

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.371.5202 • Fax 214.866.4802 <u>kperkins@matadorresources.com</u>

Kyle Perkins Operations and Regulatory Counsel

December 20, 2019

Kathleen Murphy Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Itemized Schedule of Estimated Costs Case No. 20736 Order No. R- 20966

Dear Ms. Murphy:

Pursuant to Paragraph 10 of Order No. R-20966, Matador Production Company hereby submits the following itemized schedule of estimated costs for its Ray State Com 36&25-238-28E #224H well:

	Intangible	Tangible
Drilling	\$3,539,739	\$1,048,326
Completion	\$6,503,753	\$134,400
Production	\$527,019	\$614,975
Total Intangible	\$10,570,511	
Total Tangible		\$1,797,701
Total	\$12,368,212	

Thank you, and please contact me with any questions.

Sincerely. KL R.

Kyle Perkins

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

OF COSTS AND AUTHORIZATION FOR

	ESTIMATE OF COSTS AND A	UTHORIZATION FOR EXPENDITURE	
DATE:	November 7, 2019	AFE NO.:	500000 841 01 001 R1
WELL NAME:	Ray 36&25-23S-28E RB 224H	FIELD:	
LOCATION:	Section 36&25-23S-28E	MD/TVD:	21300'/10780'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	About 9800
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill and complete a horizontal Wolfcamp well with	about 64 stages	

PRODUCTION FACILITY DRILLING COMPLETION TOTAL INTANGIBLE COSTS COSTS COSTS COSTS COSTS COSTS Land / Legal / Regulatory 51,500 50.000 101.500 Location, Surveys & Damages 139,500 13,000 25,000 10,000 187,500 1,034,142 Drilling 1,034,142 239,000 9,500 Cementing & Float Equip 239,000 Logging / Formation Evaluation 6,500 3,000 Flowback - Labor 81,540 81,540 Flowback - Surface Rentals Flowback - Rental Living Quarters 69.750 69,750 38,350 Mud Logging Mud Circulation System Mud & Chemicals 38 350 81,150 294,650 81,150 80,000 6,000 208,650 Mud / Wastewater Disposal 160,000 88,500 160 000 Freight / Transportation 42,000 46,500 16,500 10,800 **Rig Supervision / Engineering** 192,000 133,800 353,100 **Drill Bits** 88,000 88,000 Drill Bit Purchase 157,500 157,500 Fuel & Power Water Drig & Completion Overhead 62,500 923,000 2,000 987,500 17,500 30,000 47,500 Plugging & Abandonment Directional Drilling, Surveys 268,828 268,828 170,000 150,000 Completion Unit, Swab, CTU 20,000 411,000 110,000 Perforating, Wireline, Slickline 411,000 6,000 **High Pressure Pump Truck** 116,000 Stimulation Stimulation Flowback & Disp 3 776 000 3.776.000 139,500 151,900 12,400 Insurance 32,490 32,490 Labor 169,500 38,250 15,000 5.000 227,750 350,550 Rental - Surface Equipment 160,375 10,000 7,500 528,425 Rental - Downhole Equipment 131.500 120,000 251,500 Rental - Living Quarters 75,200 5,000 134,975 152,429 44,429 Contingency 247,978 444,835 MaxCom 37,625 37,625 TOTAL INTANGIBLES > 3,539,739 6.503.753 488,719 38,300 10,570,510 DRILLING COMPLETION FACILITY TOTAL PRODUCTION TANGIBLE COSTS COSTS COSTS COSTS COSTS COSTS 22,153 97,842 Surface Casing 22,153 Intermediate Casing Drilling Liner 97,842 373 373 395 Production Casing 459,536 459,536 Production Liner 183,750 183,750 Tubing 25,000 6,000 Wellhead 95,000 120,000 134,400 140,400 Packers, Liner Hangers 7,700 7.700 Tanks Production Vessels 28,525 28,525 Flow Lines Rod string 35 000 35,000 Artificial Lift Equipment 15,000 15,000 Compressor Installation Costs 30.000 30,000 Surface Pumps Non-controllable Surface 5,000 10,000 15,000 400 400 Non-controllable Downhole **Downhole Pumps** 107,000 117,000 10,000 Measurement & Meter Installation Measurement & Meter Installatio Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers 60,000 60,000 10,000 10,000 Tank / Facility Containment 20,000 Flare Stack Electrical / Grounding 20,000 2,000 32,000 30,000

