# CASE NOS. 21795 - 21798

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

# **EXHIBITS**

- A. Applications and Proposed Ads
- B. Affidavit of Notice
- C. Landman's Affidavit
- D Geologist's Affidavit
- E. Pooling Checklists

### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 21795

# **APPLICATION**

Matador Production Company applies for an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and the W/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an operator in the W/2E/2 of Section 3 and the W/2E/2 of Section 10, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Nina Cortell Fed. Com. Well No. 127H to a depth sufficient to test the Bone Spring formation, with a first take point in the SW/4SE/4 of Section 10 and a last take point in the NW/4NE/4 of Section 3.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W/2E/2 of Section 3 and the W/2E/2 of Section 10 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying the W/2E/2 of Section 3 and the W/2E/2 of Section 10, pursuant to NMSA 1978 §70-2-17.

EXHIBIT A

5. The pooling of all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and the W/2E/2 of Section 10 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Bone Spring formation underlying the W/2E/2 of Section 3 and the W/2E/2 of Section 10;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

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 for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and W/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 127H, with a first take point in the SW/4SE/4 of Section 10 and a last take point in the NW/4NE/4 of Section 3. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 10 miles south-southeast of Halfway, New Mexico.

### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. \_\_\_\_\_\_\_\_

# **APPLICATION**

Matador Production Company applies for an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an operator in the E/2E/2 of Section 3 and the E/2E/2 of Section 10, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Nina Cortell Fed. Com. Well No. 128H to a depth sufficient to test the Bone Spring formation, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E/2E/2 of Section 3 and the E/2E/2 of Section 10 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Bone Spring formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

## PROPOSED ADVERTISEMENT

Case 1	Vo.	

Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 128H, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 10 miles south-southeast of Halfway, New Mexico.

# BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 2/197

# **APPLICATION**

Matador Production Company applies for an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and the W/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an operator in the W/2E/2 of Section 3 and the W/2E/2 of Section 10, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Nina Cortell Fed. Com. Well No. 203H to a depth sufficient to test the Wolfcamp formation, with a first take point in the SW/4SE/4 of Section 10 and a last take point in the NW/4NE/4 of Section 3.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the W/2E/2 of Section 3 and the W/2E/2 of Section 10 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying the W/2E/2 of Section 3 and the W/2E/2 of Section 10, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and the W/2E/2 of Section 10 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Wolfcamp formation underlying the W/2E/2 of Section 3 and the W/2E/2 of Section 10;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

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.	
	- 100	

Application of Matador Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and W/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 203H, with a first take point in the SW/4SE/4 of Section 10 and a last take point in the NW/4NE/4 of Section 3. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 10 miles south-southeast of Halfway, New Mexico.

# BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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

Case No. 21798

# **APPLICATION**

Matador Production Company applies for an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

- 1. Applicant is an operator in the E/2E/2 of Section 3 and the E/2E/2 of Section 10, and has the right to drill a well thereon.
- 2. Applicant proposes to drill the Nina Cortell Fed. Com. Well No. 204H to a depth sufficient to test the Bone Spring formation, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3.
- 3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the E/2E/2 of Section 3 and the E/2E/2 of Section 10 for the purposes set forth herein.
- 4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests. Therefore, applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10, pursuant to NMSA 1978 §70-2-17.

EXHIBIT A

5. The pooling of all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and the E/2E/2 of Section 10 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the Wolfcamp formation underlying the E/2E/2 of Section 3 and the E/2E/2 of Section 10;
- B. Designating applicant as operator of the well;
- C. Considering the cost of drilling, completing, and equipping the well, and allocating the cost thereof among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling, completing, and equipping the well in the event a working interest owner elects not to participate in the well.

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 for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 204H, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3. Also to be considered will be the cost of drilling, completing, and equipping the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling, completing, and equipping the well. The unit is located approximately 10 miles south-southeast of Halfway, New Mexico.

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

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

Case Nos. 21795 - 21798

# 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:  Date:  James Bruce

**EXHIBIT** 

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

# CERTIFIED MAIL - RETURN RECEIPT REQUESTED

ConocoPhillips Company 925 North Eldridge Parkway Houston, Texas 77079

Ladies and gentlemen:

**ATTACHMENT** 

· A

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

- 1. Case No. 21795, seeking an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and W/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 127H, with a first take point in the SW/4SE/4 of Section 10 and a last take point in the NW/4NE/4 of Section 3;
- 2. Case No. 21796, seeking an order pooling all mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 128H, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3;
- 3. Case No. 21797, seeking an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the W/2E/2 of Section 3 and W/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be dedicated to the Nina Cortell Well No. 203H, with a first take point in the SW/4SE/4 of Section 10 and a last take point in the NW/4NE/4 of Section 3; and
- 4. Case No. 21798, seeking an order pooling all mineral interest owners in the Wolfcamp formation underlying a horizontal spacing unit comprised of the E/2E/2 of Section 3 and E/2E/2 of Section 10, Township 22 South, Range 32 East, NMPM. The unit will be

dedicated to the Nina Cortell Well No. 204H, with a first take point in the SE/4SE/4 of Section 10 and a last take point in the NE/4NE/4 of Section 3.

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 <a href="mailto:emnrd.state.nm.us/OCD/hearings">emnrd.state.nm.us/OCD/hearings</a> or see the instructions posted on the Division's website, <a href="http://emnrd.state.nm.us/OCD/announcements.html">http://emnrd.state.nm.us/OCD/announcements.html</a>. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.

A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, 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 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,

James Bruce

Attorney for Matador Production Company

### **U.S. Postal Service**™ CERTIFIED MAIL® RECEIPT 1691 Domestic Mail Only For delivery information, visit our website at www.usps.com® 1388 Certified Mail Fee Extra Services & Fees (check box, add fee as appropriate) Return Receipt (hardcopy) Return Receipt (electronic) Postmark Certified Mail Restricted Delivery Here Adult Signature Required \$\_\_\_Adult Signature Restricted Delivery \$\_\_\_ 0490 Postage \$ Total Postage and Fees 7020 Sent To ConocoPhillips Company 925 North Eldridge Parkway Houston, Texas 77079 Street and Apt. No., or PO Bo City, State, ZIP+4® PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

# 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. 21795-21798** 

# AFFIDAVIT OF ROBERT HELBING IN SUPPORT OF CASE NOS. 21795, 21796, 21797, and 21798

Robert Helbing, of lawful age and being first duly sworn, declares as follows:

- 1. My name is Robert Helbing and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Landman.
- 2. I have previously testified before the New Mexico Oil Conservation Division and my credentials have been accepted as an expert witness in petroleum land matters.
- 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 seeks orders pooling four standard 320-acre, more or less, horizontal spacing units underlying Sections 3 and 10, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico, as follows:
  - In Case No. 21795, Matador seeks to pool the Bone Spring formation (Bilbrey Basin; Bone Spring Pool (Pool Code 5695)) in the W/2 E/2 of Sections 3 and 10 to be initially dedicated to the proposed Nina Cortell Fed Com #127H well (API No. 30-025-pending) to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 10 to a bottom hole location in Lot 2 (the NW/4 NE/4 equivalent) of Section 3.

EXHIBIT C

- In Case No. 21796, Matador seeks to pool the Bone Spring formation (Bilbrey Basin; Bone Spring Pool (Pool Code 5695)) in the E/2 E/2 of Sections 3 and 10 to be initially dedicated to the proposed Nina Cortell Fed Com #128H well (API No. 30-025-pending) to be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 10 to a bottom hole location in Lot 1 (the NE/4 NE/4 equivalent) of Section 3. Matador has previously force pooled certain working interest owners in this spacing unit, pursuant to Division Order No. R-21552, but files this application to also pool an additional working interest party not pooled in the previous proceeding.
- In Case No. 21797, Matador seeks to pool the Wolfcamp formation (WC-025 G-09 S233216K; UPR WOLFCAMP Pool (98166)) in the W/2 E/2 of Sections 3 and 10 to be initially dedicated to the proposed Nina Cortell Fed Com #203H well (API No. 30-025-pending) to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 10 to a bottom hole location in Lot 2 (the NW/4 NE/4 equivalent) of Section 3.
- In Case No. 21798, Matador seeks to pool the Wolfcamp formation (WC-025 G-09 S233216K; UPR WOLFCAMP Pool (98166)) in the E/2 E/2 of Sections 3 and 10 to be initially dedicated to the proposed Nina Cortell Fed Com #204H well (API No. 30-025-pending) to be horizontally drilled from a surface location in the SW/4 SE/4 (Unit P)) of Section 10 to a bottom hole location in Lot 1(the NE/4 NE/4 equivalent) of Section 3. Matador has previously force pooled certain working interest owners in this spacing unit, pursuant to Division Order No. R-21554, but files this application to also

pool an additional working interest party not pooled in the previous proceeding.

- 5. **Matador Exhibit C-1** contains Form C-102's for the proposed initial wells in each of these standard spacing units reflecting that the completed interval for each well will meet the standard setback requirements for horizontal oil wells.
- 6. The subject acreage is comprised of federal and fee lands. There are no depth severances within the Bone Spring or Wolfcamp formations underlying this acreage.
- 7. **Matador Exhibit C-2** identifies the tracts of land comprising each of the proposed horizontal spacing units.
- 8. **Matador Exhibit C-3** identifies the working interest owner, ConocoPhillips Company, that Matador is seeking to pool in the proposed horizontal spacing units.
- 9. There are no overriding royalty owners that require pooling in Case Nos. 21795 and 21797. For Case Nos. 21796 and 21798, Matador already pooled the overriding royalty interest owners in those spacing units in the prior hearing.
- 10. Matador has located the working interest owner that it seeks to pool in these cases and has had multiple conversations with ConocoPhillips, as well as email correspondence, regarding Matador's proposed spacing units.
- 11. **Matador Exhibit C-4** contains a copy of the well proposal letter and AFE sent to the working interest owner Matador seeks to pool in these cases. The costs reflected in these AFEs are consistent with what other operators have incurred for drilling similar horizontal wells in the area in this formation during the respective time periods. Since that time, Matador has created updated AFEs, copies of which are attached as **Matador Exhibit C-5**.

- 12. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the working interest Matador seeks to pool in this case.
- 13. Matador requests that the overhead and administrative costs for drilling and producing the proposed wells be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with what other operators are charging in this area for similar wells.
- 14. **Matador Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

ROBERT HELBING

STATE OF TEXAS )
COUNTY OF DALLAS )

SUBSCRIBED and SWORN to before me this 29<sup>TH</sup> day of MARCH 2021 by Robert Helbing.

Jaia Marie Hactfull
NOTARY PUBLIC

My Commission Expires:

8-21-2023



# **EXHIBIT C-1**

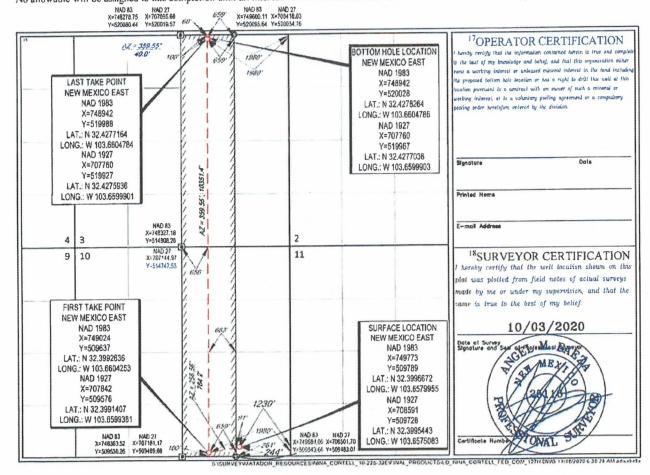
District I
1625 N French Dr., Hobbs, NM 88240
Phone: (\$75), 393-6161 Fax (\$75), 393-0720
District II
811 S First St., Artesia, NM 68210
Phone: (\$75), 748-1283 Fax: (\$75), 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (\$05), 334-6178 Fax: (\$05), 334-6170
District IV
1220 S St Francis Dr., Santa Fe, NM 87505
Phone: (\$05), 476-3460 Fax: (\$05), 476-3462

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

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

AMENDED REPORT

	API Number		1	Pool Code	Bil	Ibrey Basi.	Bone Bone	Spring	
<sup>4</sup> Property C	Code			NIN.	Property No	FED COM			ell Number 127H
OGRID	Vo.		M	IATADOI	Operator No R PRODUCT	ION COMPAN	ΙΥ	1	Elevation 3788'
					10 Surface Lo	cation			
UL or lei no.	Section 10	Tewnship 22-S	Renge 32-E	Lot 1dn	Feel from the 244	North/South line SOUTH	Feet from the 1230'	EAST	LEA
			11B	ottom Hol	e Location If D	ifferent From Sur	face		
UL or lot no.	Section 3	Township 22-S	32-E	Lot ldn	Feet from the	North/Smith line NORTH	Feel from the 1980'	East/West line EAST	LEA
319.92	Joint or	Infill 1°Co	nsolidation Code	: ISOrde	r No.				



