#### CASE NOS. 21812 - 21815

# APPLICATIONS OF MATADOR PRODUCTION COMPANY TO AMEND POOLING ORDERS, LEA COUNTY, NEW MEXICO

#### **EXHIBITS**

- 1. Applications and Proposed Notices
- 2. Original Pooling Orders
- 3. Landman's Affidavit
- 4. Affidavit of Notice
- 5. Publication Notice

### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NO. R-21267, EDDY COUNTY, NEW MEXICO.

Case No. 21812

#### **APPLICATION**

Matador Production Company applies for an order amending Order No. R-21267, and in support thereof states:

- 1. Order No. R-21267 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant proposes to drill the Michael K & B 2122 Fed. Com. Well No. 121H to a depth sufficient to test the Bone Spring formation. The well has a first take point in the NW/4NW/4 of Section 21 and a last take point in the NE/4NE/4 of Section 22. Order No. R-21267 designates Applicant as operator of the well.
- 3. This matter was heard on April 16, 2020, and Order No. R-21267 was entered on April 28, 2020 using an "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- 4. Applicant requests that Order No. R-21267 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21267 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21267 provides that the

**EXHIBIT** 

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

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

**WHEREFORE**, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21267 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to April 28, 2022.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

#### PROPOSED ADVERTISEMENT

Case	No.	:

Application of Matador Production Company to Amend Order No. R-21267, Eddy County, New Mexico. Matador Production Company seeks an order amending Order No. R-21267, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21267 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 121H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is located approximately 13-1/2 miles northeast of Carlsbad, New Mexico.

#### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NO. R-21268, EDDY COUNTY, NEW MEXICO.

Case No. 21813

#### **APPLICATION**

Matador Production Company applies for an order amending Order No. R-21268, and in support thereof states:

- 1. Order No. R-21268 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant proposes to drill the Michael K & B 2122 Fed. Com. Well No. 122H to a depth sufficient to test the Bone Spring formation. The well has a first take point in the SW/4NW/4 of Section 21 and a last take point in the SE/4NE/4 of Section 22. Order No. R-21268 designates Applicant as operator of the well.
- 3. This matter was heard on April 16, 2020, and Order No. R-21268 was entered on April 28, 2020 using an "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- 4. Applicant requests that Order No. R-21268 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21268 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21268 provides that the

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

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

**WHEREFORE**, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21268 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to April 28, 2022.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

#### PROPOSED ADVERTISEMENT

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Application of Matador Production Company to Amend Order No. R-21268, Eddy County, New Mexico. Matador Production Company seeks an order amending Order No. R-21268, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21268 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 122H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is located approximately 13-1/2 miles northeast of Carlsbad, New Mexico.

#### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NO. R-21270, EDDY COUNTY, NEW MEXICO.

Case No. 21814

#### **APPLICATION**

Matador Production Company applies for an order amending Order No. R-21270, and in support thereof states:

- 1. Order No. R-21270 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 21 and the N/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant proposes to drill the Michael K & B 2122 Fed. Com. Well No. 123H to a depth sufficient to test the Bone Spring formation. The well has a first take point in the NW/4SW/4 of Section 21 and a last take point in the NE/4SE/4 of Section 22. Order No. R-21270 designates Applicant as operator of the well.
- 3. This matter was heard on April 16, 2020, and Order No. R-21270 was entered on April 28, 2020 using an "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- Applicant requests that Order No. R-21270 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21270 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21270 provides that the

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

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

**WHEREFORE**, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21270 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to April 28, 2022.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

#### PROPOSED ADVERTISEMENT

Case No.	:
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Application of Matador Production Company to Amend Order No. R-21270, Eddy County, New Mexico. Matador Production Company seeks an order amending Order No. R-21270, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21270 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 21 and the N/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 123H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is located approximately 13 miles northeast of Carlsbad, New Mexico.

#### BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NO. R-21269, EDDY COUNTY, NEW MEXICO.

Case No. 218 19

#### APPLICATION

Matador Production Company applies for an order amending Order No. R-21269, and in support thereof states:

- 1. Order No. R-21269 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 21 and the S/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.
- 2. Applicant proposes to drill the Michael K & B 2122 Fed. Com. Well No. 124H to a depth sufficient to test the Bone Spring formation. The well has a first take point in the SW/4SW/4 of Section 21 and a last take point in the SE/4SE/4 of Section 22. Order No. R-21269 designates Applicant as operator of the well.
- 3. This matter was heard on April 16, 2020, and Order No. R-21269 was entered on April 28, 2020 using an "interim form of order." A newer, amended order template was described in a letter of the Division Director date April 9, 2020 (the "Amended Order Template").
- 4. Applicant requests that Order No. R-21269 be amended to conform to the Amended Order Template.
- 5. Paragraph 19 of Order No. R-21269 requires the operator to commence the well within one year of the date of issuance. Paragraph 20 of Order No. R-21269 provides that the

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

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

**WHEREFORE**, Applicant requests that, after notice and hearing, the Division enter its order amending Order No. R-21269 (i) to conform to the Amended Order Template, and (ii) to extend the well commencement deadline to April 28, 2022.

Respectfully submitted,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

(505) 982-2043

Attorney for Matador Production Company

#### PROPOSED ADVERTISEMENT

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Application of Matador Production Company to Amend Order No. R-21269, Eddy County, New Mexico. Matador Production Company seeks an order amending Order No. R-21269, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21269 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 21 and the S/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 124H. It requires the commencement of drilling within one year of the date of the order unless the operator obtains an extension by amendment of the order for good cause shown. The unit is located approximately 13-1/2 miles northeast of Carlsbad, New Mexico.

