

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING JUNE 15, 2023**

**CASE NO. 23552**

*MICHAEL K&B 2122 FED COM #203H & #204H  
WELLS*

**EDDY COUNTY, NEW MEXICO**



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

**APPLICATION OF MRC PERMIAN  
COMPANY TO AMEND ORDER NO. R-22559,  
APPROVE A NON-STANDARD SPACING  
UNIT, AND DISMISS ORDER NO. R-22560,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23552**


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

<b>Case: 23552</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>June 15, 2023</b>
<b>Applicant</b>	<b>MRC Permian Company</b>
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	<b>Matador Production Company (OGRID No. 228937)</b>
<b>Applicant's Counsel:</b>	<b>Holland &amp; Hart LLP</b>
<b>Case Title:</b>	<b>APPLICATION OF MRC PERMIAN COMPANY TO AMEND ORDER NO. R-22559, APPROVE A NON-STANDARD SPACING UNIT, AND DISMISS ORDER NO. R-22560, EDDY COUNTY, NEW MEXICO.</b>
<b>Entries of Appearance/Intervenors:</b>	<b>N/A</b>
<b>Well Family</b>	<b>Michael K&amp;B</b>
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	<b>Wolfcamp Formation</b>
<b>Primary Product (Oil or Gas):</b>	<b>Gas</b>
<b>Pooling this vertical extent:</b>	<b>N/A</b>
<b>Pool Name and Pool Code:</b>	<b>Burton Flat; Wolfcamp, East (gas) (73480)</b>
<b>Well Location Setback Rules:</b>	<b>Statewide gas rules</b>
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	<b>Horizontal</b>
<b>Size (Acres)</b>	<b>560</b>
<b>Building Blocks:</b>	<b>320 acres</b>
<b>Orientation:</b>	<b>West-East</b>
<b>Description: TRS/County</b>	<b>S/2 of Section 21 and the SW/4 and W/2 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico</b>
<b>Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?</b>	<b>No; approval of a non-standard spacing unit has been requested. The excluded acreage encompasses the E/2 SE/4 of Section 22.</b>
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	<b>No</b> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico
<b>Proximity Tracts: If yes, description</b>	<b>No</b> Exhibit No. A Submitted by: MRC Permian Company
<b>Proximity Defining Well: if yes, description</b>	<b>N/A</b> Hearing Date: June 15, 2023 Case No. 23552
<b>Applicant's Ownership in Each Tract</b>	<b>Exhibit C-4, C-5</b>
<b>Well(s)</b>	

Name & API (if Assigned), 2023 face, 300 ft bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	<b>Michael K 2122 Feder Com #203H well</b> SHL: 1,104' FSL, 964' FEL (Unit P) of Section 20 BHL: 1,982' FSL, 1,431' FEL (Unit J) of Section 22 Target: Wolfcamp Orientation: West-East Completion: Non-Standard Standard
Well #2	<b>Michael K 2122 Feder Com #204H well</b> SHL: 1,074' FSL, 964' FEL (Unit P) of Section 20 BHL: 665' FSL, 1,432' FEL (Unit O) of Section 22 Target: Wolfcamp Orientation: West-East Completion: Non-Standard Standard
Horizontal Well First and Last Take Points	Exhibit C-3
Completion Target (Formation, TVD and MD)	Exhibit C-1
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C-1
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	Exhibit C-2
Pooled Parties (including ownership type)	Exhibit C-1, C-4, C-5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-1
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4, C-5
Chronology of Contact with Non-Joined Working Interests	Exhibit C-1
Overhead Rates In Proposal Letter	Exhibit C-1

Cost Estimate to Drill and Complete	Exhibit C-1
Cost Estimate to Equip Well	Exhibit C-1
Cost Estimate for Production Facilities	Exhibit C-1
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit C-3
Tracts	Exhibit C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-4, C-5
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>	6/13/2023

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

APPLICATION OF MRC PERMIAN  
COMPANY TO AMEND ORDER NO. R-22559,  
APPROVE A NON-STANDARD SPACING  
UNIT, AND DISMISS ORDER NO. R-22560,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 23552

APPLICATION

MRC Permian Company (“MRC” or “Applicant”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) to amend pooling Order No. R-22559, to incorporate the acreage under Order No. R-22560 to create a non-standard horizontal well spacing unit, and dismiss Order No. R-22560. In support of its application, MRC states:

1. Matador Production Company (OGRID No. 228937) is the designated operator under Order No. R-22559 and Order No. R-22560, both of which were entered on March 30, 2023.
2. Order No. R-22559, under Case No. 23065, pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard 280-acre horizontal well spacing unit comprised of the N/2 S/2 of Section 21 and the N/2 SW/4 and NW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit, based on 40-acre building blocks, is dedicated to the **Michael K&B 2122 Fed Com #203H** well (API No. 30-015-53686), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the NW/4 SE/4 (Unit J) of Section 22.

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3. Order No. R-22560, under Case No. 23066, pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard 280-acre horizontal well spacing unit comprised of the S/2 S/2 of Section 21 and the S/2 SW/4 and SW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit, based on 40-acre building blocks, is dedicated to the **Michael K&B 2122 Fed Com #204H** well (API No. 30-015-53685), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the SW/4 SE/4 (Unit O) of Section 22.

4. Applicant was originally informed by the Division's District geologist that the acreage in both cases would be assigned to an oil pool subject to 40-acre standard spacing; however, Matador was subsequently informed by the Division that the acreage is in a gas pool (Burton Flat; Wolfcamp, East (gas) [73480]) subject to 320-acre standard spacing.

5. Thus, Applicant seeks to amend Order R-22559 by combining the dedicated acreage from the two original units to form a non-standard 560-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the S/2 of Section 21 and the SW/4 and W/2 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.

6. The owners and their proportionate interests are uniform between Order Nos. R-22559 and R-22560 will remain unchanged in the proposed larger, non-standard horizontal well spacing unit.

7. As explained in the cases underlying Order Nos. R-22559 and 22560, the E/2 SE/4 of Section 22 was excluded in an agreement with Devon Energy Corporation to resolve competing development plans whereby Devon will include the excluded acreage in its development along with the S/2 of Sections 23 and 24.

