

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

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

CASE NOS. 20546 & 20547

AFFIDAVIT OF SAM PRYOR

Sam Pryor, of lawful age and being first duly sworn, declares as follows:

1. My name is Sam Pryor. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as an Area Land Manager.
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 applications filed by Matador in these cases, and I am familiar with the status of the lands in the subject area.
4. In these consolidated cases, Matador is seeking orders pooling all uncommitted interests in the following standard horizontal spacing units in the Wolfcamp formation underlying Section 19, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico:
 - In **Case No. 20546**, a 160-acre, more or less, horizontal spacing unit in the Wolfcamp formation comprised of the N/2 S/2 of Section 19 to be dedicated to the proposed **Stebbins 19 Fed Com No. 203H Well**, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 19 to a bottom-hole location in the NW/4 SW/4 (Unit L) of Section 19.

EXHIBIT /

- In **Case No. 20547**, a 160-acre, more or less, horizontal spacing unit in the Wolfcamp formation comprised of the S/2 S/2 of Section 19 to be dedicated to the proposed **Stebbins 19 Fed No. 204H Well**, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 19 to a bottom-hole location in the SW/4 SW/4 (Unit M) of Section 19.

5. **Matador Exhibit A-1** contains a Form C-102 for each of the proposed wells. Matador understands that these wells will be assigned to the (Burton Flat East; Upper Wolfcamp (Pool Code 98315)).

6. The completed intervals for the proposed wells will remain within the standard offset required by the statewide rules set forth in 19.15.16.15 NMAC.

7. **Matador Exhibit A-2** identifies the tracts of land comprising the proposed horizontal spacing units. The proposed wellbores are marked in blue inside the proposed horizontal spacing units which are outlined in red.

8. **Matador Exhibit A-3** identifies for each well the working interest owners that Matador is seeking to pool along with their respective ownership interest in each of the proposed horizontal spacing units. In each case, Matador is also seeking to pool the overriding royalty interest owners that are identified on **Matador Exhibit A-4**, which are the same overriding royalty interest owners in both cases.

9. There are no depth severances within the Wolfcamp formation for this acreage.

10. **Matador Exhibit A-5** contains sample well proposal letters and AFE sent to working interest owners for each well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

11. In addition to sending well proposal letters and AFEs, I have called or emailed each of the working interest owners Matador seeks to pool for which we have contact information and attempted to reach an agreement with them. In my opinion, I have made a good faith effort to reach an agreement with each of the working interest owners that Matador seeks to pool.

12. Matador has made an estimate of overhead and administrative costs for drilling and producing the proposed wells. It is \$7,000/month while drilling, and \$700/month while producing. These costs are consistent with what other operators are charging in this area for these types of wells. Matador respectfully requests that these administrative and overhead costs be incorporated into any orders entered by the Division in these consolidated cases.

13. In my opinion, Matador has made good faith efforts to reach an agreement with the working interest owners it is seeking to pool. If Matador reaches an agreement with any of the proposed pooled parties before the Division enters an order, I will let the Division know that Matador is no longer seeking to pool those parties.

14. I provided the law firm of Holland & Hart LLP a list of names and addresses for the parties that Matador is seeking to pool. In compiling these notice lists, Matador conducted a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

15. **Matador Exhibits A-1 through A-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

Sam Pryor
SAM PRYOR

STATE OF TEXAS)
)
COUNTY OF Dallas)

SUBSCRIBED and SWORN to before me this 10th day of June 2019 by Sam Pryor.

Sara M. Hartsfield
NOTARY PUBLIC

My Commission Expires:
8-6-2019

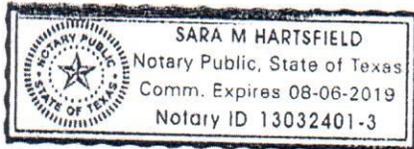


EXHIBIT A1

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (505) 393-0161 Fax: (505) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (505) 748-1283 Fax: (505) 748-0720
District III
1030 R.R. Bureau Road, Aztec, NM 87416
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

API Number		Pool Code	Pool Name
Property Code		Property Name	
		STEBBINS 19 FED COM	
OCRID No.		Operator Name	
		MATADOR PRODUCTION COMPANY	
			Well Number
			203H
			Elevation
			3248'

Surface Location

UL or lot no.	Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
I	19	20-S	29-E	-	2347'	SOUTH	410'	EAST	EDDY

UL or lot no.	Section	Township	Range	Lot	Feet from the	North/South line	Feet from the	East/West line	County
3	19	20-S	29-E	-	2311'	SOUTH	60'	WEST	EDDY

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
155.39			

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.

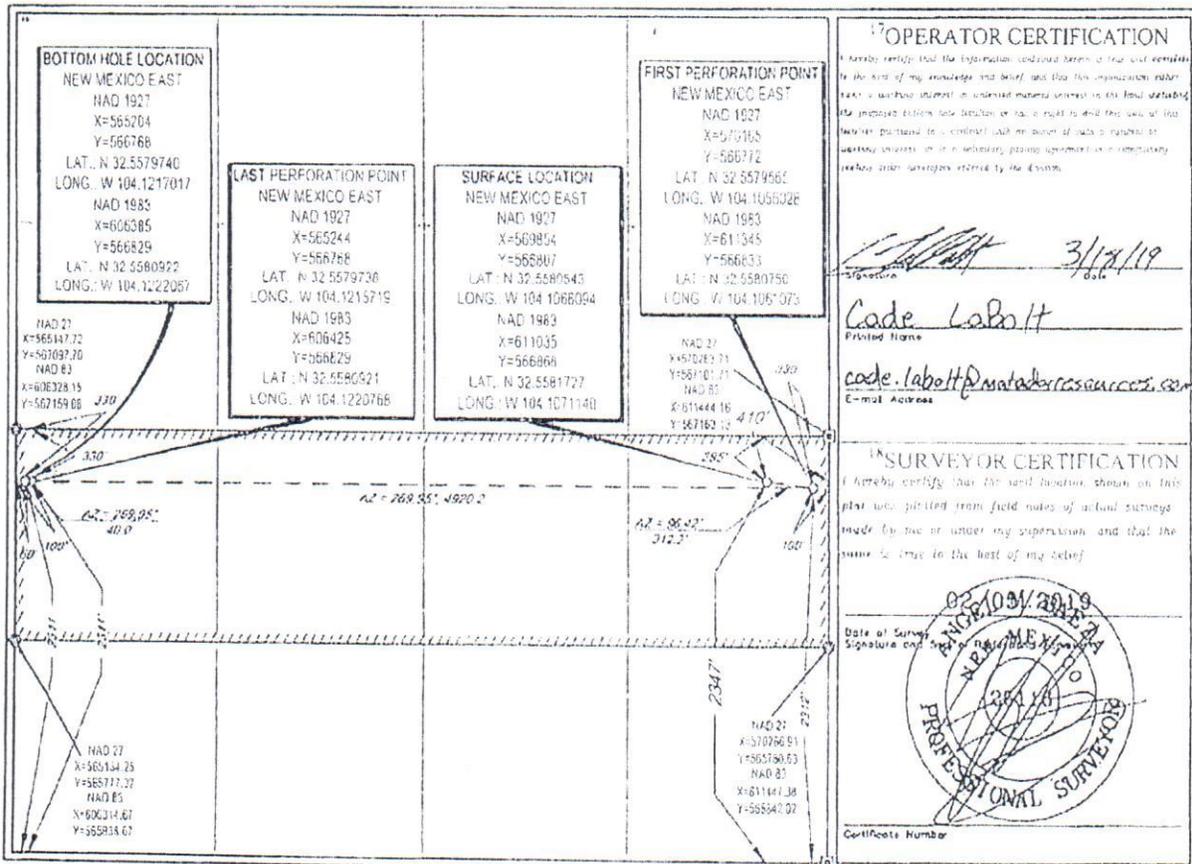
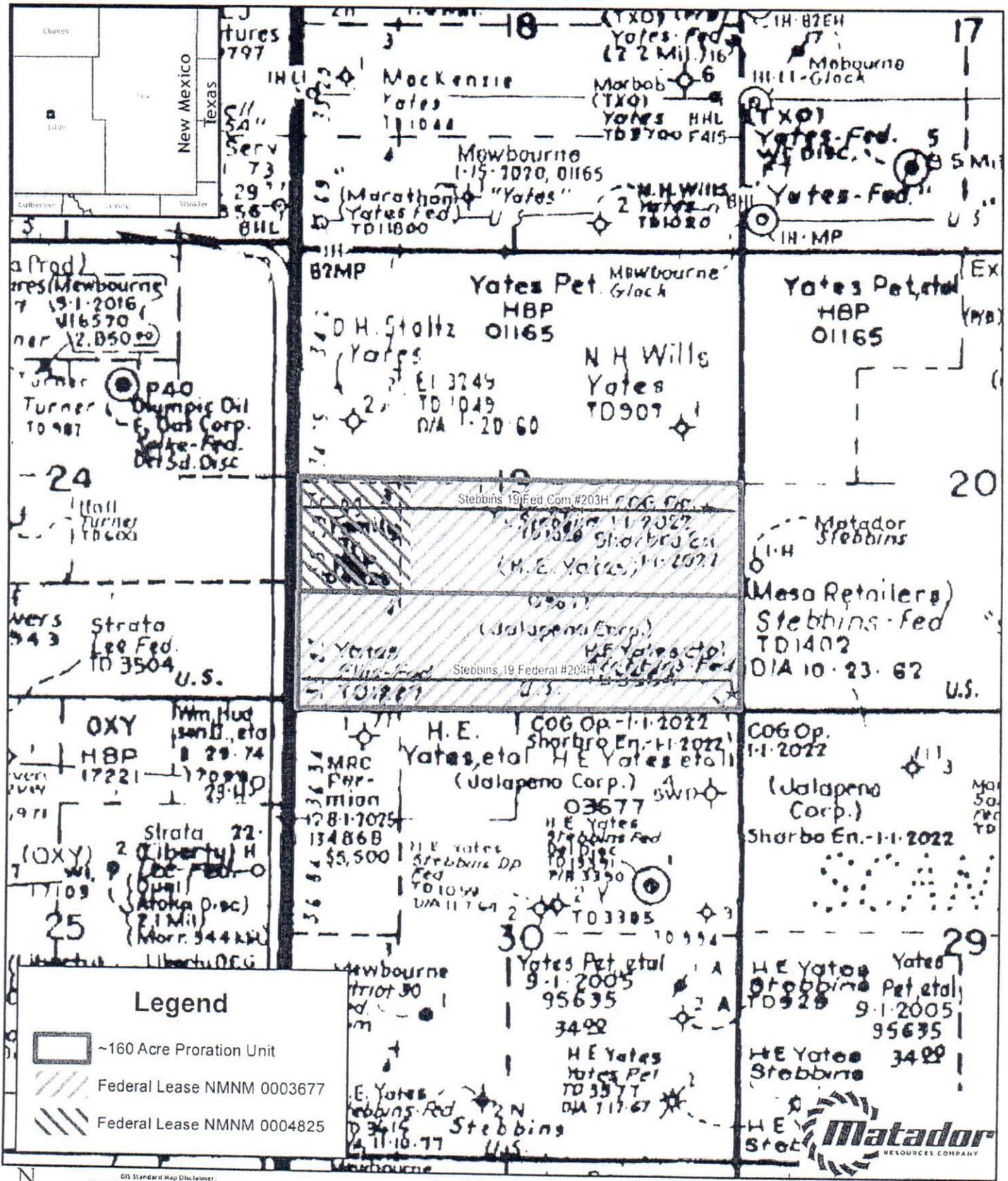