# EXHIBIT /

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

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

CASE NO. 20904 ORDER NO. R-21267

#### **ORDER**

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

#### FINDINGS OF FACT

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

#### **CONCLUSIONS OF LAW**

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

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

#### **ORDER**

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

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

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION ADRIENNE SANDOVAL

**DIRECTOR** AES/kms

Date: 4/28/2020

CASE NO. 20904 ORDER NO. R-21267

### Exhibit "A"

ALL INFORMATION IN THE APPLICA	ATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS
Case:	20904
Date	April 16, 2020
Applicant	Matador Production Company
Designated Operator & OGRID	, and the same of
(affiliation if applicable)	Matador Production Company/OGRID No. 228937
Applicant's Counsel:	James Bruce
Case Title:	Application of Matador Production Company for Compulsory Pooling Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc./Holland & Hart LLP Marathon Oil Permian LLC/Jennifer Bradfute
Well Family	Michael K&B 2122 Fed. Com. Well No. 121H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Getty; Bone Spring/Pool Code 27470
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	N/2N/2 §21 and N/2N/2 §22-205-29E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No EXHIBIT
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibits A-2, A-3, and A-4
Well(s)	
Name & API (if assigned), surface and pottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Michael K&B 2122 Fed. Com. Well No. 121H API No. 30-015-PENDING SHL: 937 FNL & 510 FWL §21 BHL: 330 FNL & 60 FEL §22 FTP: 330 FNL & 100 FWL §21 LTP: 330 FNL & 100 FEL §22 2nd Bone Spring Sand/TVD 8044 feet/MD 18344 feet Completion expected to be standard

Harden and Mall Class and Last Tale	See about
Horizontal Well First and Last Take Points	See above
Completion Target (Formation, TVD and	See above
MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit A, page 5 and Exhibit E
Requested Risk Charge	Cost + 200%/Exhibit A-7 and E
Notice of Hearing	
Proposed Notice of Hearing	Exhibit E
Proof of Mailed Notice of Hearing (20	
days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10	
days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the	
Spacing Unit	Exhibits A-2 through A-5
Tract List (including lease numbers and	7.1
owners)	Exhibit A-2
Pooled Parties (including ownership	*
type)	Exhibits A-3 through A-5
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (i.e. Exhibit A of	
JOA)	Exhibits A-3 through A-5
Chronology of Contact with Non-Joined	
Working Interests	Exhibit A-8
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit A-7
Cost Estimate to Equip Well	Exhibit A-7
Cost Estimate for Production Facilities	Exhibit A-7
Geology	
Summary (including special	
considerations)	Exhibit B
Spacing Unit Schematic	Exhibits A-1 and B
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Laydown/Exhibit B
Target Formation	Bone Spring
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit A-1

Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3 through A-6
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits A-1 and B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Jam <b>e</b> s Bruce
Signed Name (Attorney or Party Representative):	James Brace
Date:	April 14, 2020

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

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

CASE NO. 20905 ORDER NO. R-21268

#### **ORDER**

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

#### FINDINGS OF FACT

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

#### **CONCLUSIONS OF LAW**

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

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

#### ORDER

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

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

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

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

## STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL

ADRIENNE SANDOVAL DIRECTOR AES/kms Date: 4/28/2020

### Exhibit "A"

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case:	20905
Date	April 16, 2020
Applicant	Matador Production Company
Designated Operator & OGRID	
(affiliation if applicable)	Matador Production Company/OGRID No. 228937
Applicant's Counsel:	James Bruce
Case Title:	Application of Matador Production Company for Compulsory Pooling
edde Hite.	Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc./Holland & Hart LLP Marathon Oil Permian LLC/Jennifer Bradfute
Well Family	Michael K&B 2122 Fed. Com. Well No. 122H
Formation/Pool	The second secon
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Getty; Bone Spring/Pool Code 27470
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	Quarter-quarter sections/40 acres
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	S/2N/2 §21 and S/2N/2 §22-20S-29E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit	Yes
(Y/N), If No, describe	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
	NO
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract	Exhibits A-2, A-3, and A-4
Well(s)	Exhibits A 2, A-3, and A-4
Name & API (if assigned), surface and	Michael K&B 2122 Fed. Com. Well No. 122H
bottom hole location, footages,	API No. 30-015-PENDING
completion target, orientation,	SHL: 938 FNL & 540 FWL §21
completion status (standard or non-	BHL: 1651 FNL & 60 FEL §22
standard)	FTP: 1651 FNL & 100 FWL §21
	LTP: 1651 FNL & 100 FEL §22
	2 <sup>nd</sup> Bone Spring Sand/TVD 8044 feet/MD 18344 feet
	Completion expected to be standard

Horizontal Well First and Last Take	See above
Points	See above
Completion Target (Formation, TVD and	See above
MD)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit A, page 5 and Exhibit E
Requested Risk Charge	Cost + 200%/Exhibit A-7 and E
Notice of Hearing	
Proposed Notice of Hearing	Exhibit E
Proof of Mailed Notice of Hearing (20	
days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10	
days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the	
Spacing Unit	Exhibits A-2 through A-5
Tract List (including lease numbers and	
owners)	Exhibit A-2
Pooled Parties (including ownership	
type)	Exhibits A-3 through A-5
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (i.e. Exhibit A of	
JOA)	Exhibits A-3 through A-5
Chronology of Contact with Non-Joined	
Working Interests	Exhibit A-8
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit A-7
Cost Estimate to Equip Well	Exhibit A-7
Cost Estimate for Production Facilities	Exhibit A-7
Geology	Canal A 1
Summary (including special	
considerations)	Exhibit B
Spacing Unit Schematic	Exhibits A-1 and B
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Laydown/Exhibit B
Target Formation	Bone Spring
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	тост принский
C-102	Exhibit A-1

Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3 through A-6
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits A-1 and B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	James Bruce
Date:	April 14, 2020