ARED BY MATADOR PRODUCTION COMPANY: Drilling Engineer: Jordan Ellington Completions Engineer: Garrett Hunt Production Engineer: Kyle Christy DOR RESOURCES COMPANY APPROVAL: VP - Res Engineering Executive VP, COO/CFO VP - Res Engineering DEL BMR		TOTAL TANGIBLES >	1,048,326	134,400	271,750	343,225	1,797,70
Drilling Engineer: Jordan Ellington Team Lead - WTX/NM WTE Completions Engineer: Garrett Hunt WTE Production Engineer: Kyle Christy WTE DOR RESOURCES COMPANY APPROVAL: VP - Res Engineering VP - Drilling DEL BMR WP - Drilling		TOTAL COSTS >	4,588,065	6,638,153	760,469	381,525	12,368,21
Drilling Engineer: Jordan Ellington Team Lead - WTX/NM WTE Completions Engineer: Garrett Hunt WTE Production Engineer: Kyle Christy WTE DOR RESOURCES COMPANY APPROVAL: VP - Res Engineering VP - Drilling DEL BMR WP - Drilling	RED BY MATADOR PR	ODUCTION COMPANY:					
Completions Engineer: Garrett Hunt WTE Production Engineer: Kyle Christy DOR RESOURCES COMPANY APPROVAL: Executive VP, COO/CFO DEL VP - Res Engineering DBR	Drilling Engineer	Jordan Ellington	Team Lead - W/TX/NM	LIT			
Production Engineer: Kyle Christy OR RESOURCES COMPANY APPROVAL: Executive VP, COO/CFO VP - Res Engineering DEL BMR			Team Lead - WTXMM				
Executive VP, COO/CFO VP - Res Engineering VP - Drilling VP - Drilling							
DEL BMR	OR RESOURCES COM	IPANY APPROVAL:					
DEL	Executive VP, COO/CFO		VP - Res Engineering			VP - Drilling	
Executive VP. Legal Exec Dir - Exploration VP - Production		DEL	_	BMR			BG
	Executive VP, Legal		Exec Dir - Exploration			VP - Production	
CA NLF		CA		NLF			GS
President	President						
MVH		MVH					
ATING PARTNER APPROVAL:			Wo	rking Interest (%):		Tax ID:	
	Signed by			Date:			
Company Name: Working Interest (%): Tax ID				Approval	Yes	No	(mark one)

5,000

271,750

25,000

Communications / SCADA Instrumentation / Safety

5,000 25.000

DEC 23 2019 PM02:19

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Kyle Perkins Operations and Regulatory Counsel

December 20, 2019

Kathleen Murphy Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Itemized Schedule of Estimated Costs Case No. 20736 Order No. R- 20966

Dear Ms. Murphy:

Pursuant to Paragraph 10 of Order No. R-20966, Matador Production Company hereby submits the following itemized schedule of estimated costs for its Ray State Com 36&25-238-28E #223H well:

	Intangible	Tangible
Drilling	\$3,539,739	\$1,048,326
Completion	\$6,503,753	\$134,400
Production	\$629,719	\$699,005
Total Intangible	\$10,673,211	
Total Tangible		\$1,881,731
Total	\$12,554,942	

Thank you, and please contact me with any questions.