EXHIBIT A2

19-20S-29E



Legend

-  ~160 Acre Proration Unit
-  Federal Lease NMNM 0003677
-  Federal Lease NMNM 0004825

1:18,000
1 inch = 1,500 feet



Southeast New Mexico

Date: June 1, 2019
Coordinate System: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Projection: Transverse Mercator; Datum: North American 1983; Units: Foot US
Sources: IHS; FSRI

Summary of Interests

MRC Delaware Resources, LLC Working Interest		55.123664%
Voluntary Joinder		43.427603%
Compulsory Pool Interest Total:		1.448733%
Interest Owner:	Description:	Interest:
EOG Resources Assets LLC	Uncommitted Working Interest Owner	0.945592%
Pamela J. Burke, as Trustee of the P.I.P. 1990 Trust	Uncommitted Working Interest Owner	0.128158%
T. I. G. Properties	Uncommitted Working Interest Owner	0.128159%
Pamela J. Burke, as Trustee of the Claire Ann Iverson Revocable Living Trust UTA dated November 22, 2005	Uncommitted Working Interest Owner	0.064079%
Pamela J. Burke, as Trustee of the Siegfried James Iverson, III Revocable Living Trust UTA dated November 18, 2005	Uncommitted Working Interest Owner	0.064079%



Summary of Interests

Marian Welch Pendergrass	Uncommitted Working Interest Owner	0.014240%
Van S. Welch II	Uncommitted Working Interest Owner	0.014240%
James Gray Welch	Uncommitted Working Interest Owner	0.014240%
Robert Welch Gillespie	Uncommitted Working Interest Owner	0.014240%
Erin L. Cofrin Revocable Trust	Uncommitted Working Interest Owner	0.014240%
Van P. Welch, Jr.	Uncommitted Working Interest Owner	0.014240%
Phoebe Welch	Uncommitted Working Interest Owner	0.014240%
Stacy Welch Green	Uncommitted Working Interest Owner	0.004746%
Saunders Thomas Welch	Uncommitted Working Interest Owner	0.003560%
Michael Irwin Welch	Uncommitted Working Interest Owner	0.003560%
Wendell Terry Welch	Uncommitted Working Interest Owner	0.003560%
Phoebe J. Welch, Trustee of the Phoebe J. Welch Trust dated July 27, 2006	Uncommitted Working Interest Owner	0.003560%



Summary of Interests

MRC Delaware Resources, LLC Working Interest		71.327057%
Voluntary Joinder		26.798360%
Compulsory Pool Interest Total:		1.874583%
Interest Owner:	Description:	Interest:
EOG Resources Assets LLC	Uncommitted Working Interest Owner	1.223545%
Pamela J. Burke, as Trustee of the P.I.P. 1990 Trust	Uncommitted Working Interest Owner	0.165830%
T. I. G. Properties	Uncommitted Working Interest Owner	0.165831%
Pamela J. Burke, as Trustee of the Claire Ann Iverson Revocable Living Trust UTA dated November 22, 2005	Uncommitted Working Interest Owner	0.082915%
Pamela J. Burke, as Trustee of the Siegfried James Iverson, III Revocable Living Trust UTA dated November 18, 2005	Uncommitted Working Interest Owner	0.082915%



Summary of Interests

Marian Welch Pendergrass	Uncommitted Working Interest Owner	0.018426%
Van S. Welch II	Uncommitted Working Interest Owner	0.018426%
James Gray Welch	Uncommitted Working Interest Owner	0.018426%
Robert Welch Gillespie	Uncommitted Working Interest Owner	0.018426%
Erin L. Cofrin Revocable Trust	Uncommitted Working Interest Owner	0.018426%
Van P. Welch, Jr.	Uncommitted Working Interest Owner	0.018426%
Phoebe Welch	Uncommitted Working Interest Owner	0.018426%
Stacy Welch Green	Uncommitted Working Interest Owner	0.006141%
Saunders Thomas Welch	Uncommitted Working Interest Owner	0.004606%
Michael Irwin Welch	Uncommitted Working Interest Owner	0.004606%
Wendell Terry Welch	Uncommitted Working Interest Owner	0.004606%
Phoebe J. Welch, Trustee of the Phoebe J. Welch Trust dated July 27, 2006	Uncommitted Working Interest Owner	0.004606%



EXHIBIT A4

Overriding Royalty Interest Owners – Stebbins 19 Nos. 203 and 204

Alan Jochimsen

Braille Institute of America, Inc.

Carolyn Sandner

Catherine Coll, Trustee of the Testamentary Trust created by Article IV of the Will of Max W. Coll, II

Chalcam Exploration, L.L.C.

Charles E. Hinkle

Charlotte Forchand Albright

Clarke C. Coll

Claudia Carlson

COG Operating LLC

Concho Oil & Gas LLC

Cynthia Hinkle, Trustee for herself, Kristin Hinkle, and Jenna Hinkle

Diamond Lil Properties LLC

EOG Resources Assets LLC

Eric J. Coll

Farmer's National Trust Company, Trustee of the Bessie L. Whelan Trust

Heirs or devisees of Emma Margarete West

Heirs or devisees of John H. Bryant

Heirs or devisees of Selma E. Andrews

High Plains Children's Home and Family Services

Hunt Oil Company

James T. Wyman and William S. Marshall, as Co-Trustees of the trust established under the Will of Samuel H. Marshall

Jean Wallace

John T. Hinkle and Linda J. Hinkle, Trustees under the Hinkle Living Trust dated January 9, 1996

Jon F. Coll, II

Katherine Fletcher

Laura Crumbaugh and Cheryl Ann Harrison, Co-Trustees for The Bettianne H. Bowen Living Trust under Trust Agreement dated April 24, 1996

LML, LLC

Lynn S. Allensworth

Margaret H. Eccleston, Trustee of the Margaret Eccleston Trust under Agreement dated August 12, 1992

Marguerite Coe

Mark Pate and Elizabeth A. Pate, as Joint Tenants

Marsha S. Melton

Marshall & Winston, Inc.

Mary Lynn Moody

Max W. Coll, III

McQuiddy Communications & Energy, Inc.

Melanie Coll DeTemple

Michael S. Richardson

Monty D. McLane

Paul Pate

Rita Lea Spencer

Ruth Canon

Santa Barbara Center of the Braille Institute of America, Inc.

Sharbro Energy LLC

Spirit Trail LLC

States Royalty Limited Partnership

Sue F. Bennett

Susan Hendricks

The Central Church of Christ

Tierra Oil Company

Westview Boy's Home, Inc.

William Joe Snipes

Spiral Inc.

Petro Yates, Inc.

Trigg Oil & Gas Limited Partnership

EXHIBIT A5

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972-371-5241 • Fax 972-371-5201

spryor@matadorresources.com

Sam Pryor

Area Land Manager – Delaware Basin & Federal Lands

March 29, 2019

VIA CERTIFIED RETURN RECEIPT MAIL

Amsler Young Priddy, Trustee,
The Amsler Young Priddy IRR Trust
3963 Maple Ave, Suite 450
Dallas, TX 75219

Re: Matador Production Company – Stebbins 19 Fed Com #203H (the “Well”)
Participation Proposal
Section 19, Township 20 South, Range 29 East
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s Stebbins 19 Fed Com #203H well, located in Section 19, Township 20 South, Range 29 East, Eddy County, New Mexico, to the Wolfcamp formation. This proposal is made pursuant to and in accordance with Article VI.B of that certain Operating Agreement dated April 10, 2017.

