

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 4, 2026**

**CASE No. 26146**

*TONY LA RUSSA STATE COM #200H WC WELL*

**EDDY COUNTY, NEW MEXICO**



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

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

**CASE NO. 26146**

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# COMPULSORY POOLING APPLICATION CHECKLIST

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

Case: 26146	APPLICANT'S RESPONSE
Date	June 4, 2026
Applicant	MRC Permian Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company [OGRID 228937]
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MRC PERMIAN COMPANY FOR AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
<p><b>BEFORE THE OIL CONSERVATION DIVISION</b>  <b>Santa Fe, New Mexico</b>  <b>Exhibit No. A</b>  <b>Submitted by: Matador Production Company</b>  <b>Hearing Date: June 4, 2026</b>  <b>Case No. 26146</b></p>	
Entries of Appearance/Intervenors:	N/A
Well Family	Tony La Russa
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp formation
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	640.85-acre more or less
Building Blocks:	320 acres
Orientation:	Standup
Description: TRS/County	Lots 3-4, S/2 NW/4, and SW/4 (W/2 equivalent) of irregular Section 3 and the W/2 of Section 10, Township 24 South, Range 27 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?	N/A
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-4
<b>Well(s)</b>	

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	<b>Tony La Russa State Com 200H (API No. PENDING) SHL: 255' FNL &amp; 1,101' FWL (Lot 4) of irregular Section 3 BHL: 110' FNL &amp; 986' FWL (Unit D) of Section 10 Completion Target: Wolfcamp formation Well Orientation: Standup Completion Location expected to be: Standard</b>
Horizontal Well First and Last Take Points	<b>Exhibit C-2</b>
Completion Target (Formation, TVD and MD)	<b>Exhibit D-3</b>
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	<b>Exhibit C</b>
Production Supervision/Month \$	<b>Exhibit C</b>
Justification for Supervision Costs	<b>Exhibit C</b>
Requested Risk Charge	<b>Exhibit C-5</b>
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	<b>Exhibit B</b>
Proof of Mailed Notice of Hearing (20 days before hearing)	<b>Exhibit E</b>
Proof of Published Notice of Hearing (10 days before hearing)	<b>Exhibit F</b>
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	<b>Exhibit C-4</b>
Tract List (including lease numbers and owners)	<b>Exhibit C-4</b>
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	<b>Exhibit C-4 &amp; C-6</b>
Pooled Parties (including ownership type)	<b>Exhibit C-4</b>
Unlocatable Parties to be Pooled	<b>N/A</b>
Ownership Depth Severance (including percentage above & below)	<b>N/A</b>
<b>Joinder</b>	
Sample Copy of Proposal Letter	<b>Exhibit C-5</b>
List of Interest Owners (ie Exhibit A of JOA)	<b>Exhibit C-4</b>
Chronology of Contact with Non-Joined Working Interests	<b>Exhibit C-6</b>
Overhead Rates In Proposal Letter	<b>Exhibit C-5</b>
Cost Estimate to Drill and Complete	<b>Exhibit C-5</b>
Cost Estimate to Equip Well	<b>Exhibit C-5</b>

Cost Estimate for Production Facilities	Exhibit C-5
<b>Geology</b>	
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-4
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 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
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	A. Raylee Starnes
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	05/28/26

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

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

CASE NO. 26146

**APPLICATION**

MRC Permian Company (“MRC” or “Applicant”), through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an (a) approving a standard 640.85-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp (Purple Sage; Wolfcamp [98220]) formation underlying Lots 3-4, S/2 NW/4, and SW/4 (W/2 equivalent) of irregular Section 3 and the W/2 of Section 10, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. 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 well spacing unit.
3. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Tony La Russa State Com 200H** well, to be horizontally drilled from a surface location in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3, with a first take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3, and a last take point in the NW/4 NW/4 (Unit D) of Section 10.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. B

Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146

4. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing units in the Wolfcamp formation:

- A 640.85-acre, more or less, spacing unit comprised of the W/2 of Sections 3 and 10 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 225H well, operated by Matador Production Company (“Matador”) (API No. 30-015-49520);
- A 640.85-acre, more or less, spacing unit comprised of the W/2 of Sections 3 and 10 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 226H well, operated by Matador (API No. 30-015- 49601);
- A 320.85-acre, more or less, spacing unit comprised of the W/2 of Section 3 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 201H well, operated by Matador (API No. 30-015- 45964); and
- A 320.85-acre, more or less, spacing unit comprised of the W/2 of Section 3 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 202H well, operated by Matador (API No. 30-015- 45965).

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


6. The granting of this application 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 the June 4, 2026, hearing docket and after notice and hearing as required by law, the Division enter an order:

- A. Approving the overlapping standard horizontal well spacing unit and pooling all uncommitted interest owners in the horizontal spacing unit;
- B. Designating Matador Production Company as operator of this horizontal spacing unit and the horizontal 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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**ATTORNEYS FOR MRC PERMIAN COMPANY AND  
MATADOR PRODUCTION COMPANY**

**CASE \_\_\_\_\_:**      **Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (a) approving a standard 640.85-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp (Purple Sage; Wolfcamp [98220]) formation underlying Lots 3-4, S/2 NW/4, and SW/4 (W/2 equivalent) of irregular Section 3 and the W/2 of Section 10, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Tony La Russa State Com 200H** well, to be horizontally drilled a surface location in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3, with a first take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3, and a last take point in the NW/4 NW/4 (Unit D) of Section 10. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing units in the Wolfcamp formation:

- A 640.85-acre, more or less, spacing unit comprised of the W/2 of Sections 3 and 10 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 225H well, operated by Matador Production Company (“Matador”) (API No. 30-015-49520);
- A 640.85-acre, more or less, spacing unit comprised of the W/2 of Sections 3 and 10 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 226H well, operated by Matador (API No. 30-015- 49601);
- A 320.85-acre, more or less, spacing unit comprised of the W/2 of Section 3 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 201H well, operated by Matador (API No. 30-015- 45964); and
- A 320.85-acre, more or less, spacing unit comprised of the W/2 of Section 3 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 202H well, operated by Matador (API No. 30-015- 45965).

Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 6.5 miles northwest of Malaga, New Mexico.

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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HORIZONTAL WELL SPACING UNIT AND  
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EDDY COUNTY, NEW MEXICO.**

**CASE NO. 26146**

**SELF-AFFIRMED STATEMENT OF ADDISON COSTLEY**

1. My name is Addison Costley. I work for MRC Energy Company, an affiliate of MRC Permian Company ("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 (a) approving a standard 640.85-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation underlying Lots 3-4, S/2 NW/4, and SW/4 (W/2 equivalent) of irregular Section 3 and the W/2 of Section 10, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this spacing unit, and initially dedicate this spacing unit to the proposed **Tony La Russa State Com 200H** well, to be horizontally drilled a surface location in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3, with a first take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3, and a last take point in the NW/4 NW/4 (Unit D) of Section 10.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C**

**Submitted by: Matador Production Company**

**Hearing Date: June 4, 2026**

**Case No. 26146**

5. Attached as **MRC Exhibit C-1** is a map showing the proposed spacing unit under this application and the existing spacing units that it overlaps.

6. **MRC Exhibit C-2** contains a draft Form C-102 for the proposed initial well.

