

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING AUGUST 17, 2023**

CASE No. 23672

*SCOTT KING STATE COM #111H, #121H, & 131H
WELLS*

EDDY COUNTY, NEW MEXICO



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

**APPLICATION OF MRC PERMIAN
COMPANY FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23672

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- **MRC Permian Company Exhibit F:** Affidavit of Publication for the Case

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**


Case: 23672	APPLICANT'S RESPONSE
Date	August 17, 2023
Applicant	MRC Permian Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company (OGRID No. 228937)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	S.K. Warren Resources, LLC
Well Family	Scott King
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Culebra Bluff; Bone Spring, South [15011]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	N/2 N/2 of Section 1 and the N/2 NE/4 of Section 2, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and</u> is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-4, C-5
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico
Exhibit No. ASubmitted by: MRC Permian Company
Hearing Date: August 17, 2023

Case No. 23672

Well #1	<u>Scott King State Com #111H well</u> SHL: 1,030' FNL, 765' FEL (Lot 1) of Section 1 BHL: 660' FNL, 2,543' FEL (Lot 2) of Section 2 Target: Bone Spring Orientation: East-West Completion: Standard Location
Well #2	<u>Scott King State Com #121H well</u> SHL: 1,013' FNL, 790' FEL (Lot 1) of Section 1 BHL: 332' FNL, 2,541' FEL (Lot 2) of Section 2 Target: Bone Spring Orientation: East-West Completion: Standard Location
Well #3	<u>Scott King State Com #131H well</u> SHL: 1,076' FNL, 699' FEL (Lot 1) of Section 1 BHL: 660' FNL, 2,543' FEL (Lot 2) of Section 2 Target: Bone Spring Orientation: East-West Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-3
Tract List (including lease numbers and owners)	Exhibit C-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-4, C-5
Unlocatable Parties to be Pooled	See Exhibit C (9 unlocatable parties)
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-6

List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4, C-5
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7
Overhead Rates In Proposal Letter	Exhibit C-6
Cost Estimate to Drill and Complete	Exhibit C-6
Cost Estimate to Equip Well	Exhibit C-6
Cost Estimate for Production Facilities	Exhibit C-6
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4, C-5
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	8/15/2023

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

**APPLICATION OF MRC PERMIAN
COMPANY FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23672

APPLICATION

MRC Permian Company (“MRC” or “Applicant”), through undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (a) approving a standard 240-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 1 and N2NE4 of Section 2, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this horizontal well spacing unit. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed overlapping horizontal spacing unit and has the right to drill thereon.
2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed overlapping horizontal spacing unit.
3. Applicant seeks to initially dedicate the above-referenced standard horizontal well spacing unit to the proposed **Scott King State Com 111H, Scott King State Com 121H** and the **Scott King State Com 131H** wells to be horizontally drilled with first take points located in the NE4NE4 (Unit A) of Section 1 and last take points located in the NW4NE4 (Unit B) of Section 2.

69: CF9'H<9'C=@7CBG9FJ5HCB'8-J-GCB'
GUbHJ: YZBYK 'A YI JWE
9I\ J]hBc"6
Gi Va J]H'X'Vm'AF7'DYfa JUb'7 ca dUbm
<YUf]b['8 UHY. '5 i [i gh'/%-Z&\$&
7 UgYBc" &' * +&

4. This standard 240-acre horizontal well spacing unit will overlap a 40-acre vertical well spacing unit comprised of the NE4NW4 (Unit C) of Section 1 that is currently dedicated to the Malaga 1 Com No. 1 well (API No. 30-15-26415) operated by Kaiser Francis Oil Company.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

6. The approval of this overlapping horizontal well spacing unit and the pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on August 3, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving the proposed overlapping horizontal well spacing unit and pooling all uncommitted interests therein;
- B. Designating Matador Production Company as operator of this horizontal well spacing unit and the wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- E. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 
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Adam G. Rankin
Julia Broggi
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pmvance@hollandhart.com

ATTORNEYS FOR MRC PERMIAN COMPANY

CASE _____: **Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (a) approving a standard 240-acre overlapping horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 1 and N2NE4 of Section 2, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Scott King State Com 111H, Scott King State Com 121H** and the **Scott King State Com 131H** wells to be horizontally drilled with first take points located in the NE4NE4 (Unit A) of Section 1 and last take points located in the NW4NE4 (Unit B) of Section 2. This standard 240-acre horizontal well spacing unit will overlap a 40-acre vertical well spacing unit comprised of the NE4NW4 (Unit C) of Section 1 that is currently dedicated to the Malaga 1 Com No. 1 well (API No. 30-15-26415) operated by Kaiser Francis Oil Company. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 2 miles Northeast of Malaga, New Mexico.

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

**APPLICATION OF MRC PERMIAN COMPANY
FOR APPROVAL OF AN OVERLAPPING
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23672

AFFIDAVIT OF REECE CLARK

Reece Clark, of lawful age and being first duly sworn, declares as follows:

1. My name is Reece Clark. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Senior Landman.
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. I am familiar with the application filed by Matador in this case, and I am familiar with the status of the lands in the subject area.
4. In this case, Matador is seeking an order pooling all uncommitted interests in the standard, 240 acre more or less, horizontal spacing unit in the Bone Spring formation comprised of the N/2 N/2 of Section 1 and the N/2 NE/4 of Section 2, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, and initially dedicated to the Scott King State Com #111H, #121H, and #131H, each to be drilled from a surface location within the NE/4 NE/4 of Section 1 to a bottom hole location within the NW/4 NE/4 of Section 2.
5. This 240-acre horizontal well spacing unit will overlap the following existing vertical well spacing units covering portions of the subject acreage:

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case No. 23672**

- a. 40 acre vertical well spacing unit comprised of the NE/4 NW/4 (Unit C) of Section 1, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, which is currently dedicated to the Malaga 1 Com #001 well (API No. 30-15-26415) operated by Kaiser Francis Oil Company;
6. A map showing the above-referenced overlapping spacing unit is attached as **Matador Exhibit C-1**.
7. Matador previously provided Holland and Hart with a list of the working interest owners in both Matador's proposed spacing unit in this case as well as the working interest owners in the Malaga 1 Com #001 well, along with the State of New Mexico, and requested that they be provided with notice of this hearing.
8. **Matador Exhibit C-2** contains the Form C-102 for each of the proposed wells. These forms reflect that the wells comply with statewide setback requirements. Matador understands these well be assigned to the Culebra Bluff; Bone Spring, South (15011) pool.
9. **Matador Exhibit C-3** identifies the tracts of land comprising the proposed horizontal spacing units. The land in the proposed spacing unit is comprised of fee and state lands.
10. **Matador Exhibit C-4** identifies the working interest owners that Matador is seeking to pool along with their respective ownership interest in this proposed horizontal spacing unit.
11. **Matador Exhibit C-5** identifies the overriding royalty interest owners that Matador seeks to pool in this case.
12. There are no depth severances within the Bone Spring formation for this acreage.
13. While Matador was working to put these units together, Matador proposed each of the above wells to each of the working interest parties it seeks to pool. **Matador Exhibit C-6**

contains a sample well proposal letter sent out to those various parties, along with the AFE sent to working interest owners for each well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

14. In addition to sending well proposal letters and AFEs, I have called or emailed each of the working interest owners Matador seeks to pool for whom we were able to find contact information in an attempt to reach an agreement with them. As indicated in **Matador Exhibit C-7**, our proposals were shown as delivered to all of the working interest owners we seek to pool and have been able to contact and have discussions with all of the working interest owners we seek to pool, except for nine owners we have been unable to contact despite multiple efforts. For those nine owners, Matador mailed the well proposals to the last known address we were able to find using recorded county records and online searches, and we attempted to call any known associated phone numbers for those owners that we were able to locate.

15. **Matador Exhibit C-7** contains a summary of Matador's contacts and attempted contacts with the uncommitted working interest owners. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners that Matador seeks to pool in these cases.

16. Matador has made an estimate of overhead and administrative costs for drilling and producing the proposed wells. It is \$8,000/month while drilling, and \$800/month while producing. These costs are consistent with what other operators are charging in this area for these types of wells. Matador respectfully requests that these administrative and overhead costs be incorporated into any orders entered by the Division in these consolidated cases.

17. I provided Matador's outside counsel, Holland & Hart, a list of names and addresses for the parties that Matador is seeking to pool. In compiling these notice lists, Matador conducted

a diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

18. **Matador Exhibits C-1 through C-7** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT.


Reece Clark

STATE OF TEXAS)
)
COUNTY OF Dallas)

SUBSCRIBED and SWORN to before me this 14th day of August 2023 by
Reece Clark.


NOTARY PUBLIC

My Commission Expires:

3/23/2025

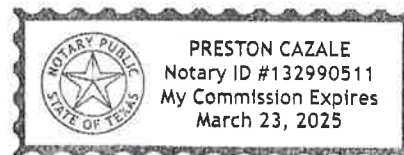


Exhibit C-1

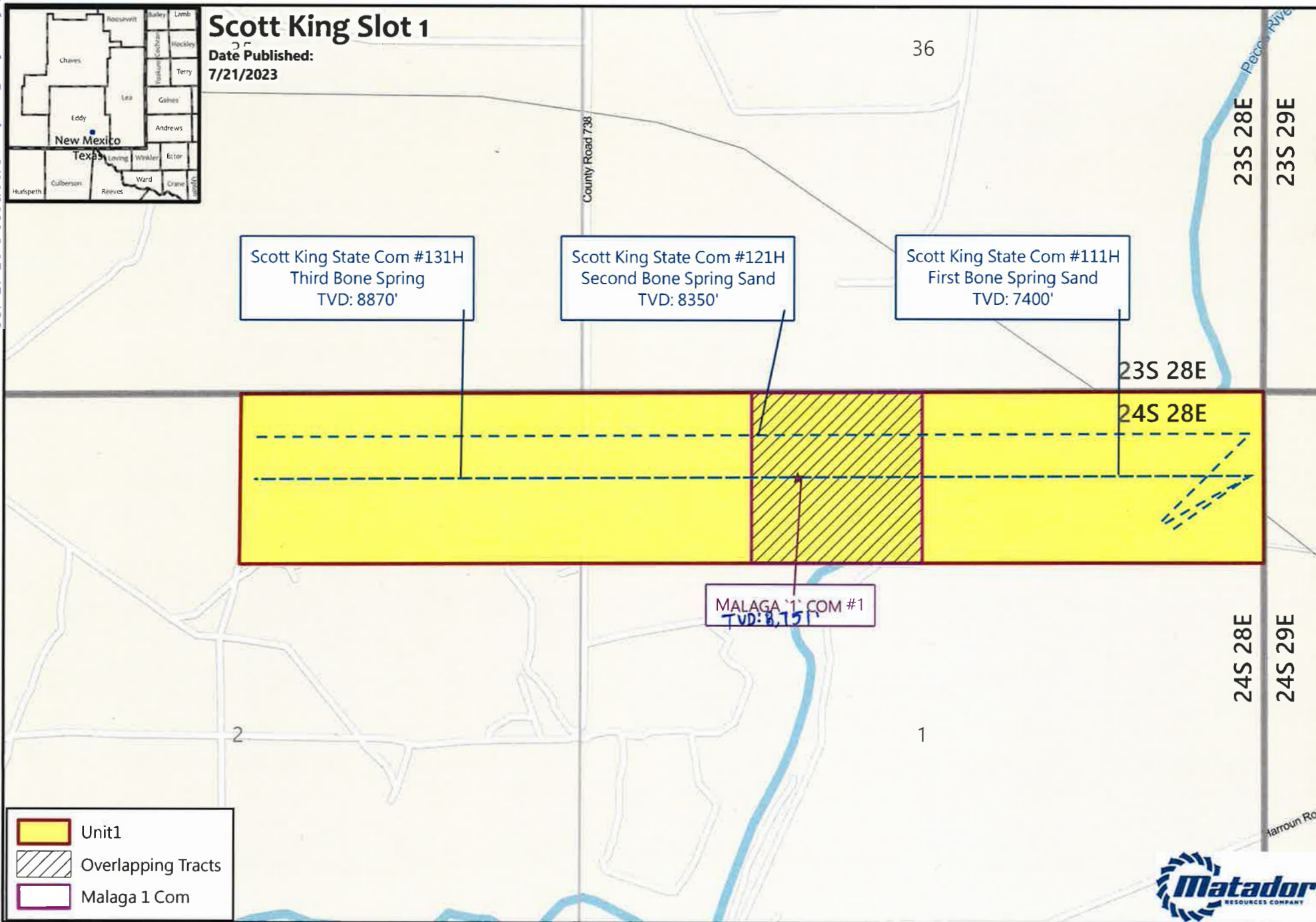


Exhibit C-2

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

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
		15011		Culebra Bluff; Bone Spring, South	
⁴ Property Code		⁵ Property Name			⁶ Well Number
		SCOTT KING STATE COM			111H
⁷ GRID No.		⁸ Operator Name			⁹ Elevation
228937		MATADOR PRODUCTION COMPANY			2981'

