CASE NOS. 21810 and 21811

APPLICATIONS OF TAP ROCK RESOURCES, LLC TO AMEND POOLING ORDERS, LEA COUNTY, NEW MEXICO

EXHIBITS

- 1. Applications and Proposed Ads
- 2 Landman's Affidavit
- 3. Affidavit of Notice
- 4. Publication Notice

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NO. R-21275, EDDY COUNTY, NEW MEXICO.

Case No. 7 8 0

APPLICATION

Matador Production Company applies for an order amending Order No. R-21275, and in support thereof states:

- 1. Order No. R-21275 pooled mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 15 and the N/2S/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant proposes to drill the Ted 1514 Fed. Com. Well No. 203H to a depth sufficient to test the Wolfcamp formation. The well has a first take point in the NW/4SW/4 of Section 15 and a last take point in the NE/4SE/4 of Section 14. Order No. R-21275 designates Applicant as operator of the well.
- 3. This matter was heard on April 20, 2020, and Order No. R-21275 was entered on April 28, 2020 using an "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- 4. Applicant requests that Order No. R-21275 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21275 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21275 provides that the

EXHIBIT

order will terminate if the well is not timely commenced, unless the operator "obtains an extension by an amendment of this Order for good cause shown."

- 6. Applicant requests an extension of the drilling deadline due to market conditions which have altered drilling schedules, and the coronavirus situation. Applicant still intends to drill the subject well. Thus good cause exists for Applicant's request for an extension.
- 7. Applicant requests an extension of the well commencement deadline to April 28, 2022.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21275 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to April 28, 2022.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

PROPOSED ADVERTISEMENT

Case	Ma	
Cuse	140.	

Application of Matador Production Company to Amend Order No. R-21275, Eddy County, New Mexico. Matador Production Company seeks an order amending Order No. R-21275, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21275 pooled mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 15 and the N/2S/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Ted 1514 Fed. Com. Well No. 203H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is centered approximately 19 miles east-southeast of Lakewood, New Mexico.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NO. R-21276, EDDY COUNTY, NEW MEXICO.

Case No. 2 8//

APPLICATION

Matador Production Company applies for an order amending Order No. R-21276, and in support thereof states:

- 1. Order No. R-21275 pooled mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S2S/2 of Section 15 and the S/2S/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant proposes to drill the Ted 1514 Fed. Com. Well No. 204H to a depth sufficient to test the Wolfcamp formation. The well has a first take point in the SW/4SW/4 of Section 15 and a last take point in the SE/4SE/4 of Section 14. Order No. R-21276 designates Applicant as operator of the well.
- 3. This matter was heard on April 20, 2020, and Order No. R-21276 was entered on April 28, 2020 using an "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- 4. Applicant requests that Order No. R-21276 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21276 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21276 provides that the

order will terminate if the well is not timely commenced, unless the operator "obtains an extension by an amendment of this Order for good cause shown."

- 6. Applicant requests an extension of the drilling deadline due to market conditions which have altered drilling schedules, and the coronavirus situation. Applicant still intends to drill the subject well. Thus good cause exists for Applicant's request for an extension.
- 7. Applicant requests an extension of the well commencement deadline to April 28, 2022.

WHEREFORE, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21276 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to April 28, 2022.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

PROPOSED ADVERTISEMENT

Case No.	:

Application of Matador Production Company to Amend Order No. R-21276, Eddy County, New Mexico. Matador Production Company seeks an order amending Order No. R-21276, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21276 pooled mineral interest owners in the Wolfcamp formation inunderlying a horizontal spacing unit comprised of the S/2S/2 of Section 15 and the S/2S/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Ted 1514 Fed. Com. Well No. 204H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is centered approximately 19 miles east-southeast of Lakewood, New Mexico.

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

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NOS. R-21275 and 21276, EDDY COUNTY, NEW MEXICO.

