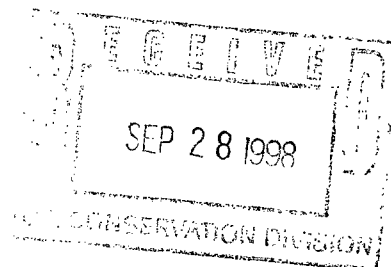


NSP 10/19/98

MATADOR PETROLEUM CORPORATION

SUITE 158, PECAN CREEK
8340 MEADOW ROAD
DALLAS, TEXAS 75231-3751
(214) 987-3650
FAX: (214) 691-1415

September 25, 1998



Michael Stogner
Energy, Minerals & Natural Resources Department
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Re: Exxon Federal "4" #1
660 FNL, 1980 FWL
Sec 4, T21S, R27E
Eddy County, New Mexico

Dear Mr. Stogner:

Matador Operating Company is requesting an exception for a non-standard proration unit and non-standard location for our Exxon Federal "4" #1 as referenced above.

Matador staked the Exxon Federal "4" #1 well in Lot 3 of Section 4 as shown on the attached C-102 plat. This Section 4 is an irregular section and it has come to our attention that Lot 3 contains only +/-30 acres. For a Bone Spring completion, the proration unit is usually 40 acres, therefore Matador Operating is requesting an exception for a non-standard proration unit.

We are also requesting an exception for a non-standard location. This well is staked 660' from the North section line, but it is only 314' from the South lot line. Matador is requesting an exception for the non-standard distance from the south line of Lot 3.

Please let me know if you require any more information or you need to discuss this further. I may be reached at 214-987-7144. Thank you.

Very truly yours,

John W. Bell
Drilling Manager

Cc: Tom Kellahin

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

DISTRICT III
1000 Rio Brazos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 03713	³ Pool Name Undesignated Avalon Bone Spring East
⁴ Property Code	⁵ Property Name EXXON FEDERAL '4'		⁶ Well Number 1
⁷ OGRID No. 014245	⁸ Operator Name MATADOR OPERATING COMPANY		⁹ Elevation 3189'

¹⁰ SURFACE LOCATION

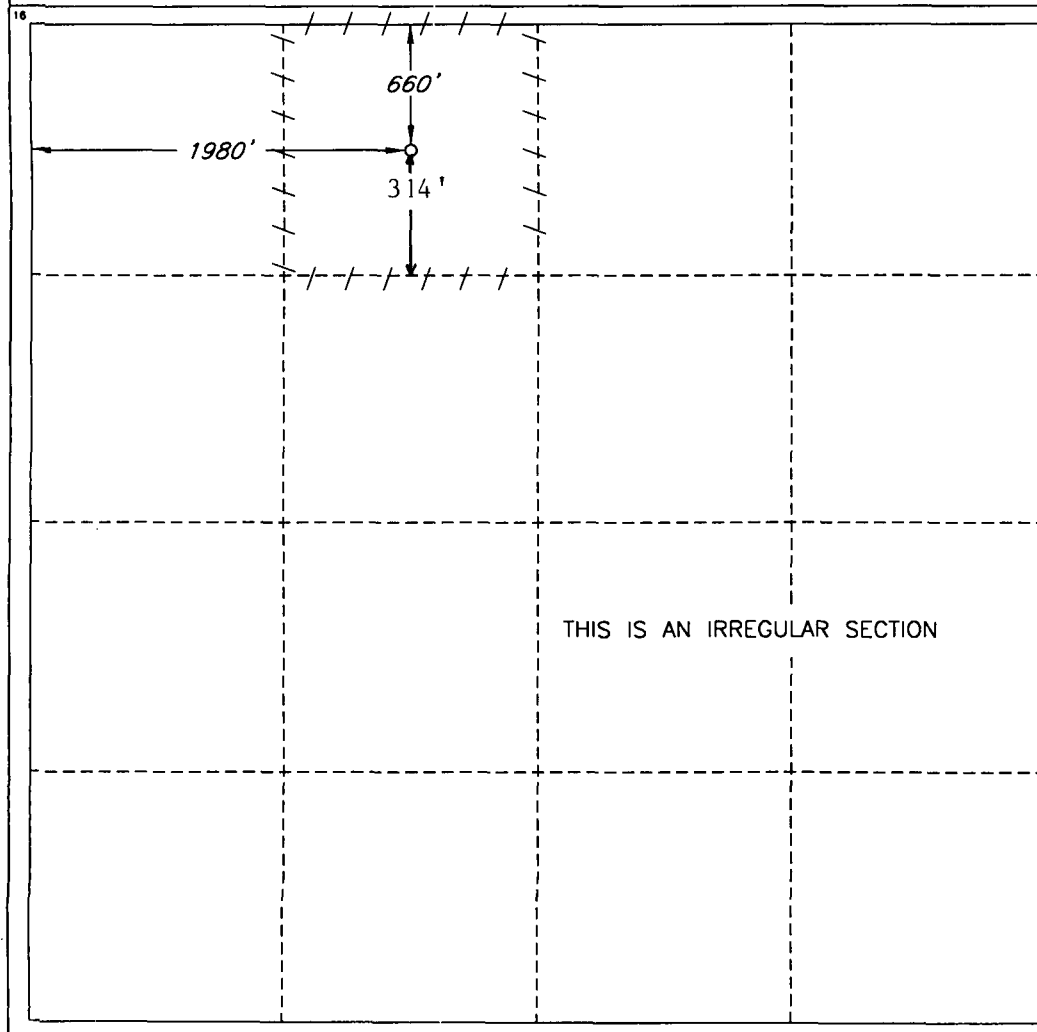
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
LOT 3	4	21 SOUTH	27 EAST, N.M.P.M.		660'	NORTH	1980'	WEST	EDDY

"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres *	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. *Application Pending for Non-Standard Unit
------------------------------------	-------------------------------	----------------------------------	---

