

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING SEPTEMBER 21, 2023**

CASE No. 23671

DREW DIX FED COM #114H & #134H

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. 23671

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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23671	APPLICANT'S RESPONSE
Date	September 21, 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	Drew Dix
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
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	S/2 S/2 of Section 1 and S/2 SE/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 and 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. A

Submitted by: Matador Production Company

Hearing Date: September 21, 2023

Case No. 23671

Well #1	<u>Drew Dix Fed Com #114H well</u> SHL: 751' FSL, 661' FEL (Unit P) of Section 1 BHL: 660' FSL, 2,570' FEL (Unit O) of Section 2 Target: Bone Spring Orientation: East-West Completion: Standard Location
Well #2	<u>Drew Dix Fed Com #134H well</u> SHL: 781' FSL, 661' FEL (Unit P) of Section 1 BHL: 660' FSL, 2,570' FEL (Unit O) 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	12; See Exhibit C, C-7
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-2
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-3
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:	9/19/2023

**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. 23671

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 S2S2 of Section 1 and S2SE4 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 **Dew Dix Fed Com 114H, Dew Dix Fed Com 124H** and the **Dew Dix Fed Com 134H** wells to be horizontally drilled with first take points located in the SE4SE4 (Unit P) of Section 1 and last take points located in the SW4SE4 (Unit O) of Section 2.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: September 21, 2023
Case No. 23671**

4. This standard 240-acre horizontal well spacing unit will overlap a 160-acre horizontal well spacing unit comprised of the S2S2 of Section 1 that is currently dedicated to the Dr. Scrivener Federal 01-24S-28E RB 124H well (API No. 30-15-43820) operated by Matador Production 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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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 S2S2 of Section 1 and S2SE4 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 **Dew Dix Fed Com 114H, Dew Dix Fed Com 124H** and the **Dew Dix Fed Com 134H** wells to be horizontally drilled with first take points located in the SE4SE4 (Unit P) of Section 1 and last take points located in the SW4SE4 (Unit O) of Section 2. This standard 240-acre horizontal well spacing unit will overlap a 160-acre horizontal well spacing unit comprised of the S2S2 of Section 1 that is currently dedicated to the Dr. Scrivener Federal 01-24S-28E RB 124H well (API No. 30-15-43820) operated by Matador Production 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 ANY OVERLAPPING
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23671

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 S/2 S/2 of Section 1 and the S/2 SE/4 of Section 2, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, and initially dedicated to the Drew Dix Fed Com #114H, and #134H, each to be drilled from a surface location within the SE/4 SE/4 of Section 1 to a bottom hole location within the SW/4 SE/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: September 21, 2023
Case No. 23671**

- a. 160-acre horizontal well spacing unit comprised of the S/2 S/2 of Section 1, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, which is currently dedicated to the Dr. Scrivener Federal 01-24S-28E RB 124H well (API No. 30-15-43820) operated by Matador Production Company.

6. A map showing the above-referenced overlapping spacing units 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 Dr. Scrivener Federal 01-24S-28E RB 124H well, along with the Bureau of Land Management, 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 federal 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 twelve owners we have been unable to contact despite multiple efforts. For those twelve 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 18th day of September 2023 by
Reece Clark.


NOTARY PUBLIC

My Commission Expires:

3/23/2025

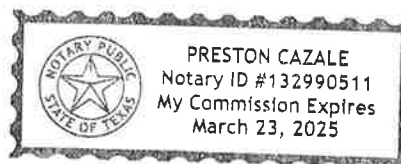
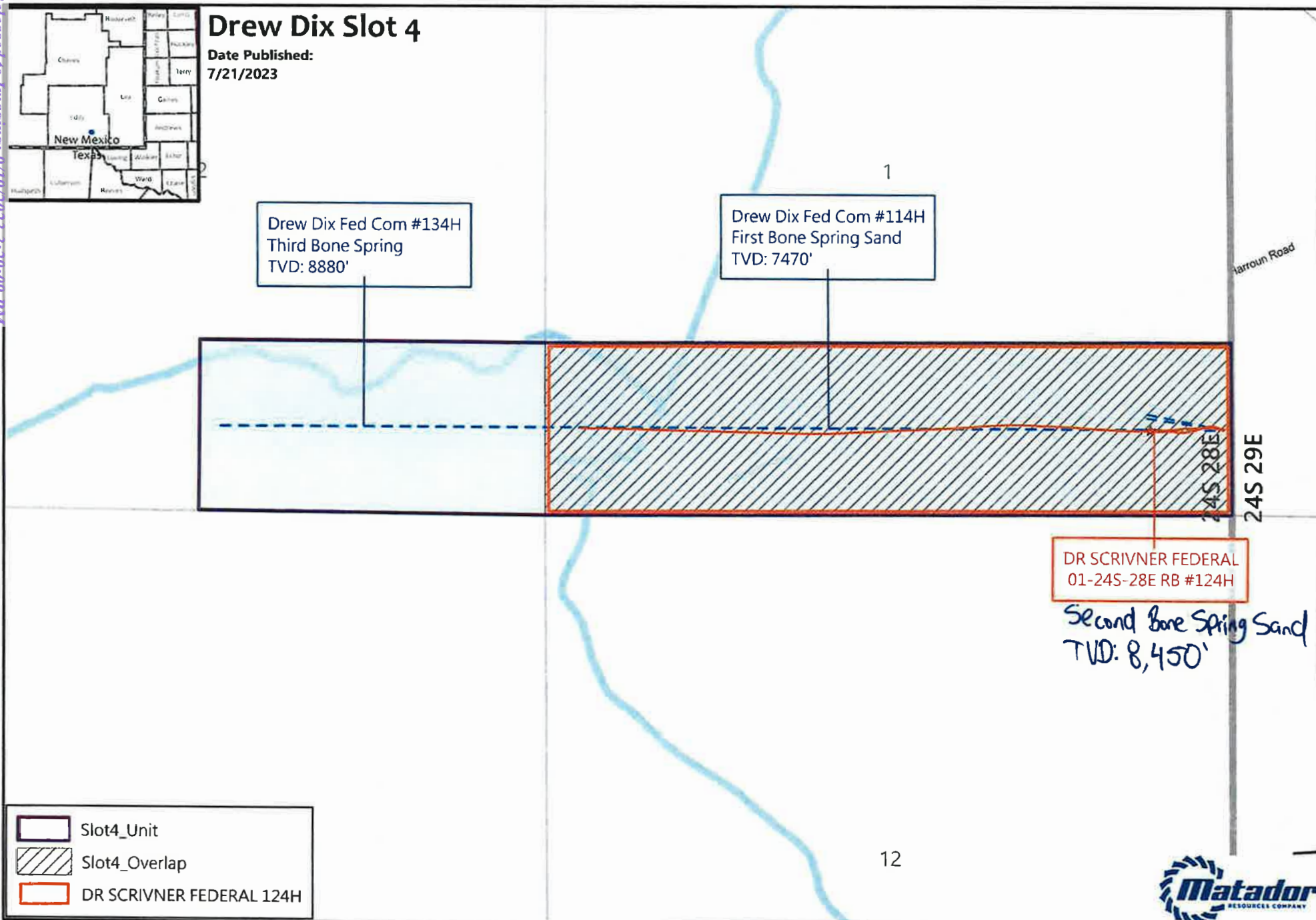


Exhibit C-1



GIS Standard Map Disclaimer:
This map was prepared by a GIS professional using data from public sources. The user assumes all responsibility for the accuracy and completeness of the information presented on this map. The user also assumes all responsibility for the use of the information presented on this map.