CASE NOS. 21810 and 21811 (Order Nos. R-21275 and R-21276)

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 public record.
- 3. Under Case No. 21109, the Division entered Order R-21275 on April 28, 2020. This Order created a standard 320-acre horizontal well spacing unit in the Wolfcamp formation (Burton Flat; Upper Wolfcamp [98315]) underlying the N/2 S/2 of Sections 14 and 15, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order further dedicated the **Ted 1514 Fed. Com. #203H** well (API No. pending) to the unit and required drilling to commence within a year.
- 4. Under Case No. 21111, the Division entered Order R-21276 on April 28, 2020. This Order created a standard 320-acre horizontal well spacing unit in the Wolfcamp formation (Burton Flat; Upper Wolfcamp [98315]) underlying the S/2 S/2 of Sections 14 and 15, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order further dedicated the

EXHIBIT 2

Ted 1514 Fed. Com. #204H well (API No. pending) to the unit and required drilling to commence within a year.

5. I am familiar with the applications filed by Matador in these newly filed cases and the status of the development efforts for the pooled spacing units.

6. Good cause exists for Matador's request to extend its time to commence drilling. Specifically, the decline in commodity prices in 2020 caused by the global COVID pandemic and other economic factors led Matador to reduce its rig count, thereby causing Matador to delay its intended plans to develop the acreage subject to these pooling Orders.

7. Matador anticipates being able to drill each of the initial wells under Order Nos. **R-21275 and R-21276** within the next year. Accordingly, Matador asks that the deadline to commence drilling under each pooling order be extended for a year, to April 28, 2022.

8. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable well, or to pay their estimated share of the costs to drill, complete and equip the applicable well.

9. The granting of this application will prevent waste and protect correlative rights.

FURTHER AFFIANT SAYETH NOT.

SAM PRYOR

STATE OF TEXAS	
COUNTY OF Dallas	
SUBSCRIBED and SWORN	I to before me this day of April 2021 by Sam
Pryor.	
	Λ ·
	Jame Mairge
	NOTARY PUBLIC
My Commission Expires:	JAIME GRAINGER
4.2A.2021	Notary Public, State of Texas Comm. Expires 08-24-2021
0 . 0001	Notary ID 131259323

ATTACHMENT A

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY MATADOR PRODUCTION COMPANY

CASE NO. 21109 ORDER NO. R-21275

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 16, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

- 1. Matador Production Company ("Operator") submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. Notwithstanding paragraphs 22 and 23, above, by stipulation of the parties, Operator grants EOG Resources the ability to sequentially elect to pay its share of costs for each proposed well. Applicant agrees to submit an AFE to EOG no sooner than 60 days before the commencement of the drilling of each well, and EOG shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for each well.
- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written

- objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION
ADRIENNE SANDOVAL
DIRECTOR

AES/kms

Date: 4/28/2020

CASE NO. 21109 ORDER NO. R-21275

Exhibit "A"

ALL INFORMATION IN THE APPLICA	TION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case:	21109	
Date	April 16, 2020	
Applicant	Matador Production Company	
Designated Operator & OGRID		
(affiliation if applicable)	Matador Production Company/OGRID No. 228937	
Applicant's Counsel:	James Bruce	
Case Title:	Application of Matador Production Company for Compulsory Pooling Eddy County, New Mexico	
Entries of Appearance/Intervenors:	EOG Resources, Inc./Holland & Hart LLP	
Well Family	Ted 1514 Fed. Com. Well No. 203H	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Wolfcamp Formation	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Entire Wolfcamp formation	
Pool Name and Pool Code:	Burton Flat; Upper Wolfcamp, East/Pool Code 98315	
Well Location Setback Rules:	Statewide rules and current horizontal well rules	
Spacing Unit Size:	Quarter-quarter sections/40 acres	
Spacing Unit		
Type (Horizontal/Vertical)	Horizontal	
Size (Acres)	320 acres	
Building Blocks:	40 acres	
Orientation:	West-East	
Description: TRS/County	N/2S/2 §15 and N/2S/2 §14-20S-29E, NMPM, Eddy 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		
Applicant's Ownership in Each Tract Well(s)	Exhibits A-2, A-4, and A-5	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non- standard)	Ted 1514 Fed. Com. Well No. 203H API No. 30-015-PENDING SHL: 1439 FSL & 1010 FWL §15 BHL: 2310 FSL & 60 FEL §14 FTP: 2310 FSL & 100 FWL §15 LTP: 2310 FSL & 100 FEL §14	
	Upper Wolfcamp/TVD 9400 feet/MD 19700 feet Completion expected to be standard EXHIBIT F./	

Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit A, page 4 and Exhibit E
Requested Risk Charge	Cost + 200%/Exhibit A-6 and E
Notice of Hearing	
Proposed Notice of Hearing	Exhibit E
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	Exhibits A-2, A-4, and A-5
Tract List (including lease numbers and	
owners)	Exhibit A-2
Pooled Parties (including ownership	
type)	Exhibits A-4 and A-5
Unlocatable Parties to be Pooled	Not applicable
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit A-6
List of Interest Owners (i.e. Exhibit A of	
JOA)	Exhibits A-4 and A-5
Chronology of Contact with Non-Joined Working Interests	Exhibit A
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit A-6
Cost Estimate to Equip Well	Exhibit A-6
Cost Estimate for Production Facilities	Exhibit A-6
Geology	
Summary (including special	
considerations)	Exhibit B
Spacing Unit Schematic	Exhibits A-1 and B-5
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-8
Well Orientation (with rationale)	Laydown/Exhibit B
Target Formation	Wolfcamp
HSU Cross Section	Exhibit B-8
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	· · · · · · · · · · · · · · · · · · ·
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit	
Recapitulation (Tracts)	Exhibits A-4 and A-5

General Location Map (including basin)	Exhibit B-5
Well Bore Location Map	Exhibits A-1 and B-5
Structure Contour Map - Subsea Depth	Exhibit B-6
Cross Section Location Map (including wells)	Exhibit B-8
Cross Section (including Landing Zone)	Exhibit B-8
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	1
Printed Name (Attorney or Party Representative):	James Bruce Laws Bruce
Signed Name (Attorney or Party Representative):	
Date:	April 14, 2020

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY MATADOR PRODUCTION COMPANY

CASE NO. 21111 ORDER NO. R-21276

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on April 16, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order:

FINDINGS OF FACT

- 1. Matador Production Company ("Operator") submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by an amendment of this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit to each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. Notwithstanding paragraphs 22 and 23, above, by stipulation of the parties, Operator grants EOG Resources the ability to sequentially elect to pay its share of costs for each proposed well. Applicant agrees to submit an AFE to EOG no sooner than 60 days before the commencement of the drilling of each well, and EOG shall have 30 days upon receipt of said AFE to elect to participate and make payment to Applicant of the estimated cost for each well.
- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless OCD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written

- objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to OCD and each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL

DIRECTOR AES/kms

Date: 4/28/2020

Exhibit "A"

THE RESIDENCE OF THE PARTY OF T	TION MUST BE SUPPORTED BY SIGNED AFFIDAVITS
Case:	21111
Date	April 16, 2020
Applicant	Matador Production Company
Designated Operator & OGRID	
(affiliation if applicable)	Matador Production Company/OGRID No. 228937
Applicant's Counsel:	James Bruce
Case Title:	Application of Matador Production Company for Compulsory Pooling Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc./Holland & Hart LLP
Well Family	Ted 1514 Fed. Com. Well No. 204H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Wolfcamp formation
Pool Name and Pool Code:	Burton Flat; Upper Wolfcamp, East/Pool Code 98315
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	S/2S/2 §15 and S/2S/2 §14-20S-29E, NMPM, Eddy 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	
Applicant's Ownership in Each Tract	Exhibits A-2, A-4, and A-5
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation,	Ted 1514 Fed. Com. Well No. 204H API No. 30-015-PENDING SHL: 712 FSL & 619 FWL §15
completion status (standard or non- standard)	BHL: 990 FSL & 60 FEL §14 FTP: 990 FSL & 100 FWL §15
	LTP: 990 FSL & 100 FEL §14 Upper Wolfcamp/TVD 9400 feet/MD 19700 feet
	Completion expected to be standard EXHIBIT $F-2$