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

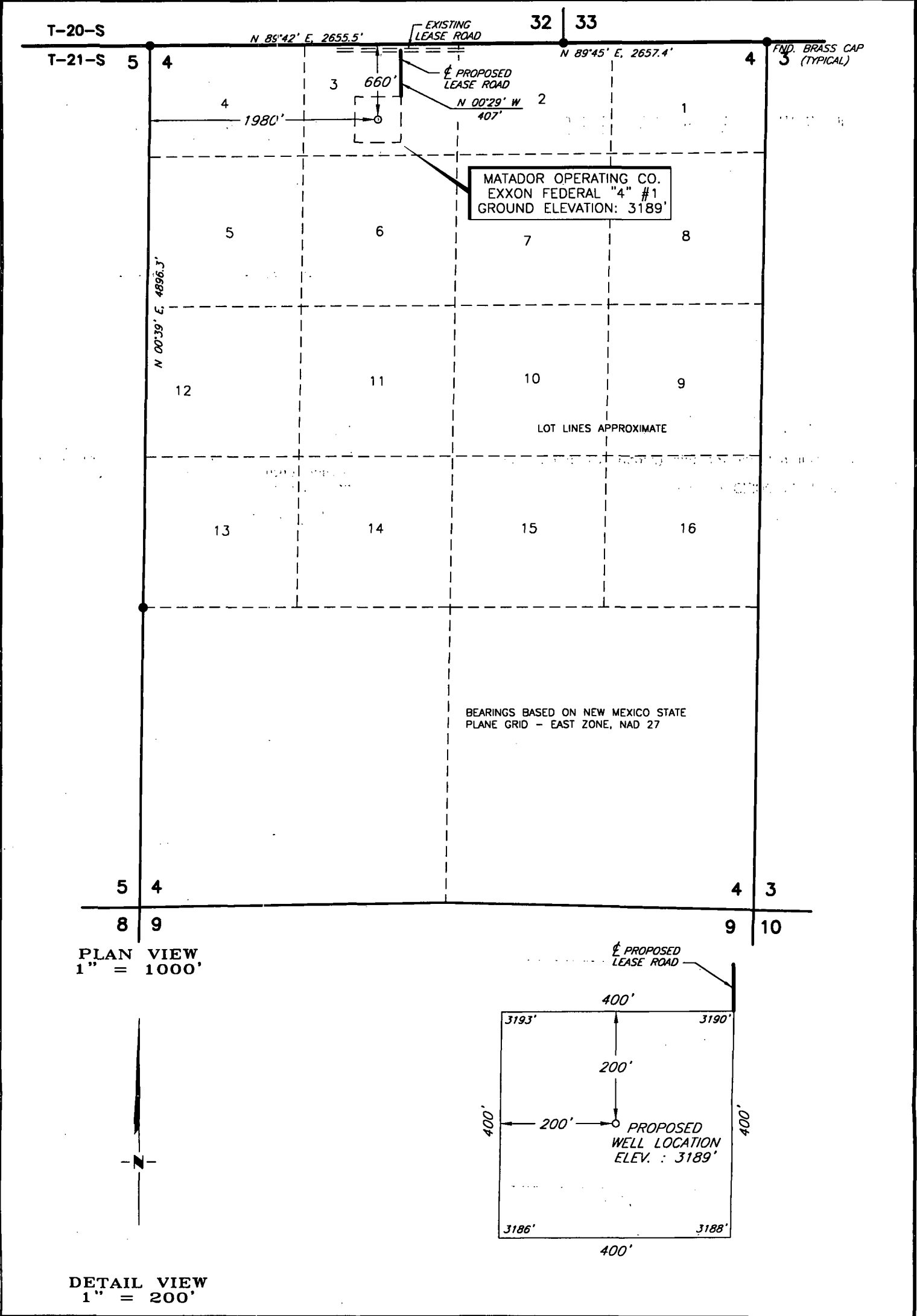
Signature <i>John W. Bell</i>
Printed Name John W. Bell
Title Drilling Manager
Date 9-25-98

