

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING OCTOBER 9, 2025**

CASE No. 25581

*KYLE PIPKIN STATE COM 202H WELL
(AMENDED)*

LEA COUNTY, NEW MEXICO



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

**APPLICATIONS OF MRC TORO, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 25581

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AMENDED COMPULSORY POOLING APPLICATION CHECKLIST


ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 25581	APPLICANT'S RESPONSE
Date:	October 9, 2025
Applicant	MRC Toro, LLC
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company [OGRID 228937]
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MRC TORO, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	PBEX LLC
Well Family	Kyle Pipkin State Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code:	WC-025 G-09 S263619C Wolfcamp [98234]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	553.55 acres, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	E/2 W/2 of Sections 14, 23, and 26, and the NE/4 NW/4 and Lot 3 (E/2 NW/4 equivalent) of irregular Section 35, Township 26 South, Range 36 East, NMPM, Lea 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-2
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. A
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581

Well #1	Kyle Pipkin State Com 202H (API No. Pending) SHL: 710' FNL & 2555' FEL (Unit B) of Section 14 BHL: 110' FSL & 1980' FWL (Lot 3) of irregular Section 35 Completion Target: Wolfcamp formation Well Orientation: Standup
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 \$	\$10,000
Production Supervision/Month \$	\$1,000
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 & 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-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-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
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-2 & C-3
General Location Map (including basin)	Exhibit D
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	10/02/25

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

**APPLICATION OF MRC TORO, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25581

AMENDED APPLICATION

MRC Toro, LLC (“MRC” or “Applicant”), through undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling a standard 553.55-acre, more or less, horizontal well spacing unit in the Wolfcamp (oil) formation underlying the E/2 W/2 of Sections 14, 23, and 26, and the NE/4 NW/4 and Lot 3 (E/2 NW/4 equivalent) of irregular Section 35, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed 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 horizontal spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Kyle Pipkin State Com 202H** well, with a surface hole location in the NE/4 NW/4 (Unit C) of Section 14, a first take point in the NE/4 NW/4 (Unit C) of Section 14 and a last take point in the Lot 3 (SE/4 NW/4 equivalent) of irregular Section 35.
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.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581**

5. The pooling of interests in the proposed horizontal well spacing unit 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.


6. This amended application corrects the legal land description, reflecting that the subsection lands include acreage in irregular Section 35 that is equivalent to the E/2 NW/4.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 9, 2025, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit;
- B. Designating Matador Production Company as operator of this horizontal well spacing unit and the well to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- 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% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By: 
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Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
agrarkin@hollandhart.com
pmvance@hollandhart.com

**ATTORNEYS FOR MRC TORO, LLC & MATADOR
PRODUCTION COMPANY**

CASE _____: **Application of MRC Toro, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling a standard 553.55-acre, more or less, horizontal well spacing unit in the Wolfcamp (oil) formation underlying the E/2 W/2 of Sections 14, 23, and 26, and the NE/4 NW/4 and Lot 3 (E/2 NW/4 equivalent) of irregular Section 35, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed **Kyle Pipkin State Com 202H** well, with a surface hole location in the NE/4 NW/4 (Unit C) of Section 14, a first take point in the NE/4 NW/4 (Unit C) of Section 14 and a last take point in the Lot 3 (SE/4 NW/4 equivalent) of irregular Section 35. 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 the well. The subject area is located approximately 6 miles southwest of Jal, New Mexico.

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

**APPLICATION OF MRC TORO, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25581

SELF-AFFIRMED STATEMENT OF ADDISON COSTLEY

Addison Costley, of lawful age and being first duly sworn, declares as follows:

1. My name is Addison Costley. I work for MRC Energy Company, an affiliate of MRC Toro, LLC ("MRC"), 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 MRC in this case, and I am familiar with the status of the lands in the subject area.
4. In this case, MRC is seeking an order pooling all uncommitted interests in the Wolfcamp formation in the standard 553.55-acre, more or less, horizontal well spacing unit underlying the E/2 W/2 of Sections 14, 23, and 26, and the NE/4 NW/4 and Lot 3 (E/2 NW/4 equivalent) of irregular Section 35, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico, and initially dedicate this Wolfcamp spacing unit to the proposed **Kyle Pipkin State Com 202H** well, with a surface hole location in the NE/4 NW/4 (Unit C) of Section 14, a first take point in the NE/4 NW/4 (Unit C) of Section 14 and a last take point in the SE/4 SW/4 (Unit N) of irregular Section 35.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581**

5. MRC understands this well will be placed in the WC-025 G-09 S263619C; WOLFCAMP [98234] pool.

6. **MRC Exhibit C-1** contains the Form C-102 for the proposed initial 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. **MRC Exhibit C-2** identifies the tracts of land comprising the proposed horizontal spacing unit. The land in the proposed spacing unit is comprised of state lands.

9. **MRC Exhibit C-3** identifies the working interest owners that MRC is seeking to pool. The first page of Exhibit C-3 shows the parties MRC is seeking to pool on a unit basis. Behind the unit analysis, there are additional pages showing the working interest owners that MRC seeks to pool, on a tract by tract basis, along with their ownership interest in each of the tracts in the proposed horizontal spacing unit. The parties that MRC is seeking to pool are highlighted yellow.

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

11. While MRC was working to put this unit together, MRC proposed the above well to the working interest parties it seeks to pool. **MRC Exhibit C-4** contains a representative copy of the forms of well proposal letters that were sent to the working interest owners, along with the AFE that was sent for the well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

12. **MRC Exhibit C-5** contains a summary of MRC's contacts with the uncommitted working interest owners we seek to pool in this case. As indicated on MRC Exhibit C-5, MRC has been able to contact and have discussions with all of the working interest parties we seek to

pool. In my opinion, MRC has undertaken good faith efforts to reach an agreement with the working interest owners that MRC seeks to pool in this case.