7. MRC understands this well will be placed in the Purple Sage; Wolfcamp (Gas) [98220]) pool.

8. The completed intervals for the proposed well will remain within the standard setbacks required by the applicable statewide rules and special pool rules for the Purple Sage; Wolfcamp (Gas) [98220]) pool.

9. **MRC Exhibit C-3** identifies the tracts of land comprising the proposed horizontal spacing unit. The land in the proposed spacing unit is comprised of state and fee lands.

10. **MRC Exhibit C-4** identifies the working interest owners that MRC is seeking to pool. The first pages of Exhibit C-4 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.

11. There are two existing wells in this proposed spacing unit, being the Tony La Russa 0310 State Com #225H (30-015-49520) and Tony La Russa 0310 State Com #226H (30-015-49601). Those wells were drilled under a JOA (and therefore did not require force pooling), but the JOA did not cover the depths for the proposed well in this case, which is the reason MRC has filed for force pooling.

12. 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-5** 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.

13. **MRC Exhibit C-6** 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-6, MRC has been able to contact and have discussions with each of the working interest owners we seek to pool. In my opinion, MRC has undertaken good faith efforts to reach an agreement with the uncommitted working interest owners that MRC seeks to pool in this case.

14. 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.

15. I provided MRC's outside counsel a list of names and addresses for the parties that MRC is seeking to pool for whom MRC was able to locate an address or potential address, as well as those parties being notice of overlapping spacing unit purposes. 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.

16. **MRC Exhibit C-7** contains a chart showing the owners in the spacing unit and whether those owners are already committed to the unit or not and, if so, the type of commitment.

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

18. 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.

A handwritten signature in blue ink, appearing to read "Addison Costley", is written over a horizontal line.

Addison Costley

A handwritten date "5/24/2025" in blue ink is written over a horizontal line.

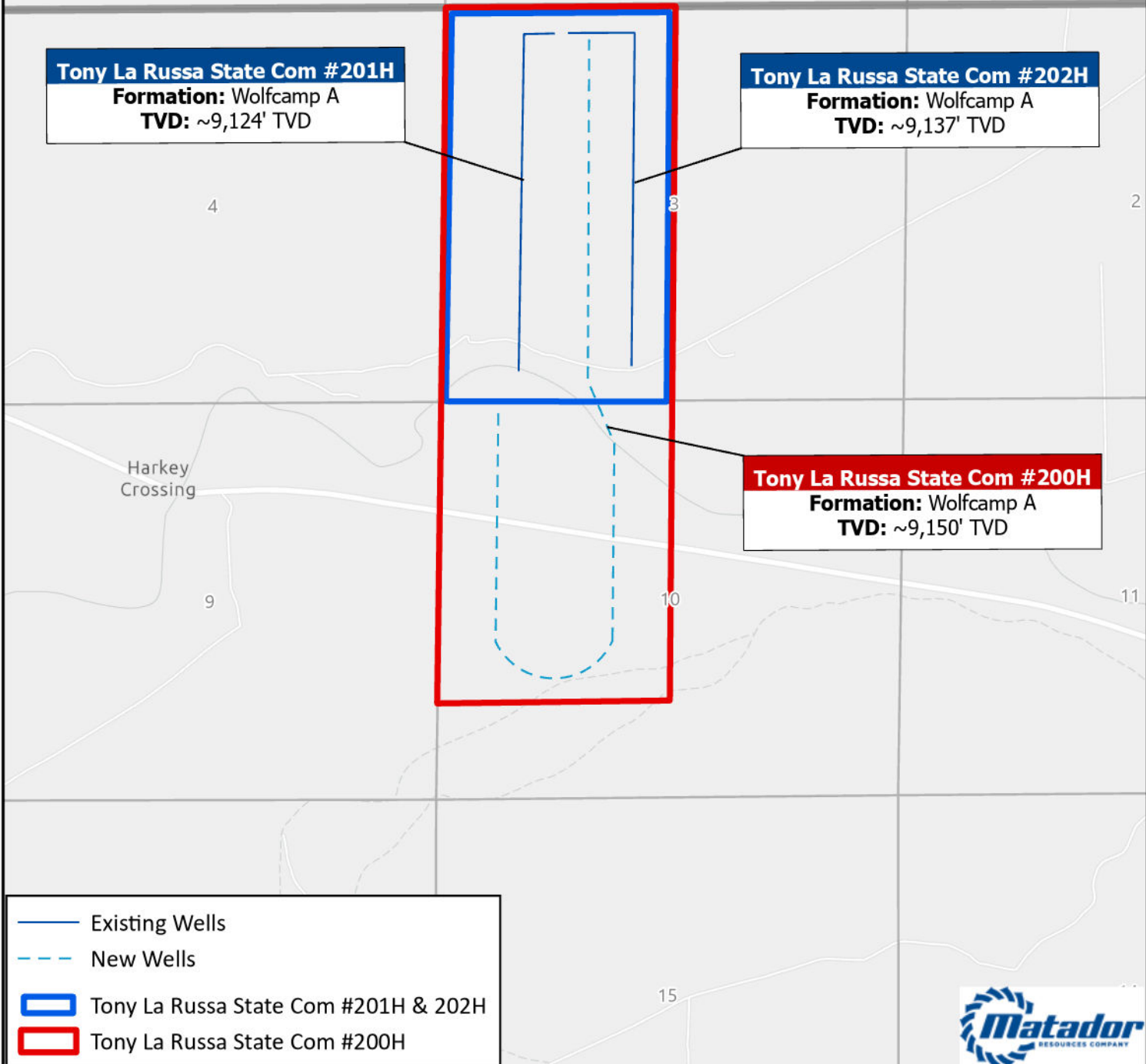
Date

# **Exhibit C-1**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-1  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146**

# Tony La Russa Overlapping Unit Map

Date Published:  
5/20/2026



**Tony La Russa State Com #201H**  
**Formation: Wolfcamp A**  
**TVD: ~9,124' TVD**

**Tony La Russa State Com #202H**  
**Formation: Wolfcamp A**  
**TVD: ~9,137' TVD**

**Tony La Russa State Com #200H**  
**Formation: Wolfcamp A**  
**TVD: ~9,150' TVD**

- Existing Wells
- New Wells
- Tony La Russa State Com #201H & 202H
- Tony La Russa State Com #200H



**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 planning purposes. Users of this information should review or consult the primary data and information sources to ascertain the validity of the information.