1:12,000
1 inch equals 1,000 feet

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: MRC Permian Company
Hearing Date: September 21, 2023
Case No. 23671

Map Prepared by: amercio.gamarral
Date: July 21, 2023
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-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

Submitted by: MRC Permian Company
Hearing Date: September 21, 2023
Case No. 23671

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 DREW DIX FED COM			⁶ Well Number 114H
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 2983'
¹⁰ Surface Location					
UL or lot no. P	Section 1	Township 24-S	Range 28-E	Lot Idn -	Feet from the 751'
					North/South line SOUTH
					Feet from the 661'
					East/West line EAST
					County EDDY
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. O	Section 2	Township 24-S	Range 28-E	Lot Idn -	Feet from the 660'
					North/South line SOUTH
					Feet from the 2570'
					East/West line EAST
					County EDDY
¹² Dedicated Acres 240		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>Debbie Creed 5/19/2023</p> <p>Signature Date</p> <p>Debbie Creed</p> <p>Printed Name</p> <p>debbie.creed@matadorresources.com</p> <p>E-mail Address</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>10/24/2022</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor</p> <p>MICHAEL B. BROWN NEW MEXICO 18329 PROFESSIONAL SURVEYOR</p>
<p>SURFACE LOCATION (SHL)</p> <p>751' FSL - SEC. 1 661' FEL - SEC. 1 X=633744 Y=451802 LAT.: N 32.2417263 LONG.: W 104.0344505</p> <p>KICK OFF POINT (KOP)</p> <p>660' FSL - SEC. 1 50' FEL - SEC. 1 X=634355 Y=451714 LAT.: N 32.2414781 LONG.: W 104.0324741</p> <p>FIRST PERF. POINT (FPP)</p> <p>660' FSL - SEC. 1 100' FEL - SEC. 1 X=634305 Y=451713 LAT.: N 32.2414784 LONG.: W 104.0326358</p> <p>BLM PERF. POINT (BLM1)</p> <p>672' FSL - SEC. 1 2664' FWL - SEC. 1 X=631739 Y=451713 LAT.: N 32.2414969 LONG.: W 104.0409359</p> <p>BLM PERF. POINT (BLM2)</p> <p>677' FSL - SEC. 1 1332' FWL - SEC. 1 X=630407 Y=451713 LAT.: N 32.2415063 LONG.: W 104.0452442</p> <p>LAST PERF. POINT (LPP)</p> <p>660' FSL - SEC. 2 2570' FEL - SEC. 2 X=626505 Y=451712 LAT.: N 32.2415329 LONG.: W 104.0578658</p> <p>BOTTOM HOLE LOCATION (BHL)</p>		<p>Certificate Number</p> <p>NEW MEXICO EAST NAD 1927</p> <p>SURFACE LOCATION (SHL)</p> <p>X=592560 Y=451743 LAT.: N 32.2418043 LONG.: W 104.0339592</p> <p>KICK OFF POINT (KOP)</p> <p>X=593172 Y=451655 LAT.: N 32.2413561 LONG.: W 104.0319829</p> <p>FIRST PERF. POINT (FPP)</p> <p>X=593122 Y=451655 LAT.: N 32.2413964 LONG.: W 104.0321446</p> <p>BLM PERF. POINT (BLM1)</p> <p>X=590556 Y=451654 LAT.: N 32.2413750 LONG.: W 104.0404444</p> <p>LAST PERF. POINT (LPP)</p> <p>X=589224 Y=451654 LAT.: N 32.2413845 LONG.: W 104.047525</p> <p>BLM PERF. POINT (BLM2)</p> <p>X=585321 Y=451654 LAT.: N 32.2414113 LONG.: W 104.0573736</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