SURVEYOR CERTIFICATION

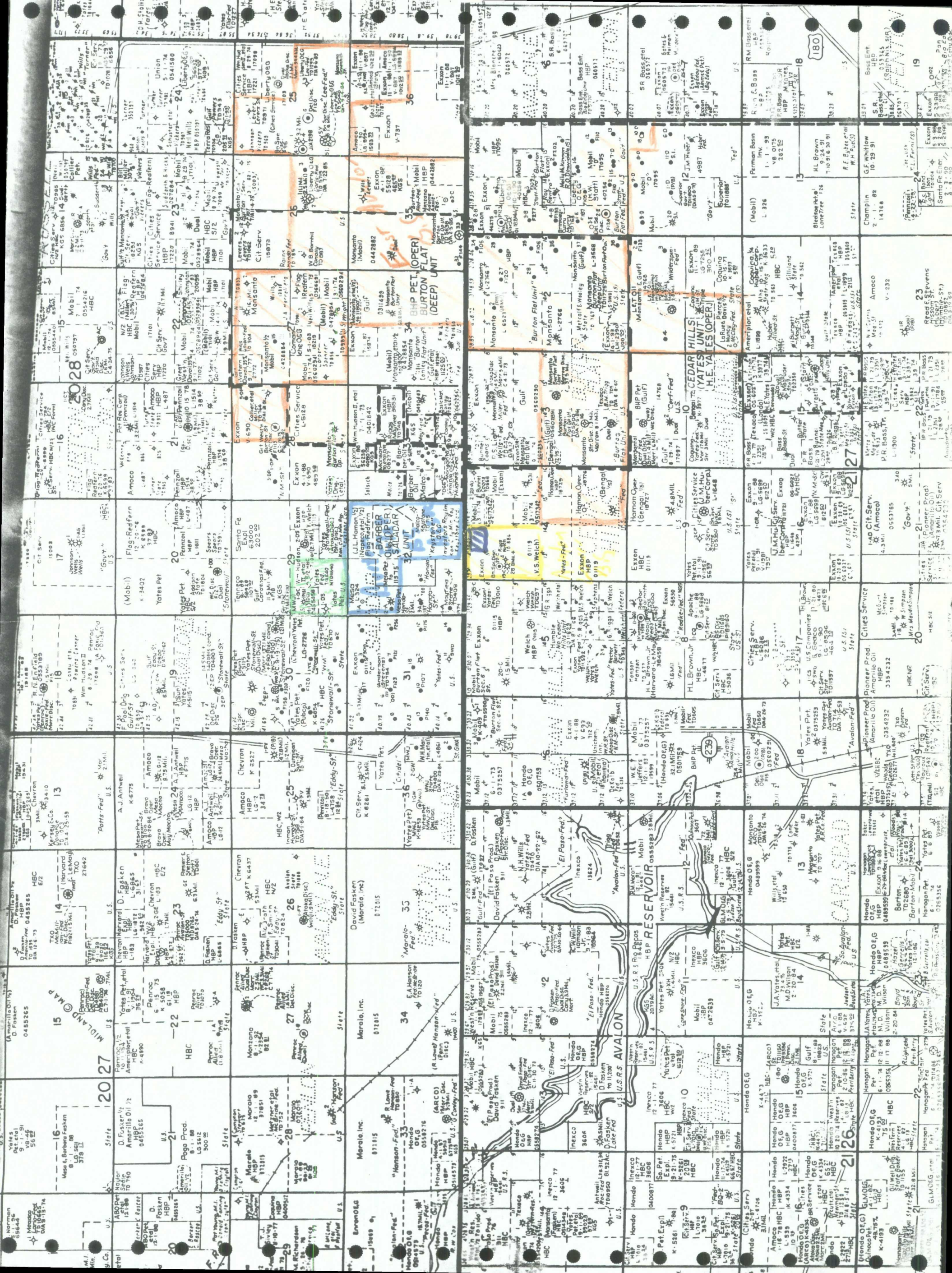
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey SEPTEMBER 14, 1998
Signature and Seal of Professional Surveyor
Certification No. V. LYNN BEZNER, P.E.S. #7920
JOB #60149 / 24 SW / JSJ

PLAT SHOWING PROPOSED
WELL LOCATION AND LEASE ROAD IN
SECTION 4, T-21-S, R-27-E, N.M.P.M.
EDDY COUNTY, NEW MEXICO



				MATADOR OPERATING COMPANY		SCALE: AS SHOWN	
1	LOT LINE NOTE	9/3/98	MR			DATE: SEPTEMBER 14, 1998	
NO.	REVISION	DATE	BY			JOB NO.: 60149-F	
SURVEYED BY: R.J.O.				SURVEYING AND MAPPING BY TOPOGRAPHIC LAND SURVEYORS MIDLAND, TEXAS		QUAD NO.: 74 SW	
DRAWN BY: JSJ							
APPROVED BY: R.M.R.						SHEET : 1 OF 1	



8340 MEADOW ROAD, STE 158
DALLAS, TX 75231
Phone: 214-987-7144
Fax: 214-987-7123

**MATADOR
PETROLEUM
CORPORATION**

Fax

To: MIKE STOGNER - NMOCD

From: JOHN W. BELL

Fax: 505-827-7389

Date: September 30, 1998

Phone: [Click here and type phone number]

Pages: 2

Re: EXXON FED COM 4 #1

CC: [Click here and type name]

☐ **Urgent**

☐ **For Review**

☐ **Please Comment**

☐ **Please Reply**

☐ **Please Recycle**

•Comments: HERE IS MAP SHOWING ENTIRE ACREAGE COVERED BY FEDERAL LEASE 98124 HELD BY EXXON. WE HAVE FARMED OUT ALL OF WEST 1/2 OF SEC 4, EXCEPT FOR TR2, OF THE AVALON DELAWARE UNIT, WHICH IS THE VERY NW CORNER OF THE SEC. WE WILL CALL YOU AFTER LUNCH.

John W Bell

9-30-98

*Talked w/ John Bell → Gave verbal
will hold this application until well is
completed and see which pool the
Bone Spring is placed in.*

M. Stogner

Matador Petroleum Corporation
8340 Meadow Road
Dallas, TX 75231
Phone: 214-987-7100
Fax: 214-987-7125 Engineering

Matador Petroleum

Fax

To: Bryan	From: Patti Lankford
Para: 505-748-9720	Date: 10-6-98
Phone:	Pages: 5
Re:	OCD

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle

Comments:

Please send Michael Stogner verification of our conversation whereby the pool shown on our Application for Permit to Drill to the ELM was discussed and designated.

He has asked for this since we have asked for exceptions for non-standard proration unit and location.

Thank you for your help.

Dear Patti; - Well is to be left undesignated as noted until well is completed.

Bryan Arrant
Bryan Arrant

Mike - For your records.

