

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING SEPTEMBER 7, 2023**

CASE NO. 23746

ALYSON 3332 FED COM #121H

EDDY COUNTY, NEW MEXICO



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

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

CASE NO. 23746

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

| | |
|--|---|
| Case: 23746 | APPLICANT'S RESPONSE |
| Date | September 7, 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 COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. |
| Entries of Appearance/Intervenors: | Permian Resources, Operating, LLC and Mewbourne Oil Company |
| Well Family | Alsyon |
| 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: | WC-015 G-04 S203032P; BONE SPRING [98008] |
| 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 33 and the N/2 NE/4 of Section 32, Township 20 South, Range 30 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 BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico |
| Proximity Tracts: If yes, description | No Exhibit No. A Submitted by: MRC Permian Company |
| Proximity Defining Well: if yes, description | N/A Hearing Date: September 7, 2023 Case No. 23746 |
| Applicant's Ownership in Each Tract | Exhibit C-3 |
| 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 |

| | | |
|--|---|--------------------|
| Well #1: <i>Received by OCD: 9/5/2023 10:21:22 AM</i> | Alyson 3332 Fed Com #121H well SHL: 856' FNL, 778' FEL (Unit A) of Section 33 BHL: 660' FNL, 2,531' FEL (Unit B) of Section 32 Target: Bone Spring Orientation: East-West Completion: Standard Location | <i>Page 4 of 4</i> |
| Horizontal Well First and Last Take Points | Exhibit C-1 | |
| Completion Target (Formation, TVD and MD) | Exhibit C-4 | |
| 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-2 | |
| Tract List (including lease numbers and owners) | Exhibit C-2 | |
| 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-3 | |
| Unlocatable Parties to be Pooled | N/A | |
| Ownership Depth Severance (including percentage above & below) | N/A | |
| Joinder | | |
| Sample Copy of Proposal Letter | Exhibit C-4 | |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit C-3 | |
| Chronology of Contact with Non-Joined Working Interests | Exhibit C-5 | |
| Overhead Rates In Proposal Letter | Exhibit C-4 | |
| Cost Estimate to Drill and Complete | Exhibit C-4 | |
| Cost Estimate to Equip Well | Exhibit C-4 | |
| Cost Estimate for Production Facilities | Exhibit C-4 | |
| 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-1 |
| Tracts | Exhibit C-2 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit C-3 |
| 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: | 9/5/2023 |

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

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

CASE NO. 23746

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 pooling all uncommitted mineral owners in a standard 240-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 33 and the N2NE4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal well 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 horizontal spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Alyson 3332 Fed Com 121H** well to be horizontally drilled from a surface hole location in the NE4NE4 (Unit A) of Section 33, with a first take point in the NE4NE4 (Unit A) and a last take point in the NW4NE4 (Unit B) of Section 32.
4. 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.

69: CF9'H<9'C=@7 CBG9FJ5HCB'8-J-GCB'
GUBHJ: YZBYk'A YI JvE
91\ JvJhBc"6
Gi Va JhYX'Vm'AF7'DYfa JUb'7 ca dUbnI
< YUfJb['8 UH. 'GYdHya VYf'+z&\$&
7UgYBc"&' +(*

5. 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 September 7, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interest owners in the proposed horizontal well spacing unit;
- 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: 

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
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ATTORNEYS FOR MRC PERMIAN COMPANY

CASE _____:

Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 240-acre horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 33 and the N2NE4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed **Alyson 3332 Fed Com 121H** well to be horizontally drilled a surface hole location in the NE4NE4 (Unit A) of Section 33, with a first take point in the NE4NE4 (Unit A) and a last take point in the NW4NE4 (Unit B) of Section 32. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles northeast of Carlsbad, New Mexico.

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

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

CASE NO. 23746

SELF-AFFIRMED STATEMENT OF HAWKS HOLDER

Hawks Holder, of lawful age and being first duly sworn, declares as follows:

1. My name is Hawks Holder. I work for MRC Energy Company, an affiliate of Matador Production Company (“Matador”), as a 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 Bone Spring formation in the standard 240-acre, more or less, horizontal well spacing unit comprised of the N/2 N/2 of Section 33 and the N/2 NE/4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, and initially dedicate this Bone Spring spacing unit to the proposed **Alyson 3332 Fed Com 121H** well, to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 33, with a first take point in the NE/4 NE/4 (Unit A) of Section 33 and a last take point in the NW/4 NE/4 (Unit B) of Section 32.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case No. 23746

5. Matador understands this well will be placed in the WC-015 G-04 S203032P; BONE SPRING (98008) pool.

6. **Matador Exhibit C-1** contains the Form C-102 for the proposed well.

7. The completed intervals for the proposed well will remain within the standard setbacks required by the statewide rules set forth in 19.15.16.15 NMAC.

8. **Matador Exhibit C-2** identifies the tracts of land comprising the proposed horizontal spacing units. The land in the proposed spacing unit is comprised of federal and state lands.

9. **Matador Exhibit C-3** identifies the working interest owners that Matador is seeking to pool along with their respective ownership interest in the proposed horizontal spacing unit. **Matador Exhibit C-3** also identifies the overriding royalty interest owners and record title owners that Matador seeks to pool in this case.

10. There are no depth severances within the Bone Spring formation for this acreage.

11. While Matador was working to put this unit together, Matador proposed the above well to each of the working interest parties it seeks to pool. **Matador Exhibit C-4** contains a sample well proposal letter that was sent to those 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.

12. In addition to sending well proposal letters and AFEs, I have called or emailed each of the working interest owners Matador seeks to pool. As indicated in **Matador Exhibit C-5**, we have been able to contact and have discussions with all of the working interest owners we seek to pool.

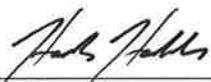
13. **Matador Exhibit C-5** contains a summary chronology of Matador’s contacts and attempted contacts with the uncommitted working interest owners. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners that Matador seeks to pool in this case.

14. Matador has made an estimate of overhead and administrative costs for drilling and producing the proposed well. 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 order entered by the Division in this case.

15. 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 this notice list, 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.

16. **Matador Exhibits C-1 through C-5** were either prepared by me or compiled under my direction and supervision.

17. 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.



