

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JANUARY 24, 2019**

CASE No. 20124

GREVEY COM 20 & 29-26S-35E AR No. 211H

LEA COUNTY, NEW MEXICO



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

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

CASE NO. 20124

AFFIDAVIT OF CHRIS CARLETON

Chris Carleton, of lawful age and being first duly sworn, declares as follows:

1. My name is Chris Carleton. I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a senior landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Matador in this matter and I am familiar with the status of the lands in the subject area.
4. Matador seeks to pool certain uncommitted interests in the spacing unit. None of the interest owners has indicated opposition to the hearing being presented by affidavit.
5. Matador seeks an order pooling all uncommitted interests in the Wolfcamp formation underlying the 240-acre horizontal spacing unit comprised of the W/2 W/2 of Section 20 and the W/2 NW/4 of Section 29, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This horizontal spacing unit will be dedicated to the proposed **Grevey Com 20 & 29-26S-35E AR No. 211H**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 20 to a bottom hole location in the SW/4 NW/4 (Unit E) of

Section 29. The completed interval for this well will remain within the standard offset required by the statewide rules for horizontal oil wells.

6. **Matador Exhibit No. 1A** contains a Midland Map showing the proposed spacing unit. This map confirms that the spacing unit is comprised of fee lands.

7. **Matador Exhibit No. 1B** contains a draft Form C-102 for the proposed well. Subject to confirmation from the Division District Office, this well will be placed in the Jabalina; Wolfcamp, Southwest Pool (96776).

8. **Matador Exhibit No. 1C** identifies the interest ownership in the spacing unit. Matador is seeking to pool the interests held by two working interest owners and two unleased mineral interest owners. There are no overriding royalty interest owners of record in this spacing unit.

9. After this pooling application was filed and notice was provided pursuant to NMAC 19.15.4.12(A)(1)(a), Orla Petco, Inc., an unleased mineral interest owner, recorded the assignment based on its sale of its interest to Fortis Minerals II, LLC. This assignment was recorded after notice of the pooling application had already been provided. Accordingly, Fortis was on notice of the pooling application and hearing at the time it recorded the transfer of its interest.

10. **Matador Exhibit No. 1D** contains a representative copy of the well proposal letters along with an AFE provided to the parties that Matador seeks to pool. The first two pages of this exhibit is a copy of the letter that was sent to working interest owners. The second two pages of this exhibit is a copy of the letter that was sent to unleased mineral interest owners. I have been in contact with each of the owners on Exhibit 1D that we seek to pool and attempted

to reach an agreement with them, and I will be reaching out to Fortis Minerals II, LLC to reach a deal with them. All interest owners are locatable.

11. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area in the Wolfcamp formation.

12. No ownership depth severances exist within the proposed spacing unit.

13. Matador has estimated the overhead and administrative costs for drilling and producing the proposed wells at \$7,000 per month while drilling and \$700 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.

14. Matador Exhibit Nos. 1A through 1D were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

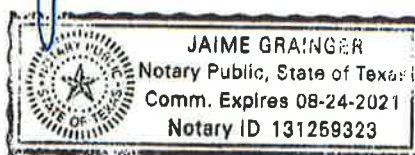

Chris Carleton

STATE OF TEXAS)
)
COUNTY OF Dallas)

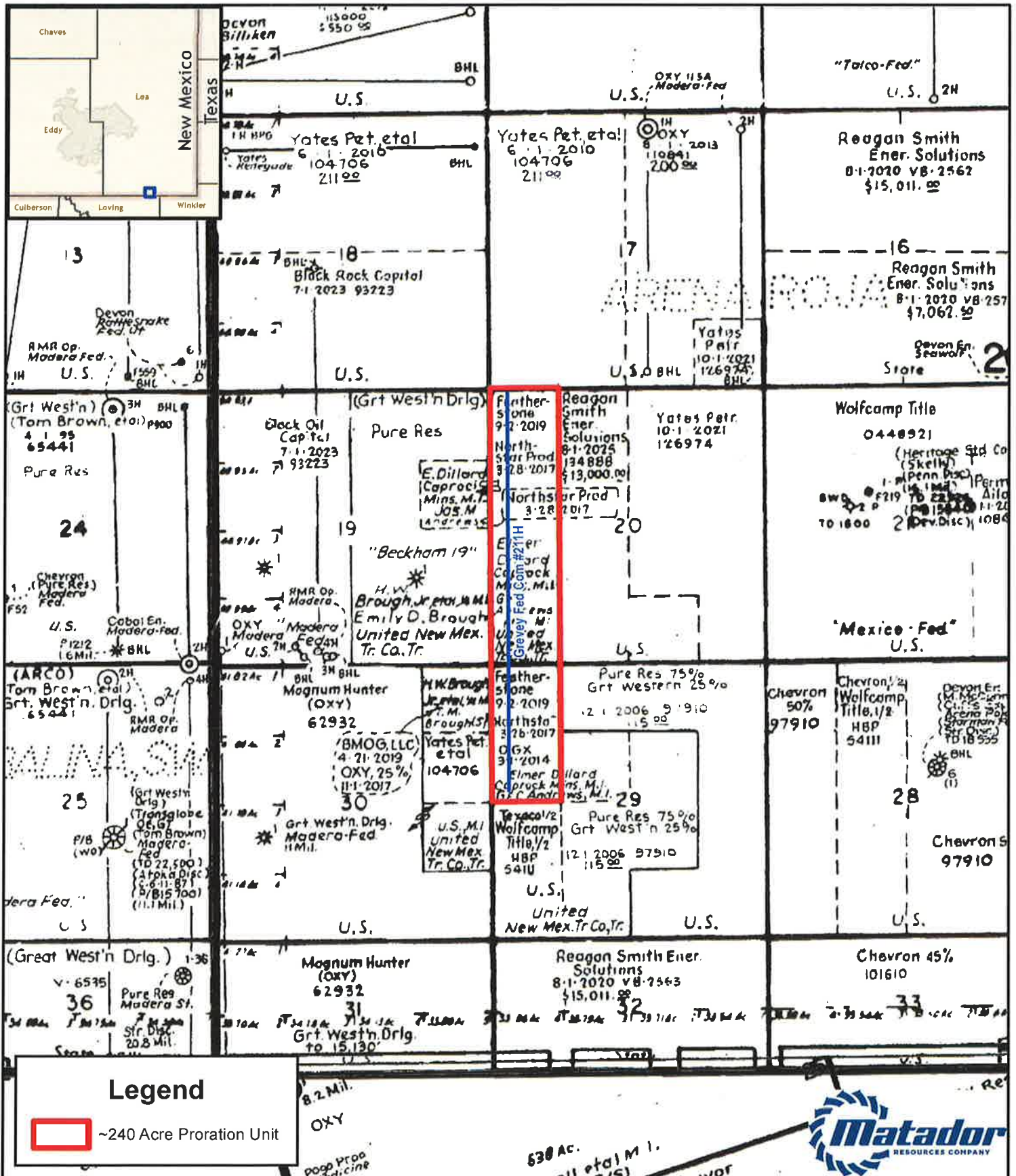
SUBSCRIBED and SWORN to before me this 23rd day of January 2019 by
Chris Carleton.