¹⁰ Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	1	24-S	28-E	-	1030'	NORTH	765'	EAST	EDDY

¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	2	24-S	28-E	-	660'	NORTH	2543'	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
239.00			

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

		<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill the well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Reece Clark</i> Date: 1/6/23</p> <p>Printed Name: Reece Clark</p> <p>E-mail Address: reece.clark@matadorresources.com</p>
<p>NEW MEXICO EAST NAD 1983</p>		<p>¹⁸SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>01/05/2023</p> <p>Date of Survey Signature and Seal of Professional Surveyor</p> <p></p>
<p>SURFACE LOCATION (SHL)</p> <p>1030' FNL - SEC. 1 765' FEL - SEC. 1 X=633621 Y=455352 LAT.: N 32.2514857 LONG.: W 104.0348158</p>		<p>FIRST PERF. POINT (FPP)</p> <p>660' FNL - SEC. 1 100' FEL - SEC. 1 X=634284 Y=455726 LAT.: N 32.2525078 LONG.: W 104.0326672</p>
<p>LAST PERF. POINT (LPP)</p> <p>660' FNL - SEC. 2 2543' FEL - SEC. 2 X=626541 Y=455684 LAT.: N 32.2524510 LONG.: W 104.0577169</p>		<p>BOTTOM HOLE LOCATION (BHL)</p> <p>660' FNL - SEC. 2 2543' FEL - SEC. 2 X=626541 Y=455684 LAT.: N 32.2524510 LONG.: W 104.0577169</p>
<p>BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-2 Submitted by: MRC Permian Company Hearing Date: August 17, 2023 Case No. 23672</p>		<p>NEW MEXICO EAST NAD 1927</p> <p>SURFACE LOCATION (SHL)</p> <p>X=582438 Y=455293 LAT.: N 32.2513839 LONG.: W 104.0345242</p> <p>FIRST PERF. POINT (FPP)</p> <p>X=593101 Y=455667 LAT.: N 32.2523660 LONG.: W 104.0321758</p> <p>LAST PERF. POINT (LPP)</p> <p>X=585357 Y=455625 LAT.: N 32.2523295 LONG.: W 104.0327243</p>

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

FORM C-102

Revised August 1, 2011

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
	15011	Culebra Bluff; Bone Spring, South
⁴ Property Code	⁵ Property Name	⁶ Well Number
	SCOTT KING STATE COM	121H
⁷ GRID No.	⁸ Operator Name	⁹ Elevation
228937	MATADOR PRODUCTION COMPANY	2981'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	1	24-S	28-E	-	1013'	NORTH	790'	EAST	EDDY

¹¹Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	2	24-S	28-E	-	332'	NORTH	2541'	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
239.00			

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

		<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or is a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Reece Clark</i> Date: 7/6/23</p> <p>Printed Name: Reece Clark</p> <p>E-mail Address: reece.clark@matadorresources.com</p>
<p>NEW MEXICO EAST NAD 1983</p>		<p>¹⁸SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>01/05/2023</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p></p> <p>Certificate Number</p>
<p>SURFACE LOCATION (SHL)</p> <p>1013' FNL - SEC. 1 790' FEL - SEC. 1 X=633596 Y=455369 LAT.: N 32.2515323 LONG.: W 104.0348957</p>		<p>FIRST PERF. POINT (FPP)</p> <p>330' FNL - SEC. 1 100' FEL - SEC. 1 X=634283 Y=456056 LAT.: N 32.2534145 LONG.: W 104.0326698</p>
<p>LAST PERF. POINT (LPP)</p> <p>332' FNL - SEC. 2 2541' FEL - SEC. 2 X=626543 Y=456012 LAT.: N 32.2533521 LONG.: W 104.0577046</p>		<p>BOTTOM HOLE LOCATION (BHL)</p> <p>332' FNL - SEC. 2 2541' FEL - SEC. 2 X=626543 Y=456012 LAT.: N 32.2533521 LONG.: W 104.0577046</p>
<p>NEW MEXICO EAST NAD 1927</p>		<p>SURFACE LOCATION (SHL)</p> <p>X=592413 Y=455310 LAT.: N 32.2516108 LONG.: W 104.0344041</p> <p>FIRST PERF. POINT (FPP)</p> <p>X=583099 Y=455987 LAT.: N 32.2530927 LONG.: W 104.0321782</p> <p>LAST PERF. POINT (LPP)</p> <p>BOTTOM HOLE LOCATION (BHL)</p> <p>X=583360 Y=455853 LAT.: N 32.2632008 LONG.: W 104.0572120</p>

S:\SURVEY\MATADOR_RESOURCES\SCOTT_KING_01-245-286\FINAL_PRODUCTS\LO_SCOTT_KING_STATE_COM_121H_REV2.DWG 3/17/2023 11:19:43 AM pgsa001a

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State of New Mexico
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1220 South St. Francis Dr.
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 15011		³ Pool Name Culebra Bluff; Bone Spring, South	
⁴ Property Code		⁵ Property Name SCOTT KING STATE COM			⁶ Well Number 131H
⁷ GRID No. 228957		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 2979'

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	1	24-S	28-E	-	1076'	NORTH	699'	EAST	EDDY

¹¹Bottom Hole Location If Different From Surface

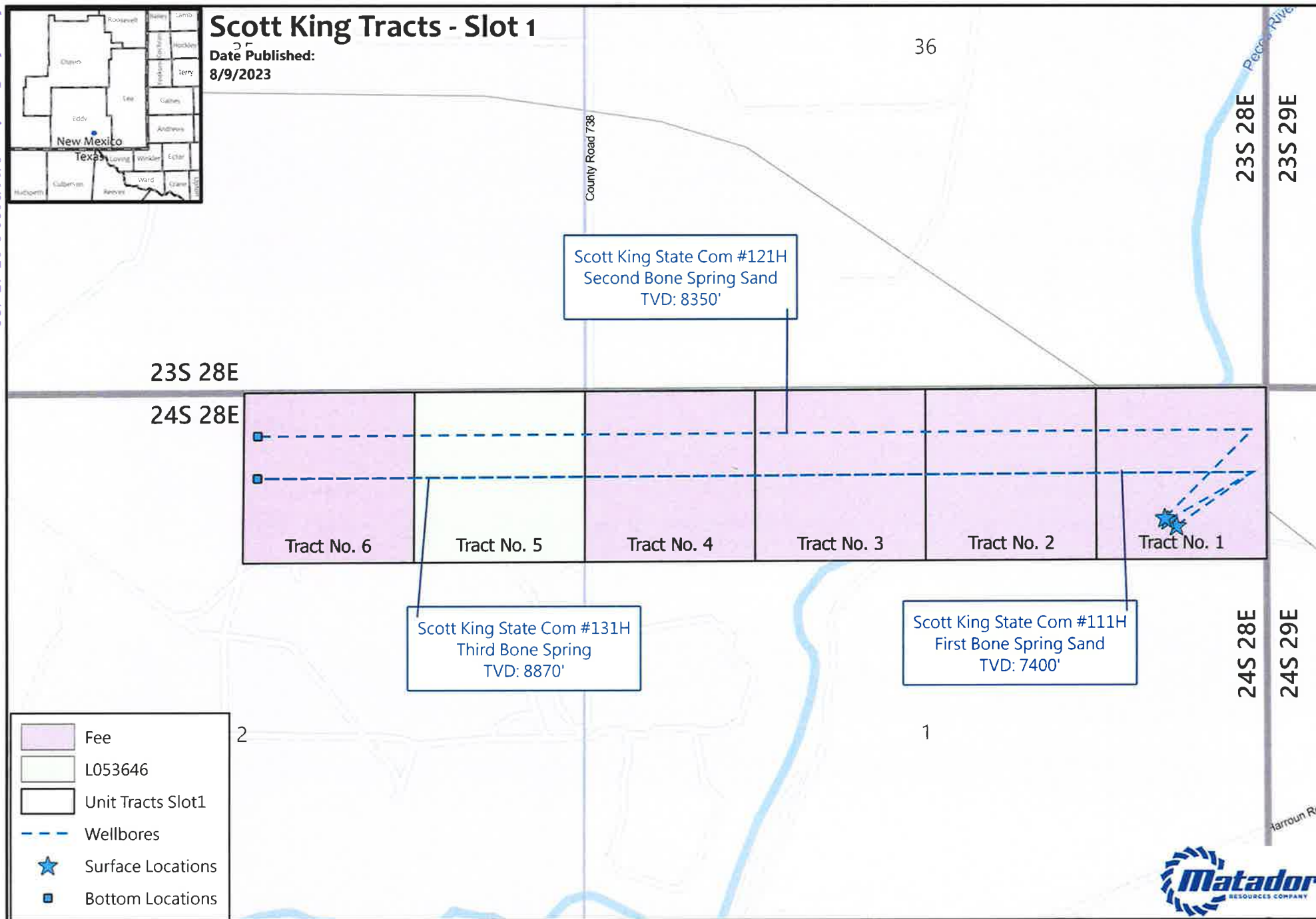
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	2	24-S	28-E	-	660'	NORTH	2543'	EAST	EDDY

¹² Dedicated Acres 239.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
---	-------------------------------	----------------------------------	-------------------------

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

		<p>¹⁷OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: <i>Reece Clark</i> Date: 1/6/23</p> <p>Printed Name: <i>Reece Clark</i></p> <p>E-mail Address:</p> <p>¹⁸SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.</p> <p>01/05/2023</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p> </p> <p>Certificate Number:</p> <p>NEW MEXICO EAST NAD 1927</p> <table border="1"> <tr> <td>SURFACE LOCATION (SHL)</td> <td>FIRST PERF. POINT (FPP)</td> <td>BOTTOM HOLE LOCATION (BHL)</td> </tr> <tr> <td>1076' FNL - SEC. 1 699' FEL - SEC. 1 X=633687 Y=455307 LAT.: N 32.2513608 LONG.: W 104.0346029</td> <td>660' FNL - SEC. 1 100' FEL - SEC. 1 X=634284 Y=455726 LAT.: N 32.2525078 LONG.: W 104.0326672</td> <td>660' FNL - SEC. 2 2543' FEL - SEC. 2 X=626541 Y=455684 LAT.: N 32.2524510 LONG.: W 104.0577169</td> </tr> </table>	SURFACE LOCATION (SHL)	FIRST PERF. POINT (FPP)	BOTTOM HOLE LOCATION (BHL)	1076' FNL - SEC. 1 699' FEL - SEC. 1 X=633687 Y=455307 LAT.: N 32.2513608 LONG.: W 104.0346029	660' FNL - SEC. 1 100' FEL - SEC. 1 X=634284 Y=455726 LAT.: N 32.2525078 LONG.: W 104.0326672	660' FNL - SEC. 2 2543' FEL - SEC. 2 X=626541 Y=455684 LAT.: N 32.2524510 LONG.: W 104.0577169
SURFACE LOCATION (SHL)	FIRST PERF. POINT (FPP)	BOTTOM HOLE LOCATION (BHL)						
1076' FNL - SEC. 1 699' FEL - SEC. 1 X=633687 Y=455307 LAT.: N 32.2513608 LONG.: W 104.0346029	660' FNL - SEC. 1 100' FEL - SEC. 1 X=634284 Y=455726 LAT.: N 32.2525078 LONG.: W 104.0326672	660' FNL - SEC. 2 2543' FEL - SEC. 2 X=626541 Y=455684 LAT.: N 32.2524510 LONG.: W 104.0577169						

