

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

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

**CASE NOS. 23489–23492**

**NOTICE OF REVISED TABLE OF CONTENTS AND COMPULSORY POOLING  
CHECKLISTS**

MRC Permian Company applicant in the above-referenced cases, gives notice that it is filing the attached exhibits for acceptance into the record.

**Revised Table of Contents** is a revised copy of the Table of Contents correctly noting that Exhibit A includes the applications and Exhibit B includes the compulsory pooling application checklists.

**Revised Compulsory Pooling Checklists** are revised copies of the Compulsory Pooling Application Checklists that correctly state that there were no unlocatable parties in these cases.

Respectfully submitted,

HOLLAND & HART LLP



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Michael H. Feldewert  
Adam G. Rankin  
Julia Broggi  
Paula M. Vance  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208  
(505) 988-4421  
(505) 983-6043 Facsimile  
mfeldewert@hollandhart.com  
agrarkin@hollandhart.com  
jbroggi@hollandhart.com  
pmvance@hollandhart.com

**ATTORNEYS FOR MRC PERMIAN COMPANY**

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

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

**CASE NOS. 23489–23492**

**TABLE OF CONTENTS**

- **Matador Exhibit A:** Applications of MRC Permian Company for Compulsory Pooling
- **Matador Exhibit B:** Compulsory Pooling Application Checklists
- **Matador Exhibit C:** Affidavit of Hawks Holder, Landman
  - Matador Exhibit C-1: C-102s
  - Matador Exhibit C-2: Land Tract Map
  - Matador Exhibit C-3: Uncommitted Working Interest Owners & ORRI
  - Matador Exhibit C-4: Sample Well Proposal Letter with AFEs
  - Matador Exhibit C-5: Chronology of Contacts
- **Matador Exhibit D:** Affidavit of Andrew Parker, Geologist
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  - Matador Exhibit D-2: Bone Spring subsea structure & cross-section map
  - Matador Exhibit D-3: Bone Spring stratigraphic cross-section
- **Matador Exhibit E:** Self-Affirmed Statement of Notice
- **Matador Exhibit F:** Affidavit of Publication for the Case

# COMPULSORY POOLING APPLICATION CHECKLIST

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

|                                                                                                                                                    |                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <b>Case: 23489</b>                                                                                                                                 | <b>APPLICANT'S RESPONSE</b>                                                                    |
| <b>Date</b>                                                                                                                                        | <b>May 4, 2023</b>                                                                             |
| Applicant                                                                                                                                          | MRC Permian Company                                                                            |
| Designated Operator & OGRID (affiliation if applicable)                                                                                            | Matador Production Company (OGRID No. 228937)                                                  |
| Applicant's Counsel:                                                                                                                               | Holland & Hart LLP                                                                             |
| Case Title:                                                                                                                                        | APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.            |
| Entries of Appearance/Intervenors:                                                                                                                 | N/A                                                                                            |
| Well Family                                                                                                                                        | Whitby                                                                                         |
| <b>Formation/Pool</b>                                                                                                                              |                                                                                                |
| Formation Name(s) or Vertical Extent:                                                                                                              | Bone Spring Formation                                                                          |
| Primary Product (Oil or Gas):                                                                                                                      | Oil                                                                                            |
| Pooling this vertical extent:                                                                                                                      | N/A                                                                                            |
| Pool Name and Pool Code:                                                                                                                           | Carlsbad; Bone Spring, East [96144]                                                            |
| Well Location Setback Rules:                                                                                                                       | Statewide oil rules                                                                            |
| <b>Spacing Unit</b>                                                                                                                                |                                                                                                |
| Type (Horizontal/Vertical)                                                                                                                         | Horizontal                                                                                     |
| Size (Acres)                                                                                                                                       | 320                                                                                            |
| Building Blocks:                                                                                                                                   | 40 acres                                                                                       |
| Orientation:                                                                                                                                       | East-West                                                                                      |
| Description: TRS/County                                                                                                                            | N/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?                   | Yes                                                                                            |
| <b>Other Situations</b>                                                                                                                            |                                                                                                |
| Depth Severance: Y/N. If yes, description                                                                                                          | No                                                                                             |
| Proximity Tracts: If yes, description                                                                                                              | No                                                                                             |
| Proximity Defining Well: if yes, description                                                                                                       | N/A                                                                                            |
| Applicant's Ownership in Each Tract                                                                                                                | Exhibit C-3                                                                                    |
| <b>Well(s)</b>                                                                                                                                     |                                                                                                |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed                                                                            |