Hawks Holder

8/31/2023

Date

Exhibit C-1

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 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 FORM C-102
Hearing Date: September 7, 2023 Revised August 1, 2011
Case No. 23746

Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|----------------------------|-----------------------------------|
| ¹ API Number | ² Pool Code | ³ Pool Name |
| | 98008 | WC-015 G-04 S203032P; Bone Spring |
| ⁴ Property Code | ⁵ Property Name | |
| | ALYSON 3332 FED COM | |
| ⁶ OGRID No. | ⁷ Operator Name | ⁸ Well Number |
| 229937 | MATADOR PRODUCTION COMPANY | 121H |
| | | ⁹ Elevation |
| | | 3331' |

| 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 |
| A | 33 | 20-S | 30-E | - | 856' | NORTH | 778' | 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 |
| B | 32 | 20-S | 30-E | - | 660' | NORTH | 2531' | EAST | EDDY |

| | | | |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
| 240 | | | |

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.

The diagram shows a survey plat with sections 27, 28, 29, 30, 31, 32, and 33. It includes surface location (SHL) and bottom hole location (BHL) points. Key points include LPP1, BPP1, BPP2, FPP, KOP, and SHL. Bearings and distances are provided for various lines, such as 856' NAD 27, 778' NAD 27, and 2531' NAD 27. The diagram also shows township and range lines (T-20-S, R-30-E).

17 OPERATOR CERTIFICATION

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 unleased 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.

Signature: _____ Date: _____

Printed Name: _____

E-mail Address: _____

18 SURVEYOR CERTIFICATION

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.

06/16/2023

Date of Survey: _____
Signature and Seal of Professional Surveyor: _____

Certificate Number: _____

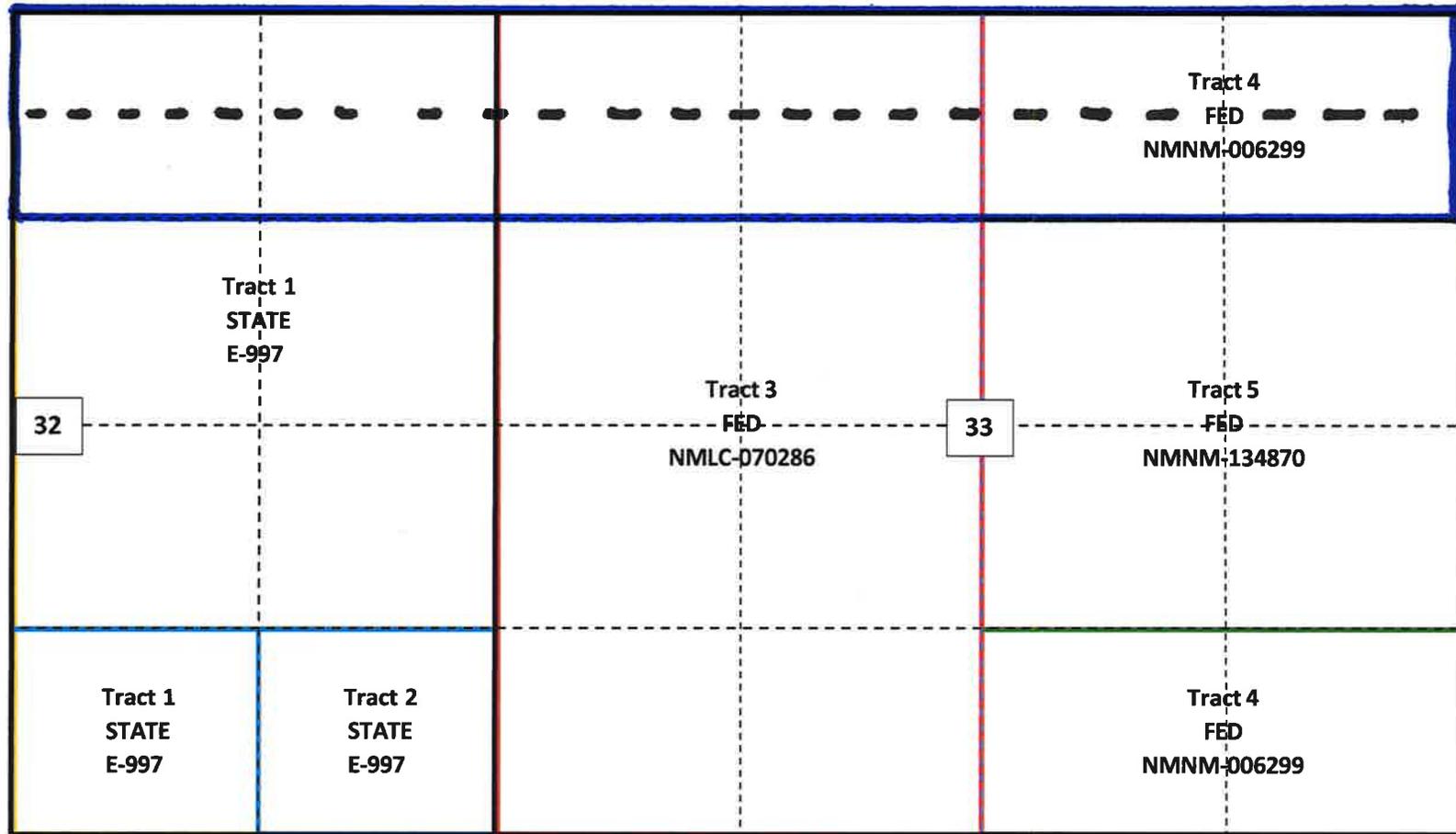
NEW MEXICO EAST
NAD 1927

| | | |
|---|--|---|
| SURFACE LOCATION (SHL) 856' FNL - SEC. 33 778' FEL - SEC. 33 X=652971 Y=558442 LAT.: N 32.5346940 LONG.: W 103.9710938 | KICK OFF POINT (KOP) 660' FNL - SEC. 33 50' FEL - SEC. 33 X=653699 Y=558637 LAT.: N 32.5352224 LONG.: W 103.9687302 | FIRST PERF. POINT (FPP) 660' FNL - SEC. 33 100' FEL - SEC. 33 X=653649 Y=558637 LAT.: N 32.5352231 LONG.: W 103.9688925 |
| BLM PERF. POINT (BPP1) 665' FNL - SEC. 33 2643' FEL - SEC. 33 X=651106 Y=558635 LAT.: N 32.5352414 LONG.: W 103.9771443 | BLM PERF. POINT (BPP2) 668' FNL - SEC. 33 0' FWL - SEC. 33 X=648453 Y=558633 LAT.: N 32.5352601 LONG.: W 103.9857537 | LAST PERF. POINT (LPP) 660' FNL - SEC. 32 100' FEL - SEC. 32 X=645922 Y=558631 LAT.: N 32.5352773 LONG.: W 103.9939652 |