Exhibit C-3



1:12,000 BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-3
 Submitted by: MRC Permian Company
 Hearing Date: August 17, 2023
 Case No. 23672

Map Prepared by: amercio.gamarral
 Date: August 9, 2023
 Project: \\gis\UserData\agamarra\temp\20230330 DrewDix_ScottKing\DrawDix_ScottKing.aprx
 Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
 Sources: IHS; ESRI; US DOI BLM Carlsbad, NM Field Office, GIS Department;
 Texas Cooperative Wildlife Collection, Texas A&M University;
 United States Census Bureau (TIGER);

Exhibit C-4

Case No. 23672 (N2N2 of Sec. 1 & N2NE4 of Sec. 2, 24S, 28E)			
Summary of Interests			
Matador Working Interest			59.833%
Voluntary Joinder			0.2088%
Anticipated Voluntary Joinder			0.566%
Compulsory Pooled Interst			39.392%
Interest Owners:	Description:	Tract:	Interest:
Magnum Hunter Production, Inc.	Uncommitted Working Interest Owner	1	16.72%
Patterson Petroleum LLC	Uncommitted Working Interest Owner	2, 3, 4, 6	12.10%
Wayne O&G 1988 Partnership	Uncommitted Working Interest Owner	6	0.04%
Union Hill Oil & Gas Co. Inc.	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	1.4041%
Highland (Texas) Energy Company	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	1.0578%
DHB Partnership	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.7446%
Turner Royalties, LLC	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.6646%
Charles H. Hill, III	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.6347%
Tierra Encantada, LLC	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.3297%
Virginia Ann Desmond	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.2199%
Virginia C. Houston, Trustee of the V. C. Houston Trust	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.2198%
Tamara Joy McDearmon Manning, et al., Co-Trustees of the Reubin R. McDearmon and Bobbie J. McDearmon Revocable Trust dated December 8, 1992	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.2198%
S.N.S. Oil & Gas Properties, Inc.	Uncommitted Working Interest Owner	2, 3, 4	0.0749%

NOTE: All Uncommitted Working Interest Owners are being pooled.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case No. 23672

Jack C. Holland	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.1099%
Successor Trustee of The Anderson Living Trust dated June 26, 1995	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.110%
Phillip G. Huey	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.110%
Glenda Louise Farris Richter	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.082%
Whitney M. Eschenheimer	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.069%
Ralph E. Mackey	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.069%
B&N Energy LLC	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.057%
Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.027%
Jane Scisson Grimshaw	Uncommitted Working	2, 3, 4, 5, 6	0.014%
Judy Scisson Ferreri	Uncommitted Working Interest Owner	2, 3, 4, 6	0.011%
Michael Gollob Oil Company, Inc.	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.011%
Stephen Wolf	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.011%
Sealy Hutchings Cavin, Inc.	Uncommitted Working Interest Owner	5, 6	0.160%
Sam Wolf	Uncommitted Working Interest Owner	2, 3, 4, 5, 6	0.011%
S. K. Warren Resources, L.L.C.	Uncommitted Working Interest Owner	5, 6	4.108%

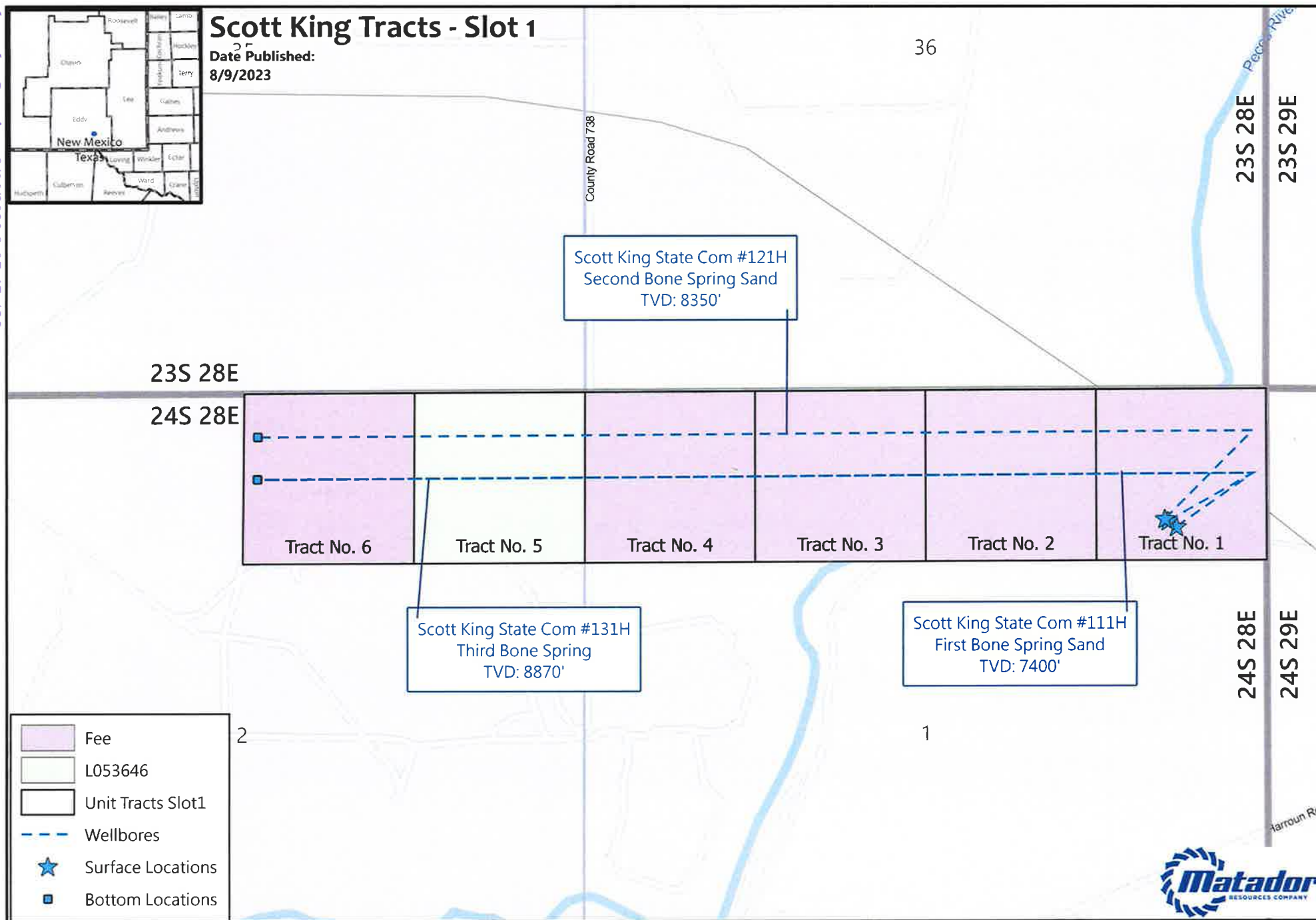


Exhibit C-5

ORRIs

WPX Energy Permian, LLC
Kaiser-Francis Oil Company
Cress Family Holdings, LLC
TD Minerals LLC
Harvard Energy Partners, L.P.
Walter E. Granberry, Jr.
J Bar Cane Royalty, LLC
Tierra Oil Company, LLC
Chalcam Exploration, LLC
Holsum, Inc.
The R-N Limited Partnership
James W. Williams
James Burl Williams
William D. Williams
Melissa Williams McHugh
Linville Douglas Williams
GB Williams Properties, LLC
Janie Larae Morton Peterson
Dru Lynn Christen
Erica Sanderson
Glen Robin Williams
Austin Brady Morton
Courtney Lynn Kitrel
Alexa Larae Christen
Kirsten Watson
Kylla Sanderson Dodds
Masters Energy, LLC
Zunis Energy, LLC
Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trusts
Sharron S. Trollinger, Trustee of the Sharron Stone Trollinger Trust
Read & Stevens, Inc.
First Century Oil, Inc.
Joanne Bringham
S. J. Mansfield, III
Thomas C. Roper, Trustee of the Thomas C. Roper 1992 Trust
Laura Patricia Roper Eggemeyer, Trustee of the Laura Patricia Roper Eggemeyer 1992 Trust

John M. Roper, Trustee of the John M. Roper 1992 Trust
George M. O'Brien
KCK Resources, Inc.
Franklin Mountain Royalty Investments, LLC
Prevail Energy LLC
BR2 Holdings, LLC
Monticello Minerals LLC
Cayuga Royalties, LLC

Exhibit C-6

MRC Permian Company

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

Voice 972.371.5403 • Fax 214.866.4946

reece.clark@matadorresources.com

Reece Clark
Landman

May 4, 2023

VIA CERTIFIED RETURN RECEIPT MAIL

Benco Energy, Inc.
P.O. Box 29
Fort Worth, TX 76101

Re: Scott King #111H, #112H, #121H, #122H, #131H & #132H (the "Wells")
Participation Proposal
N2 of Section 1 & NE/4 of Section 2, Township 24 South, Range 28 East
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Scott King State Com #111H, Scott King Fed Com #112H, Scott King State Com #121H, Scott King Fed Com #122H, Scott King State Com #131H & Scott King Fed Com #132H wells, located in N2 of Section 1 & NE/4 of Section 2, Township 24 South, Range 28 East, Eddy County, New Mexico.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the six (6) enclosed Authority for Expenditures ("AFE") dated May 4, 2023.
- **Scott King State Com #111H:** to be drilled from a legal location with a proposed surface hole location located at 1,030' FNL and 765' FEL of Section 1-24S-28E, a proposed first take point located at 660' FNL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 660' FNL and 2,543' FEL of Section 2-24S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~7,500' TVD) to a Measured Depth of approximately 15,267'.
- **Scott King Fed Com #112H:** to be drilled from a legal location with a proposed surface hole location located at 1,055' FNL and 782' FEL of Section 1-24S-28E, a proposed first take point located at 1,980' FNL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 1,980' FNL and 2,552' FEL of Section 2-24S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~7,490' TVD) to a Measured Depth of approximately 15,257'.
- **Scott King State Com #121H:** to be drilled from a legal location with a proposed surface hole location located at 1,013' FNL and 790' FEL of Section 1-24S-28E, a proposed first take point located at 330' FNL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 332' FNL and 2,541' FEL of Section 2-24S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,450' TVD) to a Measured Depth of approximately 16,217'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-6
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case No. 23672

- **Scott King Fed Com #122H:** to be drilled from a legal location with a proposed surface hole location located at 1,037' FNL and 807' FEL of Section 1-24S-28E, a proposed first take point located at 1,650' FNL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 1,650' FNL and 2,550' FEL of Section 2-24S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,450' TVD) to a Measured Depth of approximately 16,217'.
- **Scott King State Com #131H:** to be drilled from a legal location with a proposed surface hole location located at 1,076' FNL and 699' FEL of Section 1-24S-28E, a proposed first take point located at 660' FNL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 660' FNL and 2,543' FEL of Section 2-24S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,870' TVD) to a Measured Depth of approximately 16,637'.
- **Scott King Fed Com #132H:** to be drilled from a legal location with a proposed surface hole location located at 1,100' FNL and 716' FEL of Section 1-24S-28E, a proposed first take point located at 1,980' FNL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 1,980' FNL and 2,552' FEL of Section 2-24S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,870' TVD) to a Measured Depth of approximately 16,637'.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

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

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement, which will be provided at a later date, and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$8,000/\$800 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

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

Sincerely,

MRC PERMIAN COMPANY

Reece Clark

Reece Clark

Benco Energy, Inc. hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Scott King State Com #111H** well.