**N**

0 1,050 2,100 4,200 Feet

**1:24,000**  
 1 inch equals 2,000 feet

Map Prepared by: americo.gamarras  
 Date: May 20, 2026  
 Project: <LINK> \\gis\UserData\erader\~\projects\Tract Maps\Tract Maps.aprx</LINK>  
 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-2**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-2  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146**

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

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

API Number	Pool Code <b>98220</b>	Pool Name <b>Purple Sage; Wolfcamp (Gas)</b>
Property Code	Property Name <b>TONY LA RUSSA STATE COM</b>	Well Number <b>200H</b>
OGRID No. <b>----</b>	Operator Name <b>MATADOR PRODUCTION COMPANY</b>	Ground Level Elevation <b>3180'</b>
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
4	3	24-S	27-E	-	225' N	1101' W	N 32.2533636	W 104.1832093	EDDY

**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
D	10	24-S	27-E	-	110' N	986' W	N 32.2391825	W 104.1838275	EDDY

Dedicated Acres <b>640.82</b>	Infill or Defining Well <b>----</b>	Defining Well API <b>----</b>	Overlapping Spacing Unit (Y/N) <b>----</b>	Consolidated Code <b>----</b>
Order Numbers <b>----</b>			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
3	3	24-S	27-E	-	50' N	1640' W	N 32.2538552	W 104.1814580	EDDY


**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
3	3	24-S	27-E	-	100' N	1640' W	N 32.2537177	W 104.1814604	EDDY

**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
D	10	24-S	27-E	-	110' N	986' W	N 32.2391825	W 104.1838275	EDDY

Unitized Area or Area of Uniform Interest <b>----</b>	Spacing Unity Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation <b>1</b>
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<p><b>OPERATOR CERTIFICATION</b></p> <p><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></p> <p><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></p>	<p><b>SURVEYORS CERTIFICATION</b></p> <p><i>I hereby certify that the well location shown on this plat was <del>Not</del> taken 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></p> <div style="text-align: center;">  </div>
Signature _____ Date _____	Signature and Seal of Professional Surveyor _____ Date _____
Print Name _____	Certificate Number _____ Date of Survey <b>07/05/2025</b>
E-mail Address _____	

C-102

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION

Revised July 9, 2024

Submit Electronically  
Via OCD Permitting

Submittal  
Type:

- Initial Submittal
- Amended Report
- As Drilled

Property Name and Well Number

TONY LA RUSSA STATE COM 200H

**SURFACE LOCATION (SHL)**

NEW MEXICO EAST  
NAD 1983  
X=587746 Y=455939  
LAT.: N 32.2533636  
LONG.: W 104.1832093  
NAD 1927  
X=546564 Y=455881  
LAT.: N 32.2532432  
LONG.: W 104.1827095  
225' FNL 1101' FWL

**KICK OFF POINT (KOP)**

NEW MEXICO EAST  
NAD 1983  
X=588287 Y=456119  
LAT.: N 32.2538552  
LONG.: W 104.1814580  
NAD 1927  
X=547105 Y=456060  
LAT.: N 32.2537347  
LONG.: W 104.1809582  
50' FNL 1640' FWL

**FIRST PERF. POINT (FPP)**

NEW MEXICO EAST  
NAD 1983  
X=588286 Y=456069  
LAT.: N 32.2537177  
LONG.: W 104.1814604  
NAD 1927  
X=547104 Y=456010  
LAT.: N 32.2535972  
LONG.: W 104.1809606  
100' FNL 1640' FWL

**DEFLECTION POINT (DP1)**

NEW MEXICO EAST  
NAD 1983  
X=588217 Y=450892  
LAT.: N 32.2394884  
LONG.: W 104.1817094  
NAD 1927  
X=547035 Y=450834  
LAT.: N 32.2393677  
LONG.: W 104.1812100  
0' FNL 1640' FWL

**DEFLECTION POINT (DP2)**

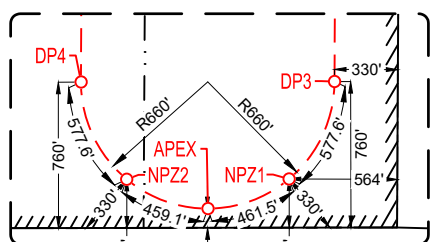
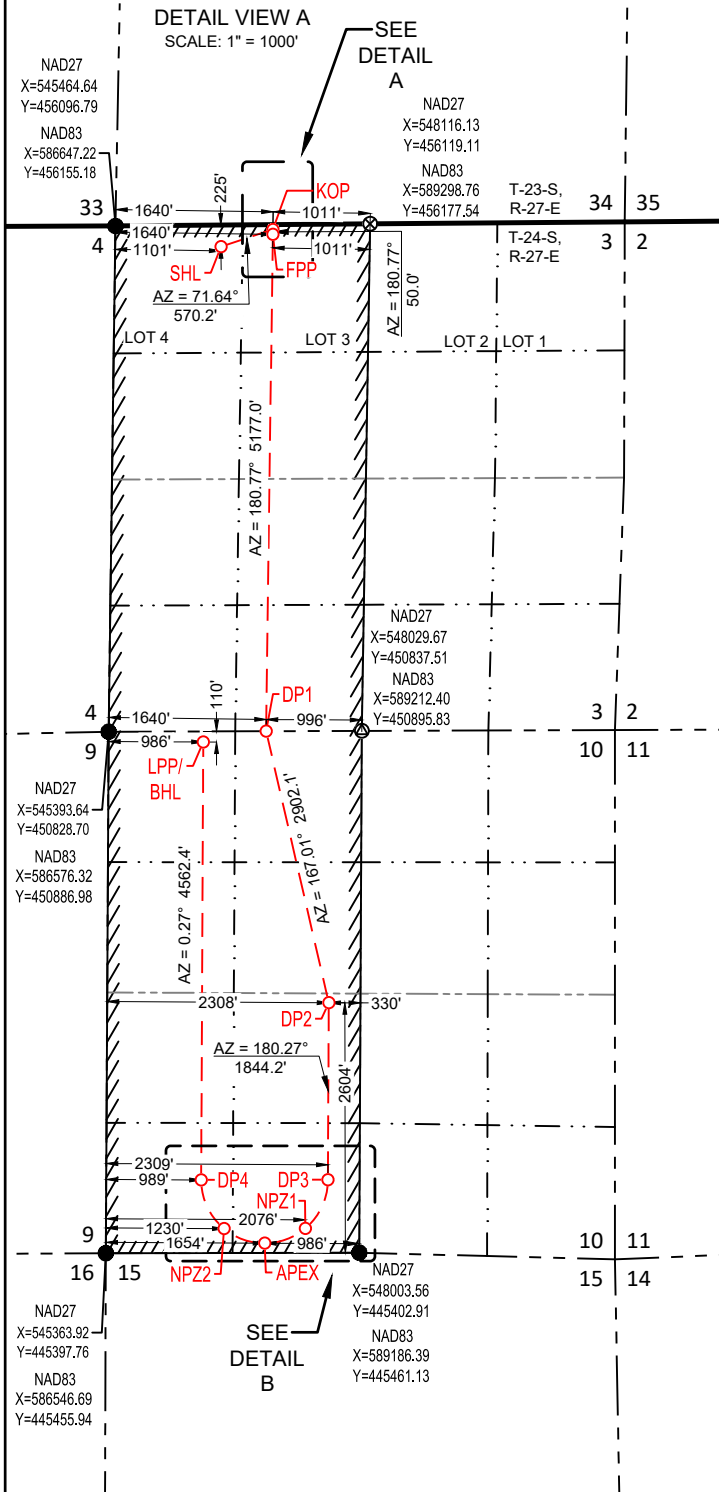
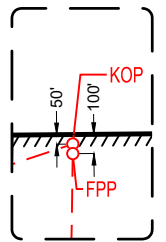
NEW MEXICO EAST  
NAD 1983  
X=588869 Y=448065  
LAT.: N 32.2317124  
LONG.: W 104.1796128  
NAD 1927  
X=547687 Y=448006  
LAT.: N 32.2315917  
LONG.: W 104.1791137  
2604' FSL 2308' FWL

**DEFLECTION POINT (DP3)**

NEW MEXICO EAST  
NAD 1983  
X=588860 Y=446220  
LAT.: N 32.2266430  
LONG.: W 104.1796499  
NAD 1927  
X=547678 Y=446162  
LAT.: N 32.2265222  
LONG.: W 104.1791509  
760' FSL 2309' FWL

