

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David R. Catanach, Division Director
Oil Conservation Division



July 6, 2015

Ms. Dana Arnold
MRC Permian Company
One Lincoln Centre
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

RE: Request for Extension to Complete the Ann Com. Well No. 1, Pursuant to Division Order No. R-13743/Case No. 15022

Dear Ms. Arnold:

Reference is made to your request on behalf of MRC Permian Company ("MRC") received by the Division on July 1, 2015, for the Ann Com. Well No. 1 (API No. 30-015-23036; "subject well") with a surface location in Unit letter G of Section 15, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico.

It is our understanding that MRC has re-entered and completed the drilling of the subject well but is unable to meet the 120-day completion requirement included in Ordering Paragraph (5) of Order No. R-13743. The subject well was re-entered on February 28, 2013, and would have required completion of the well no later than June 29, 2013. Three prior extensions have been granted for the subject well resulting in a current deadline of December 1, 2015, for completion.

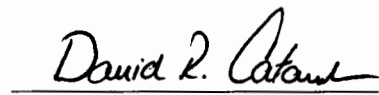
MRC has identified a lack of pipeline access for gas production and has presented plans in a meeting with the Director to further develop the acreage within the Unit with a horizontal well as cause for an additional extension. Based on these reasons, MRC has requested a one-year extension for completion of the subject well.

The Division has reviewed your request and hereby extends the date to complete this well, pursuant to Ordering Paragraph (5), to December 1, 2016. All other provisions of Order No. R-13743 remain in full force and effect.

If you have any questions, please contact Phillip Goetze at 505.476.3466.

Extension of Order No. R-13743
MRC Permian Company
July 6, 2015
Page 2 of 2

Sincerely,

A handwritten signature in black ink, reading "David R. Catanach", written over a horizontal line.

DAVID R. CATANACH
Director

DRC/prg

cc: Oil Conservation Division – Artesia District Office
Case No. 15022
Well File API No. 30-015-23036

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.371.5284 • Fax 214.866.4832
darnold@matadorresources.com

Dana Arnold
Staff Attorney

RECEIVED OCD

June 26, 2015

2015 JUL -1 A 8:19

SENT VIA FEDEX

New Mexico Oil Conservation Division
Attn: David Catanach
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

**Re: Request for Extended Time related to
NMOCD Pooling Order No. 13743
Ann Com No. 01
1655' FNL & 1980' FEL
Section 15-24S-28E: N/2 Spacing Unit
Eddy County, New Mexico (the "Ann Com Well")**

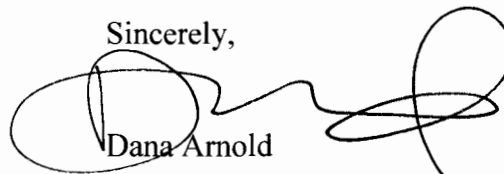
Dear Mr. Catanach:

On August 27, 2014, the NMOCD granted MRC Permian Company and its operating affiliate, Matador Production Company (collectively, "MRC"), an extension to finish its completion operations by December 1, 2015 on the Ann Com Well. MRC respectfully requests that the NMOCD grant it a second extension, up to and until December 1, 2016, to finish completion operations or else plug and abandon the Ann Com Well in accordance with NMAC 19.15.25.

MRC requests the extension to allow it time to finish the complex land work that remains to be done for the Ann Com Well and to complete its analysis and plan to develop the minerals underlying Section 15, Township 24S, Range 28E so as to best prevent waste and benefit the constituent interests. Since MRC acquired the Ann Com Well and its related properties last year, it has undertaken extensive efforts to complete title due diligence for the over 300 related tracts. MRC has made good progress, but the remaining time necessary to complete its title work, together with the finalization of its development plans for this well, may take up to an additional year to complete. MRC has made a considerable investment in this area and has recently drilled three horizontal wells in the S/2 of the Section to the South East and is currently evaluating a number of other drilling opportunities in the area.

We appreciate your consideration and please contact me with any questions.

Sincerely,



Dana Arnold