_____ Not to participate in the **Scott King State Com #111H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Scott King Fed Com #112H** well.

_____ Not to participate in the **Scott King Fed Com #112H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Scott King State Com #121H** well.

_____ Not to participate in the **Scott King State Com #121H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Scott King Fed Com #122H** well.

_____ Not to participate in the **Scott King Fed Com #122H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Scott King State Com #131H** well.

_____ Not to participate in the **Scott King State Com #131H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Scott King Fed Com #132H** well.

_____ Not to participate in the **Scott King Fed Com #132H**

Benco Energy, Inc.

By: _____

Title: _____

Date: _____

Contact Number: _____

MATADOR PRODUCTION COMPANY

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 EXPENDITURE

DATE:	May 4th, 2023	AFE NO.:	
WELL NAME:	Scott King State Com #111H	FIELD:	Bone Spring
LOCATION:	Section 1&2 24S 28E	MD/TVD:	15267/7500'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	7,200
MRC WI:			
GEOLOGIC TARGET:	First Bone Spring Sand		
REMARKS:	Drill and complete a horizontal 1.5 mile long First Bone Spring sand target with about 31 frac stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 58,000		\$ 50,000	\$ 10,000	\$ 118,000
Location, Surveys & Damages	174,333	13,000	25,000	12,500	224,833
Drilling	619,550				619,550
Cementing & Float Equip	191,000				191,000
Logging / Formation Evaluation		8,000	3,000		11,000
Flowback - Labor			31,050		31,050
Flowback - Surface Rentals			121,488		121,488
Flowback - Rental Living Quarters					
Mud Logging	26,100				26,100
Mud Circulation System	69,900				69,900
Mud & Chemicals	390,000	57,500	9,000		456,500
Mud / Wastewater Disposal	125,000		7,500	1,000	133,500
Freight / Transportation	12,750	33,500			46,250
Rig Supervision / Engineering	67,200	81,100	9,900	1,800	160,000
Drill Bits	58,300				58,300
Fuel & Power	115,200	549,304			664,504
Water	22,500	452,813	3,000	1,000	479,313
Drig & Completion Overhead	10,000				10,000
Plugging & Abandonment					
Directional Drilling, Surveys	220,471				220,471
Completion Unit, Swab, CTU		150,000	11,400		161,400
Perforating, Wireline, Slickline		173,318	7,000		180,318
High Pressure Pump Truck		97,000	8,000		105,000
Stimulation		2,116,575			2,116,575
Stimulation Flowback & Disp		15,500	50,400		65,900
Insurance	9,771				9,771
Labor	138,500	57,000	12,500	5,000	213,000
Rental - Surface Equipment	68,880	287,070	10,000	5,000	370,930
Rental - Downhole Equipment	120,500	82,500	2,000		205,000
Rental - Living Quarters	36,240	43,365		5,000	84,605
Contingency	76,489	157,573	35,374	4,130	273,565
Operations Center	15,456				15,456
TOTAL INTANGIBLES >	2,626,120	4,375,118	396,611	45,430	7,443,279
TANGIBLE COSTS					
Surface Casing	\$ 43,932				\$ 43,932
Intermediate Casing	417,936				417,936
Drilling Liner					
Production Casing	703,514				703,514
Production Liner					
Tubing			128,238		128,238
Wellhead	70,000		30,000		108,000
Packers, Liner Hangers		49,824	6,000		55,824
Tanks				35,000	35,000
Production Vessels				126,181	126,181
Flow Lines				120,000	120,000
Rod string					
Artificial Lift Equipment			20,000		20,000
Compressor				27,500	27,500
Installation Costs				80,000	80,000
Surface Pumps			5,000	15,000	20,000
Non-controllable Surface				2,000	2,000
Non-controllable Downhole					
Downhole Pumps					
Measurement & Meter Installation			11,000	32,000	43,000
Gas Conditioning / Dehydration					
Interconnecting Facility Piping				53,125	53,125
Gathering / Bulk Lines					
Valves, Dumps, Controllers			2,000		2,000
Tank / Facility Containment				8,750	8,750
Flare Stack				20,625	20,625
Electrical / Grounding				40,000	40,000
Communications / SCADA			12,000	5,000	17,000
Instrumentation / Safety				39,000	39,000
TOTAL TANGIBLES >	1,243,382	49,824	214,238	604,181	2,111,625
TOTAL COSTS >	3,869,502	4,424,941	610,849	649,611	9,554,904

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Tyler Kinnon	Team Lead - WTX/NM	JME
Completions Engineer:	Colin Lesnick		
Production Engineer:	Kyle Christy		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, Res	WTE	SVP Geoscience	NLF	COO- Drilling, Completion and Production	CC
Executive VP, Legal	CA				
President	BG				

NON OPERATING PARTNER APPROVAL:

Company Name:		Working Interest (%):		Tax ID:	
Signed by:		Date:			
Title:		Approval:	Yes	No (mark one)	

The costs on this AFE are estimates only and may not be confirmed as savings on any specific item or the total cost of the project. Taking material approval under this AFE may be delayed as to when after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, surface, regulatory, insurance and well costs, under the terms of the applicable joint operating agreement, regulatory order or other agreement governing the well. The participants shall be jointly and severally responsible for the completion of this AFE and the payment of the costs of the well.

MATADOR PRODUCTION COMPANY

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 EXPENDITURE

DATE:	May 4th, 2023	AFE NO.:	
WELL NAME:	Scott King State Com #121H	FIELD:	Bone Spring
LOCATION:	Section 1&2 24S 28E	MD/TVD:	16217'/8450'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	7,200
MRC WI:			
GEOLOGIC TARGET:	Second Bone Spring Sand		
REMARKS:	Drill and complete a horizontal 1.5 mile long 2nd Bone Spring sand target with about 31 frac stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000		\$ 50,000	\$ 10,000	\$ 118,000
Location, Surveys & Damages	154,333	13,000	25,000	12,500	204,833
Drilling	538,050				538,050
Cementing & Float Equip	191,000				191,000
Logging / Formation Evaluation	-	8,000	3,000		11,000
Flowback - Labor			31,050		31,050
Flowback - Surface Rentals			121,488		121,488
Flowback - Rental Living Quarters			-		-
Mud Logging	7,250				7,250
Mud Circulation System	61,088				61,088
Mud & Chemicals	325,000	57,500	9,000		391,500
Mud / Wastewater Disposal	115,000	-	7,500	1,000	123,500
Freight / Transportation	8,500	33,500			42,000
Rig Supervision / Engineering	56,700	81,100	9,900	1,800	149,500
Drill Bits	45,800				45,800
Fuel & Power	97,200	549,304			646,504
Water	22,500	452,813	3,000	1,000	479,313
Drig & Completion Overhead	10,000				10,000
Plugging & Abandonment	-				-
Directional Drilling, Surveys	210,821				210,821
Completion Unit, Swab, CTU	-	150,000	11,400		161,400
Perforating, Wireline, Slickline	-	173,318	7,000		180,318
High Pressure Pump Truck	-	97,000	8,000		105,000
Stimulation	-	2,116,575			2,116,575
Stimulation Flowback & Disp	-	15,500	50,400		65,900
Insurance	10,379				10,379
Labor	138,500	57,000	12,500	5,000	213,000
Rental - Surface Equipment	58,735	287,070	10,000	5,000	360,805
Rental - Downhole Equipment	98,000	82,500	2,000		182,500
Rental - Living Quarters	33,915	43,365		5,000	82,280
Contingency	45,076	157,573	35,374	4,130	242,153
Operations Center	13,041				13,041
TOTAL INTANGIBLES >	2,298,888	4,375,118	396,611	45,430	7,116,047
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 43,932				\$ 43,932
Intermediate Casing	475,454				475,454
Drilling Liner	-				-
Production Casing	744,658				744,658
Production Liner	-				-
Tubing	-		128,238		128,238
Wellhead	70,000		30,000		108,000
Packers, Liner Hangers	-	49,824	8,000		55,824
Tanks	-			35,000	35,000
Production Vessels	-			126,181	126,181
Flow Lines	-			120,000	120,000
Rod string	-				-
Artificial Lift Equipment	-		20,000		20,000
Compressor	-			27,500	27,500
Installation Costs	-			80,000	80,000
Surface Pumps	-		5,000	15,000	20,000
Non-controllable Surface	-			2,000	2,000
Non-controllable Downhole	-				-
Downhole Pumps	-				-
Measurement & Meter Installation	-		11,000	32,000	43,000
Gas Conditioning / Dehydration	-				-
Interconnecting Facility Piping	-			53,125	53,125
Gathering / Bulk Lines	-				-
Valves, Dumps, Controllers	-		2,000		2,000
Tank / Facility Containment	-			8,750	8,750
Flare Stack	-			20,625	20,625
Electrical / Grounding	-			40,000	40,000
Communications / SCADA	-		12,000	5,000	17,000
Instrumentation / Safety	-			39,000	39,000
TOTAL TANGIBLES >	1,342,044	49,824	214,238	604,181	2,210,287
TOTAL COSTS >	3,640,932	4,424,941	610,849	649,611	9,326,334

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer: Tyler Kinnon
 Completions Engineer: Colin Lesnick
 Production Engineer: Kyle Christy

Team Lead - WTX/NM



MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, Res _____ SVP Geoscience _____ COO- Drilling, Completion and Production _____
 WTE _____ NLF _____ CC _____
 Executive VP, Legal _____ CA _____
 President _____ BG _____

NON OPERATING PARTNER APPROVAL:

Company Name: _____ Working Interest (%): _____ Tax ID: _____
 Signed by: _____ Date: _____
 Title: _____ Approval: Yes _____ No (mark one) _____

The basis for this AFE are estimates only and may not be attributable to savings or any specific item in the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of about costs incurred, including, but not limited to, legal, routine, regulatory, shut-in and well costs, under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and bound proportionately for Operator's well control and general liability insurance, as well as participant's proportionate share of about costs incurred, including, but not limited to, an amount not to exceed the Operator's limit of \$100,000.