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico

Revised Exhibit No. B  
Submitted by: Matador Production Company

Hearing Date: May 4, 2023

Case Nos. 23489-23492

|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Well #1                                                                                                                                          | <b>Whitby 2526 Fed Com #121H well</b><br>SHL: 1,146' FNL, 707' FEL (Unit A) of Section 25<br>FTP: 660' FNL, 100' FEL (Unit A) of Section 25<br>LTP: 660' FNL, 110' FWL (Unit D) of Section 26<br>BHL: 660' FNL, 110' FWL (Unit D) of Section 26<br>Target: Bone Spring<br>Orientation: East-West<br>Completion: Standard Location |
| Well #2                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                   |
| Horizontal Well First and Last Take Points                                                                                                       | <b>Exhibit C-1</b>                                                                                                                                                                                                                                                                                                                |
| Completion Target (Formation, TVD and MD)                                                                                                        | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                |
|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                   |
| <b>AFE Capex and Operating Costs</b>                                                                                                             |                                                                                                                                                                                                                                                                                                                                   |
| Drilling Supervision/Month \$                                                                                                                    | <b>\$8,000</b>                                                                                                                                                                                                                                                                                                                    |
| Production Supervision/Month \$                                                                                                                  | <b>\$800</b>                                                                                                                                                                                                                                                                                                                      |
| Justification for Supervision Costs                                                                                                              | <b>Exhibit C</b>                                                                                                                                                                                                                                                                                                                  |
| Requested Risk Charge                                                                                                                            | <b>200%</b>                                                                                                                                                                                                                                                                                                                       |
| <b>Notice of Hearing</b>                                                                                                                         |                                                                                                                                                                                                                                                                                                                                   |
| Proposed Notice of Hearing                                                                                                                       | <b>Exhibit B</b>                                                                                                                                                                                                                                                                                                                  |
| Proof of Mailed Notice of Hearing (20 days before hearing)                                                                                       | <b>Exhibit E</b>                                                                                                                                                                                                                                                                                                                  |
| Proof of Published Notice of Hearing (10 days before hearing)                                                                                    | <b>Exhibit F</b>                                                                                                                                                                                                                                                                                                                  |
| <b>Ownership Determination</b>                                                                                                                   |                                                                                                                                                                                                                                                                                                                                   |
| Land Ownership Schematic of the Spacing Unit                                                                                                     | <b>Exhibit C-2</b>                                                                                                                                                                                                                                                                                                                |
| Tract List (including lease numbers and owners)                                                                                                  | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | <b>N/A</b>                                                                                                                                                                                                                                                                                                                        |
| Pooled Parties (including ownership type)                                                                                                        | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                |
| Unlocatable Parties to be Pooled                                                                                                                 | <b>N/A</b>                                                                                                                                                                                                                                                                                                                        |
| Ownership Depth Severance (including percentage above & below)                                                                                   | <b>N/A</b>                                                                                                                                                                                                                                                                                                                        |
| <b>Joinder</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                   |
| Sample Copy of Proposal Letter                                                                                                                   | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                |
| List of Interest Owners (ie Exhibit A of JOA)                                                                                                    | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                |
| Chronology of Contact with Non-Joined Working Interests                                                                                          | <b>Exhibit C-5</b>                                                                                                                                                                                                                                                                                                                |
| Overhead Rates In Proposal Letter                                                                                                                | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                |
| Cost Estimate to Drill and Complete                                                                                                              | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                |
| Cost Estimate to Equip Well                                                                                                                      | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                |
| Cost Estimate for Production Facilities                                                                                                          | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                |
| <b>Geology</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                   |
| Summary (including special considerations)                                                                                                       | <b>Exhibit D</b>                                                                                                                                                                                                                                                                                                                  |
| Spacing Unit Schematic                                                                                                                           | <b>Exhibit D-1</b>                                                                                                                                                                                                                                                                                                                |
| Gunbarrel/Lateral Trajectory Schematic                                                                                                           | <b>N/A</b>                                                                                                                                                                                                                                                                                                                        |