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

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

CASE NO. 20907 ORDER NO. R-21269

#### **ORDER**

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

#### **FINDINGS OF FACT**

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

#### **CONCLUSIONS OF LAW**

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

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

#### **ORDER**

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

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

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

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL
DIRECTOR
AES/kms

Date: \_\_\_\_4/28/2020

### Exhibit "A"

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS	
Case:	20907
Date	April 16, 2020
Applicant	Matador Production Company
Designated Operator & OGRID	
(affiliation if applicable)	Matador Production Company/OGRID No. 228937
Applicant's Counsel:	James Bruce
Case Title:	Application of Matador Production Company for Compulsory Pooling Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc./Holland & Hart LLP
W. II. 6. 23	Marathon Oil Permian LLC/Jennifer Bradfute
Well Family	Michael K&B 2122 Fed. Com. Well No. 124H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Getty; Bone Spring/Pool Code 27470
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County Standard Horizontal Well Spacing Unit	S/2S/2 §21 and S/2S/2 §22-20S-29E, NMPM, Eddy County Yes
(Y/N), If No, describe	res
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	
Applicant's Ownership in Each Tract Well(s)	Exhibits A-2, A-3, and A-4
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Michael K&B 2122 Fed. Com. Well No. 124H API No. 30-015-PENDING SHL: 1902 FSL & 925 FEL §20 BHL: 991 FSL & 60 FEL §22 FTP: 990 FSL & 100 FWL §21 LTP: 991 FSL & 100 FEL §22 2 <sup>nd</sup> Bone Spring Sand/TVD 8044 feet/MD 18344 feet Completion expected to be standard

Notice of Hearing Proposed Notice of Hearing Proof of Mailed Notice of Hearing (20	Exhibit E
days before hearing) Proof of Published Notice of Hearing (10	Exhibit C
days before hearing) Ownership Determination	Exhibit D
Land Ownership Schematic of the	
Spacing Unit	Exhibits A-2 through A-5
Tract List (including lease numbers and	Emblo H E thought 5
owners)	Exhibit A-2
Pooled Parties (including ownership	
type)	Exhibits A-3 through A-5
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibits A-3 through A-5
Chronology of Contact with Non-Joined Working Interests	Exhibit A-8
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit A-7
Cost Estimate to Equip Well	Exhibit A-7
Cost Estimate for Production Facilities	Exhibit A-7
Geology	w. (1) (1) (1)
Summary (including special	
considerations)	Exhibit B
Spacing Unit Schematic	Exhibits A-1 and B
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	
Farget Formation	Laydown/Exhibit B
HSU Cross Section	Bone Spring
Depth Severance Discussion	Exhibit B-4
Forms, Figures and Tables	Not Applicable

Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3 through A-6
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits A-1 and B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Jamies Bruce
Signed Name (Attorney or Party Representative):	Jam. Blue
Date:	April 14, 2020

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

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

CASE NO. 20906 ORDER NO. R-21270

#### **ORDER**

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

#### FINDINGS OF FACT

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

#### **CONCLUSIONS OF LAW**

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

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

#### **ORDER**

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

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

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

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

### STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/kms

Date: 4/28/2020

### Exhibit "A"

ALL INFORMATION IN THE APPLICA	TION MUST BE SUPPORTED BY SIGNED AFFIDAVITS
Case:	20906
Date	April 16, 2020
Applicant	Matador Production Company
Designated Operator & OGRID	
(affiliation if applicable)	Matador Production Company/OGRID No. 228937
Applicant's Counsel:	James Bruce
Case Title:	Application of Matador Production Company for Compulsory Pooling
	Eddy County, New Mexico
Entries of Appearance/Intervenors:	EOG Resources, Inc./Holland & Hart LLP
	Marathon Oil Permian LLC/Jennifer Bradfute
Well Family	Michael K&B 2122 Fed. Com. Well No. 123H
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Entire Bone Spring formation
Pool Name and Pool Code:	Getty; Bone Spring/Pool Code 27470
Well Location Setback Rules:	Statewide rules and current horizontal well rules
Spacing Unit Size:	Quarter-quarter sections/40 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	N/2S/2 §21 and N/2S/2 §22-20S-29E, NMPM, Eddy County
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes,	
description Applicant's Ownership in Each Tract	Exhibits A-2, A-3, and A-4
Well(s)	LAMBILS A-Z, A-S, dHU A-4
Name & API (if assigned), surface and	Michael KS.P. 2122 End. Com. Wall No. 122U
bottom hole location, footages,	Michael K&B 2122 Fed. Com. Well No. 123H API No. 30-015-PENDING
completion target, orientation,	SHL: 1902 FSL & 895 FEL §20
completion status (standard or non-	BHL: 2313 FSL & 60 FEL §22
standard)	FTP: 2310 FSL & 100 FWL §21
	LTP: 2313 FSL & 100 FEL §22
	2 <sup>nd</sup> Bone Spring Sand/TVD 8044 feet/MD 18344 feet
	Completion expected to be standard

Horizontal Well First and Last Take	See above
Points	
Completion Target (Formation, TVD and MD)	See above
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$7000
Production Supervision/Month \$	\$700
Justification for Supervision Costs	Exhibit A, page 5 and Exhibit E
Requested Risk Charge	Cost + 200%/Exhibit A-7 and E
Notice of Hearing	
Proposed Notice of Hearing	Exhibit E
Proof of Mailed Notice of Hearing (20	
days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10	
days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the	
Spacing Unit	Exhibits A-2 through A-5
Tract List (including lease numbers and	2 (1100)
owners)	Exhibit A-2
Pooled Parties (including ownership	
type)	Exhibits A-3 through A-5
Unlocatable Parties to be Pooled	Exhibit A
Ownership Depth Severance (including	
percentage above & below)	None
Joinder	
Sample Copy of Proposal Letter	Exhibit A-7
List of Interest Owners (i.e. Exhibit A of JOA)	Exhibits A-3 through A-5
Chronology of Contact in the contact	
Chronology of Contact with Non-Joined Working Interests	
	Exhibit A-8
Overhead Rates In Proposal Letter	\$8000/\$800
Cost Estimate to Drill and Complete	Exhibit A-7
Cost Estimate to Equip Well  Cost Estimate for Production Facilities	Exhibit A-7
	Exhibit A-7
Geology	
Summary (including special	
considerations)	Exhibit B
Spacing Unit Schematic	Exhibits A-1 and B
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4
Well Orientation (with rationale)	Laydown/Exhibit B
Target Formation	Bone Spring
HSU Cross Section	Exhibit B-4
Depth Severance Discussion	Not Applicable
Forms, Figures and Tables	
C-102	Exhibit A-1

Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits A-3 through A-6
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits A-1 and B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-4
Cross Section (including Landing Zone)	Exhibit B-4
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	James Bruce
Signed Name (Attorney or Party Representative):	James Price
Date:	April 14, 2020

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

APPLICATION OF MATADOR PRODUCTION COMPANY TO AMEND ORDER NOS. R-21267, R-21268, R-21269 and R-21270, EDDY COUNTY, NEW MEXICO.

CASE NOS. 21812, 21813, 21814 and 21815 (Order Nos. R-21267, R-21268, R-21269 and R-21270)

#### **AFFIDAVIT OF SAM PRYOR**

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

- 1. My name is Sam Pryor. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as an Area Land Manager.
- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of public record.
- 3. Under Case No. 20904, the Division entered Order R-21267 on April 28, 2020. This Order created a standard 320-acre horizontal well spacing unit in the Bone Spring formation (Getty; Bone Spring [27470]) underlying the N/2 N/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order further dedicated the **Michael K&B 2122 Fed. Com. #121H** well (API No. pending) to the unit and required drilling to commence within a year.
- 4. Under Case No. 20905, the Division entered Order R-21268 on April 28, 2020. This Order created a standard 320-acre horizontal well spacing unit in the Bone Spring formation (Getty; Bone Spring [27470]) underlying the S/2 N/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order further dedicated the **Michael**

EXHIBIT 3

K&B 2122 Fed. Com. #122H well (API No. pending) to the unit and required drilling to commence within a year.

- 5. Under Case No. 20906, the Division entered Order R-21270 on April 28, 2020. This Order created a standard 320-acre horizontal well spacing unit in the Bone Spring formation (Getty; Bone Spring [27470]) underlying the N/2 S/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order further dedicated the **Michael K&B 2122 Fed. Com. #123H** well (API No. pending) to the unit and required drilling to commence within a year.
- 6. Under Case No. 20907, the Division entered Order R-21269 on April 28, 2020. This Order created a standard 320-acre horizontal well spacing unit in the Bone Spring formation (Getty; Bone Spring [27470]) underlying the S/2 S/2 of Sections 21 and 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. The Order further dedicated the **Michael K&B 2122 Fed. Com. #124H** well (API No. pending) to the unit and required drilling to commence within a year.
- 7. I am the Landman that submitted affidavit testimony in the above-referenced cases. I am familiar with the applications filed by Matador in these newly filed cases and the status of the development efforts for the pooled spacing units.
- 8. Good cause exists for Matador's request to extend its time to commence drilling. Specifically, the decline in commodity prices in 2020 caused by the global COVID pandemic and other economic factors led Matador to reduce its rig count, thereby causing Matador to delay its intended plans to develop the acreage subject to these pooling Orders.

- 9. Matador anticipates being able to drill each of the initial wells under Order Nos. **R-21267**, **R-21268**, **R-21269** and **R-21270** within the next year. Accordingly, Matador asks that the deadline to commence drilling under each pooling order be extended for a year, to April 28, 2022.
- 10. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable well, or to pay their estimated share of the costs to drill, complete and equip the applicable well.
  - 11. The granting of this application will prevent waste and protect correlative rights.

FURTHER AFFIANT SAYETH NOT.

SAM PRYOR

STATE OF TEXAS

COUNTY OF DAMAS

SUBSCRIBED and SWORN to before me this \_\_\_\_\_day of April 2021 by Sar

Pryor.

My Commission Expires:

8.24.2021

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

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

APPLICATIONS OF MATADOR PRODUCTION COMPANY TO AMEND POOLING ORDERS NOS. R-21267-21270, EDDY COUNTY, NEW MEXICO.

Case Nos. 21812 - 21815

#### 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: 5/19/21

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

April 2, 2021

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

Ladies and gentlemen:

**To: Persons on Exhibit A**: Enclosed are copies of the following two applications, filed with the New Mexico Oil Conservation Division by Matador Production Company:

- 1. Case No. 21812: Matador Production Company seeks an order amending Order No. R-21267, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21267 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 121H; and
- 2. Case No. 21813: Matador Production Company seeks an order amending Order No. R-21268, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21268 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 122H.

**To: Persons on Exhibit B**: Enclosed are copies of the following two applications, filed with the New Mexico Oil Conservation Division by Matador Production Company:

A. Case No. 21814: Matador Production Company seeks an order amending Order No. R-21270, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21270 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 21 and the N/2S/2 of Section 22, Township 20 South, Range

A

29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 123H; and

B. Case No. 21815: Matador Production Company seeks an order amending Order No. R-21269, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21269 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 21 and the S/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 124H.

These matters are scheduled for hearing at 8:15 a.m. on Thursday, April 22, 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.