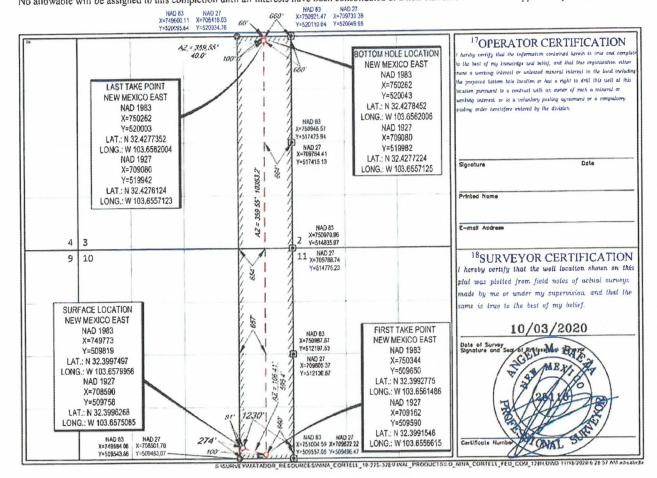
Diatriel 1
1625 N French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
Diatriel 11
811.5 First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
Distriel 111
1000 Rto Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
Distriel 1V
1220 S St. Francis Dr., Santa Fe, NM 87505

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

	API Number		1	Poul Code		Bilbrey Ba	Sinj Bone	Spring	
<sup>4</sup> Property C	ode				Property Nar A CORTELL	ne		***	'ell Number 128H
OGRID	io.		M	LATADOI	Operator Nat R PRODUCT	ION COMPAN	Y		Elevation 3788
					10 Surface Loc	ation			
UL or lot no.	Section 10	Township 22-S	Range 32-E	Loi Idn	Feet from the 274'	North/South line SOUTH	Feet from the 1230'	East/West line EAST	LEA
			11B	ottom Hol	e Location If Di	fferent From Sur	face		
UL or lat no.	Syction 3	Township 22-S	32-E	Lot lile	Feet from the	North/South line NORTH	Feet from the 860'	East/Nest line	LEA
Dedicated Acres	id Joint or 1	Innii l'Co	nsolidation Code	Orde	r No.	•			



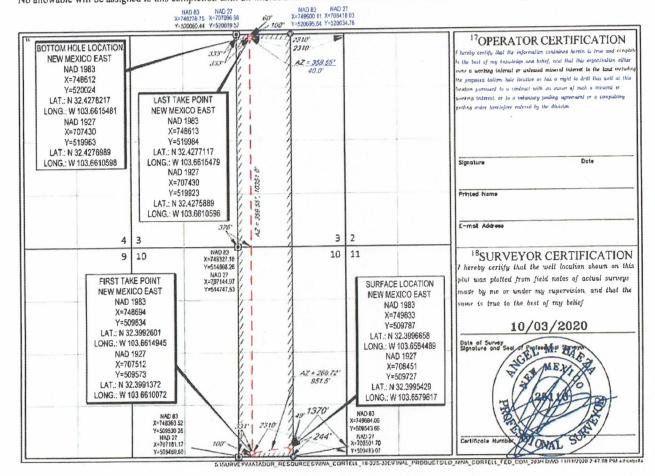
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District	11	
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1220 S SI Francia Dr., Santa Fe, NM 87505		
Phone: (505) 476-3460	Fax: (505) 476-3462	

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

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

☐ AMENDED	REPORT
-----------	--------

		W	ELL LO	CATION	AND AC	REAGE DEDICA	TION PLAT		
	API Number		9	Pont Code 8166	h	16-025 G-0	*Pool Nam 7	116K; UPR	
Property (	Code			NIN	Propert	Name LL FED COM		2	ell Number 203H
OGRID	No.		Ŋ	(ATADO)	Operator PRODU	r Name CTION COMPAN	Y	1	Elevation 3789'
					10 Surface	Location			
UL or lot no.	Section 10	Township 22-S	Range 32-E	Loi Idn	Feet from t	North/South line SOUTH	Feet from the 1370'	East/West line EAST	LEA
			111	lottom Hol	le Location I	Different From Sur	face		
UL or lot no.	Section 3	Township 22-S	32-E	Lot ldn	Feet from (	North/South line NORTH	Feet from the 2310'	Enst/West line EAST	LEA
<sup>11</sup> Dedicated Acres 320	Dint or	nail HCo	nsolidation Cod	e If Ords	er No.				



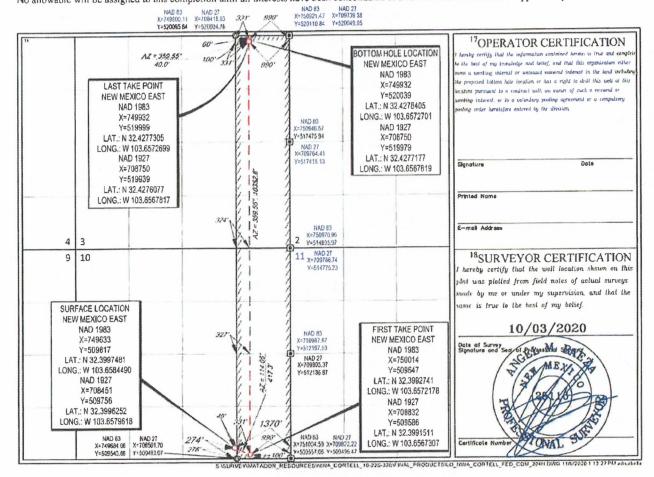
District I
1625 N. French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax: (575) 393-0720
District II
811 S. Frist St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rin Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Frandis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

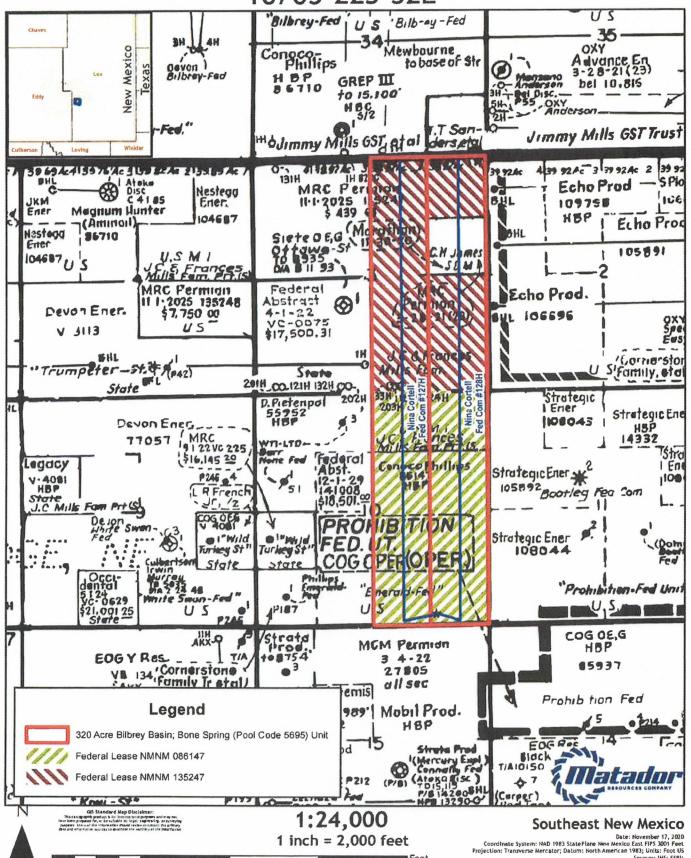
AMENDED	REPORT

		W	ELL LO	CATIO	N AND AC	CREAGE	DEDICA	TION PLA	Γ		
	API Number	,	9	Poul Code	u	16-025	G-09	S23321	LO K;		WOLFCAMP
Property (	Sbe			NIN		CLL FED	COM			"	204H
OGRID!	No.		1	MATADO	R PRODU	JCTION	COMPAN	Y			'Elevation 3789'
					10 Surface	Location					
UL or lot no.	Section 10	Township 22-S	32-E	Lot idn	Feel from 274'		rth/South line	Feet from the	EAS	st/West line ST	LEA
			111	Bottom Ho	le Location	If Different	From Surf	ace			
UL or lot no.	Section 3	Township 22-S	32-E	Lot Ide	Feet from		rth/South line	Feet from the 990°	EAS	ist/West line ST	LEA
<sup>11</sup> Dedicated Acres 320	DJoint or	In fill I*Cum	solidation Con	de <sup>15</sup> Ord	er Nu.						



# **EXHIBIT C-2**

# 10/03-22S-32E



Feet

8,000

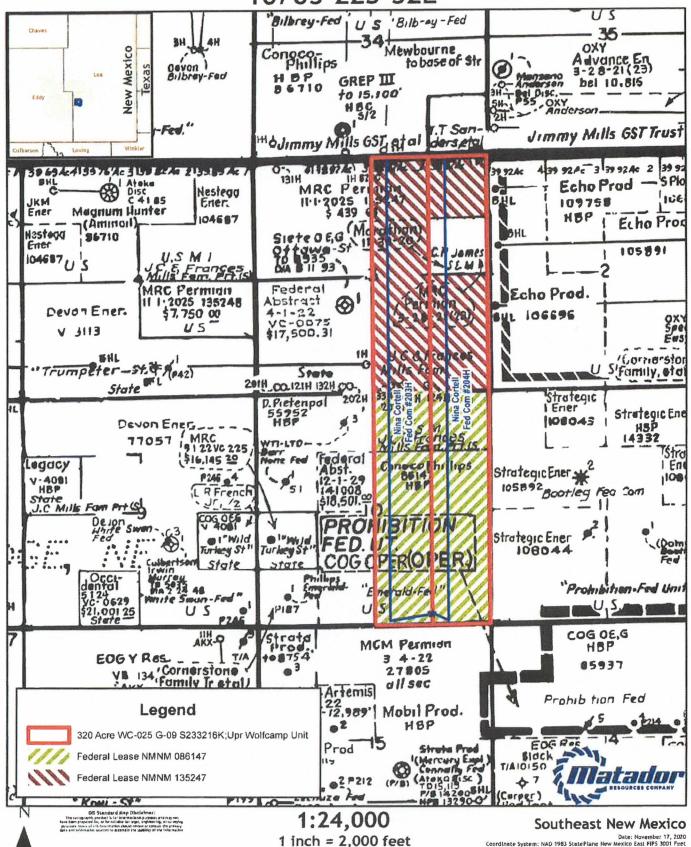
6,000

1,000

2,000

4,000

# 10/03-22S-32E



Date: November 17, 2020 Coordinate System: NAD 1983 StatePlane New Mexico East FIFS 3001 Feet Projection: Transverse Mercator; Datum: North American 1983; Units: Foot US Sources: IHS; ESRI;

Feet

8,000

1,000

2,000

4,000

6,000

0

# Summary of Interests

MRC Permian Company:		49.987497%
Compulsory Pool:		50.012503%
Interest Owner:	Description:	Interest:
ConocoPhillips Company	Working Interest	50.012503%



# Summary of Interests

MRC Permian Company:		43.309191%
Previously Compulsory Pool:		6.678306%
Current Compulsory Pool:		50.012503%
Interest Owner:	Description:	Interest:
ConocoPhillips Company	Working Interest	50.012503%



# **EXHIBIT C-4**

# MRC Permian Company

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

Voice 972.629.2163 • Fax 972.371.5201

rhelbing@matadorresources.com

Robert Helbing Landman

November 14, 2019

### VIA CERTIFIED RETURN RECEIPT MAIL

Lea County, New Mexico

ConocoPhillips Company 16930 Park Row Dr. Houston, TX 77084 Attn: West Permian Land Department

Re: Nina Cortell Fed Com #113H, #114H, #127H, #128H, #133H, #134H, #203H and #204H (the "Wells")
Participation Proposal
Sections 3&10, Township 22 South, Range 32 East

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of the following Matador Production Company's Nina Cortell Fed Com #113H, #114H, #127H, #128H, #133H, #134H, #203H and #204H (the "Wells"), located in Sections 3 & 10, Township 22 South, Range 32 East, Lea County, New Mexico.

