

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

**APPLICATIONS OF MATADOR
PRODUCTION COMPANY
FOR COMPULSORY POOLING
LEA COUNTY, NEW MEXICO**

CASE NOS. 16350, 16351, 16352, & 16353

August 9, 2018

**EXHIBIT NOTEBOOK
Dr. Ireland Fed Com #113H, #113H, #213H & #214H**

Exhibit 1	C-102 Forms
Exhibit 2	Midland Map
Exhibit 3	Summary of Interests
Exhibit 4	Well Proposal Letters
Exhibit 5	Affidavit, notice letters, proof of mailing
Exhibit 6	Locator Map – Bone Spring
Exhibit 7	Structure Map – Bone Spring
Exhibit 8	Stratigraphic Cross Section A-A' – Bone Spring
Exhibit 9	Wellbore Diagram – Bone Spring
Exhibit 10	Locator Map – Wolfcamp
Exhibit 11	Structure Map – Wolfcamp
Exhibit 12	Stratigraphic Cross Section A-A' – Wolfcamp
Exhibit 13	Wellbore Diagram - Wolfcamp

District I
1625 N French Dr., Hobbs, NM 88240
Phone: (505) 393-6161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
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District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

FORM C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 2200	³ Pool Name ANTELOPE RIDGE; BONE SPRING
⁴ Property Code	⁵ Property Name DR. IRELAND FED COM	⁶ Well Number #113H
⁷ OCRID No.	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3387'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	23-S	35-E	-	570'	SOUTH	1280'	EAST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	19	23-S	35-E	-	240'	NORTH	1650'	EAST	LEA

¹¹ Dedicated Acres 160.0	¹² Joint or Infill	¹³ Consolidation Code	¹⁴ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=787452 Y=472862 LAT.: N 32.2965870 LONG.: W 103.4030647 NAD 1983 X=828636 Y=472822 LAT.: N 32.2967119 LONG.: W 103.4035392</p> <p>LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=787453 Y=472772 LAT.: N 32.2963386 LONG.: W 103.4030643 NAD 1983 X=828637 Y=472832 LAT.: N 32.2964845 LONG.: W 103.4035389</p> <p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=787497 Y=488154 LAT.: N 32.2836456 LONG.: W 103.4030488 NAD 1983 X=828682 Y=488214 LAT.: N 32.2837705 LONG.: W 103.4035230</p> <p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=787886 Y=468400 LAT.: N 32.2843121 LONG.: W 103.4018510 NAD 1983 X=829050 Y=468460 LAT.: N 32.2844371 LONG.: W 103.4023251</p>	<p>¹⁷OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Cassie Hahn</i> 7/24/18 Signature Date Cassie Hahn Printed Name chahn@matadorresources.com E-mail Address</p> <p>¹⁸SURVEYOR 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 to the best of my belief.</p> <p>Stan W. Lloyd Date of Survey Signature and Seal of Professional Surveyor 19642 Certificate Number</p>
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 2200		³ Pool Name ANTELOPE RIDGE; BONE SPRING	
⁴ Property Code		⁵ Property Name DR. IRELAND FED COM			⁶ Well Number #114H
⁷ UGRID No.		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 3393'
¹⁰ Surface Location					
UL or lot no. P	Section 19	Township 23-S	Range 35-E	Lot Idn -	Feet from the 257'
				North/South line SOUTH	Feet from the 489'
				East/West line EAST	County LEA
UL or lot no. A	Section 19	Township 23-S	Range 35-E	Lot Idn -	Feet from the 240'
				North/South line NORTH	Feet from the 330'
				East/West line EAST	County LEA
¹¹ Dedicated Acres 160.0		¹² Joint or Infill		¹³ Consolidation Code	
¹⁴ Order No.					

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<p>BOTTOM HOLE LOCATION NEW MEXICO EAST NAD 1927 X=788772 Y=472873 LAT.: N 32.2965861 LONG.: W 103.3987932 NAD 1983 X=829956 Y=472833 LAT.: N 32.2987110 LONG.: W 103.3992676</p>		<p>LAST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=788772 Y=472783 LAT.: N 32.2963387 LONG.: W 103.3987929 NAD 1983 X=829957 Y=472843 LAT.: N 32.2964637 LONG.: W 103.3992673</p>		<p>FIRST PERFORATION POINT NEW MEXICO EAST NAD 1927 X=788817 Y=488174 LAT.: N 32.2836697 LONG.: W 103.3987780 NAD 1983 X=830002 Y=488234 LAT.: N 32.2837947 LONG.: W 103.3992520</p>		<p>SURFACE LOCATION NEW MEXICO EAST NAD 1927 X=788859 Y=468099 LAT.: N 32.2834668 LONG.: W 103.3992934 NAD 1983 X=829843 Y=468159 LAT.: N 32.2835918 LONG.: W 103.3997674</p>		<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Cassie Hahn</i> 7/24/18 Signature Date Cassie Hahn Printed Name chahn@matadorresources.com E-mail Address</p>	
<p>18 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 to the best of my belief.</p> <p>08/07/2017 Date of Survey Signature and Seal of Professional Surveyor 19642 Stanley Lloyd Certificate Number</p>									