8. Approval of the non-standard spacing unit is necessary to prevent waste and protect correlative rights.

9. All other provisions under Order No. R-22559 are proposed to remain unchanged.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 1, 2023, and, after notice and hearing as required by law, the Division enter an order approving this Application.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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

ATTORNEYS FOR MRC PERMIAN COMPANY



CASE \_\_\_\_\_ : **Application of MRC Permian Company to Amend Order No. R-22559, Approve a Non-Standard Spacing Unit, and Dismiss Order No. R-22560, Eddy County, New Mexico.** Applicant seeks to amend pooling Order No. R-22559, to incorporate the acreage under Order No. R-22560 to create a non-standard horizontal well spacing unit, and dismiss Order No. R-22560. The units under the existing orders are comprised as follows:

- Order No. R-22559 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard N/2 S/2 of Section 21 and the N/2 SW/4 and NW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit, based on 40-acre building blocks, is dedicated to the **Michael K&B 2122 Fed Com #203H** well (API No. 30-015-53686), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the NW/4 SE/4 (Unit J) of Section 22.
- Order No. R-22560 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard 280-acre horizontal spacing unit comprised of the S/2 S/2 of Section 21 and the S/2 SW/4 and SW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit, based on 40-acre building blocks, is dedicated to the **Michael K&B 2122 Fed Com #204H** well (API No. 30-015-53685), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the SW/4 SE/4 (Unit O) of Section 22.

The Oil Conservation Division has since dedicated the acreage to a gas pool subject to 320-acre spacing. Thus, Applicant seeks to amend Order No. R-22559, combining the dedicated acreage under the two original units to form a non-standard 560-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the S/2 of Section 21 and the SW/4 and W/2 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Approval of the non-standard horizontal well spacing unit is necessary to prevent waste and protect correlative rights. All other provisions under Order No. R-22559 are proposed to remain unchanged. This area is located about 13.5 miles northeast of Carlsbad, New Mexico.

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

APPLICATION OF MRC PERMIAN  
COMPANY TO AMEND ORDER NO. R-22559,  
APPROVE A NON-STANDARD SPACING  
UNIT, AND DISMISS ORDER NO. R-22560,  
EDDY COUNTY, NEW MEXICO.

CASE NO. 23552

AFFIDAVIT OF HAWKS HOLDER

Hawks Holder, of lawful age and being first duly sworn, states the following:

1. My name is Hawks Holder, and I am employed by MRC Energy Company, an affiliate of Matador Production Company (“Matador”), as a Landman.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by MRC Permian Company (“MRC” or “Applicant”) in this case and the status of the lands in the subject area.
4. In this case, MRC seeks to amend pooling Order No. R-22559 (Case No. 23065), to incorporate the acreage under Order No. R-22560 (Case No. 23066) to create a non-standard horizontal well spacing unit, and dismiss Order No. R-22560, in order to form a non-standard 560-acre, more or less, spacing unit in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) comprised of the S/2 of Section 21 and the SW/4 and W/2 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.
5. This non-standard 560-acre horizontal well spacing unit will be dedicated to the drilled **Michael K&B 2122 Fed Com #203H** well (API No. 30-015-53686), which was

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. C  
Submitted by: MRC Permian Company  
Hearing Date: June 15, 2023  
Case No. 23552

horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the NW/4 SE/4 (Unit J) of Section 22; and **Michael K&B 2122 Fed Com #204H** well (API No. 30-015-53685), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the SW/4 SE/4 (Unit O) of Section 22.

6. Applicant was originally informed by the Division's District geologist that the acreage in the original cases (Case No. 23065 and Case No. 23066) would be assigned to an oil pool subject to 40-acre standard spacing; however, Matador was subsequently informed by the Division that the acreage is in a gas pool (Burton Flat; Wolfcamp, East (gas) [73480]) subject to 320-acre standard spacing. Thus, Applicant seeks to amend Order R-22559 by combining the dedicated acreage from the two original units to form a non-standard 560-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the S/2 of Section 21 and the SW/4 and W/2 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico.

7. **Matador Exhibit C-1** is a copy of the original orders in Case No. 23065 (Order No. R-22559) and Case No. 23066 (Order No. R-22560).

8. **Matador Exhibit C-2** is a plat showing the proposed non-standard horizontal spacing unit, including federal leases. Exhibit C-2 also shows the affected offset acreage for the proposed non-standard horizontal spacing unit. The affected offset acreage comprises the E/2 SE/4 of Section 22. By voluntary agreement to resolve competing development plans, Matador understands that Devon will be including the E/2 SE/2 of Section 22 in its development of that acreage along with the S/2 of Section 23 and 24. EOG Resources, Inc. and Oxy Y-1 Company both own working interest in the offsetting tract. In addition, the exhibit identifies that the

offsetting tract includes a Bureau of Land Management (“BLM”) lease. Accordingly, all affected parties were noticed of the request for a non-standard unit.

9. **Matador Exhibit C-3** contains permitted Form C-102’s for the drilled wells in the proposed non-standard horizontal spacing unit. The first and last take points are at a non-standard location; therefore, Applicant has separately filed for administrative approval of these non-standard locations.

10. Matador understands that these Wolfcamp wells are in the Burton Flat; Wolfcamp, East (gas) (73480) pool.

11. **Matador Exhibit C-4** identifies the tracts of land comprising the enlarged non-standard horizontal spacing unit. The subject acreage is comprised of federal acreage.

12. There are no depth severances within the Wolfcamp formation underlying this acreage.

13. **Matador Exhibit C-5** identifies the working interest owners and overriding royalty interests that MRC seeks to consolidate under an amended order. The owners and their proportionate interests are uniform between Order Nos. R-22559 and R-22560 and will remain unchanged in the proposed larger, non-standard horizontal well spacing unit.

14. Matador provided each pooled working interest owner an election letter and AFEs under the terms of Order Nos. R-22559 and R-22560. Because the interests are uniform between the prior Order Nos. R-22559 and R-22560, these interest owners will still have the same working interest percentage in each well, even after the consolidation into a larger non-standard unit requested in this case, as originally proposed.

15. MRC requests that all other provisions under Order No. R-22559, remain unchanged.

16. Applicant has provided the law firm of Holland & Hart LLP with the names and addresses of the pooled parties it seeks to consolidate under pooling Order No. R-22559 and instructed that they be notified of this hearing.

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

FURTHER AFFIANT SAYETH NAUGHT.

  
\_\_\_\_\_  
HAWKS HOLDER

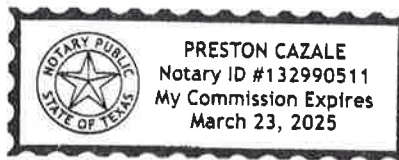
STATE OF TEXAS                    )  
  )  
COUNTY OF DALLAS            )

SUBSCRIBED and SWORN to before me this 13<sup>th</sup> day of June 2023 by Hawks Holder.