**NON PERF. ZONE (NPZ1)**

NEW MEXICO EAST  
NAD 1983  
X=588624 Y=445713  
LAT.: N 32.2252499  
LONG.: W 104.1804156  
NAD 1927  
X=547442 Y=445655  
LAT.: N 32.2251291  
LONG.: W 104.1799166  
253' FSL 2076' FWL



**APEX (APEX)**  
NEW MEXICO EAST  
NAD 1983  
X=588201 Y=445559  
LAT.: N 32.2248277  
LONG.: W 104.1817831  
NAD 1927  
X=547019 Y=445501  
LAT.: N 32.2247070  
LONG.: W 104.1812841  
100' FSL 1654' FWL

**NON PERF. ZONE (NPZ2)**

NEW MEXICO EAST  
NAD 1983  
X=587778 Y=445712  
LAT.: N 32.2252486  
LONG.: W 104.1831511  
NAD 1927  
X=546596 Y=445653  
LAT.: N 32.2251279  
LONG.: W 104.1826521  
253' FSL 1230' FWL

**DEFLECTION POINT (DP4)**

NEW MEXICO EAST  
NAD 1983  
X=587540 Y=446218  
LAT.: N 32.2266410  
LONG.: W 104.1839186  
NAD 1927  
X=546358 Y=446159  
LAT.: N 32.2265203  
LONG.: W 104.1834195  
760' FSL 989' FWL

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

NEW MEXICO EAST  
NAD 1983  
X=587562 Y=450780  
LAT.: N 32.2391825  
LONG.: W 104.1838275  
NAD 1927  
X=546380 Y=450722  
LAT.: N 32.2390619  
LONG.: W 104.1833281  
110' FNL 986' FWL

T-24-S, R-27-E  
SECTION 3  
LOT 1 - 40.40 ACRES  
LOT 2 - 40.41 ACRES  
LOT 3 - 40.42 ACRES  
LOT 4 - 40.43 ACRES

**SURVEYORS 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 and correct to the best of my belief.  
07/05/2025

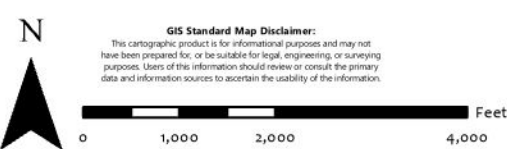
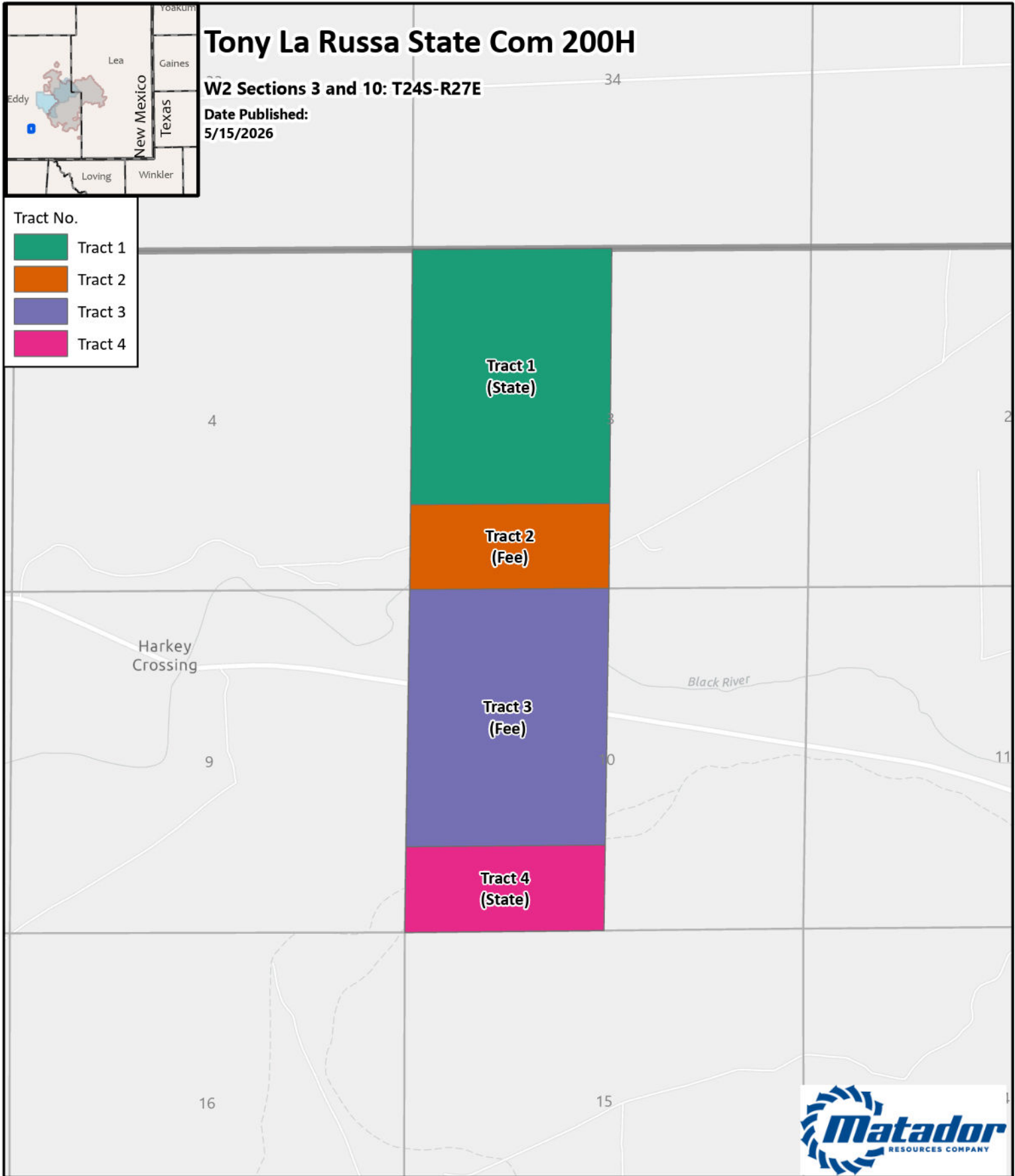
Date of Survey  
Signature and Seal of Professional Surveyor:



S:\SURVEY\WATADOR\_RESOURCE\TONY\_LA\_RUSSA\_STATE\_COM\_200H\_PRODUCT\FILED\_TONY\_LA\_RUSSA\_STATE\_COM\_200H.mxd MEI:WEN 07/05/2025 9:29 AM

# **Exhibit C-3**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-3  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146**



**1:24,000**  
 1 inch equals 2,000 feet

Map Prepared by: isabella.rader  
 Date: May 15, 2026  
 Project: <LINK>\GIS\UserData\erader\--projects\Tract Maps\Tract Maps.aprx</LINK>  
 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-4**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-4  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146**