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 eight (8) enclosed Authority for Expenditures ("AFE"), all dated October 22, 2019.

- Nina Cortell #113H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,250'.
- Nina Cortell #114H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,250'.
- Nina Cortell #127H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bonespring (~10,700° TVD) to a Measured Depth of approximately 20,850°.
- Nina Cortell #128H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-

32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,700' TVD) to a Measured Depth of approximately 20,850'.

- Nina Cortell #133H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,900' TVD) to a Measured Depth of approximately 22,000'.
- Nina Cortell #134H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~11,900' TVD) to a Measured Depth of approximately 22,000'.
- Nina Cortell #203H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SW/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,200' TVD) to a Measured Depth of approximately 22,350'.
- Nina Cortell #204H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 3-22S-32E and a proposed bottom hole location in the SE/4SE/4 of Section 10-22S-32E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,200° TVD) to a Measured Depth of approximately 22,350°.

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.

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of this letter along with the enclosed AFE(s) within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFE(s) are only an estimate of costs to be incurred and by electing to participate in the Wells, 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,

Robert Helbing

A Helly

# ConocoPhillips Company hereby elects to:

Not to participate in the Nina Cortell #113H.  Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #113H well.  We are interested in selling our interest in this unit, please contact to discuss.
Not to participate in the Nina Cortell #114H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #114H well.
We are interested in selling our interest in this unit, please contact to discuss.
Not to participate in the Nina Cortell #127H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #127H well.
We are interested in selling our interest in this unit, please contact to discuss.
Not to participate in the Nina Cortell #128H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #128H well.
We are interested in selling our interest in this unit, please contact to discuss.
Not to participate in the Nina Cortell #133H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #133H well.
We are interested in selling our interest in this unit, please contact to discuss.
Not to participate in the Nina Cortell #134H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #134H well.
We are interested in selling our interest in this unit, please contact to discuss.
Not to participate in the Nina Cortell #203H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #203H well.
We are interested in selling our interest in this unit, please contact to discuss.
Not to participate in the Nina Cortell #204H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Nina Cortell #204H well.
We are interested in selling our interest in this unit, please contact to discuss.
ConocoPhillips Company
Ву:
Title:
Date:
Contact Number:
Email Address:

## MATADOR PRODUCTION COMPANY

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

	October 22, 2019				AFE NO.:	
	vina Cortell Fed Com#				FIELD:	
	Sections 3&10-225-32E				MD/TVD:	20,850710,700
	ee, NM			LA	TERAL LENGTH:	9,700'
RC WI:	and Gong Spann Court					
	and Bong Spring Sand Only, complete and equi	p a 2 mile horizontal 2	nd Bone Spring Sand v	vell with approximately	55 stages	
with July 1999	average and ego		300.74			
		DRILLING	COMPLETION	PRODUCTION	CARL 1914 00000	TOTAL
INTANGIBLE CO	575	COSTS 61,500	COSTS	COSTS 3 50,600	FACILITY COSTS	COSTS \$ 121.50
ocation, Surveys & Demages		110,000	13,000	25,000	17,500	168,50
rilling		865,300		Annual and the second of the s		865.36
ementing & Flost Equip		228,000	E 500	3,600		226.66 9.50
ogging / Formetion Evaluation lowback - Labor	in .	-	5,500	81,540		61.54
owback - Surface Rentals				69,750		69.75
lowback - Rental Living Qua	ters		***************************************		-	37.50
ud Logging ud Circulation System		37,505 64,550		***************************************		54.55
ud & Chemicals		255,400	60,000	6,000		341.40
ud / Wastewater Disposal		180,000	4	***************************************	1,000	161.00
relight / Transportation		19,200	42,000 319,400	16,500	10.800	61.20 300,30
ig Supervision / Engineering rill Bits		153,660 112,650	719,400	10,500	10,000	112.65
rill Bit Purchase		***************************************	the second secon			*
uel & Power		161,200	*	4 465	4 864	161,20
later rig & Completion Overhead		75,000 14,500	851,000 27,000	2,000	1,000	929 00
ing & Completion Overhead		19,300	61,000	***************************************		7
irectional Orilling, Surveys		302,000				302.00
ompletion Unit, Swab, CTU		*	180,000 285,500	20,000		200.00
erforsting, Wireline, Silcklin igh Pressure Pump Truck			96,800	6,000		102.80
igh Pressure Pump Truck			3.025,000			3,625.00
timulation Flowback & Disp			12,400	338,000		350,40
neurance		29,553 165,590	38.250	15,000	5,000	29,55
abor ental - Surface Equipment		62,650	329.650	10,000	5,000	424,30
ental - Downhole Equipmen		149,900	97 500	3,000		250,46
ental - Living Quarters		58,696	50 080	64.530	5,000	\$13,68 449,65
ontingency lexCom		156,170	223 908	64,679	5,030	33,3
	TOTAL INTANGIBLES >	3,324,107	5,487,925	710,365	55,330	9,577,7
	101100	ORILLING	COMPLETION	PRODUCTION	*************************	TOTAL
TANGIBLE CO	SIS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS 5 44.00
urface Casing starmadiate Casing	*,	44 950 164,550	,	,		164.50
rilling Liner		-		***************************************	permitter and a second a second and a second	*
roduction Casing		510.188		-		510,16
raduction Liner ubing				65.090		55.00
felihead		65,000		45,000		110 00
ackers, Liner Hangers		,	118,200	6,600		124 21
anks		,		-	34 450 116,944	34,4
roduction Vessels low Lines	1.10		***************************************		120,600	120,00
tod string			Accessed to a control of the control			
rtificia: Lift Equipment		1		20,000	42.500	20,00 12,50
ompressor estatiation Costs			-		12,500 48,000	48 00
urface Pumps			-	5,000	6.675	11 87
on-controllable Surface					2,000	2.00
on-controllable Downhole		*				
ownhole Pumps lessurement & Meter installs	tion			10,000	24,500	34,56
es Conditioning / Dehydrati						-
Herconnecting Facility Pipin			***************************************	AC-1000-00-00-00-00-00-00-00-00-00-00-00-0	25,000	25,0
sathering / Bulk Lines			handle service and the service		*	
alves, Dumps, Controllers ank / Facility Containment			***************************************		5.625	5.63
are Stack			~		5,000	5,01
lectrical / Grounding				2,000	000,6	10,00
ommunications / SCADA				4,000	1,250	5,25
natrumuniation / Safety	TOTAL TANGIBLES >	784,883	118,200	157,900	456,519	1.516,4
	TOTAL COSTS >	4,108,794	5,606,186	667,369	511,849	11,094,2
PARED BY MATADOR PE	ODUCTION COMPAN	Y:				
Drilling Engineer.	James Ling	Team Lead - WTX/f	WM WTE			
Completions Engineer:	Garrett Huw		WTE			
Production Engineer	Jav Mosnes					
DOR RESOURCES COM	PANY APPROVAL					
				-	· · · · · · · · · · · · · · · · · · ·	h I
Exec VP & GFO	Exec VP - Res Engine		ing Exec VP & COO - Land & Legal CNA			
President		Senior VP - Geoscience		Exec VP & CDO - Operations		
	Мун		NLF	MANION OF A SECURITION OF THE PROPERTY OF THE		BEG
OPERATING PARTNER	APPROVAL:					
			Marking Internet (21)		*	ax IO
Company Name			Working Interest (%)			as (L)
Signed by:			Date:			
Title			Approval:	Yes		No (mark one

DATE.	Only to set of the	LUMBERT DE LUSTS	AND AUTHORIZATION FO	AN EAFERDAINE		
	October 22, 2019				AFE NO.:	
	Nina Cortell Fed Com				FIELD:	
	Sections 35:10-225-32	(E			MD/TVD:	22,350712,200
COUNTYISTATE:	Lea, NM			LA	TERAL LENGTH:	9,700
MRC WI:					-	
GEOLOGIC TARGET:	Wolfcamp A					
	Drill, complete and equ	uip a 2 mile horizontal t	Wolfcamp A well with ap	pproximately 64 stages		
				THE PERSON NAMED IN POST OF PERSONS IN		
INTANGIBLE CO	2720	DRILLING COSTS	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
Lend / Legal / Regulatory	3	92,500	\$	\$ 50,000	5 10,000	\$ 152
Location, Surveys & Damages	2	110,500	13,000	25,000	12,500	161
Driffing		597_150	Telestration state of the state	***************************************	-	99.7
Cementing & Float Equip Logging / Formation Evaluation		293,000	A 800			293
Flowback - Labor	211	*	6,500	3,000 81,540		<u>9</u>
Flowback - Surface Rentals			-	89 730		69
Flowback - Rental Living Qua	rters					
Mud Logging		38,400	***************************************		***************************************	30
Mud Circulation System		94,240		***************************************		94
Mug & Chemicals Mud / Westewater Disposal		M63,200	80,060	6,000	***************************************	240
Freight / Transportation		195,000	45.400	-	1 000	196
Rig Supervision / Engineering		192,000	46,500 130,200	16.500	10.000	72,
Drift Bite		123,200	100,200	16,500	10.000	349. 123.
Orill Dit Purchase		#				144,
Fuel & Power		150,800	***************************************			190,
Water		60,000	1,613,000	2,900	1,000	1.676
Orig & Completion Overhead		18,000	30,000		1	45
Plugging & Abandonment Directional Orbling, Surveys		THE PAR	Accessor-	-	***************************************	
Completion Unit, Swab, CTU		322,000	150,000	40.000		322.
Perforating, Wireline, Slickline			411,600	20,000		170
High Pressure Pump Truck		***************************************	110,000	6,000		110
Stimulation		-	5.072.000	#		3,072
Stimulation Flowback & Disp			12,400	338,000	397410777777777777777777777777	350,
Manufaction		37,290		***************************************		37,
Labor Rental - Surface Equipment		190.000	38,250	15,000	5,000	251.
Rental - Downhols Equipment		112 400	353,050 137,500	000.01	5.000	461,
Rental - Living Quarters		72,200	54,775	3.900	5,000	249. 121.
Contingency		205 237	255.916	64,579	5.030	534)
MaxCom		38,700		87,000	2,000	38,
	TOTAL INTANGIBLES >	3,768,017	5,894,793	716,369	55,330	10,368
TANGED F COA	ra et	DRELING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COS	15	COST5	COSTS	costs	FACILITY COSTS	COS15
ntermediate Gasing	3.	44,950 164,550	\$	5	5	\$ 44
Drilling Liner		484,273	**************************************		-	104 404.
Yoduction Casing		539,638	# TOTAL SHOWN CONTROL SHOWS AND ADDRESS OF THE PARTY OF T	***************************************	************************	5391
roduction Lines		*	CONTRACTOR OF THE PERSON NAMED IN COLUMN 1		***************************************	- CA13
ubing		160 000	***************************************	76,750		174,
Velibeari 'athera, Liber Hangera		************		45,000		45.5
anks			134,450	6 (000	Acres and the second second	140.4
roduction Vessels				*	34,450	247
low Lines			***************************************	*************************	116,944	116.9
fod string		-	-	***************************************	120,000	120.0
stificial Lift Equipment		-	The same of the sa	20,000		20.0
ompressor		,	***************************************	-	12,500	12.5
estaliation Coots urface Pumps					40.000	48.0
on-controllable Surface	-			5,000	6,875	11,8
on-controllable Downhole		-	-		2,000	2.0
ownhole Pumps	-	-	-		***********************	******************************
leasurement & Meter Installati	on "			19.000	24.500	34,5
as Conditioning / Dehydrattor				*	The same of the sa	
iterconnecting Facility Piping athering / Bulk Lines		-		4	25,000	25,0
alves, Dumps, Controllers		***************************************	*****************************	***************************************	,	
ank / Facility Containment	-		-			
are Stack			***************************************		5,675	5,6
lectrical / Grounding			***************************************	2,000	8,000	5.0
ommunications / SCADA	-	AND DESCRIPTION OF THE PERSON	**************************************	4,000	1.250	5.2
strumentation / Safety	-		-	Proposition of the Park	46,375	46,3
	TOTAL TANGIBLES >	1,313,411	134,400	166,750	456,510	2,071,0
	TOTAL COSTS >	5,021,427	5,029,193	877,119	511,849	12,439,
	DUCTION COMPANY	(:				
ARED BY MATADOR PRO	Annual State of the Party of th		1 -02			
	hames I over	Learn Lead - W/TY/NI	4 hote			
Driking Engineer	James Long	10000 - 1117010				
Driking Engineer, Completions Engineer	Canali Hunt	1000 - 11110	WIE			
Driking Engineer			WTE	***************************************		
Driking Engineer, Completions Engineer Production Engineer:	Genell Hara Jan Mosnes		WIE			
Completions Engineer Production Engineer:  DOR RESOURCES COMP	Jan Woores  ANY APPROVAL:		WIE	P	NO ECCO MAR	
Driking Engineer. Completions Engineer Production Engineer: DOR RESOURCES COMP  Exec VP 6 CFO	Jan Woores  ANY APPROVAL:	Exec VP - Res Engineering	BMR		c VP & CCO - Land & Leg	CNA
Driking Engineer. Completions Engineer Production Engineer:  DOR RESOURCES COMP	Correll Hune Jan Moznes  **ANY APPROVAL:		EMR e		c VP & CCO - Land & Leg	CNA.
Driking Engineer. Completions Engineer Production Engineer: DOR RESOURCES COMP  Exec VP 6 CFO	Geneti Haze Jan Mosnes  *ANY APPROVAL:  DEL	Exec VP - Res Engineering	BMR			CNA
Driking Engineer, Campletions Engineer Production Engineer Production Engineer  DOR RESOURCES COMP  Exec VP & CFO  President	Geneti Hand Jan Mosznes  VANY APPROVAL:	Exec VP - Res Engineering	EMR e			CNA.
Drilling Engineer. Completions Engineer Production Engineer: DOR RESOURCES COMP  Exec VP 6 CFO	Geneti Hand Jan Mosznes  VANY APPROVAL:	Exec VP - Res Engineerin; Senior VP - Geoscience	EMR e		sec. VP & COO - Operation	CNA.