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 \$7,364,269 as itemized on the enclosed Authority for Expenditure (“AFE”) dated March 26, 2019.
- The proposed surface location of the Well is approximately 2347’ FSL and 410’ FEL of Section 19, Township 20 South, Range 29 East, Eddy County, New Mexico. The proposed bottom hole location of the subject well is approximately 2311’ FSL and 60’ FWL of Section 19, Township 20 South, Range 29 East, Eddy County, New Mexico.
- The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~9,295’ TVD) to a Total Measured Depth of approximately 13,586’ resulting in a productive lateral of approximately 4,800’.

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.

Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust will own an approximate 0.02420887 working interest in the Well, subject to title verification.

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. 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 its proportionate share of all costs incurred.

Please contact me if you have any questions.

Sincerely,



Sam Pryor

Enclosure(s)

Please elect one of the following and return to sender

_____ Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Stebbins 19 Fed Com #203H well, located in Eddy County, New Mexico.

_____ Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Stebbins 19 Fed Com #203H well, located in Eddy County, New Mexico.

_____ I / We are interested in selling our interest in this unit, please contact us to discuss.

Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust

By: _____

Title: _____

Date: _____

Contact Number: _____

MATADOR PRODUCTION COMPANY
 ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240
 Phone (972) 371-8200 • Fax (972) 371-8201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 25, 2018	AFE NO.:	
WELL NAME:	Stebbins 19 Fed Com #203H	FIELD:	Burton Flat
LOCATION:	N/2S/2 Sec. 19, T20S-R29E	MD/TVD:	13,586' / 9,295'
COUNTY/STATE:	Eddy	LATERAL LENGTH:	4,800'
MRC Wt:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete, and equip a horizontal Wolfcamp well		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	80,000				80,000
Location, Surveys & Damages	128,500	13,000	5,000	29,000	175,500
Drilling	817,500				817,500
Cementing & Float Equip	350,000				350,000
Logging / Formation Evaluation		6,000			6,000
Mud Logging	22,470				22,470
Mud Circulation System	46,033				46,033
Mud & Chemicals	68,000	20,000			108,000
Mud / Wastewater Disposal	139,000				139,000
Freight / Transportation	15,000	12,000			27,000
Rig Supervision / Engineering	102,000	57,500	3,200	6,000	169,600
Drill Bits	85,000				85,000
Fuel & Power	99,225				99,225
Water	57,000	450,000			507,000
Drig & Completion Overhead	10,250	6,500			16,750
Plugging & Abandonment					
Directional Drilling, Surveys	215,000				215,000
Completion Unit, Swab, CTU		40,000	10,500		50,500
Perforating, Wireline, Slickline		142,500			142,500
High Pressure Pump Truck		42,000	10,500		52,500
Stimulation		2,288,000			2,288,000
Stimulation Flowback & Diap		180,500	4,500		185,000
Insurance	24,455				24,455
Labor	121,000	9,000	6,000		136,000
Rental - Surface Equipment	47,413	103,055	1,000	1,800	153,268
Rental - Downhole Equipment	57,000	28,000			85,000
Rental - Living Quarters	48,858	25,576	1,000	600	76,034
Contingency	126,870	242,363	2,670	3,740	473,643
Real Time Ops Center	22,038				22,038
TOTAL INTANGIBLES >	2,686,310	3,765,888	44,370	41,140	6,537,807
TANGIBLE COSTS					
Surface Casing	45,747				45,747
Intermediate Casing	65,992				65,992
Drilling Liner	127,106				127,106
Production Casing	281,911				281,911
Production Liner					
Tubing					
Wellhead	76,000		40,074		116,074
Packers, Liner Hangers		37,000	40,000		77,000
Tanks			76,000		76,000
Production Vessels			60,000	83,250	143,250
Flow Lines			17,000	7,500	24,500
Rod string			58,000		58,000
Artificial Lift Equipment					
Compressor					
Installation Costs			30,000	21,000	51,000
Surface Pumps			5,000		5,000
Non-controllable Surface				15,000	15,000
Non-controllable Downhole					
Downhole Pumps					
Measurement & Meter Installation			16,225	14,000	30,225
Gas Conditioning / Dehydration					
Interconnecting Facility Piping					
Gathering / Bulk Lines					
Valves, Dumps, Controllers				7,500	7,500
Tank / Facility Containment				10,750	10,750
Flare Stack					
Electrical / Grounding				21,250	21,250
Communications / SCADA				7,500	7,500
Instrumentation / Safety					
TOTAL TANGIBLES >	596,666	37,800	285,000	16,750	936,216
TOTAL COSTS >	3,282,976	3,803,788	334,420	298,890	7,721,074

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Patrick Walsh	Team Lead - WTX/M	
Completions Engineer: Matt Uell		
Production Engineer: Hakash Patel		

MATADOR RESOURCES COMPANY APPROVAL:

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

NON OPERATING PARTNER APPROVAL:

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

The undersigned hereby certifies that the information contained herein is true and correct to the best of his knowledge and belief, and that he is not aware of any material misstatements or omissions. This information is being provided for the use of the operator and is not to be used for any other purpose. The undersigned hereby certifies that the information contained herein is true and correct to the best of his knowledge and belief, and that he is not aware of any material misstatements or omissions. This information is being provided for the use of the operator and is not to be used for any other purpose.

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972-371-5241 • Fax 972-371-5201
spryor@matadorresources.com

Sam Pryor
Area Land Manager – Delaware Basin & Federal Lands

March 29, 2019

VIA CERTIFIED RETURN RECEIPT MAIL

Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust
3963 Maple Ave, Suite 450
Dallas, TX 75219

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Participation Proposal
Section 19, Township 20 South, Range 29 East
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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 \$7,363,771 as itemized on the enclosed Authority for Expenditure (“AFE”) dated March 26, 2019.
- The proposed surface location of the Well is approximately 210’ FSL and 110’ FEL of Section 19, Township 20 South, Range 29 East, Eddy County, New Mexico. The proposed bottom hole location of the subject well is approximately 330’ FSL and 60’ FWL of Section 19, Township 20 South, Range 29 East, Eddy County, New Mexico.
- The Well will have a targeted interval within the Wolfcamp formation. We plan to drill the Well horizontally in the Wolfcamp (~9,325’ TVD) to a Total Measured Depth of approximately 14,135’ resulting in a productive lateral of approximately 4,800’.

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.

Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust will own an approximate 0.02420887 working interest in the Well, subject to title verification.

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 \$178,268.57 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,



Sam Pryor

Enclosure(s)

Please elect one of the following and return to sender

_____ Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust hereby elects to participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Stebbins 19 Fed Com #204H well, located in Eddy County, New Mexico.

_____ Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust hereby elects not to participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Stebbins 19 Fed Com #204H well, located in Eddy County, New Mexico.

_____ I / We are interested in selling our interest in this unit, please contact us to discuss.

Amsler Young Priddy, Trustee, The Amsler Young Priddy IRR Trust

By: _____

Title: _____

Date: _____

Contact Number: _____

MATADOR PRODUCTION COMPANY
 ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240
 Phone (972) 371-5200 • Fax (972) 371-5201

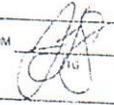
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	January 25, 2018	AFE NO.:	
WELL NAME:	Stebbins 19 Fed Com #204H	FIELD:	Burton Flat
LOCATION:	N/2S/2 Sec 15, T20S R29E	MD/V/D:	13,566 / 1,929
COUNTY/STATE:	Eddy	LATERAL LENGTH:	4,800
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill, complete, and equip a horizontal Wolfcamp well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	80,000				80,000
Location, Surveys & Damages	125,500	13,000	5,000	25,000	172,500
Drilling	812,500				812,500
Cementing & Float Equip	350,000				350,000
Logging / Formation Evaluation		5,000			5,000
Mud Logging	22,470				22,470
Mud Circulation System	45,035				45,035
Mud & Chemicals	68,000	20,000			88,000
Mud / Wastewater Disposal	130,000				130,000
Freight / Transportation	75,000	12,000			87,000
Rig Supervision / Engineering	107,900	57,500	3,200	6,300	174,900
Drill Bits	85,000				85,000
Fuel & Power	99,225				99,225
Water	57,000	40,000			97,000
Drig & Completion Overhead	16,250	6,500			22,750
Plugging & Abandonment					
Directional Drilling, Surveys	215,000				215,000
Completion Unit, Swab, CTU		40,000	10,500		50,500
Perforating, Wireline, Slickline		142,500			142,500
High Pressure Pump Truck		42,000	10,500		52,500
Stimulation		2,284,000			2,284,000
Stimulation Flowback & Disp		180,500	4,500		185,000
Insurance	50,456				50,456
Labor	151,000	8,000	6,000		165,000
Rental - Surface Equipment	25,315	193,055	1,000	1,800	220,170
Rental - Downhole Equipment	57,000	28,000			85,000
Rental - Living Quarters	49,658	25,570	1,000	600	76,828
Contingency	126,870	342,303	3,870	4,740	477,783
Real Time Ops Center	22,030				22,030
TOTAL INTANGIBLES >	2,686,310	3,765,588	44,370	41,140	6,537,807