NOTARY PUBLIC

My Commission Expires:
8-24-2021



20/29-26S-35E



1:30,000

1 inch = 2,500 feet

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 1A

Submitted by: MATADOR PRODUCTION CO

Hearing Date: January 24, 2019

Case Nos. 20124

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos 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	³ Pool Name
⁴ Property Code	⁵ Property Name GREVEY COM 20 & 29-26S-35E AR		⁶ Well Number #211H
⁷ OGRID No.	⁸ Operator Name MATADOR PRODUCTION COMPANY		⁹ Elevation

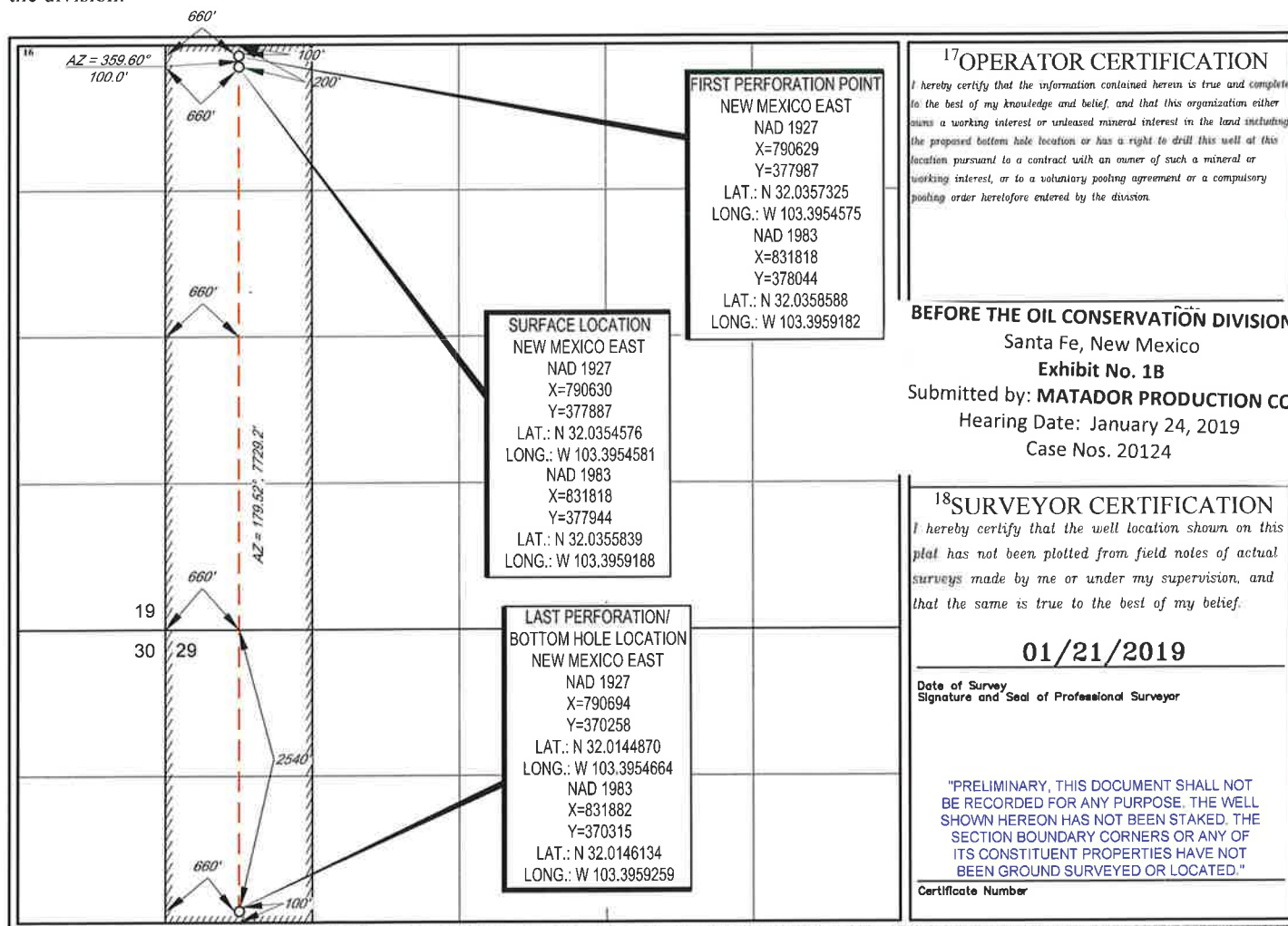
¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	20	25-S	35-E	-	200'	NORTH	660'	WEST	LEA

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	29	26-S	35-E	-	2540'	NORTH	660'	WEST	LEA

¹² Dedicated Acres 240	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.