Tony La Russa State Com #200H (Slot 1/2 - WCMP)				
Summary of Interests				
<b>Matador Working Interest</b>			82.55925%	
<b>Anticipated Voluntary Joinder</b>			0.000%	
<b>Interest Owners:</b>		<b>Description:</b>	<b>Tract:</b>	<b>Interest:</b>
<b>Compulsory Pool Interest</b>			17.441%	
<b>Interest Owners:</b>		<b>Description:</b>	<b>Tract:</b>	<b>Interest:</b>
Marshall & Winston, Inc		Uncommitted Working Interest	1, 2	7.73142%
Civitas DE Basin Resources II, LLC		Uncommitted Working Interest	3	9.70932%

\* MRC Permian is seeking to force pool the parties highlighted in yellow

Tony La Russa State Com #200H (Slot 1/2 - WCMP)			
Summary of Interests			
Tract 1			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed Working Interest	203.657	84.55764%
Marshall & Winston, Inc.	Uncommitted Working Interest	37.193	15.44236%
Tract 2			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed Working Interest	67.646	84.55764%
Marshall & Winston, Inc.	Uncommitted Working Interest	12.354	15.44236%
Tract 3			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed Working Interest	177.778	74.07408%
Civitas DE Basin Resources, LLC	Uncommitted Working Interest	62.222	25.92592%
Tract 4			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed Working Interest	80.000	100.00000%

\* MRC Permian is seeking to force pool the parties highlighted in yellow

# **Exhibit C-5**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-5  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146**

# MRC Permian Company

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

Voice 972.371.5474

[addison.costley@matadorresources.com](mailto:addison.costley@matadorresources.com)

**Addison Costley  
Landman**

February 16, 2026

VIA CERTIFIED RETURN RECEIPT MAIL

Marshall & Winston, Inc.  
PO Box 50880  
Midland, TX 79710

Re: Tony La Russa State Com #200H (the “Well”)  
Participation Proposal  
W2 of Sections 3 & 10, Township 24 South, Range 27 East  
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s well, located in the W2 of Sections 3 & 10, Township 24 South, Range 27 East, Eddy County, New Mexico:

Well Name	SHL	FTP	LTP	TVD	TMD	Formation
Tony La Russa State Com #200H	NW4NW4 of 3-24S-27E	1,640’ FWL & 100’ FNL 3-24S-27E	986’ FWL & 110’ FNL 10-24S-27E	~9,150’	~24,577’	Wolfcamp

MRC is proposing to drill the Well under the terms of the modified 1989 AAPL form of Operating Agreement, which will be provided upon request, 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

In connection with the above, please note the estimated cost of drilling, testing, completing, and equipping of the Well is itemized on the enclosed Authority for Expenditures (“AFE”) dated February 10, 2026.

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 or its designated Operator will advise you of any such modifications.

MRC requests that you indicate your election to participate, or not participate, in the drilling and completion of the proposed Well in the space provided below. Accordingly, please sign and return one (1) copy of this letter to the undersigned.

If your election is to participate in the drilling and completion of the Well, please sign and return a copy of the enclosed AFE within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFE are only an estimate of costs to be incurred and by electing to participate in the Well, each working interest owner shall be responsible for its proportionate share of all costs incurred. **Additionally, if you elect to participate in the Well, you must remit full payment for your proportionate share of the AFE costs to Operator on or before thirty (30) days after receipt of a cash call for your proportionate share of such costs. If such payment is not timely received by Operator as described above, you may be deemed to be in default pursuant to the applicable provisions of the JOA.**

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

Sincerely,

**MRC PERMIAN COMPANY**



Addison Costley

**Marshall & Winston, Inc. hereby elects to:**

\_\_\_\_\_ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Tony La Russa State Com #200H** well.

\_\_\_\_\_ Not to participate in the **Tony La Russa State Com #200H**.

**Marshall & Winston, Inc.**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Contact Number: \_\_\_\_\_

### MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

Phone (972) 371-5200 • Fax (972) 371-5201


#### ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	February 10, 2026	AFE NO.:	
WELL NAME:	Tony La Russa State Com #200H	FIELD:	Wolfcamp
LOCATION:	Section 3&10 24S 27E	MD/TVD:	24577/9150'
COUNTY/STATE:	Eddy	LATERAL LENGTH:	15,000
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp A-XY		
REMARKS:	Drill and complete a horizontal 3-mile Wolfcamp A-XY target with about 60 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	133,833	13,000	16,500	12,500	175,833
Drilling	779,725	-	-	-	779,725
Cementing & Float Equip	214,000	-	-	-	214,000
Logging / Formation Evaluation	-	3,750	3,000	-	6,750
Flowback - Labor	-	-	43,350	-	43,350
Flowback - Surface Rentals	-	-	223,550	-	223,550
Flowback - Rental Living Quarters	-	-	16,500	-	16,500
Mud Logging	14,850	-	-	-	14,850
Mud Circulation System	85,225	-	-	-	85,225
Mud & Chemicals	465,000	70,000	31,000	-	566,000
Mud / Wastewater Disposal	95,000	-	3,000	1,000	99,000
Freight / Transportation	12,750	35,000	7,000	-	54,750
Rig Supervision / Engineering	85,050	72,533	4,200	1,800	163,583
Drill Bits	66,500	-	-	-	66,500
Fuel & Power	129,675	363,931	6,500	-	500,106
Water	30,000	758,667	1,500	1,000	791,167
Drig & Completion Overhead	10,000	-	-	-	10,000
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	376,790	-	-	-	376,790
Completion Unit, Swab, CTU	-	245,000	7,600	-	252,600
Perforating, Wireline, Slickline	-	220,265	-	-	220,265
High Pressure Pump Truck	-	84,900	5,000	-	89,900
Stimulation	-	2,116,800	-	-	2,116,800
Stimulation Flowback & Disp	-	15,500	192,400	-	207,900
Insurance	15,729	-	-	-	15,729
Labor	154,500	58,417	12,500	5,000	230,417
Rental - Surface Equipment	71,510	364,212	10,000	5,000	450,722
Rental - Downhole Equipment	167,300	103,000	-	-	270,300
Rental - Living Quarters	36,030	27,973	-	5,000	69,003
Contingency	150,991	243,615	57,710	4,000	456,316
Operations Center	18,354	-	-	-	18,354
<b>TOTAL INTANGIBLES &gt;</b>	<b>3,170,812</b>	<b>4,796,563</b>	<b>651,310</b>	<b>45,300</b>	<b>8,663,985</b>

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 27,180	\$ -	\$ -	\$ -	\$ 27,180
Intermediate Casing	322,710	-	-	-	322,710
Drilling Liner	-	-	-	-	-
Production Casing	775,631	-	-	-	775,631
Production Liner	-	-	-	-	-
Tubing	-	-	127,501	-	127,501
Wellhead	98,000	-	32,000	-	130,000
Packers, Liner Hangers	-	67,644	-	-	67,644
Tanks	-	-	-	45,000	45,000
Production Vessels	-	-	-	155,000	155,000
Flow Lines	-	-	-	125,000	125,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	20,000	-	20,000
Compressor	-	-	-	37,000	37,000
Installation Costs	-	-	-	150,000	150,000
Surface Pumps	-	-	5,000	22,000	27,000
Non-controllable Surface	-	-	-	2,000	2,000
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	20,000	32,000	52,000
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	1,500	130,000	131,500
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	-	-	-
Tank / Facility Containment	-	-	-	8,700	8,700
Flare Stack	-	-	-	20,000	20,000
Electrical / Grounding	-	-	2,500	71,000	73,500
Communications / SCADA	-	-	2,000	5,000	7,000
Instrumentation / Safety	-	-	-	52,000	52,000
<b>TOTAL TANGIBLES &gt;</b>	<b>1,223,521</b>	<b>67,644</b>	<b>210,501</b>	<b>854,700</b>	<b>2,356,366</b>
<b>TOTAL COSTS &gt;</b>	<b>4,394,333</b>	<b>4,864,207</b>	<b>861,811</b>	<b>900,000</b>	<b>11,020,351</b>

