

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

**APPLICATIONS OF MRC HAT MESA, LLC
FOR APPROVAL OF AN OVERLAPPING HORIZONTAL
WELL SPACING UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 26000 & 26001

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

CASE NO. 26002

**APPLICATION OF COG OPERATING LLC FOR COMPULSORY POOLING AND
APPROVAL OF NON-STANDARD SPACING UNIT, LEA COUNTY, NEW MEXICO**

CASE NO. 26368

MRC HAT MESA, LLC'S PRE-HEARING STATEMENT

APPEARANCES

APPLICANTS

MRC Hat Mesa, LLC

ATTORNEY

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OTHER PARTIES

COG Operating LLC
and Mongoose Minerals LLC

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Mongoose Minerals LLC

STATEMENT OF THE CASE

MRC Hat Mesa, LLC ("MRC") submits this Pre-Hearing Statement pursuant to 19.15.4.13(B) NMAC and the Pre-Hearing Order. These consolidated and competing cases concern the efficient development of the Bone Spring formation underlying portions of Sections 4, 9, and 16, Township 21 South, Range 33 East, Lea County, New Mexico, and which applicant should be designated operator of the directly overlapping acreage in the E/2 of Sections 9 and 16.

In Case Nos. 26000 and 26001, MRC seeks approval of two standard 320-acre, more or less, overlapping horizontal well spacing units in the Bone Spring formation underlying, respectively, the W/2 E/2 and E/2 E/2 of Sections 9 and 16, and compulsory pooling of the uncommitted interests therein. In Case No. 26002, MRC seeks compulsory pooling of a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 of Section 9.

- Case No. 26000: MRC proposes the B Byerley State Com 113H and 127H wells, targeting the First and Second Bone Spring, in the W/2 E/2 of Sections 9 and 16. The proposed unit overlaps the existing 160-acre spacing unit in the W/2 E/2 of Section 16 dedicated to COG's Boone 16 State Com 2H (API No. 30-025-41049).
- Case No. 26001: MRC proposes the B Byerley State Com 114H and 128H wells, targeting the First and Second Bone Spring, in the E/2 E/2 of Sections 9 and 16. The proposed unit overlaps the existing 160-acre spacing unit in the E/2 E/2 of Section 16 dedicated to COG's Boone 16 State Com 1H (API No. 30-025-41200).

- Case No. 26002: MRC proposes the B Byerley State Com 139H U-turn well, targeting the lower Third Bone Spring in the E/2 of Section 9, with a first take point in the NW/4 NE/4 (Unit B) and last take point in the NE/4 NE/4 (Unit A) of Section 9.

MRC seeks to designate Matador Production Company (OGRID No. 228937) as operator of MRC's proposed spacing units and wells; recover the reasonable costs of drilling, completing, and equipping the wells; obtain approval of operating and supervision charges subject to COPAS adjustment; and impose a 200% risk charge against non-consenting working-interest owners.

COG Operating LLC ("COG") filed competing Case No. 26368, seeking compulsory pooling and approval of a non-standard 1,600-acre horizontal spacing unit in the Bone Spring formation comprising the S/2 of Section 4 and all of Sections 9 and 16. As MRC understands COG's application and well proposals, COG proposes phased development of multiple Bone Spring targets with approximately 2.5-mile laterals.

The applications overlap in the E/2 of Sections 9 and 16. MRC owns approximately 60.75% of the working interest in that directly overlapping acreage, compared with COG's approximately 37.50%. In the E/2 of Section 9, the spacing unit for MRC's proposed 139H U-turn well, MRC owns approximately 96.49%, while COG owns no working interest.

In addition to MRC's significant working interest control in the overlapping acreage, MRC's development plan for the Third Bone Spring is preferable to COG's development plan because (i) COG fails to develop the lower Third Bone Spring in the E/2 of Section 9, (ii) COG's 3-wells per section spacing for the Third Bone Spring Carbonate would lead to waste compared to MRC's 4-wells per section spacing for that target, and (iii) MRC understands its target for the Third Bone Spring Carbonate is shallower than COG's target, which would provide more vertical separation and mitigate potential interference with COG's existing lower Third Bone Spring wells on the acreage.

MRC'S PROPOSED EVIDENCE

Witness / Expertise	Estimated Direct Time
Ethan Frasier Petroleum Landman	[45 minutes]
Joshua Burrus Petroleum Geologist	[45 minutes]
Blake Byrnes Reservoir Engineer	[45 minutes]

FILED EVIDENCE

Pursuant to the Pre-Hearing Order, MRC files the following applications, full written testimony, affidavits, and evidentiary exhibits with this Pre-Hearing Statement.

Exhibit	Description
MRC Exhibit C	Self-Affirmed Statement of Ethan Frasier, Petroleum Landman, with Exhibits C-1 through C-13.
MRC Exhibit D	Self-Affirmed Statement of Joshua Burrus, Petroleum Geologist, with Exhibits D-1 through D-6
MRC Exhibit E	Self-Affirmed Statement of Blake Byrnes, Reservoir Engineer, with Exhibits E-1 through E-4.
MRC Exhibit F	Self-Affirmed Statement of Dalva Moellenberg, Attorney, with Exhibits F-1 through F-7.

PROCEDURAL MATTERS

1. The contested hearing is scheduled to commence August 25, 2026, at 8:30 a.m., and may continue to August 26, 2026. Counsel intends to appear in person at Pecos Hall. MRC's witnesses intend to appear in person and will be available for cross-examination.

2. MRC reserves the right to offer proper rebuttal evidence and to supplement or modify its witness and exhibit designations for good cause, subject to the Pre-Hearing Order and the Hearing Examiner's rulings.

3. MRC understands that evidentiary objections must be filed no later than 48 hours before the hearing and will be addressed as a preliminary matter when the cases are called.

Respectfully submitted,

GALLAGHER & KENNEDY

By: /s/ Dalva L. Moellenberg

Dalva L. Moellenberg

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Counsel for MRC Hat Mesa, LLC

CERTIFICATE OF SERVICE

I hereby certify that on August 19, 2026, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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By: /s/ Dalva L. Moellenberg

Dalva L. Moellenberg

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LEA COUNTY, NEW MEXICO**

CASE NO. 26368

MRC HAT MESA, LLC EXHIBIT LIST

Exhibit C	Self-Affirmed Statement of Ethan Frasier
C-1	Map Proposed Spacing Unit
C-2	Draft Form C-102
C-3	Map Tracts of Land
C-4	Working Interest Owners
C-5	Well Proposal Letter
C-6	Uncommitted Working Interest Owners Summary
C-7	Chart Owners in Spacing Unit
C-8	Well Proposals and AFEs from COG
C-9	Map of Competing Applications
C-10	Map COG Existing Wells
C-11	MRC Development Plan

C-12 Proposed Result After Granting MRC's Applications

C-13 Map MRC Existing Operated Location

Exhibit D Self-Affirmed Statement of Joshua Burrus

D-1 Locator Map

D-2 Subsea Structure Map

D-3 Structural Cross Section

D-4 Well Spacing Diagram

D-5 Comparison Map

D-6 Structural Cross-Section Comparison

Exhibit E Self-Affirmed Statement of Blake Byrnes

E-1 Gunbarrel Diagram

E-2 Acreage Comparison

E-3 Barrel Chart

E-4 Comparison Third Bone Spring Carbonate

Exhibit F Self-Affirmed Statement of Dalva Moellenberg

F-1 Case No. 26000 Notice Packet

F-2 Case No. 26001 Notice Packet

F-3 Case No. 26002 Notice Packet

F-4 Tracking Chart

F-5 Notice of Publication 26000

F-6 Notice of Publication 26001

F-7 Notice of Publication 26002

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SELF-AFFIRMED STATEMENT OF ETHAN FRASIER, LANDMAN

1. My name is Ethan Frasier and I work for MRC Energy Company, an affiliate of MRC Hat Mesa, LLC ("MRC"), as a Senior Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of public record.
3. I am familiar with the applications filed by MRC in these consolidated cases and I am familiar with the status of the lands in the subject area.
4. In these consolidated cases, MRC seeks to pool standard horizontal well spacing units for the Bone Spring formation in the following spacing units:
 - Under **Case 26000**, MRC seeks to pool a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico for its (i) **B Byerley State Com**

113H and **B Byerley State Com 127H** wells, both to be horizontally drilled from surface locations in the NW/4 NE/4 of Section 9, with first take points in the NW/4 NE/4 (Unit B) of Section 9, and last take points in the SW/4 SE/4 (Unit O) of Section 16;

- Under **Case 26001**, MRC seeks to pool a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico for its (i) **B Byerley State Com 114H** and (ii) **B Byerley State Com 128H** wells, both to be horizontally drilled from surface locations in the NE/4 NE/4 of Section 9, with first take points in the NE/4 NE/4 (Unit A) of Section 9, and last take points in the SE/4 SE/4 (Unit P) of Section 16; and
- Under **Case 26002**, MRC seeks to pool a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 of Section 9, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico for its **B Byerley State Com 139H** u-turn well, to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 9, with a first take point in the NW/4 NE/4 (Unit B) of Section 9, and a last take point in the NE/4 NE/4 (Unit A) of Section 9, T21S-R33E.

5. MRC's title information does not show any depth severances within the Bone Spring formation underlying the subject acreage.

6. **MRC Exhibit C-1** contains two maps. The first map shows MRC's proposed spacing unit under Case No. 26000 for its First Bone Spring (B Byerley State Com #113H) and Second Bone Spring (B Byerley State Com #127H) wells and the existing spacing unit that unit overlaps. The second map shows MRC's proposed spacing unit under Case No. 26001 for its First Bone Spring (B Byerley State Com #114H) and Second Bone Spring (B Byerley State Com #128H) wells and the existing spacing unit that unit overlaps. MRC's proposed Third Bone Spring u-turn well (B Byerley State Com #139H) in Case No. 26002 does not overlap with any existing Bone Spring spacing units.

7. **MRC Exhibit C-2** contains a draft Form C-102 for each of the proposed initial wells in each of MRC's cases.

8. MRC understands these wells will be placed in the WC-025 G-08 S213304D; BONE SPRING (97895) pool.

9. The completed intervals for each of MRC's proposed wells will remain within the standard setbacks required by the statewide rules set forth in 19.15.16.15 NMAC.

10. **MRC Exhibit C-3** contains three maps showing the tracts of lands comprising the proposed spacing units in each of Case Nos. 26000, 26001, and 26002, respectively. The land in all three proposed spacing units is comprised entirely of state lands.

11. **MRC Exhibit C-4** identifies, separately for each case, the working interest owners that MRC is seeking to pool, as well as the overriding royalty owners that MRC seeks to pool. 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 units. The parties that MRC is seeking to pool are highlighted yellow.

12. While MRC was working to put these units together, MRC proposed the above wells 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. MRC Exhibit C-5 also contains a copy of a supplemental letter with updated AFE costs (along with copies of the updated AFEs) that were sent to the working interest parties that MRC seeks to pool. The costs reflected in the AFEs 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 that MRC seeks to pool in each 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 each case.

14. MRC has made an estimate of overhead and administrative costs for drilling and producing the proposed wells. 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 orders 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 noticed for 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, for each case, 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.

Competing Development Plans

17. MRC's B Byerley applications compete with the application filed by COG Operating LLC ("COG") in Case No. 26368 for its proposed Corazon State Unit Com wells, which I am also familiar with.

18. Attached as **MRC Exhibit C-8** are copies of the well proposals and AFEs that MRC received from COG for its Corazon State Unit Com wells.

19. In Case No. 26368, COG seeks to pool a nonstandard unit covering the Bone Spring formation in a nonstandard 1,600-acre spacing unit comprised of the S/2 of Section 4 and all of

Sections 9 and 16, Township 21 South, Range 33 East, Lea County, New Mexico. MRC understands that COG's application includes eight initial wells to be drilled in the first phase (five Second Bone Spring wells and three Third Bone Spring wells), and then seven wells to be drilled in a second phase (three Avalon wells and four First Bone Spring wells).

20. **MRC Exhibit C-9** is a map showing MRC's and COG's competing applications.

MRC Has Significant Working Interest Control in the Overlapping Acreage

21. As shown on MRC Exhibit C-9, MRC's and COG's applications overlap in the E/2 of Sections 9 and 16. Within that overlapping acreage, MRC has a 60.75% working interest, whereas COG has only a 37.5% working interest.

22. Notably, also as shown on MRC Exhibit C-9, COG does not own any working interest in the E/2 of Section 9. As a result, with respect to MRC's Third Bone Spring u-turn well in the E/2 of Section 9 (Case No. 26002), MRC has a 96.49% working interest and COG owns 0%.

23. Accordingly, as shown in MRC Exhibit C-4, in each of MRC's cases (each of which directly overlap with COG's application), the working interest comparison between MRC and COG is as follows:

- a. Case No 26000 (W/2 E/2 of Sections 9 and 16): MRC has a 60.75% working interest, whereas COG has only an 37.5% working interest;
- b. Case No 26001 (E/2 E/2 of Sections 9 and 16): MRC has a 60.75% working interest, whereas COG has only an 37.5% working interest; and
- c. Case No 26002 (E/2 of Section 9): MRC has a 96.49% working interest, whereas COG has a 0% working interest.

COG's Nonstandard Spacing Unit Disrupts its Own Existing Development Pattern

24. Attached as **MRC Exhibit C-10** is a map showing COG's existing wells in the sections included in COG's current application. MRC understands that all of COG's existing wells shown on this map are targeting either the lower Third Bone Spring or Upper Wolfcamp.

25. As shown on MRC Exhibit C-10, COG has already established a development pattern for the acreage involved in its current application, being: (i) 2-mile development in the W/2 of Sections 9 and 16 for its existing Boone 16 State Com 003H and 004H wells, and (ii) 1.5-mile development in Section 4 for its existing Corazon State Unit 10H, 11H, 12H and 13H wells.

26. But as shown on MRC Exhibit C-10, COG's current application seeks to completely change the existing development pattern it has already established in this area, overlapping portions of many of its existing wells and spacing units.

MRC's Development Plan is Consistent with COG's Existing Development

27. On the other hand, MRC's applications for its B Byerley wells are consistent with and compliment the development pattern already established by COG on this acreage.

28. First, as shown on **MRC Exhibit C-11**, with respect to the First Bone Spring and Second Bone Spring targets (as well as future infill Bone Spring wells), MRC's development continues the two-mile development pattern in Sections 9 and 16 already established by COG by using 2-mile wells in the E/2 of Sections 9 and 16.

29. Second, as shown on MRC Exhibit C-11, with respect to the Lower Third Bone Spring, MRC's plan develops the E/2 of Section 9 using a u-turn well, avoiding overlapping with COG's existing development patterns in the Third Bone Spring in Sections 4 and 16.

30. COG's development plan, on the other hand, fails to develop the lower Third Bone Spring target in the E/2 of Section 9.

COG's Development Plan is an Attempt to Gain Operatorship

31. As shown on MRC Exhibit C-10, COG's prior development excluded the E/2 of Section 9 where COG does not own an interest. MRC's development plan thoughtfully includes the lower Third Bone Spring in the E/2 of Section 9 in full development, as well as continuing the existing 2-mile spacing pattern in Sections 9 and 16 for the other Bone Spring targets.

32. With COG having already established the development pattern in this area, MRC is confused why COG would now file an application completely changing the development pattern and seek a new expansive 1,600 nonstandard unit.

33. Given COG's existing development and the inconsistencies between its prior development and current application described above, coupled with COG's lack of working interest in the E/2 of Section 9, it is MRC's belief that COG's current application was formed in an attempt to create whatever spacing unit size would give COG more working interest than MRC for purposes of attempting to gain operatorship in these force pooling proceedings.

34. For example, even if COG had filed for a 1,280 nonstandard spacing unit for full two-mile development in Sections 9 and 16 (which at least would have been consistent with the 2-mile development pattern in those sections COG had already started), MRC would have had more working interest in that proposed spacing unit, with 50.104% working interest compared to COG's 48.142% working interest.

35. Accordingly, it is MRC's belief that COG's plan for an expansive 1,600 acre nonstandard unit with the inclusion of parts of Section 4 is an effort to find a spacing unit size where blending its working interest across that acreage would give it a majority working interest in an effort to gain operatorship. Yet even under COG's application for this expansive nonstandard

1,600 acre spacing unit, COG still has only a slight working interest advantage over MRC, with COG having 53.51% and MRC having 45.08%.

COG Should Develop the W/2 and MRC Should Develop the E/2

36. Based on the above reasons and the additional testimony of MRC's technical witnesses in these cases, MRC requests that its applications be granted and COG's application be denied.

37. This would allow MRC to operate the E/2 acreage with its development plan that is consistent with the existing development plan already established by COG, and includes development of lower Third Bone Spring in the E/2 of Section 9 unlike COG's plan.

38. COG could then seek to develop the W/2 of Section 9 and 16 (as well as the SW/4 of Section 4 if it still chose to do so).

39. This result is shown on **MRC Exhibit C-12**.

40. This result would likely also reduce future surface disturbances. MRC understands that COG's current application requires it to build one set of new surface pads. However, since COG's plan does not include development of the Lower Third Bone Spring target in the E/2 of Section 9, if MRC's 2-mile applications were denied and it was required to develop that target in the E/2 of Section 9 with just a single well development plan, MRC would need to construct yet another surface pad to do so. On the other hand, the granting of MRC's applications would allow the development of the entire E/2 of Sections 9 and 16 with just one set of additional surface pads.

MRC's Existing Wells

41. **MRC Exhibit C-13** is a map showing MRC's existing operated locations around the area in these cases. As shown on MRC Exhibit C-13, MRC has a significant presence in this

area and based on its existing infrastructure is confident that MRC will be able to have oil, gas and water on pipeline by first production from its proposed B Byerley development.

42. **MRC Exhibits C-1 through C-7 and C-9 through C-13** were either prepared by me or compiled under my direction and supervision.

43. 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.

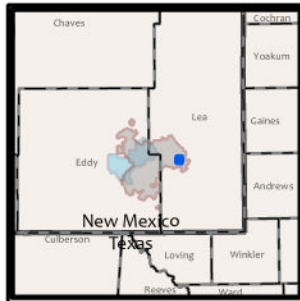


Ethan Frasier

8/18/2026

Date

Exhibit C-1



B Byerley Unit W2E2 - Bone Spring Overlapping Spacing Unit

E/2 of Sections 9 and 16, 21S-33E, Lea County New Mexico

Date Published:
4/23/2026

B Byerley State Com 113H
First Bone Spring
~ 10,000' TVD

B Byerley State Com 127H
Second Bone Spring
~ 10,780' TVD

Boone 16 State Com 002H
Third Bone Spring
~ 11,721' TVD

-- MRC Planned Wellbores

— Boone 16 State Com 002H

Spacing Units

 160 Acres

 320 Acres



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 reliability of the information.

0 800 1,600 3,200 Feet

1:18,000

1 inch equals 1,500 feet



Map Prepared by: isabella.rader
Date: April 23, 2026

Project: <LINK>\gis\UserData\erader\projects\Pooling Hearing\PoolingMap.aprx</LINK>
Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
Sources: IHS, ESRI, US DOI BLM Carlsbad, NM Field Office, GIS Department,
Texas Cooperative Wildlife Collection, Texas A&M University,
United States Census Bureau (TIGER).

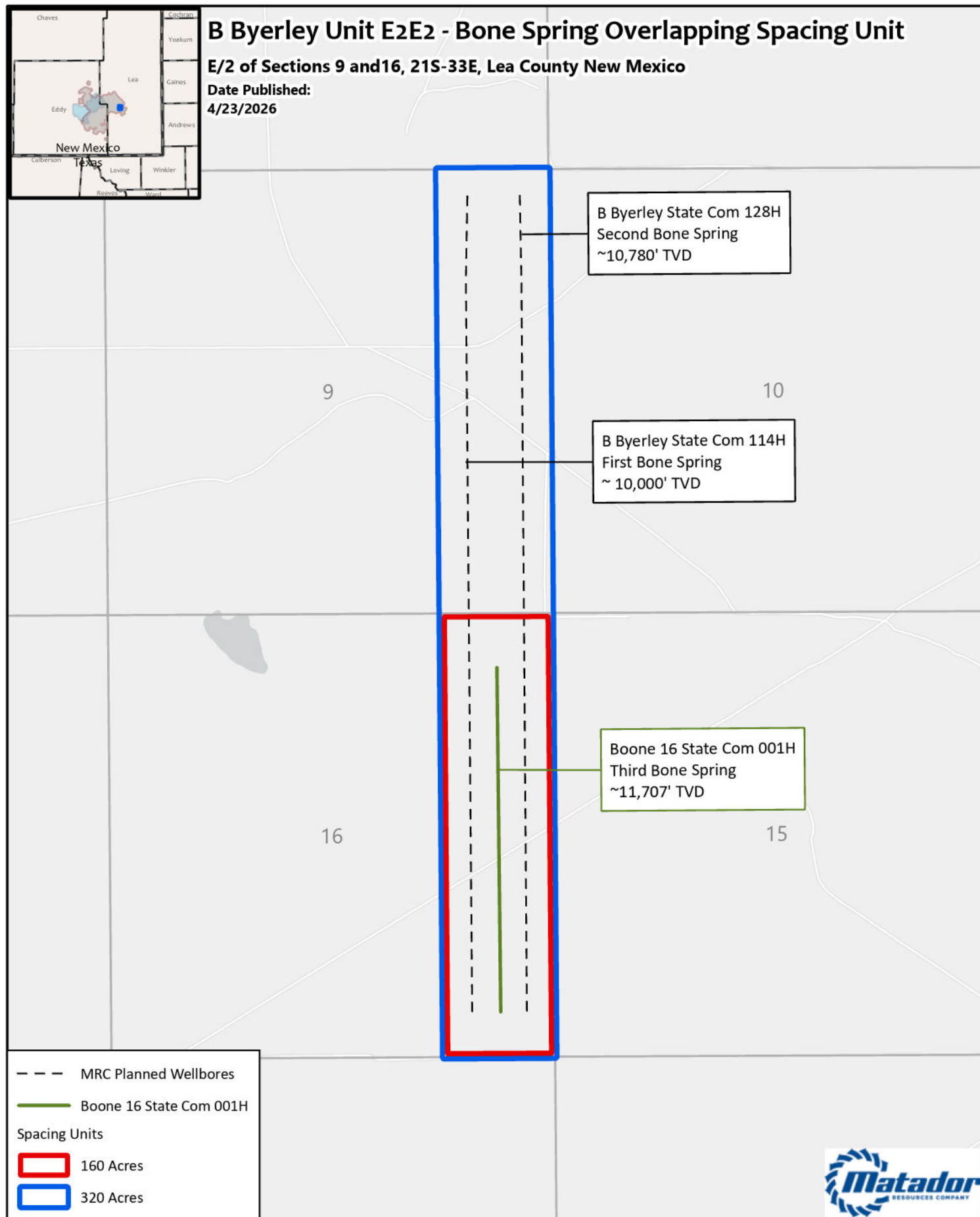


Exhibit C-2

Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting Submittal Type: ☐ Initial Submittal ☐ Amended Report ☐ As Drilled
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WELL LOCATION INFORMATION

API Number	Pool Code 97895	Pool Name WC-025 G-08 S213304D; Bone Spring
Property Code	Property Name B BYERLEY STATE COM	Well Number 113H
OGRID No.	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL B	Section 9	Township 21S	Range 33E	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County Lea
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Bottom Hole Location

UL O	Section 16	Township 21S	Range 33E	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County Lea
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Dedicated Acres	Infill or Defining Well Defining	Defining Well API TBD	Overlapping Spacing Unit (Y/N) Y	Consolidation Code C
Order Numbers. TBD			Well setbacks are under Common Ownership: ☐ Yes ☒ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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First Take Point (FTP)

UL B	Section 9	Township 21S	Range 33E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 1980' FEL	Latitude 32.500352	Longitude -103.575419	County Lea
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Last Take Point (LTP)

UL O	Section 16	Township 21S	Range 33E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 1980' FEL	Latitude 32.471892	Longitude -103.575399	County Lea
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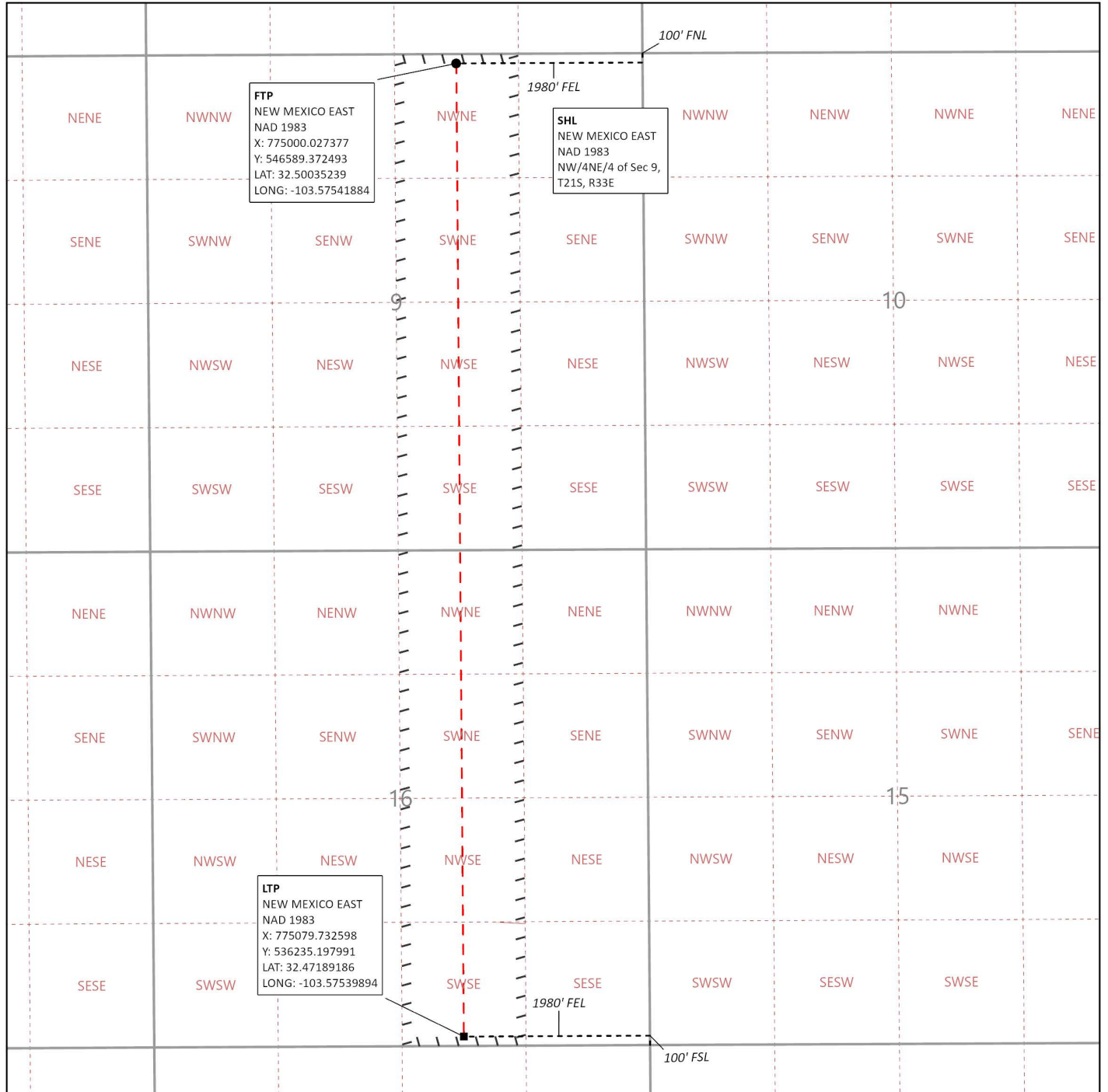
Unitized Area or Area of Uniform Interest W/2E/2 of Section 9 & 16, 21S-33E	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to 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> Signature _____ Date _____ Printed Name _____ Email Address _____	SURVEYOR CERTIFICATIONS <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 and Seal of Professional Surveyor _____ Certificate Number _____ Date of Survey _____
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Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting Submittal Type: ☐ Initial Submittal ☐ Amended Report ☐ As Drilled
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WELL LOCATION INFORMATION