| | |
|---|--|
| SURFACE LOCATION (SHL) X=611790 Y=558381 LAT.: N 32.5351918 LONG.: W 103.9709936 | KICK OFF POINT (KOP) X=612518 Y=558575 LAT.: N 32.5351029 LONG.: W 103.9682300 |
| FIRST PERF. POINT (FPP) X=612488 Y=558575 LAT.: N 32.5351030 LONG.: W 103.9683923 | BLM PERF. POINT (BPP1) X=609225 Y=558573 LAT.: N 32.5351214 LONG.: W 103.9766439 |
| BLM PERF. POINT (BPP2) X=607272 Y=558572 LAT.: N 32.5351401 LONG.: W 103.9852531 | LAST PERF. POINT (LPP) X=604741 Y=558570 LAT.: N 32.5351574 LONG.: W 103.9856444 |

Exhibit C-2

Alyson 3332 Fed Com Tract Map



*Alyson 3332
Fed Com
#1214*

Exhibit C-3

Alyson 3332 Fed Com #121H Summary of Interests

| | |
|--------------------------|-------------------|
| MRC Permian | 76.180846% |
| Voluntary Joinder | 3.999022% |
| Compulsory Pool | 19.820132% |

| Compulsory Pool Interest Owner: | Description: | Tract: | Interest: |
|--|---------------------|---------------|------------------|
| Yates Energy Corporation | WI | 4 | 3.153465% |
| Colgate Production, LLC | WI | 4 | 16.666667% |
| Merrion Oil & Gas Corporation | ORRI | | |
| Lynx Petroleum Consultants, Inc. | ORRI | | |
| Alexander Oil and Gas, LLC | ORRI | | |
| Hal Brunson | ORRI | | |
| Cope Properties, LLC | ORRI | | |
| DASCO Energy Corporation | ORRI | | |
| Fonay Oil & Gas, LLC | ORRI | | |
| Powder Horn Investments, LLC | ORRI | | |
| RR Resources Ltd. Co. | ORRI | | |
| Teaco Energy | ORRI | | |
| Underwood, LLC | ORRI | | |
| W&C Oil Properties, LLC | ORRI | | |
| Watson Oil and Gas, LLC | ORRI | | |
| Francis Hill Hudson, Trustee of Lindy's Living Trust u/t/a dated July 8, 1994 | ORRI | | |
| Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002 | ORRI | | |
| Moore & Shelton Company, Ltd. | ORRI | | |
| Zorro Partners, Ltd. | ORRI | | |
| Javelina Partners | ORRI | | |
| Ard Oil, Ltd. | ORRI | | |
| Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell | ORRI | | |
| Compound Properties | ORRI | | |
| Pat Guthrie, Trustee of the Guthrie Family Trust dated July 12, 1993 | ORRI | | |
| B&G Royalties | ORRI | | |
| Penasco Petroleum, LLC | ORRI | | |
| Rolla R. Hinkle, III | ORRI | | |
| Barbe Development, LLC | ORRI | | |
| Chad Barbe | ORRI | | |
| The Toles Company | ORRI | | |
| Mark McClellan and Paula McClellan | ORRI | | |
| Pegasus Resources, LLC | ORRI | | |
| West Bend Energy Partners, LLC | ORRI | | |
| SMP Sidecar Titan Mineral Holdings, LP | ORRI | | |
| SMP Titan Mineral Holdings, LP | ORRI | | |

NOTE: All parties listed under "Compulsory Pool Interest Owner" are being pooled.

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-3
 Submitted by: MRC Permian Company
 Hearing Date: September 7, 2023
 Case No. 23746

| | |
|--|--------------|
| MSH Family Real Estate Partnership II, LLC | ORRI |
| SMP Titan Flex, LP | ORRI |
| XTO Delaware Basin, LLC | ORRI |
| CTV-SRB II BPEOR NM, LLC | ORRI |
| CTV-SRB I BPEOR NM, LLC | ORRI |
| CTV-CTAM BPEOR NM, LLC | ORRI |
| CTV-LMB II BPEOR NM, LLC | ORRI |
| CTV-LMB I BPEOR NM, LLC | ORRI |
| Francis Hill Hudson, Trustee of Lindy's Living Trust u/t/a dated July 8, 1994 | Record Title |
| Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002 | Record Title |
| Moore & Shelton Company, Ltd. | Record Title |
| Zorro Partners, Ltd. | Record Title |
| Javelina Partners | Record Title |
| Ard Oil, Ltd. | Record Title |
| Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell | Record Title |
| Trigg Oil & Gas Limited Partnership | Record Title |

Exhibit C-4

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Cell 806.282.6846 • Office 972.619.4336 • Fax 972-371-5201
hawks.holder@matadorresources.com

Hawks Holder
Landman

July 25, 2023

VIA CERTIFIED RETURN RECEIPT MAIL

Colgate Production, LLC
300 N. Marienfeld St., Suite 1000
Midland, TX 79701

Re: Alyson 3332 Fed Com #121H, #122H, #123H, #124H, #201H, #202H, #203H & #204H (the "Wells")
Participation Proposal
Sections 33 & 32, Township 20 South, Range 30 East
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Alyson 3332 Fed Com #121H, Alyson 3332 Fed Com #122H, Alyson 3332 Fed Com #123H, Alyson 3332 Fed Com #124H, Alyson 3332 Fed Com #201H, Alyson 3332 Fed Com #202H, Alyson 3332 Fed Com #203H & Alyson 3332 Fed Com #204H wells, located in Sections 33 & 32, Township 20 South, Range 30 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 eight (8) enclosed Authority for Expenditures ("AFE") dated May 31, 2023.
- **Alyson 3332 Fed Com #121H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.
- **Alyson 3332 Fed Com #122H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.
- **Alyson 3332 Fed Com #123H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case No. 23746

- **Alyson 3332 Fed Com #124H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FSL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.
- **Alyson 3332 Fed Com #201H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.
- **Alyson 3332 Fed Com #202H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.
- **Alyson 3332 Fed Com #203H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.
- **Alyson 3332 Fed Com #204H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FSL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.