**PREPARED BY MATADOR PRODUCTION COMPANY:**

Drilling Engineer:	Matt Reddy	Team Lead - WTX/NM	 JME
Completions Engineer:	Trace Saha		
Production Engineer:	Chris Cavner		

**MATADOR RESOURCES COMPANY APPROVAL:**

Executive VP, Reservoir _____	SVP Geoscience _____	COO- Drilling, Completion and Production _____
TE	AP	CC
Executive VP, CFO _____		
RM		
President _____		
BE		

**NON OPERATING PARTNER APPROVAL:**

Company Name: _____	Working Interest (%): _____	Tax ID: _____
Signed by: _____	Date: _____	
Title: _____	Approval: <input type="checkbox"/> Yes <input type="checkbox"/> 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, brokerage 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 spud.

# **Exhibit C-6**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-6  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146**

**Summary of Communications Tony La Russa State Com 200H (Slot 1/2 - WCMP)**

Uncommitted Working Interest Owner

**1. Civitas DE Basin Resources II, LLC**

In addition to sending well proposals, Matador has had discussions with **Civitas DE Basin Resources II, LLC** regarding their interest and possible voluntary joinder.

- Proposal delivered 3/4/2026
- Email & Phone Call 3/4/2026
- Email 3/6/2026
- Phone Call 4/27/2026

**2. Marshall & Winston, Inc.**

In addition to sending well proposals, Matador has had discussions with **Marshall & Winston, Inc.** regarding their interest and possible voluntary joinder.

- Proposal delivered 2/23/2026
- Phone Call 2/24/2026

# **Exhibit C-7**

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C-7  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146**

Tony La Russa State Com #200H (Slot 1/2 - WCMP)		
Interest Owners:	Ownership Type	Commitment Type
Marshall & Winston, Inc.	WI	Uncommitted
Civitas DE Basin Resources, LLC	WI	Uncommitted

Key
WI: Working Interest
ORRI: Overriding Royalty Interest
RT: Record Title
MI: Mineral Interest

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

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

**CASE NO. 26146**

**SELF-AFFIRMED STATEMENT OF BRADEN HRENCHER**

1. My name is Braden Hrencher. I work for MRC Energy Company, an affiliate of MRC Permian Company ("MRC"), as a Staff Geologist & MaxCom Coordinator.
2. I graduated from Fort Hays State University in 2015 with a bachelor's degree in geology. Following graduation, I attended Oklahoma State University where I earned a Masters degree in geology (geophysics) in 2018. During my graduate degree, I interned with Devon Energy during the Summer of 2017 in their Delaware Business Unit. After finishing my Masters degree, I started as a geologist with Indian Oil Company, LLC in the summer of 2018 working in South Central Kansas. I left Indian Oil Company, LLC in November 2018, then started working for Matador in December 2018 as a geologist. Since I have been at Matador, I have been working as a geologist in the Delaware Basin, including in Eddy and Lea Counties, New Mexico. As part of my employment for Matador, I am also required to complete at least 40 hours of continuing education each year. I am also a member of the Dallas Geological Society.
3. I am familiar with the application filed by MRC in this case, 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 unit with a black box shaded in yellow, with the larger area identified in a red box.

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146

5. In this case, 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 100 feet. The structure map shows the Wolfcamp formation gently dipping to the east. The structure appears consistent across the proposed wellbore path. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

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 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 well is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted interval, within the Wolfcamp formation, are consistent in thickness across the entirety of the proposed spacing unit.

9. In my opinion, there is not a preference for standup or laydown well orientation in this area based on the horizontal stress in this area and so the proposed standup orientation is appropriate.

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 unit proposed in this case.

11. MRC has proposed this j-hook well to maximize the production of reserves from this acreage while accounting for the existing Upper Wolfcamp wells producing in the W/2 of Section 3. In my opinion, within Section 3, each quarter-quarter will be productive and contribute more-or-less equally to production from Section 3. Similarly, in my opinion, within Section 10,

each quarter-quarter will be productive and contribute more-or-less equally to production from Section 10.

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. In my opinion, 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.

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.