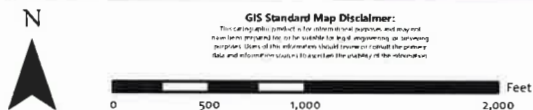
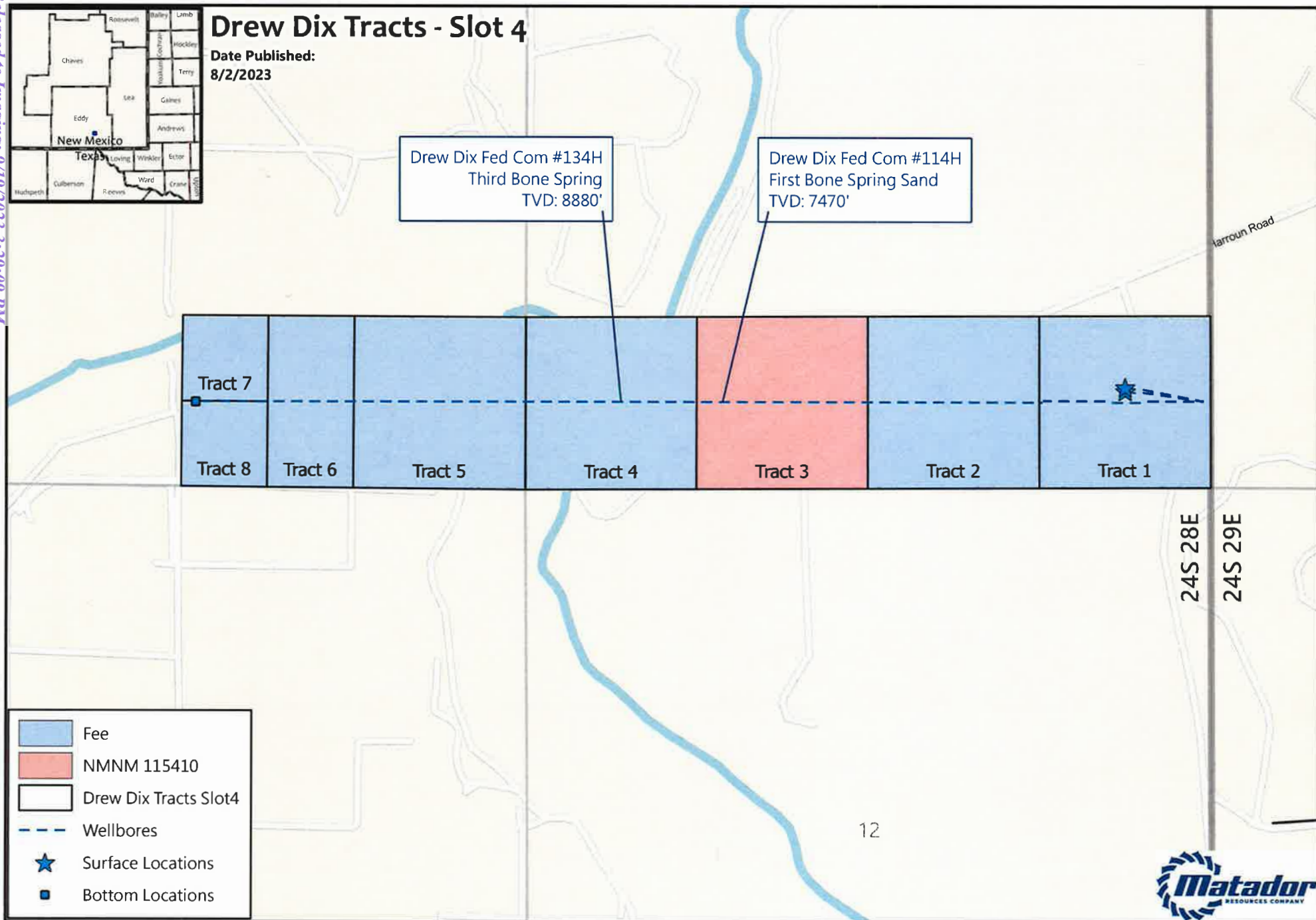
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 15011		³ Pool Name Culebra Bluff, Bone Spring, South	
⁴ Property Code		⁵ Property Name DREW DIX FED COM			⁶ Well Number 134H
⁷ OGRID No. 228937		⁸ Operator Name MATADOR PRODUCTION COMPANY			⁹ Elevation 2984'
¹⁰ Surface Location					
UL or lot no. P	Section 1	Township 24-S	Range 28-E	Lot Idn -	Feet from the 781'
					North/South line SOUTH
					Feet from the 661'
					East/West line EAST
					County EDDY
¹¹ Bottom Hole Location If Different From Surface					
UL or lot no. O	Section 2	Township 24-S	Range 28-E	Lot Idn -	Feet from the 660'
					North/South line SOUTH
					Feet from the 2570'
					East/West line EAST
					County EDDY
¹² Dedicated Acres 240		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>17 OPERATOR 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>Debbie Creed 5/19/2023</p> <p>Signature Date</p> <p>Debbie Creed</p> <p>Printed Name</p> <p>debbie.creed@matadorresources.com</p> <p>E-mail Address</p> <p>18 SURVEYOR 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>10/24/2022</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> <p>SURFACE LOCATION (SHL)</p> <p>781' FSL - SEC. 1 661' FEL - SEC. 1 X=633744 Y=451832 LAT.: N 32.2418085 LONG.: W 104.0344504</p> <p>KICK OFF POINT (KOP)</p> <p>660' FSL - SEC. 1 50' FEL - SEC. 1 X=634355 Y=451714 LAT.: N 32.2414781 LONG.: W 104.0324741</p> <p>FIRST PERF. POINT (FPP)</p> <p>660' FSL - SEC. 1 100' FEL - SEC. 1 X=634305 Y=451713 LAT.: N 32.2414784 LONG.: W 104.0326358</p> <p>BLM PERF. POINT (BLM1)</p> <p>672' FSL - SEC. 1 2664' FWL - SEC. 1 X=631739 Y=451713 LAT.: N 32.2414969 LONG.: W 104.0409359</p> <p>BLM PERF. POINT (BLM2)</p> <p>677' FSL - SEC. 1 1332' FWL - SEC. 1 X=630407 Y=451713 LAT.: N 32.2415063 LONG.: W 104.0452442</p> <p>LAST PERF. POINT (LPP)</p> <p>660' FSL - SEC. 2 2570' FEL - SEC. 2 X=626505 Y=451712 LAT.: N 32.2415329 LONG.: W 104.0578658</p> <p>BOTTOM HOLE LOCATION (BHL)</p> <p>660' FSL - SEC. 1 50' FEL - SEC. 1 X=634305 Y=451713 LAT.: N 32.2414784 LONG.: W 104.0326358</p> <p>SURFACE LOCATION (SHL)</p> <p>X=592560 Y=451773 LAT.: N 32.2418885 LONG.: W 104.0339581</p> <p>KICK OFF POINT (KOP)</p> <p>X=593172 Y=451655 LAT.: N 32.2413881 LONG.: W 104.0319829</p> <p>FIRST PERF. POINT (FPP)</p> <p>X=593122 Y=451655 LAT.: N 32.2413864 LONG.: W 104.0323486</p> <p>BLM PERF. POINT (BLM1)</p> <p>X=590558 Y=451654 LAT.: N 32.2413750 LONG.: W 104.0404444</p> <p>LAST PERF. POINT (LPP)</p> <p>X=588224 Y=451654 LAT.: N 32.2413845 LONG.: W 104.0447525</p> <p>BLM PERF. POINT (BLM2)</p> <p>X=585321 Y=451654 LAT.: N 32.2414113 LONG.: W 104.0573736</p>
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Exhibit C-3



1:12,000
 1 inch equals 1,000 feet

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
Exhibit No. C-3
 Submitted by: MRC Permian Company
 Hearing Date: September 21, 2023
 Case No. 23671

Map Prepared by: amercio.gamarral
 Date: August 2, 2023
 Project: \\gis\UserData\lagamarra\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);