13. MRC has made an estimate of overhead and administrative costs for drilling and producing the proposed well. It is \$10,000/month while drilling, and \$1,000/month while producing. These costs are consistent with what other operators are charging in this area for these types of wells. MRC respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

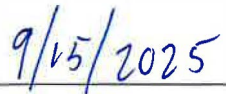
14. I provided MRC's outside counsel, Holland & Hart, a list of names and addresses for the parties that MRC is seeking to pool. In compiling this notice list, MRC conducted a diligent search of all public records in the county where the proposed wells are located, including computer searches.

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

16. 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.



Addison Costley



Date

Exhibit C-1

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024	
		Submittal Type:	<input type="checkbox"/> Initial Submittal
			<input type="checkbox"/> Amended Report
		<input type="checkbox"/> As Drilled	

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 98234	Pool Name WC-025 G-09 S263619C;WOLFCAMP
Property Code	Property Name KYLE PIPKIN STATE COM	Well Number 202H
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation 2931'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
B	14	26-S	36-E	-	710' N	2555' E	N 32.0485874	W 103.2357017	LEA

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
3	35	26-S	36-E	-	110' S	1980' W	N 32.0006265	W 103.2381665	LEA

Dedicated Acres 553.55	Infill or Defining Well ----	Defining Well API ----	Overlapping Spacing Unit (Y/N) ----	Consolidated Code ----
Order Numbers -----			Well Setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
N	14	26-S	36-E	-	50' N	1980' W	N 32.0504017	W 103.2381183	LEA


First Take Point (FTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
C	14	26-S	36-E	-	100' N	1980' W	N 32.0502642	W 103.2381185	LEA

Last Take Point (LTP)

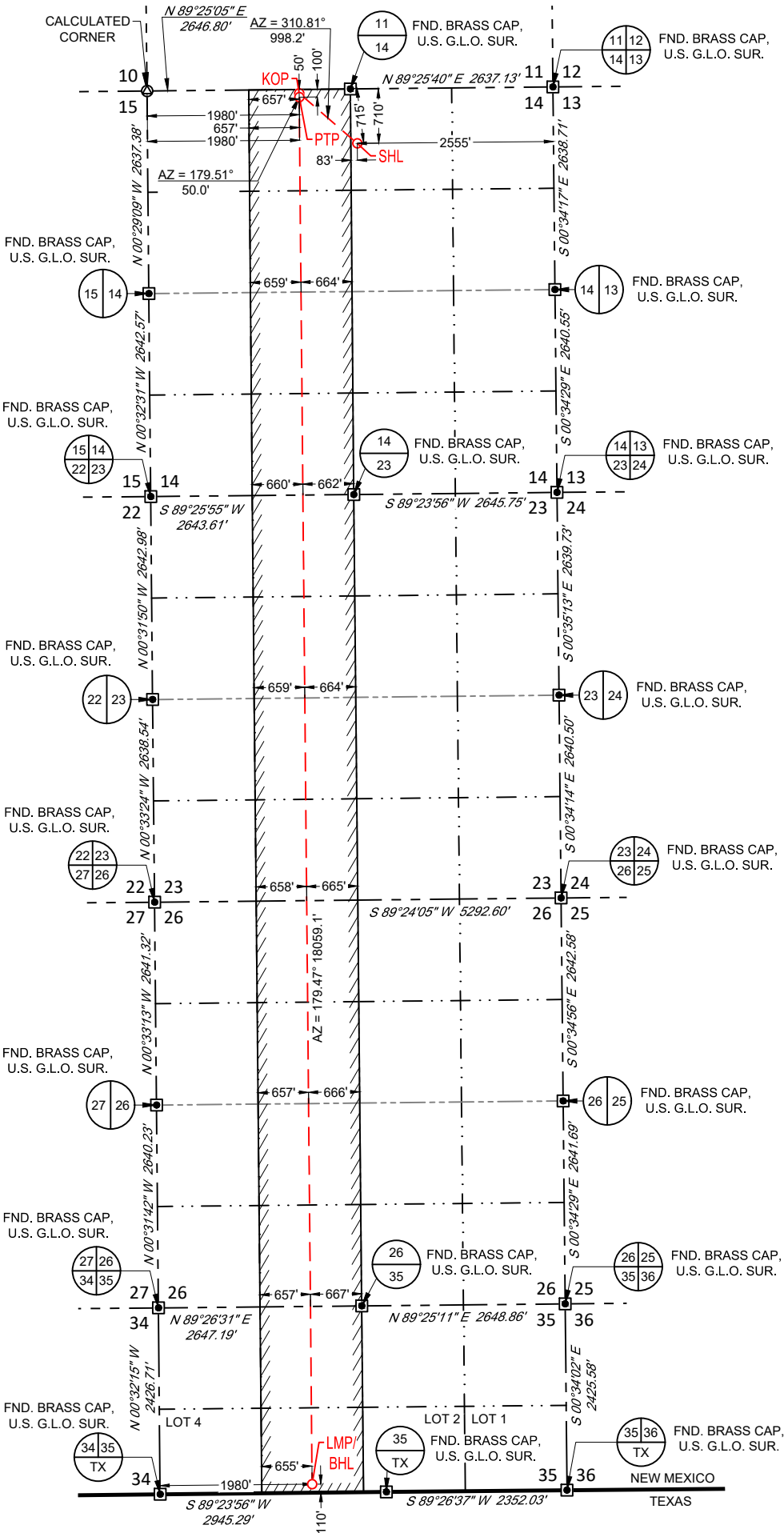
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
3	35	26-S	36-E	-	110' S	1980' W	N 32.0006265	W 103.2381665	LEA

Unitized Area or Area of Uniform Intrest ----	Spacing Unity Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation ----
---	---	---------------------------------------

OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> <i>If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i>		SURVEYORS CERTIFICATION <i>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 and correct to the best of my belief.</i> 	
Signature _____ Date _____		Signature and Seal of Professional Surveyor _____ Date _____	
Print Name _____		Certificate Number _____	Date of Survey 03/30/2025
E-mail Address _____			



SECTION 14, TOWNSHIP 26-S, RANGE 36-E, N.M.P.M.
LEA COUNTY, NEW MEXICO



SURFACE LOCATION (SHL)

NEW MEXICO EAST
NAD 1983
X=881420 Y=383143
LAT.: N 32.0485874
LONG.: W 103.2357017
710' FNL 2555' FEL

KICK OFF POINT (KOP)

NEW MEXICO EAST
NAD 1983
X=880664 Y=383795
LAT.: N 32.0504017
LONG.: W 103.2381183
50' FNL 1980' FWL

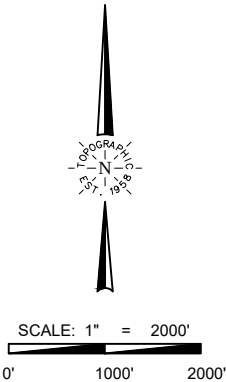
FIRST PERF. POINT (FPP)

NEW MEXICO EAST
NAD 1983
X=880665 Y=383745
LAT.: N 32.0502642
LONG.: W 103.2381185
100' FNL 1980' FWL

LAST PERF. POINT (LPP)
BOTTOM HOLE LOCATION (BHL)

NEW MEXICO EAST
NAD 1983
X=880833 Y=365687
LAT.: N 32.0006265
LONG.: W 103.2381665
110' FSL 1980' FWL

T-26-S, R-36-E
SECTION 35
LOT 1 - 33.48 ACRES
LOT 2 - 33.51 ACRES
LOT 3 - 33.55 ACRES
LOT 4 - 33.58 ACRES



LEASE NAME & WELL NO.: KYLE PIPKIN STATE COM 202H
SECTION 14 TWP 26-S RGE 36-E SURVEY N.M.P.M.
COUNTY LEA STATE NM
DESCRIPTION 710' FNL & 2555' FEL

DISTANCE & DIRECTION
FROM INT. OF NM-128 W. & N 3RD ST. GO SOUTH ON N 3RD ST ±1.7 MILES.
THENCE CONTINUE ONTO NM-205 S/FRYING PAN RD ±3.9 MILES. THENCE WEST
(RIGHT) ON ANTHONY RD. ±0.3 MILES. THENCE SOUTH (LEFT) ON A PROPOSED
RD. ±209 FEET TO A POINT ±368 FEET NORTHEAST OF THE LOCATION.



Angel M. Baeza, P.S. No. 25116



481 WINSOTT ROAD, Ste. 200 • BENBROOK, TEXAS 76126
TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
WWW.TOPOGRAPHIC.COM

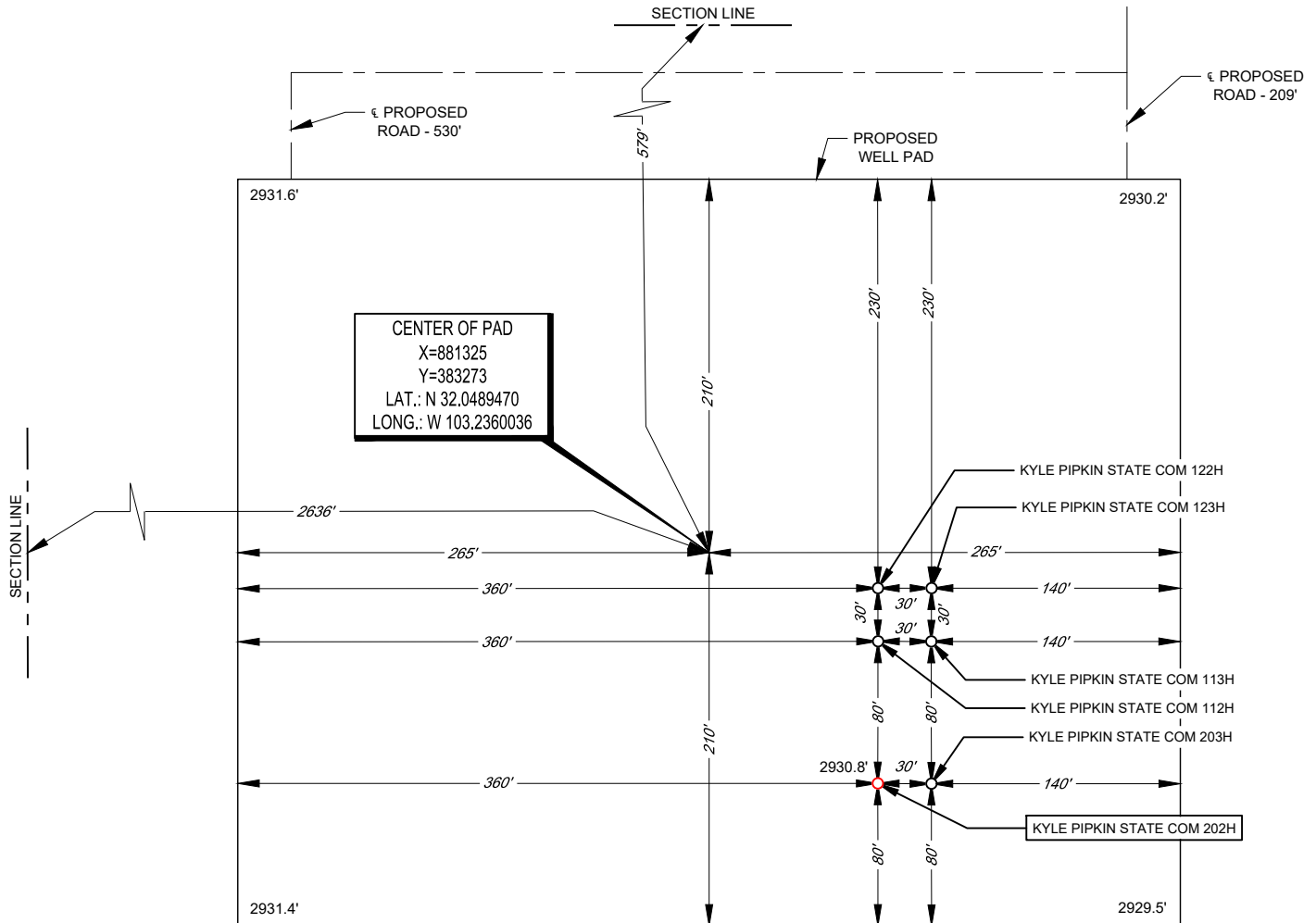
ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY.
THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.
AS OF THE DATE OF SURVEY, ALL ABOVE GROUND APPURTENANCES WITHIN 300' OF THE STAKED LOCATION ARE SHOWN HEREON.