Horizontal Well First and Last Take Points	See above	
Completion Target (Formation, TVD and MD)	See above	
AFE Capex and Operating Costs		
Drilling Supervision/Month \$	\$7000	
Production Supervision/Month \$	\$700	
Justification for Supervision Costs	Exhibit A, page 4	and Exhibit F
Requested Risk Charge	Cost + 200%/Exh	
Notice of Hearing	COST - 20076, EXI	not A-0 and C
Proposed Notice of Hearing	Exhibit E	
Proof of Mailed Notice of Hearing (20	LAMBILL	*
days before hearing)	Exhibit C	
Proof of Published Notice of Hearing (10	EXHIDIC	
days before hearing)	Exhibit D	
Ownership Determination	CAMOR D	
Land Ownership Schematic of the		
Spacing Unit	Exhibits A-2, A-4	and A. S.
Tract List (including lease numbers and	EXHIBITS A-2, A-4,	, dita A-5
owners)	Exhibit A-2	
Pooled Parties (including ownership	EXHIBIT A-2	
type)	Exhibits A-4 and	Λ Ε
Unlocatable Parties to be Pooled	Not applicable	A-3
Ownership Depth Severance (including	Not applicable	
percentage above & below)	None	
Joinder	140116	
Sample Copy of Proposal Letter	Exhibit A-6	
List of Interest Owners (i.e. Exhibit A of	CATHOR A-0	
JOA)	Exhibits A-4 and	A-5
Chronology of Contact with Non-Joined Working Interests	Exhibit A	
Overhead Rates In Proposal Letter	\$8000/\$800	
Cost Estimate to Drill and Complete	Exhibit A-6	
Cost Estimate to Equip Well		
Cost Estimate for Production Facilities	Exhibit A-6	
Geology	Exhibit A-6	
Summary (including special		
considerations)	Exhibit B	
Spacing Unit Schematic) F
Gunbarrel/Lateral Trajectory Schematic	Exhibits A-1 and 8	3-3
Well Orientation (with rationale)	Exhibit B-8	
Target Formation	Laydown/Exhibit E	3
HSU Cross Section	Wolfcamp	
Depth Severance Discussion	Exhibit B-8	
	Not Applicable	
Forms, Figures and Tables C-102	- 111	
Tracts	Exhibit A-1	
	Exhibit A-2	
Summary of Interests, Unit Recapitulation (Tracts)	- 1 - 1	
recopitulation (Hacts)	Exhibits A-4 and A	1-5

General Location Map (including basin)	Exhibit B-5
Well Bore Location Map	Exhibits A-1 and B-5
Structure Contour Map - Subsea Depth	Exhibit B-6
Cross Section Location Map (including wells)	Exhibit B-8
Cross Section (including Landing Zone)	Exhibit B-8
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce Lams Bruce
Signed Name (Attorney or Party Representative):	Two significant and the si
Date:	April 14, 2020

State of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham Governor

Sarah Cottrell Propst Cabinet Secretary

Todd E. Leahy, JD, PhD Deputy Cabinet Secretary Adrienne E. Sandoval Director, Oil Conservation Division



BY ELECTRONIC MAIL ONLY

April 9, 2020

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Dalva L. Moellenberg Gallagher & Kennedy 1239 Paseo de Peralta Santa Fe, NM 87501 dlm@gknet.com

RE: Amendments to Compulsory Pooling Order Template

Dear Counsel:

The Oil Conservation Division ("OCD") has amended the compulsory pooling order template effective on April 1, 2020. The amended template is attached as Exhibit 1.

Prior to April 1, 2020, OCD issued compulsory pooling orders for the cases identified in Exhibit 2. To conform an order with the amended template, please file an application for a hearing.

If you have any questions about this letter, please call Eric Ames, Office of General Counsel, at (505) 476-3463.

Respectfully,

Adriente Sandoval

Director

cc:

Gabriel Wade, Deputy Director Eric Ames, OGC-EMNRD Scott Cox, OCD Engineering Bureau

EXHIBIT 1

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY [OPERATOR]

CASE NO.	
ORDER NO.	R-

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on [DATE], and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. [NAME] ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-
- Operator is the owner of an oil and gas working interest within the Unit.

- Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- OCD satisfied the notice requirements for the hearing as required by 19.15.4.9
- 10. Operator has the right to drill the Well(s) to a common source of supply at the described depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the Surface Location or Bottom Hole Location of a well is changed from the location described in Exhibit A. Operator shall submit an amended Exhibit A, which the Division shall append to this Order.
- If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location before commencing production of the wellin accordance with 19.15.16.15[C] NMAC.
- The Operator shall commence drilling the Wintial well(s) within one year one (1) year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well; and (b) for an infill well, no later than thirty (30) days after completion of the well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.