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98242	³ Pool Name WC-025-G-06 S233423N; WOLFCAMP
⁴ Property Code	⁵ Property Name DR. IRELAND FED COM	⁶ Well Number #213H
⁷ GRID No.	⁸ Operator Name MATADOR PRODUCTION COMPANY	⁹ Elevation 3386'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Country
P	19	23-S	35-E	-	570'	SOUTH	1189'	EAST	LEA

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Let Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	19	23-S	35-E	-	240'	NORTH	1650'	EAST	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

BOTTOM HOLE LOCATION
 NEW MEXICO EAST
 NAD 1927
 X=787452
 Y=472862
 LAT.: N 32.2965870
 LONG.: W 103.4030647
 NAD 1983
 X=828636
 Y=472922
 LAT.: N 32.2967119
 LONG.: W 103.4035392

LAST PERFORATION POINT
 NEW MEXICO EAST
 NAD 1927
 X=787453
 Y=472772
 LAT.: N 32.2963386
 LONG.: W 103.4030643
 NAD 1983
 X=828637
 Y=472832
 LAT.: N 32.2964845
 LONG.: W 103.4035389

SURFACE LOCATION
 NEW MEXICO EAST
 NAD 1927
 X=787956
 Y=468401
 LAT.: N 32.2843138
 LONG.: W 103.4015580
 NAD 1983
 X=829140
 Y=468461
 LAT.: N 32.2844386
 LONG.: W 103.4020332

FIRST PERFORATION POINT
 NEW MEXICO EAST
 NAD 1927
 X=787497
 Y=468154
 LAT.: N 32.2836456
 LONG.: W 103.4030488
 NAD 1983
 X=828682
 Y=468214
 LAT.: N 32.2837705
 LONG.: W 103.4035230

17 OPERATOR CERTIFICATION
 I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or released mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore ordered by this division.
 Signature: *Cassie Hahn* Date: 7/24/18
 Printed Name: Cassie Hahn
 E-mail Address: chahn@matadorresources.com

18 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 to the best of my belief.
 Date of Survey: 10/12/2017
 Signature and Seal: *Michael Brown*
 Surveyor's Seal: MICHAEL BROWN, NEW MEXICO, 18329, PROFESSIONAL SURVEYOR
 Certificate Number: _____

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1625 N. French Dr., Hobbs, NM 88240
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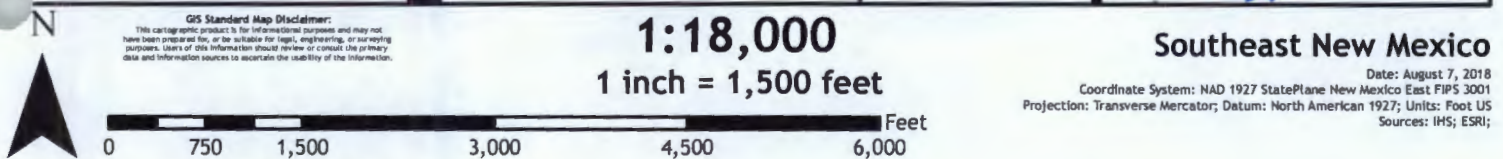
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name					
		98242		WC-025-G-06 S233423N; WOLFCAMP					
⁴ Property Code		⁵ Property Name						⁶ Well Number	
		DR. IRELAND FED COM						#214H	
⁷ GRID No.		⁸ Operator Name						⁹ Elevation	
		MATADOR PRODUCTION COMPANY						3394'	
¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	19	23-S	35-E	-	257'	SOUTH	399'	EAST	LEA
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	23-S	35-E	-	240'	NORTH	330'	EAST	LEA
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			
160									

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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1:18,000



Southeast New Mexico

Date: August 7, 2018
Coordinate System: NAD 1927 StatePlane New Mexico East FIPS 3001
Projection: Transverse Mercator; Datum: North American 1927; Units: Foot US
Sources: IHS; ESRI;

Summary of Interests

MRC Permian Company Working Interest		78.125000%
Voluntary Joinder		0.000000%
Compulsory Pool Interest Total:		21.875000%
Interest Owner:	Description:	Interest:
EOG Y Resources, LLC	Uncommitted Working Interest Owner	11.875000%
EOG A Resources, LLC	Uncommitted Working Interest Owner	5.000000%
OXY Y-1 Company	Uncommitted Working Interest Owner	5.000000%

ORRI

<i>Owner</i>	<i>Address</i>
Allar Development, LLC	P.O. Box 1567 Graham, TX 76450
Martin Joyce	P.O. Box 2142 Roswell, NM 88202
MRC Permian Company	5400 LBJ Freeway Suite 1500 Dallas, TX 75240
Nestegg Energy Corporation	2308 Sierra Vista Road Artesia, NM 88210
Robert E. Landreth	110 W. Louisiana Suite 404 Midland, TX 79701
Scott W. Tanberg	2502 Keswick Midland, TX 79705