LEGEND

--- SECTION LINE
 --- PROPOSED ROAD



SECTION 14, TOWNSHIP 26-S, RANGE 36-E, N.M.P.M.
 LEA COUNTY, NEW MEXICO



Angel M. Baeza, P.S. No. 25116

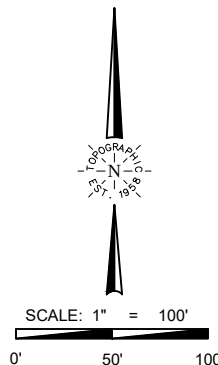
LEASE NAME & WELL NO.: KYLE PIPKIN STATE COM 202H
 202H LATITUDE N 32.0485874 202H LONGITUDE W 103.2357017

CENTER OF PAD IS 579' FNL & 2636' FWL

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO, ALL OTHER INFORMATION WAS INTENTIONALLY OMITTED. THIS PLAT IS ONLY INTENDED TO BE USED FOR A PERMIT AND IS NOT A BOUNDARY SURVEY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

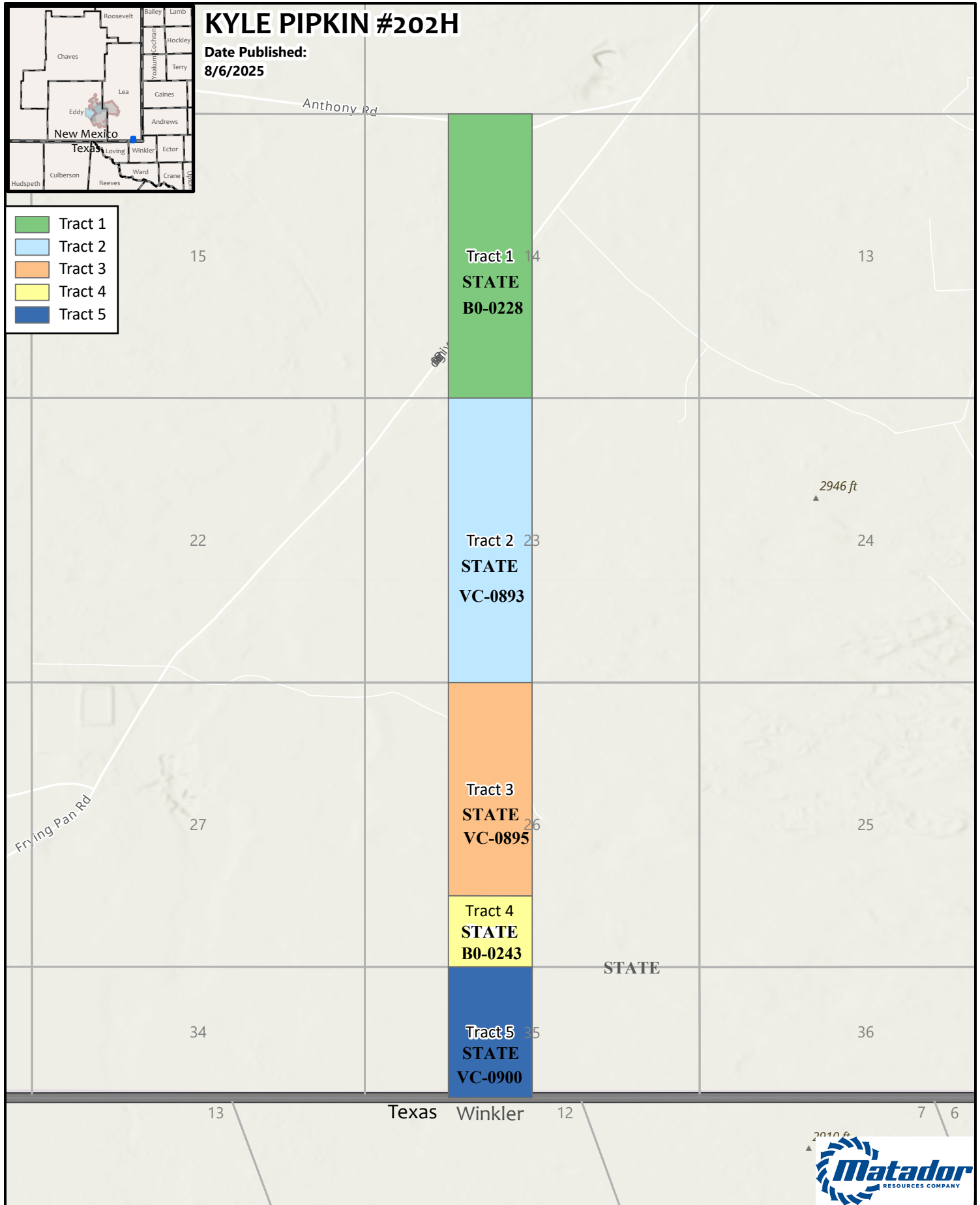
ORIGINAL DOCUMENT SIZE: 8.5" X 11"