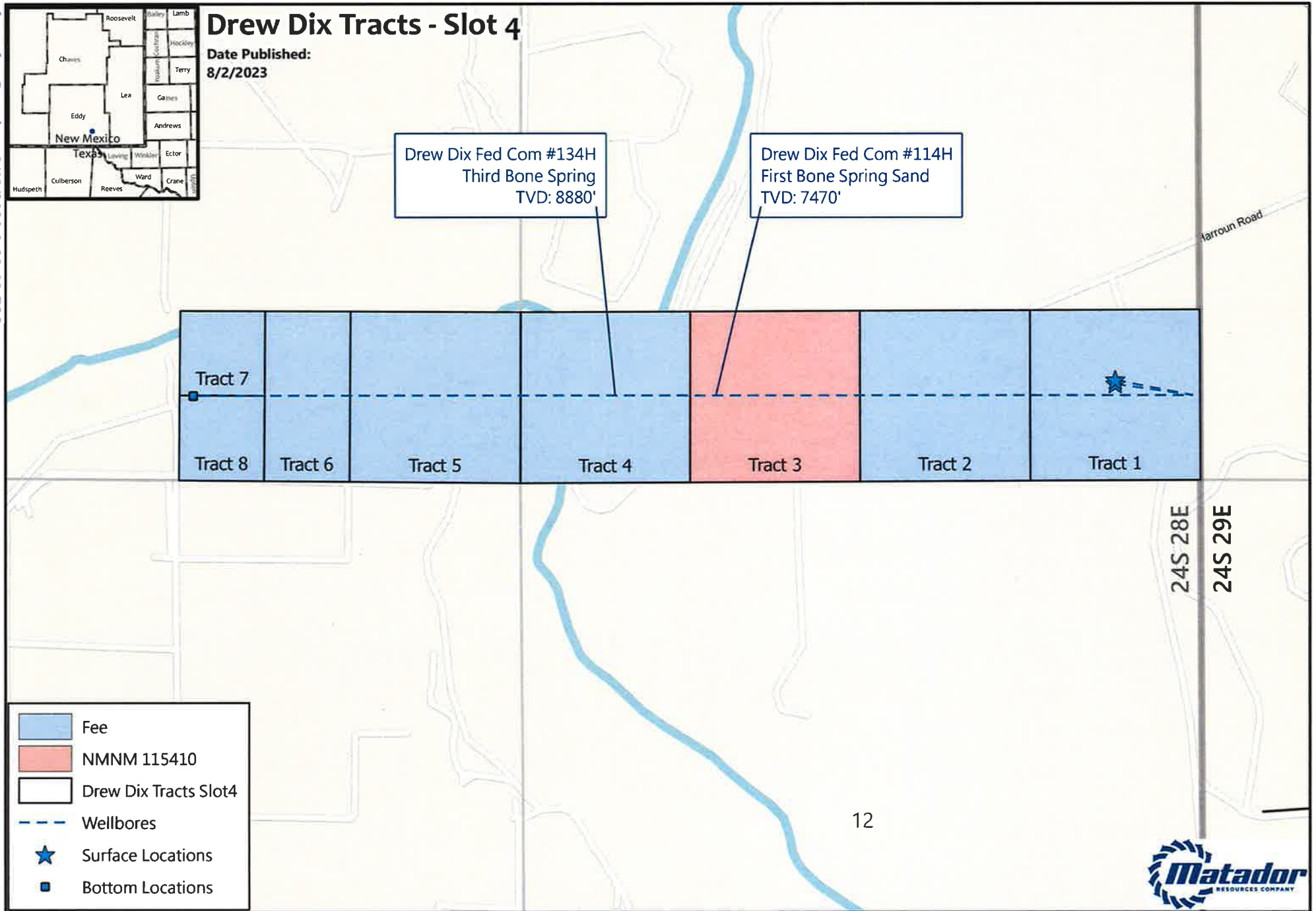
Exhibit C-4

Case No. 23671 (S2S2 of Sec. 1 & S2SE4 of Sec. 2, 24S, 28E)			
Summary of Interests			
Matador Working Interest			79.251%
Voluntary Joinder			1.4242%
Anticipated Voluntary Joinder			0.0454%
Compulsory Pooled Interst			19.280%
Interest Owners:	Description:	Tract:	Interest:
SRR Permian, LLC	Uncommitted Working Interest Owner	4	4.817%
BucJag Investments, LLC	Uncommitted Working Interest Owner	4	0.83%
Covenant Natural Resources, LP	Uncommitted Working Interest Owner	4	0.4494%
Horned Frog Oil and Gas, LP	Uncommitted Working Interest Owner	4	0.4167%
Chief Capital (O&G) II, LLC	Uncommitted Working Interest Owner	4	0.4006%
Una Oreja, LLC	Uncommitted Working Interest Owner	4	0.0417%
OTSS Investments, LLC	Uncommitted Working Interest Owner	4	0.0208%
Ivory Oil Company, LLC	Uncommitted Working Interest Owner	4	0.0208%
Patterson Petroleum, LLC	Uncommitted Working Interest Owner	5, 6, 7, 8	5.9638%
Wayne O&G 1988 Partnership	Uncommitted Working Interest Owner	5, 6, 7, 8	2.3855%
Union Hill Oil & Gas Co. Inc.	Uncommitted Working Interest Owner	5, 6, 7, 8	0.6085%
Highland (Texas) Energy Company	Uncommitted Working Interest Owner	5, 6, 7, 8	0.5089%
DHB Partnership	Uncommitted Working Interest Owner	5, 6, 7, 8	0.3359%
Turner Royalties, LLC	Uncommitted Working Interest Owner	5, 6, 7, 8	0.2361%
Charles H. Hill, III	Uncommitted Working Interest Owner	5, 6, 7, 8	0.2905%
Tierra Encantada, LLC	Uncommitted Working Interest Owner	5, 6, 7, 8	0.1363%

NOTE: The parties listed are being pooled.

Virginia Ann Desmond	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0909%
Virginia C. Houston, Trustee of the V.C. Houston Trust	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0909%
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	5, 6, 7, 8	0.0909%
S.N.S. Oil & Gas Properties, Inc.	Uncommitted Working Interest Owner	5, 7, 8	0.0469%
Jack C. Holland	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0454%
Successor Trustee of the Anderson Living Trust, dated June 26, 1995	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0454%
Phillip G. Huey	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0454%
Glenda Louise Farris Richter	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0341%
Whitney M. Eschenheimer	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0284%
Ralph E. Mackey	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0284%
B&N Energy, LLC	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0227%
Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate Trust	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0114%
Jane Scisson Grimshaw	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0057%
Judy Scisson Ferreri	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0057%
Sam Wolf	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0045%

Stephen Wolf	Uncommitted Working Interest Owner	5, 6, 7, 8	0.0045%
Sealy Hutchings Cavin, Inc.	Uncommitted Working Interest Owner	5, 6, 7, 8	0.1996%
S.K. Warren Resources, LLC	Uncommitted Working Interest Owner	6	1.0130%



1:12,000
 1 inch equals 1,000 feet

Map Prepared by: amecico.gamara
 Date: August 2, 2023
 Project: \\gis\UserData\agamarra\temp\20230330 DrewDix_Scott(King)\DrewDix_Scott(King).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-5

ORRIs

Featherstone Development Corporation
Prospector, LLC
Big Three Energy Group, LLC
Parrot Head Properties, LLC
MRC Permian Company
Ross Duncan Properties, LLC
B&G Royalties
Patterson Petroleum, LLC
Ready and Stevens, Inc.
WPX Energy Permian, LLC
Kaiser Francis Oil Company
Sharron S. Trollinger, as Trustee of the Sharron Stone Trollinger Trust
First Century Oil, Inc.

NOTE: The parties listed are being pooled.

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

BucJag Investments LLC
139 Sheridan
Winnetka, IL 60093

Re: Drew Dix Fed Com #113H, #114H, #123H, #133H & #134H (the "Wells")
Participation Proposal
S2 of Section 1 & SE/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 Drew Dix Fed Com #113H, Drew Dix Fed Com #114H, Drew Dix Fed Com #123H, Drew Dix Fed Com #133H & Drew Dix Fed Com #134H wells, located in S2 of Section 1 & SE/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 five (5) enclosed Authority for Expenditures ("AFE") dated May 4, 2023.
- **Drew Dix Fed Com #113H:** to be drilled from a legal location with a proposed surface hole location located at 721' FSL and 661' FEL of Section 1-24S-28E, a proposed first take point located at 1,980' FSL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 1,980' FSL and 2,561' 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 (~7,480' TVD) to a Measured Depth of approximately 15,247'.
- **Drew Dix Fed Com #114H:** to be drilled from a legal location with a proposed surface hole location located at 751' FSL and 661' FEL of Section 1-24S-28E, a proposed first take point located at 660' FSL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 660' FSL and 2,570' 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 (~7,470' TVD) to a Measured Depth of approximately 15,237'.
- **Drew Dix Fed Com #123H:** to be drilled from a legal location with a proposed surface hole location located at 691' FSL and 661' FEL of Section 1-24S-28E, a proposed first take point located at 2,310' FSL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 2,310' FSL and 2,559' 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: September 21, 2023
Case No. 23671

- **Drew Dix Fed Com #133H:** to be drilled from a legal location with a proposed surface hole location located at 811' FSL and 661' FEL of Section 1-24S-28E, a proposed first take point located at 1,980' FSL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 1,980' FSL and 2,561' 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 (~8,880' TVD) to a Measured Depth of approximately 16,647'.
- **Drew Dix Fed Com #134H:** to be drilled from a legal location with a proposed surface hole location located at 781' FSL and 661' FEL of Section 1-24S-28E, a proposed first take point located at 660' FSL and 100' FEL of Section 1-24S-28E, and a proposed last take point located at 660' FSL and 2,570' 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 (~8,880' TVD) to a Measured Depth of approximately 16,647'.