CASE NO.	
ORDER N	O. R-

- 211. Operator shall comply with the infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- This Order shall terminate automatically if Operator fails to comply with Paragraphs 20 or 21.
- Operator shall submit to OCD and each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs") no later than: (a) for an initial well, no later than thirty (30) days after the date of this Order; (b) for an initial well proposed by specimen, no later than (40) days after the later of this initial notice period pursuant to 19.15. 13.10(B) NMAC or the extension granted by the (W.D. Director pursuant 19.15.13.10(B) NMAC or the extension granted by the lay in them the Proposed Working Interest, no later than that y (31) days after expiration of the last action required by 19.15.13.11 NMAC.
- No later than thirty (30) days after Operator submits the Estimate I Well Costs, the owner of a Pooled Working Interest shall elect whether to pa its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pa its share of the Estimated Well Costs or who elects to pay its share of the Actual Vell Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
- No later than within one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to OCD and each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless (ICD or an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If OCD or an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- No later than sixty (60) days after the later of the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest w 10 paid its share

CASE NO. R-

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

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND POOLING ORDER NO. R-21275, EDDY COUNTY, NEW MEXICO.

Case No. 21810

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND POOLING ORDER NO. R-21276, EDDY COUNTY, NEW MEXICO.

Case No. 21811

SELF-AFFIRMED STATEMENT OF NOTICE

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

James Bruce deposes and states:

- 1. I am over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I am an attorney for Matador Production Company.
- 3. Matador Production Company has conducted a good faith, diligent effort to find the names and correct addresses of the interest owners entitled to receive notice of the applications filed herein.
- 4. Notice of the applications was provided to the interest owners, at their last known addresses, by certified mail. Copies of the notice letters and certified return receipts are attached hereto as Attachment A.
 - 5. Matador Production has complied with the notice provisions of Division Rules.
- 6. I understand that this Self-Affirmed Statement will be used as written testimony in this case. I affirm that my testimony in paragraphs 1 through 5 above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

Date:

James Bruce

EXHIBIT 3

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

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

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

jamesbruc@aol.com

March 18, 2021

<u>CERTIFIED MAIL – RETURN RECEIPT REQUESTED</u>

To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of two applications, filed with the New Mexico Oil Conservation Division by Matador Production Company seeking orders amending the following pooling orders

- 1. Case No. 21810: Matador Production Company seeks an order amending Order No. R-21275, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21275 pooled mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 15 and the N/2S/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Ted 1514 Fed. Com. Well No. 203H.
- 2. Case No. 21811: Matador Production Company seeks an order amending Order No. R-21276, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21276 pooled mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 15 and the S/2S/2 of Section 14, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Ted 1514 Fed. Com. Well No. 204H.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, April 8, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html.



You are not required to attend this hearing, but as an owner of an interest who may be affected by the application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting this matter at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, April 1, 2021. This statement may be filed online with the Division at <u>ocd.hearings@state.nm.us</u>, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned.

Very truly yours,

Attorney for Matador Production Company

EXHIBIT A

Yates Energy Corporation P.O. Box 2323 Roswell, NM 88202

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

XTO Holdings LLC 22777 Springwoods Village Parkway Spring, Texas 77389

Alan Jochimsen 4209 Cardinal Lane Midland, TX 79707

Camille David, Trustee of the Camille David Living Trust 3660 Sable Ridge Drive Dallas, TX 75287

Chalcam Exploration, L.L.C. 200 West 1st Street, Suite 434 Roswell, NM 88203

David Petroleum Corp. 116 West 1st Street Roswell, NM 88203 Guns Up Exploration, LLC 116 West 1st Street Roswell, NM 88203

Monty D. McLane
P.O. Box 9451
Midland, TX 79708

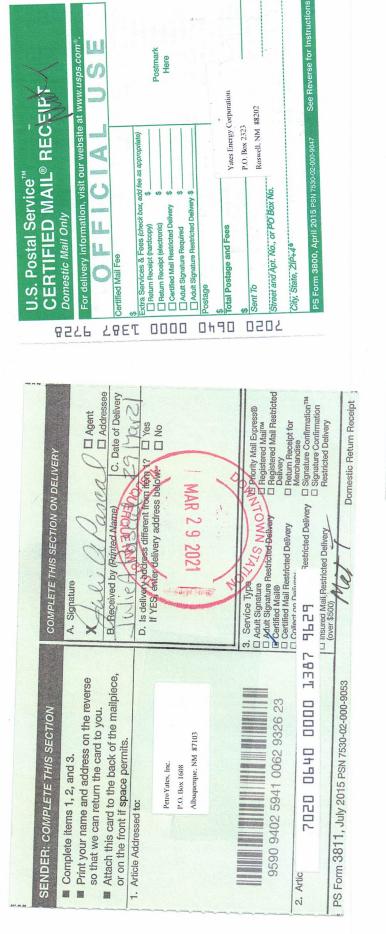
Northern Trust Bank of California, N.A., Trustee of the Estate of Sarah C. Getty P.O. Box 226270 Dallas, TX 75222