ONE LINCOLN CENTRE • \$400 LBJ FREEWAY • \$UITE 1800 • DALLAS, TEXAS 75240

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

DATE:	October 22, 2019		A CONTRACTOR OF THE PARTY OF TH	And the second s	AFE NO.:	
WELL NAME:	Nine Cortell Fed Com	#127H			FIELD	
OCATION:	Sections 3&10-22S-32				MD/TVD:	20,850'/10,700'
COUNTY/STATE:	Lea, NM	***		1.4	TERAL LENGTH:	9,700'
MRC WI:	LOD, 14(4)				TENNE LLAGIN.	0,700
SEOLOGIC TARGET:	2nd Bone Spring Sand	1				
REMARKS:			2nd Bone Spring Sand	well with approximately	55 stages	
INTANGIBLE C	0575	DRILLING COSTS	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
and / Legal / Regulatory	1	61,500	\$	\$ 50,000	\$ 10,600	\$ 121,5
ocation, Surveys & Damego	4	118,000	13 000	25,000	12,500	160,5
Oriting Comenting & Float Equip		865,300 228,000	***************************************			865,3 228,6
ogging / Formation Evaluat	lon	120,000	8.500	3,000		9,5
lowback - Labor			0.000	é1,640		81,5
lowback - Surface Rentals				69,750		69.7
lowback - Renial Living Qua	artora					
Mud Logging Mud Circulation System		37,500 64,550	***************************************	************************	Mariana (1997)	37,5
Mud & Chemicals		255,400	60,000	6,000		341.4
Mud / Wastowater Disposal		160,000	-	***************************************	1.090	181,0
reight / Transportation		19,200	42,000		*	61,7
Ang Supervision / Engineerin	D	153 600	119,400	16 500	10,600	300,3
Orill Bills		112.650		,		112,6
Puel & Pover		161,200				161,2
Water		75,990	951,000	2,000	3,000	929.0
Orig & Completion Overhead		14.520	27.000			41,5
Plugging & Abandonment		***************************************			h	
Directional Drilling, Surveys		307.000		and the same of th		302.0
Completion Unit, Swab, C1U Perforating, Wireline, Slicklis		-	180,000 298 500	70.000	***************************************	298,5
High Pressure Pump Truck			96,800	6,000	*	102.8
Stimulation			3.025.000	***************************************		3.025.0
Stimulation Flowback & Disp			12,400	338,030		350,4
naurance		29,555		-		29.5
abor		165,500	36.250	15,000	5,000	223,7
Rental - Surface Equipment Rental - Downtole Equipment	o .	82,650 149,900	326,650 97,500	10,000	5,000	424,3 250,4
Rental - Living Quarters	**	58,500	60,080		5 000	113,6
Contingency		156,179	223.995	64,579	5,630	449.6
HaxCorn		20,325			water the same of	33.3
	TOTAL INTANGIBLES >	3,324,107	5,487,988	710,269	55,330	9,577,
TANGIBLE CO	242	ODSTS	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
Surface Cening	3	44,950	3	1	\$	\$ 44.9
ntermediate Casing		164,550	A		***************************************	164,5
Orilling Liner		Assessment				-
Production Casing Production Liner		510,188	-		***	510.1
ubing		-	-	65,500	***************************************	55.0
Wellhead		65,000	-	45,000		110,0
Packers, Liner Hangers		-	118,200	5,000		124.2
anks			A		34,450	34.4
Production Vessels New Lines			************************	Anna 1980-1981-1981-1981-1981-1981-1981-1981-	116,944	118,0
Rod string		***************************************		B-4000000000000000000000000000000000000	120,000	120,0
Artificial Lift Equipment			parameter and the sales of the	20,000	-	20,0
compressor		4			12,500	12,5
nstallation Costs		4			48,000	45.0
iuriace Pumps ion-centrollable Suriace				5,000	6,875	11,8
ion-controllable Downhols		***************************************			2,000	2,0
Downhole Pumps		-		***************************************		
dessurement & Meter Install				10,000	24,500	34,5
iss Conditioning / Dehydrati			The same of the sa	A.	*	
nterconnecting Facility Pipir Sathering / Bulk Linss	g			N-4-0	25,000	25,0
aives, Dumps, Controllers		***************************************				
ank / Facility Containment					5,625	5,6
lare Stack					5,000	5.0
lectrical / Grounding				2.000	8,000	10,0
Communications / SCADA				4 000	1,250	5,2
ion unicitation i Salety	TOTAL TANGIBLES >	784,686	118,200	157,000	46,375 456,519	46,3 1,516.4
	TOTAL COSTS >	4,108,794	5,606,188	867,369	511,849	11,094,2
	TOTAL GOOTS	4,100,704	3,000,100	007,303	311,640	17,0344
PARED BY MATADOR PE	RODUCTION COMPAN	IY:				
Drilling Engineer.	James Long	Team Lead - WTX/	NM WTE			
Completions Engineer	Gerreti Hunu		WTE			
Production Engineer.	Jan Mosnes					
non necouners occ	MALLY ADDROVA					
ADOR RESOURCES COM	NAME AND ADDRESS OF THE PARTY O					
Exec VP & CFO	DEL	Exec VP - Res Engineer	ing	Ex	ec VP & COO - Land & L	egal CNA
Prosident	NEC	Sanior VP - Geoscie			Exec VP & COO - Operat	
, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	W.V.H	nemo el . Genzale	N.F		xr a GUU - Operati	DEG
000047410 04074100	APPROVAL:			***************************************		
	TOTAL.					
THE RESIDENCE OF THE PARTY OF T					79	k ID:
Company Name			Working Interest (%);		1.0	* 10.
THE RESIDENCE OF THE PARTY OF T			-		10	. 10
			Working Interest (%);		10	A. I.O.

ONE LINGOLN CENTRE • 5490 LBJ FREWAY • SUITE 1500 • DALLAS, TEXAS 75240
Phone [912] 371-5200 • Fex (972) 371-5201
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

