BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING APRIL 16, 2020

CASE Nos. 21148-21151

Uncle Ches 2116 Fed Com #121H Uncle Ches 2116 Fed Com #122H Uncle Ches 2116 Fed Com #123H Uncle Ches 2116 Fed Com #124H

LEA COUNTY, NEW MEXICO



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

CASE NOS. 21148 – 21151

CONSOLIDATED HEARING PACKAGE TABLE OF CONTENTS

- Compulsory Pooling Application Checklist and Filed Application for Each Case
- Matador Exhibit A: Affidavit of Sam Prior, Landman
 - o Matador Exhibit A-1: Draft C-102s
 - o Matador Exhibit A-2: Land Tract Map
 - o Matador Exhibit A-3: Working Interest Ownership
 - o Matador Exhibit A-4: Overriding Royalty Interest Owners
 - o Matador Exhibit A-5: Sample Well Proposal Letter with AFE
 - o Matador Exhibit A-6: Chronology of Contacts
- Matator Exhibit B: Affidavit of James Andrew Juett, Geologist
 - o Matador Exhibit B-1: Locator Map
 - o Matador Exhibit B-2: Subsea structure map
 - o Matador Exhibit B-3: Stratigraphic cross-section
- Matador Exhibit C: Notice Affidavit
- Matador Exhibit D: Affidavit of Publication for Each Case

Case: 21148	APPLICANT'S RESPONSE
Date April 16, 2020	
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	228937
Applicant's Counsel:	Michael H. Feldewert of Holland & Hart
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Uncle Ches 2116 Fed Com #121H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire formation
Pool Names and Pool Codes:	Featherstone; Bone Spring Pool (Pool Code 24250)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320-acres (more or less)
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres (more or less)
Building Blocks:	Quarter-Quarter sections
Orientation:	South-North
Description: TRS/County	W/2 W/2 of Sections 16 and 21, 20S, 35E, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: If yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status	Uncle Ches 2116 Fed Com #121H Well (API pending): SHL: 260 FSL and 476 FWL (Unit M) of Section 21, 20S, 35E
(standard or non-standard)	BHL: 60 FNL and 330 FWL (Unit D) of Section 16, 20S, 35E
	Completion Target: Bone Spring formation Well Orientation: South to North Completion Location expected to be Standard
Horizontal Well First and Last Take Points	Exhibit A-1 (C-102 plats)
Completion Target (Formation, TVD and MD)	Exhibit A-5 (well proposals)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibits A-3 and A-4
Unlocatable Parties to be Pooled	Exhibits C and D
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-1
Well Orientation (with rationale)	Exhibit B

Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	Exhibit B (n/a)
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit A-2 and B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	rus la Eller
Date:	14-Apr-2

Case: 21149	APPLICANT'S RESPONSE
Date April 16, 2020	
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	228937
Applicant's Counsel:	Michael H. Feldewert of Holland & Hart
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Uncle Ches 2116 Fed Com #122H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire formation
Pool Names and Pool Codes:	Featherstone; Bone Spring Pool (Pool Code 24250)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320-acres (more or less)
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres (more or less)
Building Blocks:	Quarter-Quarter sections
Orientation:	South-North
Description: TRS/County	E/2 W/2 of Sections 16 and 21, 20S, 35E, Lea Count
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	

Name & API (if assigned), surface and bottom hole location,	Uncle Ches 2116 Fed Com #122H Well (API pending): SHL: 260 FSL and 506 FWL (Unit M) of Section 21, 20S, 35E
footages, completion target, orientation, completion status	BHL: 60 FNL and 1870 FWL (Unit C) of Section 16, 205, 35E
(standard or non-standard)	Completion Target: Bone Spring formation Well Orientation: South to North Completion Location expected to be Standard
Horizontal Well First and Last Take Points	Exhibit A-1 (C-102 plats)
Completion Target (Formation, TVD and MD)	Exhibit A-5 (well proposals)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
lustification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
Ownership Determination	
and Ownership Schematic of the Spacing Unit	Exhibit A-2
ract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibits A-3 and A-4
Unlocatable Parties to be Pooled	Exhibits C and D
Ownership Depth Severance (including percentage above & below)	N/A
oinder	
ample Copy of Proposal Letter	Exhibit A-5
ist of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
hronology of Contact with Non-Joined Working Interests	Exhibit A-6
overhead Rates In Proposal Letter	Exhibit A-5
ost Estimate to Drill and Complete	Exhibit A-5
ost Estimate to Equip Well	Exhibit A-5
ost Estimate for Production Facilities	Exhibit A-5
eology	
ummary (including special considerations)	Exhibit B
pacing Unit Schematic	Exhibit B-1
unbarrel/Lateral Trajectory Schematic	Exhibit B-1
70 APO 100 A	

Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	Exhibit B (n/a)
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit A-2 and B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	yally alles
Date:	14-Apr-20

Case: 21150	APPLICANT'S RESPONSE
Date April 16, 2020	
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	228937
Applicant's Counsel:	Michael H. Feldewert of Holland & Hart
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Uncle Ches 2116 Fed Com #123H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire formation
Pool Names and Pool Codes:	Featherstone; Bone Spring Pool (Pool Code 24250)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320-acres (more or less)
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres (more or less)
Building Blocks:	Quarter-Quarter sections
Orientation:	South-North
Description: TRS/County	W/2 E/2 of Sections 16 and 21, 20S, 35E, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	

Name & API (if assigned), surface and bottom hole location,	Uncle Ches 2116 Fed Com #123H Well (API pending):
footages, completion target, orientation, completion status	SHL: 425 FSL and 604 FEL (Unit P) of Section 21, 20S, 35E BHL: 60 FNL and 1870 FEL (Unit B) of Section 16, 20S, 35E
(standard or non-standard)	Completion Target: Bone Spring formation Well Orientation: South to North Completion Location expected to be Standard
Horizontal Well First and Last Take Points	Exhibit A-1 (C-102 plats)
Completion Target (Formation, TVD and MD)	Exhibit A-5 (well proposals)
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit C
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
Pooled Parties (including ownership type)	Exhibits A-3 and A-4
Unlocatable Parties to be Pooled	Exhibits C and D
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-1
Well Orientation (with rationale)	Exhibit B

Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	Exhibit B (n/a)
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit A-2 and B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	rus ly rillers
Date:	14-Apr-2

Case: 21151	APPLICANT'S RESPONSE
Date April 16, 2020	
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	228937
Applicant's Counsel:	Michael H. Feldewert of Holland & Hart
Case Title	Application of Matador Production Company for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Uncle Ches 2116 Fed Com #124H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire formation
Pool Names and Pool Codes:	Featherstone; Bone Spring Pool (Pool Code 24250)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320-acres (more or less)
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres (more or less)
Building Blocks:	Quarter-Quarter sections
Orientation:	South-North
Description: TRS/County	E/2 E/2 of Sections 16 and 21, 20S, 35E, Lea County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	No
Applicant's Ownership in Each Tract	Exhibit A-3
Well(s)	

SHL: 413 FSL and 576 FEL (Unit P) of Section 21, 20S, 35E BHL: 60 FNL and 331 FEL (Unit A) of Section 16, 20S, 35E Completion Target: Bone Spring formation Well Orientation: South to North Completion Location expected to be Standard Exhibit A-1 (C-102 plats) Exhibit A-5 (well proposals)
Well Orientation: South to North Completion Location expected to be Standard Exhibit A-1 (C-102 plats)
Completion Location expected to be Standard Exhibit A-1 (C-102 plats)
Exhibit A-5 (well proposals)
\$8,000
\$800
Exhibit A
200%
Exhibit C
Exhibit C
Exhibit D
Exhibit A-2
Exhibit A-2
Exhibits A-3 and A-4
Exhibits C and D
) N/A
Exhibit A-5
Exhibit A-3
Exhibit A-6
Exhibit A-5
Exhibit A-5
Exhibit A-5
Exhibit A-5
Exhibit B
Exhibit B-1
Exhibit B-1
Exhibit B

Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	Exhibit B (n/a)
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit A-2 and B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	sully willess
Date:	14-Apr-7

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

CASE NO. 21148

APPLICATION

Matador Production Company ("Matador" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Uncle Ches 2116 Fed Com #121H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 21, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 16.
- 3. The completed interval for this well will comply with Statewide setbacks for oil wells.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.

- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 2, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

Michael H. Feldewert

Adam G. Rankin

Julia Broggi

Kaitlyn A. Luck

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ATTORNEYS FOR MATADOR **PRODUCTION** COMPANY

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

CASE NO. 21149

APPLICATION

Matador Production Company ("Matador" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Uncle Ches 2116 Fed Com #122H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 21, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 16.
- 3. The completed interval for this well will comply with Statewide setbacks for oil wells.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.

- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 2, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Kaitlyn A. Luck
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ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

CASE NO. 21150

APPLICATION

Matador Production Company ("Matador" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Uncle Ches 2116 Fed Com #123H well to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 21, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 16.
- 3. The completed interval for this well will comply with Statewide setbacks for oil wells.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.

- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 2, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

Michael H. Feldewert

Adam G. Rankin Julia Broggi

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ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

case no. 21151

APPLICATION

Matador Production Company ("Matador" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. In support of its application, Matador states:

- 1. An affiliate entity of Matador (OGRID No. 228937) is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to dedicate the above-referenced horizontal spacing unit to the proposed initial Uncle Ches 2116 Fed Com #124H well to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 21, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 16.
- 3. The completed interval for this well will comply with Statewide setbacks for oil wells.
- 4. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all of the working interest owners in the subject spacing unit.

- 5. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.
- 6. In order to permit Applicant to obtain its just and fair share of the oil and gas underlying the subject lands, all uncommitted interests in this horizontal spacing unit should be pooled, and Applicant should be designated the operator of the proposed horizontal well and this horizontal spacing unit.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on April 2, 2020, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the horizontal spacing unit in the Bone Spring formation and approving the initial well thereon;
- B. Designating Applicant as operator of this spacing unit and the horizontal well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, equipping, and completing the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

Bv:

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
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ATTORNEYS FOR MATADOR PRODUCTION COMPANY

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

CASE NOS. 21148 - 21151

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 consolidated cases and the status of the lands in the subject area.
- 4. In these consolidated cases, Matador is seeking an Order pooling all uncommitted interests in the following standard horizontal spacing units underlying Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico:
 - In Case No. 21148, a 320-acre, more or less, horizontal spacing unit in the Bone Spring formation comprised of the W/2 W/2 of Sections 16 and 21 to be dedicated to the proposed Uncle Ches 2116 Fed Com #121H Well, which will be horizontally drilled from a surface location in the SW/4 SW/4 of Section 21, Township 20 South, Range 35 East to bottom hole location in the NW/4 NW/4 of Section 16.
 - In Case No. 21149, a 320-acre, more or less, horizontal spacing unit in the Bone Spring formation comprised of the E/2 W/2 of Sections 16 and 21 to be dedicated to the proposed

1

- Uncle Ches 2116 Fed Com #122H Well, which will be horizontally drilled from a surface location in the SW/4 SW/4 of Section 21, Township 20 South, Range 35 East to bottom hole location in the NE/4 NW/4 of Section 16.
- In Case No. 21150, a 320-acre, more or less, horizontal spacing unit in the Bone Spring formation comprised of the W/2 E/2 of Sections 16 and 21 to be dedicated to the proposed Uncle Ches 2116 Fed Com #123H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 of Section 21, Township 20 South, Range 35 East to bottom hole location in the NW/4 NE/4 of Section 16.
- In Case No. 21151, a 320-acre, more or less, horizontal spacing unit in the Bone Spring formation comprised of the E/2 E/2 of Sections 16 and 21 to be dedicated to the proposed Uncle Ches 2116 Fed Com #124H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 of Section 21, Township 20 South, Range 35 East to bottom hole location in the NE/4 NE/4 of Section 16.
- 5. **Matador Exhibit A-1** contains a draft Form C-102 for each of the four proposed wells. The land in the proposed spacing unit is comprised of federal and state lease lands. Matador understands that these wells will be assigned to the Featherstone; Bone Spring Pool (Pool Code 24250).
- 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 the working interest owners that Matador is seeking to pool in each Case along with their respective ownership interest in each of the proposed horizontal spacing units. The list of pooled parties and their respective interest percentages are the same for Case Nos. 21148 and 21149. In addition, in each case, Matador is also seeking to pool the overriding royalty interest owners, which are identified in Matador Exhibit A-4. Case Nos. 21148 and 21149 have the same list of overriding royalty interest owners in those two cases. Case Nos. 21150 and 21151 have the same list of overriding royalty interest owners in those two cases.
 - 9. There are no depth severances within the Bone Spring formation for this acreage.
- 10. **Matador Exhibit A-5** contains sample well proposal letters and AFE sent to working interest owners for each well in which they had an interest. 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, Matador has called or emailed each of the working interest owners Matador seeks to pool for whom we have contact information and attempted to reach an agreement with them. **Matador Exhibit A-6** contains a general chronology of the contacts with the working interest owners Matador seeks to pool in each respective case for whom we have contact information. In my opinion, Matador has 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. Matador has provided Matador's outside counsel, Holland and Hart, 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.
- 14. **Matador Exhibits A-1 through A-6** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

SAM PRYOR

STATE OF TEXAS)
)
COUNTY OF DALLAS)

SUBSCRIBED and SWORN to before me this 13th day of April 2020 by Sam Pryor.