Very truly yours,

Attorney for Matador Production Company

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

Santo Legado LLC P.O. Box 1020 Artesia, NM 88211-1020

Sharbro Energy, LLC P.O. Box 840 Artesia, NM 88211-0840

EOG Resources, Inc.
Midland Division – Land Department
P.O. Box 2267
Midland, TX 79702

Vladin, LLC P.O. Box 100 Artesia, NM 88211-0111

John A. Yates, Trustee of Trust Q u/w/o Peggy A. Yates, deceased P.O. Box 100 Artesia, NM 88211-0111

T.I.G. Properties, L.P. P.O. Box 10508 Midland, TX 79702

Pamela J. Burke, Trustee of the P.I.P. 1990 Trust, the Claire Ann Iverson Revocable Living Trust, and the Siegfried James Iverson, III, Revocable Living Trust P.O. Box 10508 Midland, TX 79702

Van S. Welch, II 11111 Grant Road Stonegate Villas Unit 815 Cypress, TX 77429

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Van P. Welch, Jr. 2259-C Via Puerta Laguna Woods, CA 92653

Phoebe J. Welch, Trustee of the Phoebe J. Welch Trust dated July 27, 2006 20350 Marsh Creek Road Brentwood, CA 94513-4808

Bryan W. Welch 1764 s. Paige Creek Place Tucson, AZ 85748

Becky Welch Kitto 2707 N. Flanwill Tucson, AZ 85716

Stacy Welch Green 5655 N. Via Umbrosa Tucson, AZ 85750

Phoebe Jane Welch, IV 3501 146th Street Lubbock, TX 79423

Wendell Terry Welch P.O. Box 8418 Nikiski, AK 99635

Michael Irwin Welch 12010 Topeka Avenue Lubbock, TX 79124

Sanders Thomas Welch 49730 Baun Drive Kenai, AK 99611

Cases 21812 + LIP13
EXHIBIT

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

Michael S. Richardson P.O. Box 819 Roswell, NM 88202-0819

COG Operating LLC Concho Oil & Gas LLC 600 West Illinois Ave. Midland, TX 79701

Rita Lea Bonifield Spencer 6436 Nicklas Oklahoma City, OK 73132

Morna Ruth Bonifield Canon 9403 Winding Ridge Dallas, TX 75238

Carolyn Sue Bonifield Sandner Vienna, Austria OU, 43 1876

Pacific Enterprises Oil Company (USA) or Union Pacific Resources Company Address unknown

Braille Institute of America, Inc. P.O. BOX 840738 Dallas, TX 75284

R. R. Hinkle Company, Inc. 1213 West Third Street Roswell, NM 88201

McQuiddy Communications & Energy, Inc. P.O. Box 2072 Roswell, NM 88201 Bank of America, N.A., Trustee of the Selma E. Andrews Perpetual Charitable Trust and the Selma E. Andrews Trust f/b/o Peggy Barrett P.O. Box 830308 Dallas, TX 75283

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Mary Lynn Forehand 112 East Cherry Lane Carlsbad, NM 88220

Charlotte Forehand Albright 1705 Boyd Drive Carlsbad, NM 88220

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Paul Pate Davidson Trust Co., Agent 8 Third St. North Great Falls, MT 59401

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Cynthia (Cindy) Hinkle, Trustee u/w/o Clarence E. Hinkle Rt. 3, Box 519 Carmel, CA 93923

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Tierra Oil Company P.O. Box 700968 San Antonio, TX 78270-0968

Westview Boy's Home, Inc. 120 W. Broadway Hollis, OK 73550

The Central Church of Christ of Amarillo, Texas 1401 Monroe Amarillo, TX 79101

High Plains Children's Home and Family Services, Inc. 11461 S. Western St. Amarillo, TX 79118 Rolla R. Hinkle, III P.O. Box 59 Roswell, NM 88202-0059

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Katherine Fletcher c/o Martha Hunter 1610 Evette Court Merced, CA 95430

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CEP Minerals LLC, Crown Oil Partners, LP, Good News Minerals, LLC, Mavros Minerals II, LLC, And Oak Valley Mineral and Land, LP P.O. Box 50820 Midland, TX 79710

Post Oak Crown IV-B, LLC, and Post Oak Crown IV, LLC 5200 San Felipe Houston, TX 77056

Collins & Jones Investments, LLC 508 W. Wall, Ste. 1200 Midland, TX 79710

4

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David W. Cromwell 2008 Country Club Dr. Midland, TX 79701

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Casas 21814+21815

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John T. Hinkle and Linda J. Hinkle, Trustees of the Hinkle Living Trust 2604 Coronado Drive Roswell, NM 88202

Laura Crumbaugh and Cheryl Ann Harrisonn, Co-Trustees of the Bettianne H. Bowen Living Trust 238 Beverly Court King City, CA 93930

Diamond Lil Properties, LLC Spirit Trail, LLC P.O. Box 1818 Roswell, NM 88202-1818

Catherine Coll, Trustee of the Trust u/w/o Max W. Coll, II 83 La Barbaria Trail Santa Fe, NM 87505

Charles E. Hinkle P.O. Box 149 Monterey, CA 93940

Cynthia (Cindy) Hinkle, Trustee u/w/o Clarence E. Hinkle Rt. 3, Box 519 Carmel, CA 93923

Eric J. Coll P.O. Box 1818 Roswell, NM 88202-1818

Clarke C. Coll P.O. Box 1818 Roswell, NM 88202-1818

Lynn S. Allensworth 610 West Frazier Roswell, NM 88201

Marsha S. Melton 1214 East 52nd Street Odessa, TX 79762 William Joe Snipes RR 4, 2305 East Pine Lodge Rd. Roswell, NM 88201

Max W. Coll, III 7625-2 El Centro Blvd. Las Cruces, NM 88012

John F. Coll, II P.O. Box 1818 Roswell, NM 88202-1818

Melanie Coll DeTemple 5653 Tobias Avenue Van Nuys, CA 91411

Carolyn Holmstrom, Trustee of the John A. Holmstrom 2004 Trust 2925 Somerset Place San Marino, CA 91108

Chalcam Exploration, L.L.C. 200 West First, Suite 434 Roswell, NM 88201

Liberty Energy LLC 175 Berkeley, 8th Floor Boston, MA 02116

Quientesa Royalty LP 508 West Wall, Ste. 500 Midland, TX 79701

Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust 3608 Meadowridge Lane Midland, TX 79707