MATADOR PRODUCTION COMPANY

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 EXPENDITURE

DATE:	May 4th, 2023	AFE NO.:	
WELL NAME:	Scott King State Com #131H	FIELD:	Bone Spring
LOCATION:	Section 1&2 24S 28E	MD/TVD:	16637/8870'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	7,200
MRC WI:			
GEOLOGIC TARGET:	Third Bone Spring		
REMARKS:	Drill and complete a horizontal 1.5 mile long 3rd Bone Spring target with about 31 frac stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 58,000	\$ -	\$ 50,000	\$ 10,000	\$ 118,000
Location, Surveys & Damages	154,333	13,000	25,000	12,500	204,833
Drilling	586,950	-	-	-	586,950
Cementing & Float Equip	196,000	-	-	-	196,000
Logging / Formation Evaluation	-	8,000	3,000	-	11,000
Flowback - Labor	-	-	31,050	-	31,050
Flowback - Surface Rentals	-	-	121,488	-	121,488
Flowback - Rental Living Quarters	-	-	-	-	-
Mud Logging	14,500	-	-	-	14,500
Mud Circulation System	66,375	-	-	-	66,375
Mud & Chemicals	415,000	57,500	9,000	-	481,500
Mud / Wastewater Disposal	115,000	-	7,500	1,000	123,500
Freight / Transportation	8,500	33,500	-	-	42,000
Rig Supervision / Engineering	63,000	81,100	9,900	1,800	155,800
Drill Bits	45,800	-	-	-	45,800
Fuel & Power	108,000	549,304	-	-	657,304
Water	22,500	452,813	3,000	1,000	479,313
Drig & Completion Overhead	10,000	-	-	-	10,000
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	238,281	-	-	-	238,281
Completion Unit, Swab, CTU	-	150,000	11,400	-	161,400
Perforating, Wireline, Slickline	-	173,318	7,000	-	180,318
High Pressure Pump Truck	-	97,000	8,000	-	105,000
Stimulation	-	2,116,575	-	-	2,116,575
Stimulation Flowback & Disp	-	15,500	50,400	-	65,900
Insurance	10,648	-	-	-	10,648
Labor	138,500	57,000	12,500	5,000	213,000
Rental - Surface Equipment	64,610	287,070	10,000	5,000	366,680
Rental - Downhole Equipment	117,500	82,500	2,000	-	202,000
Rental - Living Quarters	35,310	43,365	-	5,000	83,675
Contingency	74,505	157,573	35,374	4,130	271,581
Operations Center	14,490	-	-	-	14,490
TOTAL INTANGIBLES >	2,558,002	4,375,118	396,611	45,430	7,375,161
TANGIBLE COSTS					
Surface Casing	\$ 43,932	\$ -	\$ -	\$ -	\$ 43,932
Intermediate Casing	499,159	-	-	-	499,159
Drilling Liner	-	-	-	-	-
Production Casing	762,848	-	-	-	762,848
Production Liner	-	-	-	-	-
Tubing	-	-	128,238	-	128,238
Wellhead	78,000	-	30,000	-	108,000
Packers, Liner Hangers	-	49,824	6,000	-	55,824
Tanks	-	-	-	35,000	35,000
Production Vessels	-	-	-	126,181	126,181
Flow Lines	-	-	-	120,000	120,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	20,000	-	20,000
Compressor	-	-	-	27,500	27,500
Installation Costs	-	-	-	80,000	80,000
Surface Pumps	-	-	5,000	15,000	20,000
Non-controllable Surface	-	-	-	2,000	2,000
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	11,000	32,000	43,000
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	53,125	53,125
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	2,000	-	2,000
Tank / Facility Containment	-	-	-	8,750	8,750
Flare Stack	-	-	-	20,625	20,625
Electrical / Grounding	-	-	-	40,000	40,000
Communications / SCADA	-	-	12,000	5,000	17,000
Instrumentation / Safety	-	-	-	39,000	39,000
TOTAL TANGIBLES >	1,383,939	49,824	214,238	604,181	2,252,182
TOTAL COSTS >	3,941,941	4,424,941	610,849	649,611	9,627,343

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Tyler Kinnon	Team Lead - WTX/NM	JME
Completions Engineer:	Colin Lesnick		
Production Engineer:	Kyle Christy		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, Res	WTE	SVP Geoscience	NLF	COO- Drilling, Completion and Production	CC
Executive VP, Legal	CA				
President	BG				

NON OPERATING PARTNER APPROVAL:

Company Name:		Working Interest (%):		Tax ID:	
Signed by:		Date:			
Title:		Approval:	Yes	No	(mark one)

The costs on this AFE are estimates only and may not be confirmed as such until an order is placed for the total cost of the project. Further, installation approved under the AFE may be changed or delayed after the well has been completed. In executing this AFE, the Participant agrees to take the maximum share of actual costs incurred, including legal, surface, regulatory, formation and well costs under the terms of this application (not operating agreement), regulatory order or other agreement covering the well. Participants shall be covered by and hold proportionately for (liability) well damage and general liability insurance unless participant provides. Operator to continue existing liability insurance in an amount acceptable to the Operator by the date of report.

Exhibit C-7

Summary of Communications Case No. 23672

Uncommitted Working Interest Owners:

1. Magnum Hunter Production, Inc.

In addition to sending well proposals, Matador has had discussions with Magnum Hunter Production, Inc. regarding their interest and we are continuing to discuss voluntary joinder.

2. Patterson Petroleum, LLC

In addition to sending well proposals, Matador has had discussions with Patterson Petroleum, LLC regarding their interest and we are continuing to discuss voluntary joinder.

3. Wayne O&G 1988 Partnership

Matador sent well proposals to Wayne O&G 1988 Partnership and they elected not to participate in these wells.

4. Union Hill Oil & Gas Co. Inc.

In addition to sending well proposals, Matador has had discussions with Union Hill Oil & Gas Co. Inc. regarding their interest and we are continuing to discuss voluntary joinder.

5. Highland (Texas) Energy Company

In addition to sending well proposals, Matador has had discussions with Highland (Texas) Energy Company regarding their interest and we are continuing to discuss voluntary joinder.

6. DHB Partnership

Matador sent well proposals to DHB Partnership and they elected not to participate in these wells.

7. Turner Royalties, LLC

Matador has sent well proposals to the last known address of Turner Royalties, LLC and attempted to make communication regarding their interest.

8. Charles H. Hill, III

Matador has sent well proposals to the last known address of Charles H. Hill, III and attempted to make communication regarding their interest.

9. Virginia Ann Desmond

Matador has sent well proposals to the last known address of Virginia Ann Desmond and attempted to make communication regarding their interest.

10. Virginia C. Houston, Trustee of the V.C. Houston Trust

Matador has sent well proposals to the last known address of Virginia C. Houston, Trustee of the V.C. Houston Trust and attempted to make communication regarding their interest.

11. Tamara Joy McDearmon Manning, et al., Co-Trustees of The Reubin R. McDearmon and Bobbie J. McDearmon Revocable Trust dated December 8, 1992

In addition to sending well proposals, Matador has had discussions with Tamara Joy McDearmon Manning, et al., Co-Trustees of The Reubin R. McDearmon and Bobbie J. McDearmon Revocable Trust dated December 8, 1992 regarding their interest and we are continuing to discuss voluntary joinder.

12. S.N.S. Oil & Gas Properties, Inc.

In addition to sending well proposals, Matador has had discussions with S.N.S. Oil & Gas Properties, Inc. regarding their interest and we are continuing to discuss voluntary joinder.

13. Jack C. Holland

In addition to sending well proposals, Matador has had discussions with Jack C. Holland regarding their interest and we are continuing to discuss voluntary joinder.

14. Successor Trustee of The Anderson Living Trust dated June 26, 1995

Matador has sent well proposals to the last known address of Successor Trustee of The Anderson Living Trust dated June 26, 1995, and attempted to make communication regarding their interest.

15. Phillip G. Huey

In addition to sending well proposals, Matador has had discussions with Phillip G. Huey regarding their interest and we are continuing to discuss voluntary joinder.

16. Glenda Louise Farris Richter

Matador sent well proposals to Glenda Louise Farris Richter and they elected not to participate in these wells.

17. Whitney M. Eschenheimer

In addition to sending well proposals, Matador has had discussions with Whitney M. Eschenheimer regarding their interest and we are continuing to discuss voluntary joinder.

18. Ralph E. Mackey

Matador has sent well proposals to the last known address of Ralph E. Mackey and attempted to make communication regarding their interest.

19. B&N Energy, LLC

Matador has sent well proposals to the last known address of B&N Energy, LLC and attempted to make communication regarding their interest.

20. Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate Trust

Matador sent well proposals to Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate Trust and they elected not to participate in these wells.

21. S.K. Warren Resources, LLC

In addition to sending well proposals, Matador has had discussions with S.K. Warren Resources, LLC regarding their interest and we are continuing to discuss voluntary joinder.

22. Jane Scisson Grimshaw

Matador sent well proposals to Jane Scisson Grimshaw and they elected not to participate in these wells.

23. Judy Scisson Ferreri

Matador has sent well proposals to the last known address of Judy Scisson Ferreri and attempted to make communication regarding their interest.

24. Michael Gollob Oil Company, Inc.

In addition to sending well proposals, Matador has had discussions with Michael Gollob Oil Company, Inc. regarding their interest and we are continuing to discuss voluntary joinder.

25. Stephen Wolf

In addition to sending well proposals, Matador has had discussions with Stephen Wolf regarding their interest and we are continuing to discuss voluntary joinder.

26. Sealy Hutchings Cavin, Inc.

Matador has sent well proposals to the last known address of Sealy Hutchings Cavin, Inc. and attempted to make communication regarding their interest.

27. Sam Wolf

In addition to sending well proposals, Matador has had discussions with Sam Wolf regarding their interest and we are continuing to discuss voluntary joinder.

28. Tierra Encantada, LLC

Matador has sent well proposals to the last known address of Tierra Encantada, LLC and attempted to make communication regarding their interest.

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

APPLICATIONS OF MRC PERMIAN COMPANY
FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.

CASE NOS. 23672 and 23673

AFFIDAVIT OF DANIEL BRUGIONI

Daniel Brugioni, of lawful age and being first duly sworn, declares as follows:

1. My name is Daniel Brugioni and I am employed by MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Senior Geologist.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. I am familiar with the applications filed by Matador in these cases and have conducted a geologic study of the lands in the subject area.
3. **Matador Exhibit D-1** is a locator map outlining the horizontal spacing units with a black box shaded in yellow, with the larger area identified in a red box.
4. The target intervals for the initial wells in these proposed spacing units are the First Bone Spring, Second Bone Spring and Third Bone Spring, respectively, of the Bone Spring formation.
5. **Matador Exhibit D-2** is a subsea structure map that I prepared for the top of the Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring formation gently dipping to the east. The structure appears consistent across the proposed spacing units and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.
6. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.

7. **Matador Exhibit D-3** is a structural cross-section that I prepared displaying open-hole logs run over the Bone Spring formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included, when available: gamma ray, caliper, resistivity, and porosity. The proposed target interval of each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring formation, are consistent in thickness across the entirety of the proposed spacing units.

8. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Bone Spring formation in the area of the spacing units proposed in these cases.

9. In my opinion, each quarter-quarter section will be productive and contribute more-or-less equally to production from these horizontal spacing units.

10. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

11. In my opinion, the laydown orientation of the proposed wells is appropriate because there is no preferred orientation when comparing a standup orientation to a laydown orientation in this area.

12. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

13. **Matador Exhibits D-1 through 3** were either prepared by me or compiled under my direction and supervision.

FURTHER AFFIANT SAYETH NOT

Daniel Brugioni
DANIEL BRUGIONI

STATE OF TEXAS)
)
COUNTY OF Dallas)

SUBSCRIBED and SWORN to before me this 14 th day of August 2023 by
Daniel Brugioni.