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

BucJag Investments LLC hereby elects to:

- ☒ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Drew Dix Fed Com #113H** well.
☐ Not to participate in the **Drew Dix Fed Com #113H**
- ☒ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Drew Dix Fed Com #114H** well.
☐ Not to participate in the **Drew Dix Fed Com #114H**
- ☒ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Drew Dix Fed Com #123H** well.
☐ Not to participate in the **Drew Dix Fed Com #123H**
- ☒ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Drew Dix Fed Com #133H** well.
☐ Not to participate in the **Drew Dix Fed Com #133H**
- ☒ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Drew Dix Fed Com #134H** well.
☐ Not to participate in the **Drew Dix Fed Com #134H**

BucJag Investments LLCBy: Thh BondTitle: MANAGERDate: 5-16-2023Contact Number: 832 332-6831

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	A/E NO.:	
WELL NAME:	Drew Dix Fed Com #114H	FIELD:	Bone Spring
LOCATION:	Section 1&2 24S 28E	MD/TVD:	15237/7470'
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		

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	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	61,100	9,900	1,800	160,000
Drill Bits	58,300				58,300
Fuel & Power	115,200	549,304		-	664,504
Water	22,500	452,613	3,000	1,000	479,313
Drig & Completion Overhead	10,000	-		-	10,000
Plugging & Abandonment	-				-
Directional Drilling, Surveys	220,081				220,081
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	9,752				9,752
Labor	138,500	57,000	12,500		213,000
Rental - Surface Equipment	68,860	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	76,477	157,573	35,374	4,130	273,553
Operations Center	15,456				15,456
TOTAL INTANGIBLES >	2,625,699	4,375,118	396,611	45,430	7,442,858

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 43,932				\$ 43,932
Intermediate Casing	416,243				416,243
Drilling Liner	-				-
Production Casing	702,214				702,214
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 >	1,240,389	49,824	214,238	604,181	2,108,632
TOTAL COSTS >	3,866,088	4,424,941	610,849	649,611	9,551,490

PREPARED BY MATADOR PRODUCTION COMPANY:

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

Team Lead - WTX/NM

JME

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 work on this AFE was estimated only and may not be consistent as set forth on any specific item or the total cost of the project. Telling modification approved under the AFE may be delayed up to a year after the well has been completed to executing this AFE. The Participant agrees to pay its proportionate share of actual costs incurred, including legal, taxation, regulatory, insurance and well costs under the terms of the split table joint operating agreement, regulatory order or other agreement covering the well. Participants shall be covered by and held proportionally for Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of sign-off.

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:	Drew Dix Fed Com #134H	FIELD:	Bone Spring
LOCATION:	Section 1&2 24S 28E	MD/TVD:	16647'/8880'
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		

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	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	238,411				238,411
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	10,654				10,654
Labor	138,500	57,000	12,500	5,000	213,000
Rental - Surface Equipment	64,810	287,070	10,000	5,000	366,880
Rental - Downhole Equipment	117,500	82,500	2,000		202,000
Rental - Living Quarters	35,310	43,365		5,000	83,675
Contingency	74,509	157,573	35,374	4,130	271,585
Operations Center	14,490				14,490
TOTAL INTANGIBLES >	2,558,142	4,375,118	396,611	45,430	7,375,301
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 43,932				\$ 43,932
Intermediate Casing	499,723				499,723
Drilling Liner					
Production Casing	763,282				763,282
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 >	1,384,937	49,824	214,238	604,181	2,253,180
TOTAL COSTS >	3,943,079	4,424,941	610,849	649,611	9,628,481

PREPARED BY MATADOR PRODUCTION COMPANY:

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



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 costs on this AFE are estimates only and may not be considered as a binding on any specific item on the local cost of the project. Taking installation approved under this 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 actual costs incurred, including legal services, regulatory, engineering 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 held proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate insuring it to the same extent as the Operator's policy.

Exhibit C-7

Summary of Communications Case No. 23671

Uncommitted Working Interest Owners:

1. SRR Permian, LLC

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

2. BucJag Investments, LLC

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

3. Covenant Natural Resources, LP

In addition to sending well proposals, Matador has had discussions with Covenant Natural Resources, LP regarding their interest and we are continuing to discuss voluntary joinder.

4. Horned Frog Oil and Gas, LP

In addition to sending well proposals, Matador has had discussions with Horned Frog Oil and Gas, LP 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 has sent well proposals to the last known address of DHB Partnership and attempted to make communication regarding their interest.

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. 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.

13. 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.

14. 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.

15. Glenda Louise Farris Richter

In addition to sending well proposals, Matador has had discussions with Glenda Louise Farris Richter regarding their interest and we are continuing to discuss voluntary joinder.

16. 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.

17. 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.

18. 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.

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

In addition to sending well proposals, Matador has had discussions with Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate Trust regarding their interest and we are continuing to discuss voluntary joinder.

20. 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.

21. Jane Scisson Grimshaw

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

22. 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.

23. 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.

24. 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.

25. Burtex Investments II, LP

In addition to sending well proposals, Matador has had discussions with Burtex Investments II, LP regarding their interest and we are continuing to discuss voluntary joinder.

26. 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.

27. Chief Capital (O&G) II, LLC

In addition to sending well proposals, Matador has had discussions with Chief Capital (O&G) II, LLC regarding their interest and we are continuing to discuss voluntary joinder.

28. Una Oreja, LLC

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

29. OTSS Investments, LLC

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

30. Ivory Oil Company, LLC

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

31. 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.

32. Wayne O&G 1988 Partnership

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

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

Matador has sent well proposals to the last known address of S.N.S. Oil & Gas Properties, Inc. and attempted to make communication regarding their interest.

34. 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.

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. 23670 and 23671

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

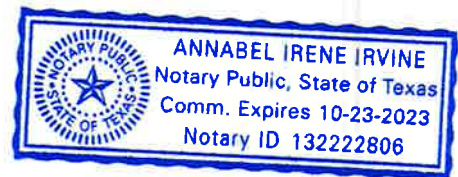
STATE OF TEXAS)
)
COUNTY OF Dallas)

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

Annabel Irvine *Annabel Irvine*
NOTARY PUBLIC

My Commission Expires:

10/23/2023



Santa Fe, New Mexico

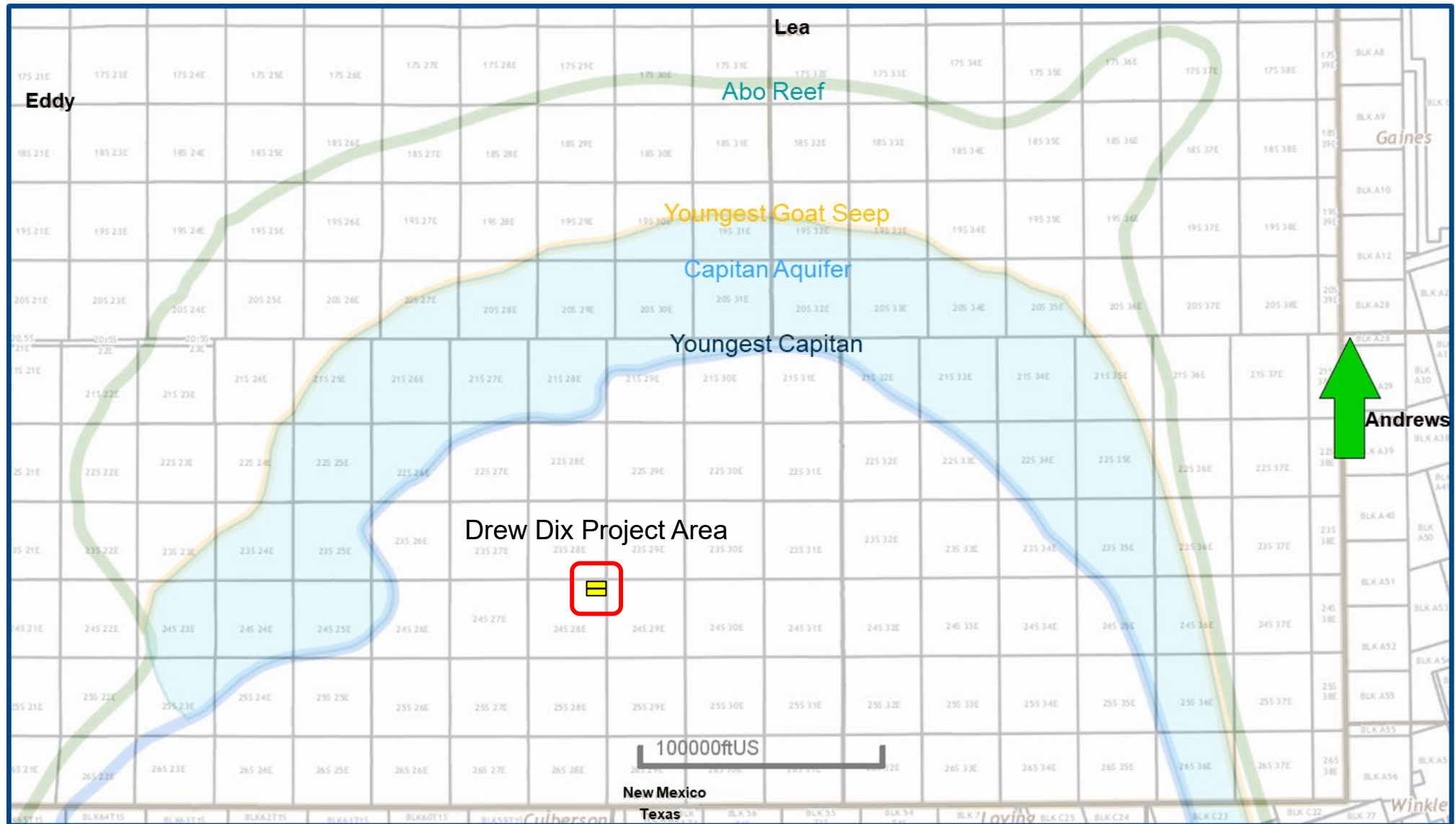
Exhibit No. D-1

Submitted by: MRC Permian Company

Hearing Date: September 21, 2023

Case Nos. 23670 & 23671

Locator Map



Drew Dix #113H, #123H, #133H, #114H, #124H, and #134H

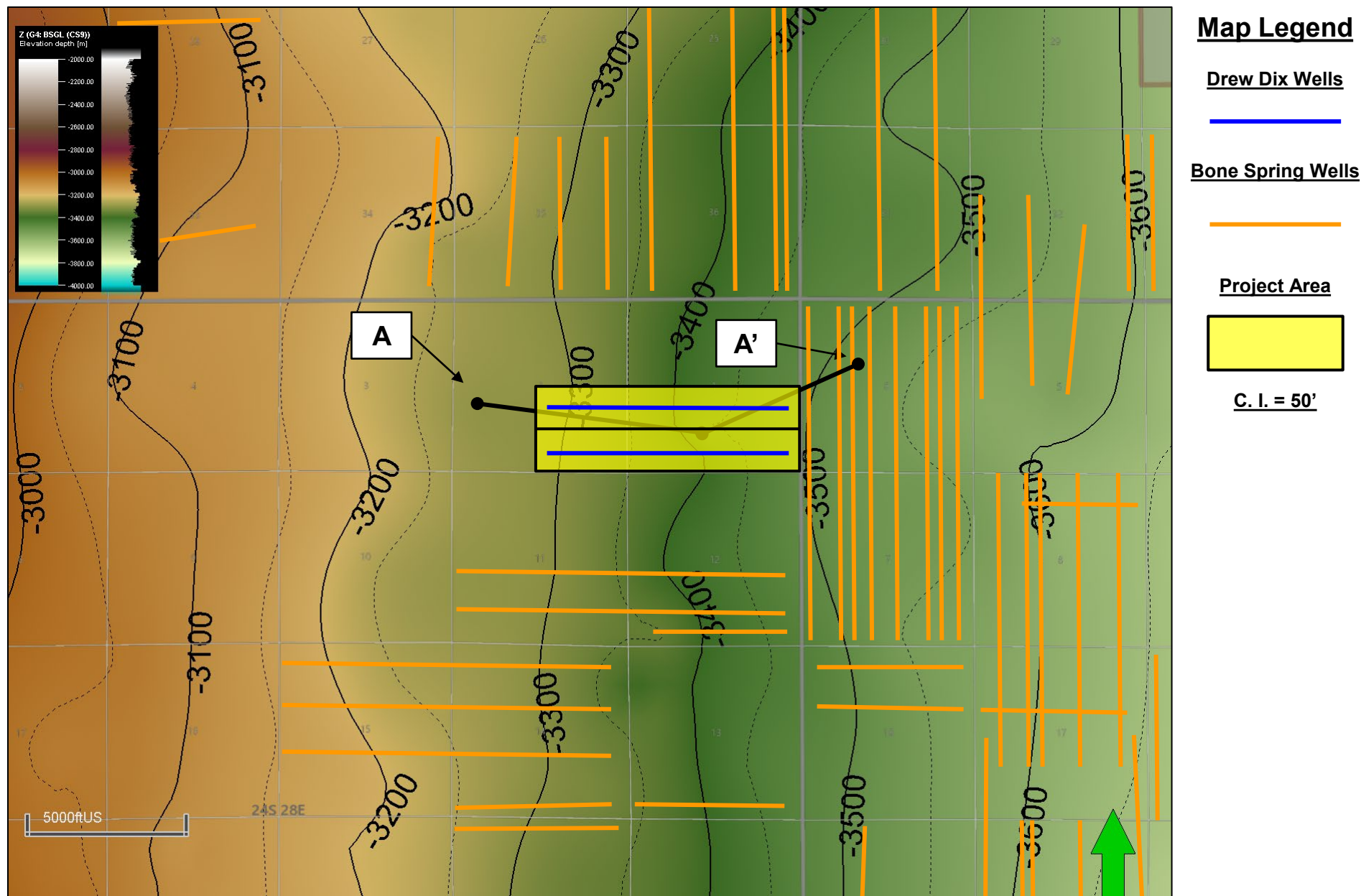
Received by: 0001:01/19/2023 3:23:41 PM

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
Exhibit No. D-2
Submitted by: MRC Permian Company
Hearing Date: September 21, 2023
Case Nos. 23670 & 23671