My Commission Expires:

8-24-2021

JAIME GRAINGER
Notary Public, State of Texas
Comm. Expires 08-24-2021
Notary ID 131259323

EXHIBIT A-1

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. A1

Case Nos. 21148-21151
Submitted by: MATADOR PRODUCTION COMPANY

State of New Mexico

Hearing Date: April 16, 2020

FORM C-102

<u>District 1</u> 1625 N French Dr., Hobbs, NM 88240 Phone: (575) 993-6161 Fax: (575) 393-0720 <u>District I1</u> 811 S Firat St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

District IV 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV

District IV 1220 S St Francis Dr , Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 Energy, Minerals & Natural Resources
Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 Revised August 1, 2011

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT API Number Featherston 24250 Well Number Property Code #121H UNCLE CHES 2116 FED COM Elevation OGRID No. Operator Name 3719 MATADOR PRODUCTION COMPANY 22893 ¹⁰Surface Location East/West line Feet from the UL or lot no. Section Township Range Lot Idn Feel from the North/South lin 476 **LEA** 260' SOUTH WEST 21 20-S 35-E M 11 Bottom Hole Location If Different From Surface Ensi/West line County Feet from the North/South line Feet from the Lot Ide UL or lot no. Township Range 60' NORTH 330' WEST LEA 16 20-S 35-E ²Dedicated Acres Consolidation Code Joint or Infil Order No. 320

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.

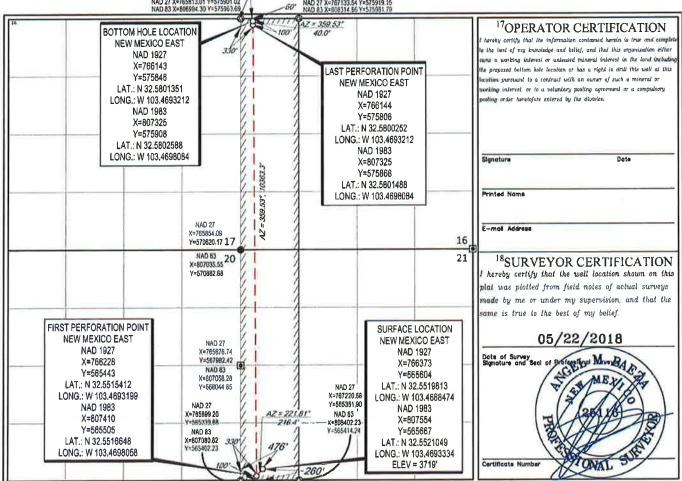
NAD 27 X=765813.01 Y=575901.02

NAD 27 X=765813.01 Y=575901.02

NAD 28 X=696584 30 Y=575901.05

NAD 28 X=696584 30 Y=575901.05

NAD 28 X=696584 30 Y=575901.05



SISURVEYMATADOR RESOURCESUNCLE CHES 21-20S-3569/INAL PRODUCTISLO UNCLE CHES 2116_FED_COM_121H_0P11_REV1_C-102.0WG 3/25/2020 1 49-56 PM admin

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 TV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

the division.

X=807584

Y=565667

LAT.: N 32.5521051

LONG.: W 103.4692359

ELEV = 3719'

X=767220.58

Y=565351.90

NAD 83

X=808402.23 Y=585414.24

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 24250 Property Name Property Code #122H UNCLE CHES 2116 FED COM Elevation OGRID No. NOperator Name 3719' MATADOR PRODUCTION COMPANY 228937 10 Surface Location East/West line Feet from the UL or lot no. Section Township Range Lot Idn Feet from the North/South line 506 LEA 260' WEST SOUTH 20-S 35-E M 21 11 Bottom Hole Location If Different From Surface East/West line County North/South line Feet from the UL or lot no. Township Range Lot Ide Feet from the 60' 1870' WEST LEA NORTH C 16 20-S 35-E Dedicated Acres Joint or Infill Consolidation Code Order No. 320

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

NAD 27 X=768454 08 Y=575937 27 NAD 83 X=809635.43 Y=575999 90 NAD 27 X=767133 54 Y=575919.15 NAD 83 X=808314.86 Y=575981.79 AZ = 359.53¹⁷OPERATOR CERTIFICATION 1871 100 hereby certify that the information contained herein is true and comto the best of my knowledge and belief, and that this organization either BOTTOM HOLE LOCATION ers a working interest or unleased mineral interest in the land include LAST PERFORATION POINT NEW MEXICO EAST the proposed bottom hale location or has a right to drill this well at this NAD 1927 NEW MEXICO EAST sculium pursuant to a contract with an owner of such a mineral or NAD 1927 X=767683 orking interest, or to a columbary pooling agreement or a compulsory my order herelofore entered by the division. Y=575867 X=767684 Y=575827 LAT.: N 32.5801587 LONG.: W 103.4643219 LAT.: N 32.5800488 NAD 1983 LONG,: W 103.4643219 NAD 1983 X=808865 X=808865 Y=575929 Signature Date 10370.5 LAT.: N 32,5802823 Y=575889 LONG.: W 103.4648089 LAT.: N 32.5801724 LONG,: W 103,4648089 Printed Name 155 13 **NAD 27** E-mail Address X=768496 31 Y=570650 32 16 15 17 21 22 20 18SURVEYOR CERTIFICATION X=809677.83 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. FIRST PERFORATION POINT **NEW MEXICO EAST** SURFACE LOCATION NAD 1927 05/22/2018 **NEW MEXICO EAST** X=767768 NAD 1927 Y=565457 X=766403 LAT.: N 32.5515452 Y=565604 LONG.: W 103,4643221 LAT.: N 32.5519814 NAD 1983 LONG.: W 103.4687499 X=808950 NAD 1983

Y=565519

LAT.: N 32,5516689

LONG.: W 103.4648079

ESBURVEYMATADOR RESOURCESUNGLE CHES 21-20S-35EFINAL PRODUCTS TO UNCLE CHES 2116 FED. COM. 122H. OPT1. REV1_C-102.DWG 3/25/2020 4:18:38 PM plot

100 NAD 27 X=768541,95 Y=565363.9 NAD 83 X=809723 63 Y=565426.23

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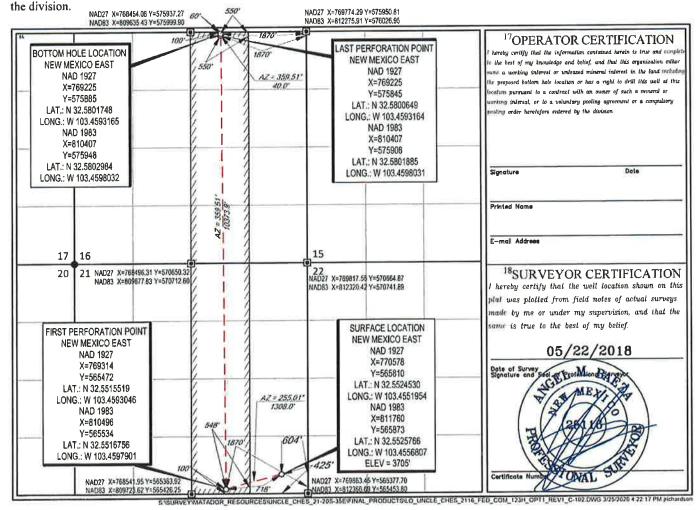
State of New Mexico
Energy, Minerals & Natural Resources
Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

			WELL LO	CATIC	N AND AC	REAGE DEDICA	ATION PLA	Τ		
API Number 2Poul Cod						³ Pool Name				
			ر ا	1250		Feather	stonei	Bone Sp	ring	
Property C	ode				• •					
UNCLE CHES 2116 FED COM									#123H	
OGRID N	io.			Elevation						
2289	37	MATADOR PRODUCTION COMPANY 3705'								
					10 Surface	Location				
UL or lot no.	Section	Township	Range	Lot Ide	Feet from t	he North/South line	Feet from the	East/West line Coun		
P	21	20-5	S 35-E	-	425'	SOUTH	604'	EAST	LEA	
			11	Bottom H	ole Location I	f Different From Sur	face			
UL or lot no.	Section	Township	Range	Lot Id	n Feet from t	he North/South line	Feet from the	East/West line	County	
В	16	20-5	S 35-E	-	60'	NORTH	1870'	EAST	LEA	
^{[I} Dedicated Acres	¹³ Joint or	[ոն]]	⁴ Consolidation Co	de ¹ Or	der Na.					
320										

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



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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				² Pool Code		³ Pool Name					
242						F	eath	erstone	i E	Bone	Sping
Property 0	Code							Well Number /			
	UNCLE CHES 2116 FED COM #124H										
	OGRID No. Operator Name Selevation									Elevation	
2289	228937 MATADOR PRODUCTION COMPANY 3705'							3705'			
10 Surface Location											
UL or lot no.	Section	Township	Range	Lot 1dn	Feet from	m the North	South line	Feet from the	E	ast/West line	Coun
P	21	20-S	35-E	_	413'	SOU	H H	576'	EA	ST	LEA

20-S 413' SOUTH 576 **EAST** LEA 21 35-E

11Bottom Hole Location If Different From Surface

UL or lot no.	Section 16	Township 20-S	35-E	Lot Idn	Feet from the 60'	North/South line NORTH	Feet from the	East/West line EAST	County LEA
Dedicated Acres 320	¹³ Joint or 1	п(П) ⁽⁴ С	onsolidation Cod	e ¹⁸ Orde	r 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.