	A				AFE NO.:	
	October 22, 2019	D. C. I.			FIELD:	
	Nina Cortell Fed Com #				ar works	22.350712.2007
	Sections 3&10-22S-32E				Surene	A STATE OF THE PERSON NAMED IN COLUMN 1
COUNTY/STATE:	Lea, NM			LAT	ERAL LENGTH:	9,700
ARC WI:						
SEDLOGIC TARGET:	Wolfcamp A					
REMARKS:	Dritt, complete and equi	p a 2 mile horizontal Wo	stcamp A well with app	Moximately 64 stages		
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE CO	0515	COSTS	· costs	COSTS	FACILITY COSTS	COSTS
and (Legal / Regulatory	1	92,500 \$		\$ 50,000	\$ 10,000	152,500
ocation, Surveys & Damage		110,500	13,000	25,000	12.500	997,150
Prilling		997,150				293,000
Comenting & Flout Equip		202.002	6,500	3,000		9,500
.ogging / Formation Evaluati Towback - Labor	•		0,000	81,540		81,540
Towback - Surface Rentals			PMW W	69,750		69,750
lowback - Rental Living Qua	riers	-				*
Mud Logging		38,400				35,400 04,240
Aud Circulation System		94,240		0.000	**************************************	240,200
Aud & Chemicals		163,200 195,000	80,000	6,000	1,000	196,000
Aud / Wastewater Disposal		26,400	46,500		}	72,900
reight i Transportation Rig Supervision i Engineerin	n .	192,000	130,200	16,500	10,800	349,500
Orill Bits	,	123,200	***************************************			123,200
Orili Bit Purchase		-			-	
ual & Power		190,600				190,880
Water		60,000	1,013,000	2,000	1,000	1.076,000
orig & Completion Overhead		18,000	30,000			48,000
Plugging & Abandonment		ANA ANA			***************************************	322,000
Orectional Drilling, Surveys		322,000	150,000	20,000		170,000
Completion Unit, Sweb, CTU Perforating, Wireline, Slicklin	re .		411,000	20,040		411,000
Perforating, Wireline, Slicklin High Pressure Pump Truck			110,000	6,000		116,000
Stimulation		*	3.072,990			3,072,900
Stimulation Flowback & Disp		4	12.400	338,000		350,400
nsurance		37.290				37,290
Labor		193,000	38.250	15,000	5,000 5,000	251.250 481,450
Rental - Surface Equipment		113,400	117,500	3,000	3,000	249,300
Rental - Downhole Equipmen	11	72,200	54,775	3,000	5,000	131,975
Rental - Living Quarters Contingency		209 237	256,618	64,579	5,030	534,463
MaxCom		38.700				38,700
100 mm	TOTAL INTANGIBLES >	3,708,017	5,894,793	710,369	65,330	10,368,508
		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE CO	STS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing	3	44,050	\$	\$	3	\$ 44,050
Intermediate Casing		164.550				104,550
Drilling Liner		464,273	Annual Confession of the Confe			539 636
Production Casing		539,638				537.636
Production Liner		100,000		74.750		174,750
Tubing Welihead		100,000		45,000	***************************************	45,000
Packers, Liner Hangers			134.400	6.000	***************************************	140,490
Tanks			***************************************		34,450	34,450
Production Vessels		1			116,944	116,944
Flow Lines			Name		120,000	170,000
Rod string		A		20,000		20,000
Artificial Lift Equipment		***************************************	Accession	20,000	12,500	12,500
Compressor			***************************************		48,000	48,000
nstallation Costs Surface Pumps			****	5,000	6,875	11,875
Non-controllable Surface			***************************************		2.000	2,000
Non-controllable Downhole		):				
Downhole Pumps						
Measurument & Meter Instal			_	10,000	24,500	34,500
Gas Conditioning / Dehydral		***************************************		<del></del>	25,000	25,000
Interconnecting Facility Pipi	ng .	***************************************			20,000	23,000
Gathering / Bulk Lines		, ALIAN AND AND AND AND AND AND AND AND AND A				
		A		*	5.825	5,625
Valves, Dumps, Controllers						5,000
Valves, Dumps, Controllers Tank / Facility Containment					5,000	
Vatves, Dumps, Controllers Tank / Facility Containment Flare Stack				2,000	0.000	10,000
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA			p	2,900 4,000	8.000 1,250	10,000 5,250
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding				4,000	8,000 1,250 46,375	5,258 40,375
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	TOTAL TANGIBLES >	1,313,411	134,400	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,075
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	TOTAL JANGIBLES >	1,313,411 5,021,427	134,400 6,028,193	4,000	8,000 1,250 46,375	5,250 40,375 2,071,071
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety	TOTAL COSTS >	5,021,427	THE RESERVE AND ADDRESS OF THE PARTY OF THE	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,071
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety	TOTAL COSTS >	5,021,427	THE RESERVE AND ADDRESS OF THE PARTY OF THE	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,071
Valves, Dumps, Controllers Tank / Facility Containment Flers Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety	TOTAL COSTS >	5,021,427 IY;	6,028,193	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,071
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Bectrical I Grounding Communications / SCADA Instrumentation / Safety	TOTAL COSTS >  RODUCTION COMPAN	5,021,427	6,028,193	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,075
Valves, Dumps, Controllers Tank / Facility Containment Filers Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIFAING Engineer Completions Engineer	TOTAL COSTS >  RODUCTION COMPAN  James Long Garnet Hunt	5,021,427 IY;	6,028,193	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,075
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA natrumentation / Safety	TOTAL COSTS >  RODUCTION COMPAN	5,021,427 IY;	6,028,193	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,071
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR P DIRENG Engineer Completions Engineer Production Engineer	TOTAL COSTS >  RODUCTION COMPAN  James Long Garnet Hunt  Jan Meanes	5,021,427 IY;	6,028,193	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,071
Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR P DIRENG Engineer Completions Engineer Production Engineer	TOTAL COSTS >  RODUCTION COMPAN  James Long Garnet Hunt  Jan Meanes	5,021,427 IY;	6,028,193	4,000 166,750	8,000 1,250 46,375 456,519	5,250 40,375 2,071,071
Valves, Dumps, Controllers Tank / Facility Containment Flers Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR P DIRANG Engineer Completions Engineer Production Engineer	TOTAL COSTS >  RODUCTION COMPAN  James Ling Games Hunt  Jan Moanes  MPANY APPROVAL:	\$,021,427 IY: Team Lead - WTX/NI	6.028,193 M <u>LTF</u> V/TE	4,900 166,750 377,419	8,000 1,250 46,375 456,519 511,849	5,250 (5) (40,375 (2,071,071 (2,439,594 (2,439)) (2,439,594 (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439,594 (2,439)) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,
Valves, Dumps, Controllers Tank / Facility Containment Filers Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIFAING Engineer Completions Engineer	TOTAL COSTS >  RODUCTION COMPAN  James Ling Games Hunt  Jan Moanes  MPANY APPROVAL:	5,021,427 IY;	6.028,193 M <u>LTF</u> V/TE	4,900 166,750 377,419	8,000 1,250 46,375 456,519	5,255,240,375,240,375,240,375,2439,586
Valves, Dumps, Controllers Tank / Facility Containment Fiers Stack Electrical / Grounding Communical / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIRING Engineer Completions Engineer Production Engineer  ADOR RESOURCES CO	TOTAL COSTS >  RODUCTION COMPAN  James Long Garnet Hunt Jan Moanes  MPANY APPROVAL:	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	6,028,193  M. C.T.F. VITE	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,285 46,375 2,97,07 12,439,58
Valves, Dumps, Controllers Tank / Facility Containment Flers Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety PARED BY MATADOR P DIRANG Engineer Completions Engineer Production Engineer	TOTAL COSTS >  RODUCTION COMPAN  James Ling Gamen Huni Jan Moants  MPANY APPROVAL:	\$,021,427 IY: Team Lead - WTX/NI	6,028,193  M. C.T.F. VITE	4,000 166,750 377,419	8,000 1,250 46,375 456,519 511,849	5,285 46,375 2,97,07 12,439,58
Valves, Dumps, Controllers Lank / Facility Containment Flare Stack Rectrical / Grounding Communical Open / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIRANG Engineer Completions Engineer Production Engineer  ADOR RESOURCES CO	TOTAL COSTS >  RODUCTION COMPAN  James Long Garnet Hunt Jan Moanes  MPANY APPROVAL:	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	4.028,193  M	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,250 (46,375) 46,375 (2,071,071) 12,439.59
Valves, Dumps, Controllers Tank / Facility Containment Filer Stack Blectrical / Grounding Communical / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIMANG Engineer Completions Engineer Production Engineer  (ADOR RESOURCES CO  Exec VP & CFO  President	TOTAL COSTS >  RODUCTION COMPAN  James Long Garner Hunt Jac Moanes  MPANY APPROVAL:  DEL  MVH	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	4.028,193  M	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,250 (
Valves, Dumps, Controllers Tank / Facility Containment Filer Stack Blectrical / Grounding Communical / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIMANG Engineer Completions Engineer Production Engineer  (ADOR RESOURCES CO  Exec VP & CFO  President	TOTAL COSTS >  RODUCTION COMPAN  James Long Garner Hunt Jac Moanes  MPANY APPROVAL:  DEL  MVH	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	4.028,193  M	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,250 (
Valves, Dumps, Controllers Tank / Facility Containment Fiers Stack Electrical / Grounding Communical / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIRING Engineer Completions Engineer Production Engineer  ADOR RESOURCES CO  Exec VP & CFO President  I OPERATING PARTNER	TOTAL COSTS >  RODUCTION COMPAN  James Ling Garnet Hunt Jan Moanes  MPANY APPROVAL:  DEL  MVH  APPROVAL:	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	4.028,193  M	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,250 (1) (1) (1) (2) (3) (4) (3) (3) (4) (3) (3) (4) (3) (4) (4) (4) (4) (4) (4) (4) (4) (4) (4
Valves, Dumps, Controllers Tank / Facility Containment Filers Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIRANG Engineer Completions Engineer Froduction Engineer  FADOR RESOURCES CO  Exec VP & CFO President  N OPERATING PARTNER  Company Name	TOTAL COSTS >  RODUCTION COMPAN  James Long Garner Hurri Jan Moanes  MPANY APPROVAL:  DEL  MVH  APPROVAL:	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	6,028,193  M 47F  V:TL	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,255 (2) 446,375 (2,67),671 (12,439,598 (2,439) (2,439,598 (2,439) (2,439,598 (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,43
Valves, Dumps, Controllers Tank / Facility Containment Filers Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety  PARED BY MATADOR P  DIRANG Engineer Completions Engineer Production Engineer  FADOR RESOURCES CO  Exec VP & CFO President  N OPERATING PARTNER	TOTAL COSTS >  RODUCTION COMPAN  James Long Garner Hurri Jan Moanes  MPANY APPROVAL:  DEL  MVH  APPROVAL:	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	6,028,193  M 47F  V:TL	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,255 (2) 446,375 (2,67),671 (12,439,598 (2,439) (2,439,598 (2,439) (2,439,598 (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,43
Valves, Dumps, Controllers Tank / Facility Containment Fiers Stack Electrical / Grounding Communical / Oscillation PARED BY MATADOR P  DIFFARED BY MATADOR P  DIFFARED Engineer Completions Engineer Production Engineer  Froduction Engineer  ADOR RESOURCES CO  Exec VP & CFO President  I OPERATING PARTNER  Company Name	TOTAL COSTS >  RODUCTION COMPAN  James Long Garner Hurri Jan Moanes  MPANY APPROVAL:  DEL  MVH  APPROVAL:	S,021,427  IY:  Team Lead - WTX/NI  Exoc VP - Ros Engineerin	4,028,193  M 47FF V:1L  10  BNAR  20  NUF  Working (nierest (%))	4,000 166,750 377,419	8,000 1,250 46,375 450,519 511,849	5,255 (2) 446,375 (2,67),671 (12,439,598 (2,439)) (2,439,598 (2,439,598 (2,439) (2,439,598 (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,439) (2,43