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

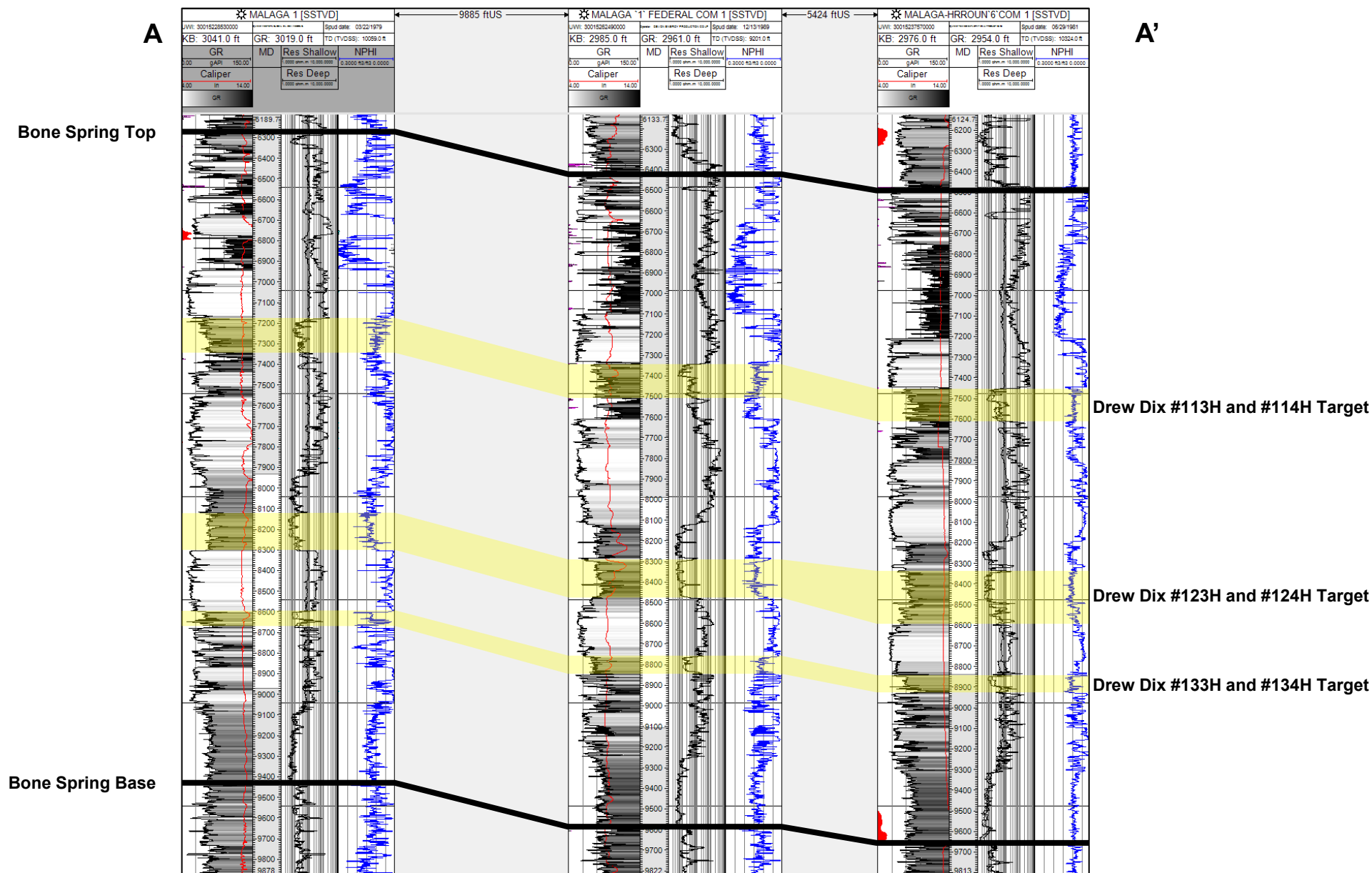
Santa Fe, New Mexico

Exhibit No. D-3

Submitted by: MRC Permian Company

Hearing Date: September 21, 2023

Case Nos. 23670 & 23671



**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. 23671

**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 and request for approval of an overlapping horizontal well 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 September 19, 2023.

5. I caused a notice to be published to all parties subject to these compulsory pooling proceedings. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached as Exhibit F.

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: September 21, 2023
Case No. 23671**



Paula M. Vance

9/19/23

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
Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New
Mexico: Dew Dix 114H, 124H and 134H 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
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

MRC - Drew Dix 114H, 124H and 134H wells Case no. 23671
Postal Delivery Report

9414811898765417531011	Alfred J. Rodriguez	28 Kennington Ct	Dallas	TX	75248-7902	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417531059	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.
9414811898765417531066	B&N Energy LLC	Attn Myrna Guzman 140 East Main Street, Ste 200	Lewisville	TX	75057	Your item was delivered to an individual at the address at 2:21 pm on August 1, 2023 in LEWISVILLE, TX 75057.
9414811898765417531028	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
9414811898765417531004	BucJag Investments LLC	139 Sheridan Rd	Winnetka	IL	60093-1539	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417531097	BURTEX INVESTMENTS II LP	5 Westover Rd	Fort Worth	TX	76107-3104	Your item was delivered to an individual at the address at 4:41 pm on August 2, 2023 in FORT WORTH, TX 76107.
9414811898765417531042	Charles H. Hill, III	5956 Sherry Ln	Dallas	TX	75225-6519	Your item has been delivered to the original sender at 9:07 am on August 18, 2023 in SANTA FE, NM 87501.
9414811898765417531080	Chief Capital O&G II, 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.
9414811898765417531035	ConocoPhillips	600 W Illinois Ave	Midland	TX	79701-4882	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417531417	Covenant Natural Resources LP	Richland Corporate Centre 9001 Airport Fwy Ste 825	North Richland Hills	TX	76180-7795	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417531455	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
9414811898765417531424	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.
9414811898765417531400	Devon Energy Production Co LP	333 W Sheridan Ave	Oklahoma City	OK	73102-5010	Your item was picked up at a postal facility at 7:44 am on August 1, 2023 in OKLAHOMA CITY, OK 73102.
9414811898765417531486	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
9414811898765417531431	Estate of Bobbie Joy Burger McDearmon	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.
9414811898765417531479	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.

MRC - Drew Dix 114H, 124H and 134H wells Case no. 23671
Postal Delivery Report

9414811898765417531516	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.
9414811898765417531554	Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate Trust	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.
9414811898765417531561	Granite Ridge Holdings LLC	5217 McKinney Ave Ste 400	Dallas	TX	75205-3754	Your item was delivered to an individual at the address at 11:06 am on August 1, 2023 in DALLAS, TX 75205.
9414811898765417531523	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.
9414811898765417531509	Horned Frog Oil & Gas, LP	6500 West Fwy Ste 222	Fort Worth	TX	76116-2116	Your item was delivered to an individual at the address at 12:14 pm on August 2, 2023 in FORT WORTH, TX 76116.
9414811898765417531592	International Petroleum Services Co.	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.
9414811898765417531547	Ivory Oil Company LLC	6500 West Fwy Ste 222	Fort Worth	TX	76116-2116	Your item was delivered to an individual at the address at 12:14 pm on August 2, 2023 in FORT WORTH, TX 76116.
9414811898765417531585	Jack C. Holland	180 Mooring Buoy	Hilton Head Island	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.
9414811898765417531530	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.
9414811898765417531578	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.
9414811898765417519217	JTD LLC	3413 Shell Ave	Midland	TX	79707-6616	Your item was delivered to an individual at the address at 4:08 pm on August 2, 2023 in MIDLAND, TX 79705.
9414811898765417519255	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.
9414811898765417519262	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.
9414811898765417519224	Nancy Peacock Mackey	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.
9414811898765417519200	OTSS Investments LLC	6500 West Fwy Ste 222	Fort Worth	TX	76116-2116	Your item was delivered to an individual at the address at 12:14 pm on August 2, 2023 in FORT WORTH, TX 76116.

MRC - Drew Dix 114H, 124H and 134H wells Case no. 23671
Postal Delivery Report

9414811898765417519248	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.
9414811898765417519286	Phillip G. Huey	6330 E University Blvd	Dallas	TX	75214-2140	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417519279	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.
9414811898765417519811	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.
9414811898765417519859	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.
9414811898765417519866	Spiral Inc	PO Box 1933	Roswell	NM	88202-1933	Your item was picked up at the post office at 3:17 pm on August 4, 2023 in ROSWELL, NM
9414811898765417519828	SRR Permian LLC	1701 River Run Ste 902	Fort Worth	TX	76107-6553	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765417519804	Stephen Wolf Attn Brandon 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.
9414811898765417519897	Successor Trustee of The Anderson Living Trust dated June 26, 1995	PO Box 142	Fulton	TX	78358-0142	Your item has been delivered to the original sender at 11:03 am on August 28, 2023 in SANTA FE, NM 87501.
9414811898765417519842	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
9414811898765417519880	Trustee of the Reubin R McDearmon and Bobbie J McDearmon Revocable Trust dated December 8, 1992	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.
9414811898765417519835	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.
9414811898765417519873	Una Oreja LLC	6500 West Fwy Ste 222	Fort Worth	TX	76116-2116	Your item was delivered to an individual at the address at 12:14 pm on August 2, 2023 in FORT WORTH, TX 76116.
9414811898765417519712	Union Hill Oil and Gas LLC	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.
9414811898765417519750	Virginia A. Desmond c/o First American Bank, Agent	201 Ocean Ave Unit B303	Santa Monica	CA	90402-1456	Your item has been delivered to an agent for final delivery in SANTA MONICA, CA 90402 on August 5, 2023 at 10:07 am.