481 WINSCOTT ROAD, Ste. 200 • BENBROOK, TEXAS 76126
 TELEPHONE: (817) 744-7512 • FAX (817) 744-7554
 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743
 WWW.TOPOGRAPHIC.COM

Exhibit C-2

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-2
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581



GIS Standard Map Disclaimer:

This cartographic product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

1:28,000

1 inch equals 2,333 feet

Map Prepared by: lillian.yeargins

Date: August 6, 2025

Project: \\gis\UserData\yeargins\~projects\Tract Maps\Tract Maps.aprx

Spatial Reference: GCS WGS 1984

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-3

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581

Kyle Pipkin 202H (E2/W2)			
Summary of Interests			
Matador Working Interest		89.6780049%	
Compulsory Pool Interest		10.3219951%	
Interest Owners:	Description:	Tract:	Interest:
Chevron USA, Inc.	Uncommitted Working Interest	4	7.22609%
PBEX, LLC	Uncommitted Working Interest	1	2.78632%
Heritage Exploration - Permian, LLC	Uncommitted Working Interest	1	0.30959%

* MRC TORO, LLC is seeking to force pool the parties highlighted in yellow

Kyle Pipkin 202H (E2W2)			
Summary of Interests			
Tract 1			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC TORO, LLC*	Committed Working Interest	142.86260	89.28912%
PBEX, LLC	Uncommitted Working Interest	15.42366336	9.63979%
Heritage Exploration - Permian, LLC	Uncommitted Working Interest	1.71374032	1.07109%
Tract 2			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC TORO, LLC*	Committed Working Interest	160.000000	100.000000%
Tract 3			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC TORO, LLC*	Committed Working Interest	120.000000	100.000000%
Tract 4			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
Chevron USA, Inc.	Uncommitted Working Interest	40.00000000	100.00000%
Tract 5			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC TORO, LLC*	Committed Working Interest	73.550000	100.000000%

* MRC TORO, LLC is seeking to force pool the parties highlighted in yellow

* Pending State Land Office Assignment

Exhibit C-4

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581

MRC Permian Company

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

Voice 972.371.5474

addison.costley@matadorresources.com

Addison Costley
Landman

June 18, 2025

VIA CERTIFIED RETURN RECEIPT MAIL

PBEX, LLC
223 W St.
Midland, TX 79701

Re: Kyle Pipkin State Com #202H & #203H (the “Wells”)
Participation Proposal
Sections 14, 23, 26, & 35, Township 26 South, Range 36 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s wells, located in Sections 14, 23, 26, & 35, Township 26 South, Range 36 East, Lea County, New Mexico:

Well Name	SHL	FTP	LTP	TVD	TMD	Formation
Kyle Pipkin State Com #202H	NE4NW4 14-26S-36E	1980’ FWL & 100’ FNL of Sec. 14-26S-R36E	1980’ FWL & 100’ FSL of Sec. 35-26S-R36E	~11,300’	~28,896’	Wolfcamp
Kyle Pipkin State Com #203H	NW4NE4 14-26S-36E	1980’ FEL & 100’ FNL of Sec. 14-26S-R36E	1980’ FEL & 100’ FSL of Sec. 35-26S-R36E	~11,300’	~28,846’	Wolfcamp

In connection with the above, please note the estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the two (2) enclosed Authority for Expenditures (“AFE”) dated March 25, 2025.

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 dated Jun 16, 2025, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering All of Sections 14, 23, 26, & 35, Township 26 South, Range 36 East, Lea County, New Mexico, and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$10,000/\$1,000 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



Addison Costley

PBEX, LLC hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Kyle Pipkin State Com #202H** well.

_____ Not to participate in the **Kyle Pipkin State Com #202H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Kyle Pipkin State Com #203H** well.

_____ Not to participate in the **Kyle Pipkin State Com #203H**.

PBEX, LLC

By: _____

Title: _____

Date: _____

Contact Number: _____

MATADOR PRODUCTION COMPANY

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

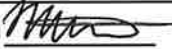
ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	March 25th, 2025	AFE NO.:	
WELL NAME:	Kyle Pipkin State Com 202H	FIELD:	
LOCATION:	Sections 14/23/26/35 26S-36E	MD/TVD:	28896'/11350'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp A		
REMARKS:	Drill and complete a horizontal 3.4 mile long Wolfcamp A target with about 68 frac stages		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000	\$	\$ 10,000	\$ 10,000	\$ 78,000
Location, Surveys & Damages	161,667	13,000	25,000	124,020	323,687
Drilling	1,405,692				1,405,692
Cementing & Float Equip	396,000				396,000
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			21,000		21,000
Flowback - Surface Rentals			151,450		151,450
Flowback - Rental Living Quarters			30,000		30,000
Mud Logging	46,879				46,879
Mud Circulation System	186,904				186,904
Mud & Chemicals	480,000	63,000	17,000		560,000
Mud / Wastewater Disposal	235,000	-	-	4,000	239,000
Freight / Transportation	25,300	46,500	3,000	-	74,800
Rig Supervision / Engineering	200,100	120,000	15,000	25,200	360,300
Drill Bits	163,900				163,900
Fuel & Power	211,750	543,381	2,000	-	757,131
Water	60,000	1,079,795	-	-	1,139,795
Drig & Completion Overhead	10,000			-	10,000
Plugging & Abandonment	-				-
Directional Drilling, Surveys	404,200				404,200
Completion Unit, Swab, CTU	-	222,500	20,000		242,500
Perforating, Wireline, Slickline	-	258,432	7,000		265,432
High Pressure Pump Truck	-	136,350	5,000	-	141,350
Stimulation	-	4,298,061			4,298,061
Stimulation Flowback & Disp	-	15,500	-		15,500
Insurance	23,117				23,117
Labor	234,500	65,500	15,000	11,250	326,250
Rental - Surface Equipment	181,743	378,720	10,000	42,000	612,463
Rental - Downhole Equipment	318,200	94,500	-	-	412,700
Rental - Living Quarters	59,955	52,805	-	11,250	124,010
Contingency	146,952	309,373	33,445	22,772	512,542
Operations Center	35,497				35,497
TOTAL INTANGIBLES >	5,045,356	7,701,168	367,895	250,492	13,364,910