Annabel Irvine *Annabel Irvine*
NOTARY PUBLIC

My Commission Expires:

10 | 23 | 2023

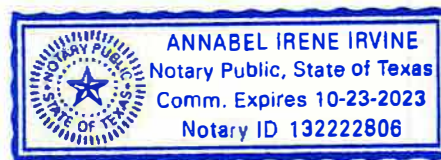
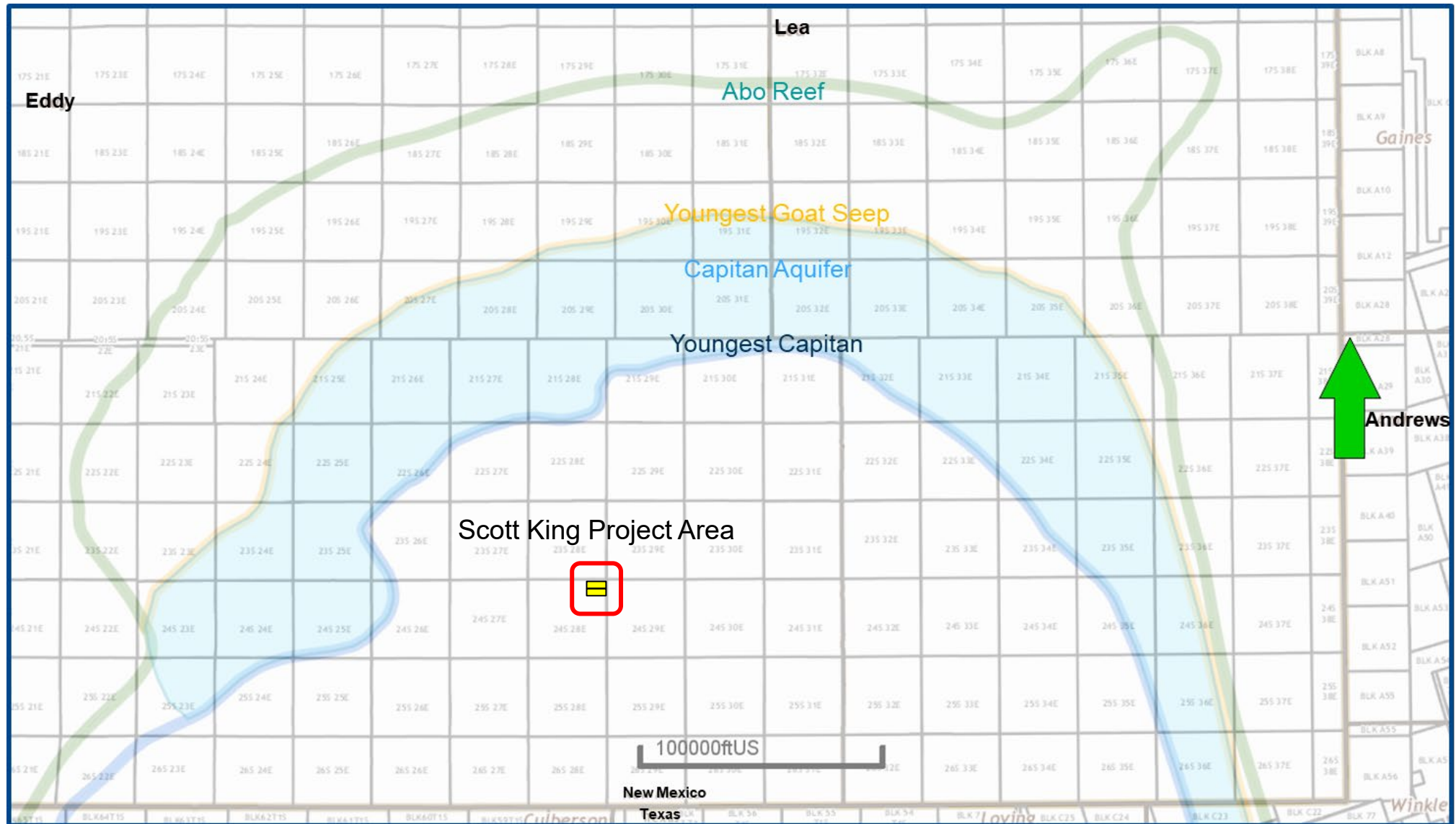


Exhibit No. D-1
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case Nos. 23672 & 23673

Locator Map



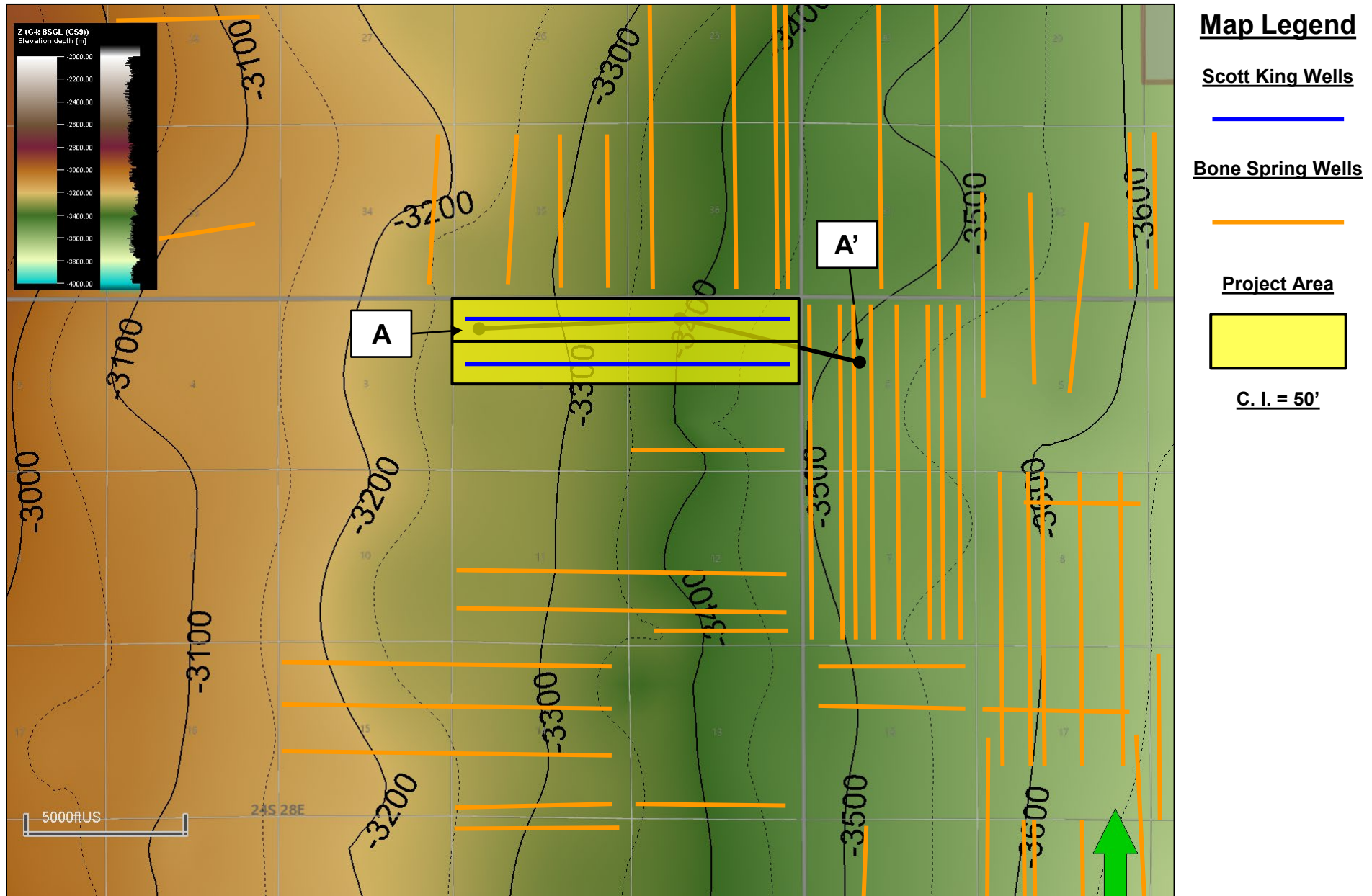
Received by: 0001:8/15/2023 4:59:13 PM

Culebra Bluff, Bone Spring, South (15011)

Structure Map (Top Bone Spring Subsea) A

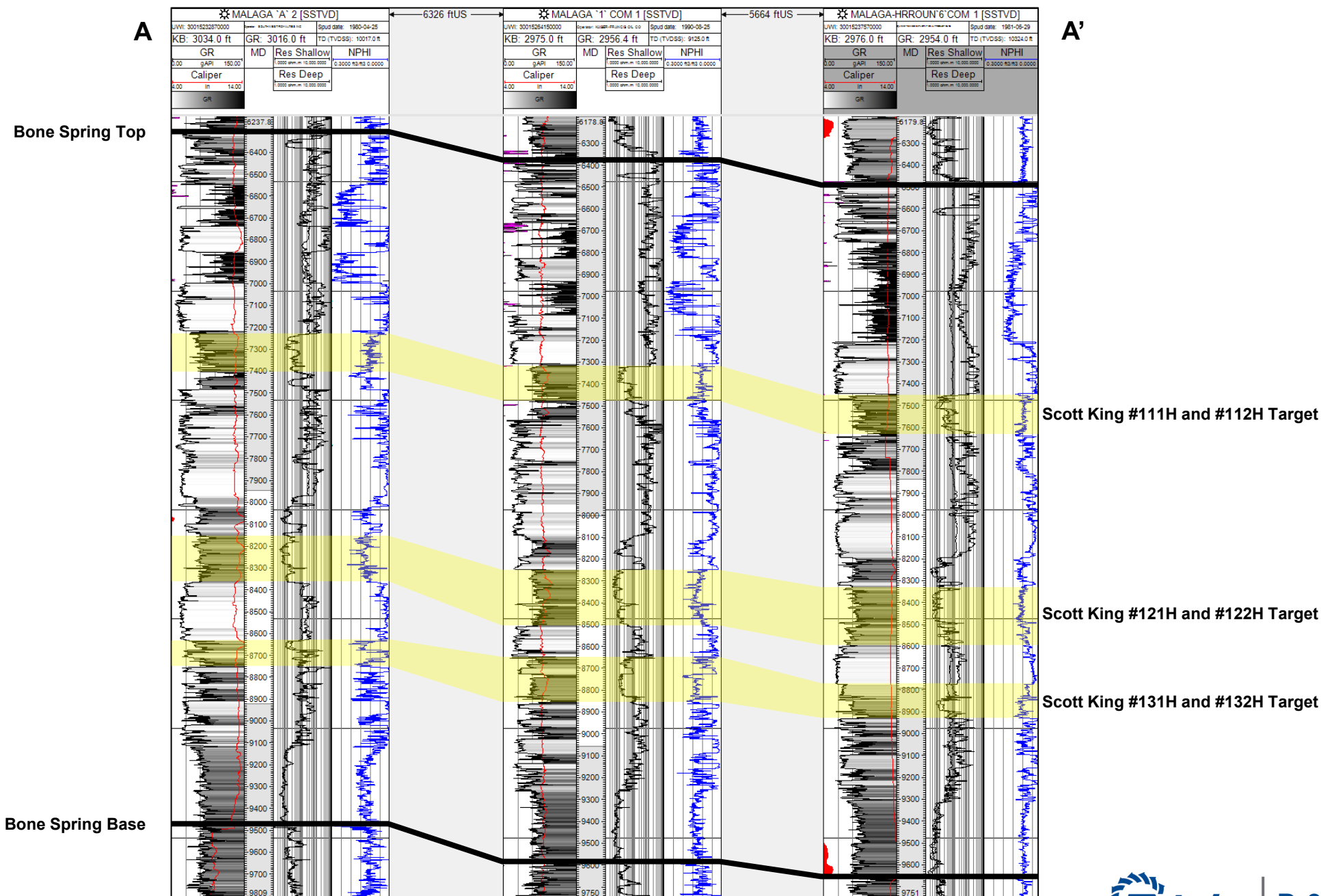
- A' Reference Line

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico Page 44 of 57
Exhibit No. D-2
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case Nos. 23672 & 23673



Culebra Bluff; Bone Spring, South (15011) Structural Cross-Section A – A'

Exhibit No. D-3
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case Nos. 23672 & 23673



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

**APPLICATION OF MRC PERMIAN
COMPANY FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23672

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

1. I am attorney in fact and authorized representative of MRC Permian Company (“MRC”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application, including approval of the overlapping horizontal spacing unit, was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of August 15, 2023.

5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case No. 23672**



Paula M. Vance

8/15/23

Date



July 28, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS AND ALL
WORKING INTEREST OWNERS AFFECTED BY THE PROPOSED
OVERLAPPING SPACING UNIT**

**Re: Application of MRC Permian Company for Approval of an Overlapping Well
Spacing Unit and Compulsory Pooling, Eddy County, New Mexico: *Scott King
111H, 121H and 131H wells***

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on August 17, 2023, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/ocd/>.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Reece Clark at (972) 371-5403 or at reece.clark@matadorresources.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Michael H. Feldewert".

