02.25
10:00:45 -07'00'

Kyle Paradis
Branch Chief of Reservoir Management
Division of Minerals

1 Enclosure:
1 - Communitization Agreement

cc:
ONRR, Denver
NM Taxation & Revenue Dept. (Revenue Processing Div.)
NMOCD
NM (P0220-CFO, File Room)
NMSO (NM925, File)

DETERMINATION - APPROVAL - CERTIFICATION

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 266(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine and certify that the plan of development and operation contemplated in the attached Communitization Agreement is necessary, advisable, and in the public interest for the purpose of more properly conserving the natural resources.
- B. Approve the attached Communitization Agreement NMNM143811 involving Federal Lease(s) NMNM0004825, NMNM0473817, NMNM098175, and NMNM129261. This Communitization Agreement is in Sec. 32 and 31, T. 20 S., R. 29 E., NMPM, Eddy County, New Mexico, for production of crude oil and associated natural gas producible from the Wolfcamp Formation.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said Communitization Agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the Communitization Agreement.

Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto. In addition, approval of this agreement does not warrant or certify that the State or Patented land descriptions and acreages are consistent with the latest survey for those lands.

This approval is granted subject to the condition that the requirements of Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982 be satisfied for all wells drilled anywhere within the communitized area.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a leases site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for civil penalties for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3163.2(e)(2).

KYLE
PARADIS

Digitally signed by
KYLE PARADIS
Date: 2025.02.25
10:01:34 -07'00'

Kyle Paradis
Branch Chief of Reservoir Management
Division of Minerals

Effective: February 1, 2021
Contract No.: NMNM143811

RECEIVED

SEP 23 2021

BLM, NMSO
SANTA FEFederal Communitization AgreementContract No. NMNM 143811

THIS AGREEMENT entered into as of the 1st day of February, 2021, by and between the parties subscribing, ratifying, or consenting hereto, such parties being hereinafter referred to as "parties hereto."

WITNESSETH:

WHEREAS, the Act of February 25, 1920 (41 Stat. 437), as amended and supplemented, authorizes communitization or drilling agreements communitizing or pooling a Federal oil and gas lease, or any portion thereof, with other lands, whether or not owned by the United States, when separate tracts under such Federal lease cannot be independently developed and operated in conformity with an established well-spacing program for the field or area and such communitization or pooling is determined to be in the public interest; and

WHEREAS, the parties hereto own working, royalty or other leasehold interests, or operating rights under the oil and gas leases and lands subject to this agreement which cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located; and

WHEREAS, the parties hereto desire to communitize and pool their respective mineral interests in lands subject to this agreement for the purpose of developing and producing communitized substances in accordance with the terms and conditions of this agreement:

NOW, THEREFORE, in consideration of the premises and the mutual advantages to the parties hereto, it is mutually covenanted and agreed by and between the parties hereto as follows:

1. The lands covered by this agreement (hereinafter referred to as "communitized area") are described as follows:

N2N2 Sections 32 & 31, Township 20S, Range 29E, Eddy County, New Mexico.

Lot 1, N2NE, N2NW. M

Containing 318.30 acres, and this agreement shall include only the Wolfcamp Formation underlying said lands and the crude oil and associated natural gas hereafter referred to as "communitized substances," producible from such formation(s).

2. Attached hereto, and made a part of this agreement for all purposes is Exhibit "A", a plat designating the communitized area and, Exhibit "B", designating the operator of the communitized area and showing the acreage, percentage and ownership of oil and gas interests in all lands within the communitized area, and the authorization, if any, for communitizing or pooling any patented or fee lands within the communitized area.