Bryan

To: Mike Stogner

10. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		STATES THE INTERIOR MANAGEMENT IT TO DRILL OR DEEPEN	11. DATE OF WORK OCT 7 1998	12. TIME OF WORK 10:00 AM	13. LOCATION OF WELL (Include Section, Range and Township and also the well name) 660 ENL; 1980 FHL	14. NAME AND PHONE OF WELLER Und Avalon Knox Spring East	15. NAME, TITLE, AND SIGNATURE OF WELLER AND SIGNATURE ON WELL
1. NAME OF OPERATOR Matador Operating Company		2. ADDRESS AND PHONE 8340 Meadow Rd., #158, Dallas, TX 75231, 214-987-7100		3. DATE OF PERMIT OCT 7 1998		4. DATE OF REVIEW OCT 7 1998	
5. DATE OF REVIEW OCT 7 1998		6. DATE OF REVIEW OCT 7 1998		7. DATE OF REVIEW OCT 7 1998		8. DATE OF REVIEW OCT 7 1998	
9. DATE OF REVIEW OCT 7 1998		10. DATE OF REVIEW OCT 7 1998		11. DATE OF REVIEW OCT 7 1998		12. DATE OF REVIEW OCT 7 1998	

Matador Petroleum Corporation
8340 Meadow Road #158
Dallas, TX 75231
Phone: 214-987-3650
Fax: 214-987-7123 Engineering

Matador Petroleum

Fax

To: Michael Stogner

From: Patti Lankford

Fax: 505-827-8177

Date: October 7, 1998

Phone:

Pages: 2

Re: Exxon Federal 4 #1

CC:

☐ **Urgent**

☐ **For Review**

☐ **Please Comment**

☐ **Please Reply**

☐ **Please Recycle**

•Comments:

We are sending you the fax that Bryan Arrant sent in response to our request for confirmation of the pool designation for our proposed well.

Please advise if you need further information to complete your considerations.

Hope you can read it all after multiple fax transmissions.

My direct line is 214-987-7130.

10/06/98 22:25

00000000000

002/002

P. 1

OCT- 7-98 WED 5:49 AM OCD DISTRICT II

FAX NO. 5057489720

Matador Petroleum Corporation
 8340 Meadow Road #158
 Dallas, TX 75231
 Phone: 214-987-7160
 Fax: 214-987-7123 (Engineering)

Matador Petroleum

Fax

To: Bryan	From: Patti Lankford
Phone: 505-748-9720	Date: 10-6-98
Priority:	Page: 5
Re:	OO:

☐ Urgent ☐ For Review ☐ Please Comment ☐ Please Reply ☐ Please Reply

-Continued-

Please send Michael Stagner verification of our conversation whereby the pool shown on our Application for Permit to Drill to the BLN was discussed and designated.

He has asked for this since we have asked for exceptions for non-standard operation unit and location.

Thank you for your help.

Dear Patti: - Well is to be left undesignated as noted until well is completed.

Bryan Arrant
Bryan Arrant

Form 2160-5
 (December 1995)

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

REPORT BY THE APPLICANT
 (Other instructions on reverse side)

Form Approved
 Bureau Service No. 1004-0136
 Revision November 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1. TYPE OF WELL
 a. TYPE OF WELL
 DRILL ☒ DEEPEN ☐
 b. TYPE OF WELL
 SURFACE ☐ MINE ☐ OTHER ☐
 c. NAME OF OPERATOR
 Matador Operating Company
 d. ADDRESS AND PHONE
 8340 Meadow Rd., #158, Dallas, TX 75231, 214-987-7160
 e. PURPOSE OF WELL (Include purpose clearly and in accordance with any other requirements.)
 214-987-7123

2. LAND DESIGNATION AND SERIAL NO.
 RM98124
 3. U.S. DEPARTMENT OF THE INTERIOR
 4. U.S. DEPARTMENT OF THE INTERIOR
 5. U.S. DEPARTMENT OF THE INTERIOR
 6. U.S. DEPARTMENT OF THE INTERIOR
 7. U.S. DEPARTMENT OF THE INTERIOR
 8. U.S. DEPARTMENT OF THE INTERIOR
 9. U.S. DEPARTMENT OF THE INTERIOR
 10. U.S. DEPARTMENT OF THE INTERIOR

Stogner, Michael

From: Arrant, Bryan
Sent: Thursday, May 27, 1999 11:29 AM
To: Stogner, Michael
Subject: FW: Avalon; Bone Spring East

In addition, we will not approve their C-104 until a NSP and NSL is approved.

From: Arrant, Bryan
Sent: May 27, 1999 11:13 AM
To: ~~Stogner, Michael~~
Subject: Avalon; Bone Spring East

Mike,

I have faxed to you a completion report on Matador's Exxon '4' Federal #1.
I noticed that the GOR is significantly higher than the Avalon; Bone Spring, East pool special pool rules of 5000/1 GOR. Back @ the 1st of October of last year, I remember that you needed to see their well information when I reviewed it. We just got the logs a few days on the 24th so this is why I have not looked at their file until now.

What I intend to do here is extend on the next nomenclature this well into the Avalon pool **when a NSL and NSP is approved**. Give me a call if you need to talk about this further.

Bryan

Stogner, Michael

From: Arrant, Bryan
Sent: Thursday, May 27, 1999 11:13 AM
To: Stogner, Michael
Subject: Avalon; Bone Spring East

Mike,

I have faxed to you a completion report on Matador's Exxon 4 Federal #1.

I noticed that the GOR is significantly higher than the Avalon; Bone Spring, East pool special pool rules of 5000/1 GOR. Back @ the 1st of October of last year, I remember that you needed to see their well information when I reviewed it. We just got the logs a few days on the 24th so this is why I have not looked at their file until now.

What I intend to do here is extend on the next nomenclature this well into the Avalon pool. Give me a call if you need to talk about this further.

Bryan

OIL CONSERVATION DIVISION
ARTESIA, NEW MEX. 88210

TO: Mike Stogner

FROM: Bryan Arrant

DATE: 5-27-99

NUMBER OF SHEETS (INCLUDING TRANSMITTAL SHEET) 2

IF YOU HAVE ANY PROBLEMS WITH THIS TRANSMISSION, PLEASE CALL 505-748-1283.

FAX NUMBER (505) 748-9720

Form 3180-4
(July 1992)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT TO: Division

811 S. 1st
Artesia, NM 87007
(See other instructions on reverse side)FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995

LEASE DESIGNATION AND SERIAL NO.