|                                                                                                                  |                                                                                     |
|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Well Orientation (with rationale)                                                                                | Exhibit D                                                                           |
| Target Formation                                                                                                 | Exhibit D, D-3                                                                      |
| HSU Cross Section                                                                                                | Exhibit D-3                                                                         |
| Depth Severance Discussion                                                                                       | N/A                                                                                 |
| <b>Forms, Figures and Tables</b>                                                                                 |                                                                                     |
| C-102                                                                                                            | Exhibit C-1                                                                         |
| Tracts                                                                                                           | Exhibit C-2                                                                         |
| Summary of Interests, Unit Recapitulation (Tracts)                                                               | Exhibit C-3                                                                         |
| General Location Map (including basin)                                                                           | Exhibit D-1                                                                         |
| Well Bore Location Map                                                                                           | Exhibit D-1                                                                         |
| Structure Contour Map - Subsea Depth                                                                             | Exhibit D-2                                                                         |
| Cross Section Location Map (including wells)                                                                     | Exhibit D-3                                                                         |
| Cross Section (including Landing Zone)                                                                           | Exhibit D-3                                                                         |
| <b>Additional Information</b>                                                                                    |                                                                                     |
| Special Provisions/Stipulations                                                                                  | N/A                                                                                 |
| <b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b> |                                                                                     |
| <b>Printed Name</b> (Attorney or Party Representative):                                                          | Paula M. Vance                                                                      |
| <b>Signed Name</b> (Attorney or Party Representative):                                                           |  |
| <b>Date:</b>                                                                                                     | 5/3/2023                                                                            |

# COMPULSORY POOLING APPLICATION CHECKLIST

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

|                                                                                                                                                    |                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <b>Case: 23490</b>                                                                                                                                 | <b>APPLICANT'S RESPONSE</b>                                                                    |
| <b>Date</b>                                                                                                                                        | <b>May 4, 2023</b>                                                                             |
| Applicant                                                                                                                                          | MRC Permian Company                                                                            |
| Designated Operator & OGRID (affiliation if applicable)                                                                                            | Matador Production Company (OGRID No. 228937)                                                  |
| Applicant's Counsel:                                                                                                                               | Holland & Hart LLP                                                                             |
| Case Title:                                                                                                                                        | APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.            |
| Entries of Appearance/Intervenors:                                                                                                                 | N/A                                                                                            |
| Well Family                                                                                                                                        | Whitby                                                                                         |
| <b>Formation/Pool</b>                                                                                                                              |                                                                                                |
| Formation Name(s) or Vertical Extent:                                                                                                              | Bone Spring Formation                                                                          |
| Primary Product (Oil or Gas):                                                                                                                      | Oil                                                                                            |
| Pooling this vertical extent:                                                                                                                      | N/A                                                                                            |
| Pool Name and Pool Code:                                                                                                                           | Carlsbad; Bone Spring, East [96144]                                                            |
| Well Location Setback Rules:                                                                                                                       | Statewide oil rules                                                                            |
| <b>Spacing Unit</b>                                                                                                                                |                                                                                                |
| Type (Horizontal/Vertical)                                                                                                                         | Horizontal                                                                                     |
| Size (Acres)                                                                                                                                       | 320                                                                                            |
| Building Blocks:                                                                                                                                   | 40 acres                                                                                       |
| Orientation:                                                                                                                                       | East-West                                                                                      |
| Description: TRS/County                                                                                                                            | S/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?                   | Yes                                                                                            |
| <b>Other Situations</b>                                                                                                                            |                                                                                                |
| Depth Severance: Y/N. If yes, description                                                                                                          | No                                                                                             |
| Proximity Tracts: If yes, description                                                                                                              | No                                                                                             |
| Proximity Defining Well: if yes, description                                                                                                       | N/A                                                                                            |
| Applicant's Ownership in Each Tract                                                                                                                | Exhibit C-3                                                                                    |
| <b>Well(s)</b>                                                                                                                                     |                                                                                                |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed                                                                            |