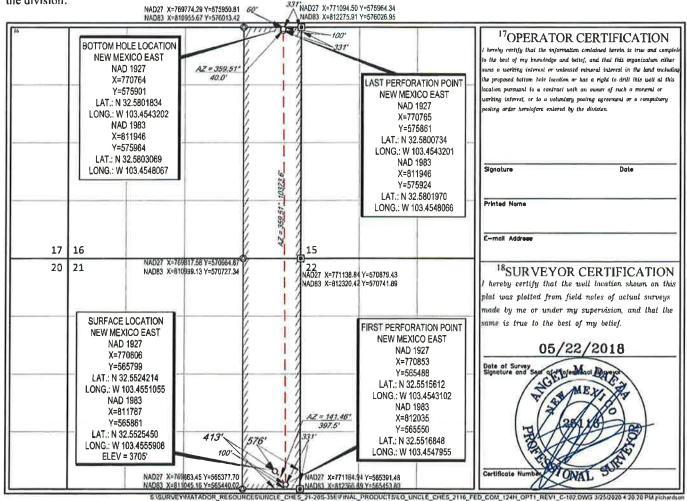


EXHIBIT A-2

BEFORE THE OIL CONSERVATION DIVISION

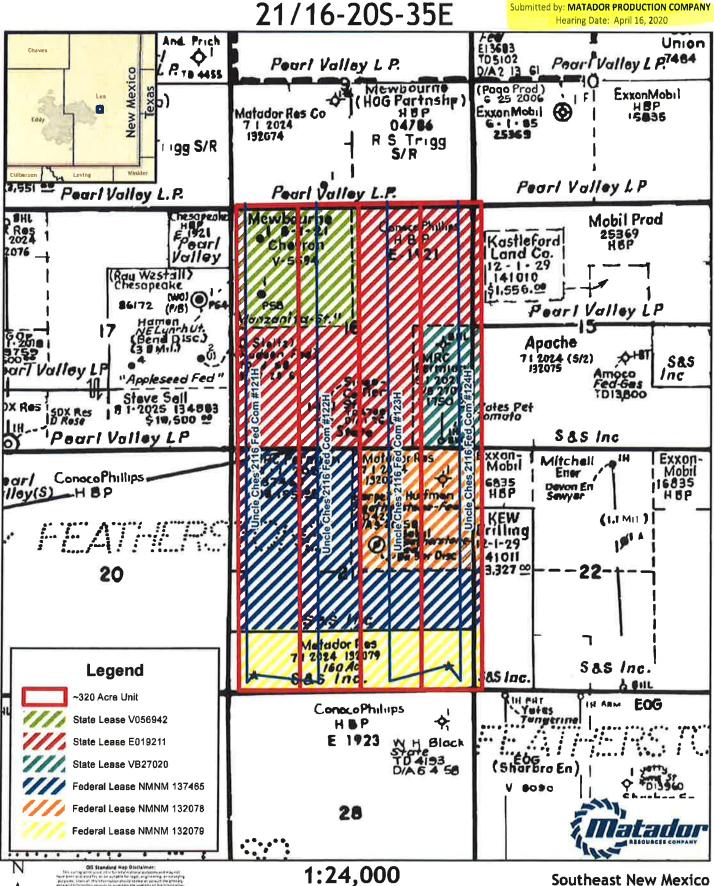
Santa Fe, New Mexico

Exhibit No. A2 Case Nos. 21148-21151

Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: April 16, 2020

Date: March 26, 2020 Coordinate System: NAD 1983 StatePlane New Mexico East FIPS 3001 Fee to Projection: Transverse Mercator; Datum: North American 1983; Units: Fost Sources: IHS; ESRI;



1 inch = 2,000 feet

6,000

4,000

1,000

2,000

Feet

8,000

EXHIBIT A-3

Matador Exhibit A-3

Case No. 21148 - a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the W/2 W/2 of Sections 16 and 21

Case No. 21149 - a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the E/2 W/2 of Sections 16 and 21

Summary of Interests

MRC Permian Company & Its Affiliates Working Interest		%00000000000000000000000000000000000000
Compulsory Pool Interest Total:		20.00000000%
Interest Owner:	Description:	Interest:
ConocoPhillins Company	Uncommitted Working Interest Owner	21.88390300%
Chevron U.S.A., Inc.	Uncommitted Working Interest Owner	6.56547100%
Caza Petroleum, LLC	Uncommitted Working Interest Owner	21.17143800%
Mewbourne Oil Company	Uncommitted Working Interest Owner	0.22918800%
Trident Oil Corporation	Uncommitted Working Interest Owner	0.1500000%



Uncle Ches 2116 Fed Com #121 and #122

Hearing Date: April 16, 2020

Case No. 21150 - a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the W/2 E/2 of Sections 16 and 21

Summary of Interests

MRC Permian Company & Its Affiliates Working Interest		%000000000
Compulsory Pool Interest Total:		%0000000000
Interest Owner:	Description:	Interest:
ConocoPhillips Company	Uncommitted Working Interest Owner	43.76780600% 6.23219400%
Caza Petroleum, LLC		



Case No. 21151 - a 320-acre horizontal spacing unit in the Bone Spring formation comprised of the E/2 E/2 of Sections 16 and 21

Summary of Interests

MRC Permian Company & Its Affiliates Working Interest		75.0000000%
Compulsory Pool Interest Total:		25.00000000%
Interest Owner:	Description:	Interest:
ConocoPhillips Company	Uncommitted Working Interest Owner	21.88390300%
Caza Petroleum, LLC	Uncommitted Working Interest Owner	3.11609700%



EXHIBIT A-4

Uncle Ches 2116 Fed Com #121 and #122 ORRI

Bear Energy, Inc.
Blaine Hess
Branesky Family Trust u/t/a 05/23/2008
Devon Energy Production Company, LP
Murlin Family Revocable Trust
Nicholas E. Humphrey Revocable Trust dated 7/18/05
P. O. Williams Revocable Trust
Pearl Valley Limited Partnership (Surface)
S & S, Inc. (Surface)
Sweeney Family, LLC
The James Walter Duncan, IV, Revocable Trust u/t/a dated 4/22/94
Walter Duncan Oil, LLC

Uncle Ches 2116 Fed Com #123 and #124 ORRI

Devon Energy Production Company, LP

EXHIBIT A-5

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.371.5421 • Fax 214.866.4946 jonathan.stepka@matadorresources.com

Jonathan Stepka Landman

November 12, 2019

VIA CERTIFIED RETURN RECEIPT MAIL

Caza Petroleum, LLC 4 Greenspoint, 16945 Northchase Suite 1430 Houston, TX 77060

Re: Uncle Ches 2116 Fed Com #121H, #122H, #123H and #124H (the "Wells")

Participation Proposal

Sections 21 & 16, Township 20 South, Range 35 East

Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of the following Matador Production Company's Uncle Ches 2116 Fed Com #121H, #122H, #123H & #124H wells, located in Sections 21 & 16, Township 20 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 of each Well is itemized on the four (4) enclosed Authority for Expenditures ("AFE"), all dated August 19, 2019.

- Uncle Ches 2116 Fed Com #121H: to be drilled from a legal location with a proposed surface hole location in the SW/4 of Section 21, Township 20S, Range 35E and a proposed bottom hole location in the NW/4 of Section 16, Township 20S, Range 35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,100° TVD) to a Measured Depth of approximately 21,500°.
- Uncle Ches 2116 Fed Com #122H: to be drilled from a legal location with a proposed surface hole location in the SW/4 of Section 21, Township 20S, Range 35E and a proposed bottom hole location in the NW/4 of Section 16, Township 20S, Range 35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,100' TVD) to a Measured Depth of approximately 21,500'.

- Uncle Ches 2116 Fed Com #123H: to be drilled from a legal location with a proposed surface hole location in the SE/4 of Section 21, Township 20S, Range 35E and a proposed bottom hole location in the NE/4 of Section 16, Township 20S, Range 35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,100' TVD) to a Measured Depth of approximately 21,500'.
- Uncle Ches 2116 Fed Com #124H: to be drilled from a legal location with a proposed surface hole location in the SE/4 of Section 21, Township 20S, Range 35E and a proposed bottom hole location in the NE/4 of Section 16, Township 20S, Range 35E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,100' TVD) to a Measured Depth of approximately 21,500'.

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.

Caza Petroleum, LLC will own an approximate .05649808 working interest in each Well, subject to title verification.

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

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement dated August 28, 2019, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering all of Sections 21 and 16, Township 20 South, Range 35 East, Lea County, New Mexico, and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$8,000/\$800 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. 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.

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

Jonatha D. Style

Jonathan Stepka

Caza Petroleum, LLC hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with
Matador Production Company's Uncle Ches 2116 Fed Com #121H well.
Not to participate in the Uncle Ches 2116 Fed Com #121H.
We are interested in selling our interest in this contract area, please contact to discuss.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with
Matador Production Company's Uncle Ches 2116 Fed Com #122H well.
Not to participate in the Uncle Ches 2116 Fed Com #122H.
We are interested in selling our interest in this contract area, please contact to discuss.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with
Matador Production Company's Uncle Ches 2116 Fed Com #123H well.
Not to participate in the Uncle Ches 2116 Fed Com #123H.
We are interested in selling our interest in this contract area, please contact to discuss.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Uncle Ches 2116 Fed Com #124H well. Not to participate in the Uncle Ches 2116 Fed Com #124H. We are interested in selling our interest in this contract area, please contact to discuss.
we are inversed in coming our inverse in this contains area, preuse contains to discuss.
Caza Petroleum, LLC
Ву:
Title:
Date:
Contact Number:
Email address:

	ONE	LINCOLN CENTRE - 8400	PRODUCTION (LEJ FREEWAY - SUITE 1	800 - DALLAS, TEXAS 75	140	
		Phone (9) ESTIMATE OF COSTI	72) 371-6290 • Fax (972) 3' 6 AND AUTHORIZATION (71-5201 FOR EXPENDITURE		
DATE:	12/17/2019			- I EM EMOTIONE	AFE NO.;	
WELL NAME:	Uncle Ches 2118 F				FIELD:	
LOCATION:	Sections 21 & 16, T		_		MO/TVD:	20,660/10,200
COUNTY/STATE: MRC WI:	Les County, New M	lexico	_		LATERAL LENGTH:	9,800'
GEOLOGIC TARGET;	2nd Bone Spring					
REMARKS:	The second second second	equip a horizontal 2nd Bo	one Spring well			
		DRILLING	COMPLETION	-		
INTANGIBLE	COSTS	COSTS	COSTS	PRODUCTION	FACILITY COSTS	COSTS
Location, Surveys & Dames	2015	216,000	7,000	1	\$ 10,000	\$ 61,500
Drilling	,	1,010,375	7,000	48,000	35,000	1,010,375
Comenting & Float Equip Logging / Formation Evalue	tion	244,000				244,000
Flowback - Labor		-	6,000			6,686
Flowback - Surface Rentale Flowback - Rental Living On				96,000		
Flowback Chemicals	Trues.					
Mud Logging		30,760				30,700
Mud Circulation System Mud & Chemicals		48,300				48,300
Mud / Wastewater Disposal		200.000 125,500	115,200			\$15,200
Freight / Transportation		10,000	36,000			125,500
Rig Supervision / Engineeric Drill Bits	ng	129.600	119,000	9,000	22,000	279,600
Fuel & Power		112,500	350,400			86,500
Water		42,500	612,500			462,900 855,000
Drig & Completion Overhead Plugging & Abandonment	ø	15,000	8,500			24,500
Directional Drilling, Surveys	i	270,000				Over
Completion Unit, Swab, CTL	J	-	147,600	18,800		164,300
Perforating, Wireline, Stickli	ne	<u> </u>	283,300			263,300
High Pressure Pump Truck Stimutation		.	132,600 2,726,400	3,000		135,600
Stimulation Flowback & Dis-	P		12,000	520,000		2.726.400
Insurance		36.990				36,990
Labor Rental - Surface Equipment		128,000	92,000 314,900		5.600	158,000
Ramial - Downhole Equipme	nt	76,600	52,000		6,000	136 600
Rental - Living Quarters		36,680	45,200		0,000	67,860
Contingency MaxCom		25,600	52,015	8,000	8,400	215,748
	TOTAL INTANGIBLES		5,253,515	696,600	92,400	25,800
September 2	516u	DRILLING	COMPLETION	PRODUCTION	42,400	9,067,498 TOTAL
TANGIBLE CO	STS	COSTS 68,390	COSTS	COSTS	FACILITY COSTS	COSTS
Intermediate Casing		170,778	•	•		\$ 88,390 178,778
Dritting Liner						170,776
Production Casing Production Liner		435,000				435,000
Tubing				54,000		64,000
Wellhead		66 000		16,000		
Packers, Liner Hangers Tanke			61,600			82,000
Production Vessels		-	01,000			82,000 81,800
Flow Lines					68,000	81,850 60,000
		!-		60,000	139,500	81,800 68,000 139,500
				and the second second		81,800 69,000 139,900 157,000
Rod string Artificial Lift Equipment Compressor			61,000	60,000 204,400	139,500	81,800 68,000 139,900 157,000 204,400
Artificial Lift Equipment Compressor Installation Costs				and the second second	139,500	81,800 69,000 139,900 157,000 204,400 35,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps			51,000	204,400	139,500 72,600	81,800 68,000 139,900 157,000 204,400
Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface			51,000	204,400	139,500 72,600 35,600 96,660	81,800 69,000 139,990 137,000 204,400 35,000 151,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	ad co			204.400 35.000	139,900 72,000 35,000 66,600 25,000	81,600 69,000 139,900 137,000 204,400 35,000 131,000 25,000 25,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhols Downhols Pumps Messurement & Meter Install	atton			204,400	139,500 72,600 35,600 96,660	81,800 69,000 139,990 137,000 204,400 35,000 151,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhols Downhols Pumps Measurement & Meter Install Gas Conditioning / Dehydrast Instructurating Facility Pipis	lon			204.400 35.000	139,900 72,000 35,000 66,600 25,000	81,805 85,009 139,900 137,900 157,000 204,400 35,000 (51,000 25,000 151,000
Artificial Lift Equipment Compressor Installation Costs Burbace Pumps Non-controllable Surface Yon-controllable Downhols Downhols Pumps Messorement & Metar Install Gas Conditioning / Dehydratin Install Case Conditioning / Dehydratin Jackbering / Bulk Lines	lon			204.400 35.000	199,500 92,600 35,600 96,600 25,600 114,600 80,600 50,600	81,805 65,009 139,900 137,900 157,000 204,400 35,000 131,000 131,000 131,000 60,000
Artificial Lift Equipment Compressor (Compressor Installation Costs Surface Pumps (Mon-controtlable Surface Non-controtlable Downhols Downhols Downhols Pumps (Massorement & Metar Install Gase Conditioning / Dehydratiniterconnecting Facility Pipis Zethering / Bulk Lines (Alves, Duming , Controllers (Alves, Duming , Controllers)	lon			204.400 35.000	199,500 92,600 35,000 95,500 25,600 114,000 80,000 50,600	61,805 63,605 139,905 137,905 137,005 204,400 35,000 151,605 25,005 131,000 60,005 60,005 60,005
	lon			204.400 35.000	199,500 92,600 35,600 66,600 25,600 114,600 80,000 50,600 1,600	81,805 68,005 139,900 137,000 204,400 33,000 131,000 25,000 131,000 60,000 60,000 8,000 16,000
Artificia Lift Equipment Compressor Installation Costs Surface Pumps Surface Pumps Non-controtlable Surface Non-controtlable Downhole Downhole Pumps Messurement & Meter Install Sas Conditioning / Dehydrati Interconnecting / Full Lines Later (Fecility Containment Flare Stack Electrical / Grounding	lon			204.400 35.000 17,000	199,500 92,600 35,000 95,500 25,600 114,000 80,000 50,600	61,805 63,605 139,905 137,905 137,005 204,400 35,000 151,605 25,005 131,000 60,005 60,005 60,005
Artificia Lift Equipment Compressor Installation Costs Burface Pumps Wincommunication Costs Burface Pumps Won-controllable Surface Won-controllable Downhole Powerhole Pumps Wessersment & Metar Install Sas Conditioning / Dehydratinitarconnecting Facility Pipin Sasthering / Bulk Lines Vallers, Dumps, Controller Teach / Facility Containment Plars Stack	lon			204.400 35.000 17,000 40,000	199,500 92,600 96,600 25,600 114,600 80,000 50,000 15,000 40,600 12,000	81,865 83,000 139,900 137,900 204,400 35,000 (31,000 25,000 131,000 60,000 60,000 60,000 60,000 60,000
Artificia Lift Equipment Compressor Installation Costs Surface Pumps Surface Pumps Non-controtlable Surface Non-controtlable Downhole Downhole Pumps Messurement & Meter Install Sas Conditioning / Dehydrati Interconnecting / Full Lines Later (Fecility Containment Flare Stack Electrical / Grounding	ion 19			204.400 35.000 17,000 40.000 10,000	199,500 92,600 93,500 93,500 93,500 93,500 114,000 80,000 40,000 12,000 45,000 45,000	81,805 68,609 139,900 137,000 204,400 35,000 151,000 151,000 60,000 60,000 60,000 60,000 22,000 65,000
Artificia Lift Equipment Compressor Installation Costs Burface Pumps Wincommunication Costs Burface Pumps Won-controllable Surface Won-controllable Downhole Powerhole Pumps Wessersment & Metar Install Sas Conditioning / Dehydratinitarconnecting Facility Pipin Sasthering / Bulk Lines Vallers, Dumps, Controller Teach / Facility Containment Plars Stack	lon	768,146	81,800 8,335,316	204.400 35.000 17,000 40,000	199,500 92,600 35,600 66,600 25,600 80,000 50,600 6,000 15,000 90,000 40,000 12,000 45,500 45,500 45,500	81,805 68,005 139,900 137,900 137,000 204,400 35,000 137,000 137,000 137,000 137,000 157,000 1
Artificial Lift Equipment Compressor (and Lift Equipment Compr	TOTAL TANGIBLES TOTAL COSTS	765,166 3,647,650	81,800	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 93,500 93,500 93,500 93,500 114,000 80,000 40,000 12,000 45,000 45,000	81,805 68,609 139,900 137,000 204,400 35,000 151,000 151,000 60,000 60,000 60,000 60,000 22,000 65,000
Artificial Lift Equipment Compressor (and Lift Equipment Compr	TOTAL TANGIBLES TOTAL COSTS	765,166 3,647,650	81,800	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,600 66,600 25,600 80,000 50,600 6,000 15,000 90,000 40,000 12,000 45,500 45,500 45,500	81,805 68,005 139,900 137,900 137,000 204,400 35,000 137,000 137,000 137,000 137,000 157,000 1
Artificial Lift Equipment Compressor (and Lift Equipment Compr	TOTAL TANGIBLES TOTAL COSTS	768,168 > 3.887.950	81,800	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,600 66,600 25,600 80,000 50,600 6,000 15,000 90,000 40,000 12,000 45,500 45,500 45,500	81,805 68,005 139,900 137,900 137,000 204,400 35,000 137,000 137,000 137,000 137,000 157,000 1
Artificia Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Downhole Downhole Pumps Install Gas Conditioning / Dehydratiniterconnecting Facility Pipin Gasthering / Bulk Lines / Sathering / Bulk Lines (Sathering / Bulk Lines / Sathering / Bulk Lines (Sathering / Bulk Lines / Sathering / Bulk Lines (Sathering / Bulk Lines (Sathering / Bulk Lines / Sathering / Sathering / Bulk Lines / Sathering /	TOTAL TANGIBLES : TOTAL COSTS : CODUCTION COMPAI	768,168 > 3.887.950	81,800 8,335,316	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,600 66,600 25,600 80,000 50,600 6,000 15,000 90,000 40,000 12,000 45,500 45,500 45,500	61,805 68,005 139,900 137,900 137,000 204,400 35,000 137,000 137,000 137,000 137,000 157,000 1
Artificial Lift Equipment Compressor (Compressor Installation Costs Surface Pumps (Mon-controtlable Surface Non-controtlable Surface Non-controtlable Downhole Downhole Downhole Downhole Pumps (Massurement & Metar Install Sas Conditioning / Dehydratin Instrumentaring / Bulk Lines (Latering / Bulk Lines Latering / Bulk Lines Latering / Bulk Lines Latering / Bulk Lines (Latering / Bulk Lines Latering / Late	YOTAL TANGIBLES : TOTAL COSTS : CODUCTION COMPA!	768,168 > 3.887.950	81,800 8,335,316	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,600 66,600 25,600 80,000 50,600 6,000 15,000 90,000 40,000 12,000 45,500 45,500 45,500	81,805 68,005 139,900 137,900 137,000 204,400 35,000 137,000 137,000 137,000 137,000 157,000 1
Authicia Lift Equipment Compressor Installation Costs Surface Pumps Non-controtlable Surface Non-controtlable Surface Non-controtlable Downhole Downhole Pumps Measurement & Metar Install Zac Conditioning / Dehydrati Interconsecting / Full Lines Latering / Bulk Lin	YOTAL TANGIBLES : TOTAL COSTS : CODUCTION COMPA! Tyler Brooking Mait Bel George Malitry	768,168 > 3.887.950	81,800 8,335,316	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,600 66,600 25,600 80,000 50,600 6,000 15,000 90,000 40,000 12,000 45,500 45,500 45,500	81,805 68,005 139,900 137,900 137,000 204,400 35,000 137,000 137,000 137,000 137,000 157,000 1
Authical Lift Equipment Compressor of the Compre	YOTAL TANGIBLES : TOTAL COSTS : CODUCTION COMPA! Tyler Brooking Mait Bel George Malitry	768,168 > 3.887.950 NY:	81,890 8,335,316 8d - WTX/NM	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,000 96,600 25,600 114,600 50,000 40,000 40,000 40,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 43,000 44,000 44,000 45,000 46,000 47,0	81,865 68,669 139,960 137,960 137,060 204,400 33,000 63,000 131,000 60,000 60,000 60,000 60,000 60,000 60,000 22,000 65,000 22,000 65,000 21,138,666 11,203,366
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Windoncontrotlable Surface Non-controtlable Surface Non-controtlable Surface Non-controtlable Downhole Downhole Pumps Measurement & Meter Install Sac Conditioning / Dehydrati Interconnecting / Fully Pige Sathering / Bulk Lines Later Stack Lines Sta	YOTAL TANGIBLES : TOTAL COSTS : CODUCTION COMPA! Tyler Brooking Mait Bel George Malitry	768,168 > 3.887.950 NY:	81,800 8,335,316 ad - WTX/NM Alto	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,600 66,600 25,600 80,000 50,600 6,000 15,000 90,000 12,000 40,000 12,000 45,500 45,500	81,805 65,000 139,995 137,005 204,400 35,000 131,000 131,000 65,000 65,000 65,000 65,000 65,000 61,1000 65,000 61,1000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhols Downhols Downhols Pumps Installation of the Surface Non-controllable Downhols Pumps Installation of the Surface Non-controllable Downhols Pumps Installation of the Surface Non-controllable Installation of the Surface Non-controllable Installation of Surface Installati	YOTAL TANGUBLES : TOTAL COSTS : CODUCTION COMPAI Tyler Brooking Mark Bet George Abiltoy PANY APPROVAL: DPL	768,166 > 3,687,650 NY: YP - Res	81,890 8,335,316 8d - WTX/NM	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,000 96,600 25,600 114,600 50,000 40,000 40,000 40,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 43,000 44,000 44,000 45,000 46,000 47,0	81,805 68,009 139,900 137,000 204,400 35,000 151,000 1
Artificia Lift Equipment Compressor Installation Costs Burface Pumps Surface Pumps Won-controllable Surface Non-controllable Downhole Downhole Downhole Downhole Downhole Downhole Pumps Messerement & Metar Install Gas Conditioning / Dehydratiniterconnecting Facility Pipir Gasthering / Bulk Lines Valves, Dumps, Controllars tach if Facility Containment Teach Facility Containment Teach Facility Containment State Pumps State State Controllars (ACA) Ansirumentation / Safety PARED BY MATADOR PROCESSOR OF The Completions Engineer Completions Engineer Production Engineer ADOR RESOURCES COM	TOTAL TANGIBLES : TOTAL COSTS : CODUCTION COMPA! Tyler Brooking Matt Bell Garups Malloy PANY APPROVAL:	768,166 > 3,687,650 NY: YP - Res	81,800 6,335,316 ad - WTX/NM	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,000 96,600 25,600 114,600 50,000 40,000 40,000 40,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 43,000 44,000 44,000 45,000 46,000 47,0	81,805 65,000 139,905 137,905 137,005 204,400 35,000 131,000 151,000 151,000 60,000 60,000 60,000 60,000 60,000 11,000,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000
Artificia Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Downhole Downhole Pumps Nessorement & Metar Install Zas Conditioning / Dehydratinistronnecting Facility Pipin Zethering / Bulk Lines / Zethering / Bulk Lines / Satisfy Pipin Zethering / Satisfy Pipin Ze	TOTAL TANGIBLES : TOTAL COSTS : TOTAL COSTS : Total COMPAI Tyler Broading Matt Bel George Maltoy PANY APPROVAL: DPL CA	768,166 > 3,687,650 NY: YP - Res	81,800 6,335,315 ad - WTX/NM And Only of the Control of the Contro	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,000 96,600 25,600 114,600 50,000 40,000 40,000 40,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 43,000 44,000 44,000 45,000 46,000 47,0	81,805 65,000 139,905 137,905 137,005 204,400 35,000 131,000 151,000 151,000 60,000 60,000 60,000 60,000 60,000 11,000,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000
Artificia Lift Equipment Compressor Installation Costs Burface Pumps Surface Pumps Won-controllable Surface Non-controllable Downhole Downhole Downhole Downhole Downhole Downhole Pumps Messerement & Metar Install Gas Conditioning / Dehydratiniterconnecting Facility Pipir Gasthering / Bulk Lines Valves, Dumps, Controllars tach if Facility Containment Teach Facility Containment Teach Facility Containment State Pumps State State Controllars (ACA) Ansirumentation / Safety PARED BY MATADOR PROCESSOR OF The Completions Engineer Completions Engineer Production Engineer ADOR RESOURCES COM	YOTAL TANGUBLES : TOTAL COSTS : CODUCTION COMPAI Tyler Brooking Mark Bet George Abiltoy PANY APPROVAL: DPL	768,166 > 3,687,650 NY: YP - Res	81,800 6,335,315 ad - WTX/NM And Only of the Control of the Contro	204.400 35.000 17,000 40,000 10,000 10,000 454,460	199,500 92,600 35,000 96,600 25,600 114,600 50,000 40,000 40,000 40,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 42,000 43,000 44,000 44,000 45,000 46,000 47,0	81,805 65,000 139,905 137,905 137,005 204,400 35,000 131,000 151,000 151,000 60,000 60,000 60,000 60,000 60,000 11,000,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000 60,000