Summary of Interests

MRC Permian Company Working Interest		78.125000%
Voluntary Joinder		0.000000%
Compulsory Pool Interest Total:		21.875000%
Interest Owner:	Description:	Interest:
EOG Y Resources, LLC	Uncommitted Working Interest Owner	6.875000%
EOG A Resources, LLC	Uncommitted Working Interest Owner	5.000000%
EOG M Resources, LLC	Uncommitted Working Interest Owner	5.000000%
OXY Y-1 Company	Uncommitted Working Interest Owner	5.000000%

ORRI

<i>Owner</i>	<i>Address</i>
Allar Development, LLC	P.O. Box 1567 Graham, TX 76450
Martin Joyce	P.O. Box 2142 Roswell, NM 88202
MRC Permian Company	5400 LBJ Freeway Suite 1500 Dallas, TX 75240
Nestegg Energy Corporation	2308 Sierra Vista Road Artesia, NM 88210
Robert E. Landreth	110 W. Louisiana Suite 404 Midland, TX 79701
Scott W. Tanberg	2502 Keswick Midland, TX 79705

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5440 • Fax 214.866.4883
chahn@matadorresources.com

Cassie Hahn
Landman

February 1, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

EOG A Resources, LLC
5509 Champions Drive
Midland, TX 79706

Re: Matador Production Company – Dr. Ireland Fed Com #113H (the “Well”)
Participation Proposal
Section 19, Township 23 South, Range 35 East
Lea County, New Mexico

Dear EOG A Resources, LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Dr. Ireland Fed Com #113H well, located in Section 19, Township 23 South, Range 35 East, Lea County, New Mexico to the Bone Spring formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping the Well is \$7,231,329 as found on the enclosed AFE dated January 31, 2018.
- The proposed surface location of the Well is approximately 570’ FSL and 1280’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico. The proposed bottom hole location of the subject well is approximately 240’ FNL and 1650’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico.
- The Well will have a targeted interval within the Bone Spring formation. We plan to drill the Well horizontally in the Bone Spring (~9,900’ TVD) to a Total Measured Depth of approximately 14,615’ resulting in a productive lateral of approximately 4,500’.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

EOG A Resources, LLC, will own an approximate 0.05000000 working interest in the Well based on the JOA, subject to title verification.

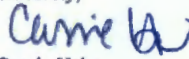
MRC requests that you indicate your election to participate in the drilling and completion of the Well in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The enclosed Operating Agreement dated March 15, 2018, by and between Matador Production Company, as operator and MRC Permian Company et al as Non-Operators, covers the E/2 of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$7,000/\$700 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs in the amount of \$361,566.45 to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for their proportionate share of all costs incurred.

Sincerely,


Cassie Hahn

Enclosure(s)

Please elect one of the following and return to sender.

_____ EOG A Resources, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #113H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #113H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC is interested in selling its interest in this unit, please contact us to discuss.

EOG A Resources, LLC

By: _____

Title: _____

Date: _____

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240

Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 31, 2018	AFE NO.:	500000 039 01.001
WELL NAME:	Dr. Ireland Fed Com 113H	FIELD:	
LOCATION:	Section 19-23S-35E	MD/TVD:	14615'/9900'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 4500'
MRC WI:			
GEOLOGIC TARGET:	Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 1st Bone Spring Sand well with 22 stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 81,500				\$ 81,500
Location, Surveys & Damages	123,000	8,000	4,000	20,000	155,000
Drilling	595,000				595,000
Cementing & Float Equip	224,000				224,000
Logging / Formation Evaluation	-	6,000			6,000
Mud Logging	21,000				21,000
Mud Circulation System	41,100				41,100
Mud & Chemicals	81,000	30,000			111,000
Mud / Wastewater Disposal	140,000	-			140,000
Freight / Transportation	15,000	19,500		2,500	37,000
Rig Supervision / Engineering	94,500	39,800	5,400	14,400	154,100
Drill Bits	103,500				103,500
Fuel & Power	85,050	-			85,050
Water	90,000	326,000			416,000
Drig & Completion Overhead	8,500	18,000			26,500
Plugging & Abandonment	-				-
Directional Drilling, Surveys	198,000				198,000
Completion Unit, Swab, CTU	-	70,000	15,000		85,000
Perforating, Wireline, Silckline	-	102,300	-		102,300
High Pressure Pump Truck	-	38,500			38,500
Stimulation	-	2,156,000			2,156,000
Stimulation Flowback & Disp	-	150,400	90,000		240,400
Insurance	24,840				24,840
Labor	121,500	16,500	4,000		142,000
Rental - Surface Equipment	52,550	123,350	3,000	5,000	183,900
Rental - Downhole Equipment	40,000	40,000		10,000	90,000
Rental - Living Quarters	42,650	24,300	1,000	-	67,950
Contingency	174,615	101,265	3,240	-	279,120
TOTAL INTANGIBLES >	2,387,305	3,269,915	125,640	51,900	5,804,760
TANGIBLE COSTS					
Surface Casing	\$ 80,525				\$ 80,525
Intermediate Casing	170,250				170,250
Drilling Liner	-				-
Production Casing	464,994				464,994
Production Liner	-				-
Tubing	-		50,000		50,000
Wellhead	58,000		25,000		83,000
Packers, Liner Hangers	-	52,800	6,000		58,800
Tanks	-		-	60,000	60,000
Production Vessels	-		63,000	25,000	88,000
Flow Lines	-		50,000	-	50,000
Rod string	-		-		-
Artificial Lift Equipment	-		20,000		20,000
Compressor	-		-	10,000	10,000
Installation Costs	-		-	64,000	64,000
Surface Pumps	-		5,000	-	5,000
Non-controllable Surface	-		-	-	-
Non-controllable Downhole	-		-	-	-
Downhole Pumps	-		-	-	-
Measurement & Meter Installation	-		12,500	49,000	61,500
Gas Conditioning / Dehydration	-		-	-	-
Interconnecting Facility Piping	-		-	80,000	80,000
Gathering / Bulk Lines	-		-	-	-
Valves, Dumps, Controllers	-		2,000	4,000	6,000
Tank / Facility Containment	-		-	12,500	12,500
Flare Stack	-		-	17,500	17,500
Electrical / Grounding	-		-	5,000	5,000
Communications / SCADA	-		-	7,500	7,500
Instrumentation / Safety	-		10,000	22,000	32,000
TOTAL TANGIBLES >	773,769	52,800	243,500	356,500	1,426,569
TOTAL COSTS >	3,131,074	3,322,715	369,140	408,400	7,231,329