Summary of Interests

MRC Permian Company:		29.167%
Compulsory Pool:		70.833%
Interest Owner:	Description:	Interest:
Bellomy Group, LLC	Working Interest	31.25%
Marathon Oil Permian LLC	Working Interest	6.25%
Devon Energy Production Company, L.P.	Unleased Minerals	25%
Orla Petco, Inc.*	Unleased Minerals	8.33%



MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5430 • Fax 214.866.4930
ccarleton@matadorresources.com

Chris Carleton
Senior Landman

April 10, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

Marathon Oil Permian LLC
5555 San Felipe Street
Houston, TX 77056

Re: Matador Production Company – Grevey Com 20&29-26S-35E AR #211H (the “Well”)
Participation Proposal
Sections 20&29, Township 26 South, Range 35 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Grevey Com 20&29-26S-35E AR #211H well, located in Sections 20&29, Township 26 South, Range 35 East, Lea County, New Mexico to the Wolfcamp formation.

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.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping the Well is \$10,533,604 as found on the enclosed AFE dated March 16, 2018.
- The proposed surface location of the Well is approximately 660’ FWL and 200’ FNL of Section 20, Township 26 South, Range 35 East, Lea County, New Mexico. The proposed bottom hole location of the subject well is approximately 660’ FWL and 2400’ FNL of Section 29, Township 26 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 (12,700’ TVD) to a Total Measured Depth of approximately 19,900’ resulting in a productive lateral of approximately 7,500’.

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.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. 1D

Submitted by: **MATADOR PRODUCTION CO**

Hearing Date: January 24, 2019

Case Nos. 20124

Marathon Oil Permian LLC will own an approximate 0.06250000 working interest in the Well based on the JOA, subject to title verification.

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 19, 2018, by and between Matador Production Company, as operator and MRC Permian Company et al as Non-Operators, covers the W2W2 of Section 20, Township 26 South, Range 35 East and W2/NW/4 of Section 29, Township 26 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 \$ \$658,350.25 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,


Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender.

_____ Marathon Oil Permian LLC hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Grevey Com 20&29-26S-35E AR #211H well, located in Lea County, New Mexico.

_____ Marathon Oil Permian 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 Grevey Com 20&29-26S-35E AR #211H well, located in Lea County, New Mexico.

_____ Marathon Oil Permian LLC is interested in selling its interest in this unit, please contact us to discuss.

Marathon Oil Permian LLC

By: _____

Title: _____

Date: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5430 • Fax 214.866.4930
ccarleton@matadorresources.com

Chris Carleton
Senior Landman

March 21, 2018

VIA CERTIFIED RETURN RECEIPT MAIL

Devon Energy Corporation
333 West Sheridan Avenue
Oklahoma City, Ok 73102-5015

Re: Matador Production Company – Grevey Com 20&29-26S-35E AR #211H (the “Well”)
Participation Proposal/Offer to Lease
Sections 20&29, Township 26 South, Range 35 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Grevey Com 20&29-26S-35E AR #211H well, located in Sections 20&29, Township 26 South, Range 35 East, Lea County, New Mexico, to the Wolfcamp formation.

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.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping the Well is \$10,533,604 as itemized on the enclosed Authority for Expenditure (“AFE”) dated March 16, 2018.
- The proposed surface location of the Well is approximately 660’ FWL and 200’ FNL of Section 20, Township 26 South, Range 35 East, Lea County, New Mexico. The proposed bottom hole location of the subject well is approximately 660’ FWL and 2400’ FNL of Section 29, Township 26 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 (~12,700’ TVD) to a Total Measured Depth of approximately 19,900’ resulting in a productive lateral of approximately 7,500’.

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.

Devon Energy Corporation will own an approximate 0.25000000 working interest in the Well, subject to title verification.

As an alternative to participation in the well Matador is interested in leasing your mineral interest, subject to title verification, for \$1,500/acre, 1/5 royalty, and a 3 year term on the lease form enclosed. Should you elect to lease your minerals, please sign the enclosed lease, in the presence of a notary public, and return it to my attention, at the address listed above.

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 \$2,633,401.00 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.

Please contact me if you have any questions.

Sincerely,



Chris Carleton

Enclosure(s)

Please elect one of the following and return to sender.

_____ Devon Energy Corporation hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Grevey Com 20&29-26S-35E AR #211H well, located in Lea County, New Mexico.

_____ Devon Energy Corporation hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with the Matador Production Company's Grevey Com 20&29-26S-35E AR #211H well, located in Lea County, New Mexico.