Working Interest (%):

Tex ID:

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1600 • DALLAS, TEXAS 78240
Phone (872) 371-8200 • Fax (972) 371-8201

		ESTIMATE OF COST	S AND AUTHORIZATION	OR EXPENDITURE		
DATE:	12/17/2019				455 100	
WELL NAME:	Uncle Ches 2116 Fr	ed Com #122H			AFE NO.: FIELD:	
LOCATION:	Sections 21 & 16, T	20S-R35E			MD/TVD:	00.000000
COUNTY/STATE:	Lea County, New M	exico			LATERAL LENGTH:	20,550710,200
MRC WI:					CATEROL LENGTH:	9,800
GEOLOGIC TARGET:	2nd Bone Spring					
REMARKS;	Drill, complete and o	iquip a horizontal 2nd B	one Spring well			
INTANGEBLE	corre	DRILLING	COMPLETION	PRODUCTION		TOTAL
Land / Legal / Regulatory	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Location, Surveys & Dame	200	\$ 51,500	7,000	45,000	10,600	5 61,500
Driffing		1.010,375	1,000	40,000	35,000	1,010,375
Committing & Float Equip Logging / Formation Evalua	a Man	244,000				244,000
Flowback - Labor	LOOK		6.000			6,000
Flowback - Surface Rentals	1					-
Flowback - Rental Living Q	worters			95,000		
Flowback Clumicals						
Mud Logging Mud Circulation System		30.760				30,700
Mud & Chemicals		48.300	444.845			48,300
Mud / Wastevester Disposal		125,500	116,200			315,200
Freight / Transportation		10,000	36,000			125,500
Rig Supervision / Engineers	ng	129,600	119,000	9,000	22.000	279,600
Orill Bits Finel & Power		86,500				86,500
Water		112,500	350,400			462,900
Drig & Completion Overhee	d	15,000	9,500		•	055,000
Plugging & Abandonment			9,000			24,500
Directional Drilling, Surveys		270,000				270,000
Completion Unit, Swab, CTI Perforating, Wireline, Silcidi			147,500	16,600		154,300
High Pressure Pump Truck	·-	· · · · · ·	283,300			263,300
Stimutation		-	2,726,400	3,000		135,600
Stimulation Flowback & Dis	P		12,000	620,000		2,726,450
Innurance Labor		36,990				36,990
Capor Rental - Surface Equipment		126,000	32,000	- 25		158,000
Rental - Downhole Equipme	nt	75,705	314,900		5,000	395,605
Rental - Living Quarters		28,660	45.200	-	6,000	136,600
Contingency		147,353	52,015	6,000	8,400	216,748
MinrCom		28,800				25,900
	TOTAL INTANGIBLES		5,253,616	696,800	92,400	9,067,498
TANGIBLE CO	1570	DRILLING	COMPLETION	PRODUCTION	120-00-000-000	TOTAL
Surface Casing	70.10	COSTS 88,300	COSTS	COSTS	FACILITY COSTS	COSTS
Intermediate Casing		178,778		•	•——	8 65,290 178,776
Drilling Liner		4)				178,776
Production Casing Production Liner		435,000				435,000
Tubine						7.0
Welthoud		66,000		64,000		64,000
Packers, Liner Hangers		95,500	81,800	19,000		82,000
Tanks					68,660	68,000
Preduction Vessels Flow Lines					139,500	139,500
Rod string				00,000	72,600	132,000
Arafficial Lift Equipment				204,400		
Compressor					35,000	35,000
netalistion Costs		•		36,000	96,000	131,000
Surface Pumpie Non-controllable Surface		· ·			25,000	25,000
Non-controllable Downhole		•				
Josephole Pumps						
Massurement & Meter Install	ation			17,000	114,000	131,000
3se Conditioning / Dehydrati nierconnecting Facility Pipir	on			·	Contract of the second	
mercornocong racing ripir Sathering / Bulk Lines	9			•	80,000	60.000
/sives, Dumps, Controllers					50,000	50,000
ank / Feelilty Containment					15,000	8,000 15,000
Flare Stack					30,000	38,000
Electrical / Grounding Communications / SCADA				46,600	40,000	50,000
netrumentation / Selecty				10,000	12,000	22,000
	TOTAL TANGIBLES >	768,168	81,800	10,000	45,000 829,600	55,000
	TOTAL COSTS >		5,335,315	1,153,200	921,900	2,135,868
TO CONTRACT ON CONTRACT VICE OF STREET	PRODUCTION CONTROL TO THE		3,100,000	11100,200	741,000	11,203,305
PARED BY MATADOR PR	ODUCTION COMPAN	łY:	06			
Orlling Engineer:	Type Brooking	Younday	I UTVANI / HO			
Completions Engineer:	Mail Bell	1 Maris Les	ed - WITXINIM			
Production Engineer:	George Malioy		1900			
Troudant pignion.	Citalita IIII)					
ADOR RESOURCES COM	DANY ADDDOVAL					
WON NEGOCINCES COM	PART APPROVAL:					
Executive VP, COO/CFO		VP - Ren	Engineering		M. Deta-	
	OIE.	J. 1101	BLAR	-	VP - Drilling	BEG
Executive VP, Legal		a	nief Geologiei			DEG
-	OA.	-	NUF	_		
President_						
	MVH					
OPERATING PARTNER A	PPROVAL:					
Company Name:			Worlding Interest (%):			
			ANTHORN MIGRAE (20);		Tax ID:	
Signed by:			Date:			
Two.						
Title:			Approvat:	You		No (mark one)
we will not extracte any seat two tool for particular	of turbule of the bounds but in the boar	OF PERSON LANG TOWNS ASSESSED.				

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE - 8400 LBJ PREEWAY - SUITE 1800 - DALLAS, TEXAS 75240
Phone (972) 971-9200 - FAX (972) 371-5201

MELL ANDRES			ESTIMATE OF COS	TS AND AUTHORIZATION	OR EXPENDITURE		
Miles						AFE NO.:	
COUNTY TATATION COUNTY TOTAL NAME CO	444					FIELD:	
## STACKED Complete and Region Colorations Coloratio	-						
MRANGRE COSTS		a county, How ma	X05			LATERAL LENGTH:	9,800
### ### ### ### ### ### ### ### ### ##	GEOLOGIC TARGET: 2/	d Bone Spring		-			
MITACHARD COSTS	REMARKS: Dr	ill, complete and ex	quip a horizontal 2nd 6	lone Spring well			
MITACHARD COSTS	- Second Company Company		DRULLING	COMPLETION	PRODUCTION		7.624
Leaders, Surveys & Damerger 15000 10000 110000 110000 110000 110000 110000 110000 110000		TS	COSTS			FACILITY COSTS	
Deliang				1265	1	\$ 10,000	\$ 61,500
Camering Phone Page Camering Camer				7,000	45,000	35,000	
Element Labor Element Elemen	Cementing & Float Equip						
Floraback - Floraback				000,8			6.600
Flowback Clamping							
Florentical Characteries	Flowback - Rental Living Quarte		$\overline{}$				
Made Circulation Registers 43,500 115,20	Flowback Chemicals						
Mile of Chemicals 200,000 115,	Mud Circulation System						
Miles Vision	Mud & Chemicale			115,200			
Mig Supervision Englisheding			125,500				
Deligible							46,000
Facility Florest				119,000	9,000	22,000	
Water	Fuel & Power			350,400			
10 10 10 10 10 10 10 10			42,600	812,600			855,000
Elizational Diffiling, Surveys			15.000	9,500		•	
Completion Link Street, CTU			270 000				
Performation Perf	Completion Unit, Swab, CTU		2,0,000		18.600		
Section Sect	Perforating, Wireline, Stickline		- 1	283,300	14		283,300
Silvation Product Pr					3,000	31	135,600
International Section				12,000	520 0M		
Section Countries Equipment 19,700 110,000 150	Insurance				020,000		
No.					1		158,000
Restrict Living Charterer 33,885 45,320	Rental - Downhole Faultment						
Total State Stat	Rental - Living Quarters						
Mas-Com TOTAL INTANDRIBLES 2,119.785 5,253,515 599,600 97,400 5,007,448			147,333		6,000		
TANGIBLE COSTS		1007W0000000000000000000000000000000000					
## COSTS COS		TAL INTANGIBLES >				92,400	9,067,458
Surface Casing \$6,300 \$15,300	TANGIBLE COSTS					EACH ITY COURS	TOYAL
Intermediate Clashing	Surface Casing			1	1	1	
			178,778				
Production Liner							and the second second
Tubing Welthans			435,000				435,000
Welchast September Septe	Tubing				64,000		64,000
Tanks			66,000				
Production Vasaele				61,800			
Flow Lines							
Rod string			4		60,000		
Compressor S. S. S. S. S. S. S. S							
Initial part Init					204,400		
Surface Pumps					36.000	66,000	
Mon-centrolishis Dommhole D							
Downhole Pumps							
Measurement & Meter (natafiation 17,000 114,000 131,000						-	
Company Name		1 3	-		17.000	114,000	131,000
Company Name							107,300
Valves Dumps, Controllers							
Tenk Precisity Containment 10,000							
Page State	Fank / Pacifity Containment				187		
10,000 12,000 2		1				30,000	30,000
TOTAL TANGRIBLES							
TOTAL TANGRILES 769,165		3					
TOTAL COSTS > 3.887.950		TAL TANGIBLES >	760,168	81,600			
Drilling Engineer: Tyler Brooking Team Lead - WTX/NM		TOTAL COSTS >	3,887,950	8,385,315	1,153,200		
Drilling Engineer: Tyler Brooking Team Lead - WTX/NM	PARED BY MATADOR PROD	ICTION COMPAN	v.				
Completed to Engineer: Mait Beal	A LEGISTA DE LA CALLACTE DE LA CALLA	SOTION COMPAN	15	Att.	1		
Production Engineer: George Melicop George Melicop			Team Le	MINIXTW - bas	1		
ADOR RESOURCES COMPANY APPROVAL: Executive VP, COOKFO				120	7		
Executive VP, COOKFO	Production Engineer: G	sorge Melicy		0 -			
Executive VP, COOKFO	ADOD RESOURCES COMPAN	IV ADDDOUAL .					
Defect BAHR BEG		II APPROVAL!					
Defe	Executive VP, COO/CFO		VP - Re	es Engineering		VP - Drillin	
CA NLF		CEL		BAIR		** - DI	
President	Entoutive VP, Legal	4	C				
Approval: Approval: Yes No (mark one)	B141	GA.		NLF			
OPERATING PARTNER APPROVAL: Company Name: Working Interest (%): Tax D: Signed by: Dele:	President	JAVH					
Company Name. Working Interest (%): Tax ID: Signed by: Dete:							
	OPERATING PARTNER APPR	ROVAL:					
	Company Name.			Working Interest (%)	:	Tau II).
Title:						1 804 10	^- <u> </u>
(max dis)	Signed by:			Date	·		
(max dis)	Title:			Anne	- Ve-		No. 10-12-1
		Man of the second for the con-					NO (mark one)