|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Well #1                                                                                                                                          | <b>Whitby 2526 Fed Com #122H well</b><br><b>SHL: 1,146' FNL, 678' FEL (Unit A) of Section 25</b><br><b>FTP: 1,980' FNL, 100' FEL (Unit H) of Section 25</b><br><b>LTP: 1,980' FNL, 110' FWL (Unit E) of Section 26</b><br><b>BHL: 1,980' FNL, 110' FWL (Unit E) of Section 26</b><br><b>Target: Bone Spring</b><br><b>Orientation: East-West</b><br><b>Completion: Standard Location</b> |
| Well #2                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                          |
| Horizontal Well First and Last Take Points                                                                                                       | <b>Exhibit C-1</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Completion Target (Formation, TVD and MD)                                                                                                        | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                       |
|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>AFE Capex and Operating Costs</b>                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                          |
| Drilling Supervision/Month \$                                                                                                                    | <b>\$8,000</b>                                                                                                                                                                                                                                                                                                                                                                           |
| Production Supervision/Month \$                                                                                                                  | <b>\$800</b>                                                                                                                                                                                                                                                                                                                                                                             |
| Justification for Supervision Costs                                                                                                              | <b>Exhibit C</b>                                                                                                                                                                                                                                                                                                                                                                         |
| Requested Risk Charge                                                                                                                            | <b>200%</b>                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Notice of Hearing</b>                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                          |
| Proposed Notice of Hearing                                                                                                                       | <b>Exhibit B</b>                                                                                                                                                                                                                                                                                                                                                                         |
| Proof of Mailed Notice of Hearing (20 days before hearing)                                                                                       | <b>Exhibit E</b>                                                                                                                                                                                                                                                                                                                                                                         |
| Proof of Published Notice of Hearing (10 days before hearing)                                                                                    | <b>Exhibit F</b>                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Ownership Determination</b>                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                          |
| Land Ownership Schematic of the Spacing Unit                                                                                                     | <b>Exhibit C-2</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Tract List (including lease numbers and owners)                                                                                                  | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                                                                       |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | <b>N/A</b>                                                                                                                                                                                                                                                                                                                                                                               |
| Pooled Parties (including ownership type)                                                                                                        | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Unlocatable Parties to be Pooled                                                                                                                 | <b>N/A</b>                                                                                                                                                                                                                                                                                                                                                                               |
| Ownership Depth Severance (including percentage above & below)                                                                                   | <b>N/A</b>                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Joinder</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                          |
| Sample Copy of Proposal Letter                                                                                                                   | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                       |
| List of Interest Owners (ie Exhibit A of JOA)                                                                                                    | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Chronology of Contact with Non-Joined Working Interests                                                                                          | <b>Exhibit C-5</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Overhead Rates In Proposal Letter                                                                                                                | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Cost Estimate to Drill and Complete                                                                                                              | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Cost Estimate to Equip Well                                                                                                                      | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Cost Estimate for Production Facilities                                                                                                          | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Geology</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                          |
| Summary (including special considerations)                                                                                                       | <b>Exhibit D</b>                                                                                                                                                                                                                                                                                                                                                                         |