CEP Minerals LLC, Crown Oil Partners, LP, Good News Minerals, LLC, Mavros Minerals II, LLC, and Oak Valley Mineral and Land, LP P.O. Box 50820 Midland, TX 79710 Post Oak Crown IV-B, LLC an Post Oak Crown IV, LLC 5200 San Felipe Houston, TX 77056

Collins & Jones Investments, LLC 508 W. Wall, Ste. 1200 Midland, TX 79710

LMC Energy, LLC 550 W. Texas Ave., Ste. 945 Midland, TX 79710

Gerard G. Vavrek 1521 2nd Ave. #1604 Seattle, WA 98101

Jesse A. Faught, Jr. P.O. Box 52603 Midland, TX 79710

H. Jackson Wacker 5601 Hillcrest Midland, TX 79707

David W. Cromwell 2008 Country Club Dr. Midland, TX 79701

Mike Moylett P.O. Box 50820 Midland, TX 79710

Kaleb Smith P.O. Box 50820 Midland, TX 79710

Deane Durham P.O. Box 50820 Midland, TX 79710

David Petroleum Corp. 116 W. 1st St. Roswell, NM 88203

Thomas R. Nickoloff 128 Grant Ave., Suite 104, Santa Fe, NM 87501

### Carlsbad Current Argus.

## Affidavit of Publication Ad # 0004676487 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW POBOX 1056

SANTA FE, NM 87504

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

04/07/2021

( ) Legal Clerk

Subscribed and sworn before me this April 7, 2021:

State of WI, County of Brown NOTARY PUBLIC

My commission expires

My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004676487 PO #: Yates Energy Corporation # of Affidavits 1

This is not an invoice

EXHIBIT 5

NOTICE
To: Yates Energy Corporation, Santo Legado LLC, Sharbro Energy, LLC, EOG Resources, Inc., Vladin, LLC, John A. Yates, Trustee of Trust Q u/w/o Peggy A. Yates, deceased, T.I.G. Properties, L.P., Pamela J. Burke, Trustee of the P.I.P. 1990 Trust, Pamela J. Burke, Trustee of the Claire Ann Iverson Revocable Living Trust, Pamela J. Burke, Trustee of the Siegfried James Iverson, Ill, Revocable Living Trust, Van S. Welch, II, James Gary Welch, Marian Welch Pendegrass, Robert Welch Gillespie, Erin L. Cofrin Revocable Trust, Van P. Welch, Jr., Phoebe J. Welch, Trustee of the Phoebe J. Welch Trust dated July 27, 2006, Bryan W. Welch, Becky Welch Kitto, Stacy Welch Green, Phoebe Jane Welch, IV, Wendell Terry Welch, Michael Irwin Welch, Sanders Thomas Welch, Paul E. Siegel as Successor Fiduciary, PetroYates, Inc., Michael S. Richardson, COG Operating LLC, Sharbro Energy, LLC, Rita Lea Bonifield Spencer, Morna Ruth Bonifield Canon, Carolyn Sue Bonifield Spencer, Morna Ruth Bonifield Canon, R. R. Hin-Canon, Carolyn Sue Bonifield Sandner, Pacific Enterprises Oil Company (USA), Braille Institute of America, Inc., R. R. Hinkle Company, Inc., McQuiddy Communications & Energy, Inc., Bank of America, N.A., Trustee of the Selma E. Andrews Perpetual Charitable Trust, Marshall &Winston, Inc., Samuel H. Marshall, Jr. and William S. Marshall, Trustees u/w/o Samuel Marshall, Mary Lynn Forehand, Charlotte Forehand Albright, Mark Pate and Elizabeth A. Pate do Davidson Trust Co., Agent, Paul Pate do Davidson Trust Co., Agent, Monty D. McLane and Karen R. McLane, Alan Jochimsen, States Royalty Limited Partnership, Randy Mike Whelan, Paula Su Whelan, Kelley Morand, Mel Whelan, Tracy Morand, Robin Williams, Bank of America, N.A., Trustee of the Selma E. Whelan, Kelley Morand, Mel Whelan, Tracy Morand, Robin Williams, Bank of America, N.A., Trustee of the Selma E. Andrews Trust f/b/o Peggy Barrett, Katherine Coe Fodell, Concho Oil & Gas LLC, Jeffrey Wayne Coe, Lisa Diane Coe, Margaret H. Eccleston, Trust, Sue F. Bennett, LML, LLC John T. Hinkle and Linda J. Hinkle, Trustees of the Hinkle Living Trust, Laura Crumbaugh and Cheryl Ann Harrison, Co-Trustees of the Bettianne H. Bowen Living Trust Diamond Lil Properties, LLC, Spirit Trail, LLC Catherine Coll, Trustee of the Testambia ttc, Spirit Iraii, Etc Catherine Coii, Irustee of the Testamentary Trust u/w/o Max W. Coll, II, Charles E. Hinkle, Cynthia (Cindy) Hinkle, Trustee u/w/o Clarence E. Hinkle, Eric J. Coll, Clarke C. Coll, Lynn S. Allensworth, Marsha S. Melton, William Joe Snipes, Max W. Coll, III, John F. Coll, II, Melanie Coll DeTemple, Spiral, Inc., Estate of Sarah Elizabeth Garner, Chalcam Exploration, L.L.C., Tierra Oil Company, LLC, Westview Boy's Home, Inc., The Central Church of Christ of Amarillo, Texas, High Plains Children's Home and Family Services, Inc., Rolla R. Hinkle, III, Claudia Liz Carlson, Katherine Fletcher c/o Martha Hunter, Jean Wallace, Susan Hendricks, Liberty Energy LLC, Quientesa Royalty LP, Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust, CEP Minerals LLC, Crown Oil Partners, LP, Good News Minerals, LLC, Post Oak Crown IV-B, LLC, Post Oak Crown IV, LLC, Collins & Jones Investments, LLC, Mavros Minerals II, LLC, LMC Energy, LLC, Gerard G. Vavrek, Jesse A. Faught, Jr., H. Jackson Wacker, Oak Valley Mineral and Land, LP, David W. Cromwell, Mike Moylett, Kaleb Smith, Deane Durham, David Petroleum Corp., and Thomas R. Nickoloff, or your heirs, devisees, successors, or assigns: Matador Production Company has filed two applications with the New Mexico Oil Conservation Division to amend compulsory pooling orders. tary Trust u/w/o Max W. Coll, II, Charles E. Hinkle, Cynthia Oil Conservation Division to amend compulsory pooling or-ders, as follows: (a) Case No. 21812: Matador Production Company seeks an order amending Order No. R-21267, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well com-mencement deadline one year, to April 28, 2022. Order No. R-21267 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2N/2 of Section 21 and the N/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 121H; and (b) Case No. 21813: Matador Production Company seeks an order amending Order No. R-21268, issued on April 28, 2020, to conform to the Amended 21288, Issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21268 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2N/2 of Section 21 and the S/2N/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 122H.