### **EXHIBIT C-5**

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

DATE: WELL NAME:	October 9, 2020				AFE NO.:	
	Nina Cortell Fed Con	440711				
	-				FIELD:	
LOCATION:	Sections 3&10-22S-3	2E			MO/TVD:	21,114710,85
COUNTY/STATE:	Lea, NM			LA	TERAL LENGTH:	9,800
MRC WI:						
GEOLOGIC TARGET:	2nd Bone Spring San	d				
REMARKS:	-	The same of the sa	nd Bone Spring Sand wel	I with approximately 5	i0 stages	
		100000000000000000000000000000000000000	na sono opinig cana no	. mar approximation of	o olagoo	
INTANGIBLE (	COSTS	DRILLING COSTS	COMPLETION	PRODUCTION	SACH ITY COSTS	TOTAL
Land / Legal / Regulatory		\$ 61,500	COSTS	COSTS \$ 25,000	FACILITY COSTS \$ 10,000	COSTS
Location, Surveys & Damag		118 000	13,000	25,000		
Orilling		592,650	15,000	23,000	16,667	17.
Comenting & Float Equip		183,000				
.ogging / Formation Evalua	tion	183,090	2 760	0.000		18
lowback - Labor	uon	-	3,500	3,000	-	
lowback - Surface Rentals		***************************************	-	3,840		
lowback - Rental Living Qu		-	***************************************	71,750		7
Aud Logging	an term	37,500	***************************************			,
dud Circulation System			***************************************	-		3
Mud & Chemicals		45.938	46.050	4.000		4
		255,400	49,000	6,000		31
Mud / Wastewater Disposal		140,000	Av 200		1,000	14
reight / Transportation		12,600	26,700			3
Rig Supervision / Engineering	ng	92,625	102,400	7,200	14,400	21
Drill Bits		73,400				7.
Orill Bit Purchase				1 20 11 20 20 20 20 20 20 20 20 20 20 20 20 20		
uel & Power		99,750	8,500			100
Vater		75,000	738,750	2,000	1,000	818
Orlg & Completion Overhead	đ	11,750			*	1
lugging & Abandonment						-
Strectional Drilling, Surveys		199,469				199
Completion Unit, Swab, CTL	)		130,000	16,000		141
erforating, Wireline, Slickil		*	173,000	- 9 555 B		173
ligh Pressure Pump Truck			67,500	6,000		7:
itimulation			1.959,400	9,999		1,95
Stimulation Flowback & Dis	p	***************************************	15,500	260,000		278
nsurance		31,671	10,000	200.000		31
noon		97,500	61,000	15,000	5,000	178
Rental - Surface Equipment		44,180	284 105	10,000	5.000	343
tental - Downhole Equipme	nt	72,000	86,000	3,000	3,000	161
lental - Living Quarters		28,588	43,295	3,000	5,000	76
Contingency		119,899		12.020		
MaxCom		25,263	180,225	45,379	5,607	351
						25
	TOTAL INTANGIBLES :		3,941,875	499,169	63,873	7,02
		DRILLING	COMPLETION	PRODUCTION	Section 11 to 10 to 20	TOTAL
TANGIBLE CO	OSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
		44,950	>	\$	2	\$ 44
ntermediate Casing		227,300				227
willing Liner		*				
roduction Casing		447,837				447
reduction Liner		-				
ubing				75,000		75
Vellhead		65,000		25,000		90
ackers, Liner Hangers			69,600	5,000		74
anks					29,900	29
roduction Vessels					122,432	122
low Lines					120,000	120
				4	WITH THE PERSON OF THE PERSON	
				20,000		20
rtificial Lift Equipment		,				
rtificial Lift Equipment ompressor				20,000	42.500	42
rtificial Lift Equipment ompressor				AVIVE .	42,500 104,000	104
rtificial Lift Equipment ompressor estallation Costs		-			104,000	104
rtificial Lift Equipment ompressor estallation Costs urface Pumps		1		5,000	104,000	104
rtificial Lift Equipment ompressor istallation Costs urface Pumps on-controllable Surface					104,000	104
rifficial Lift Equipment ompressor sstallation Costs urface Pumps on-controllable Surface on-controllable Downhole					104,000	104
rtificial Lift Equipment ompressor stallation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole Pumps	ation			5,000	104,000 17,333 2,000	104 22 2
rifficial Lift Equipment ompressor istallation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole Pumps easurement & Meter Install					104,000	104
rificial Lift Equipment ompressor statlation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole Pumps (easurement & Meter Install as Conditioning / Dehydrati as Conditioning / Dehydrati	ion	÷		5,000	104,000 17,333 2,000 32,667	104 22 2 2 2
rificial Lift Equipment ompressor stallation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole Pumps easurement & Meter Install as Conditioning / Dehydrat terconnecting Facility Pipis	ion			5,000	104,000 17,333 2,000	104 22 2
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole Pumps casurement & Meter Install as Conditioning / Dehydrat terconnecting Facility Pipin athering / Bulk Lines	ion	: : : : :		5,000	104,000 17,333 2,000 32,667	104 22 2 2 2
rificial Lift Equipment outpressor stallation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole Pumps easurement & Meter Install as Conditioning / Dehydrat terconnecting Facility Pipin atthering / Bulk Lines silves, Dumps, Controllers	ion			5,000	104,000 17,333 2,000 32,667 41,667	104 22 2 2 42 41
rificial Lift Equipment ompressor stallation Costs urface Pumps on-controllable Surface on-controllable Downhole ownoble Pumps assurement 8 Meter Install as Conditioning / Dehydrat terconnecting Facility Pipus athering / Bulk Lines lives, Dumps, Controllers nik / Facility Containment	ion			5,000	104,000 17,333 2,000 32,667 41,667	104 22 2 2 42 41
rificial Lift Equipment ontpressor outpressor outpressor outpressor outpressor on-controllable Surface on-controllable Downhote ownhote ownhote Pumps casurement & Meter Install as Conditioning / Dehydrat terconnecting Facility Pipus atterion / Bulk Lines sives, Dumps, Controllers and / Facility Containment are Stack	ion	· · · · · · · · · · · · · · · · · · ·		10,000	104,000 17,333 2,000 32,667 41,667 -7,500 10,333	104 22 2 2 42 41 7 7
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole Pumps easurement & Meter Install as Conditioning / Dehydrat terconnecting / Facility Pipurathering / Bulk Lines ank / Facility Containment are Stack (ectrical / Grounding	ion			5,000 10,000 	104,000 17,333 2,000 32,667 41,667 	104 22 2 42 41 41 7, 13, 21
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps as Conditioning / Dehydrat terconnecting Facility Pipil athering / Bulk Lines sives, Dumps, Controllers and / Facility Containment lare Stack (ectrical / Grounding ommunications / SCADA	ion			10,000	104,000 17,333 2,000 32,667 41,667 7,500 15,333 19,000	104 22 2 2 42 41 41 7 13 21 6
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps as Conditioning / Dehydrat terconnecting Facility Pipil athering / Bulk Lines sives, Dumps, Controllers and / Facility Containment lare Stack (ectrical / Grounding ommunications / SCADA	ion g			5,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 	104 22 2 42 41 41 7, 13, 21
rificial Lift Equipment ompressor stalilation Costs urface Pumps on controllable Surface on controllable Surface on controllable Downhole ownhole Pumps assurement 8. Meter Install as Conditioning / Dehydrat terconnecting Facility Pipilathering / Builk Lines silves, Dumps, Controllers ink / Facility Containment are Stack ectrical / Grounding ommunications / SCADA	ion	785,007	69,600	5,000 10,000 	104,000 17,333 2,000 32,667 41,667 7,500 15,333 19,000	104 22 2 42 41 41 7 7 13 21 6 40
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps as Conditioning / Dehydrat terconnecting Facility Pipil athering / Bulk Lines sives, Dumps, Controllers and / Facility Containment lare Stack (ectrical / Grounding ommunications / SCADA	ion g		69,600 4,011,475	5,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 -7,500 15,333 19,000 1,667 49,500	104 22 2 2 42 41 41 7 13 21 6
rificial Lift Equipment ompressor statilation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps leasurement & Meter Installias Conditioning / Dehydrat terconnecting Facility Pipin athering / Bulk Lines alves, Dumps, Controllers andk / Facility Containment lare Stack lectrical / Grounding ommunications / SCADA istrumentation / Safety	TOTAL TANGIBLES >	785,097 3,302,969		5,000 10,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 41 7 7 133 21 6 6 49
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps as Conditioning / Dehydrat terconnecting Facility Pipil albering / Bulk Lines sives, Dumps, Controllers and / Facility Containment lare Stack lectrical / Grounding ommunications / Safety  **ARED BY MATADOR PI	TOTAL TANGIBLES > TOTAL COSTS >	785,097- 3,302,969 IY:	4,011,475	5,000 10,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 41 7 7 133 21 6 6 49
rificial Lift Equipment compressor installation Costs urface Pumps con-controllable Surface on-controllable Surface on-controllable Downhole ownhole ownhole Pumps controllable Downhole Pumps Leasurement & Meter Installas Conditioning / Dehydrat terconnecting Facility Pipin athering / Bulk Lines alves, Dumps, Controllers andk / Facility Controllers Stack pumps, Controllers and Facility Controllers Stack pumps, Controllers Stack pumps, Controllers Stack pumps, Controllers Stack pumps, Controllers and Facility Controllers and Fa	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long	785,097 3,302,969	4,011,475	5,000 10,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 41 7 7 133 21 6 6 49
rificial Lift Equipment ompressor compressor controllable Surface pumps on-controllable Surface on-controllable Downhole ownhole Pumps easurement & Meter Install as Conditioning / Dehydrat terconnecting facility Pipulathering / Bulk Lines alives, Dumps, Controllers and Facility Containment are Stack lectrical / Grounding ommunications / SCADA strumentation / Safety  PARED BY MATADOR PIPUling Engineer: Completions Engineer:	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garrett Hurd	785,097- 3,302,969 IY:	4,011,475	5,000 10,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 41 7 7 133 21 6 6 49
rificial Lift Equipment opinpressor stallation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps easurement & Meter Install as Conditioning / Dehydrat terconnecting Facility Pipin March 1968 (1988), Controllers in Facility Containment are Stack curfical / Grounding ommunications / SCADA strumentation / Safety  ARED BY MATADOR PI	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long	785,097- 3,302,969 IY:	4,011,475	5,000 10,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 41 7 7 133 21 6 6 49
rificial Lift Equipment ompressor staliation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps assurement 8 Meter Install as Conditioning / Dehydrat terconnecting Facility Pipirathering / Buik Lines silves, Dumps, Controllers and / Facility Containment are Stack of Containment of	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurd Jan Mosnes	785,097- 3,302,969 IY:	4,011,475	5,000 10,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 41 7 7 133 21 6 6 49
rificial Lift Equipment ompressor statilation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps as Conditioning / Dehydrat terconnecting Facility Pipirateronnecting Facility Pipirateronnecting Facility Pipirateronnecting Facility Pipirateronnecting Facility Containment lare Stack and / Facility Containment lare Stack Controllary Stack Pacific All Grounding ommunications / SCADA istrumentation / Safety  PARED BY MATADOR PIPIRATED BY	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurd Jan Mosnes	785,097- 3,302,969 IY:	4,011,475	5,000 10,000 10,000 2,000 5,000	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 41 7 7 133 21 6 6 49
rificial Lift Equipment ompressor statilation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps as Conditioning / Dehydrat terconnecting Facility Pipirateronnecting Facility Pipirateronnecting Facility Pipirateronnecting Facility Pipirateronnecting Facility Containment lare Stack and / Facility Containment lare Stack Controllary Stack Pacific All Grounding ommunications / SCADA istrumentation / Safety  PARED BY MATADOR PIPIRATED BY	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurd Jan Mosnes MPANY APPROVAL:	785,097- 3,302,969 IY:	4,011,475  NM <u>LY TE</u> WTE	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,333 2,000 32,667 41,667 7,500 19,333 19,000 1,667 49,500 603,498	104 22 2 2 42 41 7 13 21 6 40 1,602
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on controllable Surface on-controllable Surface on-controllable Surface on-controllable Surface on-controllable Downhole owners of the Company of the Compan	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurr Jan Mosnes	785.007 3,302,969 IY: Team Lead - WTX//	4,011,475 NM <u>LY TE</u> WTE	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,333 2,000 32,667 41,667 -7,560 15,333 19,000 1,667 49,500 603,498 667,372	104 22 2 2 42 41 41 7 13 22 1 6 40 1,500 5,62
rificial Lift Equipment ompressor ompressor ostaliation Costs urface Pumps on controllable Surface on-controllable Surface on-controllable Surface on-controllable Surface on-controllable Downhole owners of the Company of the Compan	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garrett Hunt Jan Mosnes MPANY APPROVAL:	785.007 3,302,969 IY: Team Lead - WTX//	4,011,475  NM LY TE  WTE  PG	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,333 2,000 32,667 41,667 -7,560 15,333 19,000 1,667 49,500 603,498 667,372	104 22 2 2 42 41 7 13 221 6 49 1,500 5,622
rificial Lift Equipment ompressor compressor controllable Surface pumps on-controllable Surface on-controllable Downhole ownhole Pumps easurement & Meter Install as Conditioning / Dehydrat terconnecting facility Pipulathering / Bulk Lines alives, Dumps, Controllers ank / Facility Containment are Stack fectival / Grounding ommunications / SCADA istrumentation / Safety  PARED BY MATADOR PIPURISHED PRODUCTION OF PRODUCTIO	TOTAL TANGIBLES > TOTAL COSTS > TOTAL COSTS > RODUCTION COMPAN James Long Garret Runt Jan Mosnes MPANY APPROVAL:	785,007- 3,302,969 IY: Team Lead - WTX// Exec VP - Res Engineeri	4,011,475  NM LY TE  WTE  MBMR	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,303 2,000 32,667 41,667 	104 222 2 41 41 7 133 221 6 499 1,601 5,622
Completions Engineer: Production Engineer.  ADOR RESOURCES CON  Exec VP & CFO  President	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurt Jan Mosnes MPANY APPROVAL: DEL	785,007- 3,302,969 IY: Team Lead - WTX// Exec VP - Res Engineeri	4,011,475  NM LY TE  WTE  PG	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,303 2,000 32,667 41,667 	104 22 2 2 42 41 7, 13 2, 21 6, 40 1,501 5,627
rificial Lift Equipment compressor stallation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps controllable Pumps reasurement & Meter Installas Conditioning / Dehydrat terconnecting Facility Pipulathering / Bulk Lines alives, Dumps, Controllers ank / Facility Containment lare Stack lectrical / Grounding ommunications / SCADA instrumentation / Safety  PARED BY MATADOR PI  Drilling Engineer: Completions Engineer: Production Engineer: ADOR RESOURCES CON  Exec VP & CFO  President  OPERATING PARTNER.	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurt Jan Mosnes MPANY APPROVAL: DEL	785,007- 3,302,969 IY: Team Lead - WTX// Exec VP - Res Engineeri	4,011,475  NM LY TE  VVTE  P9	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,333 2,000 32,667 41,667 	104 222 2 42 41 41 7 7 13 21 6 49 1,601 5,621
rificial Lift Equipment ompressor stalilation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole ownhole pumps easurement & Meter Instali as Conditioning / Dehydrat terconnecting Facility Ppus alves, Dumps, Controllers ank / Facility Containment are Stack (ectrical / Grounding ommunications / ScADA strumentation / Safety  PARED BY MATADOR PP  Drilling Engineer: Completions Engineer: Production Engineer. Production Engineer. DOR RESOURCES CON  Exec VP & CFO  President  DPERATING PARTNER / Company Name.	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurt Jan Mosnes MPANY APPROVAL: DEL	785,007- 3,302,969 IY: Team Lead - WTX// Exec VP - Res Engineeri	4,011,475  NM LY TE  WTE  PG	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,303 2,000 32,667 41,667 	104 222 2 42 41 41 7 7 13 21 6 49 1,609 5,627
rificial Lift Equipment ompressor stalilation Costs urface Pumps on-controllable Surface on-controllable Surface on-controllable Downhole ownhole Pumps assurement & Meter Instali as Conditioning / Dehydrat terconnecting facility Pipurathering / Buik Lines alives, Dumps, Controllers ank / Facility Containment are Stack fectival / Grounding ommunications / SCADA istrumentation / Safety  PARED BY MATADOR PIPURISHED PRODUCTS COMPletions Engineer: Completions Engineer: Production Engineer: DOR RESOURCES CONPRESOURCES CO	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurt Jan Mosnes MPANY APPROVAL: DEL	785,007- 3,302,969 IY: Team Lead - WTX// Exec VP - Res Engineeri	4,011,475  NM LY TE  VVTE  P9	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,333 2,000 32,667 41,667 	104 222 2 42 41 41 7 7 13 21 6 49 1,609 5,627
rificial Lift Equipment ompressor stalilation Costs urface Pumps on-controllable Surface on-controllable Downhole ownhole ownhole pumps easurement & Meter Instali as Conditioning / Dehydrat terconnecting Facility Ppus alves, Dumps, Controllers ank / Facility Containment are Stack (ectrical / Grounding ommunications / ScADA strumentation / Safety  PARED BY MATADOR PP  Drilling Engineer: Completions Engineer: Production Engineer. Production Engineer. DOR RESOURCES CON  Exec VP & CFO  President  DPERATING PARTNER / Company Name.	TOTAL TANGIBLES > TOTAL COSTS > RODUCTION COMPAN James Long Garret Hurt Jan Mosnes MPANY APPROVAL: DEL	785,007- 3,302,969 IY: Team Lead - WTX// Exec VP - Res Engineeri	A,011,476  NM LCTE  WTE  PA BMR  CE NA.F  Working Interest (%):	5,000 10,000 2,000 5,000 147,000 646,169	104,000 17,333 2,000 32,667 41,667 	104 222 2 42 41 41 7 7 13 21 6 49 1,609 5,627