|                                                                                                                  |                                                                                      |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Spacing Unit Schematic                                                                                           | Exhibit D-1                                                                          |
| Gunbarrel/Lateral Trajectory Schematic                                                                           | N/A                                                                                  |
| Well Orientation (with rationale)                                                                                | Exhibit D                                                                            |
| Target Formation                                                                                                 | Exhibit D, D-3                                                                       |
| HSU Cross Section                                                                                                | Exhibit D-3                                                                          |
| Depth Severance Discussion                                                                                       | N/A                                                                                  |
| <b>Forms, Figures and Tables</b>                                                                                 |                                                                                      |
| C-102                                                                                                            | Exhibit C-1                                                                          |
| Tracts                                                                                                           | Exhibit C-2                                                                          |
| Summary of Interests, Unit Recapitulation (Tracts)                                                               | Exhibit C-3                                                                          |
| General Location Map (including basin)                                                                           | Exhibit D-1                                                                          |
| Well Bore Location Map                                                                                           | Exhibit D-1                                                                          |
| Structure Contour Map - Subsea Depth                                                                             | Exhibit D-2                                                                          |
| Cross Section Location Map (including wells)                                                                     | Exhibit D-3                                                                          |
| Cross Section (including Landing Zone)                                                                           | Exhibit D-3                                                                          |
| <b>Additional Information</b>                                                                                    |                                                                                      |
| Special Provisions/Stipulations                                                                                  | N/A                                                                                  |
| <b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b> |                                                                                      |
| <b>Printed Name</b> (Attorney or Party Representative):                                                          | Paula M. Vance                                                                       |
| <b>Signed Name</b> (Attorney or Party Representative):                                                           |  |
| <b>Date:</b>                                                                                                     | 5/3/2023                                                                             |

# COMPULSORY POOLING APPLICATION CHECKLIST

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

|                                                                                                                                                    |                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <b>Case: 23491</b>                                                                                                                                 | <b>APPLICANT'S RESPONSE</b>                                                                    |
| <b>Date</b>                                                                                                                                        | <b>May 4, 2023</b>                                                                             |
| Applicant                                                                                                                                          | MRC Permian Company                                                                            |
| Designated Operator & OGRID (affiliation if applicable)                                                                                            | Matador Production Company (OGRID No. 228937)                                                  |
| Applicant's Counsel:                                                                                                                               | Holland & Hart LLP                                                                             |
| Case Title:                                                                                                                                        | APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.            |
| Entries of Appearance/Intervenors:                                                                                                                 | N/A                                                                                            |
| Well Family                                                                                                                                        | Whitby                                                                                         |
| <b>Formation/Pool</b>                                                                                                                              |                                                                                                |
| Formation Name(s) or Vertical Extent:                                                                                                              | Bone Spring Formation                                                                          |
| Primary Product (Oil or Gas):                                                                                                                      | Oil                                                                                            |
| Pooling this vertical extent:                                                                                                                      | N/A                                                                                            |
| Pool Name and Pool Code:                                                                                                                           | Carlsbad; Bone Spring, East [96144]                                                            |
| Well Location Setback Rules:                                                                                                                       | Statewide oil rules                                                                            |
| <b>Spacing Unit</b>                                                                                                                                |                                                                                                |
| Type (Horizontal/Vertical)                                                                                                                         | Horizontal                                                                                     |
| Size (Acres)                                                                                                                                       | 320                                                                                            |
| Building Blocks:                                                                                                                                   | 40 acres                                                                                       |
| Orientation:                                                                                                                                       | East-West                                                                                      |
| Description: TRS/County                                                                                                                            | N/2 S/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?                   | Yes                                                                                            |
| <b>Other Situations</b>                                                                                                                            |                                                                                                |
| Depth Severance: Y/N. If yes, description                                                                                                          | No                                                                                             |
| Proximity Tracts: If yes, description                                                                                                              | No                                                                                             |
| Proximity Defining Well: if yes, description                                                                                                       | N/A                                                                                            |
| Applicant's Ownership in Each Tract                                                                                                                | Exhibit C-3                                                                                    |
| <b>Well(s)</b>                                                                                                                                     |                                                                                                |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed                                                                            |