PetroYates, Inc.
P.O. Box 1608
Albuquerque, NM 87103

States Royalty Limited Partnership 300 North Breckenridge Avenue Breckenridge, TX 76424

Thomas R. Nickoloff 116 West 1st Street Roswell, NM 88203

William B. Owen 116 West 1st Street Roswell, NM 88203



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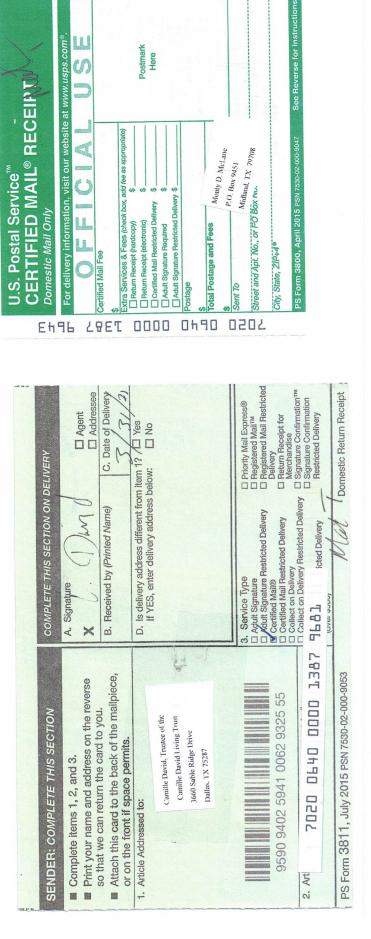
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300 North Breckenridge A	
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City, State, Zip. 48	
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Affidavit of Publication Ad # 0004658856 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW **POBOX 1056**

SANTA FE, NM 87504

I, a legal clerk of the Carlsbad Current Argus, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof on the date as follows, to wit:

03/25/2021

Legal Clerk

Subscribed and sworn before me this March 25, 2021:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

NOTICE

To: Yates Energy Corporation, EOG Resources, Inc., XTO Holdings LLC, Alan Jochimsen, Camille David as Trustee of the Camille David Living Trust, Chalcam Exploration, LLC, David Petroleum Corp., Guns Up Exploration, LLC, Monty D. McLane, Northern Trust Bank of California, N.A. as Trustee of the Estate of Sarah C. Getty, PetroYates, Inc., States Royalty Limited Partnership, Thomas R. Nickoloff, and William B. Owen, or your heirs, devisees, successors, or assigns: Matador Production Company has filed the following applications with the New Merice Oil Company has plusing applications. tions with the New Mexico Oil Conservation Division seek-ing to amend the following orders which pooled all mineral interests in the Wolfcamp formation in the lands described

(a) Case No. 21810, amending Order No. R-21275, pooling the Wolfcamp formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 15 and the N/2S/2 of Section 14, Township 20 South, Range 29 East, NMPM. The unit is dedicated to the Ted 1514 Fed. Com. Well No. 203H;

the Wolfcamp formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 15 and t Section 14, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Ted 1514 Fed. Com. Well No.

Applicant requests that a new form pooling order be used, and the drilling commencement deadlines be extended one and the drilling commencement deadlines be extended one year. The applications are scheduled to be heard at 8:15 a.m. on April 8, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emmrd.state.nm.us/OCD/hearings or see the internal public participate at the Division which better/lemmed that structions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html. As an interest owner in the well units, you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting these matters at a later date. A party appearing in a Division case is required by Division Rules to appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, April 1, 2021. This statement may be filed online with the Division at ocd.hearings@state.nm.us, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, (505) 982-2043, jamesbruc@aol.com. The units are located approxi-2043, jamesbruc@aol.com. The units are located approximately 19 miles east-southeast of Lakewood, New Mexico. #4658856, Current Argus, March 25, 2021

EXHIBIT

Ad # 0004658856 PO #: 4658856 # of Affidavits 1

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