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hermes	Team Lead - WTX/NM <u>WTE</u>	
Completions Engineer: Waylon Wolf	WTE	
Production Engineer: John Romano		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO	VP - Res Engineering	VP - Drilling
DEL	BMR	BG
Executive VP, Legal	Exec Dir - Exploration	
CA	NLF	
President		
MVH		

NON OPERATING PARTNER APPROVAL:

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

The costs on this AFE are estimates only and may not be approved or settled on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, insurance, regulatory, engineering and well costs, under the terms of the operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and hold proportionately for Operator's well control and general liability insurance, unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of sign.

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5440 • Fax 214.866.4883
chahn@matadorresources.com

**Cassie Hahn
Landman**

February 1, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

EOG A Resources, LLC
5509 Champions Drive
Midland, TX 79706

Re: Matador Production Company – Dr. Ireland Fed Com #114H (the “Well”)
Participation Proposal
Section 19, Township 23 South, Range 35 East
Lea County, New Mexico

Dear EOG A Resources, LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Dr. Ireland Fed Com #114H well, located in Section 19, Township 23 South, Range 35 East, Lea County, New Mexico to the Bone Spring formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping the Well is \$7,231,329 as found on the enclosed AFE dated January 31, 2018.
- The proposed surface location of the Well is approximately 257’ FSL and 489’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico. The proposed bottom hole location of the subject well is approximately 240’ FNL and 330’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico.
- The Well will have a targeted interval within the Bone Spring formation. We plan to drill the Well horizontally in the Bone Spring (~9,920’ TVD) to a Total Measured Depth of approximately 14,635’ resulting in a productive lateral of approximately 4,500’.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

EOG A Resources, LLC, will own an approximate 0.05000000 working interest in the Well based on the JOA, subject to title verification.

MRC requests that you indicate your election to participate in the drilling and completion of the Well in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The enclosed Operating Agreement dated March 15, 2018, by and between Matador Production Company, as operator and MRC Permian Company et al as Non-Operators, covers the E/2 of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$7,000/\$700 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs in the amount of \$361,566.45 to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for their proportionate share of all costs incurred.

Sincerely,

Cassie Hahn

Cassie Hahn

Enclosure(s)

Please elect one of the following and return to sender.

_____ EOG A Resources, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #114H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #114H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC is interested in selling its interest in this unit, please contact us to discuss.