Sincerely,

RPL

Kyle Perkins

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

TE AND AUTHODIZ

DATE:	November 7, 2019	AFE NO.:	500000 840 01 001 R1
WELL NAME:	Ray 36&25-23S-28E RB 223H	FIELD:	500000.040.01.001.11
LOCATION:	Section 36&25-23S-28E	MD/TVD:	20847'/10780'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	About 9800
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		
REMARKS:	Drill and complete a horizontal Wolfcamp well with	about 64 stages	

DRILLING COMPLETION PRODUCTION FACILITY COSTS TOTAL INTANGIBLE COSTS COSTS COSTS COSTS COSTS Land / Legal / Regulatory 50.000 51,500 25.000 126 500 139,500 1,034,142 25,000 25,000 Location, Surveys & Damages 13,000 202.500 Drilling 1.034.142 239,000 239,000 9,500 Cementing & Float Equip ogging / Formation Evaluation 6,500 3,000 Flowback - Labor 81,540 81.540 Flowback - Surface Rentals 69,750 69,750 Flowback - Rental Living Quarters 38 350 38 350 Mud Logging Mud Circulation System Mud & Chemicals 81,150 81,150 294,650 160,000 80,000 6,000 208,650 Mud / Wastewater Disposal Freight / Transportation 160 000 42,000 46,500 88,500 15,000 **Rig Supervision / Engineering** 192,000 133.800 10,800 351,600 Drill Bits 88,000 88,000 Drill Bit Purchase 157 500 157 500 Fuel & Power Water Drig & Completion Overhead 62,50 923,000 2,000 987 17,500 30,000 47,500 Plugging & Abandonment Directional Drilling, Surveys 268,828 268,828 20,000 150.000 Completion Unit, Swab, CTU 170 000 Perforating, Wireline, Slicklin 411,000 411,000 High Pressure Pump Truck 6,000 110,000 116,000 Stimulation 3.776,000 3 776 000 Stimulation Flowback & Disp 195,000 12,400 207,400 32,490 Insurance 32,490 38 250 15,000 labor 169 500 5 000 227,750 350,550 Rental - Surface Equipment 528,425 160,375 10,000 7,500 Rental - Downhole Equipment 131,500 120,000 3,000 254 500 Rental - Living Quarters 75,200 5,000 134,975 50,129 152,429 Contingency 247,978 450,535 MaxCom 37 625 37,625 TOTAL INTANGIBLES > 3,539,739 6 503 753 551 419 78 300 10,673,210 FACILITY DRILLING COMPLETION PRODUCTION TOTAL TANGIBLE COSTS COSTS COSTS COSTS COSTS COSTS 22,153 Surface Casing 22,153 Intermediate Casing 97.842 97,842 Drilling Liner 373.3 Production Casing 459,536 459,536 Production Liner 173,400 173,400 Tubing 95,000 Wellhead 25,000 120,000 134,400 6,000 140,400 Packers, Liner Hangers 37,080 37,080 Tanks 28,525 **Production Vessels** 28,525 Flow Lines Rod string 35,000 Artificial Lift Equipment 35,000 25,000 Compressor 25,000 24,000 24,250 Installation Costs 24,000 Surface Pumps 5,000 19.250 400 Non-controllable Surface 400 Non-controllable Downhole **Downhole Pumps** 111,500 121,500 Measurement & Meter Installation 10,000 Gas Conditioning / Dehydration 85,000 85,000 Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment 20.000 20,000 25,000 3,500 25,000 5,500 Flare Stack 2,000 Electrical / Grounding Communications / SCADA Instrumentation / Safety 5,000 5.000

TOTAL COSTS > 4.588.065 6.638.153 812.819 515,905 12,554,941 PREPARED BY MATADOR PRODUCTION COMPANY: Jordan Ellington Team Lead - WTX/NM LTE Drilling Engineer: Garrett Hunt Completions Engineer Production Engineer: Luis Servin MATADOR RESOURCES COMPANY APPROVAL: VP - Res Engineering Executive VP, COO/CFO VP - Drilling BG BMD VP - Production Exec Dir - Exploration Executive VP, Legal NLF CE CA President MVH NON OPERATING PARTNER APPROVAL: Working Interest (%): Tax ID Company Name: Date Signed by: (mark one) Title Approval Yes No ic item or the lotal cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well ha THE NE PO are share of actual pech

134,400

1,048,326

TOTAL TANGIBLES >

nued as ceilings on any spin inder the terms of the appli AFE - Version 3

58,750

437,605

261,400

58,750

1,881,731

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Kyle Perkins Operations and Regulatory Counsel