_____ Devon Energy Corporation hereby elects to lease our minerals for \$7,000/acre, 1/5 royalty, and a 3-year term.

Devon Energy Corporation

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:	March 16, 2018	APE NO.:	
WELL NAME:	Grevey Corn 20&29-26S-35E AR 211H	FIELD:	
LOCATION:	Section 20&29-26S-35E	MD/TVD:	19900'/12700'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	about 7500'
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete and equip a 7500' horizontal upper Wolfcamp target with 42 stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 151,500				\$ 151,500
Location, Surveys & Damages	220,500	13,000		25,000	256,500
Drilling	921,875				921,875
Cementing & Float Equip	247,000				247,000
Logging / Formation Evaluation		6,000			6,000
Mud Logging	33,600				33,600
Mud Circulation System	63,160				63,160
Mud & Chemicals	161,000	30,000			191,000
Mud / Wastewater Disposal	180,000				180,000
Freight / Transportation	36,000	24,000			60,000
Rig Supervision / Engineering	162,000	81,700	7,200	19,800	270,700
Drill Bits	131,200				131,200
Fuel & Power	162,000				162,000
Water	75,000	752,500			827,500
Drig & Completion Overhead	15,500	21,000			36,500
Plugging & Abandonment					
Directional Drilling, Surveys	290,000				290,000
Completion Unit, Swab, CTU		105,000	25,000		130,000
Perforating, Wireline, Slickline		254,000			254,000
High Pressure Pump Truck		77,000			77,000
Stimulation		2,940,000			2,940,000
Stimulation Flowback & Disp		156,000			156,000
Insurance	35,820				35,820
Labor	157,000	19,500	6,000		182,500
Rental - Surface Equipment	85,250	175,700	12,000	8,000	280,950
Rental - Downhole Equipment	90,000	55,000		6,000	151,000
Rental - Living Quarters	58,700	37,700		2,000	98,400
Contingency	262,168	180,813	5,020		448,001
TOTAL INTANGIBLES >	3,538,273	4,928,943	56,220	60,800	8,584,236
TANGIBLE COSTS					
Surface Casing	\$ 36,800				\$ 36,800
Intermediate Casing	159,250				159,250
Drilling Liner	356,500				356,500
Production Casing	345,518				345,518
Production Liner					
Tubing			63,500		63,500
Wellhead	70,000		30,000		100,000
Packers, Liner Hangers		88,800	10,000		98,800
Tanks				90,000	90,000
Production Vessels			60,000	50,000	110,000
Flow Lines					
Rod string					
Artificial Lift Equipment			20,000		20,000
Compressor					
Installation Costs			60,000	120,000	180,000
Surface Pumps			5,000		5,000
Non-controllable Surface			66,000		66,000
Non-controllable Downhole					
Downhole Pumps					
Measurement & Meter Installation			18,000	65,000	83,000
Gas Conditioning / Dehydration					
Interconnecting Facility Piping				75,000	75,000
Gathering / Bulk Lines					
Valves, Dumps, Controllers			4,000	8,000	12,000
Tank / Facility Containment				30,000	30,000
Flare Stack				25,000	25,000
Electrical / Grounding				20,000	20,000
Communications / SCADA				25,000	25,000
Instrumentation / Safety			10,000	40,000	50,000
TOTAL TANGIBLES >	988,068	88,800	344,500	548,000	1,949,368
TOTAL COSTS >	4,507,341	5,017,743	399,720	608,800	10,533,604

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Blake Hermes	Team Lead - WTX/NM	<u>WTE</u>
Completions Engineer:	Austin Wright		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	VP - Production
CA	NLF	TWG
President		
MVA		

NON OPERATING PARTNER APPROVAL:

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

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

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

CASE NO. 20124

AFFIDAVIT OF ANDREW PARKER

Andrew Parker, of lawful age and being first duly sworn, declares as follows:

1. My name is Andrew Parker. I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador), as a geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Matador in this case and I have conducted a geologic study of the Wolfcamp formation underlying the subject acreage.
4. Matador is targeting the Wolfcamp formation (Wolfcamp A interval) with the proposed **Grevey Com 20 & 29 26S 35E AR No. 211H Well**.
5. **Matador Exhibit No. 2A** is a locator map showing the area for the proposed well in red.
6. **Matador Exhibit No. 2B** is a subsea structure map that I prepared for the top of the Wolfcamp formation. The contour interval is 50 feet and the proposed wellbore path for the well is depicted by a red line. The spacing unit is shown in yellow. The structure map shows that the area is relatively flat along the lateral and gently dipping to the west. I do not observe any faulting, pinchouts, or other geologic hazards to developing this targeted interval in this spacing unit with a horizontal well.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 2
Submitted by: **MATADOR PRODUCTION CO**
Hearing Date: January 24, 2019
Case Nos. 20124

7. Matador Exhibit No. 2B shows three wells penetrating the Wolfcamp formation that I used to construct a cross-section from A to A'. I consider these wells to be representative of the geology of the area in the target formation.

8. **Matador Exhibit No. 2C** is a cross section of the Wolfcamp formation using the representative wells depicted on Exhibit 2B. Matador's Exhibit No. 2C shows the following logs: gamma ray, resistivity, and porosity logs, to the extent such data was available with respect to each respective well. The proposed target interval for the 211H well is labeled and depicted in yellow. The cross-section demonstrates that the targeted interval extends across the proposed spacing unit.

9. In my opinion the north to south orientation of the proposed well in the Wolfcamp formation is appropriate in order to effectively drain the targeted reservoir and be perpendicular to the maximum stress regime observed in the area.

10. **Matador Exhibit No. 2D** demonstrates that the path of the proposed Grevey Com 20 & 29 26S 35E AR No. 211H Well will comply with the Divisions standard setback requirements.