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 87,357	\$	\$	\$	\$ 87,357
Intermediate Casing	243,961				243,961
Drilling Liner	380,232				380,232
Production Casing	997,942				997,942
Production Liner	-				-
Tubing			136,800		136,800
Wellhead	158,000		100,000	12,000	270,000
Packers, Liner Hangers	-	80,020	6,000		86,020
Tanks	-			149,375	149,375
Production Vessels	-			261,125	261,125
Flow Lines	-			32,500	32,500
Rod string	-				-
Artificial Lift Equipment	-		25,000		25,000
Compressor	-			3,000	3,000
Installation Costs	-		-	266,700	266,700
Surface Pumps	-		10,000	89,569	99,569
Non-controllable Surface	-		-		-
Non-controllable Downhole	-		-		-
Downhole Pumps	-		-		-
Measurement & Meter Installation	-		11,000	196,000	207,000
Gas Conditioning / Dehydration	-		-	-	-
Interconnecting Facility Piping	-		-	400,000	400,000
Gathering / Bulk Lines	-		-	-	-
Valves, Dumps, Controllers	-		-	43,420	43,420
Tank / Facility Containment	-		-	19,750	19,750
Flare Stack	-		-	86,100	86,100
Electrical / Grounding	-		3,500	160,000	163,500
Communications / SCADA	-		20,000	40,000	60,000
Instrumentation / Safety	-			100,000	100,000
TOTAL TANGIBLES >	1,867,492	80,020	312,300	1,859,539	4,119,352
TOTAL COSTS >	6,912,848	7,781,188	680,195	2,110,031	17,484,262

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Perry Hawks	Team Lead - WTX/NM	
Completions Engineer:	Trace Saha		LMW
Production Engineer:	Eddy Mercedes		

MATADOR RESOURCES COMPANY APPROVAL:

EVP, Co-COO	CPC	Executive VP, CFO	BW	EVP Reservoir	WTE
President Land	VHS	EVP Geoscience	ELF	EVP Production	GS
EVP, CAO	RTM	EVP, General Counsel	BAE		

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 construed as ceilings on any specific item or the total cost of the project. Tubing installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including, legal, curative, regulatory, bioterrorism 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 billed proportionately 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 spend.

Exhibit C-5

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-5
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581

Summary of Communications Kyle Pipkin State Com 202H (Slot 2- WFMP)

Uncommitted Working Interest Owner

1. Chevron USA, Inc.

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

- Proposal sent June 18, 2025
- Email July 7, 2025
- In-person meeting July 17, 2025
- Email July 25, 2025

Uncommitted Working Interest Owner

2. PBEX, LLC

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

- Proposal sent June 18, 2025
- Email July 15, 2025

Uncommitted Working Interest Owner

3. Heritage Exploration – Permian, LLC

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

- Proposal sent July 31, 2025
- Email August 18, 2025

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

**APPLICATIONS OF MRC TORO, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25581

AFFIDAVIT OF BLAKE HERBER

Blake Herber, of lawful age and being first duly sworn, declares as follows:

1. My name is Blake Herber. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Senior Staff Geologist.
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 MRC in these cases, and I have conducted a geologic study of the lands in the subject area.
4. **MRC 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, MRC intends to develop the Upper Wolfcamp of the Wolfcamp formation.
6. **MRC Exhibit D-2** is a subsea structure map prepared off the top of the Wolfcamp formation. The contour interval is 50 feet. The structure map shows the Wolfcamp formation gently dipping to the southwest. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581

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

8. **MRC Exhibit D-3** is a structural cross section prepared displaying open-hole logs run over the Wolfcamp 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, resistivity, and porosity, where available. The proposed target interval for the proposed wells is labeled and marked with a yellow shaded area. The logs in the cross section demonstrate that the targeted interval, within the Wolfcamp formation, is consistent in thickness across the entirety of the proposed spacing units.

9. In my opinion, the standup orientation is the preferred orientation for development in this area for Wolfcamp wells because the maximum horizontal stress is east-west 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 Wolfcamp 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 MRC's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

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

FURTHER AFFIANT SAYETH NOT.

BLA

BLAKE HERBER

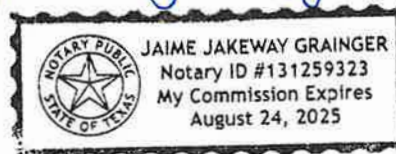
STATE OF TEXAS)
)
COUNTY OF DALLAS)

SUBSCRIBED and SWORN to before me this 20th day of August 2025 by
Blake Herber.