December 20, 2019

Kathleen Murphy Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Itemized Schedule of Estimated Costs Case No. 20736 Order No. R- 20966

Dear Ms. Murphy:

Pursuant to Paragraph 10 of Order No. R-20966, Matador Production Company hereby submits the following itemized schedule of estimated costs for its Ray State Com 36&25-23S-28E #217H well:

	Intangible	Tangible
Drilling	\$3,154,775	\$995,222
Completion	\$5,799,753	\$134,400
Production	\$626,419	\$679,355
Total Intangible	\$9,580,947	
Total Tangible		\$1,808,977
Total	\$11,386,924	

Thank you, and please contact me with any questions.

Sincerely,

Kyle Perkins

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

ESTIMATE OF COSTS AND AUTHORIZATION FOR EX

DATE:	November 7, 2019	AFE NO.:	500000.839.01.001 R1
WELL NAME:	Ray 36&25-23S-28E RB 217H	FIELD:	
LOCATION:	Section 36&25-23S-28E	MD/TVD:	20350'/9900'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	About 9800
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp A		
REMARKS:	Drill and complete a horizontal Wolfcamp well with about 6	4 stages	

DRILLING COMPLETION PRODUCTION TOTAL FACILITY INTANGIBLE COSTS COSTS COSTS COSTS COSTS Land / Legal / Regulatory 50 000 25,000 25,000 51,500 126 500 Location, Surveys & Damages 119,500 13,000 182,500 25,000 Drilling 891,763 891,763 Cementing & Float Equip 239,000 239,000 Logging / Formation Evaluation 6,500 3,000 9,500 5 000 Flowback - Labor 81.540 86.540 Flowback - Surface Rentals Flowback - Rental Living Quarters 77,250 69,750 5,000 5.000 Mud Logging Mud Circulation System 30.550 30,550 70,060 70,060 6,000 Mud & Chemicals 80,000 186.000 272 000 Mud / Wastewater Disposal Freight / Transportation 155,000 155,000 34,800 46,500 81,300 10,800 **Rig Supervision / Engineering** 163.200 133,800 15,000 322,800 Drill Bits Drill Bit Purchase 88,000 88,000 130 500 Fuel & Power 130,500 Water Drig & Completion Overhead 62,500 923,000 2,000 987,500 44,500 14,500 30,000 Plugging & Abandonment Directional Drilling, Surveys 279,268 279,268 Completion Unit, Swab, CTU 150,000 20,000 170,000 Perforating, Wireline, Slickline 411,000 411,000 High Pressure Pump Truck 110,000 6.000 116.000 Stimulation Stimulation Flowback & Disp 3,072,000 207,400 3.072.000 195,000 12,400 32,490 Insurance 32,490 151,500 115,275 38,250 350,550 Labor 204,750 15,000 Rental - Surface Equipment 475,825 10,000 Rental - Downhole Equipment 106 593 120,000 226 593 Rental - Living Quarters 65,750 120,525 49,829 135,852 247,978 433,658 Contingency MaxCom 31 175 31,175 TOTAL INTANGIBLES > 3,154,775 5 799 753 548 119 78,300 9,580,947 FACILITY DRILLING COMPLETION PRODUCTION TOTAL TANGIBLE COSTS COSTS COSTS COSTS COSTS COSTS Surface Casing 20.009 20,009 Intermediate Casing 96.238 325.227 96,238 Drilling Liner 325,227 Production Casing 458,348 458,348 Production Liner Tubing 153,750 153,750 Wellhead 95.000 25,000 120.000 Packers, Liner Hangers 134,400 6,000 140,400 37,080 Tanks 37.080 Production Vessels Flow Lines 28.525 28,525 Rod string Artificial Lift Equipment 35,000 35 000 25,000 Compresso 25,000 24,000 Installation Costs 24.000 24,250 Surface Pumps 5,000 19,250 400 Non-controllable Surface 400 Non-controllable Downhole Downhole Pumps 111,500 Measurement & Meter Installation 10,000 121,500 Gas Conditioning / Dehydration 85,000 85,000 Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers 20,000 Tank / Facility Containment 20,000 Flare Stack Electrical / Grounding 25,000 3,500 25,000 5,500 2.000 Communications / SCADA 5,000 5 000