MRC - Drew Dix 114H, 124H and 134H wells Case no. 23671
Postal Delivery Report

9414811898765417519767	Virginia C. Houston, Trustee of the V. C. Houston Trust	5535 Park Ln	Dallas	TX	75220-2151	Your item has been delivered to the original sender at 10:58 am on September 7, 2023 in SANTA FE, NM 87501.
9414811898765417519729	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.
9414811898765417519705	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.
9414811898765417519798	Featherstone Development Corporation	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 9:56 am on August 4, 2023 in ROSWELL, NM
9414811898765417519743	Prospector, LLC	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 9:56 am on August 4, 2023 in ROSWELL, NM
9414811898765417519736	Big Three Energy Group, LLC	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 9:56 am on August 4, 2023 in ROSWELL, NM
9414811898765417519774	ConocoPhillips	PO Box 1518	Houston	TX	77251-1518	Your item was delivered to an individual at the address at 11:18 am on August 2, 2023 in HOUSTON, TX 77202.
9414811898765417519910	Parrot Head Properties, LLC	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 9:56 am on August 4, 2023 in ROSWELL, NM
9414811898765417519958	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.
9414811898765417519927	Ross Duncan Properties LLC	PO Box 647	Artesia	NM	88211-0647	Your item was picked up at the post office at 3:18 pm on August 3, 2023 in ARTESIA, NM
9414811898765417519996	International Petroleum Services Co.	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.
9414811898765417519989	B&G Royalties	PO Box 376	Artesia	NM	88211-0376	Your item was picked up at the post office at 10:24 am on August 3, 2023 in ARTESIA, NM
9414811898765417519972	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.
9414811898765417519668	Read and Stevens 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
9414811898765417519606	WPX Energy Permian, LLC	3500 One Williams Ctr	Tulsa	OK	74172-0135	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765417519644	Kaiser Francis Oil Company	6733 S Yale Ave	Tulsa	OK	74136-3302	Your item was delivered to the front desk, reception area, or mail room at 11:20 am on August 2, 2023 in TULSA, OK 74136.
9414811898765417519637	Sharron S. Trollinger, as Trustee of the Sharron Stone Trollinger Trust	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.
9414811898765417519118	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

MRC - Drew Dix 114H, 124H and 134H wells Case no. 23671
Postal Delivery Report

9414811898765417519163	John Alexander Guitar and Margaret Ann Guitar, Trustees of the Earl B. Guitar, Jr. and Margaret Ann Guitar Revocable Trust	PO Box 748	Abilene	TX	79604-0748	Your item was picked up at the post office at 11:04 am on August 4, 2023 in ABILENE, TX 79601.
9414811898765417519194	Guitar Land & Cattle, LP	PO Box 2213	Abilene	TX	79604-2213	Your item was delivered to an individual at the address at 1:40 pm on August 7, 2023 in ABILENE, TX 79601.
9414811898765417519187	The United States of America	620 E Greene St	Carlsbad	NM	88220-6292	Your item was delivered to an individual at the address at 2:34 pm on August 3, 2023 in CARLSBAD, NM 88220.

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005784041

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HOLLAND AND HART

PO BOX 2208

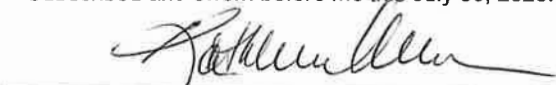
SANTA FE, NM 87504-2208

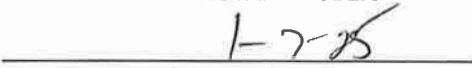
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements 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

KATHLEEN ALLEN
Notary Public
State of Wisconsin

Ad # 0005784041

PO #: 0005784041

of Affidavits 1

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BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Matador Production Company
Hearing Date: September 21, 2023
Case No. 23671

**STATE OF NEW MEXICO
ENERGY, MINERALS AND
NATURAL RESOURCES DE-
PARTMENT
OIL CONSERVATION DIVI-
SION**

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://ocdimaging.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; BucJag Investments LLC; BURTEX INVESTMENTS II LP; Charles H. Hill, III, his heirs and devisees; Chief Capital (O&G) II, LLC; ConocoPhillips; Covenant Natural Resources LP; CSA Petroleum Corp.; D.H.B. Partnership; Devon Energy Production Co LP; ENK3 Minerals, LP; Estate of Bobbie Joy Burger McDearmon, his or her heirs and devisees; Frank J. Hughey, his heirs and devi-

sees; Glenda Louise Farris Richter, her heirs and devisees; Glenda Louise Farris Richter, Trustee of the Donald Edward Richter Estate Trust; Granite Ridge Holdings LLC; Highland (Texas) Energy Company; Horned Frog Oil & Gas, LP; International Petroleum Services Co.; Ivory Oil Company LLC; Jack C. Holland, his heirs and devisees; Jane Scisson Grimshaw, her heirs and devisees; Judy Scisson Ferreri, her heirs and devisees; JTD LLC; Michael Gollob Oil Company, Inc.; MRC Permian Company; Nancy Peacock Mackey, her heirs and devisees; OTSS Investments LLC; Patterson Petroleum, LLC; Phillip G. Huey, his heirs and devisees; S K Warren Resources LLC; Sam Wolf, his or her heirs and devisees; Sealy Hutchings Cavin, Inc.; Spiral Inc; SRR Permian LLC; 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; Una Oreja LLC; Union Hill Oil and Gas LLC; Virginia A. Desmond c/o First American Bank, Agent, 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; Featherstone Development Corporation; Prospector, LLC; Big Three Energy Group, LLC; ConocoPhillips; Parrot Head Properties, LLC; MRC Permian Company; Ross Duncan Properties LLC; International Petroleum Services Co.; B&G Royalties; Patterson Petroleum, LLC; Read and Stevens Inc.; WPX Energy Permian, LLC; Kaiser Francis Oil Company; Sharon S. Trollinger, as Trustee of the Sharon Stone Trollinger Trust; First Century Oil, Inc.; John Alexander Guitar and Margaret Ann Guitar, Trustees of the Earl B. Guitar, Jr. and Margaret Ann Guitar Revocable Trust; Guitar Land & Cattle, LP; and The United States of America.

Case No. 23671: 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 S2S2 of Section 1 and S2SE4 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 Dew Dix Fed Com 114H, Dew Dix Fed Com 124H and the Dew Dix Fed Com 134H wells to be horizontally drilled with first take points located in the SE4SE4 (Unit P) of Section 1 and last take points located in the SW4SE4 (Unit O) of Section 2. This standard 240-acre horizontal well spacing unit will overlap a 160-acre horizontal well spacing unit comprised of the S2S2 of Section 1 that is currently dedicated to the Dr. Scriven Federal 01-24S-28E RB 124H well (API No. 30-15-43820) operated by Matador Production 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.
#0005784041, Current Arguments, July 30, 2023