11. Based on my geologic study of the area, the Wolfcamp formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed spacing unit will contribute more-or-less equally to the production from the wellbore.

12. In my opinion, the granting of Matador's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

13. Matador's attached Exhibit Nos. 2A-2D were either prepared by me or compiled under my direction and supervision.

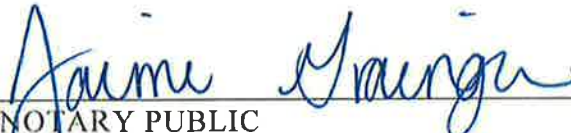
FURTHER AFFIANT SAYETH NOT.



Andrew Parker

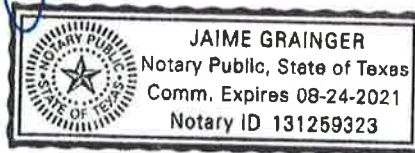
STATE OF TEXAS)
)
COUNTY OF Dallas)

SUBSCRIBED and SWORN to before me this 23rd day of January 2019 by
Andrew Parker.

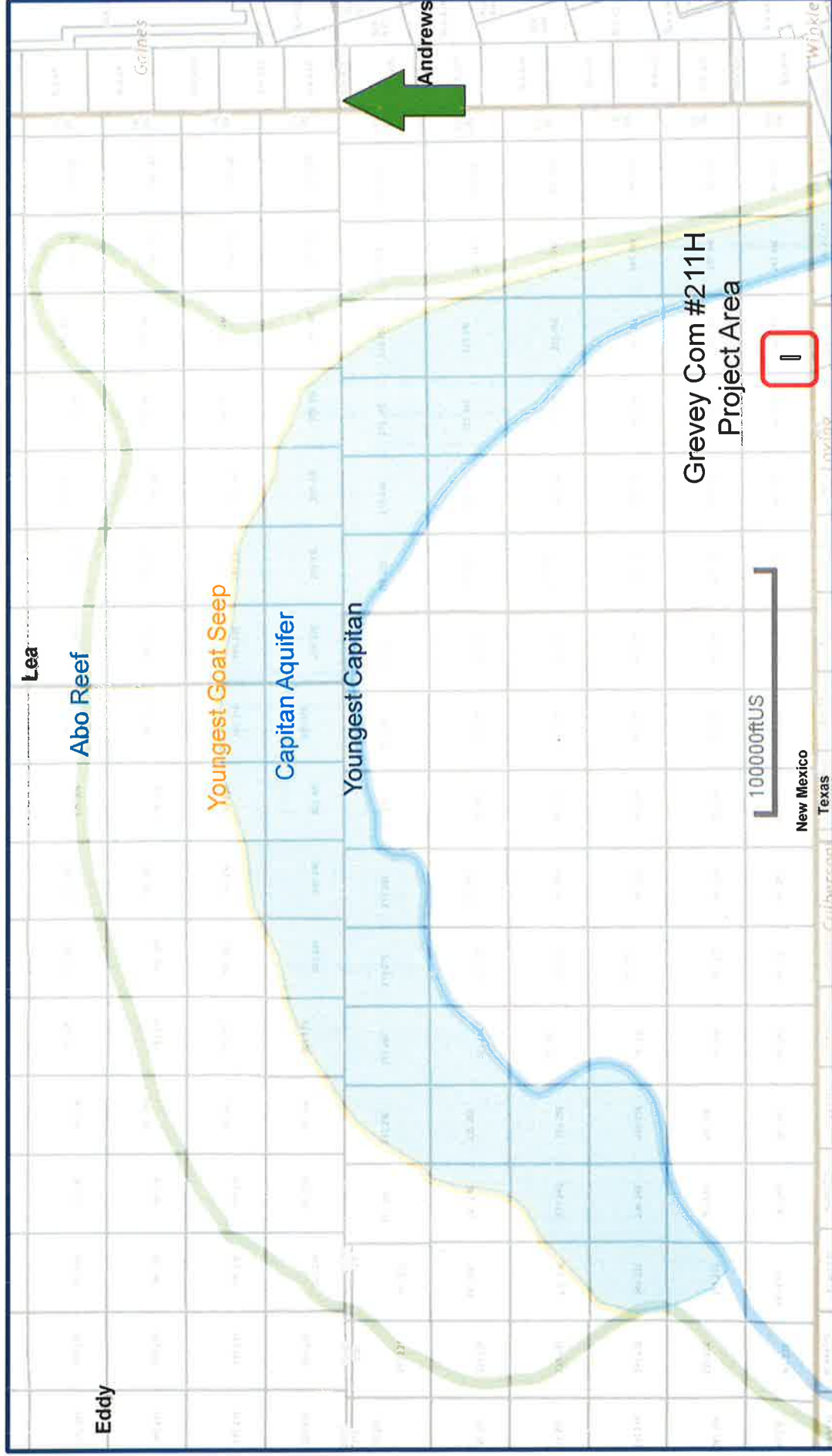


NOTARY PUBLIC

My Commission Expires:
8-24-2021



Jabalina; Wolfcamp, Southwest (Pool Code 96776) Locator Map

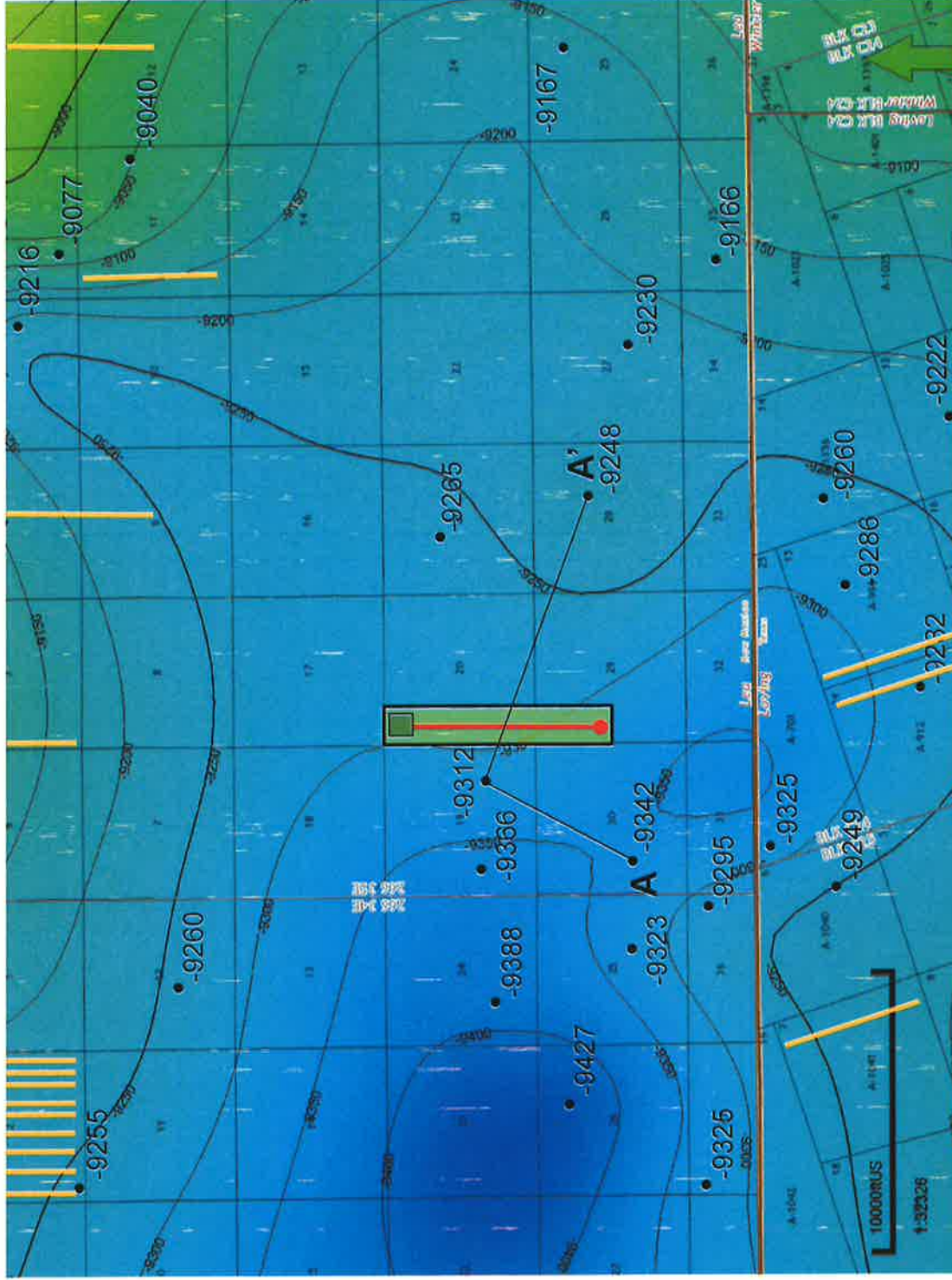


BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Grevey Com 20 & 29-26S-35E AR #211H

Exhibit No. 2A
Submitted by: MATADOR PRODUCTION CO
Hearing Date: January 24, 2019
Case Nos. 20124

Jabalina; Wolfcamp, Southwest (Pool Code 96776) Structure Map (Top Wolfcamp Subsea)



Map Legend

Grevey 211H

BHL

SHL

Project Area



Wolfcamp
Producers



C.I. = 50'