|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                         |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Well #1                                                                                                                                          | <b>Whitby 2526 Fed Com #123H well</b><br>SHL: 1,505' FSL, 711' FEL (Unit I) of Section 25<br>FTP: 1,980' FSL, 100' FEL (Unit I) of Section 25<br>LTP: 1,980' FSL, 110' FWL (Unit L) of Section 26<br>BHL: 1,980' FSL, 110' FWL (Unit L) of Section 26<br>Target: Bone Spring<br>Orientation: East-West<br>Completion: Standard Location |
| Well #2                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                         |
| Horizontal Well First and Last Take Points                                                                                                       | <b>Exhibit C-1</b>                                                                                                                                                                                                                                                                                                                      |
| Completion Target (Formation, TVD and MD)                                                                                                        | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                      |
|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                         |
| <b>AFE Capex and Operating Costs</b>                                                                                                             |                                                                                                                                                                                                                                                                                                                                         |
| Drilling Supervision/Month \$                                                                                                                    | <b>\$8,000</b>                                                                                                                                                                                                                                                                                                                          |
| Production Supervision/Month \$                                                                                                                  | <b>\$800</b>                                                                                                                                                                                                                                                                                                                            |
| Justification for Supervision Costs                                                                                                              | <b>Exhibit C</b>                                                                                                                                                                                                                                                                                                                        |
| Requested Risk Charge                                                                                                                            | <b>200%</b>                                                                                                                                                                                                                                                                                                                             |
| <b>Notice of Hearing</b>                                                                                                                         |                                                                                                                                                                                                                                                                                                                                         |
| Proposed Notice of Hearing                                                                                                                       | <b>Exhibit B</b>                                                                                                                                                                                                                                                                                                                        |
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| Proof of Published Notice of Hearing (10 days before hearing)                                                                                    | <b>Exhibit F</b>                                                                                                                                                                                                                                                                                                                        |
| <b>Ownership Determination</b>                                                                                                                   |                                                                                                                                                                                                                                                                                                                                         |
| Land Ownership Schematic of the Spacing Unit                                                                                                     | <b>Exhibit C-2</b>                                                                                                                                                                                                                                                                                                                      |
| Tract List (including lease numbers and owners)                                                                                                  | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                      |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | <b>N/A</b>                                                                                                                                                                                                                                                                                                                              |
| Pooled Parties (including ownership type)                                                                                                        | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                      |
| Unlocatable Parties to be Pooled                                                                                                                 | <b>N/A</b>                                                                                                                                                                                                                                                                                                                              |
| Ownership Depth Severance (including percentage above & below)                                                                                   | <b>N/A</b>                                                                                                                                                                                                                                                                                                                              |
| <b>Joinder</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                         |
| Sample Copy of Proposal Letter                                                                                                                   | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                      |
| List of Interest Owners (ie Exhibit A of JOA)                                                                                                    | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                      |
| Chronology of Contact with Non-Joined Working Interests                                                                                          | <b>Exhibit C-5</b>                                                                                                                                                                                                                                                                                                                      |
| Overhead Rates In Proposal Letter                                                                                                                | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                      |
| Cost Estimate to Drill and Complete                                                                                                              | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                      |
| Cost Estimate to Equip Well                                                                                                                      | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                      |
| Cost Estimate for Production Facilities                                                                                                          | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                      |
| <b>Geology</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                         |
| Summary (including special considerations)                                                                                                       | <b>Exhibit D</b>                                                                                                                                                                                                                                                                                                                        |

|                                                                                                                  |                                                                                      |
|------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Spacing Unit Schematic                                                                                           | Exhibit D-1                                                                          |
| Gunbarrel/Lateral Trajectory Schematic                                                                           | N/A                                                                                  |
| Well Orientation (with rationale)                                                                                | Exhibit D                                                                            |
| Target Formation                                                                                                 | Exhibit D, D-3                                                                       |
| HSU Cross Section                                                                                                | Exhibit D-3                                                                          |
| Depth Severance Discussion                                                                                       | N/A                                                                                  |
| <b>Forms, Figures and Tables</b>                                                                                 |                                                                                      |
| C-102                                                                                                            | Exhibit C-1                                                                          |
| Tracts                                                                                                           | Exhibit C-2                                                                          |
| Summary of Interests, Unit Recapitulation (Tracts)                                                               | Exhibit C-3                                                                          |
| General Location Map (including basin)                                                                           | Exhibit D-1                                                                          |
| Well Bore Location Map                                                                                           | Exhibit D-1                                                                          |
| Structure Contour Map - Subsea Depth                                                                             | Exhibit D-2                                                                          |
| Cross Section Location Map (including wells)                                                                     | Exhibit D-3                                                                          |
| Cross Section (including Landing Zone)                                                                           | Exhibit D-3                                                                          |
| <b>Additional Information</b>                                                                                    |                                                                                      |
| Special Provisions/Stipulations                                                                                  | N/A                                                                                  |
| <b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b> |                                                                                      |
| <b>Printed Name</b> (Attorney or Party Representative):                                                          | Paula M. Vance                                                                       |
| <b>Signed Name</b> (Attorney or Party Representative):                                                           |  |
| <b>Date:</b>                                                                                                     | 5/3/2023                                                                             |