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	45,747				45,747
Intermediate Casing	65,902				65,902
Drilling Liner	127,166				127,166
Production Casing	281,511				281,511
Production Liner					
Tubing					
Wellhead	76,000		40,075		116,075
Packers, Liner Hangers		57,800	40,000		97,800
Tanks					
Production Vessels				76,500	76,500
Flow Lines			60,000	80,250	140,250
Rod string			17,000	7,500	24,500
Artificial Lift Equipment					
Compressor			58,000		58,000
Installation Costs					
Surface Pumps			30,000	21,000	51,000
Non-controllable Surface				5,000	5,000
Non-controllable Downhole				15,000	15,000
Downhole Pumps					
Measurement & Meter Installation					
Gas Conditioning / Dehydration			16,225	14,000	30,225
Interconnecting Facility Piping					
Gathering / Bulk Lines					
Valves, Dumps, Controllers					
Tank / Facility Containment					
Flare Stack				7,500	7,500
Electrical / Grounding				10,750	10,750
Communications / SCADA			21,250	7,500	28,750
Instrumentation / Safety					
TOTAL TANGIBLES >	596,666	37,800	2,500	16,750	653,716
TOTAL COSTS >	3,282,976	3,803,388	334,420	299,890	7,721,074

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Rand Wald	Completion Engineer:	Mark Bell	Production Engineer:	Richard O'Neil
					

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, Operations:	VP - Res Engineering:	VP - Drilling:
Executive VP, Legal:	Exec De - Exploration:	VP - Production:
President:		

NON OPERATING PARTNER APPROVAL:

Company Name:	Working Interest (By):	Facility:
Signed by:	Date:	
Title:	Approval:	Yes / No (mark one)



May 24, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.
Stebbins 19 Fed Com No. 203H Well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 13, 2019 and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at 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 Sam Pryor at (972) 371-5440 or spryor@matadorresources.com.



Sincerely,

Adam G. Rankin
**ATTORNEY FOR MATADOR PRODUCTION
COMPANY**

12493111_v1

Holland & Hart ^{LLP}

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, New Mexico 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Boulder Carson City Colorado Springs Denver Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.

POSTAL DELIVERY REPORT
MRC/Stebbins 19 Fed Com No. 203H & 204H Wells
Case Nos. 20546 & 20547

Recipient	Status	Custom
EOG Resources Assets LLC 5509 Champions Drive Midland TX 79706	Delivered nbsp;nbsp;	Ref#: C1403071.7876621 RetRef#:
Pamela J Burke as Trustee of the P I P 1990 Trust PO BOX 10508 Midland TX 79702	In-Transit	Ref#: C1403071.7876622 RetRef#:
T I G Properties PO BOX 10508 Midland TX 79702	In-Transit	Ref#: C1403071.7876623 RetRef#:
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Marian Welch Pendergrass 2705 Gaye Drive Roswell NM 88201	Delivered Signature Received	Ref#: C1403071.7876626 RetRef#:
Van S Welch II 2207 Fairway Drive Duncan OK 73533	In-Transit	Ref#: C1403071.7876627 RetRef#:
James Gray Welch 15714 Winding Moss Drive Houston TX 77068	In-Transit	Ref#: C1403071.7876628 RetRef#:
Robert Welch Gillespie 186 Sierra View Pasadena CA 91105	Delivered Signature Received	Ref#: C1403071.7876629 RetRef#:
Erin L Cofrin Revocable Trust 43 Camino Arroyo Place Palm Desert CA 92260	In-Transit	Ref#: C1403071.7876630 RetRef#:
Van P Welch Jr 2259 C Via Puerta Laguna Woods CA 92653	In-Transit	Ref#: C1403071.7876631 RetRef#:
Phoebe Welch 1867 Karas Court Concord CA 94521	In-Transit	Ref#: C1403071.7876632 RetRef#:
Stacy Welch Green PO BOX 164 Sonoita AZ 85637	Delivered Signature Received	Ref#: C1403071.7876633 RetRef#:
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Michael Irwin Welch 8610 Kenosha Drive Lubbock TX 79423	In-Transit	Ref#: C1403071.7876635 RetRef#:
Wendell Terry Welch PO BOX 8428 Nikiski AK 99635	In-Transit	Ref#: C1403071.7876636 RetRef#:
Phoebe J Welch Trustee of the Phoebe J Welch Trust dated July 27 2006 20350 Marsh Creek Rd Brentwood CA 94513	In-Transit	Ref#: C1403071.7876637 RetRef#:



Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

STEBBINS
05-24-19

Shipment Date: 05/24/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	17
Total	17

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



9275 0901 1935 6200 0014 7030 33



Firm Mailing Book For Accountable Mail

Name and Address of Sender
Holland & Hart LLP
110 N Guadalupe St # 1
Santa Fe NM 87501

Affix Stamp Here
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Postmark with Date of Receipt.

Check type of mail or service
 Adult Signature Required
 Adult Signature Restricted Delivery
 Certified Mail
 Certified Mail Restricted Delivery
 Collect on Delivery (COD)
 Insured Mail
 Priority Mail
 Priority Mail Express
 Registered Mail
 Return Receipt for Merchandise
 Signature Confirmation
 Signature Confirmation Restricted Delivery

USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code TM)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
1. 9214 8901 9403 8383 8038 56	EOG Resources Assets LLC 5509 Champions Drive Midland TX 79706	0.65	3.50								1.60			
2. 9214 8901 9403 8383 8038 63	Pamela J Burke as Trustee of the P I P 1980 Trust PO BOX 10508 Midland TX 79702	0.65	3.50								1.60			
3. 9214 8901 9403 8383 8038 70	T I G Properties PO BOX 10508 Midland TX 79702	0.65	3.50								1.60			
4. 9214 8901 9403 8383 8038 87	Pamela J Burke as Trustee of the Claire Ann Iverson Revocable Living Trust 2005 PO BOX 10508 Midland TX 79702	0.65	3.50								1.60			
5. 9214 8901 9403 8383 8038 94	Pamela J Burke as Trustee of the Siegfried James Iverson III 2005 PO BOX 10508 Midland TX 79702	0.65	3.50								1.60			
6. 9214 8901 9403 8383 8039 00	Merian Welch Pendergrass 2705 Gaye Drive Roswell NM 88201	0.65	3.50								1.60			
7. 9214 8901 9403 8383 8039 17	Vann S Welch II 2207 Fairway Drive Duncan OK 73533	0.65	3.50								1.60			
8. 9214 8901 9403 8383 8039 24	James Gray Welch 15714 Winding Moss Drive Houston TX 77068	0.65	3.50								1.60			
Total Number of Pieces Listed by Sender		Postmaster, Per (Name of receiving employee)												
17														



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Name and Address of Sender

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Santa Fe NM 87501

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Postmark with Date of Receipt.

- Check type of mail or service
- Adult Signature Required
 - Adult Signature Restricted Delivery
 - Certified Mail
 - Certified Mail Restricted Delivery
 - Collect on Delivery (COD)
 - Insured Mail
 - Priority Mail
 - Priority Mail Express
 - Registered Mail
 - Return Receipt for Merchandise
 - Signature Confirmation
 - Signature Confirmation Restricted Delivery

USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge - If Registered and over \$50,000 in value	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee
9. 9214 8901 9403 8383 8039 31	Robert Welch Gillespie 186 Sierra View Pasadena CA 91105	0.65	3.50								1.60			
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12. 9214 8901 9403 8383 8039 62	Phoebie Welch 1867 Karas Court Concord CA 94521	0.65	3.50								1.60			
13. 9214 8901 9403 8383 8039 79	Stacy Welch Green PO BOX 164 Sonoita AZ 85637	0.65	3.50								1.60			
14. 9214 8901 9403 8383 8039 86	Saunders Thomas Welch 12701 Smokey Rd La Mesa NM 88044	0.65	3.50								1.60			
15. 9214 8901 9403 8383 8039 93	Michael Irwin Welch 8610 Kenasha Drive Lubbock TX 79423	0.65	3.50								1.60			
16. 9214 8901 9403 8383 8040 06	Wendell Terry Welch PO BOX 8428 Nikiski AK 99635	0.65	3.50								1.60			
Total Number of Pieces Listed by Sender		Postmaster: Per (Name of receiving employee)												
17														



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Postmark with Date of Receipt.

- Check type of mail or service
Adult Signature Required
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Certified Mail
Certified Mail Restricted Delivery
Collect on Delivery (COD)
Insured Mail
Priority Mail
Priority Mail Express
Registered Mail
Return Receipt for Merchandise
Signature Confirmation
Signature Confirmation Restricted Delivery

USPS Tracking/Article Number

17. 9214 8901 9403 8383 8040 13

Addressee (Name, Street, City, State, & ZIP Code™)

Phoebé J Welch Trustee of the Phoebé J Welch Trust dated July 27
2006 20350 Marsh Creek Rd Brentwood CA 94513

Table with columns: Postage, (Extra Service) Fee, Handling Charge, Actual Value if Registered, Insured Value, Due Sender if COD, ASR Fee, ASRD Fee, RD Fee, RR Fee, SC Fee, SCRD Fee, SH Fee. Includes values like 0.65, 3.50, 1.60 and various fee labels.