Jaime Jakeway Grainger
NOTARY PUBLIC

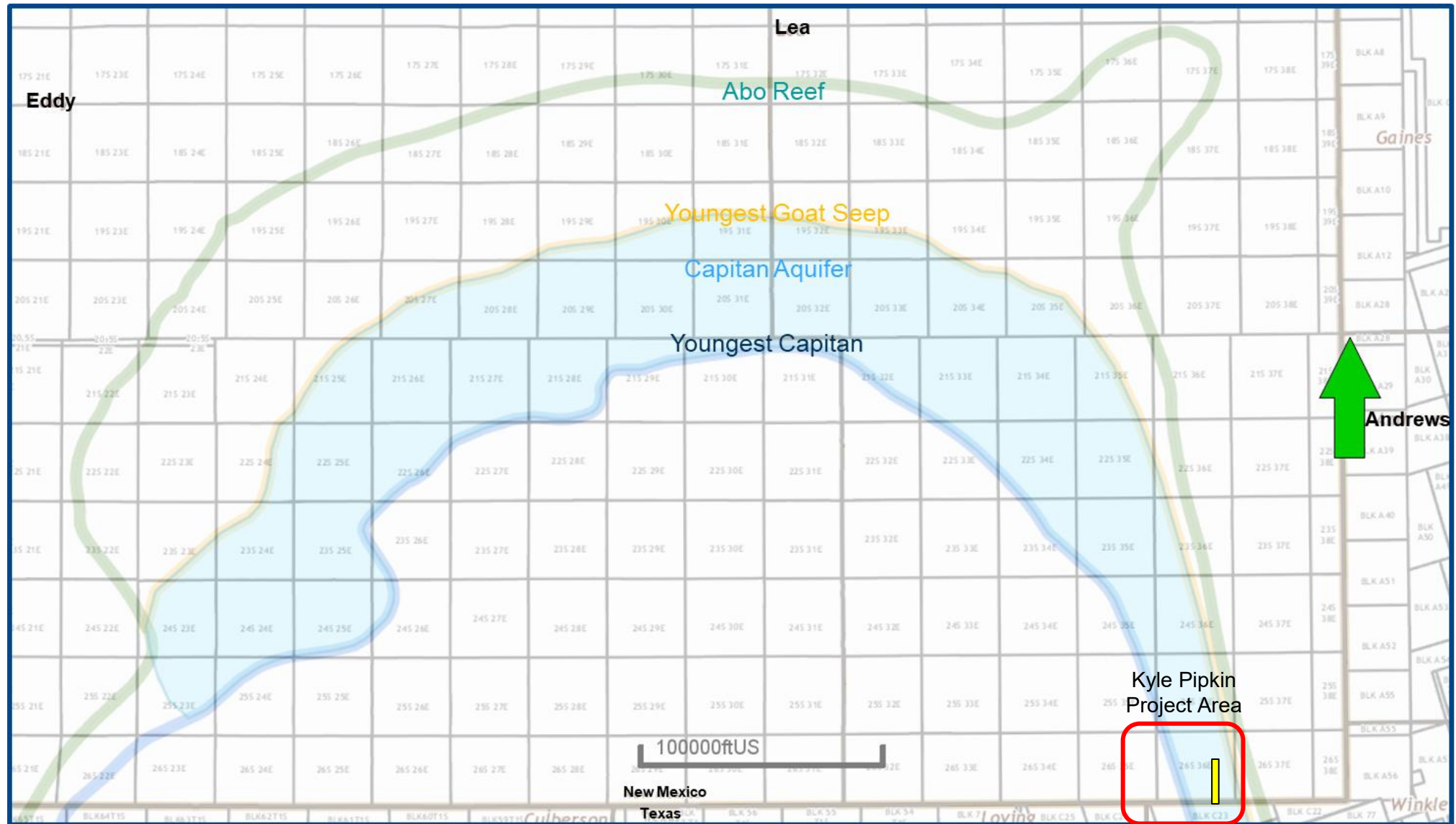
My Commission Expires:

8/24/2025



Locator Map

Exhibit D-1



BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. D-1

Submitted by: Matador Production Company

Hearing Date: October 9, 2025

Case No. 25581



D-1

WC-025 G-09 S263619C;WOLFCAMP [98234] Structure Map (Top Wolfcamp Subsea) A – A' Reference Line

Exhibit D-2



Map Legend

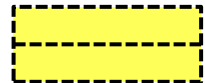
Wolfcamp Wells



Kyle Pipkin #202H and #203H



Project Area



C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-2
Submitted by: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581