3. The Operator of the communitized area shall be **Matador Production Company 5400 Lyndon B Johnson Fwy, Suite 1500, Dallas, Texas, 75240**. All matters of operations shall be governed by the operator under and pursuant to the terms and provisions of this agreement. A successor operator may be designated by the owners of the working interest in the communitized area and four (4) executed copies of a designation of successor operator shall be filed with the Authorized Officer.
4. Operator shall furnish the Secretary of the Interior, or his authorized representative, with a log and history of any well drilled on the communitized area, monthly reports of operations, statements of oil and gas sales and royalties and such other reports as are deemed necessary to compute monthly the royalty due the United States, as specified in the applicable oil and gas operating regulations.
5. The communitized area shall be developed and operated as an entirety, with the understanding and agreement between the parties hereto that all communitized substances produced there from shall be allocated among the leaseholds comprising said area in the proportion that the acreage interest of each leasehold bears to the entire acreage interest committed to this agreement.

If the communitized area approved in this Agreement contains unleased Federal lands, the value of $1/8^{\text{th}}$ or $12 \frac{1}{2}$ percent for the Federal lands, of the production that would be allocated to such Federal lands, described above, if such lands were leased, committed and entitled to participation, shall be payable as compensatory royalties to the Federal government. The remaining $7/8^{\text{th}}$ should be placed into an escrow account set up by the operator. Parties to the Agreement holding working interest in committed leases within the applicable communitized area are responsible for such royalty payments on the volume of the production reallocated from the unleased Federal lands to their communitized tracts as set forth in Exhibit "B" attached hereto. The value of such production subject to the payment of said royalties shall be determined pursuant to the method set forth in 30 CFR Part 1206 for the unleased Federal lands. Payment of compensatory royalties on the production reallocated from the unleased Federal lands to the committed tracts within the communitized area shall fulfill the Federal royalty obligation for such production. Payment of compensatory royalties, as provided herein, shall accrue from the date the committed tracts in the communitized area that includes unleased Federal land receive a production allocation, and shall be due and payable by the last day of the calendar month next following the calendar month of actual production. Payment due under this provision shall end when the Federal tract is leased or when production of communitized substances ceases within the communitized area and the Communitization Agreement is terminated, whichever occurs first.

Any party acquiring a Federal lease of the unleased Federal lands included in the communitized area established hereunder, will be subject to this Agreement as of the effective date of the Federal leases to said party (ies). Upon issuance of the Federal lease and payment of its proportionate cost of the well, including drilling, completing and equipping the well, the acquiring party (ies) shall own the working interest described in the Tract, as described on Exhibit "B", and shall have the rights and obligations of said working interest as to the effective date of the Federal Lease.

6. The royalties payable on communitized substances allocated to the individual leases comprising the communitized area and the rentals provided for in said leases shall be determined and paid on the basis prescribed in each of the individual leases. Payments of rentals under the terms of leases subject to this agreement shall not be affected by this agreement except as provided for under the terms and provisions of said leases or as may herein be otherwise provided. Except as herein modified and changed, the oil and gas leases subject to this agreement shall remain in full force and effect as originally made and issued. It is agreed that for any Federal lease bearing a sliding- or step-scale rate of royalty, such rate shall be determined separately as to production from each communitization agreement to which such lease may be committed, and separately as to any noncommunitized lease production, provided, however, as to leases where the rate of royalty for gas is based on total lease production per day, such rate shall be determined by the sum of all communitized production allocated to such a lease plus any noncommunitized lease production.
7. There shall be no obligation on the lessees to offset any well or wells completed in the same formation as covered by this agreement on separate component tracts into which the communitized area is now or may hereafter be divided, nor shall any lessee be required to measure separately communitized substances by reason of the diverse ownership thereof, but the lessees hereto shall not be released from their obligation to protect said communitized area from drainage of communitized substances by a well or wells which may be drilled offsetting said area.
8. The commencement, completion, continued operation, or production of a well or wells for communitized substances on the communitized area shall be construed and considered as the commencement, completion, continued operation, or production on each and all of the lands within and comprising said communitized area, and operations or production pursuant to this agreement shall be deemed to be operations or production as to each lease committed hereto.
9. Production of communitized substances and disposal thereof shall be in conformity with allocation, allotments, and quotas made or fixed by any duly authorized person or regulatory body under applicable Federal or State statutes. This agreement shall be subject to all applicable Federal and State laws or executive orders, rules and regulations, and no party hereto shall suffer a forfeiture or be liable in damages for failure to comply with any of the provisions of this agreement if such compliance is prevented by, or if such failure results from, compliance with any such laws, orders, rules or regulations.
10. The date of this agreement is **February 1, 2021**, and it shall become effective as of this date or from the onset of production of communitized substances, whichever is earlier upon execution by the necessary parties, notwithstanding the date of execution, and upon approval by the Secretary of the Interior or by his duly authorized representative, and shall remain in force and effect for a period of 2 years and for as long as communitized substances are, or can be, produced from the communitized area in paying quantities: Provided, that prior to production in paying quantities from the communitized area and upon fulfillment of all requirements of the Secretary of the Interior, or his duly authorized representative, with respect to any dry hole or abandoned well, this agreement may be terminated