EOG A Resources, LLC

By: _____

Title: _____

Date: _____

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 31, 2018	AFE NO.:	500000.040.01.001
WELL NAME:	Dr. Ireland Fed Com 114H	FIELD:	
LOCATION:	Section 19-23S-35E	MD/TVD:	14635/9920'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 4500'
MRC Wt:			
GEOLOGIC TARGET:	Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 1st Bone Spring Sand well with 22 stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 81,500	\$ -	\$ -	\$ -	\$ 81,500
Location, Surveys & Damages	123,000	8,000	4,000	20,000	155,000
Drilling	595,000	-	-	-	595,000
Cementing & Float Equip	224,000	-	-	-	224,000
Logging / Formation Evaluation	-	6,000	-	-	6,000
Mud Logging	21,000	-	-	-	21,000
Mud Circulation System	41,100	-	-	-	41,100
Mud & Chemicals	81,000	30,000	-	-	111,000
Mud / Wastewater Disposal	140,000	-	-	-	140,000
Freight / Transportation	15,000	19,500	-	2,500	37,000
Rig Supervision / Engineering	94,500	39,800	5,400	14,400	154,100
Drill Bits	103,500	-	-	-	103,500
Fuel & Power	85,050	-	-	-	85,050
Water	90,000	326,000	-	-	416,000
Drig & Completion Overhead	8,500	18,000	-	-	26,500
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	198,000	-	-	-	198,000
Completion Unit, Swab, CTU	-	70,000	15,000	-	85,000
Perforating, Wireline, Slickline	-	102,300	-	-	102,300
High Pressure Pump Truck	-	38,500	-	-	38,500
Stimulation	-	2,156,000	-	-	2,156,000
Stimulation Flowback & Disp	-	150,400	90,000	-	240,400
Insurance	24,840	-	-	-	24,840
Labor	121,500	16,500	4,000	-	142,000
Rental - Surface Equipment	52,550	123,350	3,000	5,000	183,900
Rental - Downhole Equipment	40,000	40,000	-	10,000	90,000
Rental - Living Quarters	42,650	24,300	1,000	-	67,950
Contingency	174,615	101,265	3,240	-	279,120
TOTAL INTANGIBLES >	2,357,305	3,269,915	125,640	51,900	5,804,760
TANGIBLE COSTS					
Surface Casing	\$ 80,525	\$ -	\$ -	\$ -	\$ 80,525
Intermediate Casing	170,250	-	-	-	170,250
Drilling Liner	-	-	-	-	-
Production Casing	464,994	-	-	-	464,994
Production Liner	-	-	-	-	-
Tubing	-	-	50,000	-	50,000
Wellhead	58,000	-	25,000	-	83,000
Packers, Liner Hangers	-	52,800	6,000	-	58,800
Tanks	-	-	-	60,000	60,000
Production Vessels	-	-	63,000	25,000	88,000
Flow Lines	-	-	50,000	-	50,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	20,000	-	20,000
Compressor	-	-	-	10,000	10,000
Installation Costs	-	-	-	64,000	64,000
Surface Pumps	-	-	5,000	-	5,000
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	12,500	49,000	61,500
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	80,000	80,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	4,000	6,000
Tank / Facility Containment	-	-	-	12,500	12,500
Flare Stack	-	-	-	17,500	17,500
Electrical / Grounding	-	-	-	5,000	5,000
Communications / SCADA	-	-	-	7,500	7,500
Instrumentation / Safety	-	-	10,000	22,000	32,000
TOTAL TANGIBLES >	773,769	52,800	243,600	356,500	1,426,569
TOTAL COSTS >	3,131,074	3,322,715	369,140	408,400	7,231,329

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hermes
 Completions Engineer: Waylon Wolf
 Production Engineer: John Romano

Team Lead - WTX/NM WTE
 WTE

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO _____
 Executive VP, Legal _____
 President _____

VP - Res Engineering _____
 Exec Dir - Exploration _____

VP - Drilling _____

NON OPERATING PARTNER APPROVAL:

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

The wells on this AFE are not to be drilled or completed on any specific term or the total cost of the project. Funding installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred including legal, variable regulatory, insurance and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement governing this well. Participants shall be covered by and held proportionately to Operator's well control and general liability insurance unless otherwise provided. Operator's certificate evidencing its own insurance in an amount acceptable to the Operator by the date of sign.

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5440 • Fax 214.866.4883
chahn@matadorresources.com

Cassie Hahn
Landman

February 1, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

EOG A Resources, LLC
5509 Champions Drive
Midland, TX 79706

Re: Matador Production Company – Dr. Ireland Fed Com #213H (the “Well”)
Participation Proposal
Section 19, Township 23 South, Range 35 East
Lea County, New Mexico

Dear EOG A Resources, LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Dr. Ireland Fed Com #213H well, located in Section 19, Township 23 South, Range 35 East, Lea County, New Mexico to the Wolfcamp formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping the Well is \$8,091,999 as found on the enclosed AFE dated January 31, 2018.
- The proposed surface location of the Well is approximately 570’ FSL and 1189’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico. The proposed bottom hole location of the subject well is approximately 240’ FNL and 1650’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico.
- The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~11,750’ TVD) to a Total Measured Depth of approximately 16,518’ resulting in a productive lateral of approximately 4,500’.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

EOG A Resources, LLC, will own an approximate 0.05000000 working interest in the Well based on the JOA, subject to title verification.

MRC requests that you indicate your election to participate in the drilling and completion of the Well in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The enclosed Operating Agreement dated March 15, 2018, by and between Matador Production Company, as operator and MRC Permian Company et al as Non-Operators, covers the E/2 of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$7,000/\$700 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs in the amount of \$404,599.95 to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for their proportionate share of all costs incurred.

Sincerely,

Cassie Hahn

Cassie Hahn

Enclosure(s)

Please elect one of the following and return to sender.

_____ EOG A Resources, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #213H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #213H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC is interested in selling its interest in this unit, please contact us to discuss.