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



Hawks Holder

Colgate Production, LLC hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #121H well.

_____ Not to participate in the Alyson 3332 Fed Com #121H

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #122H well.

_____ Not to participate in the Alyson 3332 Fed Com #122H

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #123H well.

_____ Not to participate in the Alyson 3332 Fed Com #123H

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #124H well.

_____ Not to participate in the Alyson 3332 Fed Com #124H

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #201H well.

_____ Not to participate in the Alyson 3332 Fed Com #201H

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #202H well.

_____ Not to participate in the Alyson 3332 Fed Com #202H

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #203H well.

_____ Not to participate in the Alyson 3332 Fed Com #203H

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Alyson 3332 Fed Com #204H well.

_____ Not to participate in the Alyson 3332 Fed Com #204H

Colgate Production, LLC

By: _____

Title: _____

Date: _____

Contact Number: _____

Exhibit C-5

Summary of Communications:

Yates Energy Corporation:

- 6/30/2023: Proposals and operating agreement mailed via Certified Mail.
- 7/17-8/22/2023: Discussed YEC participating in the wells proposed. Awaiting signed elections and operating agreement.

Colgate Operating, LLC:

- 7/27/2023: Proposals sent via Certified Mail and email.
- 7/27-8/22/2023: Discussed Colgate's participation in the unit or a potential deal. Awaiting progression on the deal or signed operating agreement.

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

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

CASE NO. 23746, 23747 and 23748

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

CASE NO. 23749

SELF-AFFIRMED STATEMENT OF ANDREW PARKER

1. My name is Andrew Parker. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Senior Vice President of Geoscience.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Matador in these cases, and I have conducted a geologic study of the lands in the subject area.
4. **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.
5. In these cases, Matador intends to develop the Second Bone Spring of the Bone Spring formation.
6. **Matador Exhibit D-2** is a subsea structure map prepared off the top of the Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case Nos. 23746-23749

formation gently dipping to the southeast. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

7. Also included on Matador Exhibit D-2 is a line of cross section from A to A'.

8. **Matador Exhibit D-3** is a structural cross-section 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: gamma ray, caliper, porosity, and resistivity, where available. The proposed target intervals for 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.

9. In my opinion, the lay-down orientation is the preferred orientation for development in this area for Bone Spring wells because the maximum horizontal stress is north-south in this area.

10. 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.

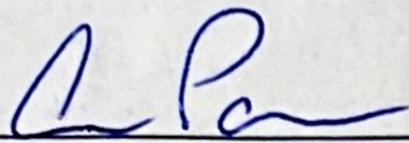
11. In my opinion, each quarter-quarter section will be productive and contribute more-or-less equally to production from each horizontal spacing unit.

12. 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.

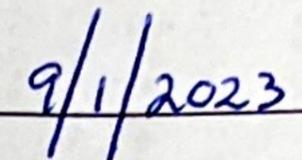
13. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

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

15. 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.