  
\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires:

3/23/2025



# **EXHIBIT C-1**

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

IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
MATADOR PRODUCTION COMPANY

CASE NO. 23065  
ORDER NO. R-22559

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on November 17, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Matador Production Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the




- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
  25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
  26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
  27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
  28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
  29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
DYLAN M. FUDGE  
DIRECTOR (ACTING)  
DMF/jrh

Date: 3/30/23

CASE NO. 23065  
ORDER NO. R-22559

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## Exhibit A

Received by OCD: 11/15/2022 3:17:03 PM

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<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23065</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 17, 2022</b>
<b>Applicant</b>	<b>Matador Production Company</b>
<b>Designated Operator &amp; OGRID (affiliation if applicable)</b>	<b>228937</b>
<b>Applicant's Counsel:</b>	<b>Holland &amp; Hart LLP</b>
<b>Case Title:</b>	<b>APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.</b>
<b>Entries of Appearance/Intervenors:</b>	<b>ConocoPhillips</b>
<b>Well Family</b>	<b>Michael K 2122 Fed Com</b>
<b>Formation/Pool</b>	
<b>Formation Name(s) or Vertical Extent:</b>	<b>Wolfcamp</b>
<b>Primary Product (Oil or Gas):</b>	<b>Oil</b>
<b>Pooling this vertical extent:</b>	<b>N/A</b>
<b>Pool Name and Pool Code:</b>	<b>Burton Flat; Upper Wolfcamp, East [98315]</b>
<b>Well Location Setback Rules:</b>	<b>Statewide oil rules</b>
<b>Spacing Unit Size:</b>	<b>280 acres</b>
<b>Spacing Unit</b>	
<b>Type (Horizontal/Vertical)</b>	<b>Horizontal</b>
<b>Size (Acres)</b>	<b>280</b>
<b>Building Blocks:</b>	<b>40 acres</b>
<b>Orientation:</b>	<b>West-East</b>
<b>Description: TRS/County</b>	<b>N2S2 of Section 21 and the N2SW4 and NW4SE4 of Section 22, T20S, R29E, NMPM, Eddy County, New Mexico.</b>
<b>Standard Horizontal Well Spacing Unit (Y/N), If No, describe</b>	<b>Yes</b>
<b>Other Situations</b>	
<b>Depth Severance: Y/N. If yes, description</b>	<b>No</b>
<b>Proximity Tracts: If yes, description</b>	<b>No</b>
<b>Proximity Defining Well: if yes, description</b>	<b>N/A</b>
<b>Applicant's Ownership in Each Tract</b>	<b>Exhibit C-3</b>
<b>Well(s)</b>	
<b>Name &amp; API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)</b>	

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CASE NO. 23065  
ORDER NO. R-22559

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Well #1	<b>Michael K 2122 Fed Com 203H</b> SHL: 1104' FSL and 964' FEL (Unit P) of Section 20 BHL: 1980' FSL and 1432' FEL (Unit J) of Section 22 Target: Wolfcamp Orientation: West-East Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2
Tract List (including lease numbers and owners)	Exhibits C-2; C-3
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibits C-5, E
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Cost Estimate to Drill and Complete	Exhibit C-4
Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-4
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D; D-5
HSU Cross Section	Exhibit D-5
Depth Severance Discussion	N/A
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ORDER NO. R-22559

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C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2; C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-4
Structure Contour Map - Subsea Depth	Exhibit D-4
Cross Section Location Map (including wells)	Exhibit D-4
Cross Section (including Landing Zone)	Exhibit D-5
<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>	
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	
Date:	15-Nov-22

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CASE NO. 23065  
ORDER NO. R-22559

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

**IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
MATADOR PRODUCTION COMPANY**

**CASE NO. 23066  
ORDER NO. R-22560**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on November 17, 2022, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

**FINDINGS OF FACT**

1. Matador Production Company (“Operator”) submitted an application (“Application”) to compulsory pool the uncommitted oil and gas interests within the spacing unit (“Unit”) described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
2. Operator will dedicate the well(s) described in Exhibit A (“Well(s)”) to the Unit.
3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

**CONCLUSIONS OF LAW**

6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
7. Operator is the owner of an oil and gas working interest within the Unit.
8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
10. Operator has the right to drill the Well(s) to a common source of supply at the

depth(s) and location(s) in the Unit described in Exhibit A.

11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

### ORDER

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the

- well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
  25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
  26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
  27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
  28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
  29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share



of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.

- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

  
 \_\_\_\_\_  
**DYLAN M. FUGE**  
**DIRECTOR (ACTING)**  
 DMF/jrh

Date: 3/30/23

CASE NO. 23066  
ORDER NO. R-22560

## Exhibit A

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<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 23066</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 17, 2022</b>
Applicant	Matador Production Company
Designated Operator & OGRID (affiliation if applicable)	228937
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MATADOR PRODUCTION COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	ConocoPhillips
Well Family	Michael K 2122 Fed Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Burton Flat; Upper Wolfcamp, East [98315]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit Size:	280 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	280
Building Blocks:	40 acres
Orientation:	West-East
Description: TRS/County	S2S2 of Section 21 and the S2SW4 and SW4SE4 of Section 22, T20S, R29E, NMPM, Eddy County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), if No, describe	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)	

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CASE NO. 23066  
ORDER NO. R-22560