Drilling Engineer:	JD Harkrider	Team Lead - WTX/NM WTE	
Completions Engineer:	Garrett Hunt	WTE	
Production Engineer:	Jan Mosnes		
OR RESOURCES COM	PANY APPROVAL:		
Executive VP, COO/CFO		VP - Res Engineering	VP - Drilling
	DEL	BMR	BG
Executive VP, Legal		Exec Dir - Exploration	VP - Production
	CA	NLF	GS
President			
	MVH		
PERATING PARTNER A	PPROVAL:		
Company Name:		Working Interest (%)	Tax ID:
Signed by:		. Date:	
		Approval	Yes No (mark o

134,400

5,934,153

995,222

4,149,997

Instrumentation / Safety

TOTAL TANGIBLES >

TOTAL COSTS >

including legal curative regulatory, brokerage and well costs under the lerms of the appli evidencing its own insurance in an amount acceptable to the Operator by the date of spud AFE - Version 3

58,750

1,808,977

11,389,923

58,750

437,605

515,905

241,750

789,869

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Kyle Perkins Operations and Regulatory Counsel

December 20, 2019

Kathleen Murphy Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Itemized Schedule of Estimated Costs Case No. 20736 Order No. R- 20966

Dear Ms. Murphy:

Pursuant to Paragraph 10 of Order No. R-20966, Matador Production Company hereby submits the following itemized schedule of estimated costs for its Ray State Com 36&25-23S-28E #204H well:

	Intangible	Tangible
Drilling	\$3,060,588	\$1,009,613
Completion	\$5,799,753	\$134,400
Production	\$588,619	\$597,475
Total Intangible	\$9,448,960	
Total Tangible		\$1,741,488
Total	\$11,190,448	

Thank you, and please contact me with any questions.

Sincerely,

ZIR.

Kyle Perkins

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

	ESTIMATE OF COSTS AND A	UTHORIZATION FOR EXPENDITURE	
DATE:	November 7, 2019	AFE NO.:	500000.838.01.001 R1
WELL NAME:	Ray 36&25-23S-28E RB 204H	FIELD:	
LOCATION:	Section 36&25-23S-28E	MD/TVD:	20200'/9750'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	About 9800
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp A		
REMARKS:	Drill and complete a horizontal Wolfcamp well with	about 64 stages	