API Number	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code	Property Name B BYERLEY STATE COM	Well Number 114H
OGRID No.	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL A	Section 9	Township 21S	Range 33E	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County Lea
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Bottom Hole Location

UL P	Section 16	Township 21S	Range 33E	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County Lea
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Dedicated Acres	Infill or Defining Well Defining	Defining Well API TBD	Overlapping Spacing Unit (Y/N) Y	Consolidation Code C
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☒ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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First Take Point (FTP)

UL A	Section 9	Township 21S	Range 33E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 660' FEL	Latitude 32.500344	Longitude -103.571137	County Lea
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Last Take Point (LTP)

UL P	Section 16	Township 21S	Range 33E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 660' FEL	Latitude 32.471884	Longitude -103.571119	County Lea
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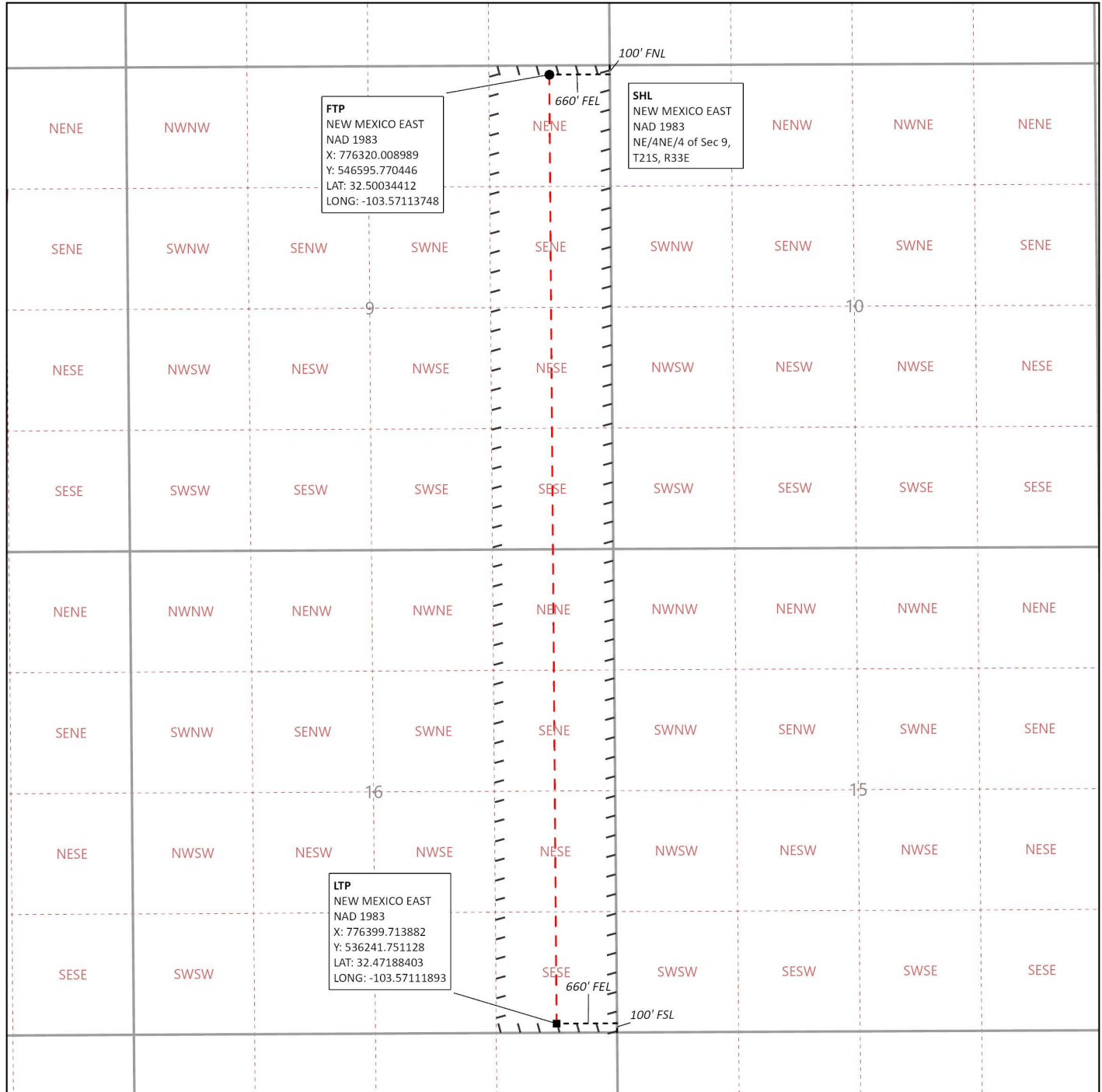
Unitized Area or Area of Uniform Interest E/2E/2 of Section 9 & 16, 21S-33E	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS <i>I hereby certify that the information contained herein is true and complete to 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> Signature _____ Date _____ Printed Name _____ Email Address _____	SURVEYOR CERTIFICATIONS <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 and Seal of Professional Surveyor _____ Certificate Number _____ Date of Survey _____
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Note: No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

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WELL LOCATION INFORMATION

API Number	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code	Property Name B BYERLEY STATE COM	Well Number 127H
OGRID No.	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	9	21S	33E						Lea

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	16	21S	33E						Lea

Dedicated Acres	Infill or Defining Well Infill	Defining Well API TBD	Overlapping Spacing Unit (Y/N) Y	Consolidation Code C
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☒ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	9	21S	33E		100' FNL	2310' FEL	32.500355	-103.576489	Lea

Last Take Point (LTP)

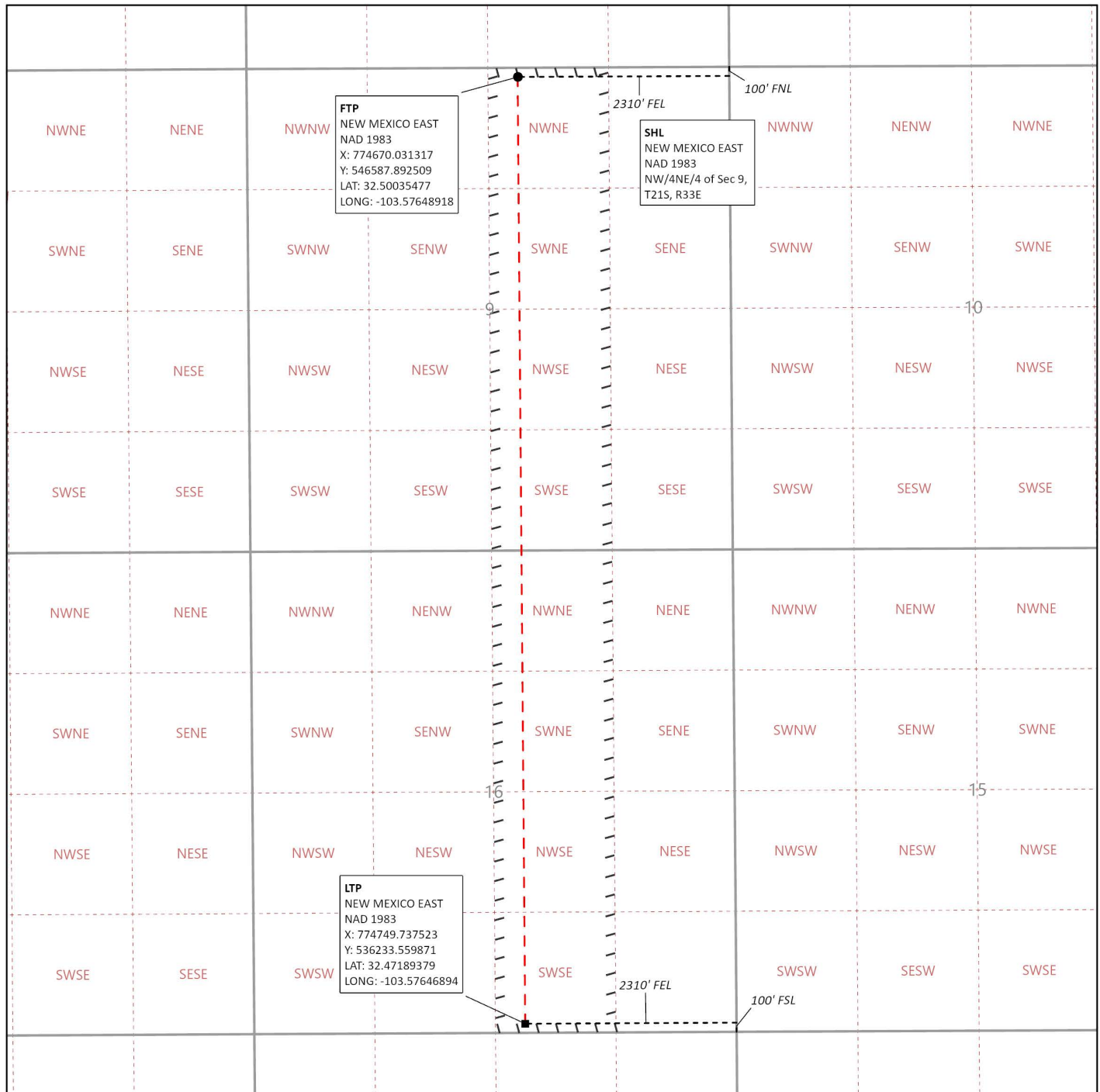
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
O	16	21S	33E		100' FSL	2310' FEL	32.471894	-103.576469	Lea

Unitized Area or Area of Uniform Interest W/2E/2 of Section 9 & 16, 21S-33E	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS <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> Signature Date Printed Name Email Address	SURVEYOR CERTIFICATIONS <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 and Seal of Professional Surveyor Certificate Number Date of Survey
--	---

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WELL LOCATION INFORMATION

API Number	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code	Property Name B BYERLEY STATE COM	Well Number 128H
OGRID No.	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL A	Section 9	Township 21S	Range 33E	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County Lea
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Bottom Hole Location

UL P	Section 16	Township 21S	Range 33E	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County Lea
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Dedicated Acres	Infill or Defining Well Infill	Defining Well API TBD	Overlapping Spacing Unit (Y/N) Y	Consolidation Code C
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☒ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
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First Take Point (FTP)

UL A	Section 9	Township 21S	Range 33E	Lot	Ft. from N/S 100' FNL	Ft. from E/W 990' FEL	Latitude 32.500346	Longitude -103.572208	County Lea
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Last Take Point (LTP)

UL P	Section 16	Township 21S	Range 33E	Lot	Ft. from N/S 100' FSL	Ft. from E/W 990' FEL	Latitude 32.471886	Longitude -103.572189	County Lea
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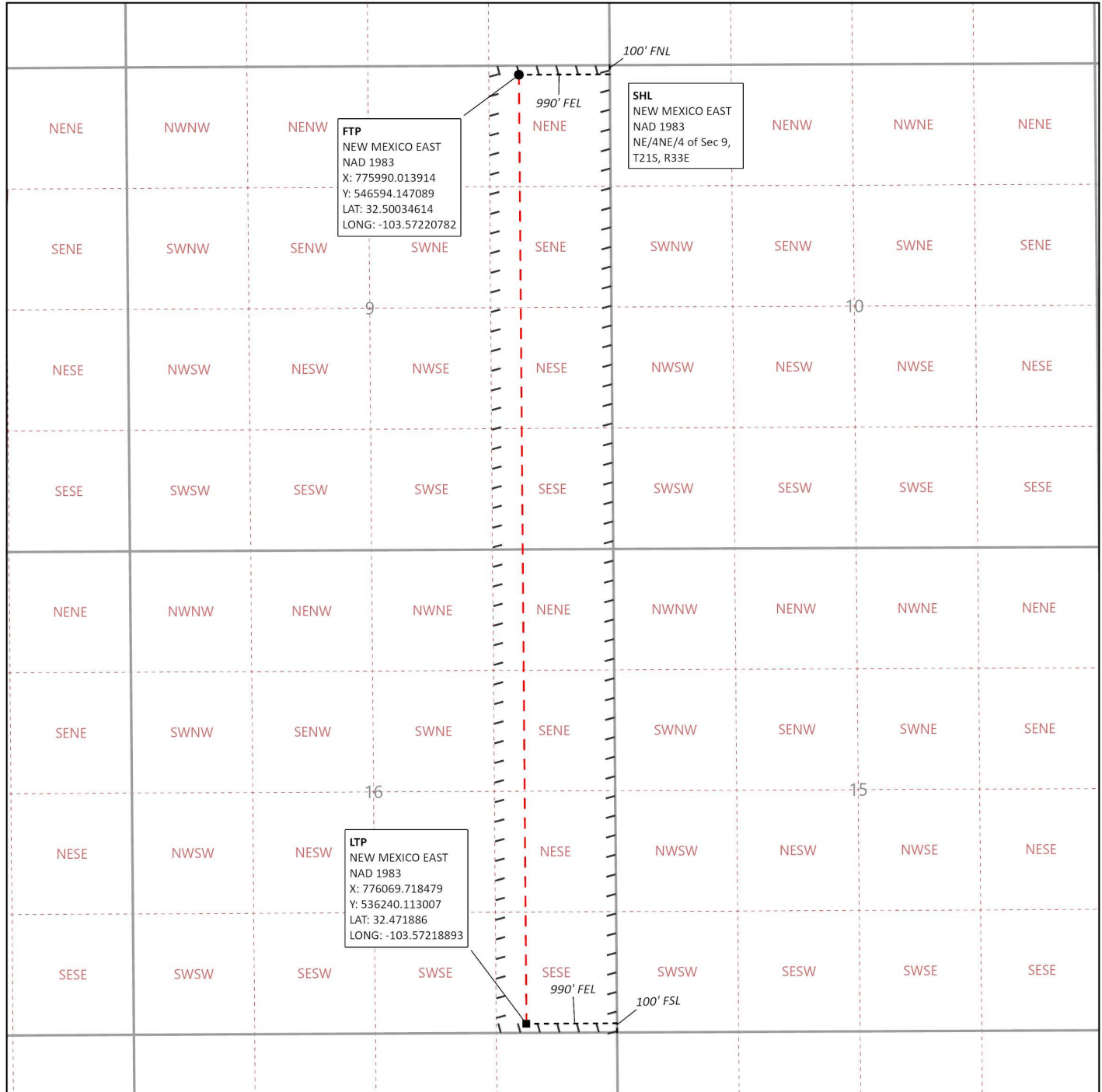
Unitized Area or Area of Uniform Interest E/2E/2 of Section 9 & 16, 21S-33E	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation:
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WELL LOCATION INFORMATION

API Number	Pool Code 97895	Pool Name WC-025 G-08 S213304D; BONE SPRING
Property Code	Property Name B BYERLEY STATE COM	Well Number 139H
OGRID No.	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation
Surface Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☒ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	9	21S	33E						Lea

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
A	9	21S	33E						Lea

Dedicated Acres	Infill or Defining Well Defining	Defining Well API TBD	Overlapping Spacing Unit (Y/N) No	Consolidation Code C
Order Numbers.			Well setbacks are under Common Ownership: ☐ Yes ☒ No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
B	9	21S	33E		100' FNL	1980' FEL	32.500352	-103.575419	Lea

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
A	9	21S	33E		100' FSL	660' FEL	32.500344	-103.571137	Lea

Unitized Area or Area of Uniform Interest E/2 of Section 9, 21S-33E	Spacing Unit Type ☒ Horizontal ☐ Vertical	Ground Floor Elevation:
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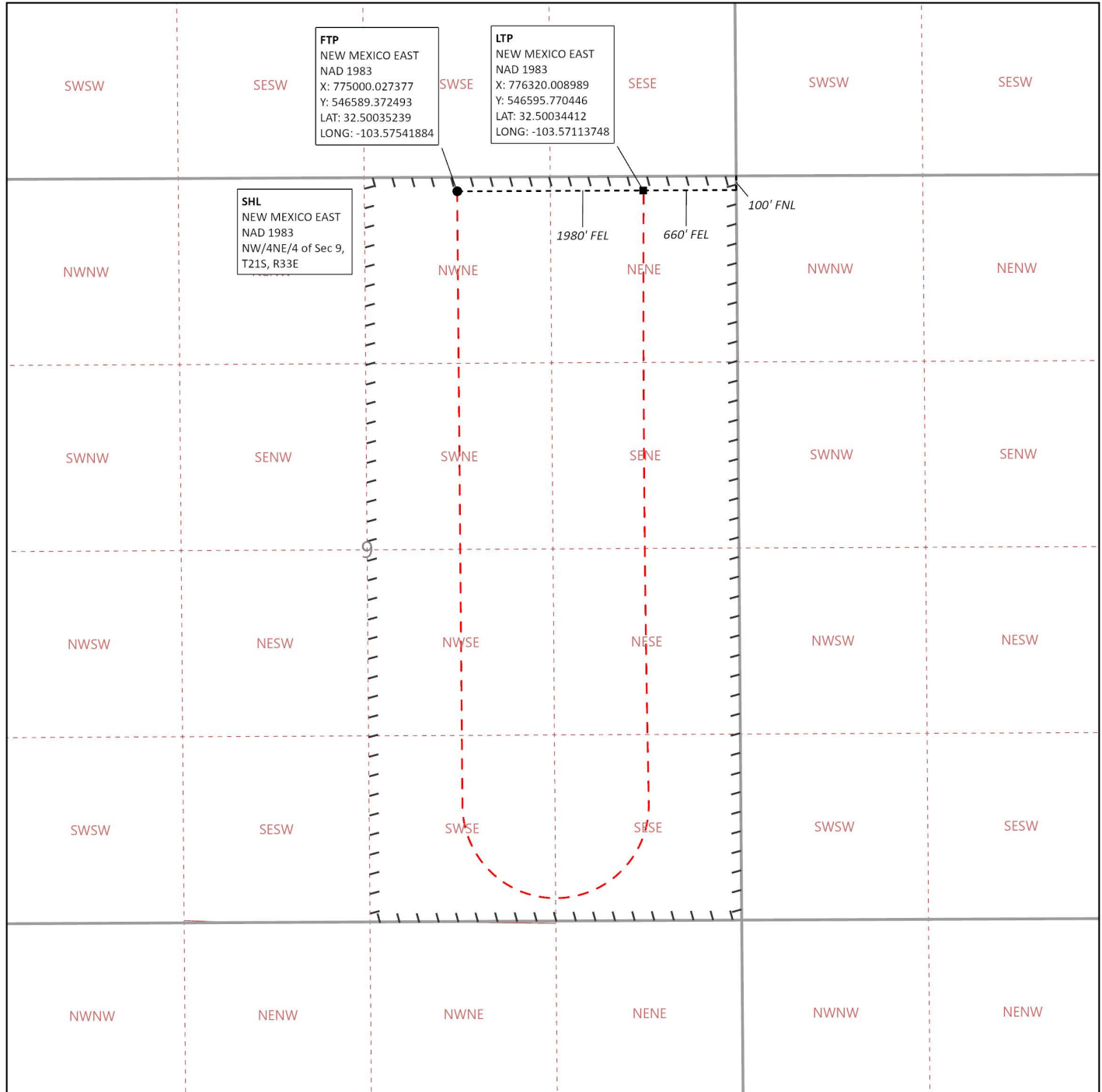
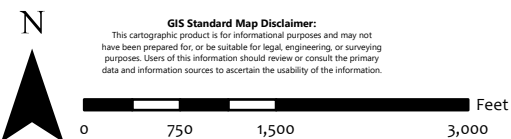
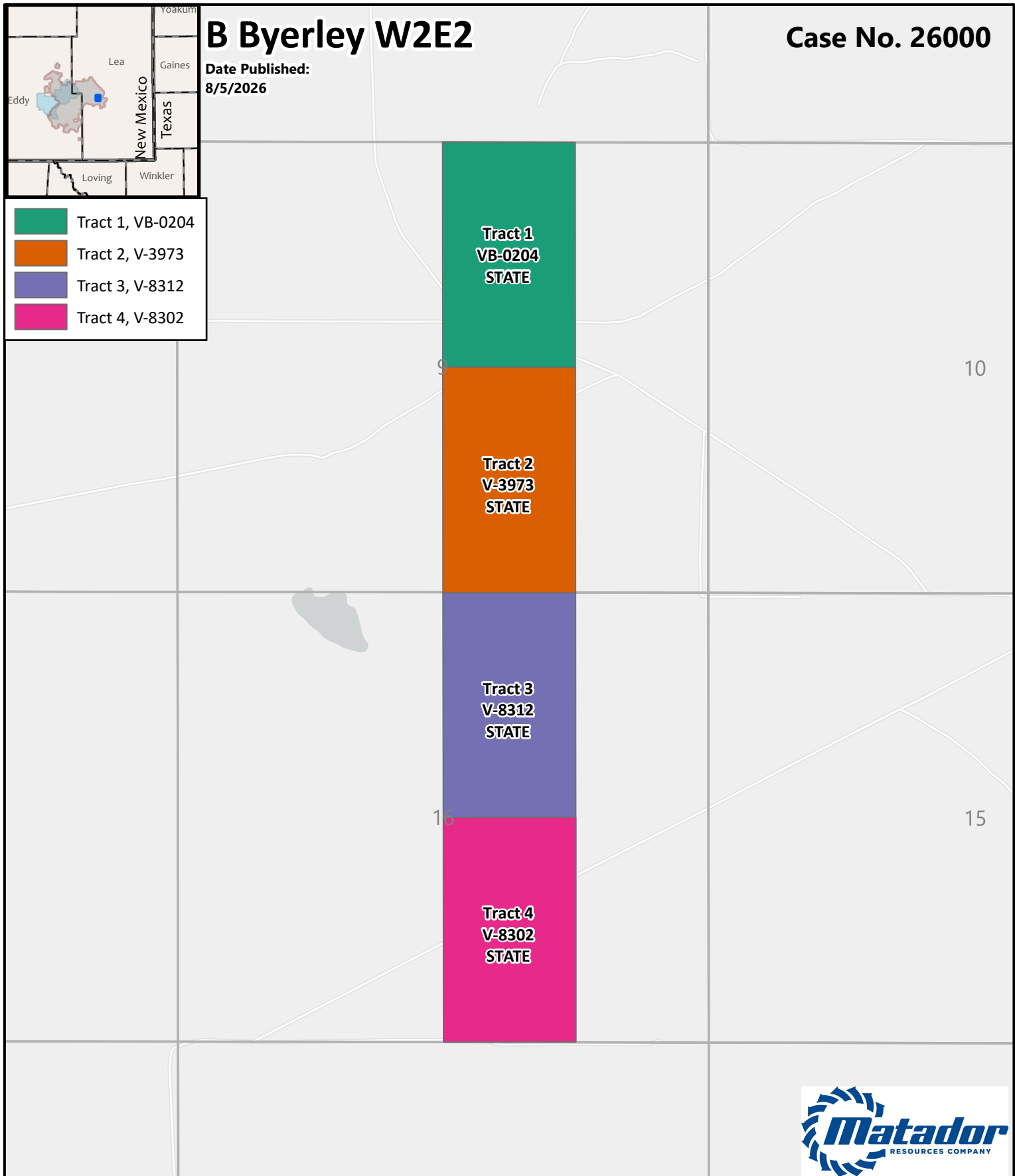
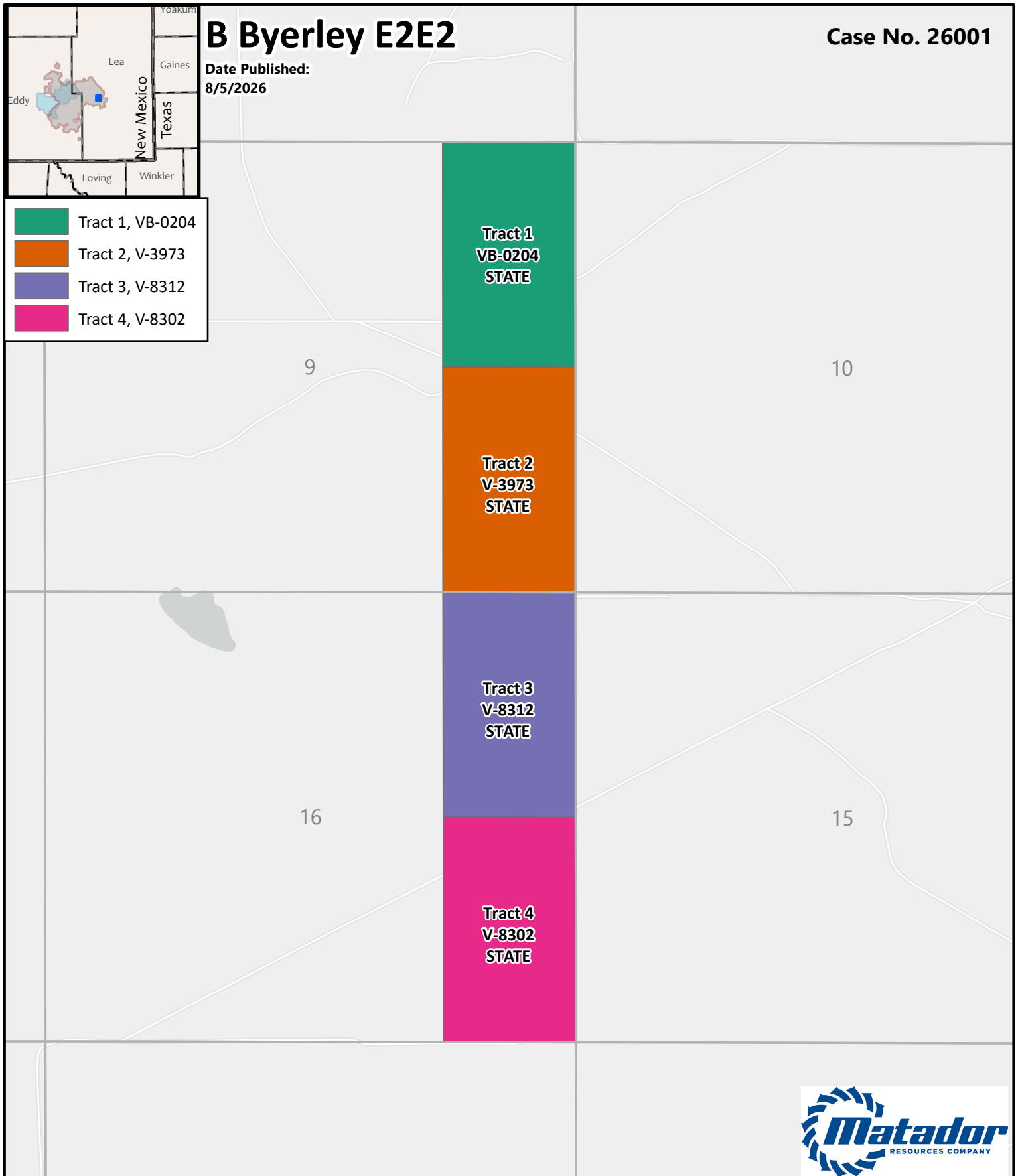


Exhibit C-3



1:18,000
1 inch equals 1,500 feet

Map Prepared by: libby.signor
Date: August 5, 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];



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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.