MATADOR PRODUCTION COMPANY
ONE LINCOLN CENTRE - 8400 LBJ FREEWAY - BUTE 1890 - DALLAS, TEXAS 78248
Phone (872) 371-5200 - Fax (872) 371-5201

DATE:		ESTIMATE OF COS	STS AND AUTHORIZATION	FOR EXPENDITURE		
WELL NAME:	12/17/2019 Uncle Ches 2116 Fe	d Com MIDEL			AFE NO.:	
LOCATION:	Sections 21 & 15, T2	O COM #124H			FIELD:	
COUNTY/STATE:	Les County, New Me				MD/TVD;	20,550/10.200
MRC WI;	The second of the second				LATERAL LENGTH:	9,800
GEOLOGIC TARGET:	2nd Bone Spring		-			
REMARKS:	Drill, complete and ec	quip a hortzontal 2nd i	Bone Spring well			
		DROLLING	COMPLETION			
Land / Legal / Regulatory	OSTS	COSTS	COSTS	PRODUCTION	FACILITY COSTS	COSTS
Location, Surveys & Damage		51,600	3	5	\$ 10,000	\$ 61,
Drilling	•	1,010,375	7,000	45,000	35,050	303,
Committing & Flort Equip		244,000				1,010,
Logging / Formation Evaluati	106		6,000			244)
Flowback - Labor Flowback - Sarface Remais				19		- 0.1
Flowback - Rental Living Qua	rters.			98,000		
Flowback Chemicals	1000					
Mud Logging		30,700				36.7
Mud Circulation System Mud & Chemicale		48,300				48.3
Mud / Wassewater Disposal		200,000 125,500	115.200			315.2
Freight / Transportation		10,000	36,000			125,6
Rig Supervision / Engineering)	129,600	119,000	9,000	22,000	46,0
Drill Blis Fuel & Power		86,600			85,000	270,0
Water		112,500	350,400		•	462.0
Drsg & Completion Overhead		15,000	9 500			555,0
Plugging & Abandonment						24,0
Directional Orilling, Surveys		270,000				270,0
Completion Unit, Swab, CTU Perforating, Wireline, Blickline	•	•	147,500	16,800		164,3
High Pressure Pursp Truck	-		132,600	2 685		283,3
Blimulation		7.7.1	2,720,400	3,000		135,6
Stimulation Flowback & Disp			12,000	620,000		532.0
newrance Labor		36,990	****			36.9
Capor Rental - Burface Equipment		126,000 75,705	32,000 314,900			158,0
Remial - Downhole Equipment		78,800	52,000		5,000	136,6
Rental - Living Quarters		36,680	45,200	-	6.000	87,8
Contingency MaxCom		147,333	52,018	8,000	8,400	215,7
	TOTAL INTANGIBLES >	25,600			100 00000	25,6
	OTAL INTRAGIBLES	DRILLING	5,253,515 COMPLETION	696,600	92,400	9,047,
TANGIBLE COS	TB	COSTS	COSTS	PRODUCTION	FACILITY COSTS	COSTS
Surface Casing	1	86,390	1	1	1	\$ 000
intermediate Casing Orilling Liner		178,778				178.7
roduction Casing		435,000				
roduction Lines		700,000				435,0
lubing				64,000		64,00
Velihead Packers, Liner Hangers		00,000		16,000		82,00
anks			81,600		21700	81,84
Production Vessels					139,500	139,59
low Lines				60,000	72.000	132,0
lod string Irtificial Lift Equipment				4.1		
compressor	3	:	$\overline{}$	204,400	35,000	204,44
netalistion Costs			$\overline{}$	36,000	96,000	151,00
iurisce Pumps	i i			-	25,000	25,00
ion-controllable Surface ion-controllable Dowahole						
lownhole Pumps	9			-		
leasurement & Motor Installet	lon			17,000	114,000	131,00
as Conditioning / Dehydration	1				114,000	131,0
terconnecting Facility Piping	- 3				80,000	60,00
athering / Bulk Lines sives, Dumps, Controllers	9				50,000	50,00
nnit / Facility Containment					15,000	15,00
are Stack					30,000	30.0
ectrical / Grounding ommunications / SCADA				40,000	40,000	80.00
strumentation / Safety				10,000	12,000	22,00
	TOTAL TANGIBLES >	768,168	61,800	10,000	45,000	55,00 2,135,6
	TOTAL COSTS >	3,867,950	5,335,315	1,163,200	921,900	11,203,3
ARED BY MATADOR PRO	DUCTION COMPANY	v.				
			71	/		
Drilling Engineer:	Tyler Brooking	Teem Le	med - WTX/NM _ / A			
Completions Engineer;	Mott Bull		SUM			
Production Engineer:	George Makey					
DOR RESOURCES COMP	ANY APPROVAL					
	att rat motiva.					
Executive VP, COO/CFO	Cill.	VP - Re	ee Engineering		VP - Drillin	
Executive VP, Legal		c	Chief Geologiet			889
President	CA		NL/			
PTEROENT	MVH					
PERATING PARTNER AP	PROVAL:					
Company Name:			Working Internal 1841			
			Working Interest (%)	·——	Tex ID	
Signed by:			Date			
Signed by:			Date: Approval			No (mark one)

EXHIBIT A-6

EXHIBIT A-6

Uncle Ches 2116 Fed Com Contact History

April 13, 2020

ConocoPhillips Company

- Various e-mails and telephone discussions since November 2019 Chevron U.S.A., Inc
- Various e-mails and telephone discussions since November 2019

 Caza Petroleum, LLC
- Various e-mails and telephone discussions since November 2019

 Mewbourne Oil Company
- Various e-mails and telephone discussions since November 2019
 Trident Oil Corporation
 - Various e-mails and telephone discussions since November 2019

Hearing Date: April 16, 2020

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. 21148 - 21151

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 and I am employed by MRC Energy Company, an

affiliate of Matador Production Company ("Matador"), as the Area Geology Manager.

2. I have previously testified before the New Mexico Oil Conservation Division as an

expert witness in petroleum geology. I am familiar with the applications filed by Matador in these

consolidated cases and have conducted a geologic study of the lands in the subject area.

3. The target interval for the four proposed wells is the lower portion of the 2nd Sand

interval of the Bone Spring formation.

4. 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.

5. Matador Exhibit B-2 is a subsea structure map that I prepared for the top of the

2nd Sand interval of the Bone Spring formation. The proposed spacing units are outlined in red

with light green fill and the contour interval is 50 feet. The structure map shows the Bone Spring

formation gently dipping to the southwest. The structure appears consistent across the proposed

spacing units and I do not observe any faulting, pinch outs, or other geologic impediments to

horizontal drilling.

6. Matador Exhibit B-2 also shows a line of cross sections from A to A' using three

well logs. I chose these wells due to their proximity to the project area and the data sets available

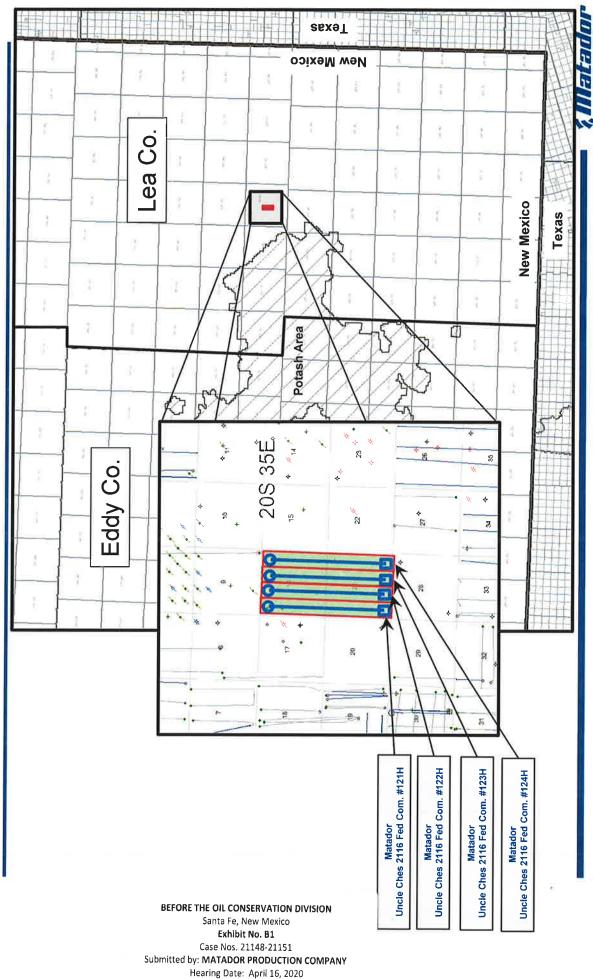
for each of the wells. In my opinion, these well logs are representative of the geology in the subject area.