Michael H. Feldewert
ATTORNEY FOR MRC PERMIAN COMPANY

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

9414811898765417538379	Alfred J. Rodriguez	7777 Forest Ln Ste C236	Dallas	TX	75230-7514	Your item was delivered to the front desk, reception area, or mail room at 6:40 pm on August 1, 2023 in DALLAS, TX 75230.
9414811898765417538454	Glenda Louise Farris Richter	9 Willowood St	Dallas	TX	75205-3829	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417538461	Glenda Louise Farris Richter, Trustee of the	9 Willowood St	Dallas	TX	75205-3829	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417538423	Highland Texas Energy Company	11886 Greenville Ave Ste 106	Dallas	TX	75243-3569	Your item has been delivered to an agent for final delivery in DALLAS, TX 75243 on August 1, 2023 at 11:35 am.
9414811898765417538492	Isramco Energy, L.L.C.	2401 Fountain View Dr Ste 420	Houston	TX	77057-4818	Your item was delivered to the front desk, reception area, or mail room at 3:24 pm on August 2, 2023 in HOUSTON, TX 77057.
9414811898765417538447	Isramco Energy, L.L.C.	11767 Katy Fwy Ste 711	Houston	TX	77079-1715	Your item arrived at the SANTA FE, NM 87501 post office at 9:47 am on August 11, 2023 and is ready for pickup.
9414811898765417538485	Petroleum Growth Fund-2003, Ltd.	PO Box 2677	Abilene	TX	79604-2677	Your item was picked up at the post office at 9:24 am on August 7, 2023 in ABILENE, TX 79601.
9414811898765417538430	Jack C. Holland	180 Mooring Buoy	Hilton Head	SC	29928-5252	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417538478	Jane Scisson Grimshaw	4934 E 92nd St	Tulsa	OK	74137-4020	Your item was delivered to an individual at the address at 10:48 am on August 2, 2023 in TULSA, OK 74137.
9414811898765417538515	Judy Scisson Ferreri	3118 Timber Ln	Verona	WI	53593-9056	Your item was delivered to an individual at the address at 12:10 pm on August 1, 2023 in VERONA, WI 53593.
9414811898765417538553	Kaiser Francis Oil Company	PO Box 21468	Tulsa	OK	74121-1468	Your item was delivered to an individual at the address at 5:12 am on August 2, 2023 in TULSA, OK 74103.
9414811898765417538010	Ann Norris	908 Wicket Ct	Tyler	TX	75703-1411	Your item has been delivered to an agent for final delivery in TYLER, TX 75703 on August 1, 2023 at 2:49 pm.
9414811898765417538560	Magnum Hunter Production, Inc.	600 N Marienfeld St Ste 600	Midland	TX	79701-4405	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on August 10, 2023 at 3:47 pm. The item is currently in transit to the destination.
9414811898765417538522	MRC Permian Company	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to the front desk, reception area, or mail room at 1:34 pm on August 1, 2023 in DALLAS, TX 75240.
9414811898765417538508	MRC Permian LKE Company, LLC	5400 Lbj Fwy Ste 1500	Dallas	TX	75240-1017	Your item was delivered to the front desk, reception area, or mail room at 1:34 pm on August 1, 2023 in DALLAS, TX 75240.
9414811898765417538591	Michael Gollob Oil Company, Inc.	PO Box 6653	Tyler	TX	75711-6653	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417538546	State of New Mexico	PO Box 1148	Santa Fe	NM	87504-1148	Your item was picked up at a postal facility at 10:41 am on July 31, 2023 in SANTA FE, NM 87501.
9414811898765417538584	Patterson Petroleum, LLC	PO Box 1416	Snyder	TX	79550-1416	Your item was delivered to the front desk, reception area, or mail room at 10:27 am on August 2, 2023 in SNYDER, TX 79549.
9414811898765417538539	Phillip G. Huey	6330 E University Blvd	Dallas	TX	75214-2140	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on August 10, 2023 at 3:47 pm. The item is currently in transit to the destination.
9414811898765417538577	Ralph E. Mackey	4404 W 31st St N	Tulsa	OK	74127-1421	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537211	S K Warren Resources LLC	PO Box 470372	Tulsa	OK	74147-0372	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537259	S.N.S. Oil & Gas Properties, Inc.	301 W Main St Ste 550	Ardmore	OK	73401-6325	Your item was delivered to the front desk, reception area, or mail room at 1:16 pm on August 1, 2023 in ARDMORE, OK 73401.
9414811898765417538058	B&N Energy LLC	PO Box 1227	Los Gatos	CA	95031-1227	Your item was delivered at 11:14 am on August 7, 2023 in LOS GATOS, CA 95031.
9414811898765417537266	Sam Wolf	928 Wilmington Pl	Tyler	TX	75701-9021	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765417537228	Sealy Hutchings Cavin, Inc.	PO Box 1125	Roswell	NM	88202-1125	Your item was picked up at the post office at 10:11 am on August 4, 2023 in ROSWELL, NM 88201.

9414811898765417537204	Stephen Wolf	14160 Dallas Pkwy Ste 900	Dallas	TX	75254-4314	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537297	Successor Trustee of The Anderson Living Trust	PO Box 142	Fulton	TX	78358-0142	This is a reminder to pick up your item before August 16, 2023 or your item will be returned on August 17, 2023. Please pick up the item at the FULTON, TX 78358 Post Office.
9414811898765417537242	Tierra Encantada LLC	PO Box 811	Roswell	NM	88202-0811	Your item was picked up at the post office at 2:49 pm on August 4, 2023 in ROSWELL, NM 88201.
9414811898765417537280	Trustee of the Reubin R McDearmon and	313 Wildflower Ln	Kerrville	TX	78028-1816	Your item was delivered to an individual at the address at 10:38 am on August 1, 2023 in KERRVILLE, TX 78028.
9414811898765417537235	Turner Royalties, LLC	3 Brass Horse Ln	Santa Fe	NM	87508-9400	Your item was delivered to an individual at the address at 2:48 pm on July 31, 2023 in SANTA FE, NM 87508.
9414811898765417537273	Union Hill Oil & Gas Co. Inc.	3709 Dartmouth Ave	Dallas	TX	75205-3137	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537815	Virginia Ann Desmond	PO Box 1857	Roswell	NM	88202-1857	Your item was picked up at the post office at 3:01 pm on August 3, 2023 in ROSWELL, NM 88201.
9414811898765417537853	Virginia C. Houston, Trustee of	5535 Park Ln	Dallas	TX	75220-2151	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765417538065	BMW Investments, LP	PO Box 9369	Longview	TX	75608-9369	Your item was picked up at the post office at 2:00 pm on August 1, 2023 in LONGVIEW, TX 75605.
9414811898765417537822	Wayne Oil & Gas 1988 Partnership	212 S Spring Mill Rd	Villanova	PA	19085-1310	Your item was delivered to an individual at the address at 12:25 pm on August 2, 2023 in VILLANOVA, PA 19085.
9414811898765417537891	W. R. Hughey, II	161 Shoreline Dr	Malakoff	TX	75148-4754	Your item was delivered at 8:37 am on August 2, 2023 in MALAKOFF, TX 75148.
9414811898765417537846	Whitney M. Eschenheimer	2967 E 57th St	Tulsa	OK	74105-7403	Your item was delivered to an individual at the address at 11:15 am on August 2, 2023 in TULSA, OK 74105.
9414811898765417537884	Alexa Larae Christen	829 E Morningside St	Springfield	MO	65807-3519	Your item was delivered to an individual at the address at 2:58 pm on August 2, 2023 in SPRINGFIELD, MO 65807.
9414811898765417537839	Austin Brady Morton	3226 W Greenwood St Apt B	Springfield	MO	65807-5609	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537877	BR2 Holdings, LLC	1749 South Blvd	Houston	TX	77098-5419	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537754	Cayuga Royalties, LLC	PO Box 540711	Houston	TX	77254-0711	This is a reminder to pick up your item before August 16, 2023 or your item will be returned on August 17, 2023. Please pick up the item at the HOUSTON, TX 77254 Post Office.
9414811898765417537761	Chalcam Exploration, LLC	403 Tierra Berrenda Dr	Roswell	NM	88201-7837	Your item was delivered to an individual at the address at 10:08 am on August 3, 2023 in ROSWELL, NM 88201.
9414811898765417537723	Courtney Lynn Kitrel	1031 E Rosebrier St	Springfield	MO	65807-3737	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537709	Cress Family Holdings, LLC	116 Towne View Cir	Boerne	TX	78006-9431	Your item was delivered to an individual at the address at 12:48 pm on August 1, 2023 in BOERNE, TX 78006.
9414811898765417538003	Charles H. Hill, III	5956 Sherry Ln	Dallas	TX	75225-6519	Your item arrived at our COPPELL TX DISTRIBUTION CENTER destination facility on August 10, 2023 at 9:29 am. The item is currently in transit to the destination.
9414811898765417537792	Dru Lynn Christen	3143 County Line Rd	Mountain	MO	65711-2711	Your item was delivered to an individual at the address at 12:57 pm on August 2, 2023 in MOUNTAIN GROVE, MO 65711.
9414811898765417537747	Erica Sanderson	10353 Red Spring Rd	Mountain	MO	65711-2765	Your item was delivered to an individual at the address at 3:01 pm on August 2, 2023 in MOUNTAIN GROVE, MO 65711.
9414811898765417537785	First Century Oil, Inc.	PO Box 1518	Roswell	NM	88202-1518	Your item was picked up at the post office at 8:42 am on August 3, 2023 in ROSWELL, NM 88201.
9414811898765417537730	Franklin Mountain Royalty Investments, LLC	2401 E 2nd Ave Ste 300	Denver	CO	80206-4761	Your item arrived at the Post Office at 9:00 am on August 8, 2023 in SANTA FE, NM 87501.
9414811898765417537778	GB Williams Properties, LLC	3166 County Line Rd	Mountain	MO	65711-2711	Your item was delivered to an individual at the address at 12:59 pm on August 2, 2023 in MOUNTAIN GROVE, MO 65711.