Braden Hrencher  
Braden Hrencher

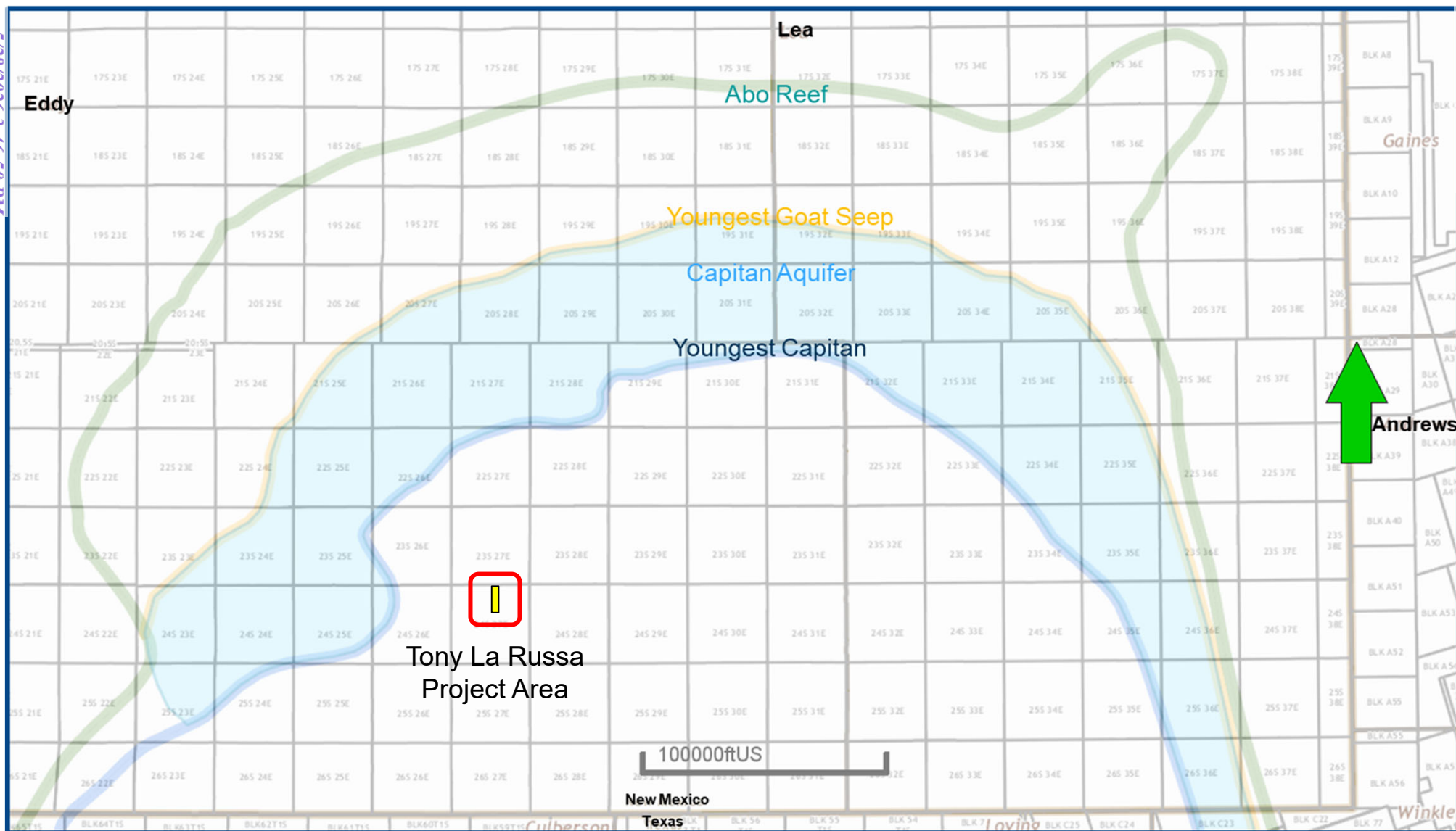
5-27-2026  
Date

# Locator Map

# Exhibit D-1

Released to Imaging: 5/28/2026 3:46:50 PM

Received by OCD: 5/28/2026 3:35:35 PM

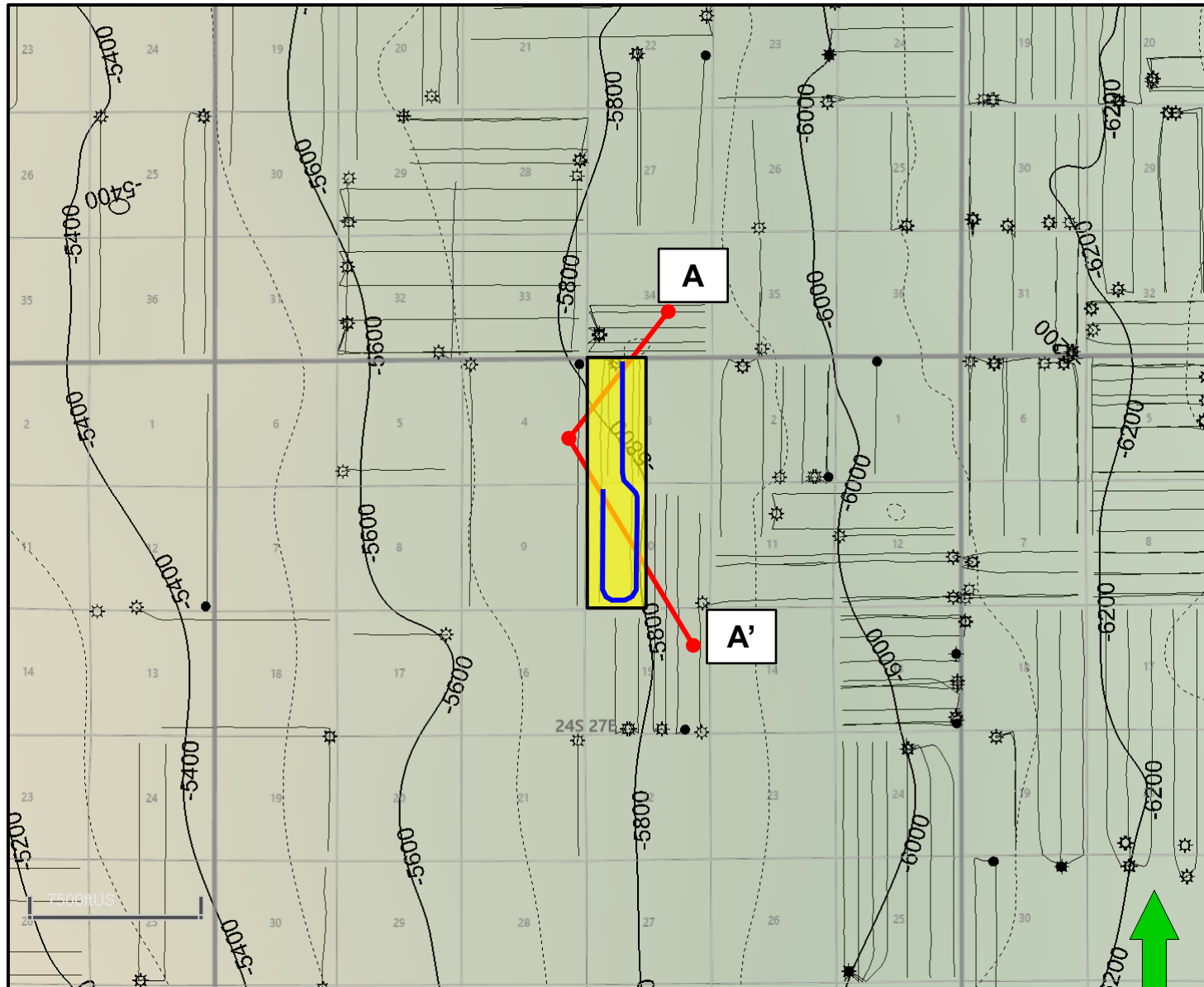


# [98220] PURPLE SAGE; WOLFCAMP (GAS) Structure Map (Top Wolfcamp Subsea) A – A' Reference Line

Exhibit D-2

Received by OCD: 5/28/2026 3:35:35 PM

Released to Imaging: 5/28/2026 3:46:50 PM



## Map Legend

Tony La Russa State Com #200



Wolfcamp Wells



Project Area



C. I. = 100'

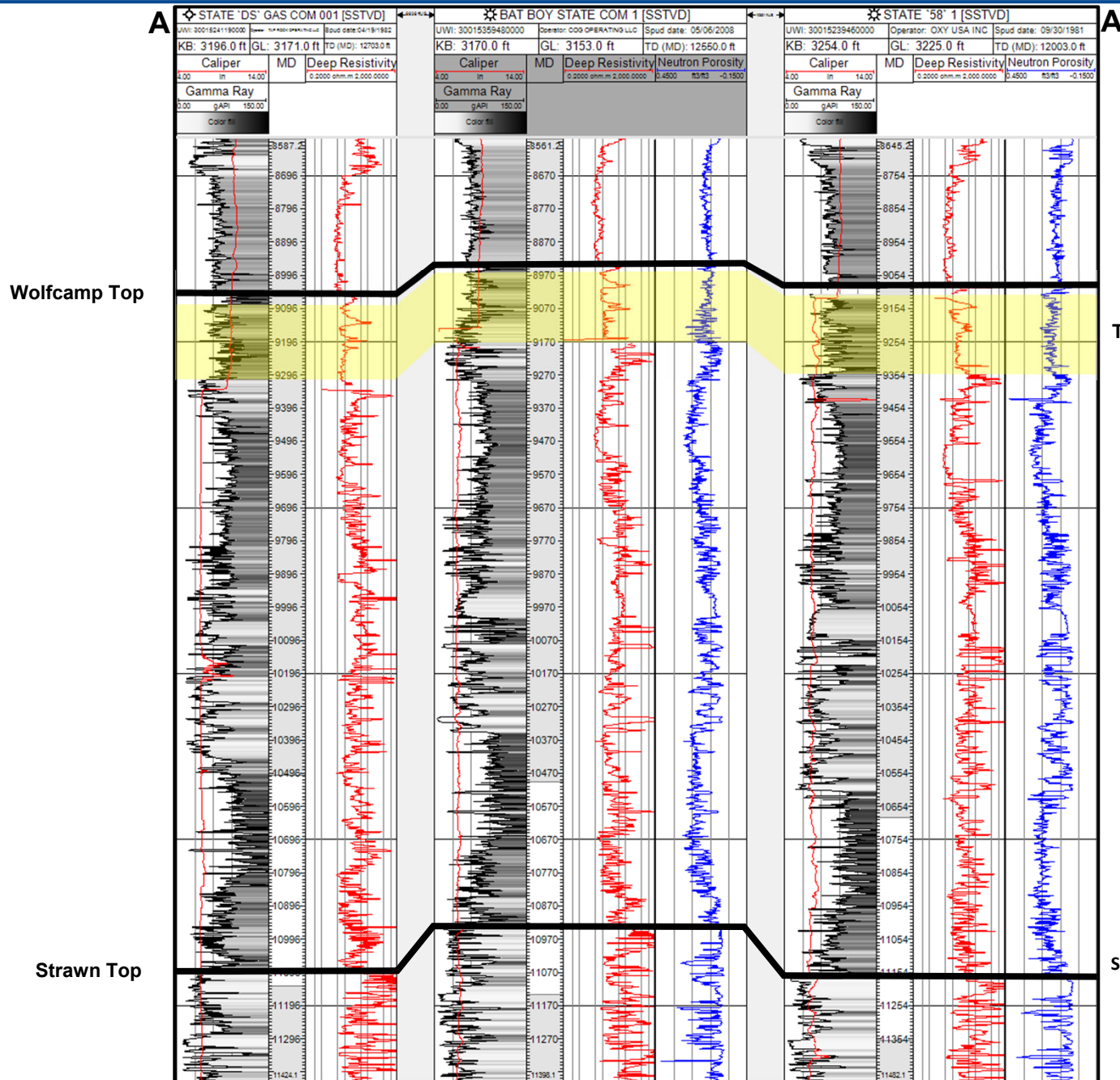
BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D-2  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146

# [98220] PURPLE SAGE; WOLFCAMP (GAS) Structural Cross-Section A – A'

Exhibit D-3

Released to Imaging: 5/28/2026 3:46:50 PM

Received by OCD: 5/28/2026 3:35:35 PM



Wolfcamp Top

Tony La Russa State Com #200H Target

Strawn Top

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D-3  
Submitted by: Matador Production Company  
Hearing Date: June 4, 2026  
Case No. 26146

Tony La Russa State Com #200H



D-3

Page 37 of 42

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

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

**CASE NO. 26146**

**SELF-AFFIRMED STATEMENT OF  
A. RAYLEE STARNES**

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 May 28, 2026.

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: June 4, 2026**

**Case No. 26146**



---

A. Raylee Starnes

05/28/26

---

Date



**A. Raylee Starnes**  
**Associate**  
**Phone** (505) 954-3669  
**Email** astarnes@hollandhart.com

May 15, 2026

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL AFFECTED INTEREST OWNERS**

**Re: Application of MRC Permian Company for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico: Tony La Russa State Com 200H Well**

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 June 4, 2026, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

**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/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 Addison Costly at (972) 371-5474 or at [addison.costly@matadorresources.com](mailto:addison.costly@matadorresources.com).

Sincerely,

A. Raylee Starnes  
**ATTORNEY FOR MRC PERMIAN COMPANY AND  
MATADOR PRODUCTION COMPANY**

T 505.954.3669 F 505.983.6043  
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MRC - Tony La Russa State Com #200H WC well - Case no. 26146  
 Postal Delivery Report

9414811898765527820906	Marshall & Winston, Inc.	PO Box 50880	Midland	TX	79710-0880	Your item was picked up at a postal facility at 11:18 am on May 19, 2026 in MIDLAND, TX 79705.
9414811898765527820999	Civitas DE Basin Resources II, LLC	555 17th St Ste 3700	Denver	CO	80202-3906	Your item arrived at our USPS facility in DENVER CO DISTRIBUTION CENTER on May 16, 2026 at 2:53 pm. The item is currently in transit to the destination.
9414811898765527820937	State of New Mexico Land Office	PO Box 1148	Santa Fe	NM	87504-1148	Your item was picked up at the post office at 8:05 am on May 22, 2026 in SANTA FE, NM 87501.
9414811898765527820975	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item was picked up at the post office at 8:06 am on May 26, 2026 in SANTA FE, NM 87501.