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. 2B

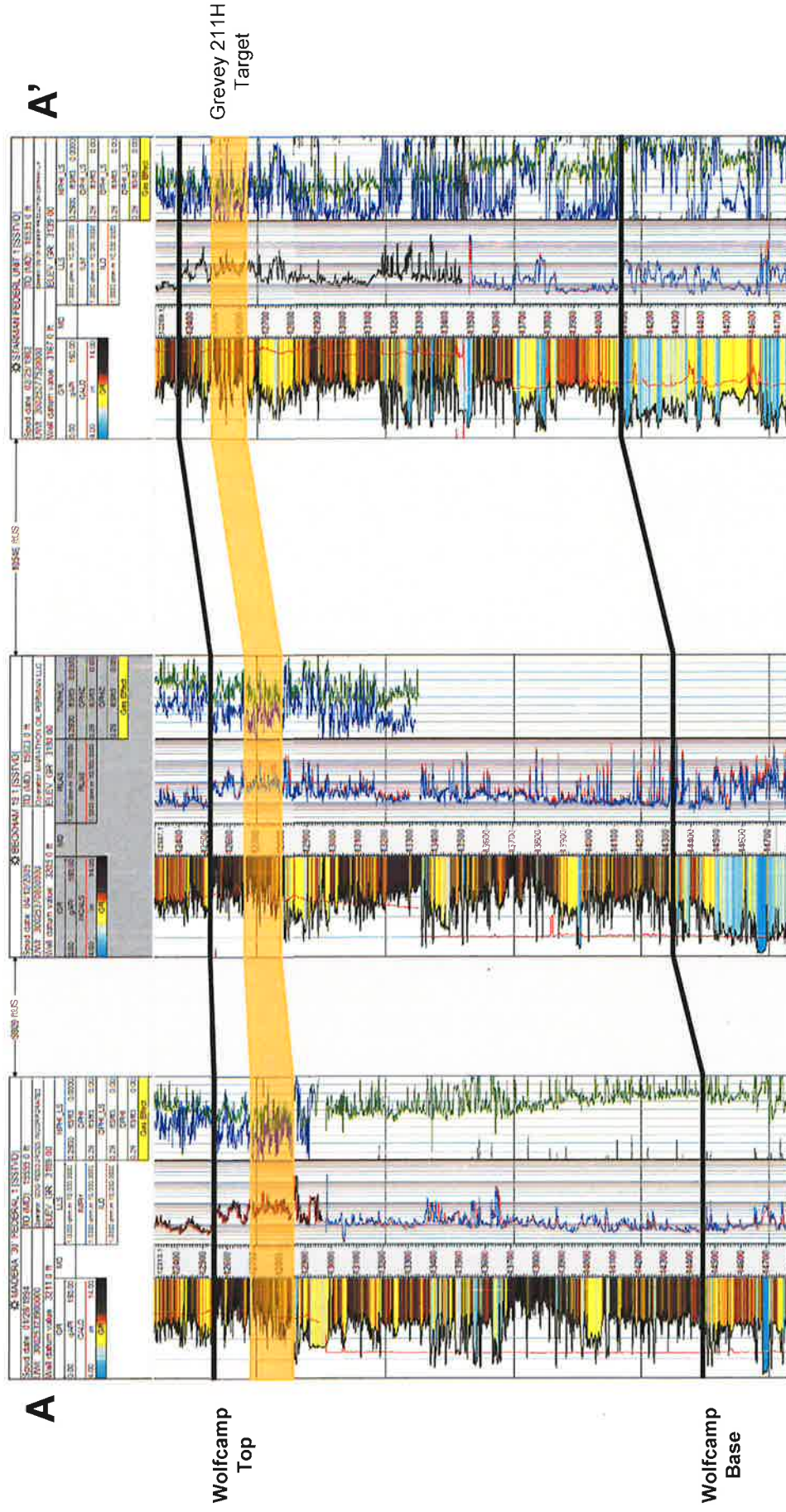
Submitted by: MATADOR PRODUCTION CO

Hearing Date: January 24, 2019

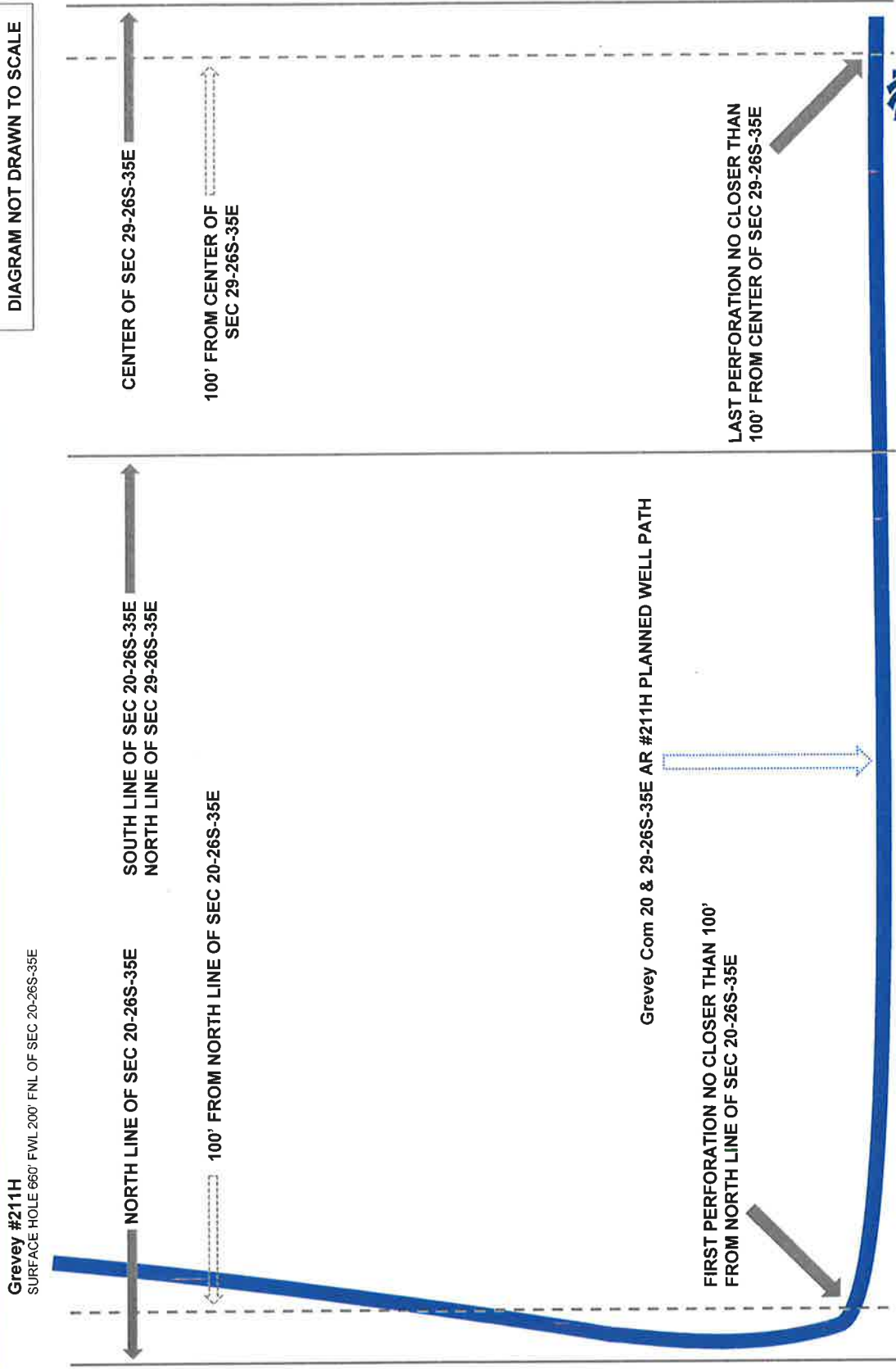
Case Nos. 20124

Grevey Com 20 & 29-26S-35E AR #211H

Jabalina; Wolfcamp, Southwest (Pool Code 96776) Structural Cross Section A - A'



Jabalina; Wolfcamp, Southwest (Pool Code 96776) Grevey Com 20 & 29-26S-35E AR #211H



Grevey Com 20 & 29-26S-35E AR #211H

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. 2D

Submitted by: MATADOR PRODUCTION CO

Hearing Date: January 24, 2019

Case Nos. 20124

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

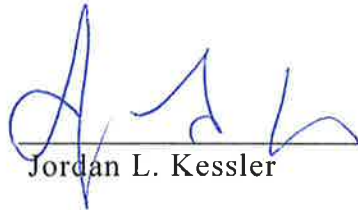
**APPLICATION OF MATADOR PRODUCTION COMPANY
FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NO. 20124

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

Jordan L. Kessler, attorney in fact and authorized representative of Matador Production Company, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications have been provided under the notice letters and proof of receipts attached hereto.

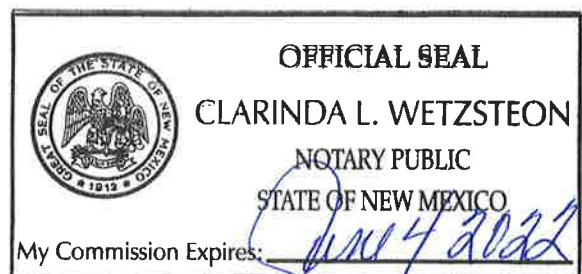


Jordan L. Kessler

SUBSCRIBED AND SWORN to before me this 23rd Day of January 2019 by Jordan L. Kessler.



Notary Public



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 3
Submitted by: **MATADOR PRODUCTION CO**
Hearing Date: January 24, 2019
Case Nos. 20124



Jordan L. Kessler
Associate
Phone (505) 988-4421
Fax (505) 983-6043
JLKessler@hollandhart.com

December 21, 2018

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico.
Grevey Com 20 & 29-26S-35E AR No. 211H

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division. This application will be set for hearing before a Division Examiner at 8:15 a.m. on January 10, 2019. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint 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 this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 19.15.4.13.B to file a Pre-hearing Statement four business days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all 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 are to be resolved prior to the hearing.