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Well #1	<b>Michael K 2122 Fed Com 204H</b> SHL: 1074' FSL and 964' FEL (Unit P) of Section 20 BHL: 660' FSL and 1432' FEL (Unit O) of Section 22 Target: Wolfcamp Orientation: West-East Completion: Standard Location	
Horizontal Well First and Last Take Points	Exhibit C-1	
Completion Target (Formation, TVD and MD)	Exhibit C-4	
<b>AFE Capex and Operating Costs</b>		
Drilling Supervision/Month \$	\$8,000	
Production Supervision/Month \$	\$800	
Justification for Supervision Costs	Exhibit C	
Requested Risk Charge	200%	
<b>Notice of Hearing</b>		
Proposed Notice of Hearing	Exhibit B	
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E	
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F	
<b>Ownership Determination</b>		
Land Ownership Schematic of the Spacing Unit	Exhibit C-2	
Tract List (including lease numbers and owners)	Exhibits C-2; C-3	
Pooled Parties (including ownership type)	Exhibit C-3	
Unlocatable Parties to be Pooled	Exhibits C-5, E	
Ownership Depth Severance (including percentage above & below)	N/A	
<b>Joinder</b>		
Sample Copy of Proposal Letter	Exhibit C-4	
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3	
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5	
Overhead Rates In Proposal Letter	Exhibit C-4	
Cost Estimate to Drill and Complete	Exhibit C-4	
Cost Estimate to Equip Well	Exhibit C-4	
Cost Estimate for Production Facilities	Exhibit C-4	
<b>Geology</b>		
Summary (including special considerations)	Exhibit D	
Spacing Unit Schematic	Exhibit C-1	
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-4	
Well Orientation (with rationale)	Exhibit D	
Target Formation	Exhibits D; D-5	
HSU Cross Section	Exhibit D-5	
Depth Severance Discussion	N/A	
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C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibits C-2; C-3
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-4
Structure Contour Map - Subsea Depth	Exhibit D-4
Cross Section Location Map (including wells)	Exhibit D-4
Cross Section (including Landing Zone)	Exhibit D-5
<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>	
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	
Date:	15-Nov-22

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CASE NO. 23066  
ORDER NO. R-22560

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# EXHIBIT C-2

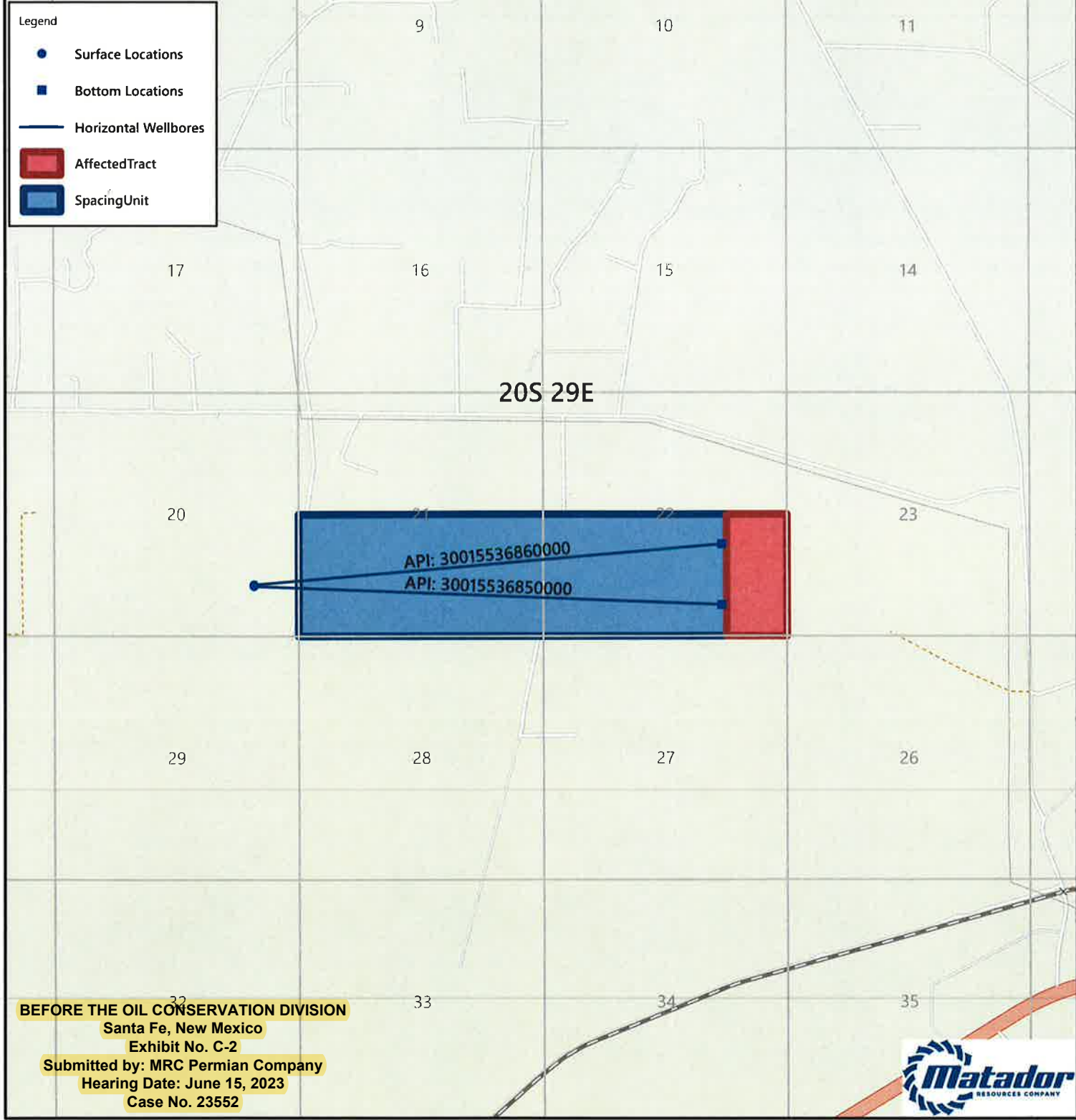
# MICHAEL K 2122 FED COM #203H & #204H

Date Published:  
6/12/2023



**Legend**

- Surface Locations
- Bottom Locations
- Horizontal Wellbores
- AffectedTract
- SpacingUnit



**BEFORE THE OIL CONSERVATION DIVISION**  
**Santa Fe, New Mexico**  
**Exhibit No. C-2**  
**Submitted by: MRC Permian Company**  
**Hearing Date: June 15, 2023**  
**Case No. 23552**



**GIS Standard Map Disclaimer:**  
 This cartographic product is for informational purposes and may not have been prepared for, or be suitable for, engineering or surveying purposes. Users of this information should refer to the primary data and information sources to determine the quality of the information.