The applications are scheduled to be heard at 8:15 a.m. on April 22, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/hearings.posted.edu. CD/announcements.html. As an interest owner in the well units, you have the right to enter an appearance and participate in the cases. Failure to appear will preclude you from contesting these matters at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, April 15, 2021.

hearings@state.nm.us, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, (505) 982-2043, jamesbruc@aol.com. The units are located approximately 13-1/2 miles northeast of Carlsbad, New Mexico.

April 7, 2021

### **Carlsbad Current Argus.**

#### **Affidavit of Publication** Ad # 0004676500 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW **POBOX 1056** 

SANTA FE, NM 87504

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

04/07/2021

Subscribed and sworn before me this April 7, 2021:

State of WI, County of Brown **NOTARY PUBLIC** 

> 1-7-25 My commission expires

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004676500 PO #: Yates Energy Corporation # of Affidavits 1

This is not an invoice

**EXHIBIT** 

To: Yates Energy Corporation, Santo Legado LLC, Sharbro Energy, LLC, EOG Resources, Inc., Vladin, LLC, John A. Yates, Trustee of Trust Q ulwlo Peggy A. Yates, deceased, T.I.G. Properties, L.P., Pamela J. Burke, Trustee of the P.I.P. 1990 Trust, Pamela J. Burke, Trustee of the Claire Ann Iverson Revocable Living Trust, Pamela J. Burke, Trustee of the Sienfried Lawren Burker, Pamela J. Burke, Trustee of the Sienfried Lawren Burker, Pamela J. Burke, Trustee of the Sienfried Lawren Burker, Pamela J. Burke, Trustee of the Sienfried Lawren Burker, Pamela J. Burke, Trustee of the Sienfried Lawren Burker, Pamela J. Burke, Trustee of the Sienfried Lawren Burker, Pamela J. Burker Revocable Living Trust, Pamela J. Burke, Trustee of the Siegfried James Iverson, III, Revocable Living Trust, Van S. Welch, II, James Gary Welch, Marian Welch Pendegrass, Robert Welch Gillespie, Erin L. Cofrin Revocable Trust, Van P. Welch, Jr., Phoebe J. Welch, Trustee of the Phoebe J. Welch Trust dated July 27, 2006, Bryan W. Welch, Becky Welch Kitto, Stacy Welch Green, Phoebe Jane Welch, IV, Wendell Terry Welch, Michael Irwin Welch, Sanders Thomas Welch, Paul E. Siegel as Successor Fiduciary, PetroYates, Inc., Michael S. Richardson, COG Operating LLC, Sharbro Energy, LLC, Rita Lea Bonifield Spencer, Morna Ruth Bonifield Canon, Carolyn Sue Bonifield Sandner, Pacific Enterprises Oil Company (USA), Braille Institute of America, Inc., R. R. Hinkle Company, Inc., McQuiddy Communications & Energy, Inc., Bank of America, N.A., Trustee of the Selma E. Andrews Perpetual Charitable Trust, Marshall, Winston, Inc., Samuel H. Marshall, Jr. and William S. Marshall, Trustees u/w/o Sa-Perpetual Charitable Trust, Marshall &Winston, Inc., Samuel H. Marshall, Jr. and William S. Marshall, Trustees u/w/o Samuel Marshall, Mary Lynn Forehand, Charlotte Forehand Albright, Mark Pate and Elizabeth A. Pate c/o Davidson Trust Co., Agent, Paul Pate c/o Davidson Trust Co., Agent, Paul Pate c/o Davidson Trust Co., Agent, Monty D. McLane and Karen R. McLane, Alan Jochimsen, States Royalty Limited Partnership, Randy Mike Whelan, Paula Su Whelan, Kelley Morand, Mel Whelan, Tracy Morand, Robin Williams, Bank of America, N.A., Trustee of the Selma E. Andrews Trust f/b/o Peggy Barrett, Katherine Coe Fodell, Concho Oil & Gas LLC, Jeffrey Wayne Coe, Lisa Diane Coe, Margaret H. Eccleston, Trustee of the Margaret H. Eccleston Trust, Sue F. Bennett, LML, LLC John T. Hinkle and Linda J. Hinkle, Trustees of the Hinkle Living Trust, Laura Crumbaugh and Cheryl Ann Harrison, Co-Trustees of the Bettianne H. Bowen Living Trust Diamond Lil Properties, LLC, Spirit Trail, LLC Catherine Coll, Trustee of the Testamentary Trust u/w/o Max W. Coll, II, Charles E. Hinkle, Cynthia (Cindy) Hinkle, Trustee u/w/o Clarence E. Hinkle, Eric J. Coll, Clarke C. Coll, Lynn S. Allensworth, Marsha S. Melton, William Joe Snipes, Max W. Coll, III, John F. Coll, II, Melanie Coll DeTemple, Chalcam Exploration, L.L.C., Liberty Energy LLC, Quientesa Royalty LP, Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust, CEP Minerals LLC, Crown Oil Partners, LP, Good News Minerals, LLC, Post Oak Crown IV-8, LLC, Post Oak Crown IV-8, LLC, Post Oak Crown IV, LLC, Collins & Jones Investments, LLC, Mavros Minerals II, LLC, LMC Energy, LLC, Gerard G. Vavrek, Jesse A. Faught, Jr., H. Jackson Wacker, Oak Valley Mineral and Land, LP, David W. Cromwell, Mike Moylett, Kaleb Smith, Deane Durham, David Petroleum Corp., Carolyn Holmstrom, Trustee of the John A. Holmstrom 2004 Trust, and Thomas R. Nickoloff, or your heirs, devisees, successors, or assigns: Matador Production Company has filed two applications with the New Mexico Oil Conservatio H. Marshall, Jr. and William S. Marshall, Trustees u/w/o Sa-Company has filed two applications with the New Mexico Oil Conservation Division to amend compulsory pooling or-ders, as follows: (a) Case No, 21814: Matador Production Company seeks an order amending Order No. R-21270, is-sued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well com-mencement deadline one year, to April 28, 2022. Order No. R-21270 pooled mineral interest owners in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/2S/2 of Section 21 and the N/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, Township 20 South, Sange 29 East, N.M.P.M., Eddy County, Township 20 South, Range 29 East, N.M.P.M., Eddy County, Township 20 South, Range 29 East, N.M.P.M., Eddy County, Township 20 South, Range 29 East, N.M.P.M., Eddy County, Township 20 South, Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Township 20 South Range 29 East, N.M.P.M., Eddy County, Range 29 East, Range 29 New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 123H; and (b) Case No. 21815: Matador Production Company seeks an order amending Order No. R-21269, issued on April 28, 2020, to conform to the Amended Order Template currently in use, and to extend the well commencement deadline one year, to April 28, 2022. Order No. R-21269 pooled mineral interest owners in the Bone spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 21 and the S/2S/2 of Section 22, Township 20 South, Range 29 East, N.M.P.M., Eddy County, New Mexico, for purposes of drilling the Michael K & B 2122 Fed. Com. Well No. 124H.