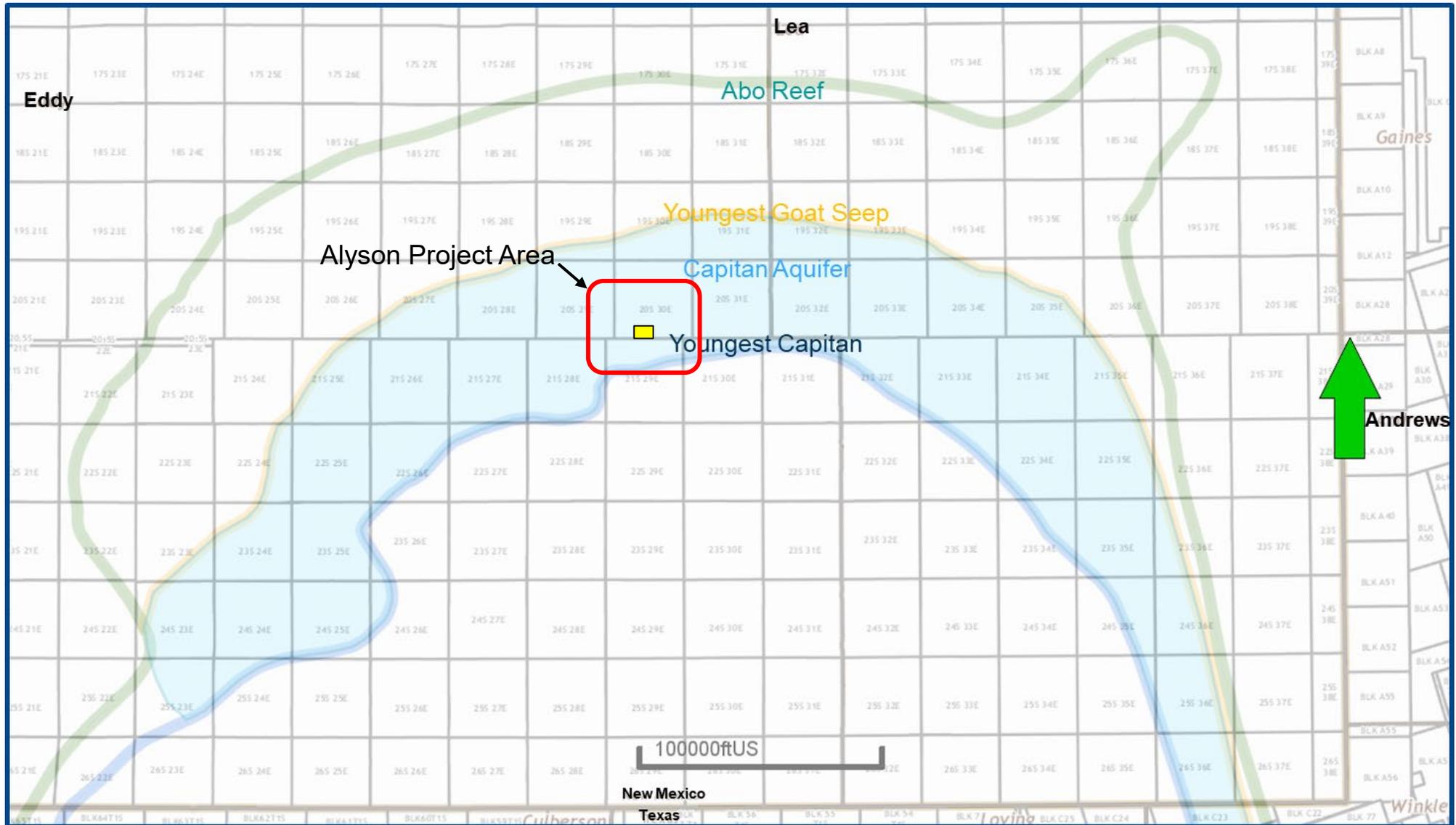


Andrew Parker

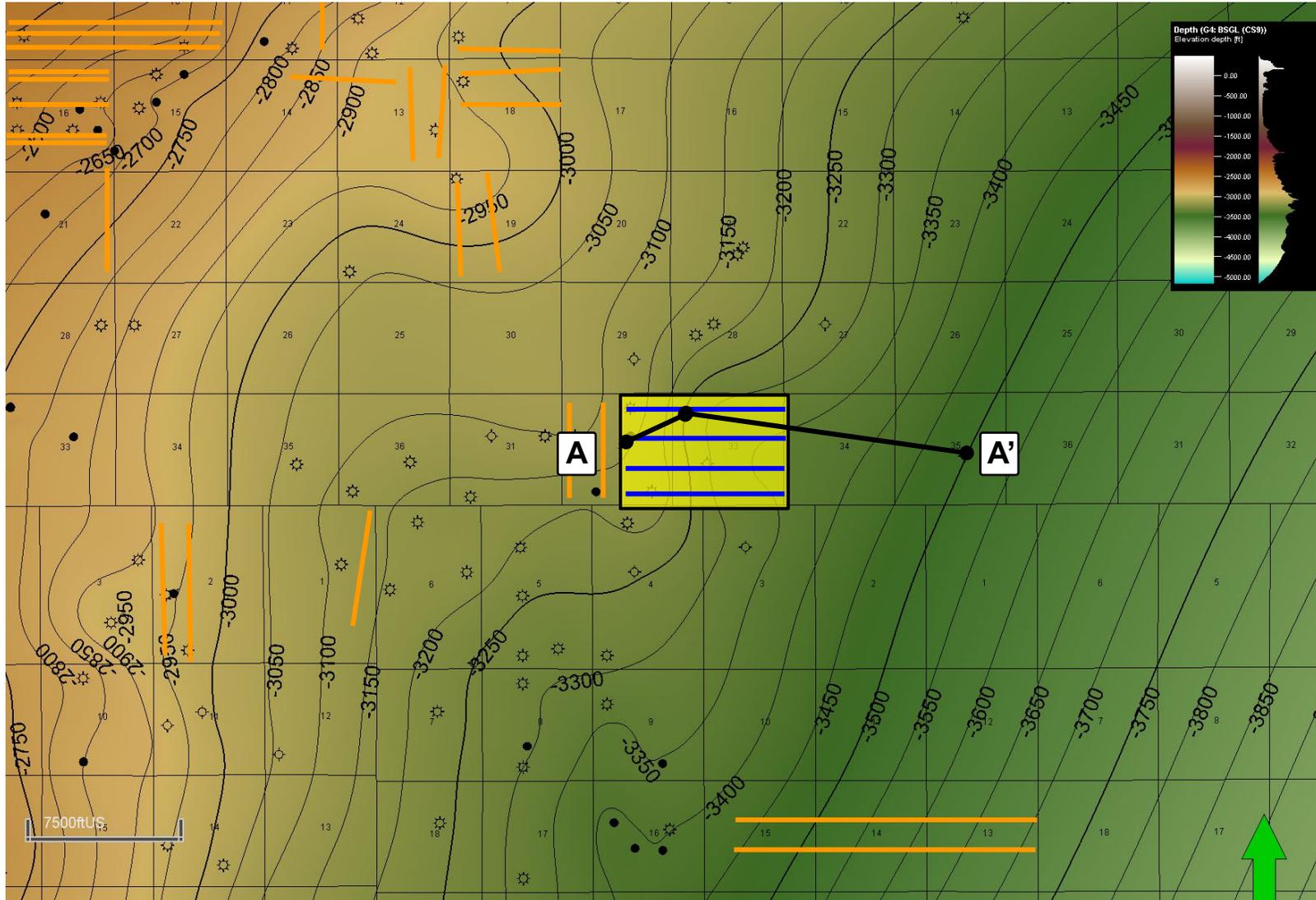


Date

Locator Map



WC-015 G-04 S203032P; BONE SPRING, (98008) Structure Map (Top Bone Spring Subsea) A – A' Reference Line