EOG A Resources, LLC

By: _____

Title: _____

Date: _____

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 75240

Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 31, 2018	AFE NO.:	500000.050.01.001
WELL NAME:	Dr. Ireland Fed Com 213H	FIELD:	
LOCATION:	Section 19-23S-35E	MD/TVD:	16518'/11750'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 4500'
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a horizontal upper Wolfcamp well with 22 stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 181,500	\$ -	\$ -	\$ -	\$ 181,500
Location, Surveys & Damages	200,500	8,000	4,000	20,000	232,500
Drilling	766,000	-	-	-	766,000
Cementing & Float Equip	227,000	-	-	-	227,000
Logging / Formation Evaluation	-	6,000	-	-	6,000
Mud Logging	27,600	-	-	-	27,600
Mud Circulation System	56,160	-	-	-	56,160
Mud & Chemicals	141,000	30,000	-	-	171,000
Mud / Wastewater Disposal	155,000	-	-	-	155,000
Freight / Transportation	43,200	19,500	-	2,500	65,200
Rig Supervision / Engineering	139,500	39,800	5,400	14,400	199,100
Drill Bits	111,200	-	-	-	111,200
Fuel & Power	128,000	-	-	-	128,000
Water	70,000	328,000	-	-	398,000
Drig & Completion Overhead	10,500	18,000	-	-	28,500
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	230,000	-	-	-	230,000
Completion Unit, Swab, CTU	-	70,000	15,000	-	85,000
Perforating, Wireline, Silckline	-	102,300	-	-	102,300
High Pressure Pump Truck	-	38,500	-	-	38,500
Stimulation	-	2,158,000	-	-	2,158,000
Stimulation Flowback & Disp	-	150,400	90,000	-	240,400
Insurance	31,320	-	-	-	31,320
Labor	149,000	16,500	4,000	-	169,500
Rental - Surface Equipment	71,500	123,350	3,000	5,000	202,850
Rental - Downhole Equipment	60,000	40,000	-	10,000	110,000
Rental - Living Quarters	51,200	24,300	1,000	-	76,500
Contingency	227,854	101,285	3,240	-	332,359
TOTAL INTANGIBLES >	3,076,034	3,269,915	125,840	51,900	6,523,489
TANGIBLE COSTS					
Surface Casing	\$ 56,675	\$ -	\$ -	\$ -	\$ 56,675
Intermediate Casing	153,750	-	-	-	153,750
Drilling Liner	345,600	-	-	-	345,600
Production Casing	289,685	-	-	-	289,685
Production Liner	-	-	-	-	-
Tubing	-	-	50,000	-	50,000
Wellhead	70,000	-	25,000	-	95,000
Peckers, Liner Hangers	-	52,800	8,000	-	58,800
Tanks	-	-	-	60,000	60,000
Production Vessels	-	-	63,000	25,000	88,000
Flow Lines	-	-	50,000	-	50,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	20,000	-	20,000
Compressor	-	-	-	10,000	10,000
Installation Costs	-	-	-	64,000	64,000
Surface Pumps	-	-	5,000	-	5,000
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	12,500	49,000	61,500
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	80,000	80,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	4,000	6,000
Tank / Facility Containment	-	-	-	12,500	12,500
Flare Stack	-	-	-	17,500	17,500
Electrical / Grounding	-	-	-	5,000	5,000
Communications / SCADA	-	-	-	7,500	7,500
Instrumentation / Safety	-	-	10,000	22,000	32,000
TOTAL TANGIBLES >	915,710	52,800	243,500	356,500	1,568,510
TOTAL COSTS >	3,991,744	3,322,715	369,140	408,400	8,091,999

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hermes	Team Lead - WTX/NM <u>WTE</u>
Completions Engineer: Waylon Wolf	WTE
Production Engineer: John Romano	

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO <u>DEL</u>	VP - Res Engineering <u>BMR</u>	VP - Drilling <u>BG</u>
Executive VP, Legal <u>CA</u>	Exec Dir - Exploration <u>NLF</u>	
President <u>MVH</u>		

NON OPERATING PARTNER APPROVAL:

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

The costs on this AFE are estimates only and may not be credited as savings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Permittee agrees to pay its proportionate share of actual costs incurred including, but not limited to, legal, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Parties shall be covered by and listed proportionately in Operator's well contract and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of sign.

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5440 • Fax 214.866.4883
chahn@matadorresources.com

**Cassie Hahn
Landman**

February 1, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

EOG A Resources, LLC
5509 Champions Drive
Midland, TX 79706

Re: Matador Production Company – Dr. Ireland Fed Com #214H (the “Well”)
Participation Proposal
Section 19, Township 23 South, Range 35 East
Lea County, New Mexico

Dear EOG A Resources, LLC:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Dr. Ireland Fed Com #214H well, located in Section 19, Township 23 South, Range 35 East, Lea County, New Mexico to the Wolfcamp formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping the Well is \$8,091,999 as found on the enclosed AFE dated January 31, 2018.
- The proposed surface location of the Well is approximately 257’ FSL and 399’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico. The proposed bottom hole location of the subject well is approximately 240’ FNL and 330’ FEL of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico.
- The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~11,750’ TVD) to a Total Measured Depth of approximately 16,518’ resulting in a productive lateral of approximately 4,500’.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

EOG A Resources, LLC, will own an approximate 0.05000000 working interest in the Well based on the JOA, subject to title verification.

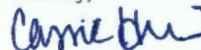
MRC requests that you indicate your election to participate in the drilling and completion of the Well in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement which is enclosed for your review and approval. The enclosed Operating Agreement dated March 15, 2018, by and between Matador Production Company, as operator and MRC Permian Company et al as Non-Operators, covers the E/2 of Section 19, Township 23 South, Range 35 East, Lea County, New Mexico and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$7,000/\$700 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs in the amount of \$404,599.95 to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for their proportionate share of all costs incurred. .