**0 1,500 3,000 6,000 Feet**

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

Map Prepared by: thudgins  
 Date: June 12, 2023  
 Project: \\GIS\UserData\thudgins\tempProjects\20230523\_NSL\_Maps\NSL\_Maps.aprx  
 Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet  
 Sources: IHS; ESRI; US DOI BLM Carlsbad, NM Field Office, GIS Department;  
 Texas Cooperative Wildlife Collection, Texas A&M University;  
 United States Census Bureau (TIGER);

# **EXHIBIT C-3**

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submitted by: MRC Permian Company  
Hearing Date: June 15, 2023  
Revised August 1, 2011  
Case No. 23552

FORM C-102  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-53686</b>	<sup>2</sup> Pool Code <b>73480</b>	<sup>3</sup> Pool Name <b>Burton Flat; Wolfcamp, East (Gas)</b>
<sup>4</sup> Property Code <b>333857</b>	<sup>5</sup> Property Name <b>MICHAEL K 2122 FED COM</b>	
<sup>6</sup> OGRID No. <b>2a8937</b>	<sup>7</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>	<sup>8</sup> Well Number <b>203H</b>
		<sup>9</sup> Elevation <b>3260'</b>

<sup>10</sup>Surface Location

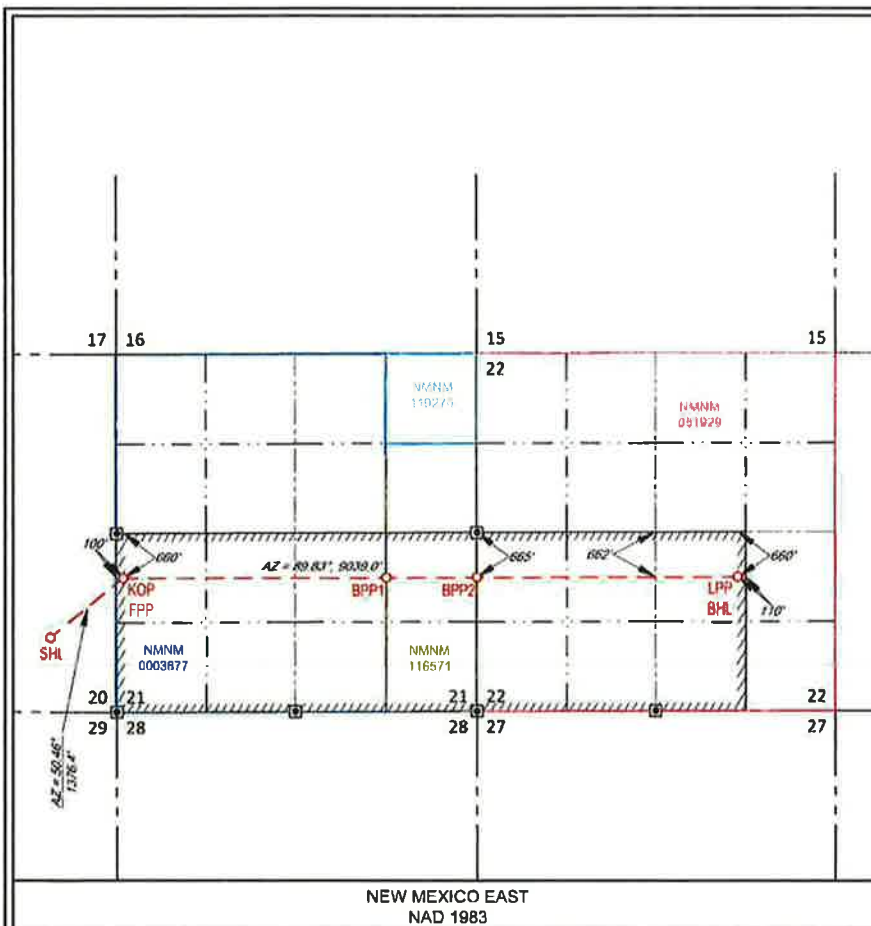
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	20	20-S	29-E	-	1104'	SOUTH	964'	EAST	EDDY

<sup>11</sup>Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	22	20-S	29-E	-	1982'	SOUTH	1431'	EAST	EDDY

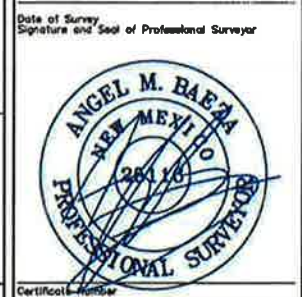
<sup>12</sup> Dedicated Acres <b>560</b>	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
---	-------------------------------	----------------------------------	-------------------------

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



**<sup>17</sup>OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at the location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  
*Hawks Holder* 3/30/23  
Signature Date  
**HAWKS HOLDER**  
Printed Name  
**HAWKS.HOLDER@MATADORRESOURCES.COM**  
E-mail Address

**<sup>18</sup>SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.  
**08/23/2022**  
Date of Survey  
Signature and Seal of Professional Surveyor



NEW MEXICO EAST NAD 1983		
<u>SURFACE LOCATION (SHL)</u>	<u>KICK OFF POINT (KOP)</u>	<u>FIRST PERF. POINT (FPP)</u>
1104' FSL - SEC. 20	1980' FSL - SEC. 21	1978' FSL - SEC. 21
964' FEL - SEC. 20	100' FWL - SEC. 21	1321' FEL - SEC. 21
X=615774 Y=566521	X=616836 Y=566497	X=620699 Y=566509
LAT.: N 32.5547169	LAT.: N 32.5571186	LAT.: N 32.5571245
LONG.: W 104.0817406	LONG.: W 104.0882888	LONG.: W 104.0757486
<u>BLM PERF. POINT (BPP2)</u>	<u>LAST PERF. POINT (LPP)</u>	<u>BOTTOM HOLE LOCATION (BHL)</u>
1977' FSL - SEC. 21	1982' FSL - SEC. 22	1431' FEL - SEC. 22
0' FEL - SEC. 21	0' FEL - SEC. 21	X=625874 Y=566524
X=622020 Y=566512	X=622020 Y=566512	LAT.: N 32.5571262
LAT.: N 32.5571262	LAT.: N 32.5571262	LAT.: N 32.5571304
LONG.: W 104.0714607	LONG.: W 104.0714607	LONG.: W 104.0589512

NEW MEXICO EAST NAD 1927	
<u>SURFACE LOCATION (SHL)</u>	<u>KICK OFF POINT (KOP)</u>
X=574394 Y=566540	X=574394 Y=566540
LAT.: N 32.5547083	LAT.: N 32.5547083
LONG.: W 104.0817306	LONG.: W 104.0817306
<u>BLM PERF. POINT (BPP2)</u>	<u>LAST PERF. POINT (LPP)</u>
X=572510 Y=566446	X=572510 Y=566446
LAT.: N 32.5570023	LAT.: N 32.5570023
LONG.: W 104.0752489	LONG.: W 104.0752489
<u>BOTTOM HOLE LOCATION (BHL)</u>	<u>BLM PERF. POINT (BPP1)</u>
X=604004 Y=566402	X=604004 Y=566402
LAT.: N 32.5371115	LAT.: N 32.5371115
LONG.: W 104.0544480	LONG.: W 104.0544480