# COMPULSORY POOLING APPLICATION CHECKLIST

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

|                                                                                                                                                    |                                                                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <b>Case: 23492</b>                                                                                                                                 | <b>APPLICANT'S RESPONSE</b>                                                                    |
| <b>Date</b>                                                                                                                                        | <b>May 4, 2023</b>                                                                             |
| Applicant                                                                                                                                          | MRC Permian Company                                                                            |
| Designated Operator & OGRID (affiliation if applicable)                                                                                            | Matador Production Company (OGRID No. 228937)                                                  |
| Applicant's Counsel:                                                                                                                               | Holland & Hart LLP                                                                             |
| Case Title:                                                                                                                                        | APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.            |
| Entries of Appearance/Intervenors:                                                                                                                 | N/A                                                                                            |
| Well Family                                                                                                                                        | Whitby                                                                                         |
| <b>Formation/Pool</b>                                                                                                                              |                                                                                                |
| Formation Name(s) or Vertical Extent:                                                                                                              | Bone Spring Formation                                                                          |
| Primary Product (Oil or Gas):                                                                                                                      | Oil                                                                                            |
| Pooling this vertical extent:                                                                                                                      | N/A                                                                                            |
| Pool Name and Pool Code:                                                                                                                           | Carlsbad; Bone Spring, East [96144]                                                            |
| Well Location Setback Rules:                                                                                                                       | Statewide oil rules                                                                            |
| <b>Spacing Unit</b>                                                                                                                                |                                                                                                |
| Type (Horizontal/Vertical)                                                                                                                         | Horizontal                                                                                     |
| Size (Acres)                                                                                                                                       | 320                                                                                            |
| Building Blocks:                                                                                                                                   | 40 acres                                                                                       |
| Orientation:                                                                                                                                       | East-West                                                                                      |
| Description: TRS/County                                                                                                                            | S/2 S/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?                   | Yes                                                                                            |
| <b>Other Situations</b>                                                                                                                            |                                                                                                |
| Depth Severance: Y/N. If yes, description                                                                                                          | No                                                                                             |
| Proximity Tracts: If yes, description                                                                                                              | No                                                                                             |
| Proximity Defining Well: if yes, description                                                                                                       | N/A                                                                                            |
| Applicant's Ownership in Each Tract                                                                                                                | Exhibit C-3                                                                                    |
| <b>Well(s)</b>                                                                                                                                     |                                                                                                |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed                                                                            |