COSTS 51,500 PRODUCTION COMPLETION FACILITY TOTAL DRILLING INTANGIBLE COSTS COSTS COSTS COSTS COSTS Land / Legal / Regulatory 50,000 10,000 111.500 157,500 841,263 13,000 Location, Surveys & Damages 25,000 Drilling 841,263 Cementing & Float Equip 239,000 239 000 Logging / Formation Evaluation Flowback - Labor 6,500 3,000 9,500 5,000 81,540 86,540 77,250 5,000 Flowback - Surface Rentals 69,750 7 500 Flowback - Rental Living Quarters 5,000 27,300 65,780 180,950 Mud Logging 27,300 Mud Circulation System 65,780 Mud & Chemicals 80,000 6,000 266,950 Mud / Wastewater Disposal 150.000 150,000 32,400 153,600 Freight / Transportation 46 500 78,900 16,500 **Rig Supervision / Engineering** 10,800 133,800 314,700 Drill Bits 88,000 88,000 Drill Bit Purchase 121,500 Fuel & Power 121,500 Water Drig & Completion Overhead 62,500 923,000 987,500 2,000 13,500 30,000 43,500 Plugging & Abandonment Directional Drilling, Surveys 280,113 280,113 Completion Unit, Swab, CTU 150.000 20,000 170,000 411,000 110,000 Perforating, Wireline, Slickline 411,000 High Pressure Pump Truck 6,000 116,000 Stimulation 3,072,000 3 072 000 Stimulation Flowback & Disp 195,500 207,900 12,400 32,490 Insurance 32,490 Labor 15,000 38 250 151,500 204 750 107,325 467,875 Rental - Surface Equipment 350,550 10,000 Rental - Downhole Equipment Rental - Living Quarters 105,000 120,000 225 000 62,600 145,742 117,375 443,749 247,978 50,029 Contingency MaxCom 29.025 29 025 TOTAL INTANGIBLES > 3,060,588 5,799,753 550.319 38,300 9,448,959 FACILITY DRILLING COMPLETION PRODUCTION TOTAL TANGIBLE COSTS COSTS COSTS COSTS COSTS COSTS Surface Casing 22,153 22,153 99,446 348,990 Intermediate Casing 99,446 Drilling Liner 348 990 Production Casing 443,624 443,624 Production Liner 166,250 166,250 Tubing 95,000 25,000 6,000 Wellhead 120,000 134,400 140 400 Packers, Liner Hangers 7,700 7.700 Tanks Production Vessels 28,525 28,525 Flow Lines Rod string 35,000 Artificial Lift Equipment 35,000 15,000 15,000 Compressor Installation Costs 30.000 30,000 5,000 10,000 15,000 Surface Pumps Non-controllable Surface 400 400 Non-controllable Downhole **Downhole Pumps** 107,000 117,000 10,000 Measurement & Meter Installation Gas Conditioning / Dehydration 60,000 Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers 60,000 10,000 10,000 Tank / Facility Containment Flare Stack 20.000 20.000 32,000 5,000 2,000 30,000 Electrical / Grounding Communications / SCADA Instrumentation / Safety 5,000 25,000 25 000

Drilling Engineer:	JD Harkrider	Team Lead - WTX/NM &TE	
Completions Engineer:	Jackson Driggs	WTE	
Production Engineer:	Kyle Christy		
OR RESOURCES COM	PANY APPROVAL:		
Executive VP, COO/CFO		VP - Res Engineering	VP - Drilling
	DEL	BMR	BG
Executive VP, Legal	A 1	Exec Dir - Exploration	VP - Production
-	CA	NLF	55
President_	MVH		
PERATING PARTNER A	PPROVAL:		
Company Name:		Working Interest (%)	Tax ID:
Signed by:		Date:	

134,400

5,934,153

1,009,613

4,070,201

TOTAL TANGIBLES >

TOTAL COSTS >

254,250

804,569

343,225

381,525

The code on this AFE are estimates on y and may not be construct as cellings on any specific loem or the load cost of the project. Tubing installation approved under the AFE may be derived use to a year while the well has been completed in one-are given AFE. In efficiency approach, approximation of the specific loem or the load cost of the project on status regulationy order or short approximation to versite the specific loem or the load cost of the project on status regulatory order or short approximation to versite the specific loem or the load cost of the project on status regulatory order or short approximation to versite the specific loem or the load cost of the project on status regulatory order or short approximation to versite the specific loem or the load cost of the specific loem or the load cost of the specific loem or the load cost of the low order or short approximation to versite the low of the loed cost of the low order or short approximation to versite the low order loed proportionality for Operator and ender of provide or short approximation to versite the low order location to the location to th AFE - Version 3

1,741,488 11,190,448

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Kyle Perkins Operations and Regulatory Counsel

December 20, 2019

Kathleen Murphy Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Itemized Schedule of Estimated Costs Case No. 20736 Order No. R- 20966

Dear Ms. Murphy:

Pursuant to Paragraph 10 of Order No. R-20966, Matador Production Company hereby submits the following itemized schedule of estimated costs for its Ray State Com 36&25-23S-28E #203H well:

	Intangible	Tangible
Drilling	\$3,112,304	\$995,352
Completion	\$5,799,753	\$134,400
Production	\$644,019	\$681,580
Total Intangible	\$9,556,075.00	
Total Tangible		\$1,811,332
Total	\$11,367,407	

Thank you, and please contact me with any questions.