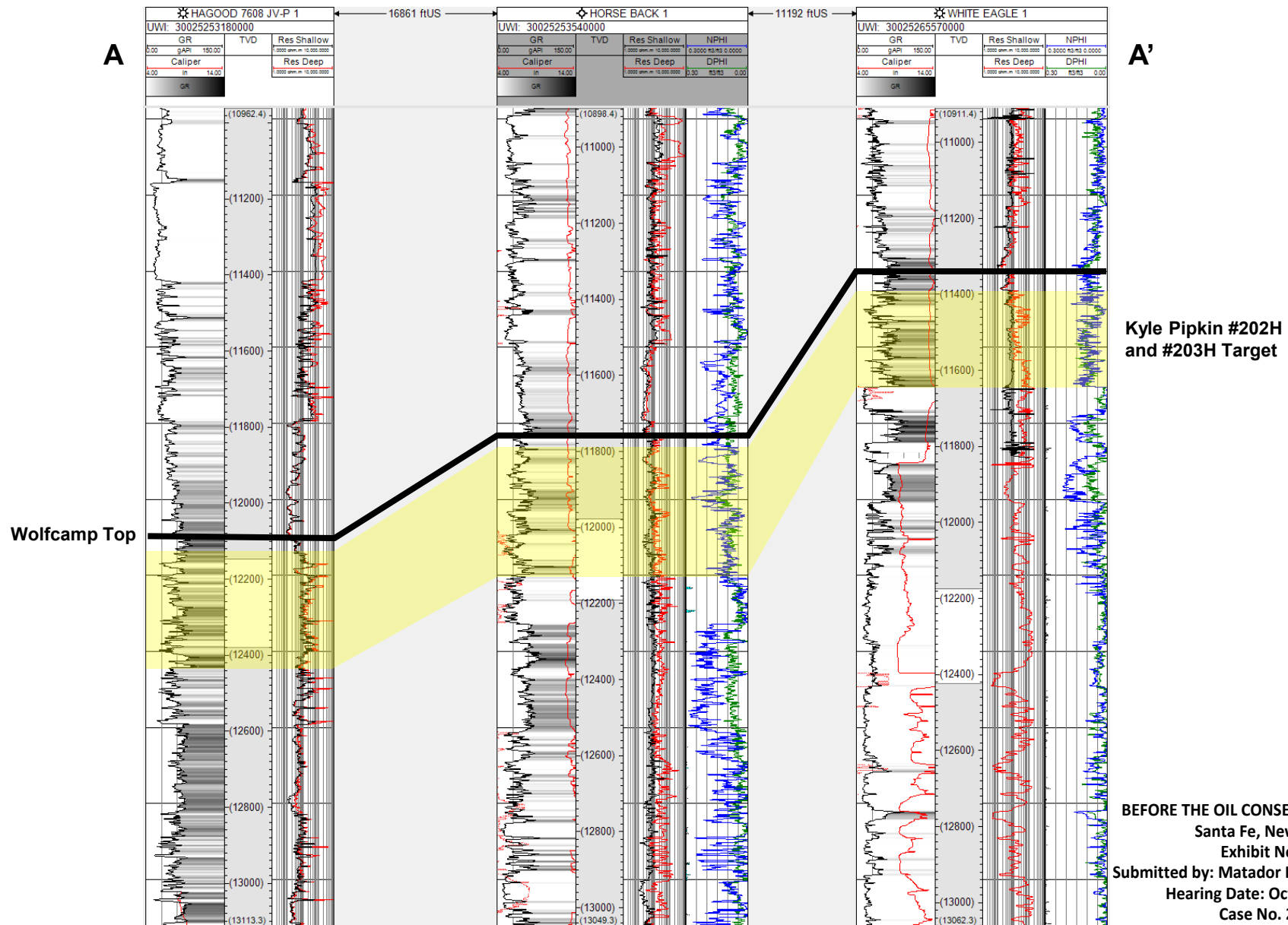


D-2

WC-025 G-09 S263619C;WOLFCAMP [98234]

Structural Cross-Section A – A'

Exhibit D-3



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

**APPLICATION OF MRC TORO, LLC
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 25581

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

1. I am attorney in fact and authorized representative of MRC Toro, LLC (“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 29, 2025.

5. I caused a notice to be published to all parties subject to these proceedings. An affidavit of publication from the publication’s legal clerk with a copy of the notice of 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: Matador Production Company
Hearing Date: October 9, 2025
Case No. 25581**



Paula M. Vance

10/01/25

Date



Paula M. Vance
Associate
Phone (505) 988-4421
Fax (505) 819-5579
pmvance@hollandhart.com

September 19, 2025

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

Re: Application of MRC Toro, LLC for Compulsory Pooling, Lea County, New Mexico: *Kyle Pipkin State Com 202H*

Ladies & Gentlemen:

This letter is to advise you that MRC Toro, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on October 9, 2025, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/oed/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/oed/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 Addison Costley at (972) 371-5474 or at Addison.costley@matadorresources.com.

Sincerely,

A handwritten signature in blue ink that reads "Paula M. Vance".

Paula M. Vance
**ATTORNEY FOR MRC TORO, LLC & MATADOR
PRODUCTION 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 - Amended Kyle Pipkin 202H, 203H - Case no. 25581-25582
Postal Delivery Report

9414811898765477207901	Chevron USA, Inc.	6301 Deauville	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 8:59 am on September 26, 2025 in MIDLAND, TX 79706.
9414811898765477207994	PBEX, LLC	223 W Wall St Ste 900	Midland	TX	79701-4567	We were unable to deliver your package at 4:29 pm on September 26, 2025 in MIDLAND, TX 79701 because the business was closed. We will redeliver on the next business day. No action needed.
9414811898765477207949	Heritage Exploration - Permian, LLC	5600 N May Ave Ste 320	Oklahoma City	OK	73112-4275	Your item was delivered to the front desk, reception area, or mail room at 11:22 am on September 23, 2025 in OKLAHOMA CITY, OK 73112.

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
September 23, 2025
and ending with the issue dated
September 23, 2025.



Publisher

Sworn and subscribed to before me this
23rd day of September 2025.



Business Manager

My commission expires
January 29, 2027

(Seal) STATE OF NEW MEXICO
NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE September 23, 2025

Case No. 25581: Application of MRC Toro, LLC for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Chevron USA, Inc.; PBEX, LLC; and Heritage Exploration - Permian, LLC. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearing 8:30 a.m. on October 9, 2025, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order pooling a standard 553.55-acre, more or less, horizontal well spacing unit in the Wolfcamp (oil) formation underlying the E/2 W/2 of Sections 14, 23, and 26, and the NE/4 NW/4 and Lot 3 (E/2 NW/4 equivalent) of irregular Section 35, Township 26 South, Range 36 East, NMPM, Lea County, New Mexico. Said unit will be initially dedicated to the proposed Kyle Pipkin State Com 202H well, with a surface hole location in the NE/4 NW/4 (Unit C) of Section 14, a first take point in the NE/4 NW/4 (Unit C) of Section 14 and a last take point in the Lot 3 (SE/4 NW/4 equivalent) of irregular Section 35. 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 the well. The subject area is located approximately 6 miles southwest of Jal, New Mexico.
#00304497

67100754

00304497

HOLLAND & HART LLC
110 N GUADALUPE ST., STE. 1
SANTA FE, NM 87501

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. F

Submitted by: Matador Production Company

Hearing Date: October 9, 2025

Case No. 25581