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State of New Mexico  
Energy, Minerals & Natural Resources  
Department  
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1220 South St. Francis Dr.  
Santa Fe, NM 87505

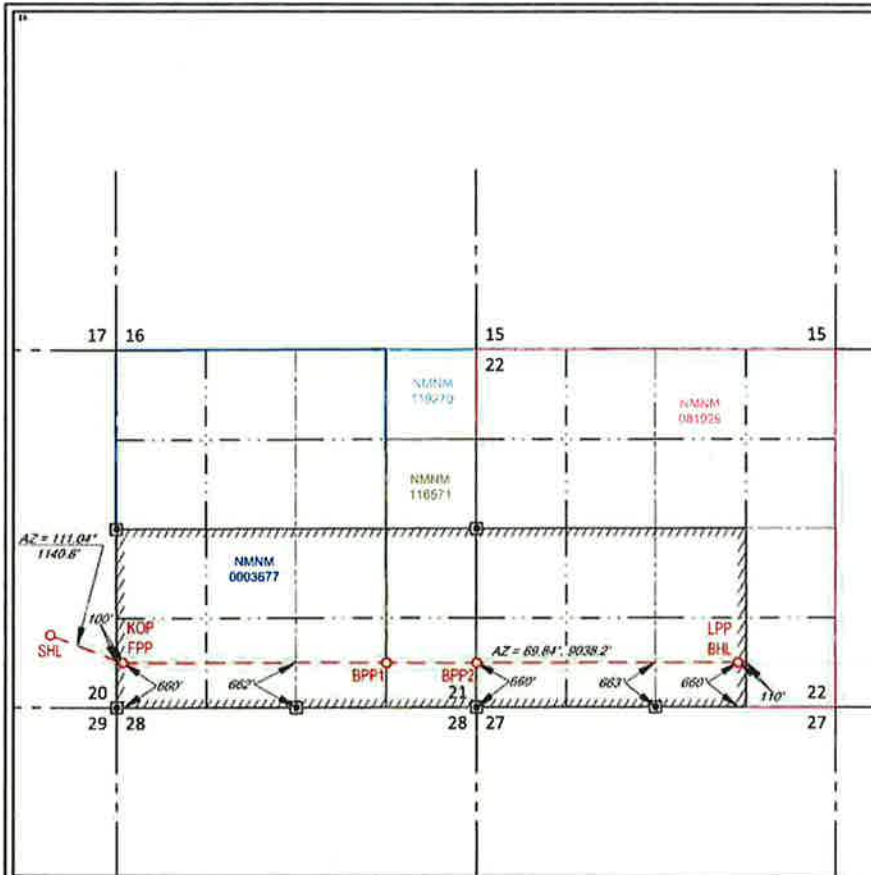
FORM C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-015-53685</b>		<sup>2</sup> Pool Code <b>73480</b>		<sup>3</sup> Pool Name <b>Burton Flat; Wolfcamp, East (Gas)</b>			
<sup>4</sup> Property Code <b>333857</b>		<sup>5</sup> Property Name <b>MICHAEL K 2122 FED COM</b>		<sup>6</sup> Well Number <b>204H</b>			
<sup>7</sup> OGRID No. <b>228937</b>		<sup>8</sup> Operator Name <b>MATADOR PRODUCTION COMPANY</b>		<sup>9</sup> Elevation <b>3260'</b>			
<sup>10</sup> Surface Location							
DL or lot no. <b>P</b>	Section <b>20</b>	Township <b>20-S</b>	Range <b>29-E</b>	Lot Idn <b>-</b>	Feet from the North/South line <b>1074'</b>	Feet from the East/West line <b>964'</b>	County <b>EDDY</b>
<sup>11</sup> Bottom Hole Location If Different From Surface							
DL or lot no. <b>0</b>	Section <b>22</b>	Township <b>20-S</b>	Range <b>29-E</b>	Lot Idn <b>-</b>	Feet from the North/South line <b>665'</b>	Feet from the East/West line <b>1432'</b>	County <b>EDDY</b>
<sup>12</sup> Dedicated Acres <b>560</b>	<sup>13</sup> Joint or In/In	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

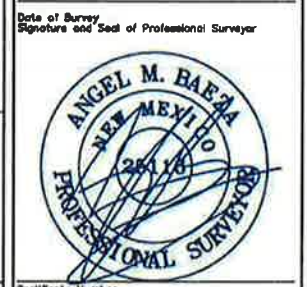


**<sup>17</sup>OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with a number of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

*[Signature]* **3/30/23**  
Signature Date  
**HAWKS HOLDER**  
Printed Name  
**HAWKS.HOLDER@MATADORRESOURCES.COM**  
E-mail Address

**<sup>18</sup>SURVEYOR CERTIFICATION**  
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true to the best of my belief.