0 750 1,500 3,000 Feet

1:18,000
1 inch equals 1,500 feet

Map Prepared by: libby.signor

Date: August 5, 2026

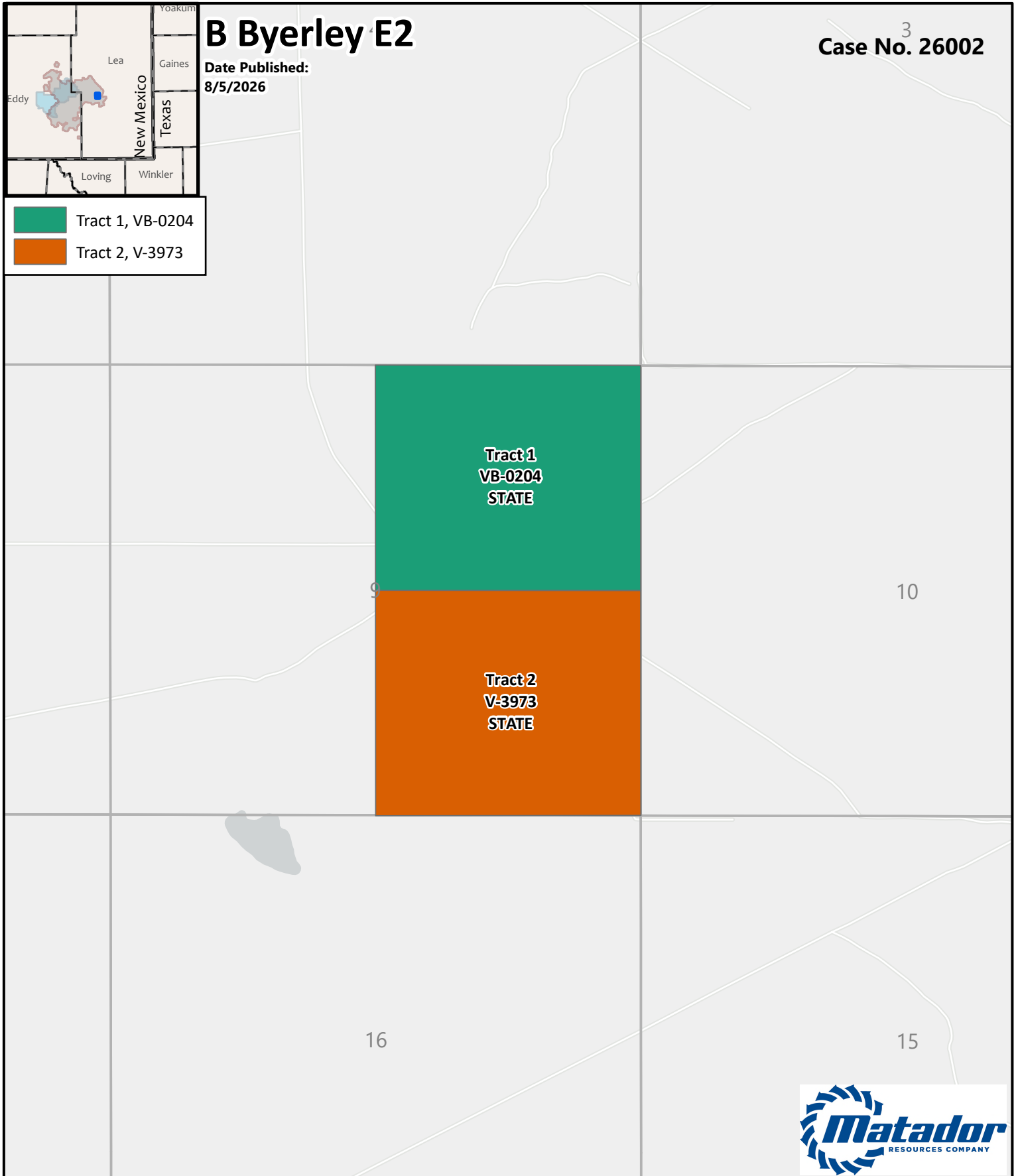
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Spatial Reference: GCS WGS 1984

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];





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Date: August 5, 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

B Byerley State Com - W/2E/2 Section 9 and 16 Bone Spring - Case No. 26000			
Summary of Interest			
MRC Hat Mesa, LLC		60.746770%	
Compulsary Pool Interest Total		39.253230%	
Owner	Description	Tract	Interest
Chevron U.S.A. Inc.	Working Interest	1, 2	1.753230%
COG Operating LLC	Working Interest	3, 4	37.500000%
Voyage Energy, LP	ORRI		
S.E.S. Investments, Ltd.	ORRI		
Red River Holdings, LLC	ORRI		
TMT Energy Resources, Inc.	ORRI		
Schlagal Brothers Oil Company a/k/a			
Schlagal Brothers	ORRI		
First Southern Funding, LLC	ORRI		
LJA Charitable Investments, LLC	ORRI		
Mike Petraitis	ORRI		
Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust	ORRI		

B Byerley State Com - W/2E/2 Section 9 and 16 Bone Spring - Case No. 26000			
Summary of Interest			
Tract 1 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
MRC Hat Mesa, LLC	Working Interest	156.78	97.987079%
Chevron U.S.A. Inc.	Working Interest	3.22	2.012921%
Tract 2 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
MRC Hat Mesa, LLC	Working Interest	152.00	95.000000%
Chevron U.S.A. Inc.	Working Interest	8.00	5.000000%
Tract 3 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
COG Operating, LLC	Working Interest	120.00	75.000000%
MRC Hat Mesa, LLC	Working Interest	40.00	25.000000%
Tract 4 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
COG Operating, LLC	Working Interest	120.00	75.000000%
MRC Hat Mesa, LLC	Working Interest	40.00	25.000000%

B Byerley State Com - E/2E/2 Section 9 and 16 Bone Spring - Case No. 26001			
Summary of Interest			
MRC Hat Mesa, LLC		60.746770%	
Compulsary Pool Interest Total		39.253230%	
Owner	Description	Tract	Interest
Chevron U.S.A. Inc.	Working Interest	1, 2	1.753230%
COG Operating LLC	Working Interest	3, 4	37.500000%
Voyage Energy, LP	ORRI		
S.E.S. Investments, Ltd.	ORRI		
Red River Holdings, LLC	ORRI		
TMT Energy Resources, Inc.	ORRI		
Schlagal Brothers Oil Company a/k/a Schlagal Brothers	ORRI		
First Southern Funding, LLC	ORRI		
LJA Charitable Investments, LLC	ORRI		
Mike Petraitis	ORRI		
Michael D. Hayes and Kathryn A. Hayes, Co- Trustees of the Hayes Revocable Trust	ORRI		

B Byerley State Com - E/2E/2 Section 9 and 16 Bone Spring - Case No. 26001			
Summary of Interest			
Tract 1 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
MRC Hat Mesa, LLC	Working Interest	156.78	97.987079%
Chevron U.S.A. Inc.	Working Interest	3.22	2.012921%
Tract 2 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
MRC Hat Mesa, LLC	Working Interest	152.00	95.000000%
Chevron U.S.A. Inc.	Working Interest	8.00	5.000000%
Tract 3 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
COG Operating, LLC	Working Interest	120.00	75.000000%
MRC Hat Mesa, LLC	Working Interest	40.00	25.000000%
Tract 4 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
COG Operating, LLC	Working Interest	120.00	75.000000%
MRC Hat Mesa, LLC	Working Interest	40.00	25.000000%

B Byerley State Com - E/2 Section 9 - Bone Spring Uturn - Case No. 26002			
Summary of Interest			
MRC Hat Mesa, LLC		96.493540%	
Compulsary Pool Interest Total		3.5064605%	
Owner	Description	Tract	Interest
Chevron U.S.A. Inc.	Working Interest	1, 2	3.506461%
Voyage Energy, LP	ORRI		
S.E.S. Investments, Ltd.	ORRI		
Red River Holdings, LLC	ORRI		
TMT Energy Resources, Inc.	ORRI		
Schlagal Brothers Oil Company a/k/a Schlagal Brothers	ORRI		
First Southern Funding, LLC	ORRI		
LJA Charitable Investments, LLC	ORRI		
Mike Petraitis	ORRI		
Michael D. Hayes and Kathryn A. Hayes, Co- Trustees of the Hayes Revocable Trust	ORRI		

B Byerley State Com - E/2 Section 9 - Bone Spring Uturn - Case No. 26002			
Summary of Interest			
Tract 1 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
MRC Hat Mesa, LLC	Working Interest	156.78	97.987079%
Chevron U.S.A. Inc.	Working Interest	3.22	2.012921%
Tract 2 (160 Acres)			
Interest Owner	Description	Net Mineral Acres	Working Interest in Tract
MRC Hat Mesa, LLC	Working Interest	152.00	95.000000%
Chevron U.S.A. Inc.	Working Interest	8.00	5.000000%

Exhibit C-5

MRC Permian Company

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

Voice 972.371.5401 • Fax 972.371.5201

ethan.frasier@matadorresources.com

Ethan Frasier
Senior Landman

October 10, 2025

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating LLC
600 West Illinois Ave.
Midland, TX 79701

Re: B Byerley State Com #113H, #114H, #127H, #128H & #139H (the “Wells”)
Participation Proposal
Sections 9 & 16, Township 21 South, Range 33 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company (“MRC”) proposes the drilling of Matador Production Company’s wells, located in Sections 9 & 16, Township 21 South, Range 33 East, Lea County, New Mexico:

Well Name	SHL	FTP	LTP	TVD	TMD	Formation
B Byerley State Com 113H	NW/4NE/4 of Sec 9, T21S, R33E	100’ FNL & 1980’ FEL, Sec 9, T21S, R33E	100’ FSL & 1980’ FEL, Sec 16, T21S, R33E	10,000’	20,678’	First Bone Spring
B Byerley State Com 114H	NE/4NE/4 of Sec 9, T21S, R33E	100’ FNL & 660’ FEL, Sec 9, T21S, R33E	100’ FSL & 660’ FEL, Sec 16, T21S, R33E	10,000’	20,678’	First Bone Spring
B Byerley State Com 127H	NW/4NE/4 of Sec 9, T21S, R33E	100’ FNL & 2310’ FEL, Sec 9, T21S, R33E	100’ FSL & 2310’ FEL, Sec 16, T21S, R33E	10,780’	21,458’	Second Bone Spring
B Byerley State Com 128H	NE/4NE/4 of Sec 9, T21S, R33E	100’ FNL & 990’ FEL, Sec 9, T21S, R33E	100’ FSL & 990’ FEL, Sec 16, T21S, R33E	10,780’	21,458’	Second Bone Spring
B Byerley State Com 139H	NW/4NE/4 of Sec 9, T21S, R33E	100’ FNL & 1980’ FEL, Sec 9, T21S, R33E	100’ FNL & 660’ FEL, Sec 9, T21S, R33E	11,620’	23,061’	Third Bone Spring

MRC is proposing to drill the Wells 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 each Well is itemized on the five (5) enclosed Authority for Expenditures (“AFE”) dated September 30, 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 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 Wells 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(s), 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 Well(s), each working interest owner shall be responsible for its proportionate share of all costs incurred. **Additionally, if you elect to participate in the Well(s), you must remit full payment for your proportionate share of the AFEs 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

A handwritten signature in blue ink, appearing to read 'Ethan Frasier', is written over a light blue circular stamp.

Ethan Frasier

COG Operating LLC hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **B Byerley State Com #113H** well.

_____ Not to participate in the **B Byerley State Com #113H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **B Byerley State Com #114H** well.

_____ Not to participate in the **B Byerley State Com #114H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **B Byerley State Com #127H** well.

_____ Not to participate in the **B Byerley State Com #127H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **B Byerley State Com #128H** well.

_____ Not to participate in the **B Byerley State Com #128H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **B Byerley State Com #139H** well.

_____ Not to participate in the **B Byerley State Com #139**.

COG Operating LLC

By: _____

Title: _____

Date: _____

Contact Number: _____

MRC Permian Company

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

Voice 972.371.5401 • Fax 972.371.5201

ethan.frasier@matadorresources.com

Ethan Frasier
Senior Landman

August 10, 2026

VIA CERTIFIED RETURN RECEIPT MAIL

COG Operating, LLC

600 W Illinois Ave.

Midland, TX 79701

Re: Matador Production Company
B Byerley State Com #139H, #113H, #114H, #127H, #128H (the "Wells")
Sections 9 & 16, Township 21 South, Range 33 East in Lea County, New Mexico

Dear Sir/Madam:

Enclosed please find updated copies of the B Byerley State Com #139H, #113H, #114H, #127H, #128H AFE's dated August 3, 2026. These AFE's reflect the recent updates to the Total Cost of each well. Please disregard the prior AFE's that were sent with the original proposal.

If you have any questions, please contact me at the email listed above.

Sincerely,

MRC PERMIAN COMPANY



Ethan Frasier

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:	August 3, 2026	AFE NO.:	
WELL NAME:	B Byerley State Com 139H	FIELD:	
LOCATION:	Section 9, T21S-R33E	MD/TVD:	23,061'/11,620'
COUNTY/STATE:	Lea, New Mexico	LATERAL LENGTH:	10,000'
MRC WI:			
GEOLOGIC TARGET:	TBSG		
REMARKS:	Drill, complete and equip a u-turn TBSG well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 61,306	\$	\$ 10,000	\$ 10,000	\$ 81,306
Location, Surveys & Damages	84,560	13,000	15,000	40,000	152,560
Drilling	738,684				738,684
Cementing & Float Equip	308,707				308,707
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			19,960		19,960
Flowback - Surface Rentals			184,250		184,250
Flowback - Rental Living Quarters			10,000		10,000
Mud Logging	13,794				13,794
Mud Circulation System	99,474				99,474
Mud & Chemicals	254,050	54,000	100,000		408,050
Mud / Wastewater Disposal	143,150	-	2,000	1,000	146,150
Freight / Transportation	21,774	31,500	3,000	-	56,274
Rig Supervision / Engineering	111,619	65,600	10,000	14,400	201,619
Drill Bits	95,131				95,131
Drill Bit Purchase					
Fuel & Power	106,546	327,647	2,000	-	436,193
Water	50,362	405,025	2,000	1,000	458,387
Drig & Completion Overhead	9,000	-		-	9,000
Plugging & Abandonment	-				-
Directional Drilling, Surveys	335,790				335,790
Completion Unit, Swab, CTU	-	177,500	7,000		184,500
Perforating, Wireline, Slickline	-	160,618	7,000		167,618
High Pressure Pump Truck	-	66,750	5,000	-	71,750
Stimulation	-	1,792,412			1,792,412
Stimulation Flowback & Disp	-	15,500	300,000		315,500
Insurance	15,600				15,600
Labor	181,846	54,500	10,000	5,000	251,346
Rental - Surface Equipment	103,480	270,250	20,000	3,000	396,730
Rental - Downhole Equipment	146,764	77,500		-	224,264
Rental - Living Quarters	36,014	22,690	50,000	5,000	113,704
Contingency	14,588	8,367	10,000	7,940	40,895
Operations Center	17,388				17,388
TOTAL INTANGIBLES >	2,949,628	3,546,608	770,210	87,340	7,353,786

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 103,159	\$	\$	\$	\$ 103,159
Intermediate Casing	207,026				207,026
Drilling Liner	247,537				247,537
Production Casing	831,183				831,183
Production Liner	-				-
Tubing	-		161,500		161,500
Wellhead	80,000		42,000		122,000
Packers, Liner Hangers	-	38,659	-		38,659
Tanks	-			87,000	87,000
Production Vessels	-			167,400	167,400
Flow Lines	-			120,000	120,000
Rod string	-				-
Artificial Lift Equipment	-		330,000		330,000
Compressor	-			14,000	14,000
Installation Costs	-			132,000	132,000
Surface Pumps	-		10,000	22,000	32,000
Non-controllable Surface	-			2,000	2,000
Non-controllable Downhole	-				-
Downhole Pumps	-				-
Measurement & Meter Installation	-		11,000	44,000	55,000
Gas Conditioning / Dehydration				-	-
Interconnecting Facility Piping				200,000	200,000
Gathering / Bulk Lines				-	-
Valves, Dumps, Controllers			5,000	-	5,000
Tank / Facility Containment			-	14,000	14,000
Flare Stack			-	32,000	32,000
Electrical / Grounding			62,000	110,868	172,868
Communications / SCADA			10,000	3,750	13,750
Instrumentation / Safety				84,530	84,530
Automation				20,000	20,000
TOTAL TANGIBLES >	1,468,905	38,659	631,500	1,053,548	3,192,612
TOTAL COSTS >	4,418,533	3,585,267	1,401,710	1,140,888	10,546,398

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	JM	Team Lead - WTX/NM	
Completions Engineer:	WS		FM
Production Engineer:	DS		

MATADOR RESOURCES COMPANY APPROVAL:

EVP	BE	Chief Geologist	AP
CFO	RM	COO, EVP Operations	CC
EVP, Reservoir	WTE		

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, 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.

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:	August 3rd, 2026	AFE NO.:	
WELL NAME:	B Byerley State Com 113H	FIELD:	
LOCATION:	Sections 9 & 16, T21S-R33E	MD/TVD:	20,678'/10,000'
COUNTY/STATE:	Lea, New Mexico	LATERAL LENGTH:	10,000'
MRC WI:			
GEOLOGIC TARGET:	FBSG		
REMARKS:	Drill, complete and equip a horizontal FBSG well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 61,306	\$	\$ 10,000	\$ 10,000	\$ 81,306
Location, Surveys & Damages	84,560	13,000	15,000	40,000	152,560
Drilling	698,492				698,492
Cementing & Float Equip	308,707				308,707
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			19,960		19,960
Flowback - Surface Rentals			184,250		184,250
Flowback - Rental Living Quarters			10,000		10,000
Mud Logging	13,794				13,794
Mud Circulation System	91,832				91,832
Mud & Chemicals	251,949	54,000	100,000		405,949
Mud / Wastewater Disposal	143,150	-	2,000	1,000	146,150
Freight / Transportation	21,774	31,500	3,000	-	56,274
Rig Supervision / Engineering	104,009	65,600	10,000	14,400	194,009
Drill Bits	95,131				95,131
Drill Bit Purchase					
Fuel & Power	97,667	292,194	2,000	-	391,861
Water	50,362	405,025	2,000	1,000	458,387
Drig & Completion Overhead	8,250	-		-	8,250
Plugging & Abandonment	-				-
Directional Drilling, Surveys	305,564				305,564
Completion Unit, Swab, CTU	-	177,500	7,000		184,500
Perforating, Wireline, Slickline	-	160,618	7,000		167,618
High Pressure Pump Truck	-	66,750	5,000	-	71,750
Stimulation	-	1,743,000			1,743,000
Stimulation Flowback & Disp	-	15,500	300,000		315,500
Insurance	13,988				13,988
Labor	181,846	54,500	10,000	5,000	251,346
Rental - Surface Equipment	97,241	270,250	20,000	3,000	390,491
Rental - Downhole Equipment	141,532	77,500		-	219,032
Rental - Living Quarters	34,127	22,690	50,000	5,000	111,817
Contingency	14,026	8,190	10,000	7,940	40,156
Operations Center	15,939				15,939
TOTAL INTANGIBLES >	2,835,247	3,461,566	770,210	87,340	7,154,363

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 103,159	\$	\$	\$	\$ 103,159
Intermediate Casing	207,026				207,026
Drilling Liner	247,537				247,537
Production Casing	748,012				748,012
Production Liner	-				-
Tubing	-		161,500		161,500
Wellhead	80,000		42,000		122,000
Packers, Liner Hangers	-	38,659	-		38,659
Tanks	-			87,000	87,000
Production Vessels	-			167,400	167,400
Flow Lines	-			120,000	120,000
Rod string	-				-
Artificial Lift Equipment	-		330,000		330,000
Compressor	-			14,000	14,000
Installation Costs	-			132,000	132,000
Surface Pumps	-		10,000	22,000	32,000
Non-controllable Surface	-			2,000	2,000
Non-controllable Downhole	-				-
Downhole Pumps	-				-
Measurement & Meter Installation	-		11,000	44,000	55,000
Gas Conditioning / Dehydration	-			-	-
Interconnecting Facility Piping	-			200,000	200,000
Gathering / Bulk Lines	-			-	-
Valves, Dumps, Controllers	-		5,000	-	5,000
Tank / Facility Containment	-		-	14,000	14,000
Flare Stack	-		-	32,000	32,000
Electrical / Grounding	-		62,000	110,868	172,868
Communications / SCADA	-		10,000	3,750	13,750
Instrumentation / Safety	-			84,530	84,530
Automation	-			20,000	20,000
TOTAL TANGIBLES >	1,385,735	38,659	631,500	1,053,548	3,109,441
TOTAL COSTS >	4,220,981	3,500,225	1,401,710	1,140,888	10,263,804

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	JM	Team Lead - WTX/NM	<u>JM</u>
Completions Engineer:	WS		FM
Production Engineer:	DS		

MATADOR RESOURCES COMPANY APPROVAL:

EVP	<u>BE</u>	Chief Geologist	<u>AP</u>
CFO	<u>RM</u>	COO, EVP Operations	<u>CC</u>
EVP, Reservoir	<u>WTE</u>		

NON OPERATING PARTNER APPROVAL:

Company Name:		Working Interest (%):		Tax ID:	
Signed by:		Date:			
Title:		Approval:	<u>Yes</u>	<u>No</u>	(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 this AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, 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 held 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 opud.

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:	August 3rd, 2026	AFE NO.:	
WELL NAME:	B Byerley State Com 114H	FIELD:	
LOCATION:	Sections 9 & 16, T21S-R33E	MD/TVD:	20,678'/10,000'
COUNTY/STATE:	Lea, New Mexico	LATERAL LENGTH:	10,000'
MRC WI:			
GEOLOGIC TARGET:	FBSG		
REMARKS:	Drill, complete and equip a horizontal FBSG well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 61,306	\$	\$ 10,000	\$ 10,000	\$ 81,306
Location, Surveys & Damages	84,560	13,000	15,000	40,000	152,560
Drilling	698,492				698,492
Cementing & Float Equip	308,707				308,707
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			19,960		19,960
Flowback - Surface Rentals			184,250		184,250
Flowback - Rental Living Quarters			10,000		10,000
Mud Logging	13,794				13,794
Mud Circulation System	91,832				91,832
Mud & Chemicals	251,949	54,000	100,000		405,949
Mud / Wastewater Disposal	143,150	-	2,000	1,000	146,150
Freight / Transportation	21,774	31,500	3,000	-	56,274
Rig Supervision / Engineering	104,009	65,600	10,000	14,400	194,009
Drill Bits	95,131				95,131
Drill Bit Purchase					
Fuel & Power	97,667	292,194	2,000	-	391,861
Water	50,362	405,025	2,000	1,000	458,387
Drig & Completion Overhead	8,250	-		-	8,250
Plugging & Abandonment	-				-
Directional Drilling, Surveys	305,564				305,564
Completion Unit, Swab, CTU	-	177,500	7,000		184,500
Perforating, Wireline, Slickline	-	160,618	7,000		167,618
High Pressure Pump Truck	-	66,750	5,000	-	71,750
Stimulation	-	1,743,000			1,743,000
Stimulation Flowback & Disp	-	15,500	300,000		315,500
Insurance	13,988				13,988
Labor	181,846	54,500	10,000	5,000	251,346
Rental - Surface Equipment	97,241	270,250	20,000	3,000	390,491
Rental - Downhole Equipment	141,532	77,500	-	-	219,032
Rental - Living Quarters	34,127	22,690	50,000	5,000	111,817
Contingency	14,026	8,190	10,000	7,940	40,156
Operations Center	15,939				15,939
TOTAL INTANGIBLES >	2,835,247	3,461,566	770,210	87,340	7,154,363

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 103,159	\$	\$	\$	\$ 103,159
Intermediate Casing	207,026				207,026
Drilling Liner	247,537				247,537
Production Casing	748,012				748,012
Production Liner	-				-
Tubing	-		161,500		161,500
Wellhead	80,000		42,000		122,000
Packers, Liner Hangers	-	38,659	-		38,659
Tanks	-			87,000	87,000
Production Vessels	-			167,400	167,400
Flow Lines	-			120,000	120,000
Rod string	-				-
Artificial Lift Equipment	-		330,000		330,000
Compressor	-			14,000	14,000
Installation Costs	-			132,000	132,000
Surface Pumps	-		10,000	22,000	32,000
Non-controllable Surface	-			2,000	2,000
Non-controllable Downhole	-				-
Downhole Pumps	-				-
Measurement & Meter Installation	-		11,000	44,000	55,000
Gas Conditioning / Dehydration				-	-
Interconnecting Facility Piping				200,000	200,000
Gathering / Bulk Lines				-	-
Valves, Dumps, Controllers			5,000	-	5,000
Tank / Facility Containment			-	14,000	14,000
Flare Stack			-	32,000	32,000
Electrical / Grounding			62,000	110,868	172,868
Communications / SCADA			10,000	3,750	13,750
Instrumentation / Safety				84,530	84,530
Automation				20,000	20,000
TOTAL TANGIBLES >	1,385,735	38,659	631,500	1,053,548	3,109,441
TOTAL COSTS >	4,220,981	3,500,225	1,401,710	1,140,888	10,263,804

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	JM	Team Lead - WTX/NM	
Completions Engineer:	WS		FM
Production Engineer:	DS		

MATADOR RESOURCES COMPANY APPROVAL:

EVP		Chief Geologist	
CFO		COO, EVP Operations	
EVP, Reservoir			

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, 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.