|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Well #1                                                                                                                                          | <b>Whitby 2526 Fed Com #124H well</b><br><b>SHL: 1,504' FSL, 680' FEL (Unit I) of Section 25</b><br><b>FTP: 660' FSL, 100' FEL (Unit P) of Section 25</b><br><b>LTP: 660' FSL, 110' FWL (Unit M) of Section 26</b><br><b>BHL: 660' FSL, 110' FWL (Unit M) of Section 26</b><br><b>Target: Bone Spring</b><br><b>Orientation: East-West</b><br><b>Completion: Standard Location</b> |
| Well #2                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                    |
| Horizontal Well First and Last Take Points                                                                                                       | <b>Exhibit C-1</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Completion Target (Formation, TVD and MD)                                                                                                        | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                 |
|                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>AFE Capex and Operating Costs</b>                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                    |
| Drilling Supervision/Month \$                                                                                                                    | <b>\$8,000</b>                                                                                                                                                                                                                                                                                                                                                                     |
| Production Supervision/Month \$                                                                                                                  | <b>\$800</b>                                                                                                                                                                                                                                                                                                                                                                       |
| Justification for Supervision Costs                                                                                                              | <b>Exhibit C</b>                                                                                                                                                                                                                                                                                                                                                                   |
| Requested Risk Charge                                                                                                                            | <b>200%</b>                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Notice of Hearing</b>                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                    |
| Proposed Notice of Hearing                                                                                                                       | <b>Exhibit B</b>                                                                                                                                                                                                                                                                                                                                                                   |
| Proof of Mailed Notice of Hearing (20 days before hearing)                                                                                       | <b>Exhibit E</b>                                                                                                                                                                                                                                                                                                                                                                   |
| Proof of Published Notice of Hearing (10 days before hearing)                                                                                    | <b>Exhibit F</b>                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Ownership Determination</b>                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                    |
| Land Ownership Schematic of the Spacing Unit                                                                                                     | <b>Exhibit C-2</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Tract List (including lease numbers and owners)                                                                                                  | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                                                                 |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | <b>N/A</b>                                                                                                                                                                                                                                                                                                                                                                         |
| Pooled Parties (including ownership type)                                                                                                        | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Unlocatable Parties to be Pooled                                                                                                                 | <b>N/A</b>                                                                                                                                                                                                                                                                                                                                                                         |
| Ownership Depth Severance (including percentage above & below)                                                                                   | <b>N/A</b>                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Joinder</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                    |
| Sample Copy of Proposal Letter                                                                                                                   | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                 |
| List of Interest Owners (ie Exhibit A of JOA)                                                                                                    | <b>Exhibit C-3</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Chronology of Contact with Non-Joined Working Interests                                                                                          | <b>Exhibit C-5</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Overhead Rates In Proposal Letter                                                                                                                | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Cost Estimate to Drill and Complete                                                                                                              | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Cost Estimate to Equip Well                                                                                                                      | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                 |
| Cost Estimate for Production Facilities                                                                                                          | <b>Exhibit C-4</b>                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Geology</b>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                    |
| Summary (including special considerations)                                                                                                       | <b>Exhibit D</b>                                                                                                                                                                                                                                                                                                                                                                   |

|                                                                                                                  |                                                                                      |
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| Spacing Unit Schematic                                                                                           | Exhibit D-1                                                                          |
| Gunbarrel/Lateral Trajectory Schematic                                                                           | N/A                                                                                  |
| Well Orientation (with rationale)                                                                                | Exhibit D                                                                            |
| Target Formation                                                                                                 | Exhibit D, D-3                                                                       |
| HSU Cross Section                                                                                                | Exhibit D-3                                                                          |
| Depth Severance Discussion                                                                                       | N/A                                                                                  |
| <b>Forms, Figures and Tables</b>                                                                                 |                                                                                      |
| C-102                                                                                                            | Exhibit C-1                                                                          |
| Tracts                                                                                                           | Exhibit C-2                                                                          |
| Summary of Interests, Unit Recapitulation (Tracts)                                                               | Exhibit C-3                                                                          |
| General Location Map (including basin)                                                                           | Exhibit D-1                                                                          |
| Well Bore Location Map                                                                                           | Exhibit D-1                                                                          |
| Structure Contour Map - Subsea Depth                                                                             | Exhibit D-2                                                                          |
| Cross Section Location Map (including wells)                                                                     | Exhibit D-3                                                                          |
| Cross Section (including Landing Zone)                                                                           | Exhibit D-3                                                                          |
| <b>Additional Information</b>                                                                                    |                                                                                      |
| Special Provisions/Stipulations                                                                                  | N/A                                                                                  |
| <b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b> |                                                                                      |
| <b>Printed Name</b> (Attorney or Party Representative):                                                          | Paula M. Vance                                                                       |
| <b>Signed Name</b> (Attorney or Party Representative):                                                           |  |
| <b>Date:</b>                                                                                                     | 5/3/2023                                                                             |