Map Legend

Alyson Wells



Bone Spring Wells



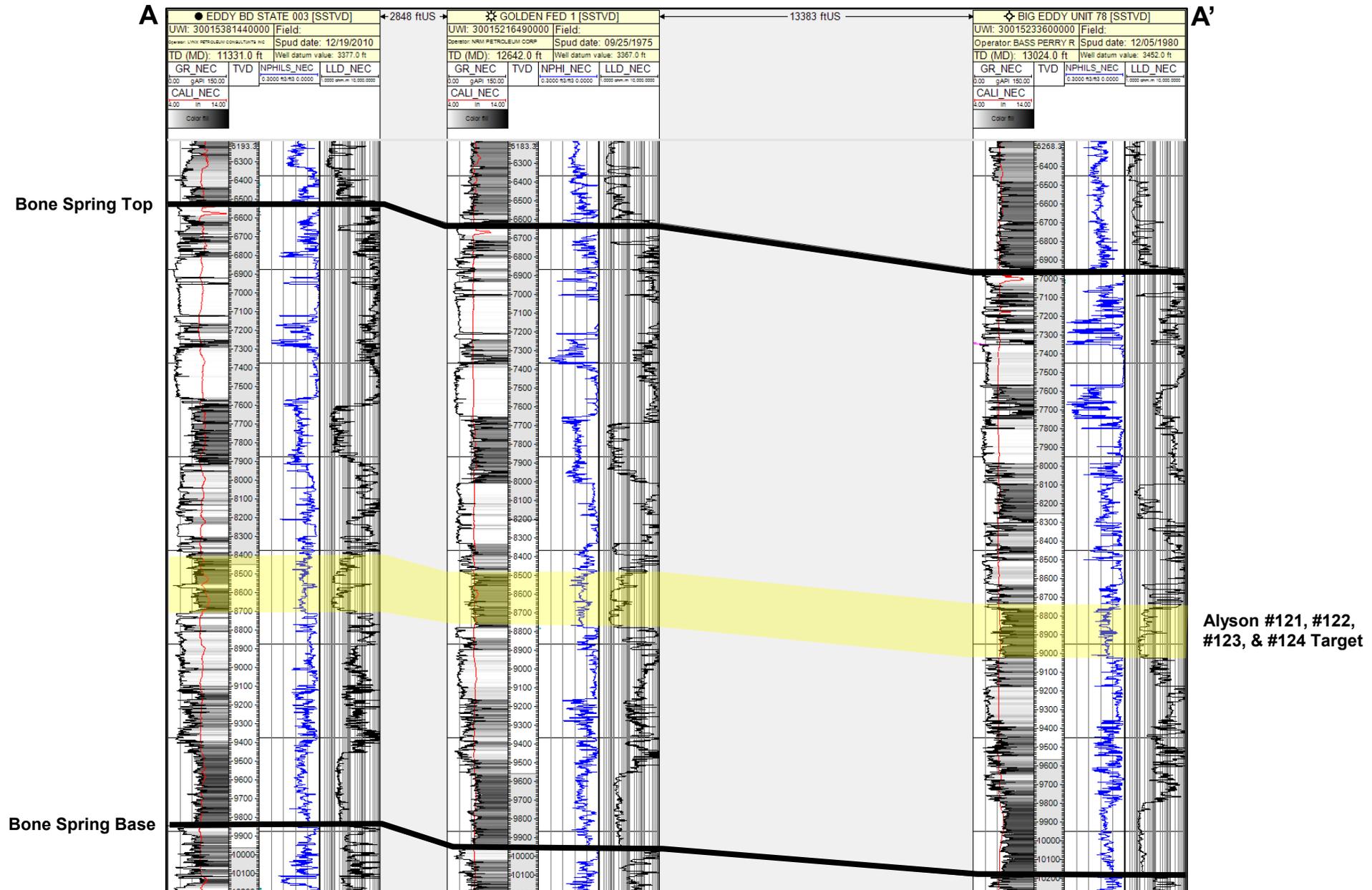
Project Area



C. I. = 50'

WC-015 G-04 S203032P; BONE SPRING, (98008) Structural Cross-Section A – A'

Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case Nos. 23746-23749



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

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

CASE NO. 23746

**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 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 1, 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: September 7, 2023
Case No. 23746**



Paula M. Vance

9/4/23

Date



Michael Feldewert
Partner
Phone (505) 988-4421
Email mhfeldewert@hollandhart.com

August 18, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico: Alyson 3332 Fed Com 121H

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 September 7, 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 Hawks Holder at (972) 619-4336 or at hawks.holder@matadorresources.com.

Sincerely,

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 |

MRC - Alyson 121H well - Case no. 23746
Postal Delivery Report

| TrackingNo | ToName | DeliveryAddress | City | State | Zip | USPS_Status |
|------------------------|----------------------------------|------------------------------|-------------|-------|------------|---|
| 9414811898765410125903 | Jalepeno Corporation | PO Box 1608 | Albuquerque | NM | 87103-1608 | Your item was picked up at the post office at 10:14 am on August 23, 2023 in ALBUQUERQUE, NM 87102. |
| 9414811898765410125996 | Yates Energy Corporation | PO Box 2323 | Roswell | NM | 88202-2323 | Your item was picked up at the post office at 10:21 am on August 22, 2023 in ROSWELL, NM 88201. |
| 9414811898765410125941 | Colgate Production, LLC | 300 N Marienfeld St Ste 1000 | Midland | TX | 79701-4688 | Your item was delivered to an individual at the address at 11:49 am on August 23, 2023 in MIDLAND, TX 79701. |
| 9414811898765410125934 | Merrion Oil & Gas Corporation | 610 Reilly Ave | Farmington | NM | 87401-2634 | Your item was delivered to the front desk, reception area, or mail room at 12:06 pm on August 22, 2023 in FARMINGTON, NM 87401. |
| 9414811898765410125972 | Lynx Petroleum Consultants, Inc. | PO Box 1708 | Hobbs | NM | 88241-1708 | Your item was picked up at the post office at 12:32 pm on August 24, 2023 in HOBBS, NM 88240. |
| 9414811898765410125613 | Alexander Oil and Gas, LLC | 2121 S Columbia Ave | Tulsa | OK | 74114-3505 | Your item arrived at the SANTA FE, NM 87501 post office at 10:13 am on August 30, 2023 and is ready for pickup. |
| 9414811898765410125651 | Hal Brunson | 3186 Crestview Dr | Pineville | LA | 71360-5803 | Your item was delivered to an individual at the address at 4:00 pm on August 22, 2023 in PINEVILLE, LA 71360. |
| 9414811898765410125668 | Cope Properties, LLC | 4801 E Broadway Blvd | Tucson | AZ | 85711-3633 | Your item arrived at the SANTA FE, NM 87501 post office at 10:13 am on August 30, 2023 and is ready for pickup. |
| 9414811898765410125620 | DASCO Energy Corporation | 225 E Bender Blvd unit 150 | Hobbs | NM | 88240-2331 | Your item was picked up at the post office at 4:03 pm on August 30, 2023 in HOBBS, NM 88240. |
| 9414811898765410125606 | Fonay Oil & Gas, LLC | 5333 N Baggett St | Hobbs | NM | 88242-9703 | Your item arrived at the SANTA FE, NM 87501 post office at 9:46 am on August 29, 2023 and is ready for pickup. |
| 9414811898765410125699 | Powder Horn Investments, LLC | 619 E Abo Dr | Hobbs | NM | 88240-3405 | This is a reminder to arrange for redelivery of your item or your item will be returned to sender. |
| 9414811898765410125682 | RR Resources Ltd. Co. | 1629 W Bender Blvd | Hobbs | NM | 88240-8010 | Your item was delivered to the front desk, reception area, or mail room at 9:02 am on August 22, 2023 in HOBBS, NM 88240. |
| 9414811898765410125637 | Teaco Energy | 320 N Turner St | Hobbs | NM | 88240-8302 | Your item arrived at the SANTA FE, NM 87501 post office at 11:41 am on August 28, 2023 and is ready for pickup. |
| 9414811898765410125675 | Underwood, LLC | 2 20th St N Ste A | Birmingham | AL | 35203-4019 | Your item was returned to the sender on August 23, 2023 at 8:36 am in BIRMINGHAM, AL 35203 because of an incomplete address. |
| 9414811898765410125118 | W&C Oil Properties, LLC | 1207 W Caprock St | Hobbs | NM | 88240-1123 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |

MRC - Alyson 121H well - Case no. 23746
Postal Delivery Report

| | | | | | | |
|------------------------|--|------------------------------|--------------|----|------------|--|
| 9414811898765410125156 | Watson Oil and Gas, LLC | PO Box 10 | Hobbs | NM | 88241-0010 | Your item was picked up at the post office at 2:28 pm on August 24, 2023 in HOBBS, NM 88240. |
| 9414811898765410125163 | Francis Hill Hudson, Trustee of Lindys Living Trust u/t/a dated July 8, 1994 | 215 W Bandera Rd Ste 114-620 | Boerne | TX | 78006-2820 | Your item was delivered to an individual at the address at 9:42 am on August 23, 2023 in BOERNE, TX 78006. |
| 9414811898765410125125 | Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002 | 6300 Ridglea Pl Ste 1005A | Fort Worth | TX | 76116-5763 | Your item arrived at the SANTA FE, NM 87501 post office at 10:13 am on August 30, 2023 and is ready for pickup. |
| 9414811898765410125101 | Moore & Shelton Company, Ltd. | PO Box 3070 | Galveston | TX | 77552-0070 | Your item was picked up at the post office at 1:33 pm on August 23, 2023 in GALVESTON, TX 77551. |
| 9414811898765410125194 | Zorro Partners, Ltd. | 616 Texas St | Fort Worth | TX | 76102-4612 | Your item was delivered to the front desk, reception area, or mail room at 1:28 pm on August 22, 2023 in FORT WORTH, TX 76102. |
| 9414811898765410125149 | Javelina Partners | 616 Texas St | Fort Worth | TX | 76102-4612 | Your item was delivered to the front desk, reception area, or mail room at 1:28 pm on August 22, 2023 in FORT WORTH, TX 76102. |
| 9414811898765410125187 | Ard Oil, Ltd. | PO Box 101027 | Fort Worth | TX | 76185-1027 | Your item was delivered at 10:32 am on August 22, 2023 in FORT WORTH, TX 76109. |
| 9414811898765410125132 | Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell | PO Box 1600 | San Antonio | TX | 78296-1600 | Your item has been delivered and is available at a PO Box at 9:31 am on August 23, 2023 in SAN ANTONIO, TX 78205. |
| 9414811898765410125170 | Compound Properties | PO Box 2990 | Ruidoso | NM | 88355-2990 | Your item was picked up at the post office at 11:23 am on August 22, 2023 in RUIDOSO, NM 88345. |
| 9414811898765410125316 | Pat Guthrie, Trustee of the Guthrie Family Trust dated July 12, 1993 | 3105 E 4th St Apt 8D | Bartlesville | OK | 74006-8241 | Your item was picked up at the post office at 10:20 am on August 24, 2023 in BARTLESVILLE, OK 74003. |
| 9414811898765410125354 | B&G Royalties | PO Box 376 | Artesia | NM | 88211-0376 | Your item was picked up at the post office at 9:37 am on August 22, 2023 in ARTESIA, NM 88210. |
| 9414811898765410125361 | Penasco Petroleum, LLC | PO Box 4168 | Roswell | NM | 88202-4168 | Your item was picked up at the post office at 2:08 pm on August 22, 2023 in ROSWELL, NM 88201. |
| 9414811898765410125323 | Rolla R. Hinkle, III | PO Box 2292 | Roswell | NM | 88202-2292 | Your item was picked up at the post office at 11:34 am on August 22, 2023 in ROSWELL, NM 88201. |
| 9414811898765410125309 | Barbe Development, LLC | 121 W 3rd St | Roswell | NM | 88201-4707 | Your item was picked up at the post office at 11:36 am on August 29, 2023 in ROSWELL, NM 88201. |
| 9414811898765410125392 | Chad Barbe | PO Box 2107 | Roswell | NM | 88202-2107 | Your item was picked up at the post office at 2:11 pm on August 22, 2023 in ROSWELL, NM 88201. |
| 9414811898765410125347 | The Toles Company | PO Box 1300 | Roswell | NM | 88202-1300 | Your item was picked up at the post office at 10:56 am on August 28, 2023 in ROSWELL, NM 88201. |