If you have any questions about this matter, please contact Chris Carleton at (972) 371-5430 or ccarleton@matadorresources.com.

Sincerely,

Jordan L. Kessler
ATTORNEY FOR
MATADOR PRODUCTION COMPANY

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. 3A
Submitted by: MATADOR PRODUCTION CO
Hearing Date: January 24, 2019
Case Nos. 20124

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1	CustomField1	MailClass	TrackingNo	ToName		DeliveryAddress	City	St	Zip
2	65181 - Grevey Com 211H - 1	Certified with Return Receipt (Signature)	9414810898765023668463	Ameredev New Mexico, LLC		57007 Southwest Parkway Building 1 Suite 275	Austin	TX	78735
3	65181 - Grevey Com 211H - 2	Certified with Return Receipt (Signature)	9414810898765023668470	The Bellomy Group LLC		1700 Pacific Avenue Suite 2220	Dallas	TX	75201
4	65181 - Grevey Com 211H - 3	Certified with Return Receipt (Signature)	9414810898765023668487	Marathon Oil Permian LLC		5555 San Felipe St	Houston	TX	77056
5	65181 - Grevey Com 211H - 4	Certified with Return Receipt (Signature)	9414810898765023668500	Devon Energy Production Company		333 W Sheridan Ave	Oklahoma City	OK	73102
6	65181 - Grevey Com 211H - 5	Certified with Return Receipt (Signature)	9414810898765023668517	Orla Petco Inc c/o Cotton Bledsoe Tighe & Dawso		500 W Illinois Suite 300	Midland	TX	79701
7	65181 - Grevey Com 211H - 6	Certified with Return Receipt (Signature)	9414810898765023668524	Orla Petco Inc c/o CT Corporation System		1999 Bryant Street Suite 900	Dallas	TX	75201

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1	USPS_Status	
2	12/24/2018	Your item was delivered to an individual at the address at 11:03 am on January 2, 2019 in AUSTIN, TX 78737.
3	12/24/2018	Your item was delivered to the front desk, reception area, or mail room at 1:11 pm on January 2, 2019 in DALLAS, TX 75201.
4	12/24/2018	Your item arrived at the Post Office at 12:53 pm on January 7, 2019 in HOUSTON, TX 77057.
5	12/24/2018	Your item was delivered at 7:43 am on January 2, 2019 in OKLAHOMA CITY, OK 73102.
6	12/24/2018	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
7	12/24/2018	Your item was delivered at 9:42 am on January 2, 2019 in DALLAS, TX 75201.