		ESTIMATE OF COSTS AN	ND AUTHORIZATION FOR	EXPENDITURE		
DATE:	October 9, 2020				AFE NO.:	
WELL NAME:	Nina Cortell Fed Com	#128H			FIELD:	
					-	24 44 1144 0 000
OCATION:	Sections 3&10-22S-32	2E			MD/TVD:	21,1147/10,850
COUNTY/STATE:	Lea, NM			1.4	TERAL LENGTH:	9,800
						0,000
MRC WI:		-				
GEOLOGIC TARGET:	2nd Bone Spring Sand	d				
REMARKS:		uip a 2 mile horizontal 2nd	d Bone Spring Sand we	all with approximately t	50 stages	
icando.	orm, complete and eq	SIP & E TIME HOUSE HAIR ZITE	o bone opining dane we	in with opproximatory o	oo stages	
		DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE C Land / Legal / Regulatory	OSTS	COSTS	COSTS	COSTS \$ 25,000	FACILITY COSTS	COSTS
Location, Surveys & Damage	. '	61,500 118,000	13,000	25,000	\$ 10,000	\$ 95, 172,
		692,650	13,000	23,000	16,667	
Orilling			***************************************	***************************************		692,
Cementing & Float Equip		183,000				183,
ogging / Formation Evaluati	ion		3,500	3,000		6.
lowback - Labor				3.840		3,
lowback - Surface Rentals				71,750		71,
lowback - Rental Living Qua	eriore	***************************************	-	4	***************************************	-
Mud Logging		37,500			-	37,
Mud Circulation System		45,938				45,
Mud & Chemicals		255,400	49,000	6,000		310,
Mud / Wastewater Disposal		140,000			1,000	141,
reight / Transportation		12,800	26,700			39.
Rig Supervision / Engineerin	a	92,625	102,400	7,200	14,400	216,
Orill Bits	-	73,400	104,700	7,200	17,700	73.
		73,900				/3,
Orill Bit Purchase					-	
uel & Power		99,750	8,500		-	108,
Vater		75,000	738,750	2,000	1,000	816.
Orig & Completion Overhead		11,750	*	***************************************	***************************************	11.
Plugging & Abandonment						
Directional Drilling, Surveys		199,469				199
		199,409	100.000		***************************************	
Completion Unit, Swab, CTU			130,000	16,000	***************************************	146,
Perforating, Wireline, Slicklin	ia.		173,000		*****************************	173.
ligh Pressure Pump Truck			67,500	6,000		73.
Stimulation			1,959,400		The same of the sa	1,959,
Stimulation Flowback & Disp			15,500	260,000		275,
naurance		31,671		***************************************	***************************************	31,
abor		97,500	61,000	15,000	5,000	178.
Rental - Surface Equipment		44,180				
			284,105	10,000	5,000	343.
Rental - Downhole Equipmen	н	72,000	86,000	3,000	-	161,
Rental - Living Quarters		28,588	43,295	-	5,000	76.
Contingency		119.899	180.225	45,379	5,807	351,
MaxCom		25,283				25,
	TOTAL INTANGIBLES >		2 044 075	400.400		-
	TOTAL INTANGIBLES		3,941,875	499,169	63,873	7,022
F. 100 NOVE 12 NOVE 10 TO 10 NOVE 10 TO 10 NOVE 10 NOV		DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE CO	STS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
iurface Casing	\$	44,950	\$	\$	\$	\$ 44,
ntermediate Casing		227,300				227,
orilling Liner						
roduction Casing		447,837	-	***************************************	***************************************	447.
roduction Liner		441,031				447,
		-				
ubing				75,000		75,
Velihead		65,000		25,000		90,
ackers, Liner Hangers			69,600	5,000		74.
anks		2			29,900	29,
roduction Vessels		***************************************			122,432	122,
low Lines			-	(900)		
lod string					120,000	120,0
rtificial Lift Equipment				20,000		20,
ompressor		-			42,500	42,
estaliation Costs				***************************************	104,000	104.6
urface Pumps		-	-	5,000		22.
on-controllable Surface		***************************************	***************************************	5,000	17,333	
on-controllable Downhole		*			2,000	2,0
				•		
ownhole Pumps						
leasurement & Meter Installs				10,000	32,667	42.6
as Conditioning / Dehydration	on				passessessessessessessesses	
iterconnecting Facility Pipin			***************************************		41.667	41,6
athering / Bulk Lines		***************************************			71.001	-41,0
elves, Dumps, Controllers					,	
ank / Facility Containment				*	*	
		-		4	7,500	7,5
lare Stack					13,333	13.3
lectrical / Grounding				2,000	19,000	21.0
ommunications / SCADA				5,000	1,667	6,6
strumentation / Safety			,	***************************************	49,500	49.5
	TOTAL TANGIBLES >	785,087	69,600	447.000		
				147,000	603,498	1,605,
	TOTAL COSTS >	3,302,969	4,011,475	548,169	667,372	8,627,
ARED BY MATADOR PR	ODUCTION COMPAN	IY:				
Dritting Engineer:	James Long	Team Lead - WTX/Nh	V GTP			
Completions Engineer	Garrett Hunt		10/1			
			WIE			
Production Engineer.	Jan Moenes					
DOR RESOURCES COM	PANY APPROVAL.					***************************************
	HATT AFFROYAL:	Even MD Door S	-			
Exec VP & CFO	DEL	Exec VP - Res Engineering	9 BMR	Ex	ec VP & COO - Land & Le	gal
President	44121	Senior VP - Geoscience			Exec VP & COO - Operation	
	MVH	***************************************	NLF			BEG
OPERATING PARTNER	APPROVAL:					
OF ERATING FARTNER	*****************************					
Company Name:	***************************************		Working Interest (%):		Tax	ID:
Company Name:		1	Working Interest (%):		Tax	ID:
MANAGEMENT OF THE PARTY OF THE			Working Interest (%):		Tax	ID:

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

		ESTIMATE OF COSTS A	ND AUTHORIZATION FO	REXPENDITURE		
DATE:	October 9, 2020				AFE NO.:	
WELL NAME:	Nina Cortell Fed Com #				FIELD: MD/TVD:	22,350'/12,200'
LOCATION:	Sections 3&10-225-328	=		1	MD/TVD:	9,800
COUNTY/STATE:	Lea, NM					
MRC WI: GEOLOGIC TARGET:	Wolfcamp A					
REMARKS:	Drill, complete and equ	ip a 2 mile horizontal W	olfcamp A well with ap	proximately 58 stages		
						TOTAL
	nese	ORILLING	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
INTANGIBLE C Land / Legal / Regulatory	0515	61,500	\$	\$ 25,000	\$ 10,000	\$ 96,500
Location, Surveys & Damage	16	118,000	13,000	25,000	16,667	172,667 883,900
Drilling Cementing & Float Equip		883,900 192,000			4	192,000
Logging / Formation Evaluat	lion		3,500	3,000		8,500 3,840
Flowback - Labor				3,840 71,750		71,750
Flowback - Surface Rentals Flowback - Rental Living Qu	arters			- 11,100		-
Mud Logging	4,000	37,500				37,500 55,500
Mud Circulation System		55,500 255,400	49,000	6,000		310,400
Mud & Chemicals Mud / Wastewater Disposal		140,000	49,000		1,000	141,000
Freight / Transportation		12.800	26,700	7.000	11100	39,500 250,600
Rig Supervision / Engineering	19	117,000	112,000	7,200	14,400	91,400
Drill Bits Drill Bit Purchase		91,400				*
Fuel & Power		126,000	10,000		1,000	136,000 936,000
Water		75,000 15,500	858,000	2,000	1,000	15,500
Orig & Completion Overhead Plugging & Abandonment	u	12,500				-
Directional Drilling, Surveys		209,975	***************************************	40,000		209,975
Completion Unit, Swab, CTL			130,000	16,000		201,000
Perforating, Wireline, Slickli High Pressure Pump Truck	ne		75,000	6,000		81,000
Stimulation			2,156.904			2,156,904 275,500
Stimulation Flowback & Dis	p	33,525	15,500	260,000		33,525
Insurance		97,500	62,500	15,000	5,000	180,000
Rental - Surface Equipment		58,280	306,890	10,000	5.000	380,170 211,000
Rental - Downhole Equipme	ent	32,900	86,000 48,050	3.000	5,000	65,950
Rental - Living Quarters Contingency		221,520	199,714	45,379	5,807	472,420
MaxCom		33.325_				33,325
	TOTAL INTANGIBLES >		4,353,758	499,169	63,873	7,907,326 TOTAL
T44000 5 6	OFTE	COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	COSTS
TANGIBLE C Surface Casing	3		5	\$	\$	\$ 44,950
Intermediate Casing		254,756				254.756
Drilling Liner		473,175				473,175
Production Casing Production Liner		413,175	***************************************			
Tubing		65,000		86,250	***************************************	151,250 25,000
Wellhead			76,800	25,000 5,000		81.800
Packers, Liner Hangers Tanks		*	10,000	5,500	29,900	29,900
Production Vessels				***************************************	122,432	122,432
Flow Lines					120,000	120,000
Rod string Artificial Lift Equipment		-	***************************************	20,000	***************************************	20,000
Compressor					42,600	42,500 104,000
Installation Costs		-		5,000	104,000	22,333
Surface Pumps Non-controllable Surface				3,000	2,000	2,000
Non-controllable Downhole						
Downhole Pumps	Helian			10,000	32,667	42,567
Measurement & Meter Insta Gas Conditioning / Dehydra			***************************************	10,000		-
Interconnecting Facility Pip				,	41,667	41,667
Gathering / Bulk Lines				,		
Valves, Dumps, Controllers Tank / Facility Containment					7,500	7,500
Flare Stack					13,333	13,333
Electrical / Grounding				2,000 5,000	19,000 1,667	6,667
Communications / SCADA Instrumentation / Safety				0,000	49.500	49.500
	TOTAL TANGIBLES	837,881	78,800	158,250	603,498	1,676,429
	TOTAL COSTS :	3,828,406	4,430,558	657,419	867,372	9,583,755
	DEPONICTION COMPA	MV.				
REPARED BY MATADOR	PRODUCTION COMPA				****	
Drilling Enginee	T. James Long	Team Lead - WT)	UNIM GTE			
Completions Enginee	Garrett Huns		WTE			
Production Enginee	f: Jan Mosnes					
ATADOR RESOURCES CO	OMPANY APPROVAL:					
Exec VP & CF	0	Exec VP - Res Engine	ering		Exec VP & COO - Land &	
	DEL		BMR			CNA
Preside	nt	Senior VP - Geosci	ence		Exec. VP & COO - Oper	ations
	MVH		NLF			850
N OPERATING SAST	D ADDDOVAL.			10 - 10 - 10 - 10 - 10 - 10 - 10 - 10 -		
ON OPERATING PARTNE	K APPROVAL:					
Company Nam	e;	***************************************	Working Interest (%):		т.	ax ID:
Signed b	v		Date:			
Ongrasii D						No.
Titl	e:		Approvat:	Yes		No (mark one)
water and the Self of a scientists will also feel be up	mitted as extend at the sample for it the to	a and of the propert. Turbing more latest against	at wide the MT risk to do not up to a page	this Servet has been exceptions in year for	The AFE the Participal agrees in pay in prop	though show of social posts included, including in