at any time by mutual agreement of the parties hereto. This agreement shall not terminate upon cessation of production if, within 60 days thereafter, reworking or drilling operations on the communitized area are commenced and are thereafter conducted with reasonable diligence during the period of nonproduction. The 2-year term of this agreement will not in itself serve to extend the term of any Federal lease which would otherwise expire during said period.

11. The covenants herein shall be construed to be covenants running with the land with respect to the communitized interests of the parties hereto and their successors in interests until this agreement terminates and any grant, transfer, or conveyance of any such land or interest subject hereto, whether voluntary or not, shall be and hereby is conditioned upon the assumption of all obligations hereunder by the grantee, transferee, or other successor in interest, and as to Federal land shall be subject to approval by the Secretary of the Interior, or his duly authorized representative.
12. It is agreed between the parties hereto that the Secretary of the Interior, or his duly authorized representative, shall have the right of supervision over all Fee and State mineral operations within the communitized area to the extent necessary to monitor production and measurement, and assure that no avoidable loss of hydrocarbons occur in which the United States has an interest pursuant to applicable oil and gas regulations of the Department of the Interior relating to such production and measurement.
13. This agreement shall be binding upon the parties hereto and shall extend to and be binding upon their respective heirs, executors, administrators, successors, and assigns.
14. This agreement may be executed in any number of counterparts, no one of which needs to be executed by all parties, or may be ratified or consented to by separate instrument, in writing, specifically referring hereto, and shall be binding upon all parties who have executed such a counterpart, ratification or consent hereto with the same force and effect as if all parties had signed the same document.
15. Nondiscrimination. In connection with the performance of work under this agreement, the operator agrees to comply with all the provisions of Section 202(1) to (7) inclusive, of Executive Order 11246 (30F.R. 12319), as amended, which are hereby incorporated by reference in this agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written and have set opposite their respective names the date of execution.

Operator: Matador Production Company *CL*

Craig N. Adams
Signature of Authorized Agent

By: Craig N. Adams Executive Vice President
Name & Title of Authorized Agent

Date: 4.9.2021

ACKNOWLEDGEMENT

STATE OF TEXAS)

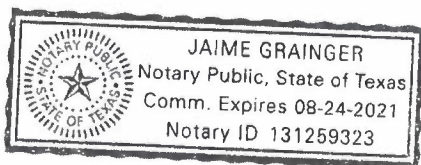
COUNTY OF DALLAS)

On this 9th day of April, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8.24.2021
My Commission Expires

Jaime Grainger
Notary Public



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Delaware Resources, LLC

By: _____

Craig N. Adams *CL pod*
Craig N. Adams Executive Vice President
Print Name

Date: _____

4.9.2021

ACKNOWLEDGEMENT

STATE OF TEXAS)

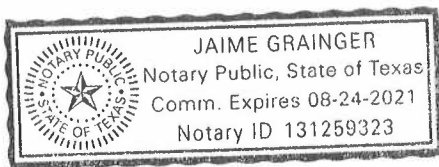
COUNTY OF DALLAS)

On this 9th day of April, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Delaware Resources, LLC, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8.24.2021
My Commission Expires