- 7. **Matador Exhibit B-3** is a stratigraphic cross-section that I prepared using logs from the three representative wells shown on Exhibit B-2. Each well on the cross-section contains gamma ray, resistivity, photo electric (PE) and porosity logs. The target interval for the proposed wells is labeled and marked with a bold green wellbore diagram, and denoted with a red bracket. This cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.
- 8. Based on my geologic study, the Bone Spring formation underlying the subject area is suitable for development by horizontal wells and the acreage comprising the proposed horizontal spacing units will be productive and contribute proportionately to the production from the wells.
- 9. In my opinion, the standup orientation of the proposed wells is appropriate because it is the direction that optimizes the current state of stress that is seen in the area.
- 10. In my opinion, approving Matador's applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 11. **Matador Exhibits B-1 through B-3** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

	JAMES ANDREW JUETT
STATE OF TEXAS	
COUNTY OF	
SUBSCRIBED and SWORN	to before me this 14th day of April 2020 by
James Andrew Juett.	
SARA MARIE HARTSFIELD Notary Public, State of Texes Comm. Expires 08-21-2023 Notary ID 130324013	Sara Mare Hartsfeeld NOTARY PUBLIC
My Commission Expires:	
8-21-2023	*

Uncle Ches Fed - Featherstone: Bone Spring (Pool Code: 24250) **Locator Map**



Uncle Ches 2116 Fed. Com. 121H, 122H, 123H & 124H

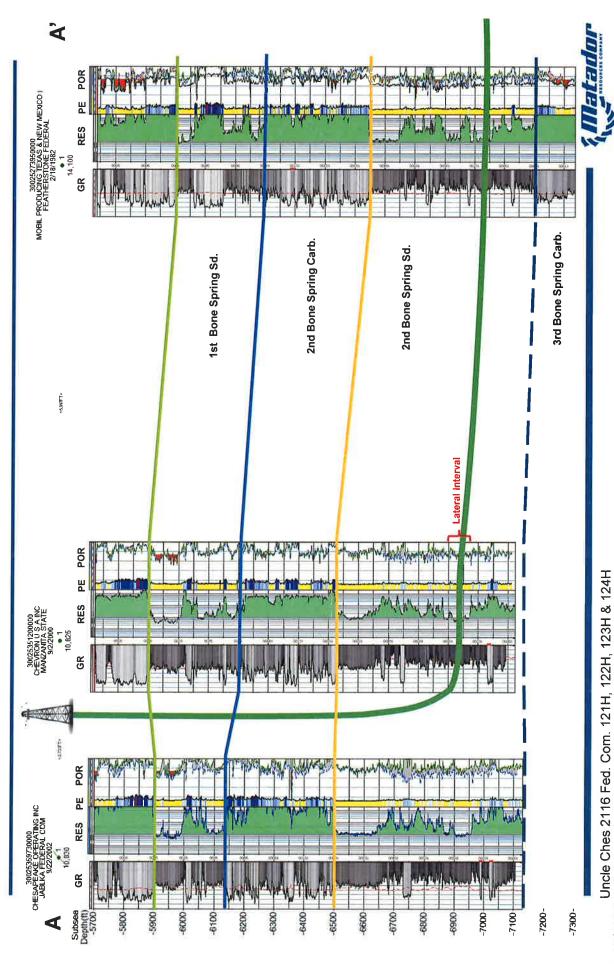
High 2nd Bone Spring Structure Data Point BHL Matador - Horizontal 2nd Bone Spring Map Legend **HZ Producer** Spacing Unit Location 0 Low SHL C.I. = 50Matador Uncle Ches 2116 Fed Com. #121H Matador Uncle Ches 2116 Fed Com. #122H Matador Uncle Ches 2116 Fed Com. #124H Matador Uncle Ches 2116 Fed Com. #123H 029-0 0069-0 0 Structure Map (Top 2nd Bone Spring Subsea) 0 0 0 0000 0 À 60 0 0 0 0 0 (1) ©99@3 @3 0 ō **©** 0,9 000 **6** 0 · (®) o 0

Featherstone: Bone Spring (Pool Code: 24250)

Uncle Ches 2116 Fed. Com. 121H, 122H, 123H & 124H

Hearing Date: April 16, 2020

Featherstone: Bone Spring (Pool Code: 24250) Structural Cross Section A - A'



Uncle Ches 2116 Fed. Com. 121H, 122H, 123H & 124H BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Submitted by: MATADOR PRODUCTION COMPANY Hearing Date: April 16, 2020 Case Nos. 21148-21151 Exhibit No. B3

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. 21148-21151

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

Michael H. Feldewert, attorney in fact and authorized representative 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.

Michael H. Feldewert

SUBSCRIBED AND SWORN to before me this 8th day of April, 2020 by Michael H. Feldewert.

My Commission Expires:

January 28, 2023

OFFICIAL SI
ANNA K. STO

My Commission Expires: January 28,2023

Hearing Date: April 16, 2020



March 19, 2020

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: NOTICE OF UPDATED HEARING ADDRESS

Applications of Matador Production Company for compulsory pooling, Lea

County, New Mexico.

Uncle Ches 2116 Fed Com ##121H-124H wells

Ladies & Gentlemen:

The purpose of this letter is to amend the notice provided on March 13, 2020 of Matador Production Company's applications with the New Mexico Oil Conservation Division related to the above-referenced wells. A hearing has been requested before a Division Examiner on April 2, 2020, however, the hearing may be rescheduled, 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 Room 311, New Mexico State Capitol Building (the Roundhouse), 490 Old Santa Fe Trail, Santa Fe, New Mexico. 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 Jonathan Stepka, at (972) 371-5421 or jonathan.stepka@matadorresources.com.

Sincerely,

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION



March 13 2020

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re:

Application of Matador Production Company for compulsory pooling, Lea

County, New Mexico.

Uncle Ches 2116 Fed Com #121H 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 April 2, 2020, 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 Jonathan Stepka, at (972) 371-5421 or jonathan.stepka@matadorresources.com.

Sincerely

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION



March 13, 2020

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.

Uncle Ches 2116 Fed Com #122H 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 April 2, 2020, 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 Jonathan Stepka, at (972) 371-5421 or jonathan.stepka@matadorresources.com.

Sincerely

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION



March 13, 2020

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company for compulsory pooling, Lea

County, New Mexico.

Uncle Ches 2116 Fed Com #123H 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 April 2, 2020, 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 Jonathan Stepka, at (972) 371-5421 or jonathan.stepka@matadorresources.com.

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION



March 13 2020

<u>VIA CERTIFIED MAIL</u> CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re:

Application of Matador Production Company for compulsory pooling, Lea

County, New Mexico.

Uncle Ches 2116 Fed Com #124H 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 April 2, 2020, 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 Jonathan Stepka, at (972) 371-5421 or jonathan.stepka@matadorresources.com.

Kaitlyn A. Luck

ATTORNEY FOR MATADOR PRODUCTION

Matador - Uncle Ches 121H, 122H Case Nos. 21148 21149 Postal Delivery Report

Tracking Number	Beriniant	Chatin
	About the state of	Sidius
7	Muriin Family Kevocable Trust 100 Park Avenue Bidg Suite 1200	
7.1	JOKIANOMA CITY OK 73102	Returned
	Nicholas E Humphrey Revocable Trust dated 7/18/05100 Park	
	Avenue Bldg 100 Park Avenue Bldg Suite 1200 Oklahoma City OK	
921489019403830918190773102	73102	Delivered Signature Received
	P O Williams Revocable Trust 100 Park Avenue Bidg Suite 1200	
92148901940383091819140	4 Oklahoma City OK 73102	Returned
9214890194038309181921	Pearl Valley Limited Partnership PO BOX 1046 Eunice NM 88231	Delivered Signature Received
9214890194038309181938		Delivered Signature Received
9214890194038309181945	921489019403830918194¶Sweeney Family LLC 3109 Durango Way Edmond OK 73034	Delivered Signature Received
	The James Walter Duncan IV Revocable Trust u/t/a dated	
7	4/22/94 100 Park Avenue Bldg Suite 1200 Oklahoma City OK	
9214890194038309181957	73102	Delivered Signature Received
	Walter Duncan Oil LLC 100 Park Avenue Bldg Suite 1200	
9214890194038309181969Oklahoma City OK 73102	Oklahoma City OK 73102	Delivered Signature Received
	Caza Petroleum LLC 4 Greenspoint 16945 Northchase Suite 1430	
9214890194038309181808 Houston TX 77060	Houston TX 77060	In-Transit
92148901940383091818190	Chevron U S A Inc 1400 Smith Street Houston TX 77002	Delivered Signature Received
92148901940383091818230	9214890194038309181824 ConocoPhillips Company PO BOX 2197 Houston TX 77252	Delivered Signature Received
92148901940383091818391	9214890194038309181834Mewbourne Oil Company PO BOX 7698 Tyler TX 75711	Delivered Signature Received
9214890194038309181846	9214890194038309181846 Trident Oil Corporation PO BOX 182 Free Union VA 22940	Delivered Signature Received
921489019403830918185	9214890194038309181853Bear Energy Inc PO BOX 8221 Roswell NM 88202	In-Transit
921489019403830918186(921489019403830918186 Blaine Hess PO BOX 326 Roswell NM 88202	Delivered Signature Received
	Branesky Family Trust u/t/a 05/23/2008 4105 N W 144th Street	
92148901940383091818770	Oklahoma City OK 73134	Delivered Signature Received
	Devon Energy Production Company LP 20 N Broadway Suite	
9214890194038309181884	9214890194J383J91818841500 Oklahoma City OK 73102	Returned

Case Nos. 21149-21150_Postal Delivery Report MRC - Unde Ches 123H-124H

Tracking Number Recipient 9214890194038309333931 ConocoPhillips Company PO BOX 2197 Houston TX 77252

9214890194038309333955 Devon Energy Production Company LP 20 N Broadway Suite 1500 Oklahoma City OK 73102 9214890194038309333948 Caza Petroleum LLC 4 Greenspoint 16945 Northchase Suite 1430 Houston TX 77060

Delivered Signature Received **Delivered Signature Received** In-Transit

Status

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

Matador - Uncle Ches 121H, 122H Case Nos. 21148 & 21149 CM# 83379.0001

Shipment Date: 03/12/2020 Shipped From: Name: HOLLAND & HART LLP (1) 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

Scan or enter the barcode/label number from PS Form 5630

Confirm the volume count message by selecting Yes or No 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 0020 9518 24



Firm Mailing Book For Accountable Mail Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy. 뜐뾻 թումերոցի special SCRD Fee MICH 161S ည္က ခု 1.70 1.70 유용 1.70 1.70 1.70 **BruteA** 1.70 윤첉 Delive efoliase ASRD Fee рениец peloinie a ainten gis Hub. ASR Fee tre Required tengis fi Due Sender if COD Actual Value Insured if Registered Value Postmark with Date of Receipt. additional copies of this receipt). (if issued as an international certificate of mailing or for Handling Charge Affix Stamp Here eniky ni ood Harldling Charge - if Registeled and ever \$50 (Extra Service) 8 3.55 3.55 3.55 3.55 3.55 3.55 3.55 3.55 Postage 0.65 0.65 0.65 0.65 0.65 0.65 0.65 0.65 □ Signature Confirmation ☐ Signature Confirmation Restricted Delivery Priority Mail Express ☐ Return Receipt for Addressee (Name, Street, City, State, & ZIP CodeTM) ☐ Registered Mail Merchandise Postmaster, Per (Name of receiving employee) Caza Petroleum LLC 4 Groonspoint 16945 Northchase Suite 1430 Branesky Family Trust ut/a 05/23/2006 4105 N W 144th Street CottocoPnilips Company PO BOX 2197 Houston TX 77252 Adult Signature Required
 Adult Signature Restricted Delivery □
 Certified Mail
 Certified Mail Restricted Delivery
 □ Collect on Delivery (COD)
 □ Insured Mail
 □ Priority Mail Trident Oil Corporation PO BOX 162 Free Union VA 22940 Chevron U S A Inc 1400 Smith Street Houston TX 77002 Mewbourne Oil Company PO BOX 7698 Tyler TX 75711 Bear Energy Inc PO BOX 8221 Roswell NM 88202 Complete in Ink Check type of mail or service Blaine Hess PO BOX 326 Roswall NM 88202 Oklahoma City OK 73134 Houston TX 77060 (Page 1 of 3) Total Number of Pieces Received at Post Office USPS Tracking/Article Number Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501 Name and Address of Sender 9214 8901 9403 8309 1818 15 9214 8901 8403 8309 1818 08 9214 8901 9403 8309 1818 22 9214 8901 9403 8309 1618 39 9214 8901 9403 8309 1818 46 9214 8901 9403 8309 1818 53 9214 8901 9403 8309 1818 60 9214 8901 9403 8309 1818 77 PS Form **3877**, April 2015 PSN 7530-02-000-9098 Total Number of Pieces Listed by Sender 6 4 ις. ø 7 œί