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

	0-1-1 0 2020	ESTIMATE OF COSYS AN	DAGINGMERMONIC	A CAP CHOT GAL	AFF NO.			
DATE:	October 9, 2020	W20.411			AFE NO.:			
WELL NAME:	Nina Cortell Fed Com #				FIELD:	22 250/42 200/		
LOCATION:	Sections 3&10-22S-32I	E			MD/TVD:	22,350'/12,200'		
COUNTY/STATE:	Lea, NM			LA	TERAL LENGTH:	9,800		
MRC WI:	National Control of the Control of t							
GEOLOGIC TARGET: REMARKS:	Wolfcamp A	in a 2 mile borizontal Wo	Iframo A well with an	oroximately 58 stages				
KEMPARTS.	Drill, complete and equip a 2 mile horizontal Wolfcamp A well with approximately 58 stages							
INTANGIBLE	27200	DRILLING COSTS	COMPLETION	PRODUCTION	FACILITY COSTS	TOTAL		
and / Legal / Regulatory	\$	61,500	\$	\$ 25,000	\$ 10,000	\$ 96,50		
Location, Surveys & Dama	iges	118,000	13,000	25,000	16,667	172,66		
Orllling		883,900		***************************************		883,96		
Cementing & Float Equip .ogging / Formation Evalu	estion	192,000	3,500	3,000		192,00		
-logging / Formation Evalu	auon ,	*	3,300	3,840		3.8		
Flowback - Surface Rental	5			71,750		71,7		
lowback - Rental Living C				*	***************************************			
Mud Logging		37,500				37,5		
Mud Circulation System		55,500				55.5		
Mud & Chemicals		255,400	49,000	5,000	1.000	310,4		
Mud / Wastewater Disposa Freight / Transportation	11	140,000	26,700		1,000	39.5		
Rig Supervision / Enginee	rina	117,000	112,000	7,200	14,400	250.6		
Orill Bits	9	91,400			,	91,4		
Orill Bit Purchase								
Fuel & Power		126,000	10,000			136,0		
Water		75,000	858,000	2,000	1,000	936,0		
Orlg & Completion Overhe	ad	15,500			-	15,5		
Plugging & Abandonment Directional Drilling, Surve		209,975				209.9		
Completion Unit, Swab, C		209,970	130,000	16,000	***************************************	146.0		
Perforating, Wireline, Slick			201,000			201.0		
ligh Pressure Pump Truc		,	75.000	6,000	-	81.0		
Stimulation			2,156,904	***************************************		2.156,9		
Stimulation Flowback & D	inp	4	15,500	260,000		275,5		
nsurance		33,525				33.5		
Labor		97.500	62,500	15,000	5,000	180,0		
Rental - Surface Equipmer Rental - Downhole Equipm		58,280 122,000	306,890 86,000	10,000	5,000	211,0		
Rental - Living Quarters	ien	32 900	48,050	3,000	5,000	85,9		
Contingency		221.520	199,714	45,379	5,807	472,4		
MaxCom		33,325	***************************************			33,3		
	TOTAL INTANGIBLES >	2,990,525	4,353,758	499,169	63,873	7,907,3		
***************************************		DRILLING	COMPLETION	PRODUCTION		TOTAL		
TANGIBLE	COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS		
Surface Casing intermediate Casing	\$	44,950	\$	\$	\$	\$ 44,9 254,7		
Drilling Liner		254,756				234,73		
Production Casing		473,175	***************************************	-		473.17		
Production Liner			***************************************					
lubing		65,000		86,250		151,2		
Wellhead				25,000		25,00		
Packers, Liner Hangers Tanks			76,800	5,000	29,900	81,80 29,90		
Production Vessels				,	122,432	122,43		
Flow Lines				***************************************	120,000	120,00		
Rod string			******************************					
Artificial Lift Equipment		,		20,000		20,00		
Compressor					42,500	42,50		
nstallation Costs Surface Pumps		*			104,000	104,00		
Non-controllable Surface		***************************************		5,000	17,333	22,33		
ion-controllable Downhol					2,000	2,00		
Downhale Pumps					***************************************	-		
Measurement & Meter Inst	allation			10,000	32,667	42,68		
Gas Conditioning / Dehydr	ation			*	_			
nterconnecting Facility Pi	ping				41,667	41,66		
Sathering / Bulk Lines /alves, Dumps, Controller				-	-			
Tank / Facility Containmen				-	7,500	7,50		
lare Stack					13,333	13,33		
Electrical / Grounding		The same of the sa		2,000	19,000	21,00		
Communications / SCADA				5,000	1,667	6,66		
nstrumentation / Safety					49,500	49.50		
	TOTAL TANGIBLES >	837,681	76,800	158,250	603,498	1,676,4		
	TOTAL COSTS >	3,828,406	4,430,558	657,419	667,372	9,683,7		
DADED BY MATADOD	PRODUCTION COMPAN	v.						
PARED BY MATADOR	PRODUCTION COMPAN	1:						
Drilling Enginee	er: James Long	Team Lead - WTX/N	4 GIF					
Completions Enginee			WTF					
Production Engine			WIL					
1 Todayana Cingrico								
ADOR RESOURCES C	OMPANY APPROVAL:							
Exec VP & CF	O	Exec. VP - Res Engineerin	9	Ex	ec VP & COO - Land & I	.egal CNA		
Preside	MVH	Servior VP - Geoscience	P NLF		Exec VP & COO - Opera	tions		
7.70000								
	R APPROVAL -							
OPERATING PARTNE			Working Internet (92.)		To	* ID-		
OPERATING PARTNE	e:		Working Interest (%):		Ta	x ID:		
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OPERATING PARTNE	e		_		Та	x ID:No (mark one)		

### 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. 21795-21798

### AFFIDAVIT OF ANDREW PARKER IN SUPPORT OF CASE NOS. 21795, 21796, 21797, and 21798

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

- 1. My name is Andrew Parker and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Vice President of Geology.
- 2. I have previously testified before the New Mexico Oil Conservation Division and my credentials have been accepted as an expert witness in petroleum geology.
- 3. 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.
- 4. **Matador Exhibit D-1** is a project locator map that reflects the location of the proposed horizontal spacing units in Case Nos. 21795, 21796, 21797, and 21798.
  - 5. In Case Nos. 21795 and 21796, Matador is targeting the Bone Spring formation.
- 6. **Matador Exhibit D-2** is a subsea structure map that I prepared for the Bone Spring formation. The proposed spacing units are highlighted in yellow in Sections 3 and 10, and the contour interval is 20 feet. The structure map shows the Bone Spring formation gently dipping to the northeast. The structure appears consistent across the proposed spacing unit, and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.
- 7. **Matador Exhibit D-2** also shows a line of cross-section from A to A' using two well logs. I utilized these well logs because they penetrate the targeted interval, are of good quality,



and have been subjected to a petrophysical analysis of the targeted interval. In my opinion, these well logs are representative of the geology in the subject area.

- 8. **Matador Exhibit D-3** is a stratigraphic cross-section that I prepared using logs from the two representative wells shown on Exhibit D-2. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed wells is highlighted yellow, with the well names noted on right side of the cross section. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.
- 9. Both of the wells will comply with the standard setback requirements for the subject pool.
  - 10. In Case Nos. 21797 and 21798, Matador is targeting the Wolfcamp formation.
- 11. **Matador Exhibit D-4** is a subsea structure map that I prepared for the Wolfcamp formation. The proposed spacing units are highlighted in yellow in Sections 3 and 10, and the contour interval is 20 feet. The structure map shows the Wolfcamp formation gently dipping to the east. The structure appears consistent across the proposed spacing unit and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.
- 12. Matador Exhibit D-4 also shows a line of cross-section from A to A' using two well logs. I utilized these well logs because they penetrate the targeted interval, are of good quality, and have been subjected to a petrophysical analysis of the targeted interval. In my opinion, these well logs are representative of the geology in the subject area.
- 13. **Matador Exhibit D-5** is a stratigraphic cross-section that I prepared using logs from the two representative wells shown on Exhibit D-4. Each well on the cross-section contains gamma ray, resistivity, and porosity logs. The target interval for the proposed wells is highlighted

yellow, with the well names noted on right side of the cross section. The cross-section demonstrates that the targeted interval is continuous across the proposed spacing units.

- 14. Both of the wells will comply with the standard setback requirements for the subject pool.
- 15. Based on my geologic study, the Bone Spring and Wolfcamp formations underlying the subject acreage 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.
- 16. In my opinion, the standup orientation of the proposed wells is the preferred orientation for horizontal well development of the targeted intervals in the Bone Spring and Wolfcamp formations in this area. This standup orientation will efficiently and effectively develop the subject acreage.
- 17. In my opinion, approving Matador's applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 18. **Matador Exhibits D-1** through **D-5** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.

ANDREW PARKER

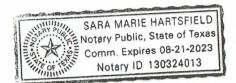
STATE OF TEXAS )
COUNTY OF DALLAS )

SUBSCRIBED and SWORN to before me this 29th day of March 2021 by Andrew Parker.

Sara Hartsfield NOTARY PUBLIC

My Commission Expires:

8-21-2023



### **Locator Map**

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			205.285	317.516	32323	7 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	70.7 70.7 70.7 70.7 70.7 70.8	# 15 mm	11 11 11 11 11 11 11 11 11 11 11 11 11
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				30	A1. 25	233.741	265 245	Mirai	282.346
					)2- ?? ??	289.338	165.231		265.236
	10.5 2.5 2.5 2.5 2.5 2.5 3.5 4.5 4.5 4.5 4.5 4.5 4.5 4.5 4.5 4.5 4		71.04	70 May 12	155 325	39,120	352 594	138 257	
Eddy	30,000				22 Z.E.	1 22 22 51	1925 174 174 174 175	# F	94



Nina Cortell Wells

**Map Legend** 

## Bilbrey Basin; Bone Spring (Pool Cude 5695)

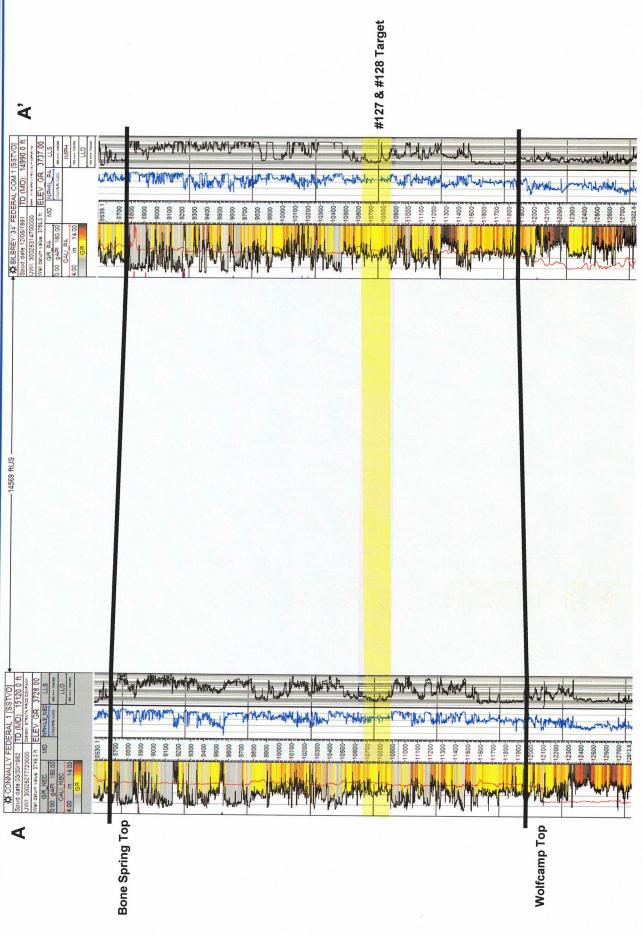
**Bone Spring Wells** Structure Map (Bone Spring Subsea) A – A' Reference Line 0009--5038 -5000 -500 0009-• -5018 4 QQQS Š .0. 006t

**Project Areas** 

C. I. = 20



### Bilbrey Basin; Bone Spring (Pool Code 5695) Structural Cross-Section A





Nina Cortell Wells

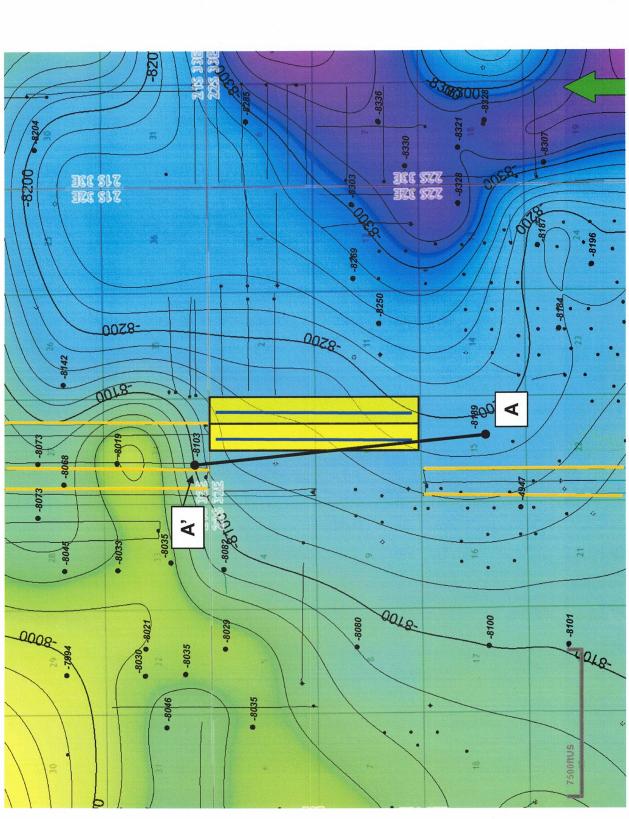
Wolfcamp Wells

**Project Areas** 

C. I. = 20

**Map Legend** 

# WC-0∠3 G-09 S233216K; Upr Wolfcamp Structure Map (Wolfcamp Subsea) A – A' Reference Line





## WC-0∠3 G-09 S233216K; Upr Wolfcamp Structural Cross-Section A – A'