9414811898765417537914	George M. OBrien	PO Box 1743	Midland	TX	79702-1743	Your item was delivered to the front desk, reception area, or mail room at 11:17 am on August 1, 2023 in MIDLAND, TX 79701.
9414811898765417537952	Glen Robin Williams	38086 N Bonnie Ln	San Tan Va	AZ	85140-4155	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537969	Harvard Energy Partners, L.P.	PO Box 936	Roswell	NM	88202-0936	Your item was picked up at the post office at 10:05 am on August 4, 2023 in ROSWELL, NM 88201.
9414811898765417537921	Holsum, Inc.	723 N Main St	Roswell	NM	88201	Your item arrived at our ALBUQUERQUE, NM 87101 destination facility on August 11, 2023 at 10:35 am. The item is currently in transit to the destination.
9414811898765417537907	J Bar Cane Royalty, LLC	PO Box 3660	Roswell	NM	88202-3660	Your item arrived at the ROSWELL, NM 88202 post office at 5:33 pm on August 8, 2023 and is ready for pickup.
9414811898765417538096	CSA Petroleum Corp.	PO Box 318	Hunt	TX	78024-0318	Your item was picked up at the post office at 3:17 pm on August 2, 2023 in HUNT, TX 78024.
9414811898765417537990	James Burl Williams	10546 Beaver Rd	Mountain	MO	65711-2754	Your item was delivered to an individual at the address at 2:37 pm on August 2, 2023 in MOUNTAIN GROVE, MO 65711.
9414811898765417537945	James W. Williams	7985 Highway 38	Mountain	MO	65711-2906	Your item has been delivered to an agent for final delivery in MOUNTAIN GROVE, MO 65711 on August 2, 2023 at 11:49 am.
9414811898765417537983	Janie Larae Morton Peterson	10201 Tucker Rd	Mountain	MO	65711-2820	Your item was delivered to an individual at the address at 1:04 pm on August 2, 2023 in MOUNTAIN GROVE, MO 65711.
9414811898765417537938	Joanne Bringham	1202 Snowden Farm Cv	Collierville	TN	38017	Your item was delivered to an individual at the address at 12:33 pm on August 3, 2023 in COLLIERVILLE, TN 38017.
9414811898765417537976	John M. Roper, Trustee of	9 Grovenor Ct	Dallas	TX	75225-2458	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537617	Kaiser-Francis Oil Company	PO Box 21468	Tulsa	OK	74121-1468	Your item was delivered to an individual at the address at 5:12 am on August 2, 2023 in TULSA, OK 74103.
9414811898765417537655	KCK Resources, Inc.	5600 Fenway	Midland	TX	79707-5023	Your item was delivered to an individual at the address at 8:43 am on August 2, 2023 in MIDLAND, TX 79707.
9414811898765417537624	Kirsten Watson	4120 S Hillcrest Ave Apt B101	Springfield	MO	65807-5612	Your item arrived at the SPRINGFIELD, MO 65814 post office at 11:44 am on August 7, 2023 and is ready for pickup.
9414811898765417537693	Kylla Sanderson Dodds	214 S High St	Mountain	MO	65711-1913	Your item was delivered to an individual at the address at 10:12 am on August 2, 2023 in MOUNTAIN GROVE, MO 65711.
9414811898765417537648	Laura Patricia Roper Eggemeyer, Trustee of	4735 Elsby Ave	Dallas	TX	75209-3205	Your item was delivered to an individual at the address at 1:37 pm on August 1, 2023 in DALLAS, TX 75209.
9414811898765417538041	D.H.B. Partnership	8144 Walnut Hill Ln Ste 982 Lb 51	Dallas	TX	75231-4344	Your item was delivered to an individual at the address at 2:20 pm on August 1, 2023 in DALLAS, TX 75231.
9414811898765417537686	Linville D. Williams	1345 N Greenfield Rd	Gilbert	AZ	85234-2813	Your item was delivered to an individual at the address at 11:32 am on August 1, 2023 in GILBERT, AZ 85234.
9414811898765417537631	Masters Energy, LLC	7500 Rialto Blvd Ste 2-280	Austin	TX	78735-0004	Your item was delivered to an individual at the address at 1:00 pm on August 3, 2023 in AUSTIN, TX 78735.
9414811898765417537679	Melissa Williams McHugh	C/O Mr. G.S. Robertson180 Oakwood	Lafayette	LA	70503	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537112	Monticello Minerals, LLC	5528 Vickery Blvd	Dallas	TX	75206-6233	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765417537150	Patterson Petroleum	10713 W Sam Houston Pkwy N Ste 800	Houston	TX	77064-3583	Your item was delivered to the front desk, reception area, or mail room at 10:33 am on August 2, 2023 in HOUSTON, TX 77064.
9414811898765417537167	Prevail Energy, LLC	521 Dexter St	Denver	CO	80220-5035	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417537129	Read & Stevens, Inc.	PO Box 1518	Roswell	NM	88202-1518	Your item arrived at the Post Office at 8:40 am on August 3, 2023 in ROSWELL, NM 88201.
9414811898765417537105	Sharron S. Trollinger, Trustee of	6026 Meadowcreek Dr	Dallas	TX	75248-5452	Your item was delivered to an individual at the address at 12:36 pm on August 1, 2023 in DALLAS, TX 75248.
9414811898765417537198	SJ Mansfield, III	412 Shadow Bend Dr	Richardson	TX	75081-2924	Your item was delivered to an individual at the address at 1:38 pm on August 2, 2023 in RICHARDSON, TX 75081.

9414811898765417537143	Susannah D. Adelson, Trustee of	15 E 5th St Ste 3300	Tulsa	OK	74103-4340	Your item was delivered to the front desk, reception area, or mail room at 12:39 pm on August 2, 2023 in TULSA, OK 74103.
9414811898765417538089	ENK3 Minerals, LP	PO Box 6950	Tyler	TX	75711-6950	Your item was picked up at the post office at 2:40 pm on August 3, 2023 in TYLER, TX 75701.
9414811898765417537181	TD Minerals LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	Your item was delivered to the front desk, reception area, or mail room at 11:18 am on August 1, 2023 in DALLAS, TX 75225.
9414811898765417537136	The R-N Limited Partnership	3755 East Grand Plains Rd	Roswell	NM	88203-9005	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765417537174	Thomas C. Roper, Trustee of	4790 S Lisbon Way	Aurora	CO	80015-5459	Your item was delivered to an individual at the address at 12:04 pm on July 31, 2023 in AURORA, CO 80015.
9414811898765417537310	Tierra Oil Company, LLC	PO Box 1220	Jupiter	FL	33468-1220	Your item was delivered at 10:19 am on August 8, 2023 in JUPITER, FL 33458.
9414811898765417537358	Walter E. Granberry, Jr.	4811 14th St	Lubbock	TX	79416-4601	Your item was delivered to an individual at the address at 10:06 am on August 3, 2023 in LUBBOCK, TX 79416.
9414811898765417537365	William D. Williams	7364 Rayborn Rd	Mountain	MO	65711-3073	Your item has been delivered to an agent for final delivery in MOUNTAIN GROVE, MO 65711 on August 2, 2023 at 11:32 am.
9414811898765417537327	WPX Energy Permian, LLC	PO Box 3102	Tulsa	OK	74101-3102	Your item arrived at our OKLAHOMA CITY OK DISTRIBUTION CENTER destination facility on August 10, 2023 at 12:23 pm. The item is currently in transit to the destination.
9414811898765417537303	Zunis Energy, LLC	15 E 5th St Ste 3300	Tulsa	OK	74103-4340	Your item was delivered to the front desk, reception area, or mail room at 12:39 pm on August 2, 2023 in TULSA, OK 74103.
9414811898765417538072	Frank J. Hughey	PO Box 907	Whitehouse	TX	75791-0907	Your item was delivered to an individual at the address at 8:19 am on August 3, 2023 in WHITEHOUSE, TX 75791.

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005784134

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HOLLAND AND HART
PO BOX 2208


SANTA FE, NM 87504-2208

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 in editions dated as follows:

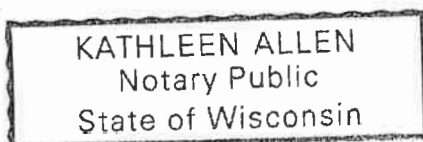
07/30/2023


Legal Clerk

Subscribed and sworn before me this July 30, 2023:


State of WI, County of Brown
NOTARY PUBLIC


My commission expires



Ad # 0005784134
PO #: 0005784134
of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: MRC Permian Company
Hearing Date: August 17, 2023
Case No. 23672

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on Thursday, August 17, 2023, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.gov. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than August 6, 2023.

STATE OF NEW MEXICO TO:
All named parties and persons having any right, title, interest or claim in the following case and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All affected interest owners, including: Alfred J. Rodriguez, his heirs and devisees; Ann Norris, her heirs and devisees; B&N Energy LLC; BMW Investments, LP; Charles H. Hill, III, his heirs and devisees; CSA Petroleum Corp.; D.H.B. Partnership; ENK3 Minerals, LP; Frank J. Hughey, his heirs and devisees; Glenda Louise Farris Richter, her heirs and devisees; Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate Trust; Highland (Texas) Energy Company; Isramco Energy, L.L.C.; Petroleum Growth Fund-2003, Ltd.; Jack C. Holland, his heirs

and devisees; Jane Scisson Grimshaw, her heirs and devisees; Judy Scisson Ferreri, her heirs and devisees; Kaiser Francis Oil Company; Magnum Hunter Production, Inc.; MRC Permian Company; MRC Permian LKE Company, LLC; Michael Gollob Oil Company, Inc.; State of New Mexico; Patterson Petroleum, LLC; Philip G. Huey, his heirs and devisees; Ralph E. Mackey, his heirs and devisees; S K Warren Resources LLC; S.N.S. Oil & Gas Properties, Inc.; Sam Wolf, his heirs and devisees; Sealy Hutchings Cavin, Inc.; Stephen Wolf, his heirs and devisees; Successor Trustee of The Anderson Living Trust dated June 26, 1995; Tierra Encantada LLC; Trustee of the Reubin R. McDearmon and Bobbie J. McDearmon Revocable Trust dated December 8, 1992; Turner Royalties, LLC; Union Hill Oil & Gas Co. Inc.; Virginia Ann Desmond, her heirs and devisees; Virginia C. Houston, Trustee of the V. C. Houston Trust; Wayne Oil & Gas 1988 Partnership; W. R. Hughey, II, his or her heirs and devisees; Whitney M. Eschenheimer, her heirs and devisees; Alexa Larae Christen, her heirs and devisees; Austin Brady Morton, his heirs and devisees; BR2 Holdings, LLC; Cayuga Royalties, LLC; Chalcam Exploration, LLC; Courtney Lynn Kitrel, her heirs and devisees; Cress Family Holdings, LLC; Dru Lynn Christen, his or her heirs and devisees; Erica Sanderson, her heirs and devisees; First Century Oil, Inc.; Franklin Mountain Royalty Investments, LLC; GB Williams Properties, LLC; George M. O'Brien, his heirs and devisees; Glen Robin Williams, his heirs and devisees; Harvard Energy Partners, L.P.; Holsum, Inc.; J Bar Cane Royalty, LLC; James Burl Williams, his heirs and devisees; James W. Williams, his heirs and devisees; Janie Larae Morton Peterson, her heirs and devisees; Joanne Bringham, her heirs and devisees; John M. Roper, Trustee of the John M. Roper 1992 Trust; Kaiser-Francis Oil Company; KCK Resources, Inc.; Kirsten Wat-

son, her heirs and devisees; Kylla Sanderson Dodds, her heirs and devisees; Laura Patricia Roper Eggemeyer, Trustee of the Laura Patricia Roper Eggemeyer 1992 Trust; Linville D. Williams, his or her heirs and devisees; Masters Energy, LLC; Melissa Williams McHugh, her heirs and devisees; Monticello Minerals, LLC; Patterson Petroleum; Prevail Energy, LLC; Read & Stevens, Inc.; Sharron S. Trollinger, Trustee of the Sharron Stone Trollinger Trust; SJ Mansfield, III, his or her heirs and devisees; Susannah D. Adelson, Trustee of the James Adelson & Family 2015 Trusts; TD Minerals LLC; The R-N Limited Partnership; Thomas C. Roper, Trustee of the Thomas C. Roper 1992 Trust; Tierra Oil Company, LLC; Walter E. Granberry, Jr., his or her heirs and devisees; William D. Williams, his or her heirs and devisees; WPX Energy Permian, LLC; and Zunis Energy, LLC.

Case No. 23672: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 240-acre overlapping horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 1 and N2NE4 of Section 2, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this horizontal well spacing unit. Said unit will be initially dedicated to the proposed Scott King State Com 111H, Scott King State Com 121H and the Scott King State Com 131H wells to be horizontally drilled with first take points located in the NE4NE4 (Unit A) of Section 1 and last take points located in the NW4NE4 (Unit B) of Section 2. This standard 240-acre horizontal well spacing unit will overlap a 40-acre vertical well spacing unit comprised of the NE4NW4 (Unit C) of Section 1 that is currently dedicated to the Ma-

laga 1 Com No. 1 well (API No. 30-15-26415) operated by Kaiser Francis Oil Company. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 2 miles Northeast of Malaga, New Mexico
#0005784134, Current Argus, July 30, 2023