Sincerely,



Cassie Hahn

Enclosure(s)

Please elect one of the following and return to sender.

_____ EOG A Resources, LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #214H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Dr. Ireland Fed Com #214H well, located in Lea County, New Mexico.

_____ EOG A Resources, LLC is interested in selling its interest in this unit, please contact us to discuss.

EOG A Resources, LLC

By: _____

Title: _____

Date: _____

MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1800 • DALLAS, TEXAS 75240
Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 31, 2018	AFE NO.:	500000.051 01 001
WELL NAME:	Dr. Ireland Fed Com 214H	FIELD:	
LOCATION:	Section 19-23S-35E	MD/TVD:	16S18°/11750'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 4500'
MRC Wt:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a horizontal upper Wolfcamp well with 22 stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 181,500	\$ -	\$ -	\$ -	\$ 181,500
Location, Surveys & Damages	200,500	8,000	4,000	20,000	232,500
Drilling	766,000	-	-	-	766,000
Cementing & Float Equip	227,000	-	-	-	227,000
Logging / Formation Evaluation	-	8,000	-	-	8,000
Mud Logging	27,600	-	-	-	27,600
Mud Circulation System	58,160	-	-	-	58,160
Mud & Chemicals	141,000	30,000	-	-	171,000
Mud / Wastewater Disposal	155,000	-	-	-	155,000
Freight / Transportation	43,200	19,500	-	2,500	65,200
Rig Supervision / Engineering	139,500	39,800	5,400	14,400	199,100
Drill Bits	111,200	-	-	-	111,200
Fuel & Power	128,000	-	-	-	128,000
Water	70,000	326,000	-	-	396,000
Drig & Completion Overhead	10,500	18,000	-	-	28,500
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	230,000	-	-	-	230,000
Completion Unit, Swab, CTU	-	70,000	15,000	-	85,000
Perforating, Wireline, Silckline	-	102,300	-	-	102,300
High Pressure Pump Truck	-	38,500	-	-	38,500
Stimulation	-	2,156,000	-	-	2,156,000
Stimulation Flowback & Disp	-	150,400	90,000	-	240,400
Insurance	31,320	-	-	-	31,320
Labor	149,000	16,500	4,000	-	169,500
Rental - Surface Equipment	71,500	123,350	3,000	5,000	202,850
Rental - Downhole Equipment	60,000	40,000	-	10,000	110,000
Rental - Living Quarters	51,200	24,300	1,000	-	76,500
Contingency	227,854	101,285	3,240	-	332,359
TOTAL INTANGIBLES >	3,076,034	3,269,915	125,640	51,900	6,523,489
TANGIBLE COSTS					
Surface Casing	\$ 58,675	\$ -	\$ -	\$ -	\$ 58,675
Intermediate Casing	153,750	-	-	-	153,750
Drilling Liner	345,600	-	-	-	345,600
Production Casing	289,885	-	-	-	289,885
Production Liner	-	-	-	-	-
Tubing	-	-	50,000	-	50,000
Wellhead	70,000	-	25,000	-	95,000
Packers, Liner Hangers	-	52,800	6,000	-	58,800
Tanks	-	-	-	60,000	60,000
Production Vessels	-	-	63,000	25,000	88,000
Flow Lines	-	-	50,000	-	50,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	20,000	-	20,000
Compressor	-	-	-	10,000	10,000
Installation Costs	-	-	-	64,000	64,000
Surface Pumps	-	-	5,000	-	5,000
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	12,500	49,000	61,500
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	60,000	60,000
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	4,000	6,000
Tank / Facility Containment	-	-	-	12,500	12,500
Flare Stack	-	-	-	17,500	17,500
Electrical / Grounding	-	-	-	5,000	5,000
Communications / SCADA	-	-	-	7,500	7,500
Instrumentation / Safety	-	-	10,000	22,000	32,000
TOTAL TANGIBLES >	915,710	52,800	243,600	358,500	1,568,510
TOTAL COSTS >	3,991,744	3,322,715	369,140	408,400	8,091,999

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Blake Hermes	Team Lead - WTX/NM <u>WTE</u>	
Completions Engineer: Waylon Wolf		
Production Engineer: John Romano		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO _____	VP - Res Engineering _____	VP - Drilling _____
Executive VP, Legal _____	Exec Dir - Exploration _____	
President _____		

NON OPERATING PARTNER APPROVAL:

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

The costs on this AFE are estimates only and may not be confirmed as estimates for any specific item or the total cost of the project. Timing information approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Partner agrees to pay its proportionate share of actual costs incurred, including legal, location, regulatory, insurance and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Partners shall be covered by and billed proportionately for Operator's well control and general liability insurance unless disclosed provides Operator a certificate endorsing its own insurance in an amount acceptable to the Operator by the date of bid.