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:	August 3rd, 2026	AFE NO.:	
WELL NAME:	B Byerley State Com 127H	FIELD:	
LOCATION:	Sections 9 & 16, T21S-R33E	MD/TVD:	21,458'/10,780'
COUNTY/STATE:	Lea, New Mexico	LATERAL LENGTH:	10,000'
MRC WI:			
GEOLOGIC TARGET:	SBSG		
REMARKS:	Drill, complete and equip a horizontal SBSG well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 61,306	\$	\$ 10,000	\$ 10,000	\$ 81,306
Location, Surveys & Damages	84,560	13,000	15,000	40,000	152,560
Drilling	711,890				711,890
Cementing & Float Equip	308,707				308,707
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			19,960		19,960
Flowback - Surface Rentals			184,250		184,250
Flowback - Rental Living Quarters			10,000		10,000
Mud Logging	13,794				13,794
Mud Circulation System	94,380				94,380
Mud & Chemicals	252,649	54,000	100,000		406,649
Mud / Wastewater Disposal	143,150	-	2,000	1,000	146,150
Freight / Transportation	21,774	31,500	3,000	-	56,274
Rig Supervision / Engineering	106,546	65,600	10,000	14,400	196,546
Drill Bits	95,131				95,131
Drill Bit Purchase					
Fuel & Power	100,626	292,194	2,000	-	394,821
Water	50,362	405,025	2,000	1,000	458,387
Drig & Completion Overhead	8,500	-		-	8,500
Plugging & Abandonment	-				-
Directional Drilling, Surveys	315,457				315,457
Completion Unit, Swab, CTU	-	177,500	7,000		184,500
Perforating, Wireline, Slickline	-	160,618	7,000		167,618
High Pressure Pump Truck	-	66,750	5,000	-	71,750
Stimulation	-	1,743,000			1,743,000
Stimulation Flowback & Disp	-	15,500	300,000		315,500
Insurance	14,516				14,516
Labor	181,846	54,500	10,000	5,000	251,346
Rental - Surface Equipment	99,321	270,250	20,000	3,000	392,571
Rental - Downhole Equipment	143,276	77,500		-	220,776
Rental - Living Quarters	34,756	22,690	50,000	5,000	112,446
Contingency	14,213	8,190	10,000	7,940	40,342
Operations Center	16,422				16,422
TOTAL INTANGIBLES >	2,873,181	3,461,566	770,210	87,340	7,192,298

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 103,159	\$	\$	\$	\$ 103,159
Intermediate Casing	207,026				207,026
Drilling Liner	247,537				247,537
Production Casing	774,284				774,284
Production Liner	-				-
Tubing	-		161,500		161,500
Wellhead	80,000		42,000		122,000
Packers, Liner Hangers	-	38,659	-		38,659
Tanks	-			87,000	87,000
Production Vessels	-			167,400	167,400
Flow Lines	-			120,000	120,000
Rod string	-				-
Artificial Lift Equipment	-		330,000		330,000
Compressor	-			14,000	14,000
Installation Costs	-			132,000	132,000
Surface Pumps	-		10,000	22,000	32,000
Non-controllable Surface	-			2,000	2,000
Non-controllable Downhole	-				-
Downhole Pumps	-				-
Measurement & Meter Installation	-		11,000	44,000	55,000
Gas Conditioning / Dehydration				-	-
Interconnecting Facility Piping				200,000	200,000
Gathering / Bulk Lines				-	-
Valves, Dumps, Controllers			5,000	-	5,000
Tank / Facility Containment			-	14,000	14,000
Flare Stack			-	32,000	32,000
Electrical / Grounding			62,000	110,868	172,868
Communications / SCADA			10,000	3,750	13,750
Instrumentation / Safety				84,530	84,530
Automation				20,000	20,000
TOTAL TANGIBLES >	1,412,007	38,659	631,500	1,053,548	3,135,713
TOTAL COSTS >	4,285,188	3,500,225	1,401,710	1,140,888	10,328,011

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	JM	Team Lead - WTX/NM	<u>FM</u>
Completions Engineer:	WS		FM
Production Engineer:	DS		

MATADOR RESOURCES COMPANY APPROVAL:

EVP	Chief Geologist
BE	AP
CFO	COO, EVP Operations
RM	CC
EVP, Reservoir	
WTE	

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 codings an any specific item or the total cost of the project. Tiding 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.

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:	August 3rd, 2026	AFE NO.:	
WELL NAME:	B Byerley State Com 128H	FIELD:	
LOCATION:	Sections 9 & 16, T21S-R33E	MD/TVD:	21,458'/10,780'
COUNTY/STATE:	Lea, New Mexico	LATERAL LENGTH:	10,000'
MRC WI:			
GEOLOGIC TARGET:	SBSG		
REMARKS:	Drill, complete and equip a horizontal SBSG well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 61,306	\$	\$ 10,000	\$ 10,000	\$ 81,306
Location, Surveys & Damages	84,560	13,000	15,000	40,000	152,560
Drilling	711,890				711,890
Cementing & Float Equip	308,707				308,707
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			19,960		19,960
Flowback - Surface Rentals			184,250		184,250
Flowback - Rental Living Quarters			10,000		10,000
Mud Logging	13,794				13,794
Mud Circulation System	94,380				94,380
Mud & Chemicals	252,649	54,000	100,000		406,649
Mud / Wastewater Disposal	143,150	-	2,000	1,000	146,150
Freight / Transportation	21,774	31,500	3,000	-	56,274
Rig Supervision / Engineering	106,546	65,600	10,000	14,400	196,546
Drill Bits	95,131				95,131
Drill Bit Purchase					
Fuel & Power	100,626	292,194	2,000	-	394,821
Water	50,362	405,025	2,000	1,000	458,387
Drig & Completion Overhead	8,500	-		-	8,500
Plugging & Abandonment	-				-
Directional Drilling, Surveys	315,457				315,457
Completion Unit, Swab, CTU	-	177,500	7,000		184,500
Perforating, Wireline, Slickline	-	160,618	7,000		167,618
High Pressure Pump Truck	-	66,750	5,000	-	71,750
Stimulation	-	1,743,000			1,743,000
Stimulation Flowback & Disp	-	15,500	300,000		315,500
Insurance	14,516				14,516
Labor	181,846	54,500	10,000	5,000	251,346
Rental - Surface Equipment	99,321	270,250	20,000	3,000	392,571
Rental - Downhole Equipment	143,276	77,500	-	-	220,776
Rental - Living Quarters	34,756	22,690	50,000	5,000	112,446
Contingency	14,213	8,190	10,000	7,940	40,342
Operations Center	16,422				16,422
TOTAL INTANGIBLES >	2,873,181	3,461,566	770,210	87,340	7,192,298

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 103,159	\$	\$	\$	\$ 103,159
Intermediate Casing	207,026				207,026
Drilling Liner	247,537				247,537
Production Casing	774,284				774,284
Production Liner	-				-
Tubing	-		161,500		161,500
Wellhead	80,000		42,000		122,000
Packers, Liner Hangers	-	38,659	-		38,659
Tanks	-			87,000	87,000
Production Vessels	-			167,400	167,400
Flow Lines	-			120,000	120,000
Rod string	-				-
Artificial Lift Equipment	-		330,000		330,000
Compressor	-			14,000	14,000
Installation Costs	-			132,000	132,000
Surface Pumps	-		10,000	22,000	32,000
Non-controllable Surface	-			2,000	2,000
Non-controllable Downhole	-				-
Downhole Pumps	-				-
Measurement & Meter Installation	-		11,000	44,000	55,000
Gas Conditioning / Dehydration	-			-	-
Interconnecting Facility Piping	-			200,000	200,000
Gathering / Bulk Lines	-			-	-
Valves, Dumps, Controllers	-		5,000	-	5,000
Tank / Facility Containment	-		-	14,000	14,000
Flare Stack	-			32,000	32,000
Electrical / Grounding	-		62,000	110,868	172,868
Communications / SCADA	-		10,000	3,750	13,750
Instrumentation / Safety	-			84,530	84,530
Automation	-			20,000	20,000
TOTAL TANGIBLES >	1,412,007	38,659	631,500	1,053,548	3,135,713
TOTAL COSTS >	4,285,188	3,500,225	1,401,710	1,140,888	10,328,011

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	JM	Team Lead - WTX/NM	<u>JM</u>
Completions Engineer:	WS		FM
Production Engineer:	DS		

MATADOR RESOURCES COMPANY APPROVAL:

EVP	BE	Chief Geologist	AP
CFO	RM	COO, EVP Operations	CC
EVP, Reservoir	WTE		

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, 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

Summary of Communications- Case No. 26000	
B Byerley State Com 113 and 127, W/2E/2 Bone Spring	
Party:	Notes:
Chevron U.S.A Inc.	10/10/2025 - Well Proposals and AFE's mailed via Certified Mail. 12/2/2025 - Offer Letter to Purchase Leasehold mailed via Certified Mail and follow up correspondence via phone and email. 12/19/2025 - Joint Operating Agreement sent to Chevron USA Inc for review and consideration mailed via Certified Mail. 1/13/2025 - 2/2/2026 -Email correspondence regarding potential changes to Joint Operating Agreement to reach voluntary Joinder. 10/21/2025 - to Present - Have discussed with Chevron USA Inc numerous times through email, phone call and in person meetings regarding potential participation in proposed wells.
COG Operating, LLC	10/10/2025- Well Proposals and AFE's mailed via Certified Mail. 10/27/2025 - Phone Call and email correspondence regarding participation proposals. 12/2/2025 - Offer Letter to Purchase Leasehold mailed via Certified Mail. 12/19/2025 - Joint Operating Agreement sent to COG Operating, LLC for review and consideration mailed via Certified Mail. 10/27/2025- to Present - Have discussed with COG Operating, LLC numerous times through email, phone call and in person meetings regarding potential participation in proposed wells and various trade negotiations.

Summary of Communications - Case No. 26001	
B Byerley State Com 114 and 128, E/2E/2 Bone Spring	
Party:	Notes:
Chevron U.S.A Inc.	10/10/2025 - Well Proposals and AFE's mailed via Certified Mail. 12/2/2025 - Offer Letter to Purchase Leasehold mailed via Certified Mail and follow up correspondence via phone and email. 12/19/2025 - Joint Operating Agreement sent to Chevron USA Inc for review and consideration mailed via Certified Mail. 1/13/2025 - 2/2/2026 -Email correspondence regarding potential changes to Joint Operating Agreement to reach voluntary Joinder. 10/21/2025 - to Present - Have discussed with Chevron USA Inc numerous times through email, phone call and in person meetings regarding potential participation in proposed wells.
COG Operating, LLC	10/10/2025- Well Proposals and AFE's mailed via Certified Mail. 10/27/2025 - Phone Call and email correspondence regarding participation proposals. 12/2/2025 - Offer Letter to Purchase Leasehold mailed via Certified Mail. 12/19/2025 - Joint Operating Agreement sent to COG Operating, LLC for review and consideration mailed via Certified Mail. 10/27/2025- to Present - Have discussed with COG Operating, LLC numerous times through email, phone call and in person meetings regarding potential participation in proposed wells and various trade negotiations.

Summary of Communications - Case No. 26002	
B Byerley State Com 139, E/2 Bone Spring	
Party:	Notes:
Chevron U.S.A Inc.	10/10/2025 - Well Proposals and AFE's mailed via Certified Mail. 12/2/2025 - Offer Letter to Purchase Leasehold mailed via Certified Mail and follow up correspondence via phone and email. 12/19/2025 - Joint Operating Agreement sent to Chevron USA Inc for review and consideration mailed via Certified Mail. 1/13/2025 - 2/2/2026 -Email correspondence regarding potential changes to Joint Operating Agreement to reach voluntary Joinder. 10/21/2025 - to Present - Have discussed with Chevron USA Inc numerous times through email, phone call and in person meetings regarding potential participation in proposed wells.

Exhibit C-7

B Byerley State Com - W/2E/2 Section 9 and 16 Bone Spring - Case No. 26000		
Owner	Ownership Type	Commitment Type
Chevron U.S.A. Inc.	Working Interest	Uncommitted
COG Operating, LLC	Working Interest	Uncommitted
Voyage Energy, LP	ORRI	Uncommitted
S.E.S. Investments, Ltd.	ORRI	Uncommitted
Red River Holdings, LLC	ORRI	Uncommitted
TMT Energy Resources, Inc.	ORRI	Uncommitted
Schlagal Brothers Oil Company a/k/a Schlagal Brothers	ORRI	Uncommitted
First Southern Funding, LLC	ORRI	Uncommitted
LJA Charitable Investments, LLC	ORRI	Uncommitted
Mike Petraitis	ORRI	Uncommitted
Michael D. Hayes and Kathryn A. Hayes, Co- Trustees of the Hayes Revocable Trust	ORRI	Uncommitted

Key
WI: Working Interest
ORRI: Overriding Royalty Interest

B Byerley State Com - E/2E/2 Section 9 and 16 Bone Spring - Case No. 26001		
Owner	Ownership Type	Commitment Type
Chevron U.S.A. Inc.	Working Interest	Uncommitted
COG Operating, LLC	Working Interest	Uncommitted
Voyage Energy, LP	ORRI	Uncommitted
S.E.S. Investments, Ltd.	ORRI	Uncommitted
Red River Holdings, LLC	ORRI	Uncommitted
TMT Energy Resources, Inc.	ORRI	Uncommitted
Schlagal Brothers Oil Company a/k/a Schlagal Brothers	ORRI	Uncommitted
First Southern Funding, LLC	ORRI	Uncommitted
LJA Charitable Investments, LLC	ORRI	Uncommitted
Mike Petraitis	ORRI	Uncommitted
Michael D. Hayes and Kathryn A. Hayes, Co- Trustees of the Hayes Revocable Trust	ORRI	Uncommitted

Key
WI: Working Interest
ORRI: Overriding Royalty Interest

B Byerley State Com - E/2 Section 9 - Bone Spring - Uturn - Case No. 26002		
Owner	Ownership Type	Commitment Type
Chevron U.S.A. Inc.	Working Interest	Uncommitted
Voyage Energy, LP	ORRI	Uncommitted
S.E.S. Investments, Ltd.	ORRI	Uncommitted
Red River Holdings, LLC	ORRI	Uncommitted
TMT Energy Resources, Inc.	ORRI	Uncommitted
Schlagal Brothers Oil Company a/k/a Schlagal Brothers	ORRI	Uncommitted
First Southern Funding, LLC	ORRI	Uncommitted
LJA Charitable Investments, LLC	ORRI	Uncommitted
Mike Petraitis	ORRI	Uncommitted
Michael D. Hayes and Kathryn A. Hayes, Co- Trustees of the Hayes Revocable Trust	ORRI	Uncommitted

Key
WI: Working Interest
ORRI: Overriding Royalty Interest

Exhibit C-8



ConocoPhillips
600 W. Illinois Ave.
Midland, TX 79701
www.conocophillips.com

6/16/2026

Via Fed Ex

MRC Hat Mesa, LLC
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

Re: FTP / LTP - Revision
Corazon State Unit Com
Township 21 South, Range 33 East, N.M.P.M.
Section 4: S2
Section 9: All
Section 16: All
Lea County, New Mexico
1600.00 Acres
Bone Spring Formation

To Whom It May Concern:

COG Operating LLC ("COG"), as Operator proposed the drilling of the following horizontal wells with productive laterals located in the S2 of Section 4 and All of Section 9 and 16, T21S-R33E Lea County, New Mexico (collectively, the "Operation") in a proposal dated May 27, 2026 (the "Proposal"):

CORAZON STATE UNIT COM #201H
CORAZON STATE UNIT COM #202H
CORAZON STATE UNIT COM #203H
CORAZON STATE UNIT COM #301H
CORAZON STATE UNIT COM #302H
CORAZON STATE UNIT COM #303H
CORAZON STATE UNIT COM #304H
CORAZON STATE UNIT COM #501H
CORAZON STATE UNIT COM #502H
CORAZON STATE UNIT COM #503H
CORAZON STATE UNIT COM #504H
CORAZON STATE UNIT COM #505H
CORAZON STATE UNIT COM #601H
CORAZON STATE UNIT COM #602H
CORAZON STATE UNIT COM #603H

The first take point, last take point and bottom hole locations have been adjusted for the wells below. Wells not listed have not changed. Below are the updated footage:

Well Name and Number	CORAZON STATE UNIT COM #201H
TVD	9780' (Lower Avalon)
Surface Hole Location	A legal location in S2 of Section 4, 21S-33E*
First Take Point	2540' FSL, 984' FEL of Section 4
Last Take Point	100' FSL, 974' FEL of Section 16
Estimated Well Cost	\$10,779,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #301H
TVD	10000' (Bone Spring 1st Sand)
Surface Hole Location	A legal location in S2 of Section 4, 21S-33E*
First Take Point	2540' FSL, 654' FEL of Section 4
Last Take Point	100' FSL, 644' FEL of Section 16
Estimated Well Cost	\$10,783,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #302H
TVD	10000' (Bone Spring 1st Sand)
Surface Hole Location	A legal location in S2 of Section 4, 21S-33E*
First Take Point	2540' FSL, 1974' FEL of Section 4
Last Take Point	100' FSL, 1964' FEL of Section 16
Estimated Well Cost	\$10,783,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #502H
TVD	10920' (Bone Spring 2nd Sand)
Surface Hole Location	A legal location in S2 of Section 4, 21S-33E*
First Take Point	2540' FSL, 1479' FEL of Section 4
Last Take Point	100' FSL, 1469' FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #504H
TVD	10920' (Bone Spring 2nd Sand)
Surface Hole Location	A legal location in S2 of Section 4, 21S-33E*
First Take Point	2540' FSL, 1485' FWL of Section 4
Last Take Point	100' FSL, 1485' FWL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #601H
TVD	11380' (Bone Spring 3rd Carb)
Surface Hole Location	A legal location in S2 of Section 4, 21S-33E*
First Take Point	2540' FSL, 654' FEL of Section 4
Last Take Point	100' FSL, 644' FEL of Section 16
Estimated Well Cost	\$12,377,935.00 see attached Authority for Expenditure ("AFE")

*Approximate location

If you have any questions, please do not hesitate to contact me at 432-688-9113.

Sincerely,

COG Operating LLC

Chris Virant

Chris Virant

Staff Land Negotiator

Chris.Virant@conocophillips.com



ConocoPhillips
600 W. Illinois Ave.
Midland, TX 79701
www.conocophillips.com

5/27/2026

Via Federal Express

MRC Hat Mesa, LLC
5400 LBJ Freeway, Suite 1500
Dallas, TX 75240

Re: **Well Proposal**
Corazon State Unit Com
Township 21 South, Range 33 East, N.M.P.M.
Section 4: S2
Section 9: All
Section 16: All
Lea County, New Mexico
1600.00 Acres
Bone Spring Formation

To Whom It May Concern:

COG Operating LLC ("COG"), as Operator proposes the drilling of the following horizontal wells with productive laterals located in the S2 of Section 4 and All of Section 9 and 16, T21S-R33E Lea County, New Mexico (collectively, the "Operation"). The surface and bottom hole locations, and first and last take points, are to be located as follows:

*Approximate location

Well Name and Number	CORAZON STATE UNIT COM #201H
TVD	9780' (Lower Avalon)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 990' FEL of Section 4
Last Take Point	100' FSL, 990' FEL of Section 16
Estimated Well Cost	\$10,779,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #202H
TVD	9780' (Lower Avalon)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 2639' FEL of Section 4
Last Take Point	100' FSL, 2639' FEL of Section 16
Estimated Well Cost	\$10,779,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #203H
TVD	9780' (Lower Avalon)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 4290' FEL of Section 4
Last Take Point	100' FSL, 4290' FEL of Section 16
Estimated Well Cost	\$10,779,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #301H
TVD	10000' (First Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 660' FEL of Section 4
Last Take Point	100' FSL, 660' FEL of Section 16
Estimated Well Cost	\$10,783,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #302H
TVD	10000' (First Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 1980' FEL of Section 4
Last Take Point	100' FSL, 1980' FEL of Section 16
Estimated Well Cost	\$10,783,882.00, see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #303H
TVD	10000' (First Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 3300' FEL of Section 4
Last Take Point	100' FSL, 3300' FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #304H
TVD	10000' (First Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 4620' FEL of Section 4
Last Take Point	100' FSL, 4620' FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #501H
TVD	10920' (Second Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 330' FEL of Section 4
Last Take Point	100' FSL, 330' FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #502H
TVD	10920' (Second Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 1485' FEL of Section 4
Last Take Point	100' FSL, 1485' FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #503H
TVD	10920' (Second Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 2639 FEL of Section 4
Last Take Point	100' FSL, 2639 FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #504H
TVD	10920' (Second Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 3795' FEL of Section 4
Last Take Point	100' FSL, 3795' FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #505H
TVD	10920' (Second Bone Spring Sand)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 4950' FEL of Section 4
Last Take Point	100' FSL, 4950' FEL of Section 16
Estimated Well Cost	\$10,783,882.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #601H
TVD	11380' (Third Bone Spring Carbonate)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 660' FEL of Section 4
Last Take Point	100' FSL, 660' FEL of Section 16
Estimated Well Cost	\$12,377,935.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #602H
TVD	11380' (Third Bone Spring Carbonate)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 2639' FEL of Section 4
Last Take Point	100' FSL, 2639' FEL of Section 16
Estimated Well Cost	\$12,377,935.00 see attached Authority for Expenditure ("AFE")

Well Name and Number	CORAZON STATE UNIT COM #603H
TVD	11380' (Third Bone Spring Carbonate)
Surface Hole Location	Section 4, 21S-33E*
First Take Point	2540' FSL, 4620' FEL of Section 4
Last Take Point	100' FSL, 4620' FEL of Section 16
Estimated Well Cost	\$12,377,935.00 see attached Authority for Expenditure ("AFE")

COG Operating LLC proposed the wells under the terms of a new Operating Agreement which is included for your review and approval. The Operating Agreement has the following general provisions:

100%/300% Non-Consenting Penalty;
 \$19,134 Drilling and \$1,913 Producing Rate
 COG Operating LLC named as Operator

If you do not wish to participate in the Operation, COG would be open to discussing terms for the acquisition of your interest by COG, either by Assignment or Term Assignment, with an Overriding Royalty Interest reserved unto assignor of the positive difference (if any) between existing burdens of record and 25%.

In the interest of time, if we do not receive an indication of your intent to participate in the Operation within 30 days of the date of this letter, COG will apply to the New Mexico Oil Conservation Division for compulsory pooling of your interest into the horizontal spacing units set out above for the proposed wells.

Please indicate your elections in the spaces provided below, sign, and return this letter, along with a signed copy of the enclosed AFEs and a copy of your geologic requirements, to my attention at the letterhead address or by email.

If you have any questions, please do not hesitate to contact me at 432-688-9113.