Jaime Grainger
Notary Public



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

MRC Permian Company

By: _____

Craig N. Adams

CL
pab

Craig N. Adams Executive Vice President

Print Name

Date: _____

4.9.2021

ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 9th day of April, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of MRC Permian Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

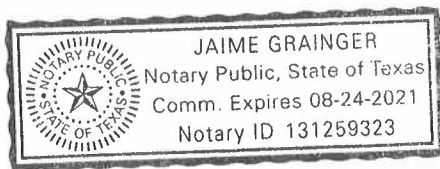
(SEAL)

8.24.2021

My Commission Expires

Notary Public

Jaime Grainger



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

I, the undersigned, hereby certify, on behalf of **Matador Production Company**, Operator of this Communitization Agreement, that all working interest owners (i.e., lessees of record and operating rights owners) shown on Exhibit B attached to this Agreement are, to the best of my knowledge, the working interest owners of the leases subject to this Agreement, and that the written consents of all of the named owners have been obtained and will be made available to the BLM immediately upon request.

Operator: Matador Production Company


Signature of Authorized Agent

By: Craig N. Adams Executive Vice President
Name & Title of Authorized Agent

Date: 4.9.2021

ACKNOWLEDGEMENT

STATE OF TEXAS)

COUNTY OF DALLAS)

On this 9th day of April, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8.24.2021
My Commission Expires


Notary Public

Operator: Matador Production Company

Craig N. Adams
Signature of Authorized Agent

CL
pad

By: Craig N. Adams Executive Vice President
Name & Title of Authorized Agent

Date: 4.9.2021

ACKNOWLEDGEMENT

STATE OF TEXAS)

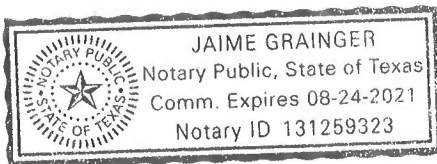
COUNTY OF DALLAS)

On this 9th day of April, 2021, before me, a Notary Public for the State of Texas, personally appeared Craig N. Adams, known to me to be the Executive Vice President of Matador Production Company, the corporation that executed the foregoing instrument and acknowledged to me such corporation executed the same.

(SEAL)

8.24.2021
My Commission Expires

Jaime Grainger
Notary Public



WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD

Featherstone Development Corporation

Date: 2/18/21

By: _____

Name: Olen Featherstone III

Title: President

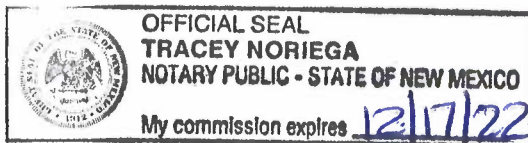
ACKNOWLEDGEMENT

STATE OF _____)
COUNTY _____)

The foregoing instrument was acknowledged before me this 18th day of February, 2021, by Olen Featherstone III, in his/her capacity as President of Featherstone Development Corporation on behalf of said corporation.

My Commission Expires: _____

Tracey Noriega
Notary Public



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Veritas Permian Resources, LLC

Date: 3.31.2021

By: Mark Schumacher MTS

Name: MARK SCHUMACHER

Title: PRESIDENT & COO

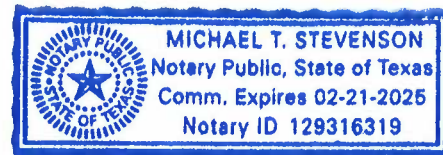
ACKNOWLEDGEMENT

STATE OF TEXAS)
)
COUNTY OF TARRANT)

The foregoing instrument was acknowledged before me this 31 day of MARCH, 2021,
by MARK SCHUMACHER, in his/her capacity as PRESIDENT & COO of
VERITAS PERMIAN RESOURCES, LLC, on behalf of said corporation.

My Commission Expires: 2.21.2025

Michael T. Stevenson
Notary Public



**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Trigg Oil and Gas Limited Partnership

Date: 3.2.21

By: Frank Lilley

Name: FRANK LILLEY

Title: TREASURER

ACKNOWLEDGEMENT

STATE OF New Mexico)

COUNTY Chaves)

The foregoing instrument was acknowledged before me this 2nd day of March, 2021,
by Frank Lilley, in his/her capacity as Treasurer of Trigg Oil and
Gas Limited Partnership, on behalf of said corporation.