NM98124

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

8. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

9. FARM OR LEASE NAME, WELL NO.

Exxon Federal 4 #1

9. API WELL NO.

30-015-30449

10. FIELD AND POOL, OR WILDCAT

Undesg. Avalon B.S. East

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

Sec 4, T21S, R27E

14. PERMIT NO.

DATE ISSUED

12. COUNTY OR PARISH

Eddy

13. STATE

NM

15. DATE SPUDDED

10/28/98

16. DATE T.D. REACHED

11/09/98

17. DATE COMPL. (Ready to prod.)

12/08/98

18. ELEVATIONS (DF, RKB, RT, GE, ETC.)

3200' RKB

19. ELEV. CASINGHEAD

3191'

20. TOTAL DEPTH, MD & TVD

6782'

21. PLUG, BACK T.D., MD & TVD

6747 Float collar

22. IF MULTIPLE COMPLETIONS, HOW MANY

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)

Bone Springs 8304 - 8418'

MAR 15 1999

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

DIL-GR, CNL-LDL - GR - Cal, CBL

27. WAS WELL CORED

No

28.

CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13 3/8	48	618'	17 1/2"	300 ex POZ C 12.4 ppg, 200 ex C 14.8 ppg	
8 5/8	24	2628'	11"	200 ex THIX, 450 ex H	
				130 ex Class C 2% CaCl2	
5 1/2	15.5	6782'	7 7/8"	50 ex C 14.8 ppg + 550 Super C 13 ppg	

29.

LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8	6192	6206

31. PERFORATION RECORD (Interval, size and number)

6304-10, 6340-44, 6362-64, 6374-76, 6390-92,
6396-6400, 6416 - 18'
Shot 2 SPF, 40 holes

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6304-6418	300 gals, 15% NEFF
	frac, w/74,000 gals YF-135 w/181,000
	16/30 sand & prop net. (Dowell)

33.

PRODUCTION

DATE FIRST PRODUCTION 12/08/98		PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) Flowing				WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 12/19/98	HOURS TESTED 24	CHOKE SIZE 14/64	PROD'N FOR TEST PERIOD →	OIL-BBL 25	GAS-MCF 408	WATER-BBL 162	GAS-OIL RATIO 16320
FLOW. TUBING PRESS. 200	CASING PRESSURE 0	CALCULATED 24-HOUR RATE →	OIL-BBL 18 25	GAS-MCF 244 408	WATER-BBL 162	OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold

TEST WITNESSED BY

Harry Wilbanks

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Russ Mathis

TITLE Russ Mathis - Production Manager

DATE

2/19/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/30/98 10:02:45
OGOIV -EMFH
PAGE NO: 1

Sec : 04 Twp : 21S Rng : 27E Section Type : NORMAL

12	4	5	11	3	6	10	2	7	1	8	9
40.00	29.74	40.00	40.00	29.63	40.00	40.00	29.51	40.00	29.40	40.00	40.00
Federal owned			Federal owned			Federal owned			Federal owned		
A	A	A				A	A	A	A	A	A
13			14			15			16		
40.00			40.00			40.00			40.00		
Federal owned			Federal owned			Federal owned			Federal owned		
A											

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

Sec : 04 Twp : 21S Rng : 27E UL: 3 Lot-Idn :
Acreage : 29.63 Bene Grp : Seismic Permit :
Lease Number : NO ACT IVE Expr Dte :
Lessee :
Comm Agr Names :

Unit Agr Names :

S	API Num	Status
---	---------	--------

M5005: Header data found. No well data found

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09	PF10	PF11	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

09/30/98 10:03:08
OGOIV -EMFH
PAGE NO: 2

Sec : 04 Twp : 21S Rng : 27E Section Type : NORMAL

L 40.00	K 40.00	J 40.00	I 40.00
Federal owned	Federal owned	Federal owned	Federal owned
M 40.00	N 40.00	O 40.00	P 40.00
Federal owned	Federal owned	Federal owned	Federal owned
		A	

PF01 HELP
PF07 BKWD

PF02
PF08 FWD

PF03 EXIT
PF09 PRINT

PF04 GoTo
PF10 SDIV

PF05
PF11

PF06
PF12

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE

811 S. 1st

Artesia, NM

Division
FORM APPROVED
OMB NO. 1004-0137
Expires: February 28, 1995
5. LEASE DESIGNATION AND SERIAL NO.
0-2834 NM98124

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	Other <input type="checkbox"/>		
b. TYPE OF COMPLETION:		NEW WELL <input checked="" type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	PLUG BACK <input type="checkbox"/>	DIFF. RESVR. <input type="checkbox"/>	Other <input type="checkbox"/>
2. NAME OF OPERATOR Matador Operating Company							
3. ADDRESS AND TELEPHONE NO. 310 W. Wall, Ste. 906 Midland, TX 79701 915-687-5955							
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements) At surface 660' FNL & 1980' FWL At top prod. interval reported below At total depth							
14. PERMIT NO.				DATE ISSUED MAR 15 1999 OCD - ARTESIA		12. COUNTY OR PARISH Eddy	
15. DATE SPUDDED 10/28/98		16. DATE T.D. REACHED 11/09/98		17. DATE COMPL. (Ready to prod.) 12/08/98		18. ELEVATIONS (DF, RKB, RT, GE, ETC.) 3200' RKB	
19. ELEV. CASINGHEAD 3191'		20. TOTAL DEPTH, MD & TVD 6782'					
21. PLUG, BACK T.D., MD & TVD 6747 Float collar		22. IF MULTIPLE COMPLETIONS HOW MANY		23. INTERVALS DRILLED BY X		24. WAS DIRECTIONAL SURVEY MADE No	
25. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD) Bone Springs 6304 - 6418'		26. TYPE ELECTRIC AND OTHER LOGS RUN DIL-GR, CNL-LDL - GR - Cal, CBL					
27. WAS WELL CORED No		28. CASING RECORD (Report all strings set in well)					
CASING SIZE/GRADE		WEIGHT, LB/FT.		DEPTH SET (MD)		HOLE SIZE	
13 3/8		48		618'		17 1/2"	
8 5/8		24		2628'		11"	
5 1/2		15.5		6782'		7 7/8"	
29. LINER RECORD		30. TUBING RECORD		31. PERFORATION RECORD (Interval, size and number)			
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*	
2 3/8		6192		6206		6304-10, 6340-44, 6362-64, 6374-76, 6390-92, 6396-6400, 6416 - 18'	
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.		DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED			
6304-6418		300 gals, 15% NEFE				frac, w/74,000 gals YF-135 w/181,000	
		16/30 sand & prop net. (Dowell)					
33. PRODUCTION		DATE FIRST PRODUCTION 12/08/98		PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) Flowing		WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 12/19/98		HOURS TESTED 24		CHOKE SIZE 14/64		PROD'N FOR TEST PERIOD	
FLOW. TUBING PRESS. 200		CASING PRESSURE 0		CALCULATED 24-HOUR RATE		OIL-BBL. 25	
						GAS-MCF. 408	
						WATER-BBL. 162	
						GAS-OIL RATIO 16320	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) Sold		TEST WITNESSED BY Perry Wilbanks		35. LIST OF ATTACHMENTS			