Sincerely,

Chris Virant

Chris Virant
 Staff Land Negotiator
chris.virant@conocophillips.com

Proposed Well Elections

MRC Hat Mesa, LLC hereby elects to:

CORAZON STATE UNIT COM #201H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #201H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #201H** well

CORAZON STATE UNIT COM #202H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #202H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #202H** well

CORAZON STATE UNIT COM #203H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #203H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #203H** well

CORAZON STATE UNIT COM #301H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #301H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #301H** well

CORAZON STATE UNIT COM #302H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #302H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #302H** well

CORAZON STATE UNIT COM #303H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #303H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #303H** well

CORAZON STATE UNIT COM #304H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #304H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #304H** well

CORAZON STATE UNIT COM #501H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #501H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #501H** well

CORAZON STATE UNIT COM #502H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #502H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #502H** well

CORAZON STATE UNIT COM #503H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #503H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #503H** well

CORAZON STATE UNIT COM #504H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #504H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #504H** well

CORAZON STATE UNIT COM #505H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #505H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #505H** well

CORAZON STATE UNIT COM #601H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #601H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #601H** well

CORAZON STATE UNIT COM #602H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #602H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #602H** well

CORAZON STATE UNIT COM #603H

_____ Participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #603H** well

_____ **NOT** participate in the drilling, completion, and equipping of the **CORAZON STATE UNIT COM #603H** well

MRC Hat Mesa, LLC

By: _____

Name: _____

Title: _____

Date: _____

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name

CORAZON STATE UNIT COM #201H (LOWER AVALON)

Job Type

Drill / Complete / Pumping Equipment / Facilities

State

New Mexico - 30

County/Parish

Lea - 025

Authorization Number

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C290: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,560.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D400: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER- INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MTL	\$113,500.00			
M690: LOST IN HOLE (OBR OF WBM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$404,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O130: FIELD OFFICE AND TRAILER	\$52,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
O400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: PRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,458.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DENOB	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOLID CONTROL	\$59,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$990,000.00		
S317: COILED TUBBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00		\$35,000.00	
S414: WATER HAULING			\$15,000.00	
S440: DST, PRODUCTION TESTING AND FLOWBACK			\$29,300.00	
S450: PUMP/KILL,PRESSURE/HOT OIL TRUCK			\$25,000.00	
S470: OTHER SPECIALIZED SERVICE	\$60,000.00		\$35,000.00	
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00		\$20,000.00	
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$61,000.00			
S890: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$75,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$9,000.00	
U100: PERFORATING SERVICES				\$43,731.00
V120: ENGINEERING DESIGN			\$8,000.00	\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION				
Grand Total	\$3,895,499.00	\$4,565,300.00	\$625,000.00	\$1,694,083.00
Grand Total (\$)		10,779,882.00		

Approved By:

Last Edited By:

Last Edited Date:

Date:

Approved By:

Approved Date:

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name	COCAZON STATE UNIT COM #202H (LOWER AVALON)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,607.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DGR OR WSM)				
M710: FUEL AND LUBRICANT	\$55,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$404,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O320: FIELD OFFICE AND TRAILER	\$52,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$30,000.00	
Q400: DRILLING/COMPL. SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL, HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOBILIZATION	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOLID CONTROL	\$35,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S281: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$992,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMPJACK/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$70,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMPJACK TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,200.00	
V320: ENGINEERING DESIGN				\$43,731.00
V310: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,565,300.00	\$625,000.00	\$1,694,083.00

Grand Total (\$) 10,779,882.00

Approved By:		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name	CCRAZON STATE UNIT COM #203H (LOWER AVALON)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PCTS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C230: VALVES & FITTINGS FOR SURFACE EQUIP				\$329,667.00
C400: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C650: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
B600: TELECOMMUNICATION EQUIPMENT	\$25,100.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER- INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DPR OF WBM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$404,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$31,300.00	\$138,000.00		
O130: FIELD OFFICE AND TRAILER	\$57,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL, HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOB	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOLID CONTROL	\$59,400.00			
S272: MUD LOGGING/GEOSTERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$990,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/KILL/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$10,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$180,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$140,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,000.00	
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,999.00	\$4,565,300.00	\$525,000.00	\$1,694,083.00

Grand Total (\$) 10,779,882.00

Approved By:		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name	CORAZON STATE UNIT COM #301H (FIRST BONE SPRING SAND)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,736.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIP				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C268: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,338.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DPR DP WEIR)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O330: FIELD OFFICE AND TRAILER	\$52,300.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S150: ENVIRONMENTAL, HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOR	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOLID CONTROL	\$99,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/JAIL/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$9,000.00	
U100: PERFORATING SERVICES				
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,569,300.00	\$623,000.00	\$1,594,083.00

Grand Total (\$) 10,783,882.00

Approved By:		Date:	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name

CORAZON STATE UNIT COM #302H (FIRST BONE SPRING SAND)

Job Type

Drill / Complete / Pumping Equipment / Facilities

State

New Mexico - 30

County/Parish

Lea - 025

Authorization Number

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$69,878.00
C210: STORAGE TANKS AND PITS				\$117,736.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D300: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$527,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DPR OR WBM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,815.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
D110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
D120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
D320: FIELD OFFICE AND TRAILER	\$52,200.00			
D400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOB	\$90,667.00			
S220: PIPE TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWO/LWD, MOTOR	\$294,550.00			
S250: SOLID CONTROL	\$59,400.00			
S270: MUD LOGGING, GEOSTEERING, PVT	\$29,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S281: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$17,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/KILL,PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S630: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$240,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$7,000.00	
V120: ENGINEERING DESIGN				\$43,731.00
K100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$1,895,499.00	\$4,569,300.00	\$625,000.00	\$1,694,083.00
Grand Total (\$)			10,783,882.00	

Approved By: Date:

Last Edited By: Approved By:

Last Edited Date: Approved Date:

Project Cost Summary

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Well Name	CORAZON STATE UNIT COM #303H (FIRST BONE SPRING SAND)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C230: VALVES & FITTINGS FOR SURFACE EQUIP				\$329,567.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C665: EMISSION REDUCING EQUIPMENT				\$158,778.00
C900: PIPELINES/ FLOWLINES				\$91,499.00
C810: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C850: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,338.00
D110: RIGHT OF WAY				\$10,092.00
D300: LOCATION, ROADS, SURVEY, ETC				\$15,000.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (OBR DP WBM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O320: FIELD OFFICE AND TRAILER	\$52,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOB	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$294,550.00			
S250: SOLID CONTROL	\$59,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$79,300.00		
S450: PUMP/KILL/PRESSURE/ HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$50,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,800.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,000.00	
U120: ENGINEERING DESIGN				\$43,731.00
K100: COMPANY AND CONSULTANT SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,569,300.00	\$625,000.00	\$1,694,083.00
Grand Total (\$)				
10,783,882.00				

Approved By:		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

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Well Name	CORAZON STATE UNIT CCM #304H (FIRST BONE SPRING SAND)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBINGS			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$99,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MULL	\$113,500.00			
M690: LOST IN HOLE (OBR OF WBM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,134.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O320: FIELD OFFICE AND TRAILER	\$52,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$4,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOB	\$92,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,791.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$294,550.00			
S250: SOLID CONTROL	\$39,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/INFLP/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S880: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$16,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,000.00	
V120: ENGINEERING DESIGN			\$8,000.00	\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$1,895,499.00	\$4,589,300.00	\$625,000.00	\$1,694,083.00

Grand Total (\$) 10,783,882.00

Approved By:		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name	CORAZON STATE UNIT COM #501H (SECOND BONE SPRING SAND)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,567.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST - COMPLETION, WORKOVER SERVICE			\$19,000.00	
F600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (LOSS OF WHIM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O320: FIELD OFFICE AND TRAILER	\$52,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL. SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRACT TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOb	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S130: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S150: SOLID CONTROL	\$59,400.00			
S472: MUD LOGGING, GEOSTEERING, PVT	\$29,000.00			
S251: CEMENTING SERVICES	\$234,000.00			
S263: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/KILL/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$50,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$50,667.00	\$20,000.00		
S710: LAND FREIGHT	\$105,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMPKILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$15,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$9,000.00	
U100: PERFORATING SERVICES				\$43,731.00
V120: ENGINEERING DESIGN				
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,589,300.00	\$625,000.00	\$1,694,083.00
Grand Total (\$)				
10,783,882.00				

Approved By

Date

Last Edited By

Approved By

Last Edited Date

Approved Date

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips



Well Name	CORAZON STATE UNIT COM #502H (SECOND BCNE SPRING SAND)
Job Type	DNR / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C230: VALVES & FITTINGS FOR SURFACE EQUIP				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER- INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M990: LOST IN HOLE (DNR OP WBM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$83,819.00	\$390,000.00		
M740: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M740: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O300: FIELD OFFICE AND TRAILER	\$52,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$1,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S150: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOb	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOLID CONTROL	\$59,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$114,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S424: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$25,300.00		
S450: PUMP/KILL/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S460: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$125,567.00
T990: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,000.00	
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTS/SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,599,300.00	\$625,000.00	\$1,894,083.00

Grand Total (\$) 10,783,882.00

Approved By:

Date

Last Edited By

Approved By

Last Edited Date

Approved Date

Project Cost Summary

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Well Name	CORAZON STATE UNIT COM #503H (SECOND BONE SPRING SAND)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIP				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E110: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M990: LOST IN HOLE (DGR DR WEM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O130: FIELD OFFICE AND TRAILER	\$52,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOB	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOILD CONTROL	\$59,400.00			
S272: MUD LOGGING,GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,104,000.00		
S317: COILED TUBING		\$121,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/KILL,PRESSURE/SHOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$50,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,000.00	
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTSUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,569,200.00	\$629,000.00	\$1,694,083.00

Grand Total (\$) **10,783,882.00**

Approved By:		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

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Well Name	CORAZON STATE UNIT COM #504H (SECOND BONE SPRING SAND)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIP				\$329,667.00
C400: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$67,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER- INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DRILL OR WBM)				
M710: FUEL AND LUBRICANT	\$15,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
O120: FIELD OFFICE AND TRAILER	\$57,200.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL, HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMOB	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOLID CONTROL	\$58,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$29,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$62,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/JAIL/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$50,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,385.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$90,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/JAIL TRUCK			\$5,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$28,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,000.00	
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,569,300.00	\$625,000.00	\$1,694,083.00
Grand Total (\$)				
10,783,882.00				

Approved By		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name	CORAZON STATE UNIT CDM #505H (SECOND BONE SPRING SAND)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND FITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C860: EMISSION REDUCING EQUIPMENT				\$158,778.00
C900: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$71,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
F600: TELECOMMUNICATION EQUIPMENT	\$25,200.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$75,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$172,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$537,000.00			
M810: RIG SUPPLIES	\$8,400.00			
M820: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DIRT DP WBM)				
M710: FUEL AND LUBRICANT	\$95,832.00	\$412,000.00		
M720: WATER	\$63,819.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$307,691.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
D110: COMPANY PERSONNEL AND OVERHEAD	\$59,130.00	\$47,000.00		
D120: CONTRACT PERSONNEL AND OVERHEAD	\$33,300.00	\$138,000.00		
D320: FIELD OFFICE AND TRAILER	\$52,200.00			
D400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$74,456.00			
S210: DRILLING RIG	\$724,500.00			
S211: DRILLING RIG MOB/DEMCR	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$81,291.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$254,550.00			
S250: SOLID CONTROL	\$59,400.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$39,000.00			
S281: CEMENTING SERVICES	\$234,003.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$62,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,164,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$37,228.00		\$35,000.00	
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/CELL/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$20,000.00		
S710: LAND FREIGHT	\$106,365.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$50,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$81,000.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$25,200.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMPHOLE TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$9,000.00	
U100: PERFORATING SERVICES				
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTS/SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$3,895,499.00	\$4,569,300.00	\$825,000.00	\$1,694,083.00
Grand Total (\$): 10,783,382.00				

Approved By:		Date:	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

This document contains proposed and estimated project cost information which is proprietary and confidential to ConocoPhillips.



Well Name	CORAZON STATE UNIT COM #801H (THIRD BONE CARBONATE)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,667.00
C400: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C650: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
O610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
O650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$39,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$73,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$43,400.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$169,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$321,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$625,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DOB OR WBM)				
M710: FUEL AND LUBRICANT	\$165,044.00	\$457,000.00		
M720: WATER	\$74,319.00	\$390,000.00		
M740: DRILLING FLUID AND CHEMICAL	\$316,921.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$214,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
O110: COMPANY PERSONNEL AND OVERHEAD	\$101,835.00	\$47,000.00		
O120: CONTRACT PERSONNEL AND OVERHEAD	\$57,350.00	\$138,000.00		
O320: FIELD OFFICE AND TRAILER	\$89,900.00			
O400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL, HEALTH AND SAFETY SERVICE	\$86,706.00			
S210: DRILLING RIG	\$1,173,500.00			
S211: DRILLING RIG MOB/DEMOL	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$84,672.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$374,150.00			
S250: SOLID CONTROL	\$102,300.00			
S272: MUD LOGGING/GROSTERING, PVT	\$58,500.00			
S281: CEMENTING SERVICES	\$292,503.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,317,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$43,353.00	\$35,000.00		
S414: WATER HAULING		\$18,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/KILL/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$50,667.00	\$20,000.00		
S710: LAND FREIGHT	\$123,865.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$155,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$139,500.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$43,400.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/KILL TRUCK			\$6,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T990: OTHER MISCELLANEOUS			\$18,000.00	
U100: PERFORATING SERVICES			\$9,000.00	
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$5,291,552.00	\$4,767,300.00	\$625,000.00	\$1,694,083.00

Grand Total (\$) 12,377,935.00

Approved By:		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Project Cost Summary

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Well Name	CORAZON STATE UNIT COM #602H (THIRD BONE CARBONATE)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$45,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$443,703.00
C230: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C261: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$29,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E150: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$73,000.00	\$60,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
H600: TELECOMMUNICATION EQUIPMENT	\$42,400.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$109,000.00			
M524: CASING AND LINER- INTERMEDIATE 2	\$321,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$626,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DPR DP WBM)				
M710: FUEL AND LUBRICANT	\$165,044.00	\$457,000.00		
M720: WATER	\$74,319.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$316,921.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
Q110: COMPANY PERSONNEL AND OVERHEAD	\$101,835.00	\$47,000.00		
Q120: CONTRACT PERSONNEL AND OVERHEAD	\$57,350.00	\$138,000.00		
Q320: FIELD OFFICE AND TRAILER	\$89,900.00			
Q400: PERMIT, FEE AND LICENSE	\$42,500.00			
F100: LAND BASED TRANSPORT				\$20,000.00
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER				\$11,000.00
Q410: FRAC TANK RENTAL				\$1,000.00
S140: TESTING AND CERTIFICATION	\$20,000.00			
S160: ENVIRONMENTAL / HEALTH AND SAFETY SERVICE	\$96,706.00			
S210: DRILLING RIG	\$1,173,500.00			
S211: DRILLING RIG MOB/DEMOR	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$84,672.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$374,150.00			
S250: SOLID CONTROL	\$102,300.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$58,500.00			
S281: CEMENTING SERVICES	\$272,503.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,317,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$43,353.00	\$35,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/kill/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$20,000.00		
S710: LAND FREIGHT	\$123,865.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$155,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$129,500.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$43,400.00	\$360,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES				\$11,000.00
S980: PUMP/kill TRUCK				\$6,000.00
T110: WELLSITE CONTRACT LABOR & SUPERVISOR				\$18,000.00
T999: OTHER MISCELLANEOUS				\$18,000.00
U100: PERFORATING SERVICES				\$9,000.00
V120: ENGINEERING DESIGN				\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$5,291,552.00	\$4,767,300.00	\$625,000.00	\$1,494,083.00

Grand Total (\$) **12,377,935.00**

Approved By:		Date:	
Last Edited By:		Approved By:	
Last Edited Date:		Approved Date:	

Project Cost Summary

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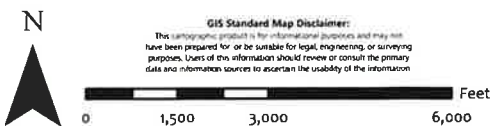
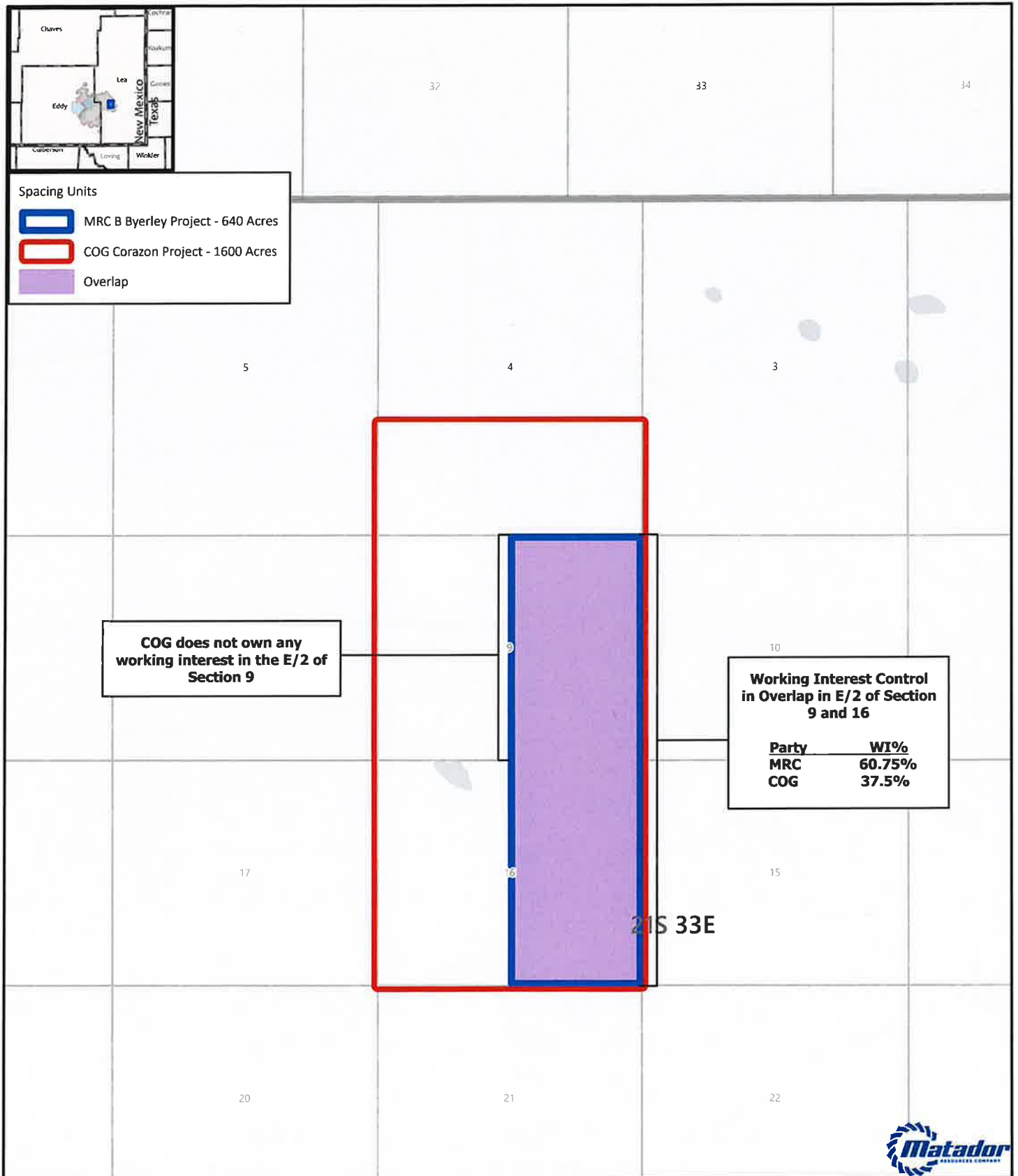


Well Name	CORAZON STATE UNIT COM #603H (THIRD BONE CARBONATE)
Job Type	Drill / Complete / Pumping Equipment / Facilities
State	New Mexico - 30
County/Parish	Lea - 025
Authorization Number	

Cost Feature Group	Grand Total			
	Drilling	Completions	Pumping Equipment	Facilities
A210: TUBING			\$146,000.00	
B100: WELLHEAD & TREE			\$100,000.00	
C160: PACKERS & ACCESSORIES			\$10,000.00	
C170: DOWNHOLE PERMANENT GAUGES & ACCESSORIES			\$65,000.00	
C200: SURFACE PRODUCTION EQUIPMENT				\$59,878.00
C210: STORAGE TANKS AND PITS				\$117,738.00
C220: SEPARATORS				\$943,705.00
C250: VALVES & FITTINGS FOR SURFACE EQUIPT				\$329,667.00
C440: DOWNHOLE GAS LIFT EQUIPMENT			\$18,000.00	
C500: SURFACE ARTIFICIAL LIFT EQUIPMENT			\$150,000.00	
C265: EMISSION REDUCING EQUIPMENT				\$158,778.00
C300: PIPELINES/ FLOWLINES				\$91,499.00
C610: SURFACE ELECTRICAL EQUIPMENT				\$153,060.00
C650: TELEMETRY/SURFACE ELECTRONIC EQUIPMENT				\$29,358.00
D110: RIGHT OF WAY				\$10,092.00
D200: LOCATION, ROADS, SURVEY, ETC			\$15,000.00	\$67,279.00
E100: WELLHEAD, XMAS TREE, AND ASSOCIATED EQUIPMENT	\$73,000.00	\$40,000.00		
E120: RIG COST- COMPLETION, WORKOVER SERVICE			\$19,000.00	
E600: TELECOMMUNICATION EQUIPMENT	\$43,400.00			
M510: CONDUCTOR	\$32,000.00			
M521: CASING AND LINER- SURFACE 1	\$62,000.00			
M523: CASING AND LINER- INTERMEDIATE 1	\$169,000.00			
M524: CASING AND LINER INTERMEDIATE 2	\$321,000.00			
M531: CASING AND LINER- PRODUCTION 1	\$626,000.00			
M610: RIG SUPPLIES	\$8,400.00			
M620: BIT AND MILL	\$113,500.00			
M690: LOST IN HOLE (DIRT DP WBM)				
M710: FUEL AND LUBRICANT	\$163,044.00	\$457,000.00		
M720: WATER	\$74,319.00	\$390,000.00		
M741: DRILLING FLUID AND CHEMICAL	\$316,921.00	\$45,000.00		
M742: COMPLETION FLUID AND CHEMICAL		\$234,000.00		
M770: STIMULATION PROPPANT AND GRAVEL		\$661,000.00		
Q110: COMPANY PERSONNEL AND OVERHEAD	\$101,835.00	\$47,000.00		
Q120: CONTRACT PERSONNEL AND OVERHEAD	\$57,350.00	\$138,000.00		
Q340: FIELD OFFICE AND TRAILER	\$89,900.00			
Q400: PERMIT, FEE AND LICENSE	\$42,500.00			
P100: LAND BASED TRANSPORT			\$20,000.00	
Q400: DRILLING/COMPL SURFACE EQUIP RENTAL W/O OPER			\$11,000.00	
Q410: FRAC TANK RENTAL			\$1,000.00	
S140: TESTING AND CERTIFICATION	\$20,000.00	\$1,317,000.00		
S150: ENVIRONMENTAL , HEALTH AND SAFETY SERVICE	\$85,705.00			
S210: DRILLING RIG	\$1,173,500.00			
S211: DRILLING RIG MOB/DEMOB	\$90,667.00			
S220: PIPE, TUBING, CASING RUNNING & HANDLING	\$54,672.00			
S230: DIRECTIONAL DRILLING, MWD/LWD, MOTOR	\$374,150.00			
S250: SOLID CONTROL	\$102,300.00			
S272: MUD LOGGING, GEOSTEERING, PVT	\$58,500.00			
S281: CEMENTING SERVICES	\$292,503.00			
S283: CEMENTING & CASING EQPT AND ACCESSORIES	\$82,000.00			
S313: FRACTURE STIMULATION UNIT		\$1,317,000.00		
S317: COILED TUBING		\$131,000.00		
S333: PERFORATING		\$314,000.00		
S412: LIQUID DISPOSAL	\$43,353.00	\$15,000.00		
S414: WATER HAULING		\$15,000.00		
S440: DST, PRODUCTION TESTING AND FLOWBACK		\$29,300.00		
S450: PUMP/INJECT/PRESSURE/HOT OIL TRUCK		\$25,000.00		
S470: OTHER SPECIALIZED SERVICE	\$60,000.00	\$35,000.00		
S511: SITE PREPARATION AND ROAD WORK	\$60,667.00	\$27,000.00		
S710: LAND FREIGHT	\$123,865.00	\$45,000.00		
S820: DOWNHOLE DRILLING TOOLS & EQUIPT RENTAL	\$155,000.00	\$49,000.00		
S830: SURFACE DRILLING TOOLS & EQUIPT RENTAL	\$139,500.00			
S850: SURFACE COMP & WELL SVCS TOOLS & EQ RENTAL	\$41,400.00	\$380,000.00		
S860: WELLHEAD AND TREE RENTAL AND SERVICES	\$24,600.00			
S870: WELL AUXILIARY & SURFACE EQUIPT RENTAL		\$340,000.00		
S900: OTHER MISCELLANEOUS SERVICES & CONSUMABLES			\$11,000.00	
S980: PUMP/INJECT TRUCK			\$5,000.00	
T110: WELLSITE CONTRACT LABOR & SUPERVISOR			\$18,000.00	\$135,567.00
T999: OTHER MISCELLANEOUS			\$9,000.00	
U100: PERFORATING SERVICES				\$43,731.00
V120: ENGINEERING DESIGN			\$8,000.00	\$43,731.00
X100: COMPANY AND CONSULTANTS SUPERVISION			\$8,000.00	\$43,731.00
Grand Total	\$5,291,552.00	\$4,767,300.00	\$625,000.00	\$1,694,063.00
Grand Total (\$)				
12,377,935.00				

Approved By		Date	
Last Edited By		Approved By	
Last Edited Date		Approved Date	

Exhibit C-9



1:36,000
1 inch equals 3,000 feet

Map Prepared by: Isabella rader
Date: August 11, 2026
Project: <LINK>\\GIS\UserData\erader\~projects\Contested Hearing\MyProject.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-10

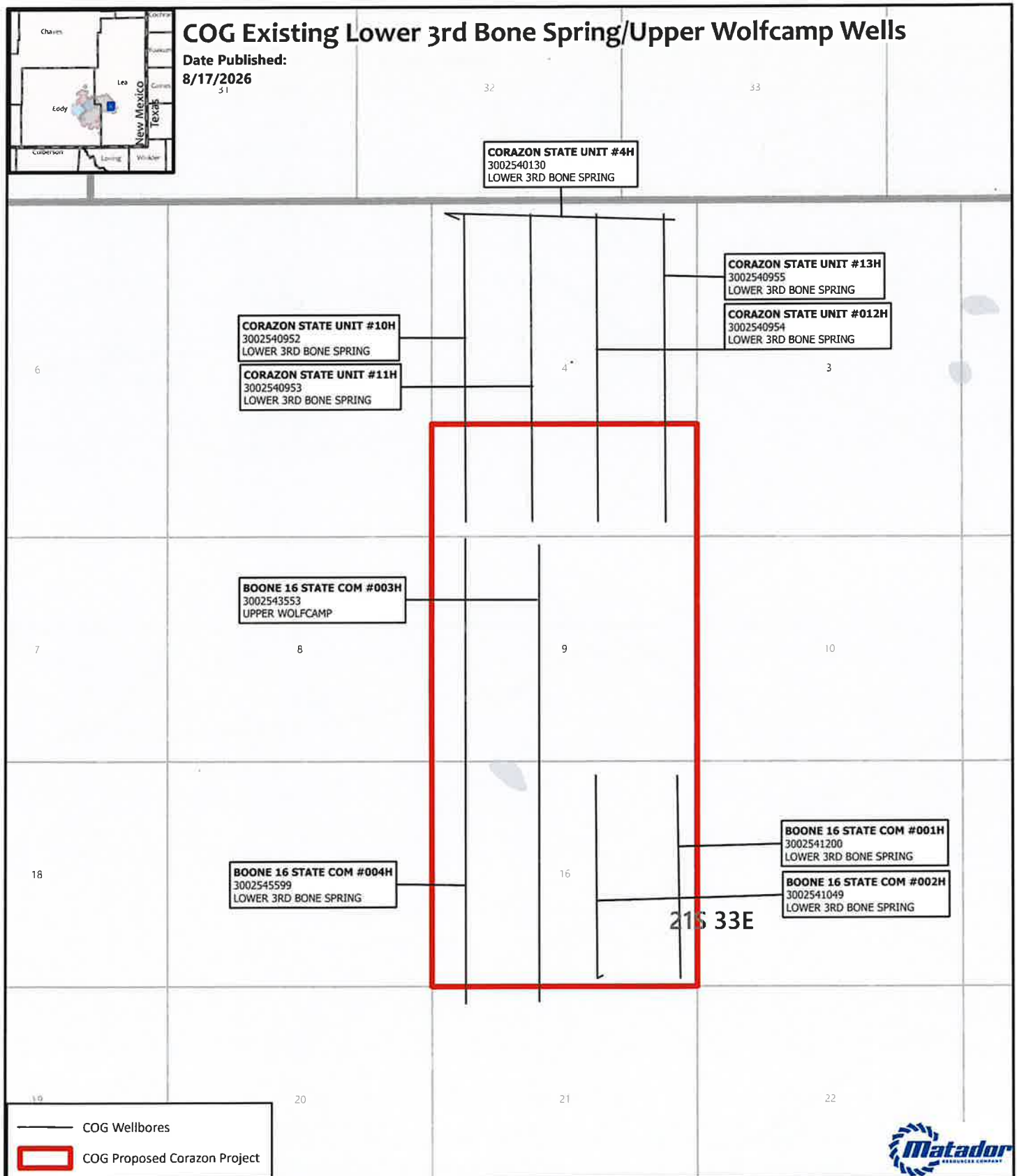
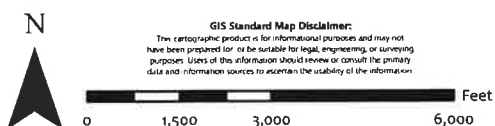
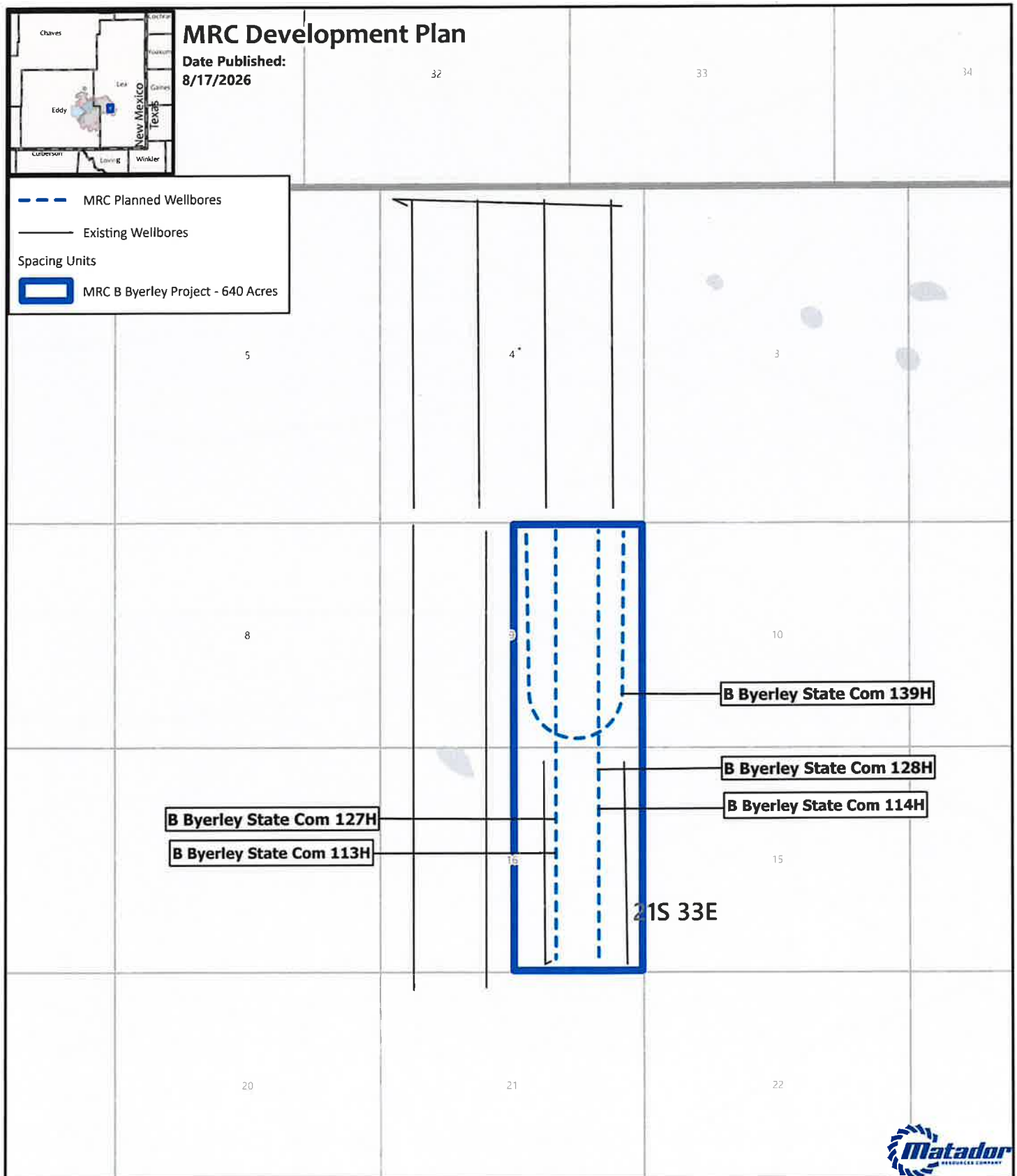