Total Number of Pieces Listed by Sender: 17

Total Number of Pieces Received at Post Office: 17

Postmaster, Per (Name of receiving employee)

Complete in Ink

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
May 29, 2019
and ending with the issue dated
May 29, 2019.

EXHIBIT 3



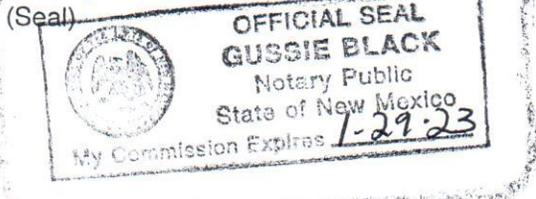
Publisher

Sworn and subscribed to before me this
29th day of May 2019.



Business Manager

My commission expires
January 29, 2023



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL LEGAL LEGAL

LEGAL NOTICE
MAY 29, 2019

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on **June 13, 2019**, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by **June 3, 2019**. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: EOG Resources Assets LLC; Pamela J. Burke, as Trustee of the P.I.P. 1990 Trust; T. I. G. Properties; Pamela J. Burke, as Trustee of the Claire Ann Iverson Revocable Living Trust UTA dated November 22, 2005; Pamela J. Burke, as Trustee of the Slegried James Iverson, III Revocable Living Trust UTA dated November 18, 2005; Marlan Welch Pendergrass, her heirs and devisees; Van S. Welch, II, his heirs and devisees; James Gray Welch, his heirs and devisees; Robert Welch Gillaspie, his heirs and devisees; Erin L. Coffin Revocable Trust; Van P. Welch, Jr., his heirs and devisees; Phoebe Welch, her heirs and devisees; Stacy Welch Green, her heirs and devisees; Saunders Thomas Welch, his heirs and devisees; Michael Irwin Welch, his heirs and devisees; Wendell Terry Welch, his heirs and devisees; Phoebe J. Welch, Trustee of the Phoebe J. Welch Trust dated July 27, 2006; Alan Jochimsen, his heirs and devisees; Braille Institute of America, Inc.; Carolyn Sandner, her heirs and devisees; Catherine Coll, Trustee of the Testamentary Trust created by Article IV of the Will of Max W. Coll, II; Chalcam Exploration, L.L.C.; Charles E. Hinkle, his heirs and devisees; Charlotte Forehand Albright, her heirs and devisees; Clarke C. Coll, his heirs and devisees; Claudia Carlson, her heirs and devisees; COG Operating LLC; Concho Oil & Gas LLC; Cynthia Hinkle, Trustee for herself, Kristin Hinkle, and Jenna Hinkle; Diamond LII Properties LLC; EOG Resources Assets LLC; Eric J. Coll, his heirs and devisees; Farmer's National Trust Company, Trustee of the Bessie L. Whelan Trust; Heirs or Devisees of Emma Margaret West; Heirs or Devisees of John H. Bryant; Heirs or Devisees of Selma E. Andrews; High Plains Children's Home and Family Services; Hunt Oil Company; James T. Wyman and William S. Marshall, as Co-Trustees of the trust established under the Will of Samuel H. Marshall; Jean Wallace, her heirs and devisees; John T. Hinkle and Linda J. Hinkle, Trustees under the Hinkle Living Trust dated January 9, 1996; Jon F. Coll, II, her heirs and devisees; Katherine Fletcher, her heirs and devisees; Laura Crumbaugh and Cheryl Ann Harrison, Co-Trustees for The Bettianne H. Bowen Living Trust under Trust Agreement dated April 24, 1996; LML, LLC; Lynn S. Allensworth, her heirs and devisees; Margaret H. Eccleston, Trustee of the Margaret Eccleston Trust under Agreement dated August 12, 1992; Marguerite Coe, her heirs and devisees; Mark Pate and Elizabeth A. Pate, as Joint Tenants, their heirs and devisees; Marsha S. Melton, her heirs and devisees; Marshall & Winston, Inc.; Mary Lynn Moody, her heirs and devisees; Max W. Coll, III, her heirs and devisees; McQuiddy Communications & Energy, Inc.; Melanie Coll DeTemple, her heirs and devisees; Michael S. Richardson, his heirs and devisees; Monty D. McLane, his/her devisees; Paul Pate, his heirs and devisees; Rita Lea Spencer, her heirs and devisees; Ruth Canon, her heirs and devisees; Santa Barbara Center of the Braille Institute of America, Inc.; Sharbro Energy LLC; Spirit Trail LLC; States Royalty Limited Partnership; Sue F. Bennett, her heirs and devisees; Susan Hendricks, her heirs and devisees; The Central Church of Christ; Tierra Oil Company; Westview Boy's Home, Inc.; William Joe Snipes, his heirs and devisees; Spiral Inc.; PetroYates, Inc.; Trigg Oil & Gas Limited Partnership.

Case No. 20546: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation, Burton Flat East; Upper Wolfcamp (Pool Code 98315), in a 160-acre, more or less, horizontal spacing unit comprised of the N/2 S/2 of Section 19, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed Stebbins 19 Fed Com No. 203H Well, which will be horizontally drilled from a surface location in the NE/4 SE/4 (Unit I) of Section 19 to a bottom-hole location in the NW/4 SW/4 (Unit L) of Section 19. The completed interval for this well will comply with the standard setbacks required by the statewide rules set forth in 19.15.15 NMAC. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 12 miles northeast of Carlsbad, New Mexico.
#34204

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208



May 24, 2019

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Eddy County, New Mexico.
Stebbins 19 Fed Com No. 204H Well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 13, 2019 and the status of the hearing can be monitored through the Division's website at <http://www.emnrd.state.nm.us/ocd/>. Division hearings will commence at 8:15 a.m. in Porter Hall at 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.

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If you have any questions about this matter, please contact Sam Pryor at (972) 371-5440 or spryor@matadorresources.com.



Sincerely,

Adam G. Rankin
ATTORNEY FOR MATADOR PRODUCTION COMPANY

12493215_v1

POSTAL DELIVERY REPORT
MRC/Stebbins 19 Fed Com No. 203H & 204H Wells
Case Nos. 20546 & 20547

Recipient	Status	Custom
EOG Resources Assets LLC 5509 Champions Drive Midland TX 79706	Delivered nbsp;nbsp;	Ref#: C1403071.7876621 RetRef#:
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T I G Properties PO BOX 10508 Midland TX 79702	In-Transit	Ref#: C1403071.7876623 RetRef#:
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Pamela J Burke as Trustee of the Siegfried James Iverson III 2005 PO BOX 10508 Midland TX 79702	Delivered nbsp;nbsp;	Ref#: C1403071.7876625 RetRef#:
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Van S Welch II 2207 Fairway Drive Duncan OK 73533	In-Transit	Ref#: C1403071.7876627 RetRef#:
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Robert Welch Gillespie 186 Sierra View Pasadena CA 91105	Delivered Signature Received	Ref#: C1403071.7876629 RetRef#:
Erin L Cofrin Revocable Trust 43 Camino Arroyo Place Palm Desert CA 92260	In-Transit	Ref#: C1403071.7876630 RetRef#:
Van P Welch Jr 2259 C Via Puerta Laguna Woods CA 92653	In-Transit	Ref#: C1403071.7876631 RetRef#:
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Saunders Thomas Welch 12701 Smokey Rd La Mesa NM 88044	In-Transit	Ref#: C1403071.7876634 RetRef#:
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Shipment Confirmation Acceptance Notice

A. Mailer Action

Note to Mailer: The labels and volume associated to this form online, **must** match the labeled packages being presented to the USPS® employee with this form.

STEBBINS
05-24-19

Shipment Date: 05/24/2019

Shipped From:

Name: HOLLAND & HART LLP

Address: 110 N GUADALUPE ST # 1

City: SANTA FE

State: NM ZIP+4® 87501

Type of Mail	Volume
Priority Mail Express®*	
Priority Mail®	0
First-Class Package Service®	
Returns	
International*	
Other	17
Total	17

*Start time for products with service guarantees will begin when mail arrives at the local Post Office™ and items receive individual processing and acceptance scans.

B. USPS Action

Note to RSS Clerk:

1. Home screen > Mailing/Shipping > More
2. Select Shipment Confirm
3. Scan or enter the barcode/label number from PS Form 5630
4. Confirm the volume count message by selecting Yes or No
5. Select Pay and End Visit to complete transaction

USPS EMPLOYEE: Please scan upon pickup or receipt of mail.
Leave form with customer or in customer's mail receptacle.

USPS SCAN AT ACCEPTANCE



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Name and Address of Sender
 Holland & Hart LLP
 110 N Guadalupe St # 1
 Santa Fe NM 87501

Check type of mail or service
 Adult Signature Required
 Adult Signature Restricted Delivery
 Certified Mail
 Certified Mail Restricted Delivery
 Collect on Delivery (COD)
 Insured Mail
 Priority Mail

Priority Mail Express
 Registered Mail
 Return Receipt for Merchandise
 Signature Confirmation
 Signature Confirmation Restricted Delivery

Affix Stamp Here
 (if issued as an international certificate of mailing or for additional copies of this receipt).
 Postmark with Date of Receipt.

USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)	Postage	(Extra Service) Fee	Handling Charge	Actual Value if Registered	Insured Value	Due Sender if COD	ASR Fee	ASRD Fee	RD Fee	RR Fee	SC Fee	SCRD Fee	SH Fee	
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13. 9214 8901 9403 8383 8039 79	Stacy Welch Green PO BOX 164 Sonoita AZ 85637	0.65	3.50								1.60				
14. 9214 8901 9403 8383 8039 86	Saunders Thomas Welch 12701 Smokey Rd La Mesa NM 88044	0.65	3.50								1.60				
15. 9214 8901 9403 8383 8039 93	Michael Irwin Welch 8610 Kenosha Drive Lubbock TX 79423	0.65	3.50								1.60				
16. 9214 8901 9403 8383 8040 06	Wendell Terry Welch PO BOX 8428 Nikiaki AK 99635	0.65	3.50								1.60				
Total Number of Pieces Listed by Sender 17		Postmaster, Per (Name of receiving employee)													
Total Number of Pieces Received at Post Office 17															

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
May 29, 2019
and ending with the issue dated
May 29, 2019.

EXHIBIT 5

Daniel Russell

Publisher

Sworn and subscribed to before me this
29th day of May 2019.

Gussie Black

Business Manager

My commission expires
January 29, 2023

(Seal)
OFFICIAL SEAL
GUSSIE BLACK
Notary Public
State of New Mexico
My Commission Expires 1-29-23

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL LEGAL LEGAL

LEGLA NOTICE
MAY 29, 2019

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on June 13, 2019, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appointed for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by June 3, 2019. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following case
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All overriding royalty interest owners and pooled parties, including: EOG Resources Assets LLC; Pamela J. Burke, as Trustee of the P.I.P. 1990 Trust; T. I. G. Properties; Pamela J. Burke, as Trustee of the Claire Ann Iverson Revocable Living Trust UTA dated November 22, 2005; Pamela J. Burke, as Trustee of the Segried James Iverson, III Revocable Living Trust UTA dated November 18, 2005; Marian Welch Pendergrass, her heirs and devisees; Van S. Welch, II, his heirs and devisees; James Gray Welch, his heirs and devisees; Robert Welch Gillespie, his heirs and devisees; Erin L. Cofrin Revocable Trust; Van P. Welch, Jr., his heirs and devisees; Phoebe Welch, her heirs and devisees; Stacy Welch Green, her heirs and devisees; Saunders Thomas Welch, his heirs and devisees; Michael Irwin Welch, his heirs and devisees; Wendell Terry Welch, his heirs and devisees; Phoebe J. Welch, Trustee of the Phoebe J. Welch Trust dated July 27, 2006; Alan Jochimsen, his heirs and devisees; Braille Institute of America, Inc.; Carolyn Sandner, her heirs and devisees; Catherine Coll, Trustee of the Testamentary Trust created by Article IV of the Will of Max W. Coll, II; Chalcam Exploration, L.L.C.; Charles E. Hinkle, his heirs and devisees; Charlotte Forehand Albright, her heirs and devisees; Clarke C. Coll, his heirs and devisees; Claudia Carlson, her heirs and devisees; COG Operating LLC; Concho Oil & Gas LLC; Cynthia Hinkle, Trustee for herself, Kristin Hinkle, and Jenna Hinkle; Diamond Lil Properties LLC; EOG Resources Assets LLC; Eric J. Coll, his heirs and devisees; Farmer's National Trust Company, Trustee of the Bessie L. Wheilan Trust; Heirs or Devisees of Emma Margaret West; Heirs or Devisees of John H. Bryant; Heirs or Devisees of Selma E. Andrews; High Plains Children's Home and Family Services; Hunt Oil Company; James T. Wyman and William S. Marshall, as Co-Trustees of the trust established under the Will of Samuel H. Marshall; Jean Wallace, her heirs and devisees; John T. Hinkle and Linda J. Hinkle, heirs and devisees; Katherine Fletcher, her heirs and devisees; Laura Crumbaugh and Cheryl Ann Harrison, Co-Trustees for The Bettianne H. Bowen Living Trust under Trust Agreement dated April 24, 1996; LML, LLC; Lynn S. Allensworth, her heirs and devisees; Margaret H. Eccleston, Trustee of the Margaret Eccleston Trust under Agreement dated August 12, 1992; Marguerite Coe, her heirs and devisees; Mark Pate and Elizabeth A. Pate, as Joint Tenants, their heirs and devisees; Marsha S. Melton, her heirs and devisees; Marshall & Winston, Inc.; Mary Lynn Moody, her heirs and devisees; Max W. Coll, III, her heirs and devisees; McQuiddy Communications & Energy, Inc.; Melanie Coll DeTemple, her heirs and devisees; Michael S. Richardson, his heirs and devisees; Monty D. McLane, his/her devisees; Paul Pate, his heirs and devisees; Rita Lea Spencer, her heirs and devisees; Ruth Canon, her heirs and devisees; Santa Barbara Center of the Braille Institute of America, Inc.; Sharbro Energy LLC; Spirit Trail LLC; States Royalty Limited Partnership; Sue F. Bennett, her heirs and devisees; Susan Hendricks, her heirs and devisees; The Central Church of Christ; Tierra Oil Company; Westview Boy's Home, Inc.; William Joe Snipes, his heirs and devisees; Spiral Inc.; PetroYates, Inc.; Trigg Oil & Gas Limited Partnership.

Case No. 20547: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in the Wolfcamp formation, Burton Flat East; Upper Wolfcamp (Pool Code 98315), in a 160-acre, more or less, horizontal spacing unit comprised of the S/2 S/2 of Section 19, Township 20 South, Range 29 East, NMMP, Eddy County, New Mexico. The above-referenced unit will be dedicated to the proposed Stebbins 19 Fed Com No. 204H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 19 to a bottom-hole location in the SW/4 SW/4 (Unit M) of Section 19. The completed interval for this well will comply with the standard setbacks required by the statewide rules set forth in 19.15.15 NMAC. Also, to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Matador Production Company as operator, and a 200% charge for risk involved in drilling and completing the wells. Said area is located approximately 12 miles northeast of Carlsbad, New Mexico.
#34203

HOLLAND & HART LLC
PO BOX 2208
SANTA FE, NM 87504-2208

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

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

CASE NOS. 20546 & 20547

AFFIDAVIT OF JAMES ANDREW JUETT

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

1. My name is James Andrew Juett. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as an Area Geology Manager.
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 applications filed by Matador in this case, and I have conducted a geologic study of the lands in the subject area.
4. The target interval for the proposed wells is the Upper Wolfcamp formation.
5. **Matador Exhibit B-1** is a locator map. The horizontal spacing units for the proposed wells are identified by the red boxes with green shading and the wellbores are noted in blue.
6. **Matador Exhibit B-2** is a subsea structure map that I prepared for the Upper Wolfcamp target interval of the Wolfcamp formation. The contour interval is 50 feet. The structure map shows the Wolfcamp formation gently dipping to the east. The structure appears consistent

EXHIBIT

6

across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

7. **Matador Exhibit B-3** shows a line of cross section from A to A' on the same structure map reflected in Exhibit B-2. The wells used to create a stratigraphic cross-section are also marked on Matador Exhibit B-3.

8. **Matador Exhibit B-4** is a stratigraphic cross-section using the top of the Wolfcamp formation as the datum. This cross section displays open-hole logs run over the Upper Wolfcamp formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, resistivity, and porosity. The proposed target interval for the two wells is labeled and marked with a green wellbore diagram. The logs in the cross-section demonstrate that the Upper Wolfcamp target interval, within the Wolfcamp formation, is consistent in thickness and log character, across the entirety of each of the proposed spacing units.