The applications are scheduled to be heard at 8:15 a.m. on April 22, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html. As an interest owner in the well units, you have the right to enter an appearance and participate in the cases. Failure to appear will preclude you from contesting these matters at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, April 15, 2021. This statement may be filed online with the Division at ocd. hearings@state.nm.us, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to tes-

need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, (505) 982-2043, jamesbruc@aol.com. The units are located approximately 13 miles northeast of Carlsbad, New Mexico.

April 7, 2021

April 7, 2021

#### Affidavit of Publication Ad # 0004676519 This is not an invoice

JAMES BRUCE ATTORNEY AT LAW **POBOX 1056** 

SANTA FE, NM 87504

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

04/07/2021

egal Clerk

Subscribed and sworn before me this April 7, 2021:

State of WI, County of Brown **NOTARY PUBLIC** 

-7-25

My commission expires

NOTICE

To: (1) Yates Energy Corporation, EOG Resources, Inc., XTO Holdings LLC, Alan Jochimsen, Camille David as Trustee of the Camille David Living Trust, Chalcam Exploration, LLC, David Petroleum Corp., Guns Up Exploration, LLC, Monty D. McLane, Northern Trust Bank of California, N.A. as Trustee of the Estate of Sarah C. Getty, PetroYates, Inc., States Royalty Limited Partnership, Thomas R. Nickoloff, William B. Owen (Group 1 persons are working interest.) alty Limited Partnership, Thomas R. Nickoloff, William B. Owen (group 1 persons are working interest owners); and (2) Collin R. McMillan, Kay McMillan, Permian Exploration Corp., OXY Y-1 Company, David Petroleum Corp., K&C Production Co., Ray Westall, Jalapeno Corp., Cibola Land Corporation, and Sarah Getty Estate (group 2 persons are Record Title owners); or your heirs, devisees, successors, or assigns: Matador Production Company has filed the following applications with the New Mexico Oil Conservation Division seeking orders pooling all mineral interests as set forth below:

- (a) Case No. 20108, for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the N/25/2 of Section 15 and the N/25/2 of Section 14, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Ted 1514 Fed. Com. Well No. 123H;
- (b) Case No. 21110, for an order pooling all mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the S/2S/2 of Section 15 and the S/2S/2 of Section 14, Township 20 South, Range 29 East, NMPM. The unit will be dedicated to the Ted 1514 Fed. Com. Well

The applications are scheduled to be heard at 8:15 a.m. on April 22, 2021. During the COVID-19 Public Health Emergen-The applications are scheduled to be heard at 8:15 a.m. on April 22, 2021. During the COVID-19 Public Health Emergency, state buildings are closed to the public and the hearing will be conducted remotely. To determine the location of the hearing or to participate in an electronic hearing, go to emnrd.state.nm.us/OCD/hearings or see the instructions posted on the Division's website, http://emnrd.state.nm.us/OCD/announcements.html. As an interest owner in the well units, you have the right to enter an appearance and participate in the cases. Failure to appear will preclude you from contesting these matters at a later date. A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, April 15, 2021. This statement may be filed online with the Division at ocd. hearings@state.nm.us, and should include: The name of the party and his or her attorney; a concise statement of the case; the name(s) of the witness(es) the party will call to testify at the hearing; the approximate time the party will need to present his or her case; and identification of any procedural matters that need to be resolved prior to the hearing. The Pre-Hearing Statement must also be provided to the undersigned. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504, (505) 982-2043, jamesbruc@aol.com. The units are located approximately 19 miles east-southeast of Lakewood, New Mexico. mately 19 miles east-southeast of Lakewood, New Mexico.

April 7, 2021

KATHLEEN ALLEN Notary Public State of Wisconsin

Ad # 0004676519 PO #: 20108 # of Affidavits 1

This is not an invoice