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Russ Mathis

TITLE Russ Mathis - Production Manager

DATE 2/19/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

[illegible]

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
			Delaware	2662	
			Bone Springs	4980	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil & Gas Division
811 S. 1st
Artesia, N.M. 87003

FORM APPROVED
Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT-" for such proposals.

SUBMIT IN TRIPLICATE

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Matador Operating Company

3. Address and Telephone No.
310 W. Wall, Ste 906 Midland, TX 79701 915-687-5955

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660 FNL & 1980 FWL
Sec 4, T21S, R27E

5. Lease Designation and Serial No.
NM98124

6. If Indian, Allottee or Tribe Name

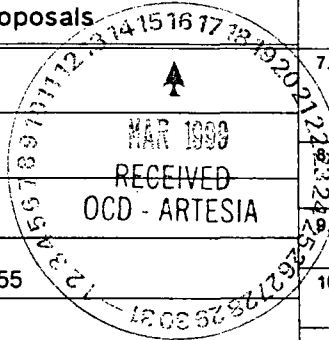
7. If Unit or CA, Agreement Designation

8. Well Name and No.
Exxon Federal 4 #1

9. API Well No.
30-015-30449

10. Field and Pool, or Exploratory Area
Undesg. Avalon BS East

11. County or Parish, State
Eddy Co., NM



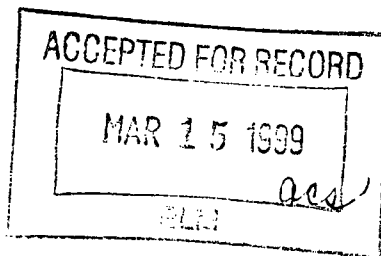
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Other _____	<input type="checkbox"/> Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Perforate Upper Bone Springs from 6304-10, 6340-44, 6362-64, 6374-76, 6390-92, 6398-6400 and 6416-18'. All zones shot 2 spf. Frac perfs 6304-6418' via csg w/74000 gas Y 135 using 181,000 lbs 16/30 Ottawa sand. Set packer @ 6207'. Test csg/pkr to 1000 psi, OK. Open well to tanks 12/8/98.



14. I hereby certify that the foregoing is true and correct

Signed Russ Mathis

Title Russ Mathis - Production Manager

Date 02/19/99

(This space for Federal or State office use)

Approved by _____

Title _____

Date _____

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

5. Lease Designation and Serial No.

NM 98124

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Matador Operating Company

3. Address and Telephone No.

8340 Meadow Rd., #158, Dallas, TX 75231, 214-987-7144

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

660 FNL-1980 FWL
Sec 4, T21S, R27E

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Exxon Federal "4" #1

9. API Well No.

30-015-30449

10. Field and Pool, or Exploratory Area

Und Avalon Bone Spring East

11. County or Parish, State

Eddy, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

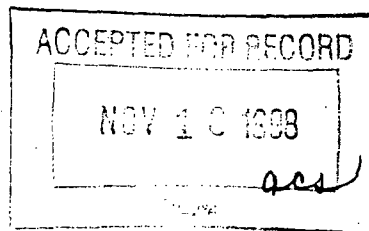
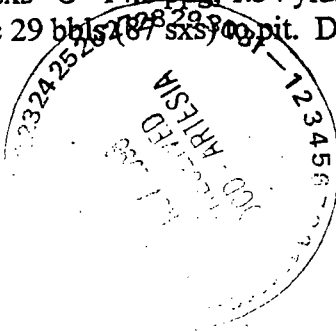
TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Spud & set csg.
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log (orm.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work, If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Well was spudded @ 3:00 PM CST 10-28-98. Drilled 17-1/2" hole to 618'. Ran 14 jts 13-3/8" 48# H-40 csg. Set @ 618'. BJ cmt w/ Lead 300 sxs Poz C, 12.4 ppg, 2.01 yld. Tail: 200 sxs "C" 14.8 ppg, 1.34 yld. Bumped plug @ 3:15 AM 10-20-98. Float held. Circ 29 bbls 167 sxs 900 pit. Don Early w/ BLM witnessed csg run & cmt job.



14. I hereby certify that the foregoing is true and correct

Signed

[Signature]

Title

Drilling Manager

Date

11-2-98

(This space for Federal or State office use)

Approved by

Conditions of approval, if any:

Title

Date

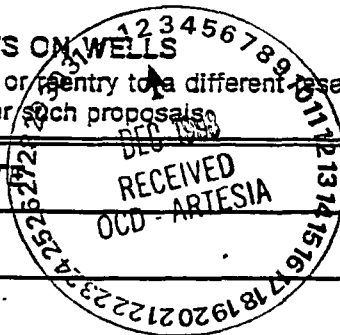
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0155
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or to change to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.