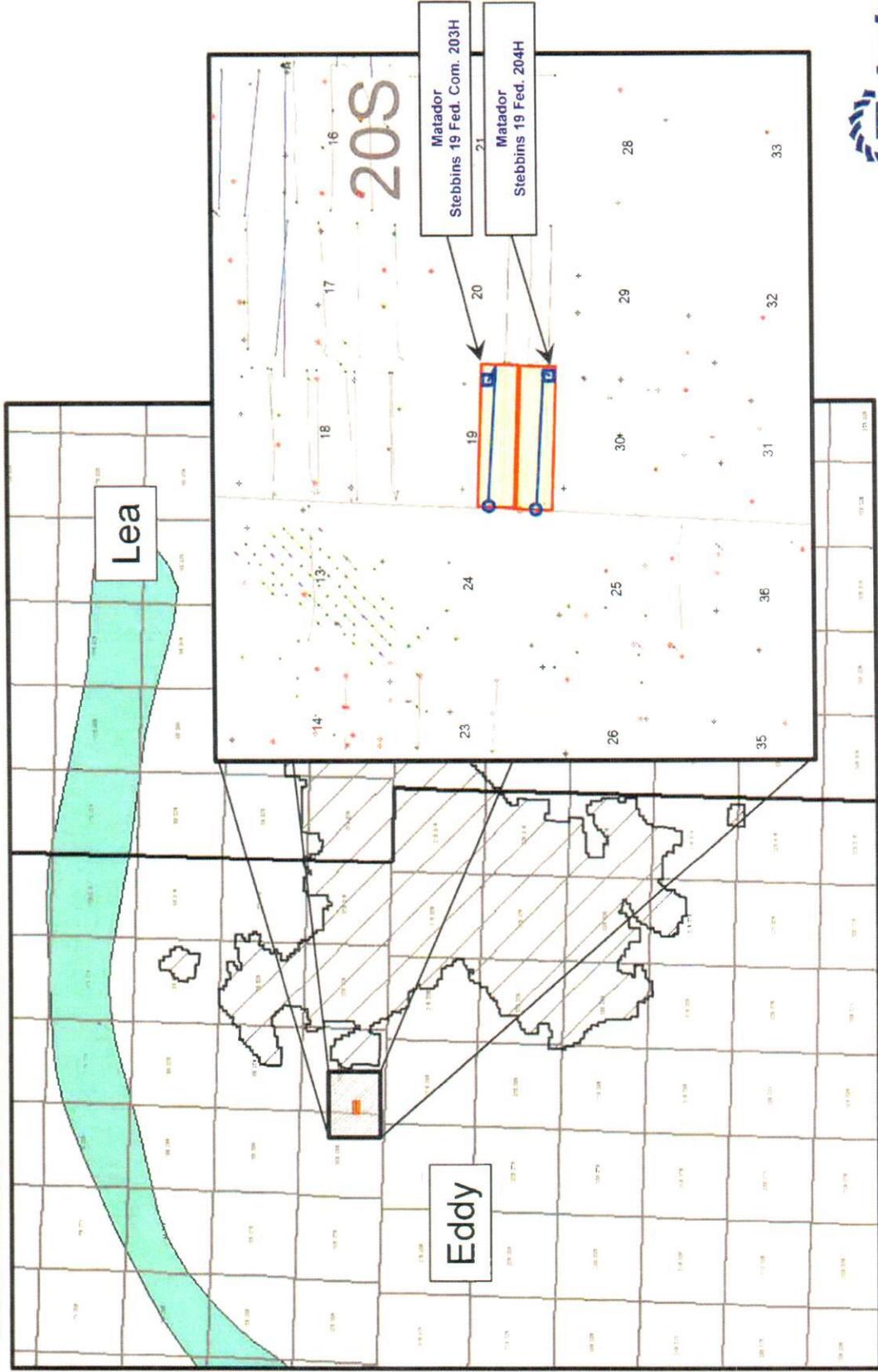
9. **Matador Exhibit B-5** demonstrates that the path of each of the proposed wells will comply with the Division's standard offset requirements.

10. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells in the area.

11. In my opinion, each quarter-quarter section will be productive and contribute more-or-less equally to production from each respective horizontal spacing unit.

12. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

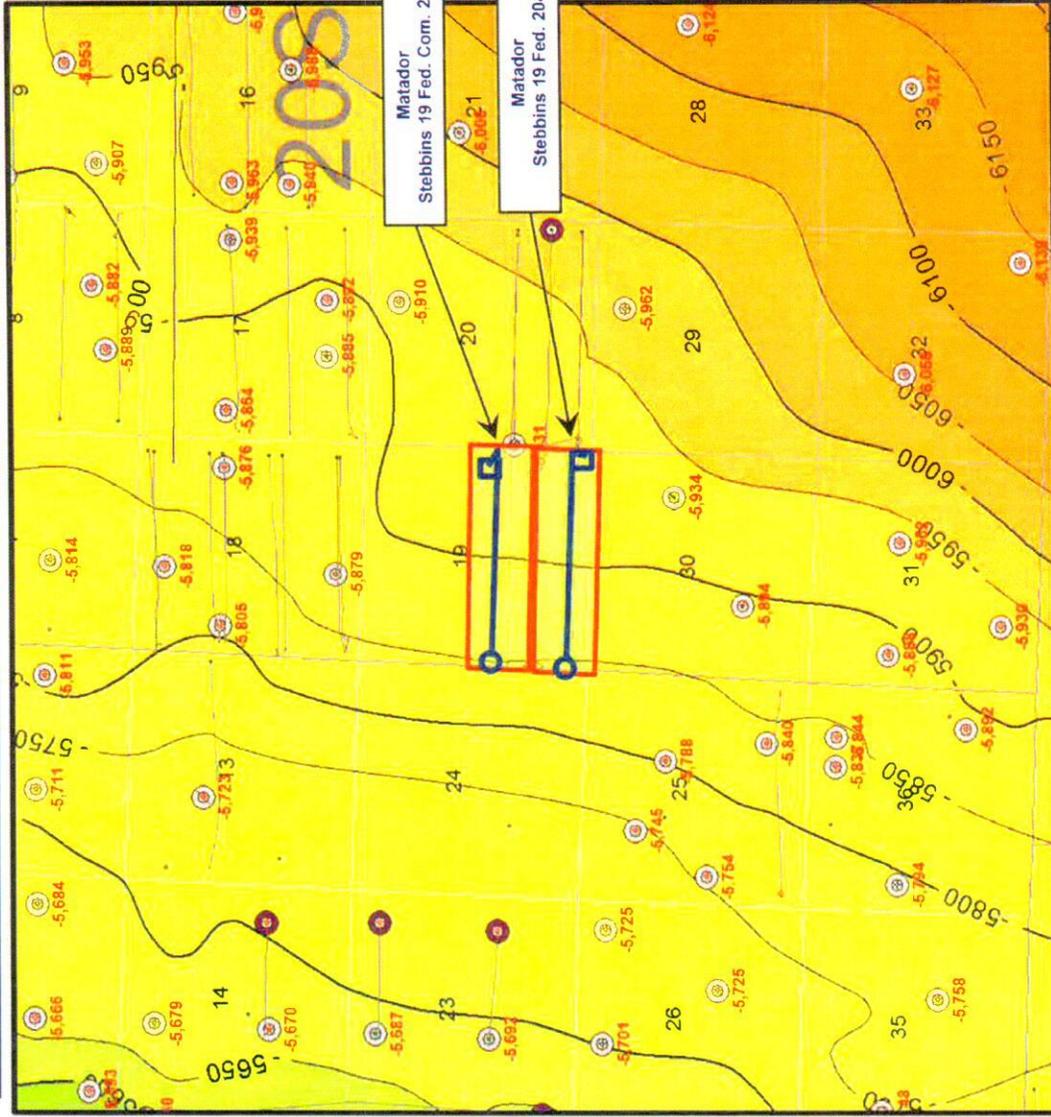
Burton Flat East; Upper Wolfcamp (Pool Code 98315)
Locator Map



Stebbins 19 Fed. Com. 203H & Stebbins 19 Fed. 204H



**Burton Flat East; Upper Wolfcamp (Pool Code 98315)
Structure Map (Top Wolfcamp)**



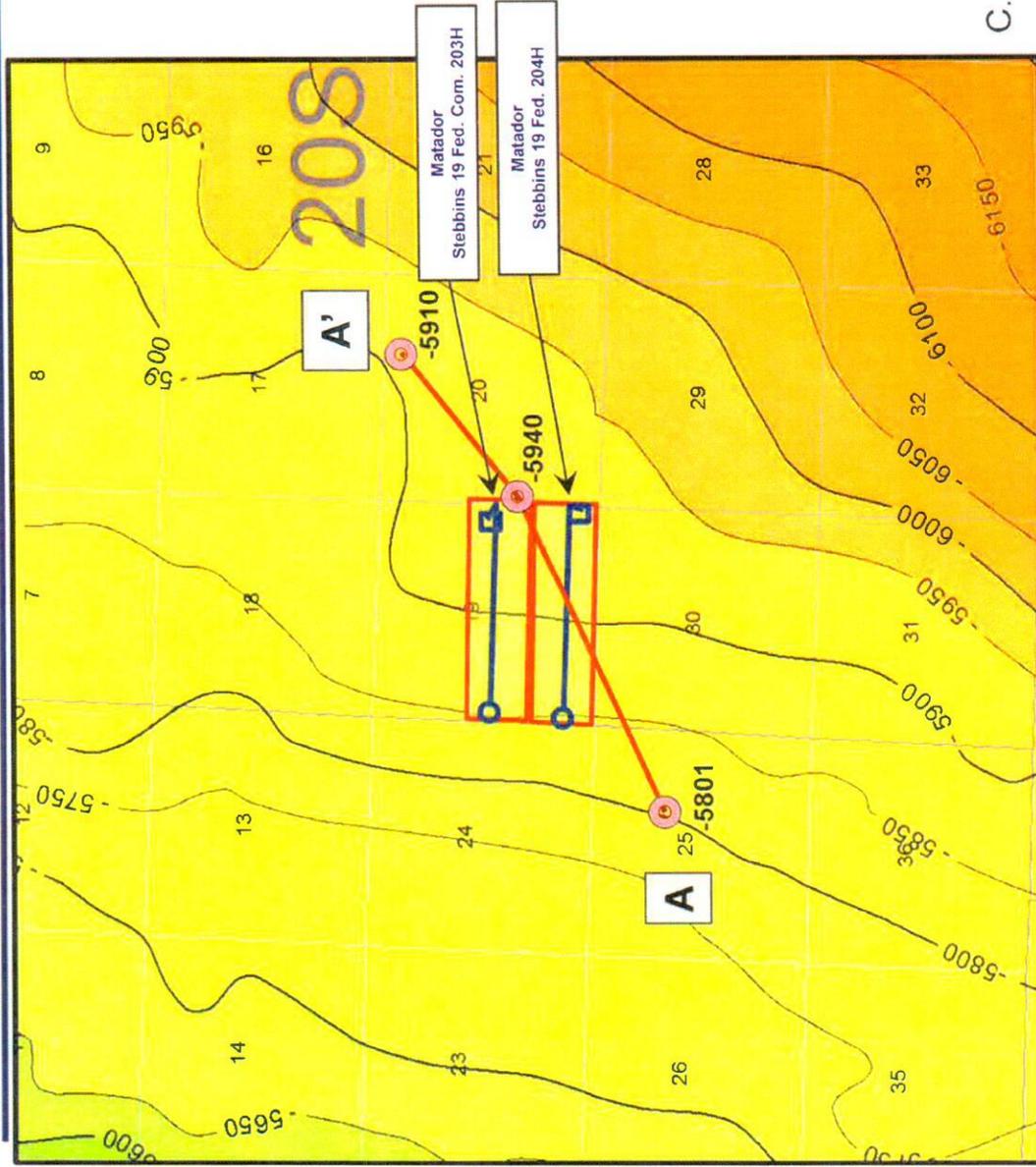
C.I. = 50'