**08/23/2022**  
Date of Survey  
Signature and Seal of Professional Surveyor

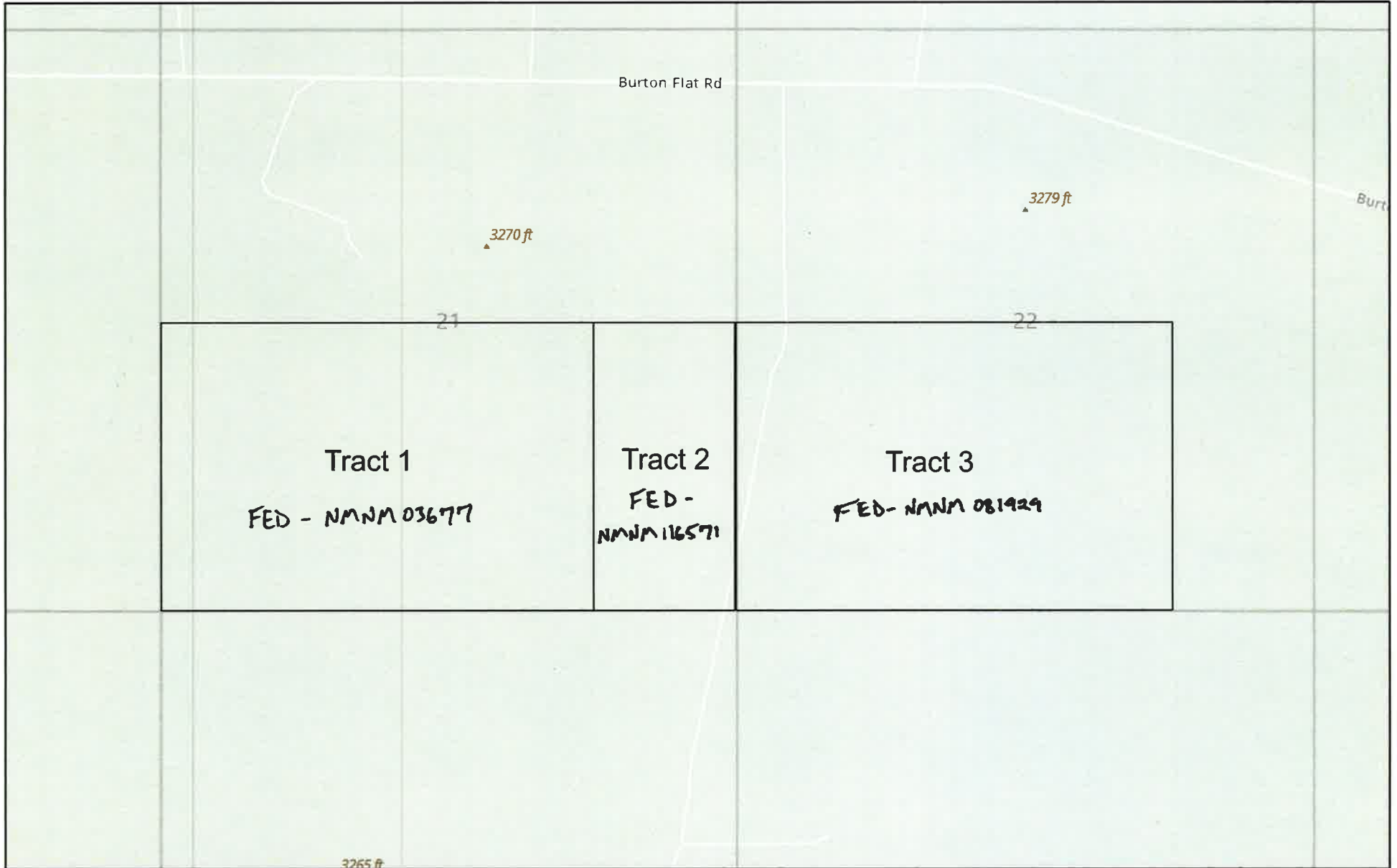


NEW MEXICO EAST NAD 1983		
<u>SURFACE LOCATION (SHL)</u>	<u>KICK OFF POINT (KOP)</u>	<u>BLM PERF. POINT (BPP1)</u>
1074' FSL - SEC. 20	665' FSL - SEC. 21	661' FSL - SEC. 21
964' FEL - SEC. 20	100' FWL - SEC. 21	1321' FEL - SEC. 21
X=615774 Y=565591	X=616839 Y=565181	X=620702 Y=565192
LAT.: N 32.5546342	LAT.: N 32.5535015	LAT.: N 32.5535053
LONG.: W 104.0917407	LONG.: W 104.0882880	LONG.: W 104.0757486
<u>BLM PERF. POINT (BPP2)</u>	<u>LAST PERF. POINT (LPP)</u>	<u>BOTTOM HOLE LOCATION (BHL)</u>
660' FSL - SEC. 21	665' FSL - SEC. 22	1432' FEL - SEC. 22
0' FEL - SEC. 21	0' FEL - SEC. 21	1321' FEL - SEC. 22
X=622023 Y=565195	X=625877 Y=565206	X=625877 Y=565206
LAT.: N 32.5535063	LAT.: N 32.5535083	LAT.: N 32.5535083
LONG.: W 104.0714611	LONG.: W 104.0589539	LONG.: W 104.0589539

NEW MEXICO EAST NAD 1927	
<u>SURFACE LOCATION (SHL)</u>	<u>KICK OFF POINT (KOP)</u>
X=54594 Y=565530	X=578656 Y=565170
LAT.: N 32.5549186	LAT.: N 32.5538823
LONG.: W 104.0012367	LONG.: W 104.0811943
<u>BLM PERF. POINT (BPP1)</u>	<u>BLM PERF. POINT (BPP2)</u>
X=578527 Y=565130	X=583843 Y=565134
LAT.: N 32.5539665	LAT.: N 32.5538824
LONG.: W 104.0762430	LONG.: W 104.0709377
<u>LAST PERF. POINT (LPP)</u>	<u>BOTTOM HOLE LOCATION (BHL)</u>
X=625877 Y=565195	X=625877 Y=565206
LAT.: N 32.5535063	LAT.: N 32.5535083
LONG.: W 104.0589539	LONG.: W 104.0589539

# **EXHIBIT C-4**

# Michael K 2122 Fed Com Tract Map



11/7/2022, 3:42:07 PM

- Matador Prospect Areas
- State
- County
- PLSSTownship
- PLSSSection

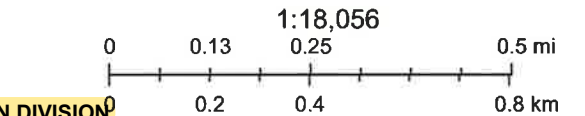
**BEFORE THE OIL CONSERVATION DIVISION**

**Santa Fe, New Mexico**  
**Exhibit No. C-4**

**Submitted by: MRC Permian Company**

**Hearing Date: June 15, 2023**

**Case No. 23552**



MATADOR, thudgins, Esri, NASA, NGA, USGS, FEMA, Esri Community  
Maps Contributors, New Mexico State University, Texas Parks & Wildlife.

Matador Where House  
MATADOR

# EXHIBIT C-5

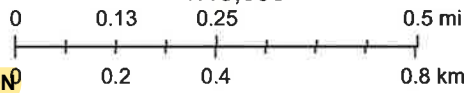
# Michael K 2122 Fed Com Tract Map



11/7/2022, 3:42:07 PM

-  Matador Prospect Areas
-  County
-  PLSSTownship
-  State
-  PLSSSection

1:18,056



**BEFORE THE OIL CONSERVATION DIVISION**

Santa Fe, New Mexico  
Exhibit No. C-5

MATADOR, thudgins, Esri, NASA, NGA, USGS, FEMA, Esri Community  
Maps Contributors, New Mexico State University, Texas Parks & Wildlife.