MRC - Alyson 121H well - Case no. 23746
Postal Delivery Report

| | | | | | | |
|------------------------|--|--------------------------------|------------|----|------------|--|
| 9414811898765410125385 | Mark McClellan and Paula McClellan | PO Box 730 | Roswell | NM | 88202-0730 | Your item was picked up at the post office at 10:05 am on August 22, 2023 in ROSWELL, NM 88201. |
| 9414811898765410125330 | Pegasus Resources, LLC | PO Box 733980 | Dallas | TX | 75373-3980 | Your item was picked up at a postal facility at 6:22 pm on August 24, 2023 in DALLAS, TX 75260. |
| 9414811898765410125378 | West Bend Energy Partners, LLC | 1320 S University Dr Ste 701 | Fort Worth | TX | 76107-8061 | Your item was delivered to the front desk, reception area, or mail room at 2:17 pm on August 23, 2023 in FORT WORTH, TX 76107. |
| 9414811898765410125057 | SMP Sidecar Titan Mineral Holdings, LP | 4143 Maple Ave Ste 500 | Dallas | TX | 75219-3294 | Your item was delivered to an individual at the address at 10:03 am on August 24, 2023 in DALLAS, TX 75219. |
| 9414811898765410125064 | SMP Titan Mineral Holdings, LP | 4143 Maple Ave Ste 500 | Dallas | TX | 75219-3294 | Your item was delivered to an individual at the address at 10:10 am on August 22, 2023 in DALLAS, TX 75219. |
| 9414811898765410125026 | MSH Family Real Estate Partnership II, LLC | 4143 Maple Ave Ste 500 | Dallas | TX | 75219-3294 | Your item was delivered to an individual at the address at 10:26 am on August 28, 2023 in DALLAS, TX 75219. |
| 9414811898765410125095 | SMP Titan Flex, LP | 4143 Maple Ave Ste 500 | Dallas | TX | 75219-3294 | Your item was delivered to an individual at the address at 10:11 am on August 22, 2023 in DALLAS, TX 75219. |
| 9414811898765410125040 | XTO Delaware Basin, LLC | 22777 Springwoods Village Pkwy | Spring | TX | 77389-1425 | Your item was delivered to an individual at the address at 8:17 am on August 22, 2023 in SPRING, TX 77389. |
| 9414811898765410125088 | CTV-SRB II BPEOR NM, LLC | 201 Main St Ste 2300 | Fort Worth | TX | 76102-3137 | Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102. |
| 9414811898765410125033 | CTV-SRB I BPEOR NM, LLC | 201 Main St Ste 2300 | Fort Worth | TX | 76102-3137 | Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102. |
| 9414811898765410125415 | CTV-CTAM BPEOR NM, LLC | 201 Main St Ste 2300 | Fort Worth | TX | 76102-3137 | Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102. |
| 9414811898765410125453 | CTV-LMB II BPEOR NM, LLC | 201 Main St Ste 2300 | Fort Worth | TX | 76102-3137 | Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102. |
| 9414811898765410125460 | CTV-LMB I BPEOR NM, LLC | 201 Main St Ste 2300 | Fort Worth | TX | 76102-3137 | Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102. |
| 9414811898765410125422 | Trigg Oil & Gas Limited Partnership | PO Box 520 | Roswell | NM | 88202-0520 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765410125408 | New Mexico State Land Office | 310 Old Santa Fe Trl | Santa Fe | NM | 87501-2708 | Your item was picked up at a postal facility at 6:24 am on August 23, 2023 in SANTA FE, NM 87501. |

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

Ad # 0005804051

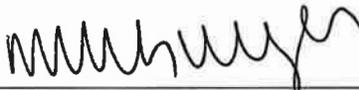
This is not an invoice

HOLLAND AND HART
PO BOX 2208

SANTA FE, NM 87504-2208

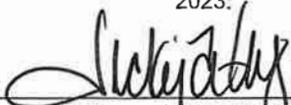
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements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

08/23/2023



Legal Clerk

Subscribed and sworn before me this August 23, 2023:



State of WI, County of Brown
NOTARY PUBLIC

9/19/25

My commission expires

VICKY FELTY
Notary Public
State of Wisconsin

Ad # 0005804051
PO #: 23746
of Affidavits 1

This is not an invoice

69: CF9 'H<9 'C=@7 CBG9FJ5 HCB'8 =J =G-CB`
GUbHJ: YZBYk 'A YI JW
91 \ J]hBc":
Gi Va]hYX'Vm 'AF7 'DYfa]Ub'7 ca dUbm
< YUf]b['8 UHr. 'GYdhYa VYf' +z&\$&
7 UgY'Bc" &' +(*

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, September 7, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearinginfo/> 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 1-800-6591779, no later than August 27, 2023.

Persons may view and participate in the hearings through the following link:

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m83c3ecf5b757a93f26a029c5b871606d> Webinar number: 2484 767 1008

Join by video system: 24847671008@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll Access code: 2484 767 1008

Panelist password: edC57GzhwV8 (33257494 from phones and video systems)

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: Jalepeno Corporation; Yates Energy Corporation; Colgate Production, LLC; Merrion Oil & Gas Corporation; Lynx Petroleum Consultants, Inc.; Alexander Oil and Gas, LLC; Hal Brunson, his heirs and

devises; Cope Properties, LLC; DASCO Energy Corporation; Fonay Oil & Gas, LLC; Powder Horn Investments, LLC; RR Resources Ltd. Co.; Teaco Energy; Underwood, LLC; W&C Oil Properties, LLC; Watson Oil and Gas, LLC; Francis Hill Hudson, Trustee of Lindy's Living Trust u/t/a dated July 8, 1994; Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002; Moore & Shelton Company, Ltd.; Zorro Partners, Ltd.; Javelina Partners; Ard Oil, Ltd.; Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell; Compound Properties; Pat Guthrie, Trustee of the Guthrie Family Trust dated July 12, 1993; B&G Royalties; Penasco Petroleum, LLC; Rolla R. Hinkle, III, his or her heirs and devisees; Barbe Development, LLC; Chad Barbe, his heirs and devisees; The Toles Company; Mark McClellan and Paula McClellan, their heirs and devisees; Pegasus Resources, LLC; West Bend Energy Partners, LLC; SMP Sidecar Titan Mineral Holdings, LP; SMP Titan Mineral Holdings, LP; MSH Family Real Estate Partnership II, LLC; SMP Titan Flex, LP; XTO Delaware Basin, LLC; CTV-SRB II BPEOR NM, LLC; CTV-SRB I BPEOR NM, LLC; CTV-CTAM BPEOR NM, LLC; CTV-LMB II BPEOR NM, LLC; CTV-LMB I BPEOR NM, LLC; Trigg Oil & Gas Limited Partnership; and New Mexico State Land Office.

Case No. 23746: Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted mineral owners in a standard 240-acre horizontal well spacing unit in the Bone Spring formation underlying the N2N2 of Section 33 and the N2NE4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Alyson 3332 Fed Com 121H well to be horizontally drilled a surface hole location in the NE4NE4 (Unit A) of Section 33, with a first take point in the NE4NE4 (Unit A) and a last take point in the NW4NE4 (Unit B) of Section 32. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles northeast of Carlsbad, New Mexico.

#5804051, Current Argus,
August 23, 2023