My Commission Expires: 11/27/2022

Lammy Opliff
Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Yates Energy Corporation

Date: 3921

By: 

Name: **Fred G. Yates, President**

Title: _____

ACKNOWLEDGEMENT

STATE OF New Mexico)
)
COUNTY Chaves)

The foregoing instrument was acknowledged before me this 9th day of March, 2021,
by Fred G. Yates, in his/her capacity as President of **Yates Energy**
Corporation, on behalf of said corporation.

My Commission Expires: 12-20-24


Notary Public

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD**

Yates Industries, LLC

Date: August 27, 2021

By: Shari Dayhoff

Name: Shari Dayhoff

Title: Attorney-in-Fact

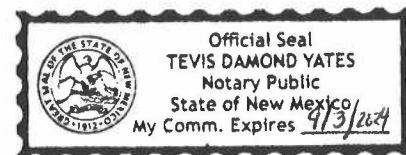
ACKNOWLEDGEMENT

STATE OF NEW MEXICO)
)
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 27th day of August, 2021 by Shari Dayhoff, in her capacity as Attorney-in-Fact of **Yates Industries, LLC**, on behalf of said limited liability company.

My Commission Expires: 9/3/2024

Tevis Damond Yates
Notary Public



WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD

Sharbro Energy, LLC

Date: 6/21/21

By: Elizabeth Baker

Name: Elizabeth Baker

Title: Attorney-in-Fact


ACKNOWLEDGEMENT

STATE OF New Mexico)
COUNTY Eddy)

The foregoing instrument was acknowledged before me this 21st day of June, 2021,
by Elizabeth Baker, in his/her capacity as Attorney-in-Fact of
Sharbro Energy LLC, a Limited Liability Company, on behalf of said corporation.

My Commission Expires: September 17, 2024

Baubach Anvary
Notary Public

 OFFICIAL SEAL
BAUBACK ANVARY
NOTARY PUBLIC, STATE OF NEW MEXICO
MY COMMISSION EXPIRES Sept 17, 2024

**WORKING INTEREST OWNERS
AND/OR LESSEES OF RECORD****Jalapeno Corporation**Date: 8/11/21By: [Signature]Name: Harvey E. Yates, IIITitle: Vice President**ACKNOWLEDGEMENT**STATE OF New Mexico)
)
COUNTY of Bernalillo)

The foregoing instrument was acknowledged before me this 11th day of August, 2021,
by Harvey E. Yates, III, in his/~~her~~ capacity as Vice President of **Jalapeno**
Corporation on behalf of said corporation.

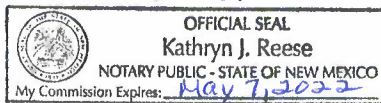
My Commission Expires: May 7, 2022
Commission # 1095499[Signature]
Notary Public

EXHIBIT "A"

Plat of communitized area covering **318.30** acres in N2N2 Sections 32 & 31, Township 20S, Range 29E, Eddy County, New Mexico.

Ted Paup 3231 Fed Com #205H

<u>Tract 1</u> Federal Acreage NMNM-0004825 38.30 Acres	<u>Tract 2</u> Federal Acreage NMNM-0473817 40 Acres	<u>Tract 3</u> Federal Acreage NMNM-098175 80 Acres	<u>Tract 4</u> Federal Acreage NMNM-129261 160.00 Acres
Section 31			Section 32

EXHIBIT "B"

Attached to and made a part of that certain Communitization Agreement dated **February 1, 2021**, embracing the following described land in the N2N2 of sections 32 and 31 of Township 20 South, Range 29 East, Eddy County, New Mexico.