# Affidavit of Publication

# Copy of Publication:

No. 105010

State of New Mexico

County of Eddy:

**Adrian Hedden**

being duly sworn, says that he is the **Publisher**

of the Carlsbad Current Argus, a weekly newspaper of general circulation, published in English at Carlsbad, said county and state, and that the hereto attached

### Legal Ad

was published in a regular and entire issue of the said Carlsbad Current Argus, a weekly newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive weeks/day on the same

day as follows:

First Publication	<u>May 20, 2026</u>
Second Publication	<u></u>
Third Publication	<u></u>
Fourth Publication	<u></u>
Fifth Publication	<u></u>
Sixth Publication	<u></u>
Seventh Publication	<u></u>
Eighth Publication	<u></u>

Subscribed and sworn before me this

20th day of May 2026

**LATISHA ROMINE**  
 Notary Public, State of New Mexico  
 Commission No. 1076338  
 My Commission Expires  
 05-12-2027

Latisha Romine

Notary Public, Eddy County, New Mexico

### Legal Notice (Publication)

**Case No. 26146: Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Marshall & Winston, Inc.; Civitas DE Basin Resources II, LLC; State of New Mexico Land Office; and New Mexico State Land Office. 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 June 4, 2026, 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](mailto:Freya.Tschantz@emnrd.nm.gov). Applicant in the above-styled cause seeks an order (a) approving a standard 640.85-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp (Purple Sage; Wolfcamp [98220]) formation underlying Lots 3-4, S/2 NW/4, and SW/4 (W/2 equivalent) of irregular Section 3 and the W/2 of Section 10, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Tony La Russa State Com 200H** well, to be horizontally drilled a surface location in Lot 4 (NW/4 NW/4 equivalent) of irregular Section 3, with a first take point in Lot 3 (NE/4 NW/4 equivalent) of irregular Section 3, and a last take point in the NW/4 NW/4 (Unit D) of Section 10. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing units in the Wolfcamp formation:**

A 640.85-acre, more or less, spacing unit comprised of the W/2 of Sections 3 and 10 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 225H well, operated by Matador Production Company (Matador) (API No. 30-015-49520);

A 640.85-acre, more or less, spacing unit comprised of the W/2 of Sections 3 and 10 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 226H well, operated by Matador (API No. 30-015-49601);

A 320.85-acre, more or less, spacing unit comprised of the W/2 of Section 3 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 201H well, operated by Matador (API No. 30-015-45964); and

A 320.85-acre, more or less, spacing unit comprised of the W/2 of Section 3 in the Wolfcamp formation dedicated to the Tony La Russa 0310 State Com 202H well, operated by Matador (API No. 30-015-45965).

Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 6.5 miles northwest of Malaga, New Mexico.

105010Published in Carlsbad Current Argus May 20, 2026.

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. F

Submitted by: Matador Production Company

Hearing Date: June 4, 2026

Case No. 26146