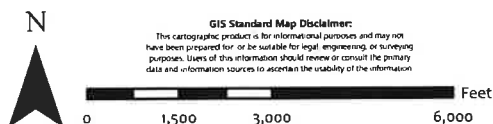
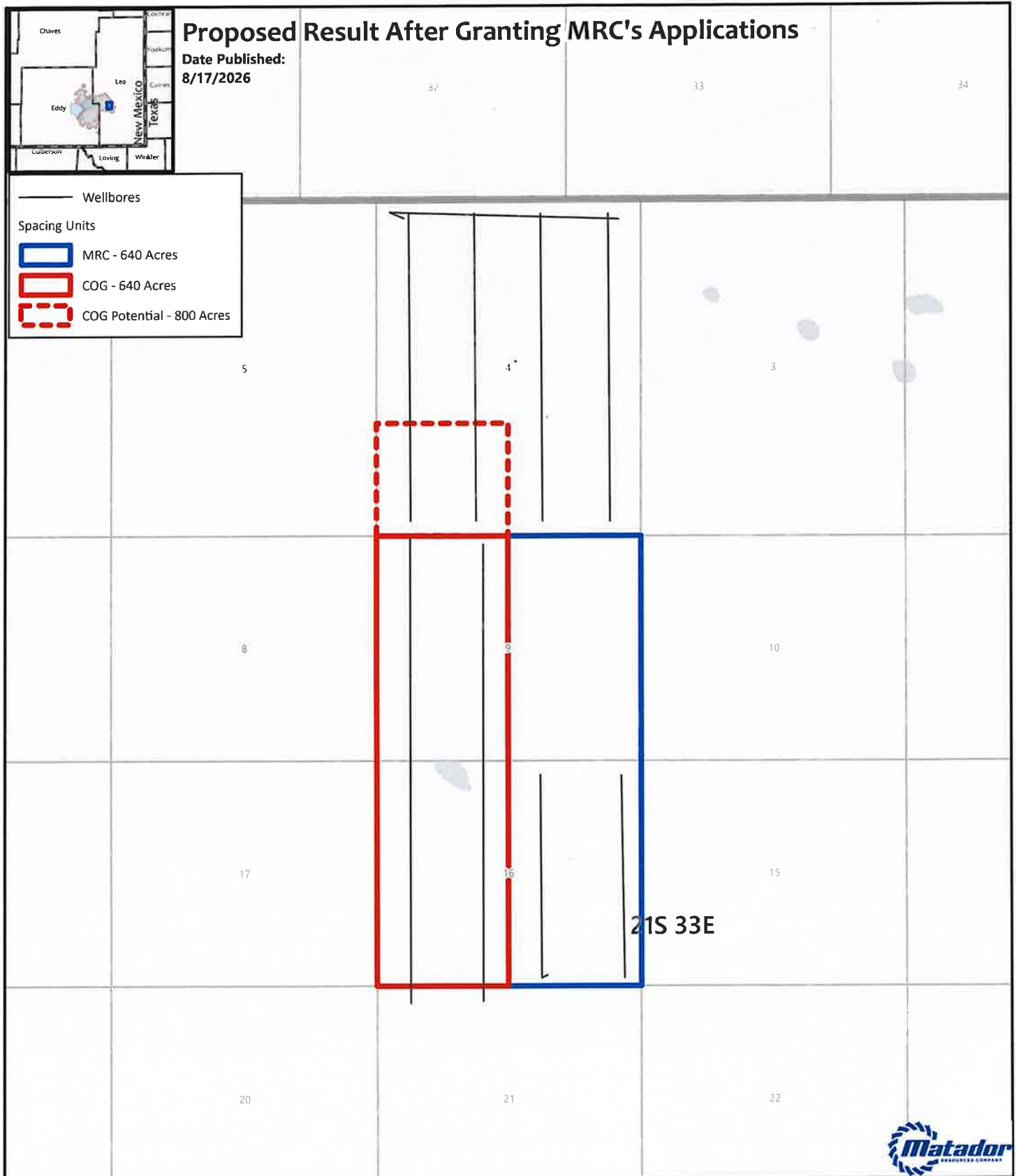
Exhibit C-11



1:36,000
1 inch equals 3,000 feet

Map Prepared by: isabella.rader
 Date: August 17, 2026
 Project: <LINK>\\GIS\UserData\erader\~projects\Contested Hearing\MyProject.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-12

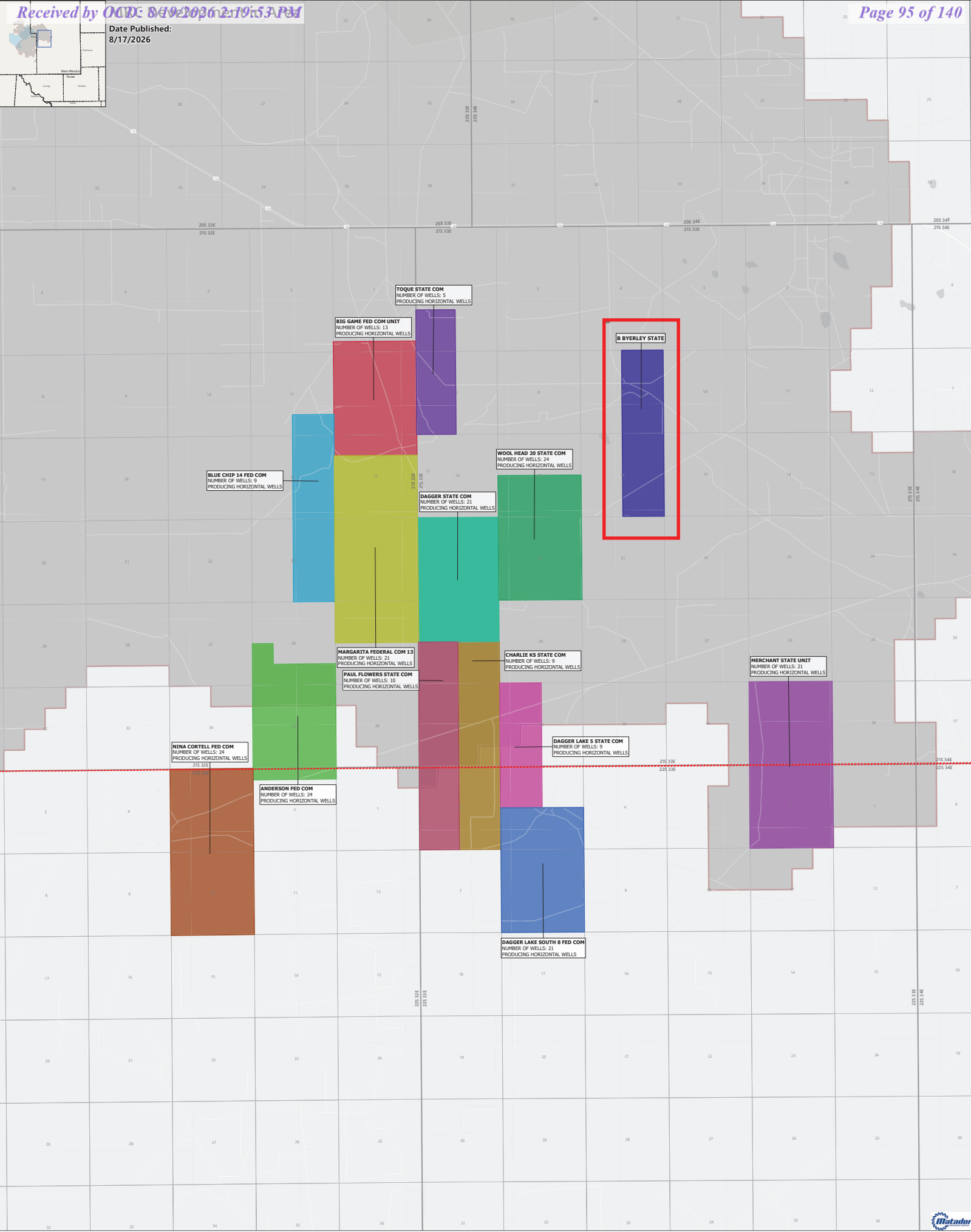


1:36,000
 1 inch equals 3,000 feet

Map Prepared by: Isabella rader
 Date: August 17, 2026
 Project: <LINK> \\GIS\UserData\erader\~projects\Contested Hearing\MyProject.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-13

Date Published:
8/17/2026



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

**APPLICATIONS OF MRC HAT MESA, LLC FOR APPROVAL
OF A STANDARD OVERLAPPING HORIZONTAL WELL SPACING UNIT AND
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

Case Nos. 26000 & 26001

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

Case No. 26002

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING AND APPROVAL OF A
NONSTANDARD SPACING UNIT,
LEA COUNTY, NEW MEXICO.**

Case No. 26368

SELF-AFFIRMED STATEMENT OF JOSHUA BURRUS

1. My name is Joshua Burrus and I am employed by MRC Energy Company, an affiliate of MRC Hat Mesa, LLC ("MRC"), as a Senior Geoscience Advisor. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology.

2. I am familiar with the applications filed by MRC in Case Nos. 26000-26002 for the proposed B Byerley wells. These consolidated cases seek to develop horizontal spacing units in the Bone Spring formation for the following initial wells (i) two mile wells for the First Bone Spring and the Second Bone Spring in the E/2 of Sections 9 and 16, and (ii) a u-turn well for the lower Third Bone Spring Sand in the E/2 of Section 9, each in Township 21 South, Range 33 East, NMPM, Lea County, New Mexico.

3. I am also familiar with the application filed by COG Operating, LLC ("COG") in Case No. 26368 in which COG seeks a non-standard unit to develop multiple targets within the Bone Spring formation in the S/2 of Section 4 and all of Sections 9 and 16, Township 21 South, Range 33 East, Lea County, New Mexico.

4. I have therefore conducted a geologic study of the Bone Spring formation underlying the subject area in these cases.

5. **MRC Exhibit D-1** is a locator map with a large red box in the top middle of the page. The yellow shaded rectangle within this larger red box generally identifies the acreage MRC seeks to pool for its proposed B Byerley wells.

6. In Case No. 26000, MRC intends to initially develop the First Bone Spring and Second Bone Spring of the Bone Spring formation.

7. In Case No. 26001, MRC intends to initially develop the First Bone Spring and Second Bone Spring of the Bone Spring formation.

8. In Case No. 26002, MRC intends to develop the lower Third Bone Spring Sand of the Bone Spring formation.

9. **MRC Exhibit D-2** contains a subsea structure map prepared off the top of the Bone Spring formation. MRC's various spacing units in these cases are generally depicted in yellow. The contour interval is 100 feet. The structure map shows the Bone Spring formation gently dipping to the south-southwest. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

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

11. **MRC Exhibit D-3** is a structural cross-section prepared displaying open-hole logs run over the Bone Spring formation from the four 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. The proposed target interval for each of the respective proposed initial wells, which are in the First Bone Spring, Second Bone Spring, and Third Bone Spring of the Bone Spring formation, are labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted intervals are consistent in thickness across the entirety of the proposed spacing units.

12. In my opinion, the standup well orientation is the preferred orientation for development in this area for Bone Spring wells based on the maximum horizontal stress orientation in the area.

13. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Bone Spring formation in the area of the spacing units proposed in these cases.

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

15. 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.

Competing Development Plans

16. In Case No. 26368, COG has requested a non-standard spacing unit covering the S/2 of Section 4 and all of Sections 9 and 16, Township 21 South, Range 33 East, Lea County, New Mexico.

17. **MRC Exhibit D-4** is a well spacing diagram showing a comparison of the wells targeted by MRC and COG in each of their proposed development plans. MRC's proposed development is on the left with (i) MRC's initial wells shown in dark blue, and (ii) MRC's anticipated future infill wells shown in light blue. COG's development plan is shown on the right with (i) COG's Phase 1 wells its application indicates will be drilled in the first year shown in dark red, and (ii) COG's Phase 2 wells its application indicates will be drilled within three years shown in light red. It is MRC's understanding the COG's depths it included in its well proposal to MRC were tied to the well log for the Boone State Com #2H (30-025-41049).

18. As shown on MRC Exhibit D-4, both parties' complete development plans include the Avalon, First Bone Spring, Second Bone Spring and parts of the Third Bone Spring. I will discuss the parties' competing development in each target, but as indicated below in my opinion the primary difference between the parties' development plans is with respect to the Third Bone Spring.

19. With respect to the Avalon, it appears MRC and COG are targeting a slightly different bench within the Avalon. In addition, COG's Avalon development is using 3-wells per section spacing, whereas MRC's proposed development is using a 4-wells per section spacing pattern. Based on the lack of abundant Avalon offset wells in the area and the prospectivity of the Avalon target on this acreage, it is my opinion that both MRC's and COG's proposed development plan for the Avalon are reasonable development plans.

20. With respect to the First Bone Spring, it appears MRC and COG are targeting the same or substantially similar bench within the First Bone Spring and both using 4-wells per section spacing. Accordingly, it seems there is no material difference between MRC's and COG's development plan for the First Bone Spring.

21. With respect to the Second Bone Spring, COG is proposing a 5-wells per section spacing pattern targeting a single bench within the lower Second Bone Spring, whereas MRC is proposing a wine-racking pattern of two lower Second Bone Spring wells in its initial development and two anticipated upper Second Bone Spring wells in future development after evaluating the results of the initial lower Second Bone Spring wells. In my opinion, when considering the prospectivity of the Second Bone Spring on this acreage and considering the offset Second Bone Spring wells drilled in adjacent units for portions of the lateral, both MRC's and COG's development plan for the Second Bone Spring are reasonable.

22. However, with respect to the Third Bone Spring, I believe that MRC's development is better suited to the existing Third Bone Spring development in the area than COG's development and mitigates waste.

23. First, as shown on the map included in **MRC Exhibit D-5**, COG has already developed the lower Third Bone Spring Sand or Upper Wolfcamp in all the acreage included in their proposed spacing unit except for the E/2 of Section 9. COG's current development does not include any development of the lower Third Bone Spring Sand in the E/2 of Section 9. On the other hand, MRC's development plan does include development of the lower Third Bone Spring Sand in the E/2 of Section 9 using a u-turn well. The lower Third Bone Spring Sand is one of the most prospective targets on this acreage and COG's failure to develop that target in the E/2 of Section 9 would result in significant waste, which MRC's reservoir engineer will discuss further in this case.

24. Second, as shown on MRC Exhibit D-4, MRC understands that COG's development plan includes development of the Third Bone Spring Carbonate using a 3-wells per section spacing, whereas MRC's development plan includes development of the upper Third Bone

Spring Carbonate using 4-wells per section spacing. **MRC Exhibit D-6** is a cross section showing a comparison of COG's Third Bone Spring Carbonate target and MRC's Third Bone Spring Carbonate target. MRC's proposed target is shown in blue. COG's proposed target, as MRC understands their proposal, is shown in red and is ~200' deeper in true vertical depth than MRC's proposed target. In my opinion, the shallower Third Bone Spring Carbonate target is the preferred target because of an increased depth separation from the existing lower Third Bone Spring Sand and Upper Wolfcamp wells. This would decrease the risk for stimulating depleted reservoir along portions of the Third Bone Spring Carbonate wells.

25. In addition, due to the prospectivity of the upper Third Bone Spring Carb in this area, it is my opinion that 4-wells per section is the preferred spacing pattern over COG's proposed 3-wells per section spacing, which MRC's reservoir engineer in this case will discuss in more detail.

26. Accordingly, in my opinion, approving MRC's pooling applications and denying COG's pooling application is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

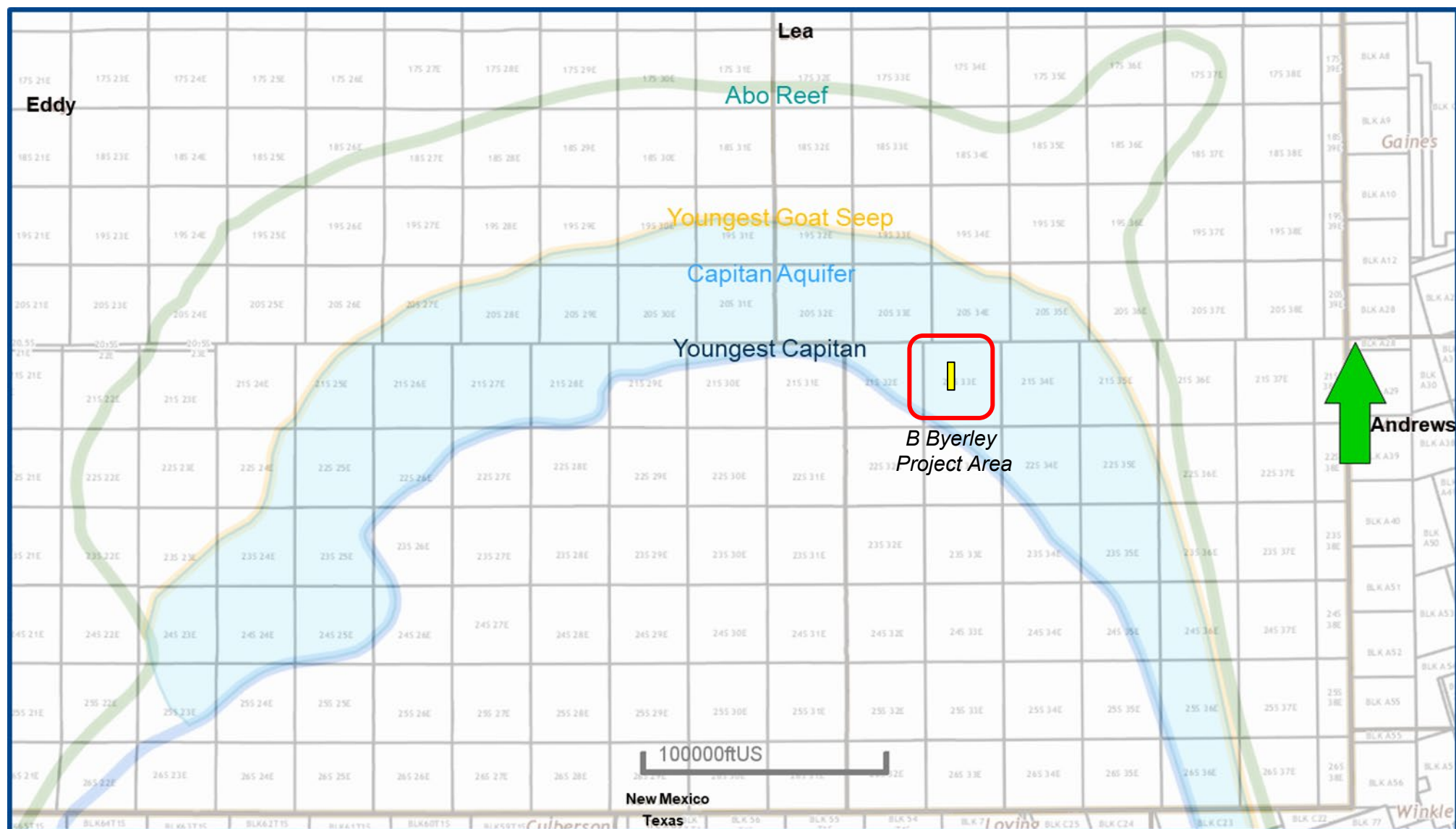
27. **MRC Exhibits D-1 through D-6** were either prepared by me or compiled under my direction and supervision.

28. 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.