Operator of Communitized Area: **Matador Production Company**

DESCRIPTION OF LEASES COMMITTED**Tract No. 1**

Lease Serial Number:	NMMN-0004825
Description of Land Committed:	Township 20 South, Range 29 East, Section 31: Lot 1
Number of Acres:	38.30
Current Lessee of Record:	Trigg Oil and Gas Limited Partnership
Name of Working Interest Owners:	MRC Permian Company MRC Delaware Resources, LLC Yates Energy Corporation Veritas Permian Resources, LLC EOG Resources, Inc (Compulsory Pooled)
Overriding Royalty Interest Owners:	Trigg Oil & Gas Limited Partnership Heyco Development Corporation Curtis W. Mewbourne, Trustee Jalapeno Corporation Petro Yates, Inc. Abby Corporation Yates Energy Corporation Spiral, Inc. Explorers Petroleum Corporation

Tract No. 2

Lease Serial Number: NMNM-0473817

Description of Land Committed: Township 20 South, Range 29 East,
Section 31: NE/4NW/4

Number of Gross Acres: 40.00

Current Lessee of Record: MRC Delaware Resources, LLC
Jalapeno Corporation
Veritas Permian Resources, LLC
Yates Industries, LLC

Name of Working Interest Owners: MRC Permian Company
MRC Delaware Resources, LLC
Yates Energy Corporation
Veritas Permian Resources, LLC
EOG Resources, Inc (Compulsory Pooled)

Overriding Royalty Interest Owners: Jetta X2, L.P.
Waikiki Partners, L.P.
Platform Energy III, LLC
Curtis W. Mewbourne, Trustee
HEYCO Development Corporation
Jalapeno Corporation
Monty D. McClane & Wife Karen McLane
Alan Jochimsen
Claremont Corporation
Abby Corporation
Spiral, Inc.
Explorers Petroleum Corporation

Tract No. 3

Lease Serial Number: NMNM-098175

Description of Land Committed: Township 20 South, Range 29 East,
Section 31: N/2NE/4

Number of Gross Acres: 80.00

Current Lessee of Record: MRC Permian Company
MRC Delaware Resources, LLC

Name of Working Interest Owners: MRC Permian Company
MRC Delaware Resources, LLC

Overriding Royalty Interest Owners: Paul R. Barwis
Jareed Partners, Ltd.
CrownRock Minerals, L.P.
John Kyle Thoma, Successor Trustee of the
Cornerstone Family Trust
C. Mark Wheeler
Penwell Employee Royalty Pool

Tract No. 4

Lease Serial Number: NMNM-129261

Description of Land Committed: Township 20 South, Range 29 East,
Section 32: N/2N/2

Number of Gross Acres: 160.00

Current Lessee of Record: MRC Delaware Resources, LLC
Featherstone Development Corporation

Name of Working Interest Owners: MRC Permian Company
MRC Delaware Resources, LLC

Overriding Royalty Interest Owners: Ross Duncan Properties, LLC
Featherstone Development Corporation
Prospector, LLC
Big Three Energy Group, LLC
Camarie Oil & Gas, LLC
Parrot Head Properties, LLC

RECAPITULATION

Tract No.	No. of Acres Committed	Percentage of Interest in Communitized Area
1	38.30	12.032674%
2	40.00	12.566761%
3	80.00	25.133522%
4	160.00	50.267044%
Total	318.30	100.00%

Submit a Copy To Appropriate District
Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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.)		WELL API NO.
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> FEDERAL <input type="checkbox"/>
2. Name of Operator		6. State Oil & Gas Lease No.
3. Address of Operator		7. Lease Name or Unit Agreement Name
4. Well Location Unit Letter _____: _____ feet from the _____ line and _____ feet from the _____ line Section _____ Township _____ Range _____ NMPM _____ County _____		8. Well Number
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number
		10. Pool name or Wildcat

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input 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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE _____ DATE _____

Type or print name _____ E-mail address: _____ PHONE: _____

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

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

CONDITIONS

Action 444420

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 444420
	Action Type: [C-103] Sub. General Sundry (C-103Z)

CONDITIONS

Created By	Condition	Condition Date
ward.rikala	Accepted for the records.	8/25/2025