Sincerely,

1PL

Kyle Perkins

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

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPE

DATE:	November 7, 2019	AFE NO.:	500000.837.01.001 R1
WELL NAME:	Ray 36&25-23S-28E RB 203H	FIELD:	
LOCATION:	Section 36&25-23S-28E	MD/TVD:	19893'/9715'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	About 9800
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp A		
REMARKS:	Drill and complete a horizontal Wolfcamp well with abo	ut 64 stages	

DRILLING COMPLETION PRODUCTION FACILITY TOTAL INTANGIBLE COSTS COSTS COSTS COSTS COSTS COSTS Land / Legal / Regulatory 50,000 51,500 25,000 126,500 S \$ Location, Surveys & Damages Drilling 13,000 139 500 25 000 25,000 202,500 870,167 870,167 239,000 Cementing & Float Equip 239,000 9,500 81,540 Logging / Formation Evaluation 6,500 3,000 81,540 Flowback - Labor Flowback - Surface Rentals Flowback - Rental Living Quarters 69,750 69,750 28,600 28,600 Mud Logging Mud Circulation System Mud & Chemicals 67,920 170,950 67,920 256,950 80,000 6,000 Mud / Wastewater Disposal Freight / Transportation 155 000 155,000 33,600 158,400 46,500 80,100 15,000 10,800 318,000 **Rig Supervision / Engineering** 133,800 Drill Bits Drill Bit Purchase 88.000 88,000 138,600 138,600 Fuel & Power 62,500 14,000 923,000 30,000 Water 2,000 987 500 44,000 Drlg & Completion Overhead Plugging & Abandonment Directional Drilling, Surveys 256,216 256,216 150,000 20,000 170,000 Completion Unit, Swab, CTU 411,000 orating, Wireline, Slickline 411.000 Perf 116,000 6,000 110,000 High Pressure Pump Truck Stimulation 3,072,000 3,072,000 Stimulation Flowback & Disp 12,400 208,000 220,400 32,490 32,490 Insurance 151,500 111,300 38,250 15.000 Labor 5,000 209,750 10,000 479,350 223,581 350,550 7,500 Rental - Surface Equipment Rental - Downhole Equipment Rental - Living Quarters 100,581 64,175 3,000 120,000 5,000 54 775 123,950 447,611 247,978 51,429 148,205 Contingency 30,100 MaxCom 30,100 565,719 78,300 TOTAL INTANGIBLES > 3,112,304 5,799,753 9,556,075 FACILITY DRILLING COMPLETION PRODUCTION TOTAL TANGIBLE COSTS COSTS COSTS COSTS COSTS COSTS 20,009 96,238 347,656 Surface Casing 20,009 Intermediate Casing Drilling Liner 96,238 347,656 436,050 436,050 Production Casing Production Liner 155,975 155.975 Tubing 95,000 120,000 Weilhead 25,000 134,400 6,000 Packers, Liner Hangers 140.400 37.080 37,080 Tanks **Production Vessels** 28,525 28,525 Flow Lines Rod string 35,000 35.000 Artificial Lift Equipment 25,000 24,000 25,000 Compressor Installation Costs 24,000 Surface Pumps 5,000 19,250 24,250 400 400 Non-controllable Surface

995,352	134,400	2,000 5,000 243,975 809,694	25,000 3,500 	25,000 5,500 5,000 58,750 1,811,33 11,367,40
		5,000	3,500	5,500 5,000 58,750
			3,500	5,500 5,000
			the second se	5,500
			the second se	
		-	20,000	20,00
			-	
			85,000	85,000
		10,000	111,500	121,500
			-	-
				85.000

	Jordan Ellington	Team Lead - WTX/NM LTE	
Completions Engineer:	Garrett Hunt	WTE	
Production Engineer:	Luis Servin		
OOR RESOURCES CON	IPANY APPROVAL:		
Executive VP, COO/CFO		VP - Res Engineering	VP - Drilling
E	DEL		VP - Production
Executive VP, Legal	CA	Exec Dir - Exploration	GS
President			
	MVH		
PERATING PARTNER	APPROVAL:		
Company Name:		Working Interest (%):	Tax ID:
Company Name: Signed by:		Working Interest (%):	Tax ID:

AFE - Version 3