SUBMIT IN TRIPLICATE



1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
Matador Operating Company

3. Address and Telephone No.
8340 Meadow Rd., #158, Dallas, TX 75231, 214-987-7144

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
660 FNL-1980 FWL
Sec 4, T21S, R27E

5. Lease Designation and Serial No.

NM 98124

6. If Indian, Allottee or Tribe Name

7. If Unit or CA. Agreement Designation

8. Well Name and No.

Exxon Federal "4" #1

9. API Well No.

30-015-30449

10. Field and Pool, or Exploratory Area

Und Avalon Bone Spring East

11. County or Parish, State

Eddy, NM

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Run csg & cmt, TD

- ☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log (orm.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Drilled 11" hole to 2628'. Ran 63 jts 8-5/8" 24# J-55 ST&C csg. Set @ 2628'.

Cemented w/ 200 sx Thix w/ 5# sx Gilsonite, 1% CaCl₂, 1/4#/sk/Celloflake + 450 sx H w/ 16% Gel, 2% salt, 5#sx gilsonite, 1/4# Celloflake. Tail in w/ 200 sx "C", 2% CaCl₂. Did not circ any fluid. 600 psi final circ press. WOC & WO delivery f/ 1" top out. RIH beside csg w/ 90' 1" pipe. Tag @ 90'. Cmt w/ 130 sx "C" w/ 2% CaCl₂. Cmt to surface. ND BOP's and test.

(ORIG. SGD.) GARY GOURLEY

ACCEPTED FOR RECORD
NOV 27 1998
TD 7-7/8" hole @ 6,782' 11-8-98. Ran DIL-GR, CNL-LDL-GR-Cal logs. Ran 152 jts 5-1/2" 15.5# J-55 STC csg. Set @ 6782'. BJ cemented w/ scavenger slurry, 50 sx "C" @ 14.8 ppg followed by Lead of 850 sx Super C Modified (61# C, 15# 10oz, 11# CSE) w/ 4 pps salt & 0.3% FL-52 mixed @ 13.0 ppg @ 1.69 CFS yld & 8.2 GPS water. Bump plug OK. Float held. ND BOP's, set slips. NU 11" 3M x 7-1/16" 3M tbg hd. Rig released 11-9-98.

14. I hereby certify that the foregoing is true and correct

Signed

Title Drilling Manager

Date

11-13-98

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

Form 3160-3
(December 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

b. TYPE OF WELL

OIL WELL ☐GAS WELL ☒

OTHER

SINGLE ZONE ☐MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Matador Operating Company

3. ADDRESS AND TELEPHONE NO.

8340 Meadow Rd., #158, Dallas, TX 75231, 214-987-7144

4. LOCATION OF WELL (Report location clearly and in accordance with applicable State requirements.)

At surface

660 FNL; 1980 FWL

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

6 miles North of Carlsbad

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

660'

16. NO. OF ACRES IN LEASE

1529.88 ac

17. NO. OF ACRES ASSIGNED
TO THIS WELL

30.07 ac

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

NA

19. PROPOSED DEPTH

6600'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3189' GL

22. APPROX. DATE WORK WILL START*

Oct: 19, 1998

23.

PROPOSED CASING AND CEMENT

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17-1/2"	13-3/8" H-40	48#	600'	1100 sx
11"	8-5/8" J-55	24#	2600'	1100 sx
7-7/8"	5-1/2" J-55	15.5#	6600'	1000 sx

Drill 6600' Bone Spring test. Drill 17-1/2" hole to ± 600 . Run and cement 13-3/8" casing to surface. NU BOP stack and drill 11" hole to ± 2600 '. Run and cement 8-5/8" casing to surface. NU 3M BOP assembly and test. Drill 7-7/8" hole to ± 6600 and evaluate.

Well Location and Acreage Dedication Plat

Application for Permit to Drill (Drilling Program)

Surface Use Plan

Exhibit A, Area Map

Exhibit B, Wellsite Plan

Exhibit C, Production Map

Exhibit D, BOP schematic & choke Manifold

Well Plan Outline

Topo Map

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

John V. Bell

TITLE

Drilling Manager

DATE

9-25-98

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

(ORIG. SGD.) ARMANDO A. LOPEZ

Acting Assistant Field Office Manager,
Lands and Minerals

APPROVED BY

TITLE

DATE

10/20/98

*See Instructions On Reverse Side

DISTRICT I
P. O. Box 1980
Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals, and Natural Resources Department

Form C-102
Revised 02-10-94
Instructions on back

DISTRICT II
P. O. Drawer DD
Artesia, NM 88211-0719

OIL CONSERVATION DIVISION
P. O. Box 2088
Santa Fe, New Mexico 87504-2088

Submit to the Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

☐ AMENDED REPORT

DISTRICT III
1000 Rio Brozos Rd.
Aztec, NM 87410

DISTRICT IV
P. O. Box 2088
Santa Fe, NM 87507-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code 03713	3 Pool Name Undesignated Avalon Bone Spring East
4 Property Code	5 Property Name EXXON FEDERAL '4'	6 Well Number 1
7 OGRID No. 014245	8 Operator Name MATADOR OPERATING COMPANY	9 Elevation 3189'