Map Legend

- Matador – Horizontal Location
 - SHL
 - BHL
- Project Area
- Wolfcamp HZ Producer
- Wolfcamp Structure Data Point
- High
- Low



**Burton Flat East; Upper Wolfcamp (Pool Code 98315)
Structure Map (Top Wolfcamp)**

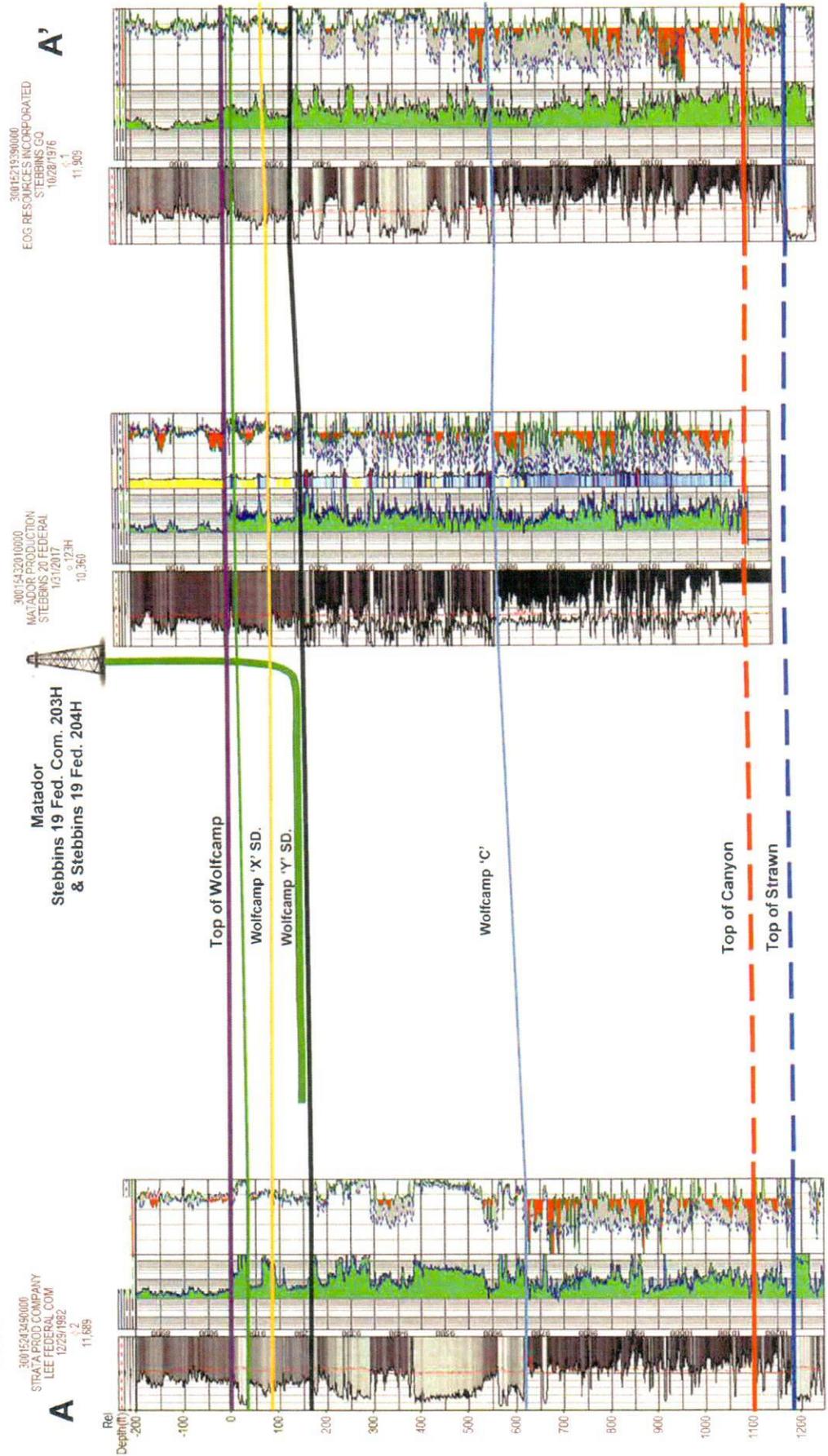


Map Legend

- Matador – Horizontal Location
 - SHL
 - BHL
- Project Area
- Wolfcamp HZ Producer
- Wolfcamp Structure Data Point
- High
- Low

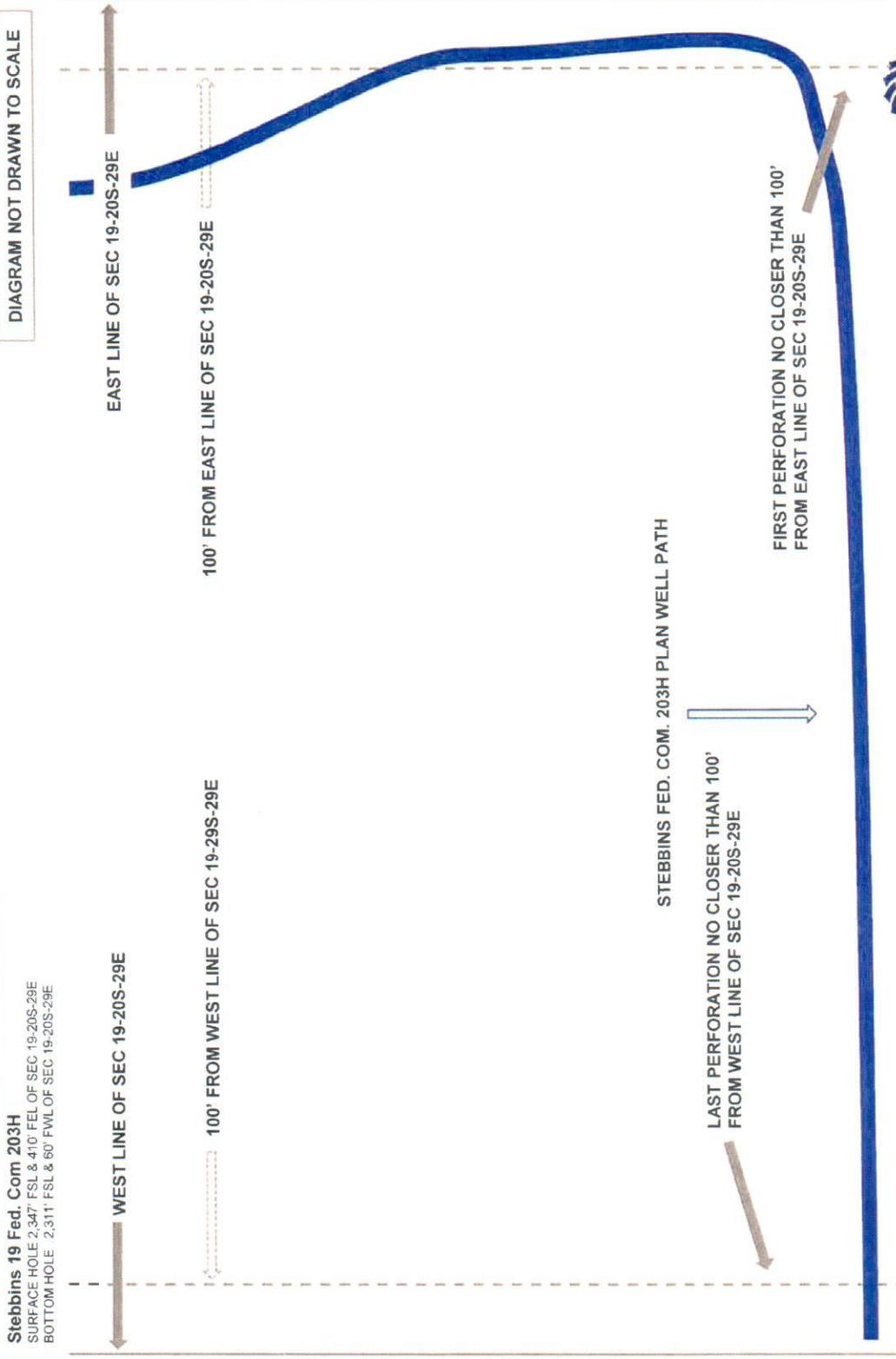


Burton Flat East; Upper Wolfcamp (Pool Code 98315) Stratigraphic Cross Section A - A'



Stebbins 19 Fed. Com. 203H & Stebbins 19 Fed. 204H

Burton Flat East; Upper Wolfcamp (Pool Code 98315) Stebbins 19 Fed. Com 203H Completion



Burton Flat East; Upper Wolfcamp (Pool Code 98315) Stebbins 19 Fed. 204H Completion