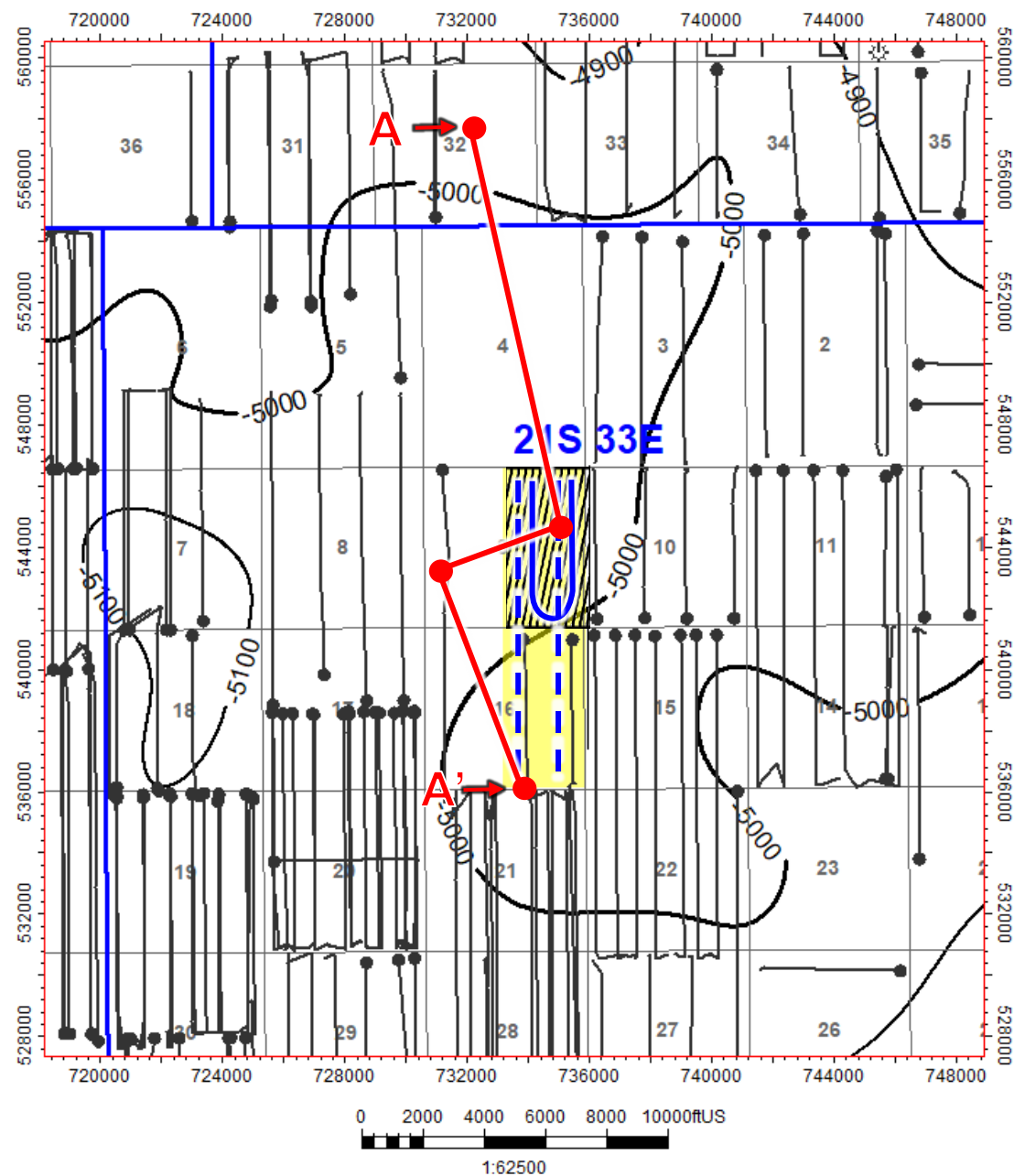

Joshua Burrus

08/18/2026
Date

Locator Map



WC-025 G-08 S213304D; BONE SPRING (97895) Structure Map (Bone Spring Subsea) A – A' Reference Line



Map Legend

B Byerley Straight Well

B Byerley U-turn Well

—

Bone Spring Wells

—

Project Area

■

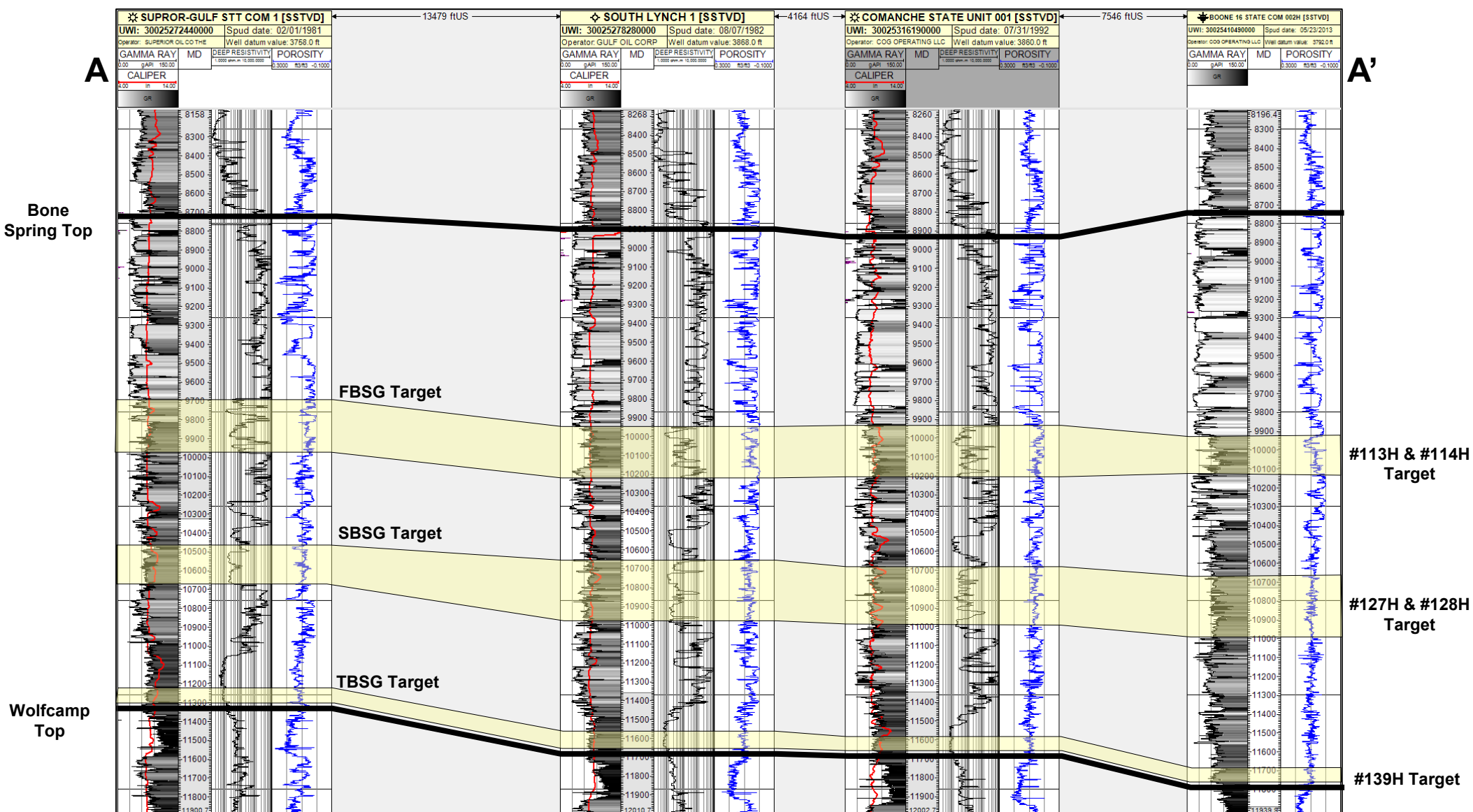
U-turn spacing unit

■

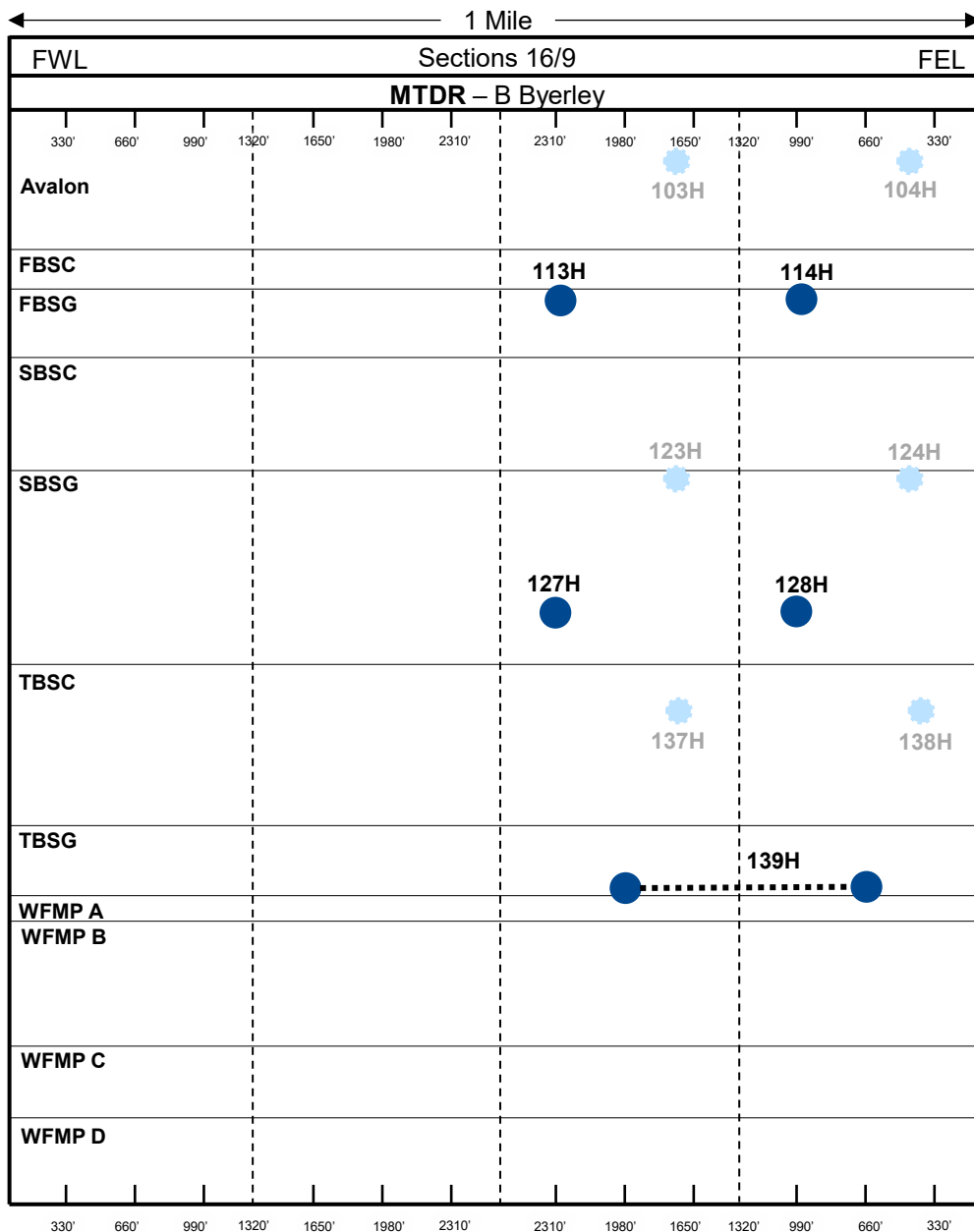
C. I. = 100'

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N

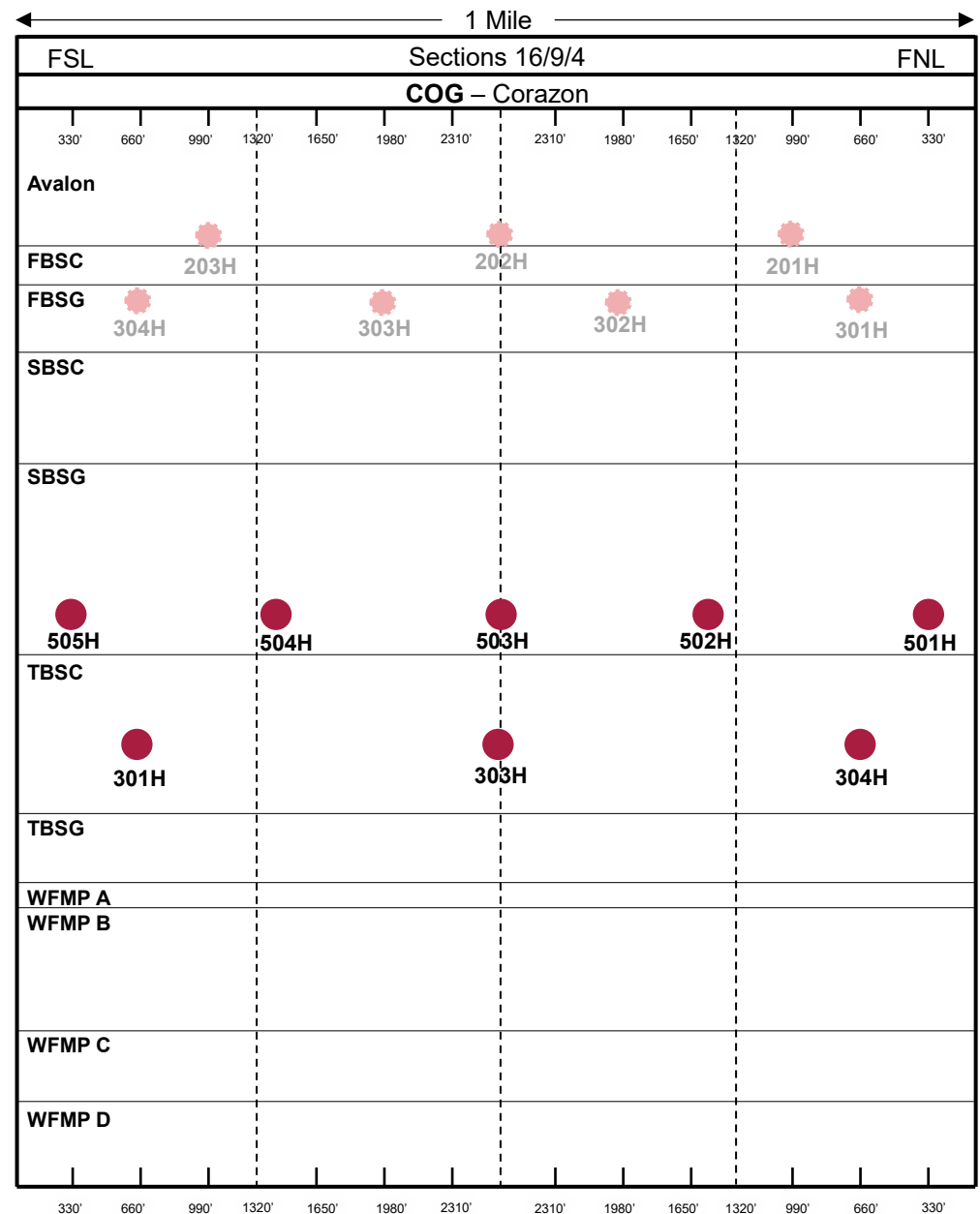
WC-025 G-08 S213304D; BONE SPRING (97895) Structural Cross-Section A – A'



WC-025 G-08 S213304D; BONE SPRING (97895) Comparison Gun Barrel



● MTDR B Byerley Initial Well

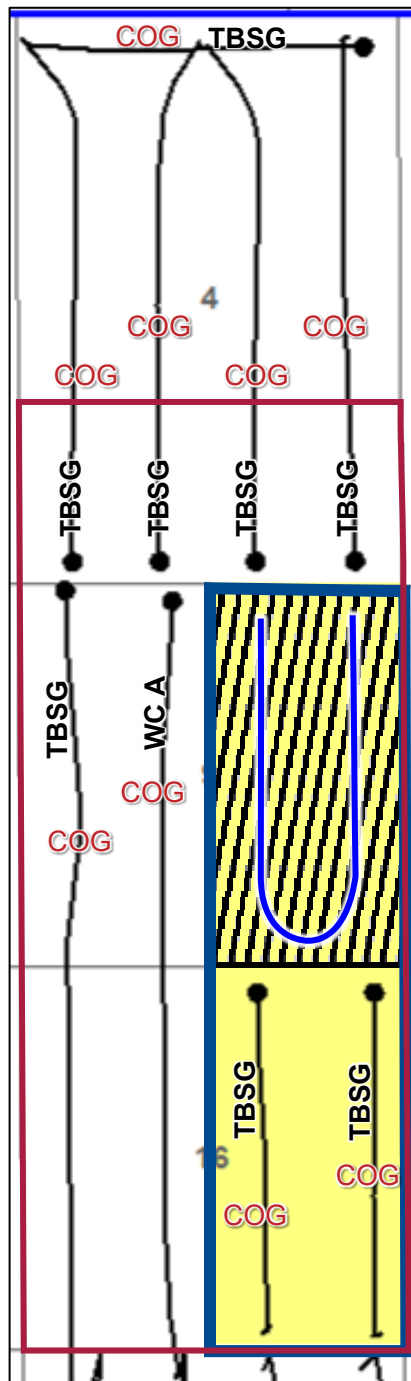


● COG Corazon Phase 1 Well

⚙ Phase 2 COG target

WC-025 G-08 S213304D; BONE SPRING (97895) Lower Third Bone Spring and Upper Wolfcamp Development

- MTDR development area
- COG development area



Map Legend

B Byerley U-turn Well



Wolfbone Wells



MTDR Project Area



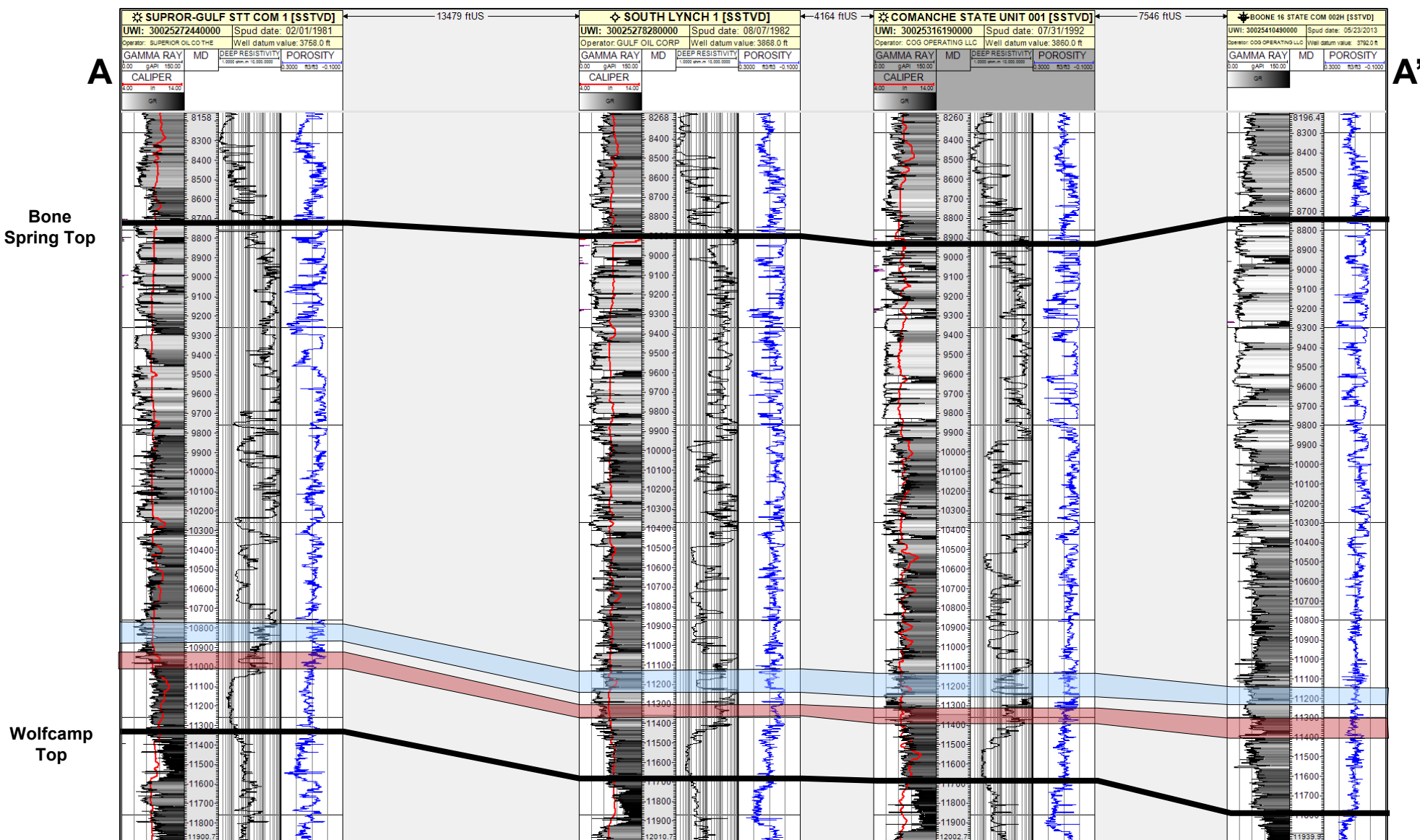
U-turn spacing unit



C. I. = 100'



WC-025 G-08 S213304D; BONE SPRING (97895) Structural Cross-Section A – A'



MTDR 137H, 138H Target

COG 301H, 303H, 304H Target



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

**APPLICATIONS OF MRC HAT MESA, LLC FOR APPROVAL
OF A STANDARD OVERLAPPING HORIZONTAL WELL SPACING UNIT AND
FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.**

Case Nos. 26000 & 26001

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

Case No. 26002

**APPLICATION OF COG OPERATING LLC
FOR COMPULSORY POOLING AND APPROVAL OF A
NONSTANDARD SPACING UNIT,
LEA COUNTY, NEW MEXICO.**

Case No. 26368

SELF-AFFIRMED STATEMENT OF BLAKE BYRNES

1. My name is Blake Byrnes and I am employed by MRC Energy Company, an affiliate of MRC Hat Mesa, LLC ("MRC"), as a Senior Reservoir Engineer.

2. I graduated from Texas Christian University in 2014 with a bachelor's degree in Mechanical Engineering along with a Master of Petroleum Degree from the University of Houston in 2022. Following graduation, I worked for Ultrerra as a design engineer designing drill bits for operators all over the world. After Ultrerra, I worked at Polaris as an Engineering Manager for roughly 1 year. At Polaris, I managed the reserves for the company, provided operation consultation for developing new wells, and forecasted economics for two different reservoir plays within Polari's assets. At the middle of 2022, I transitioned to Matador Resources as a Reservoir Engineer. During my time at Matador, my responsibilities have covered a number of Matador's asset areas, including the Delaware Basin in Eddy and Lea Counties in New Mexico. At various

times while at Matador my responsibilities have included performing reservoir analysis regarding Matador's operated positions, non-operated positions, and potential A&D acquisitions. As part of my employment for Matador, I am also required to complete at least 40 hours of continuing education each year.

3. I am familiar with the applications filed by MRC in Case Nos. 26000-26002 for the proposed B Byerley wells, in which MRC seeks to develop horizontal spacing units in the Bone Spring formation for initial wells in the First Bone Spring and the Second Bone Spring (using 2-mile wells in the E/2 of Sections 9 and 16) and lower Third Bone Spring (using a u-turn well in the E/2 of Section 9).

4. I am also familiar with the application filed by COG Operating, LLC ("COG") in Case No. 26368 in which COG seeks a non-standard unit to develop a number of different targets within the Bone Spring formation in the S/2 of Section 4 and all of Sections 9 and 16.

5. **MRC Exhibit E-1** contains a gunbarrel diagram prepared by MRC's geologist comparing MRC's and COG's development plans in these competing cases.

6. In my opinion, with respect to the Avalon, First Bone Spring and Second Bone Spring targets, the parties' development plans are either substantially similar (First Bone Spring), or contain some variances (Avalon and Second Bone Spring) that in my opinion would result in either MRC's or COG's development plan for those targets being an acceptable plan.

7. Accordingly, I will focus my testimony on the Third Bone Spring, where I believe MRC's development plan is better than COG's plan and COG's plan would result in waste.

COG Fails to Develop the Lower Third Bone Spring in the E/2 of Section 9

8. **MRC Exhibit E-2** contains two diagrams showing the acreage involved in these competing cases and the existing wells that COG operates in either the lower Third Bone Spring

Sand or Upper Wolfcamp A. As shown on MRC Exhibit E-2, the lower Third Bone Spring Sand / Upper Wolfcamp A has already been developed in the relevant acreage except for the E/2 of Section 9.

9. As shown on the right-hand side of Exhibit E-2, COG's development plan fails to develop the lower Third Bone Spring Sand on the E/2 of Section 9, which in my opinion is one of the most prospective targets on this acreage.

10. MRC's development plan does include development of the lower Third Bone Spring Sand in the E/2 of Section 9, using a u-turn well, as shown on the left-hand side of MRC Exhibit E-2.

11. If COG's application was granted and that lower Third Bone Spring Sand target were to be undeveloped in the E/2 of Section 9, in my opinion that would lead to waste of approximately 765,000 barrels of oil and 1,043,000 barrels of oil equivalent, as shown on **MRC Exhibit E-3**.

12. MRC's development plan avoids that potential waste.

COG's Third Bone Spring Carb 3-Wells Per Section Spacing Results in Waste

13. As shown on MRC Exhibit E-1, COG's and MRC's development plans both include development of the Third Bone Spring Carb.

14. However, COG is proposing to develop that target using 3-wells per section, whereas MRC is proposing to develop that target using a 4-wells per spacing pattern.

15. **MRC Exhibit E-4** contains an analysis comparing COG's proposed 3-wells per section spacing in the Third Bone Spring Carb and MRC's 4-wells per section spacing pattern. Because the parties' lateral lengths differ (with COG being roughly 2.5 mile wells and MRC being 2-mile wells), in my analysis on MRC Exhibit E-4 I assumed a case where COG would drill 2-

mile wells in an attempt to provide an applicable comparison. In doing so, I used COG's CapEx they provided for their 2.5-mile wells and proportionally reduced that CapEx to a 2-mile well for purposes of the analysis.

16. As shown on MRC Exhibit E-4, in my opinion COG's proposed development using 3-wells per section spacing for the Third Bone Spring Carb would result in waste of approximately 812,000 barrels of oil and 1,005,000 barrels of oil equivalent compared to MRC's development plan using 4-wells per section in that same target. Again, for purposes of comparison, this analysis assumed COG was drilling 2-mile wells like MRC, but the waste would be even greater if the 3-wells per section spacing were used for 2.5 mile wells (like COG plans) across this acreage.

**MRC's Third Bone Spring Carb Spacing Target is Preferable
to COG's Third Bone Spring Carb Target**

17. As shown on MRC Exhibit E-1, although COG's and MRC's development plans both include development of the Third Bone Spring Carb, MRC understands its proposed target to be different and approximately 200 feet shallower than COG's proposed target.

18. In my opinion, even ignoring the 3-well versus 4-well per section spacing issue, MRC's shallower target of the Third Bone Spring Carb is preferable to COG's deeper target, because MRC's target provides more vertical separation from COG's existing Lower Third Bone Spring / Upper Wolfcamp wells, and therefore reduces the risk of these new wells producing from the already depleted reservoir.

AFE Comparison

19. Because the parties' development plans are for different lateral lengths (with COG being roughly 2.5 mile wells and MRC being 2 mile wells (and one u-turn well)), it is difficult to conduct an accurate comparison of the parties' AFE costs on an apples-to-apples basis. This is further complicated by the fact that the parties have different well batch sizes and MRC does not

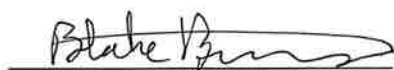
currently know how COG allocated its facility costs in its AFEs, whether it be to all of its planned Phase 1 wells or to both Phase 1 and Phase 2 wells. Accordingly, at this time I have not been able to complete a full analysis of the AFE cost difference between the parties.

20. However, based on the parties' well proposals, MRC's proposed overhead rates are significantly lower than COG's, with MRC requesting \$10,000/month while drilling and \$1,000/month while producing, and COG requesting \$19,134/month while drilling and \$1,913/month while producing.