10 SURFACE LOCATION

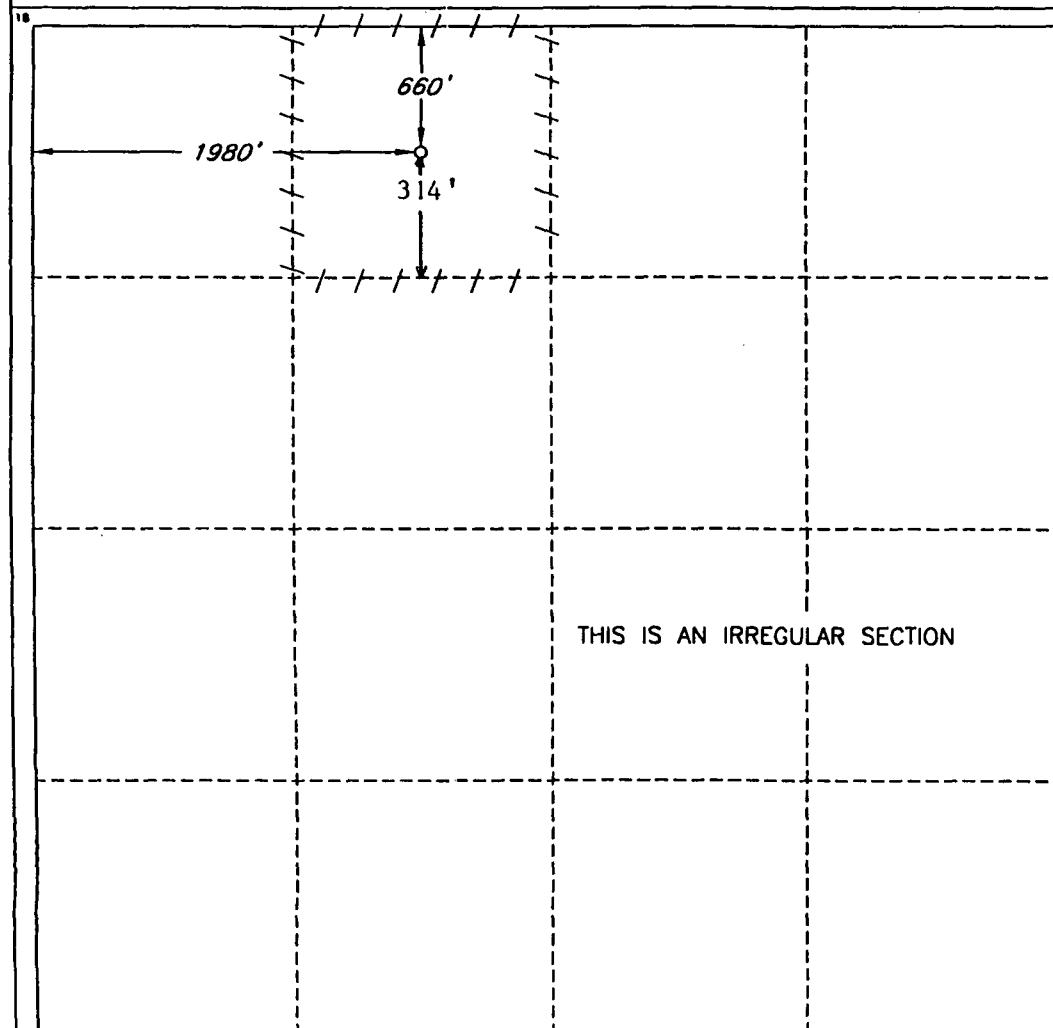
UL or lot no. LOT 3	Section 4	Township 21 SOUTH	Range 27 EAST, N.M.P.M.	Lot Ida	Feet from the 660'	North/South line NORTH	Feet from the 1980'	East/West line WEST	County EDDY
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"BOTTOM HOLE LOCATION IF DIFFERENT FROM SURFACE

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
---------------	---------	----------	-------	---------	---------------	------------------	---------------	----------------	--------

12 Dedicated Acres * 30.07	13 Joint or Infill	14 Consolidation Code	15 Order No. * Application Pending for Non-Standard Unit
-------------------------------	--------------------	-----------------------	---

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN
CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

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

Signature
John W. Bell

Printed Name
John W. Bell

Title
Drilling Manager

Date
9-25-98

SURVEYOR CERTIFICATION

I hereby certify that the well
location shown on this plat was
plotted from field notes of actual
surveys made by me or under
my supervision, and that the
same is true and correct to the
best of my belief.

Date of Survey
SEPTEMBER 14, 1998

Signature and Seal of
Professional Surveyor
V. Lynn Beznar
V. LYNN
BEZNAR
NO. 7920
V. LYNN BEZNAR S.P.S. #7920
JOB #60149 SW / JSJ

MATADOR PETROLEUM CORPORATION

SUITE 158, PECAN CREEK
8340 MEADOW ROAD
DALLAS, TEXAS 75231-3751
(214) 987-3650
FAX: (214) 691-1415

September 25, 1998

Michael Stogner
Energy, Minerals & Natural Resources Department
New Mexico Oil Conservation Division
2040 South Pacheco
Santa Fe, NM 87505

Re: Exxon Federal "4" #1
660 FNL, 1980 FWL
Sec 4, T21S, R27E
Eddy County, New Mexico

Dear Mr. Stogner:

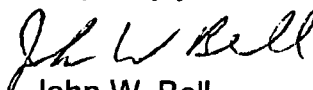
Matador Operating Company is requesting an exception for a non-standard proration unit and non-standard location for our Exxon Federal "4" #1 as referenced above.

Matador staked the Exxon Federal "4" #1 well in Lot 3 of Section 4 as shown on the attached C-102 plat. This Section 4 is an irregular section and it has come to our attention that Lot 3 contains only +/-30 acres. For a Bone Spring completion, the proration unit is usually 40 acres, therefore Matador Operating is requesting an exception for a non-standard proration unit.

We are also requesting an exception for a non-standard location. This well is staked 660' from the North section line, but it is only 314' from the South lot line. Matador is requesting an exception for the non-standard distance from the south line of Lot 3.

Please let me know if you require any more information or you need to discuss this further. I may be reached at 214-987-7144. Thank you.

Very truly yours,


John W. Bell
Drilling Manager

Cc: Tom Kellahin

EDDY COUNTY, NEW MEXICO

Exhibit D

BOP Schematic & Choke Manifold

NOTE: All BOP Equipment is 3000# Working Pressure