Firm Mailing Book For Accountable Mail Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy. 유 문 gnillbriet Special SCRD ပ္သမ္ 품 a 1.70 1.70 1.70 1.70 1.70 1.70 5 % Deliver ASRD Fee Deliver etolitise annier P jis ilubi ASR Fee pengis 1)py Sender if COD Insured Value Actual Value if Registered certificate of mailing or for additional copies of this receipt). Postmark with Date of Receipt. (if issued as an international Handling Charge Affix Stamp Here autev ni 000 Registered and ever \$50, arge - II Harlding Cr (Extra Service) 8 3.55 3.55 3.55 3.55 3.55 3.55 3.55 3.55 Postage 0.65 0.65 0.65 0.65 0.65 0.65 0.65 0.65 □ Signature Confirmation □ Signature Confirmation Priority Mail Express ☐ Return Receipt for Merchandise Restricted Delivery Addressee (Name, Street, City, State, & ZIP Code Tu) Postmaster, Per (Name of receiving employee) Nicholas E Humphrey Revocable Trust dated 7/16/05100 Park Avenue Devon Energy Production Company LP 20 N Broadway Suite 1500 The James Waller Duncan IV Revocable Trusl ut/a dated 4/22/94 Munin Family Revocable Trust 100 Park Avenue Bldg Suite 1200 Bldg 100 Park Avenue Bidg Suite 1200 Oklahoma City OK 73102 P O Williams Revocable Trust 100 Park Avenue Bidg Suite 1200 Pearl Valley Limited Partnership PO BOX 1046 Eunica NM 88231 Sweeney Family LLC 3109 Durango Way Edmond OK 73034 100 Park Avenue Bldg Suits 1200 Oklahoma City OK 73102 Complete in Ink Check type of mail or service S & S Inc PO BOX 1046 Eunice NM 86231 Oklahoma City OK 73102 Oklahoma City OK 73102 Oklahoma City OK 73102 ☐ Priority Mail (Page 2 of 3) Total Number of Pieces Received at Post Office USPS Tracking/Article Number Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501 Name and Address of Sender 9214 8901 9403 8309 1819 07 9214 8901 9403 8309 1819 14 9214 8901 9403 8309 1818 84 9214 8901 9403 8309 1818 91 9214 8901 9403 8309 1819 21 9214 8901 9403 8309 1819 38 9214 8901 9403 8309 1819 45 9214 8901 9403 8309 1819 52 PS Form 3877, April 2015 Total Number of Pieces Listed by Sender Ξ. 4 9 6 5 5 5 اه

PSN 7530-02-000-9098



Firm Mailing Book For Accountable Mail Privacy Notice: For more information on USPS privacy policies, visit usps.com/privacypolicy. 문 윤 gnillbriek pecial SCRD Fee BIRD ! လွ နို R Se 1,70 Receipt Return 은 % Deliver ASRD Fee dult Signature Restricte ASR Fee Adult Signature Required Sender if COD Actual Value Insured if Registered Value Postmark with Date of Receipt. additional copies of this receipt). (if issued as an international certificate of mailing or for Handling Charge Affix Stamp Here Hardling Charge - if Registered and dver \$50,000 in value (Extra Service) Fee 3.55 Postage 0.65 ☐ Signature Confirmation ☐ Signature Confirmation Restricted Delivery Priority Mail Express ☐ Return Receipt for Merchandise Addressee (Name, Street, City, State, & ZIP Code[™]) Postmaster, Per (Name of receiving employee) Walter Duncan Oil LLC 100 Park Avenue Bidg Suite 1200 Oklahome Complete in Ink Check type of mail or service City OK 73102 (Page 3 of 3) Total Number of Pieces Received at Post Office USPS Tracking/Article Number Holland & Hart LLP (1) 110 N Guadalupe St # 1 Santa Fe NM 87501 Name and Address of Sender 9214 8901 9403 8309 1819 69 PS Form **3877**, April 2015 PSN 7530-02-000-9098 Total Number of Pieces Listed by Sender 17.

Shipment Confirmation Acceptance Notice

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

MRC - Uncle Ches 123H-124H Case Nos. 21149-21150 CM# 83379.0001

Shipment Date: 03/13/2020

Shipped From:

Name: HOLLAND & HART LLP (1)

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	3
Total	3

^{*}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
- 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 Scan or enter the barcode/label number from PS Form 5630

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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USPS Tracking/Article Number	Addressee (Name, Street, City, State, & ZIP Code™)) Postage	Service)	Handling Charge	Actual Value	Insured Due Value Sender if	ASR Fee	ASRD Fee	RD R	RR SC Fee Fee	SCRD	Fee SF
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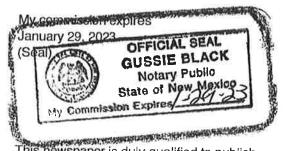
STATE OF NEW MEXICO COUNTY OF LEA

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 March 19, 2020 and ending with the issue dated March 19, 2020.

Sworn and subscribed to before me this 19th day of March 2020.

Business Manager



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 NOTICE MARCH 19, 2020

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold a public hearing before a hearing examiner on April 2, 2020, 8:15 a.m., in Room 311, New Mexico State Capitol Building (the Roundhouse), 490 Old Santa Fe Trail, Santa Fe, New Mexico. The docket may be viewed electronically on the Division's website, http://www.emurd.state.mus/CCD/Dearings.html.or. http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Florene Davidson, OCD Clerk, at (505) 476-3458. Documents filed in the case may be (505) 476-3458. Documents filed in the case may be v | e w e d a t http://ocdimage.emnrd.state.nm.us/imaging/CaseFill eCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Florene Davidson, OCD Clerk, at (505) 476-3458, or at the New Mexico Relay Network, 1-800-659-1779, no later than March 23, 2020.

> 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 partles, including: Caze Petroleum, LLC; Chevron U.S.A., inc.; ConocoPhillips Company; Mewbourne Oil Company; Trident Oil Corporation; Bear Energy, Inc.; Blaine Hess, his heirs and devisees; Branesky Family Trust u/t/a 05/23/2008; Devon Energy Production Company, LP; Murlin Family Revocable Trust; Nicholas E. Humphrey Revocable Trust dated 7/18/05; P. O. Williams Revocable Trust dated 7/18/05; P. O. Williams Revocable Trust; Pearl Valley Limited Partnership; S & S, Inc.; Sweeney Family, LLC; The James Walter Duncan, IV, Revocable Trust u/t/a dated 4/22/94; and Walter Duncan Oil, LLC.

Case No. 21148: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the abovestyled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 W/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Uncle Ches 2116 Fed Com #121H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 21, to a bottom note location in the NW/4 NW/4 (Unit D) of Section 16. The completed interval for this well will comply with Statewide setbacks for oil wells. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located 20 miles northwest of Eunice, New Mexico. styled cause seeks an order pooling all uncommitted

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

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. D

Case Nos. 21148-21151

Submitted by: MATADOR PRODUCTION COMPANY

Hearing Date: April 16, 2020

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 March 20, 2020 and ending with the issue dated March 20, 2020.

Publisher

Sworn and subscribed to before me this 20th day of March 2020.

Business Manager

My commission expires

GUSSIE BLACK
Notary Public
State of New Mexico
My Commission Expires - 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 NOTICE MARCH 20, 2020

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold a public hearing before a hearing examiner on April 2, 2020, 8:15 a.m., in Room 311, New Mexico State Capitol Building (the Roundhouse), 490 Old Santa Fe Trail, Santa Fe, New Mexico. The docket may be viewed electronically on the Division's website, http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Florene Davidson, OCD Clerk, at (505) 476-3458. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Florene Davidson, OCD Clerk, at (505) 476-3458, or at the New Mexico Relay Network, 1-800-659-1779, no later than March 23, 2020.

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: Caza Petroleum, LLC; Chevron U.S.A., Inc.; ConocoPhillips Company; Mewbourne Oil Company; Trident Oil Corporation; Bear Energy, Inc.; Blaine Hess, his heirs and devisees; Branesky Family Trust u/t/a 05/23/2008; Devon Energy Production Company, LP; Murlin Family Revocable Trust; Nicholas E. Humphrey Revocable Trust dated 7/18/05; P. O. Williams Revocable Trust; Pearl Valley Limited Partnership; S & S, Inc.; Sweeney Family, LLC; The James Walter Duncan, IV, Revocable Trust u/t/a dated 4/22/94; and Walter Duncan Oil, LLC.

Case No. 21149: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 W/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Uncle Ches 2116 Fed Com #122H well to be horizontally drilled from a surface location in the SW/4 SW/4 (Unit M) of Section 21, to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 16. The completed interval for this well will comply with Statewide setbacks for oil wells. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located 20 miles northwest of Eunice, New Mexico. #35328

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

STATE OF NEW MEXICO COUNTY OF LEA

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> Beginning with the issue dated March 20, 2020 and ending with the issue dated March 20, 2020.

Publisher

Sworn and subscribed to before me this 20th day of March 2020.

Business Manager

My commission expires

January 29, 2023



OFFICIAL SEAL **GUSSIE BLACK** Notary Public State of New Mexico My Commission Expires 1-29-2

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

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LEGAL NOTICE MARCH 20, 2020

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division "Division") hereby gives notice that the Division will hold a public hearing before a hearing examiner on April 2, 2020, 8:15 a.m., in Room 311, New Mexico State Capitol Building (the Roundhouse), 490 Old Santa Fe Trail, Santa Fe, New Mexico. The docket may be viewed electronically on the Division's website, http://www.emnrd.state.nm.us/OCD/hearings.html or obtained from Florene Davidson, OCD Clerk, at (505) 476-3458. Documents filed in the case may be viewed at http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in the hearing, contact Florene Davidson, OCD Clerk, at (505) 476-3458, or at the New Mexico Relay Network, 1-800-659-1779, no later than March 23, 2020. March 23, 2020.

> 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: ConocoPhillips Company; Caza Petroleum, LLC; and Devon Energy Production Company, LP.

Case No. 21150: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the W/2 E/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. The above-referenced unit will be dedicated to the proposed initial Uncle Ches 2116 Fed Com #123H well to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 21, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 16. The completed interval for this well will comply with Statewide setbacks for oil wells. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located 20 miles northwest of Eunice, New Mexico.

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

STATE OF NEW MEXICO COUNTY OF LEA

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> Beginning with the issue dated March 20, 2020 and ending with the issue dated March 20, 2020.

Publisher

Sworn and subscribed to before me this 20th day of March 2020.

Business Manager

My commission expires

January 29, 2023 OFFICIAL SEAL

(Seal) GUSSIE BLACK

Notary Public
State of New Mexico

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

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LEGAL NOTICE MARCH 20, 2020

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

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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: ConocoPhillips Company; Caza Petroleum, LLC; and Devon Energy Production Company, LP.

Case No. 21151: Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant in the abovestyled cause seeks an order pooling all uncommitted interest owners in the Bone Spring formation underlying a standard 320-acre, more or less, horizontal spacing unit comprised of the E/2 E/2 of Sections 16 and 21, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico. The abovereferenced unit will be dedicated to the proposed initial Uncle Ches 2116 Fed Com #124H well to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 21, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 16. The completed interval for this well will comply with Statewide setbacks for oil wells. Also, to be considered will be the cost of drilling and completing the wells, the allocation of the cost thereof, as well as actual operating costs and charges for supervision, the designation of applicant as operator, and a 200% charge for risk involved in drilling and completing the well. Said area is located 20 miles northwest of Eunice, New Mexico.

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