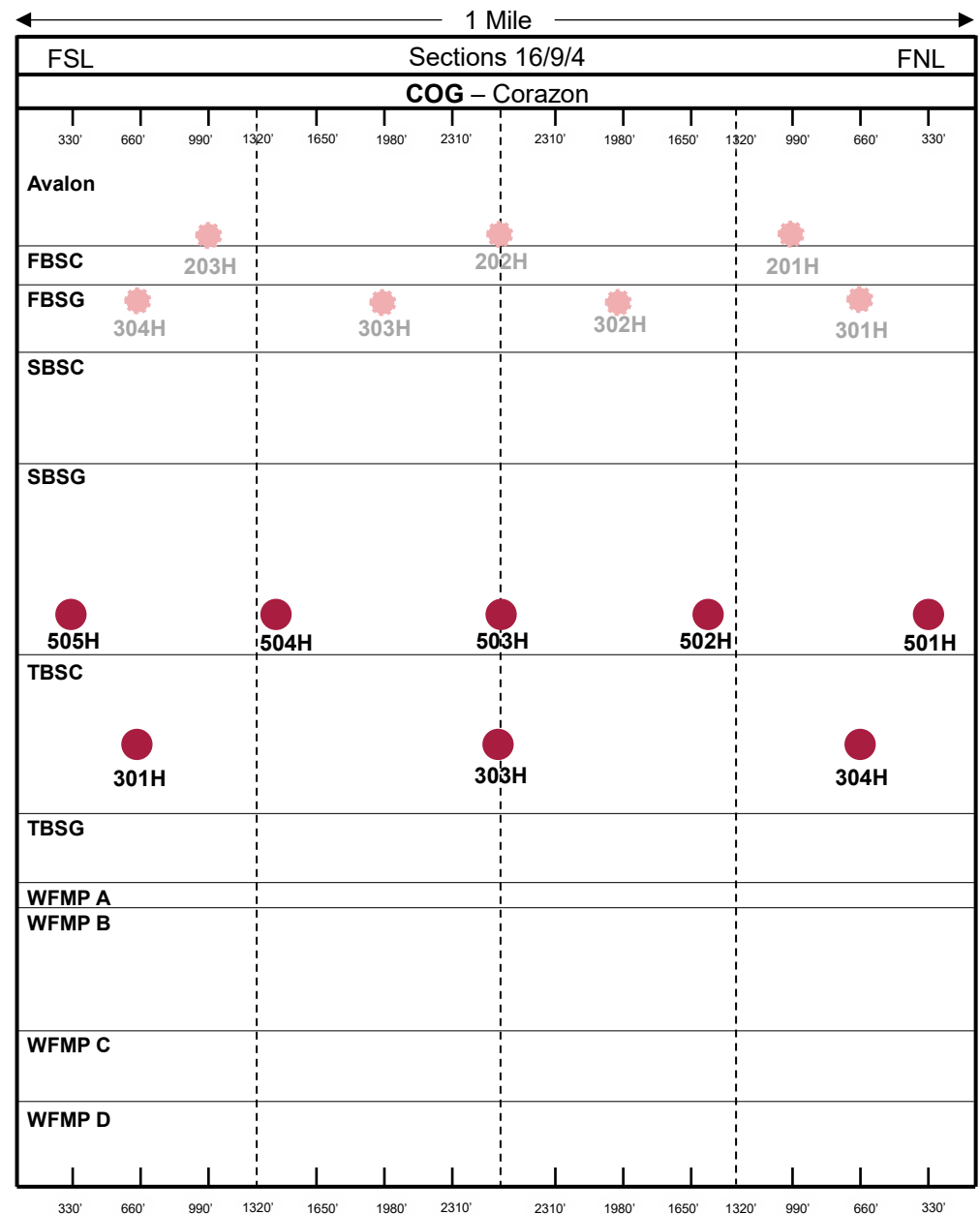
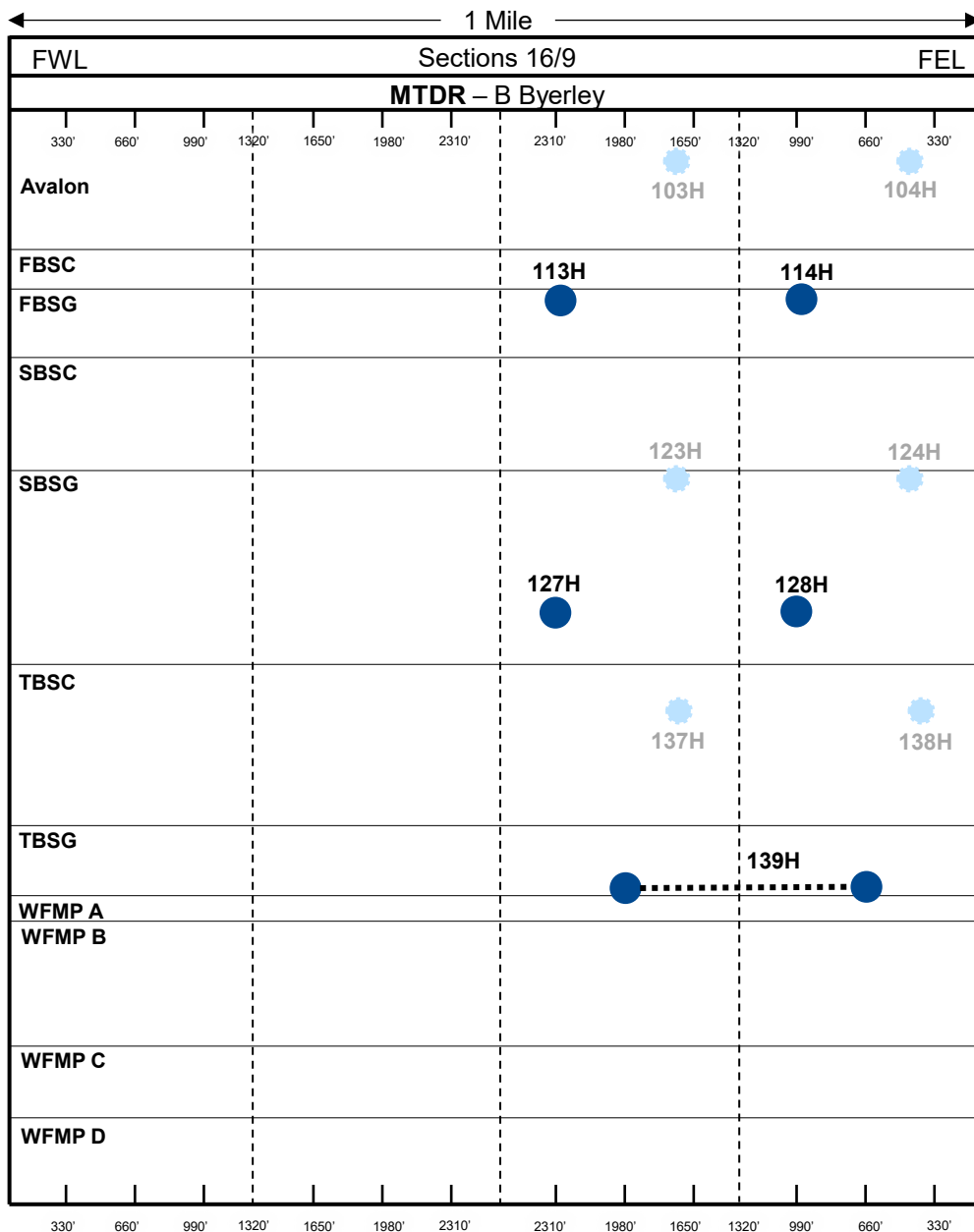
21. For the reasons explained above, in my opinion approving MRC's applications and denying COG's application would be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

22. **MRC Exhibits E-2 through E-4** were either prepared by me or compiled under my direction and supervision.

23. 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.


Blake Byrnes

08/19/26
Date

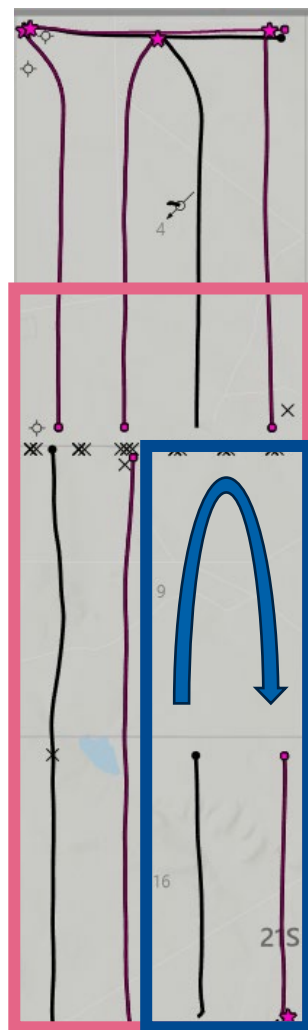


● MTDR B Byerley Initial Well

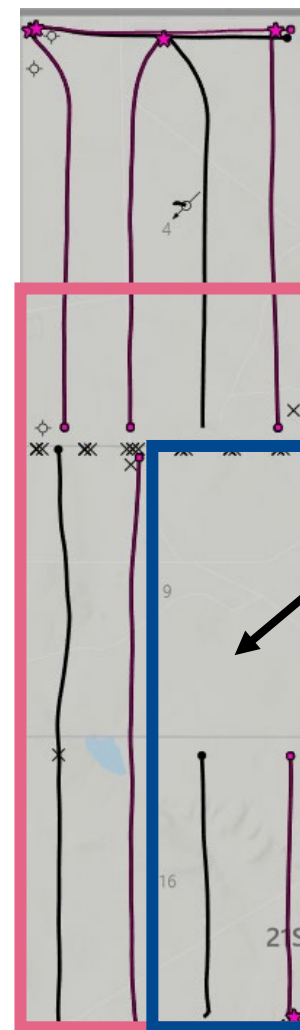
● COG Corazon Phase 1 Well

⚙ Phase 2 COG target

Matador's Third Bone Spring Sand Development:



COG's Undeveloped Third Bone Spring Sand:



**E/2 of Sec. 9
Undeveloped**

- Matador B Byerley DSU
- COG Corazon DSU
- MRC U-Turn Third Bone Spring Sand Wellbore

Matador Third Bone Spring Sand in E/2 of Section 9

Exhibit E-3

Operator	Matador's B Byerley (MTDR CAPEX)
Proposed Development	1x TBSG (U-Turn Well)
Pricing / LNRI Scenario	\$70 FLAT / 100% WI 75% NRI
Total CapEx Spend (\$MM)	10.55
Completed Lateral Footage	9,650
Assumed Oil EUR (BO/FT)	85
Total Technical Recoverable Oil (Mbbl)	850
Total Economic Oil Recovered (Mbbl)	765
Total Economic BOE Recovered (MBOE)	1,043

Conoco vs Matador Third Bone Spring Carbonate

Exhibit E-4

Operator	Conoco Corazon (Conoco CAPEX)	Matador's B Byerley (MTDR CAPEX)	Matador's Additional Volumes
Proposed Development	3x TBSC (2-Mile Wells)	4x TBSC (2-Mile Wells)	
Pricing / LNRI Scenario	\$70 FLAT / 100% WI 75% NRI	\$70 FLAT / 100% WI 75% NRI	
Total CapEx Spend (\$MM)	31.10	40.72	
Completed Lateral Footage	10,000	10,000	
CapEx Per Foot	\$1,037	\$1,018	
Assumed Oil EUR (BO/FT)	85	85	
Technical Recoverable Per Well (Mbbl)	850	850	
Total Technical Recoverable Oil (Mbbl)	2,550	3,400	850
Economic Oil Recovery Per Well (Mbbl)	794	794	N/A
Total Economic Oil Recovered (Mbbl)	2,382	3,176	812
Total Economic BOE Recovered (MBOE)	3,016	4,021	1,005

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

**APPLICATIONS OF MRC HAT MESA, LLC
FOR APPROVAL OF A STANDARD OVERLAPPING
HORIZONTAL WELL SPACING UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NOS. 26000-26001

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

CASE NO. 26002

**SELF-AFFIRMED STATEMENT
OF DALVA L. MOELLENBERG**

1. I am attorney in fact and authorized representative of MRC Hat Mesa, LLC, the Applicant in Case Nos. 26000-26002.
2. I am familiar with the Notice Letters attached as **Exhibits F-1 – F-3**. My predecessor counsel – Holland & Hart – caused the Notice Letters, along with the Applications in this case, to be sent to all parties set out in the charts attached as **Exhibit F-4**.
3. On March 10, 2026, my predecessor counsel – Holland & Hart – caused a notice to be published to all interested parties in the Hobbs News-Sun. An Affidavit of Publication from the Legal Clerk of the Hobbs News-Sun, along with a copy of the notice publication, is attached as **Exhibits F-5- F-7**.
4. I understand this Self-Affirmed Statement will be used as written testimony in the subject cases. I affirm that my testimony is true and correct and made under penalty of perjury under the

laws of the State of New Mexico. My testimony is made as of the date handwritten next to my signature below.

/s/ Dalva L. Moellenberg

August 19, 2026

Dalva L. Moellenberg

Counsel for MRC Hat Mesa, LLC



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

March 6, 2026

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

Re: Application of MRC Hat Mesa, LLC for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico: B Byerley State Com 113H and 127H Wells

Ladies & Gentlemen:

This letter is to advise you that MRC Hat Mesa, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on March 26, 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 Ethan Frasier at (972) 371-5401 or at ethan.frasier@matadorresources.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Raylee Starnes".

A. Raylee Starnes
ATTORNEY FOR MRC HAT MESA, LLC AND
MATADOR PRODUCTION COMPANY

T 505.954.3669 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

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

**APPLICATION OF MRC HAT MESA, LLC
FOR APPROVAL OF A STANDARD OVERLAPPING
HORIZONTAL WELL SPACING UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26000

APPLICATION

MRC Hat Mesa, LLC (“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 order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea 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 overlapping 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 **B Byerley State Com 113H** and **B Byerley State Com 127H** wells, both to be horizontally drilled from surface locations in the NW/4 NE/4 of Section 9, with first take points in the NW/4 NE/4 (Unit B) of Section 9, and last take points in the SW/4 SE/4 (Unit O) of Section 16.

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

- 160-acre, more or less, spacing unit comprised of the W/2 E/2 of Section 16 in the Bone Spring formation, dedicated to the Boone 16 State Com 2H well, operated by COG Operating, LLC ("COG") (API No. 30-025-41049).

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 March 26, 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 therein;
- B. Designating Matador Production Company as operator of this horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
agrarkin@hollandhart.com
pmvance@hollandhart.com
arstarnes@hollandhart.com

**ATTORNEYS FOR MRC HAT MESA, LLC AND
MATADOR PRODUCTION COMPANY**

Application of MRC Hat Mesa, LLC for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea 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 **B Byerley State Com 113H** and **B Byerley State Com 127H** wells, both to be horizontally drilled from surface locations the NW/4 NE/4 of Section 9, with first take points in the NW/4 NE/4 (Unit B) of Section 9, and last take points in the SW/4 SE/4 (Unit O) of Section 16. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation:

- A 160-acre, more or less, spacing unit comprised of the W/2 E/2 of Section 16 in the Bone Spring formation dedicated to the Boone 16 State Com 2H well, operated by COG Operating, LLC (“COG”) (API No. 30-025-41049).

Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 24 miles northwest of Eunice, New Mexico.



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

March 6, 2026

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

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If you have any questions about this matter, please contact Ethan Frasier at (972) 371-5401 or at ethan.frasier@matadorresources.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Raylee Starnes".

A. Raylee Starnes
ATTORNEY FOR MRC HAT MESA, LLC AND
MATADOR PRODUCTION COMPANY

T 505.954.3669 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
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Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

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

**APPLICATION OF MRC HAT MESA, LLC
FOR APPROVAL OF A STANDARD OVERLAPPING
HORIZONTAL WELL SPACING UNIT
AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26001

APPLICATION

MRC Hat Mesa, LLC ("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 order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea 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 overlapping 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 **B Byerley State Com 114H** and **B Byerley State Com 128H** wells, both to be horizontally drilled from surface locations in the NE/4 NE/4 of Section 9, with first take points in the NE/4 NE/4 (Unit A) of Section 9, and last take points in the SE/4 SE/4 (Unit P) of Section 16.
4. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation:

- A 160-acre, more or less, spacing unit comprised of the E/2 E/2 of Section 16 in the Bone Spring formation dedicated to the Boone 16 State Com 1H well, operated by COG Operating, LLC ("COG") (API No. 30-025-41200).

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 March 26, 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 therein;
- B. Designating Matador Production Company as operator of this horizontal spacing unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% charge for the risk assumed by Applicant in drilling and completing the wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

By: 
Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
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505-988-4421
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arstarnes@hollandhart.com

**ATTORNEYS FOR MRC HAT MESA, LLC AND
MATADOR PRODUCTION COMPANY**

Application of MRC Hat Mesa, LLC for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea 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 **B Byerley State Com 114H** and **B Byerley State Com 128H** wells, both to be horizontally drilled from surface locations the NE/4 NE/4 of Section 9, with first take points in the NE/4 NE/4 (Unit A) of Section 9, and last take points in the SE/4 SE/4 (Unit P) of Section 16. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation:

- A 160-acre, more or less, spacing unit comprised of the E/2 E/2 of Section 16 in the Bone Spring formation dedicated to the Boone 16 State Com 1H well, operated by COG Operating, LLC (“COG”) (API No. 30-025-41200).

Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 24 miles northwest of Eunice, New Mexico.



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

March 6, 2026

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

**Re: Application of MRC Hat Mesa, LLC for Compulsory Pooling, Lea County,
New Mexico: B Byerley State Com 139H well**

Ladies & Gentlemen:

This letter is to advise you that MRC Hat Mesa, LLC has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on March 5, 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 Ethan Frasier at (972) 371-5401 or at ethan.frasier@matadorresources.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Raylee Starnes".

A. Raylee Starnes
**ATTORNEY FOR MRC HAT MESA, LLC AND
MATADOR PRODUCTION COMPANY**

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Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

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

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

CASE NO. 26002

APPLICATION

MRC Hat Mesa, LLC (“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 order pooling the uncommitted interest owners in a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 of Section 9, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal well spacing unit and has the right to drill thereon.
2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed horizontal well spacing unit.
3. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **B Byerley State Com 139H** u-turn well, to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 9, with a first take point in the NW/4 NE/4 (Unit B) of Section 9, and a last take point in the NE/4 NE/4 (Unit A) of Section 9, T21S-R33E.
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.

5. 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 March 26, 2026, hearing docket and after notice and hearing as required by law, the Division enter an order:

- A. 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: 
Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
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**ATTORNEYS FOR MRC HAT MESA, LLC AND
MATADOR PRODUCTION COMPANY**

Application of MRC Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling the uncommitted interest owners in a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 of Section 9, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **B Byerley State Com 139H** u-turn well, to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 9, with a first take point in the NW/4 NE/4 (Unit B) of Section 9, and a last take point in the NE/4 NE/4 (Unit A) of Section 9, T21S-R33E. 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 24 miles northwest of Eunice, New Mexico.

MRC - B Byerley State Com 113H, 127H, 114H, 128H wells - Case nos. 26000-26001
Postal Delivery Report

EXHIBIT F-

9414811898765436464611	Chevron U.S.A. Inc.	1400 Smith St	Houston	TX	77002-7311	Your item has been delivered to an agent. The item was picked up at USPS at 12:15 pm on March 28, 2026 in HOUSTON, TX 77002.
9414811898765436464659	Chevron U.S.A. Inc.	6301 Deauville Attn Land Dept	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 10:38 am on March 10, 2026 in MIDLAND, TX 79706.
9414811898765436464666	COG Operating LLC	600 W Illinois Ave	Midland	TX	79701-4882	Your item was picked up at the post office at 7:56 am on March 11, 2026 in MIDLAND, TX 79701.
9414811898765436464628	First Southern Funding, LLC	99 Lancaster St	Stanford	KY	40484-1291	Your item was delivered to an individual at the address at 10:13 am on March 11, 2026 in STANFORD, KY 40484.
9414811898765436464604	LJA Charitable Investments, LLC	1717 West Loop S Ste 1800	Houston	TX	77027-3049	Your item was delivered to the front desk, reception area, or mail room at 2:47 pm on March 16, 2026 in HOUSTON, TX 77027.
9414811898765436464642	Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust	3608 Meadowridge Ln	Midland	TX	79707-4543	Your item was delivered to an individual at the address at 12:30 pm on March 10, 2026 in MIDLAND, TX 79707.
9414811898765436464680	Mike Petraitis	1603 Holloway Ave	Midland	TX	79701-7038	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on March 9, 2026 at 7:24 pm. The item is currently in transit to the destination.
9414811898765436464635	Red River Holdings, LLC	PO Box 10886	Midland	TX	79702-7886	Your item was picked up at the post office at 11:26 am on March 12, 2026 in MIDLAND, TX 79701.
9414811898765436464673	S.E.S. Investments, Ltd.	PO Box 10886	Midland	TX	79702-7886	Your item arrived at our MIDLAND TX DISTRIBUTION CENTER destination facility on April 9, 2026 at 2:32 pm. The item is currently in transit to the destination.
9414811898765436464116	Schlagal Brothers Oil Company a/k/a Schlagal Brothers	115 Bora Bora Dr	Galveston	TX	77554-6105	Your item has been delivered to an agent for final delivery in GALVESTON, TX 77554 on March 10, 2026 at 11:39 am.
9414811898765436464154	TMT Energy Resources, Inc.	3555 NW 58th St Ste 620-W	Oklahoma City	OK	73112-4707	Your item was returned to the sender on March 13, 2026 at 12:00 pm in OKLAHOMA CITY, OK 73112 because the addressee was not known at the delivery address noted on the package.

MRC - B Byerley State Com 113H, 127H, 114H, 128H wells - Case nos. 26000-26001
Postal Delivery Report

EXHIBIT F-

9414811898765436464161	Voyage Energy, LP	PO Box 11232	Midland	TX	79702-8232	Your item was picked up at the post office at 11:50 am on March 16, 2026 in MIDLAND, TX 79701.
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MRC - B Byerley State Com 139H well - Case no. 26002
Postal Delivery Report

EXHIBIT F-4

9414811898765436465229	Chevron U.S.A. Inc.	1400 Smith St	Houston	TX	77002-7311	Your item was picked up at the post office at 5:32 am on March 13, 2026 in HOUSTON, TX 77210.
9414811898765436465205	Chevron U.S.A. Inc.	6301 Deauville Attn Land Dept	Midland	TX	79706-2964	Your item was delivered to an individual at the address at 11:32 am on March 16, 2026 in MIDLAND, TX 79706.
9414811898765436465243	First Southern Funding, LLC	99 Lancaster St	Stanford	KY	40484-1291	Your item was delivered to an individual at the address at 10:55 am on March 9, 2026 in STANFORD, KY 40484.
9414811898765436465236	LJA Charitable Investments, LLC	1717 West Loop S Ste 1800	Houston	TX	77027-3049	Your item was delivered to the front desk, reception area, or mail room at 2:15 pm on March 10, 2026 in HOUSTON, TX 77027.
9414811898765436465816	Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust	3608 Meadowridge Ln	Midland	TX	79707-4543	Your item was delivered to an individual at the address at 11:56 am on March 9, 2026 in MIDLAND, TX 79707.
9414811898765436465861	Mike Petraitis	1603 Holloway Ave	Midland	TX	79701-7038	Your item is being held at the MIDLAND, TX 79701 post office at 12:52 pm on March 9, 2026. This is at the request of the customer.
9414811898765436465892	Red River Holdings, LLC	PO Box 10886	Midland	TX	79702-7886	Your item was picked up at the post office at 11:26 am on March 12, 2026 in MIDLAND, TX 79701.
9414811898765436465885	S.E.S. Investments, Ltd.	PO Box 10886	Midland	TX	79702-7886	Your item was picked up at the post office at 11:26 am on March 12, 2026 in MIDLAND, TX 79701.
9414811898765436465878	Schlagal Brothers Oil Company a/k/a Schlagal Brothers	115 Bora Bora Dr	Galveston	TX	77554-6105	Your item was picked up at the post office at 10:10 am on March 16, 2026 in GALVESTON, TX 77551.
9414811898765436465755	TMT Energy Resources, Inc.	3555 NW 58th St Ste 620-W	Oklahoma City	OK	73112-4707	Your item has been delivered to the original sender at 10:20 am on March 17, 2026 in SANTA FE, NM 87501.
9414811898765436465724	Voyage Energy, LP	PO Box 11232	Midland	TX	79702-8232	Your item was picked up at the post office at 11:26 am on March 12, 2026 in MIDLAND, TX 79701.

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
March 10, 2026
and ending with the issue dated
March 10, 2026.



Publisher

Sworn and subscribed to before me this
10th day of March 2026.



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	LEGAL	LEGAL
Legal Notice March 10, 2026		
Case No. 26000: Application of MRC Hat Mesa, LLC for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Chevron U.S.A. Inc.; COG Operating LLC; First Southern Funding, LLC; LJA Charitable Investments, LLC; Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust; Mike Petraitis; Red River Holdings, LLC; S.E.S. Investments, Ltd.; Schlager Brothers Oil Company a/k/a Schlager Brothers; TMT Energy Resources, Inc.; and Voyage Energy, LP. 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 March 26, 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. Applicant in the above-styled cause seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea 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 B Byerley State Com 113H and B Byerley State Com 127H wells, both to be horizontally drilled from surface locations the NW/4 NE/4 of Section 9, with first take points in the NW/4 NE/4 (Unit B) of Section 9, and last take points in the SW/4 SE/4 (Unit O) of Section 16. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation: • A 160-acre, more or less, spacing unit comprised of the W/2 E/2 of Section 16 in the Bone Spring formation dedicated to the Boone 16 State Com 2H well, operated by COG Operating, LLC ("COG") (API No. 30-025-41049). Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 24 miles northwest of Eunice, New Mexico. #00308953		

67100754

00308953

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

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

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Beginning with the issue dated
March 10, 2026
and ending with the issue dated
March 10, 2026.



Publisher

Sworn and subscribed to before me this
10th day of March 2026.



Business Manager

My commission expires

January 29, 2027

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

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LEGAL

LEGAL

LEGAL

Legal Notice
March 10, 2026

Case No. 26001: Application of MRC Hat Mesa, LLC for Approval of a Standard Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Chevron U.S.A. Inc.; COG Operating LLC; First Southern Funding, LLC; LJA Charitable Investments, LLC; Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust; Mike Petraltis; Red River Holdings, LLC; S.E.S. Investments, Ltd.; Schlagal Brothers Oil Company a/k/a Schlagal Brothers; TMT Energy Resources, Inc.; and Voyage Energy, LP. 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 March 26, 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. Applicant in the above-styled cause seeks an order (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Sections 9 and 16, Township 21 South, Range 33 East, NMPM, Lea 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 B Byerley State Com 114H and B Byerley State Com 128H wells, both to be horizontally drilled from surface locations the NE/4 NE/4 of Section 9, with first take points in the NE/4 NE/4 (Unit A) of Section 9, and last take points in the SE/4 SE/4 (Unit P) of Section 16. This proposed standard horizontal well spacing unit will overlap the following existing horizontal well spacing unit in the Bone Spring formation:

• A 160-acre, more or less, spacing unit comprised of the E/2 E/2 of Section 16 in the Bone Spring formation dedicated to the Boone 16 State Com 1H well, operated by COG Operating, LLC ("COG") (API No. 30-025-41200).

Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 24 miles northwest of Eunice, New Mexico.

#00308969

67100754

00308969

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

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

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Beginning with the issue dated
March 10, 2026
and ending with the issue dated
March 10, 2026.



Publisher

Sworn and subscribed to before me this
10th day of March 2026.



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

LEGAL

LEGAL NOTICE
March 10, 2026

Case No. 26002: Application of MRC Hat Mesa, LLC for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Chevron U.S.A. Inc.; First Southern Funding, LLC; LJA Charitable Investments, LLC; Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust; Mike Petraitis; Red River Holdings, LLC; S.E.S. Investments, Ltd.; Schlagal Brothers Oil Company a/k/a Schlagal Brothers; TMT Energy Resources, Inc.; and Voyage Energy, LP. 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 March 26, 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. Applicant in the above-styled cause seeks an order pooling the uncommitted interest owners in a standard 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 of Section 9, Township 21 South, Range 33 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **B Byerley State Com 139H** u-turn well, to be drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 9, with a first take point in the NW/4 NE/4 (Unit B) of Section 9, and a last take point in the NE/4 NE/4 (Unit A) of Section 9, T21S-R33E. 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 24 miles northwest of Eunice, New Mexico.
#00308975

67100754

00308975

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

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/ocd/contact-us>

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 616061

QUESTIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 616061
	Action Type: [HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony	
Please assist us by provide the following information about your testimony.	
Number of witnesses	3
Testimony time (in minutes)	Not answered.