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

July 18, 2018

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

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

1. Case No. 16350, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 113H, a Bone Spring well in the W/2E/2 of Section 19; and

2. Case No. 16351, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 114H, a Bone Spring well in the E/2E/2 of Section 19,

all in Township 23 South, Range 35 East, NMPM, Lea County, New Mexico.

These matters are re-scheduled for hearing at 8:15 a.m. on Thursday, August 9, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Regulations to file a Pre-Hearing Statement no later than Thursday, August 2, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The name of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

EXHIBIT

5A

Very truly yours,

James Bruce

James Bruce

Attorney for Matador Production Company

EXHIBIT A

EOG A Resources, Inc.
EOG Y Resources, Inc.
5509 Champions Drive
Midland, Texas 79706

OXY Y-1 Company
Suite 110
5 Greenway Plaza
Houston, Texas 77046

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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jamesbruc@aol.com

July 18, 2018

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

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

1. Case No. 16352, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 213H, a Wolfcamp well in the W/2E/2 of Section 19; and

2. Case No. 16353, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 214H, a Wolfcamp well in the E/2E/2 of Section 19,

all in Township 23 South, Range 35 East, NMPM, Lea County, New Mexico.

These matters are re-scheduled for hearing at 8:15 a.m. on Thursday, August 9, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Regulations to file a Pre-Hearing Statement no later than Thursday, August 2, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The name of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

EXHIBIT

5B

Very truly yours,

James Bruce

James Bruce

Attorney for Matador Production Company

EXHIBIT A

EOG A Resources, Inc.
EOG Y Resources, Inc.
5509 Champions Drive
Midland, Texas 79706

OXY Y-1 Company
Suite 110
5 Greenway Plaza
Houston, Texas 77046

JAMES BRUCE
ATTORNEY AT LAW

POST OFFICE BOX 1056
SANTA FE, NEW MEXICO 87504

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(505) 982-2151 (Fax)

jamesbruc@aol.com

July 18, 2018

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

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

1. Case No. 16350, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 113H, a Bone Spring well in the W/2E/2 of Section 19;
2. Case No. 16351, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 114H, a Bone Spring well in the E/2E/2 of Section 19;
3. Case No. 16352, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 213H, a Wolfcamp well in the W/2E/2 of Section 19; and
4. Case No. 16353, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 214H, a Wolfcamp well in the E/2E/2 of Section 19,

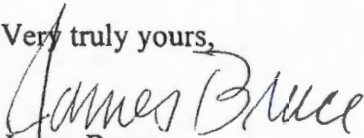
all in Township 23 South, Range 35 East, NMPM, Lea County, New Mexico.

These matters are re-scheduled for hearing at 8:15 a.m. on Thursday, June 28, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but **as an owner of an overriding royalty interest** that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date. **As an overriding royalty interest owner you are not subject to well costs. You are being notified so that your interest will be committed to the above well units.**



A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, June 7, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,


James Bruce

Attorney for Matador Production Company

Last Known Addresses for Parties with an Ownership Interest in the Subject Property			
<i>Owner</i>	<i>Address</i>	<i>Instrument</i>	<i>Date of Instrument</i>
Allar Development,	P.O. Box 1567 Graham, TX 76450	Book 2079, page 321	January 26, 2017
Martin Joyce	P.O. Box 2142 Roswell, NM 88202	Book 2079, page 321	January 26, 2017
MRC Permian Company	5400 IBJ Freeway Suite 1500 Dallas, TX 75240	Book 2085, page 522	February 22, 2017
Nestegg Energy Corporation	2308 Sierra Vista Road Artesia, NM 88210	Book 2079, page 321	January 26, 2017
Robert E. Landreth	110 W. Louisiana Suite 404 Midland, TX 79701	Book 1924, page 487	October 21, 2014
Scott W. Tanberg	2502 Keswick Midland, TX 79705	Book 1924, page 487	October 21, 2014

EXHIBIT

A

JAMES BRUCE
ATTORNEY AT LAW

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(505) 982-2151 (Fax)

jamesbruce@aol.com

July 18, 2018

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

To: Persons on Exhibit A

Ladies and gentlemen:

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

1. Case No. 16350, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 113H, a Bone Spring well in the W/2E/2 of Section 19;
2. Case No. 16351, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 114H, a Bone Spring well in the E/2E/2 of Section 19;
3. Case No. 16352, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 213H, a Wolfcamp well in the W/2E/2 of Section 19; and
4. Case No. 16353, for compulsory pooling, regarding the Dr. Ireland Fed. Com. Well No. 214H, a Wolfcamp well in the E/2E/2 of Section 19,

all in Township 23 South, Range 35 East, NMPM, Lea County, New Mexico.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, August 9, 2018, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but **as an offset interest owner or operator** that may be affected by these applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

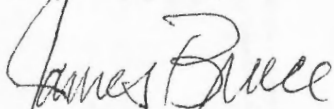
A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, August 2, 2018. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and

EXHIBIT

50

its attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

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

James Bruce

Attorney for Matador Production Company

EXHIBIT A

EOG Y Resources, Inc.
5509 Champions Drive
Midland, Texas 79706

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

Chevron U.S.A. Inc.
6301 Deauville
Midland, Texas 79706