**Submitted by: MRC Permian Company**  
Hearing Date: June 15, 2023  
Case No. 23552

Matador Where House  
MATADOR

**Summary of Interests**

<b>MRC Permian Company:</b>			<b>50.789927%</b>
<b>Voluntary Joinder:</b>			9.094705%
<b>Compulsory Pool:</b>			<b>40.115368%</b>
<b>Compulsory Pool Interest Owner:</b>	<b>Description:</b>	<b>Tract:</b>	<b>Interest:</b>
EOG Resources, Inc.	Working Interest	1, 3	29.192625%
Oxy Y-1 Company	Working Interest	3	8.187514%
Pamela J. Burke, trustee of the Claire Ann Iverson Revocable Living Trust	Working Interest	1	0.035535%
Pamela J. Burke, trustee of the KIP Revocable Living Trust	Working Interest	1	0.035535%
Pamela J. Burke, trustee of the EGP Revocable Living Trust	Working Interest	1	0.035535%
Pamela J. Burke, trustee of the Siegfried James Iverson III Revocable Living Trust	Working Interest	1	0.035535%

Released to Imaging: 6/13/2023 4:24:35 PM

Received by OCD: 6/13/2023 4:19:56 PM



## Summary of Interests

Compulsory Pool Interest Owners	Description:	Tract:	Interest:
Becky Welch Kitto Cooper	Working Interest	1	0.002632%
Stacy Welch Green	Working Interest	1	0.002632%
Julia Terri Welch	Working Interest	1	0.003948%
Bryan W. Welch	Working Interest	1	0.002632%
T.I.G. Properties	Working Interest	1	0.071070%
Vladin, LLC	Working Interest	1	0.337768%
Marian Welch Pendegrass	Working Interest	1	0.007897%
James Gary Welch	Working Interest	1	0.007897%
Erin L. Cofrin Revocable Trust	Working Interest	1	0.007897%
Ellen Marion Skylark	Working Interest	1	0.003159%
Santo Legado, LLC	Working Interest	1	2.145557%

## Summary of Interests

Interest Owner:	Description:
Paul E. Siegel, Successor Fiduciary	Overriding Royalty
PetroYates, Inc.	Overriding Royalty
Michael S. Richardson	Overriding Royalty
COG Operating LLC	Overriding Royalty
Highland (Texas) Energy Company	Overriding Royalty
D'Arcy Petroleum, LLC	Overriding Royalty
Locke Funds II, LP	Overriding Royalty
Locke, LLC	Overriding Royalty
Santo Royalty Company LLC	Overriding Royalty
Rita Lea Bonifield Spencer	Overriding Royalty
Estate of Morna Ruth Bonifield Canon, deceased	Overriding Royalty
Carolyn Sue Bonifield Sandner	Overriding Royalty
Hunt Oil Company	Overriding Royalty
EOG Resources, Inc.	Overriding Royalty
Braille Institute of America, Inc.	Overriding Royalty





## Summary of Interests

Interest Owner:	Description:
McQuiddy Communications & Energy, Inc.	Overriding Royalty
Bank of America, N.A., Trustee of the Selma E. Andrews Perpetual Charitable Trust	Overriding Royalty
Marshall & Wintson, Inc.	Overriding Royalty
Samuel H. Marshall, Jr. and William S. Marshall, Trustees u/w/o Samuel Marshall, deceased	Overriding Royalty
Mary Lynn Forehand	Overriding Royalty
Charlotte Forehand Albright	Overriding Royalty
Mark Pate and Elizabeth A. Pate, as joint tenants	Overriding Royalty
Paul Pate	Overriding Royalty
Monty D. McLane and wife, Karen R. McLane	Overriding Royalty
Alan Jochimsen	Overriding Royalty
States Royalty Limited Partnership	Overriding Royalty
Rolla R. Hinkle, III	Overriding Royalty
Penasco Petroleum LLC	Overriding Royalty

## Summary of Interests

Interest Owner:	Description:
Randy Mike Whelan	Overriding Royalty
Paula Su Whelan	Overriding Royalty
Kelley Morand	Overriding Royalty
Mel Whelan	Overriding Royalty
Tracy Morand	Overriding Royalty
Robin Williams	Overriding Royalty
Bank of America, N.A., Trustee of the Selma E. Andrews Trust f/b/o Peggy Barrett	Overriding Royalty
Katherine Coe Fodell	Overriding Royalty
Concho Oil & Gas LLC	Overriding Royalty
Anne Marie Burdick	Overriding Royalty
Lisa Diane Coe	Overriding Royalty
LML, LLC	Overriding Royalty

## Summary of Interests

Interest Owner:	Description:
John T. Hinkle and Linda J. Hinkle, Trustees of the Hinkle Living Trust	Overriding Royalty
Laura Crumbaugh and Cheryl Ann Harriossn, Co-Trustees of the Bettianne H. Bowen Living Trust	Overriding Royalty
Diamond Lil Properties, LLC	Overriding Royalty
Spirit Trail, LLC	Overriding Royalty
Catherine Coll, Trustee of the Testamentary Trust u/w/o Max W. Coll, II, deceased	Overriding Royalty
Charles E. Hinkle	Overriding Royalty
Cynthia (Cindy) Hinkle, Trustee u/w/o Clarence E. Hinkle, deceased	Overriding Royalty
Eric J. Coll	Overriding Royalty
Clarke C. Coll	Overriding Royalty
Lynn S. Allensworth	Overriding Royalty
Marsha S. Melton	Overriding Royalty
William Joe Snipes	Overriding Royalty
Caleb Taylor	Overriding Royalty

## Summary of Interests

Interest Owner:	Description:
Max W. Coll, III	Overriding Royalty
John F. Coll, II	Overriding Royalty
Melanie Coll DeTemple	Overriding Royalty
Carolyn Holmstrom, Trustee of the John A. Holmstrom 2004 Trust	Overriding Royalty
Chalcam Exploration, L.L.C.	Overriding Royalty
Marathon Oil Permian, LLC	Overriding Royalty
Liberty Energy LLC	Overriding Royalty
Quientesa Royalty LP	Overriding Royalty
Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust	Overriding Royalty
KMF Land, LLC	Overriding Royalty
Crown Oil Partners, LP	Overriding Royalty
Good News Minerals, LLC	Overriding Royalty
Post Oak Crown IV-B, LLC	Overriding Royalty
Post Oak Crown IV, LLC	Overriding Royalty
Collins & Jones Investments, LLC	Overriding Royalty

## Summary of Interests

Interest Owner:	Description:
LMC Energy, LLC	Overriding Royalty
H. Jackson Wacker	Overriding Royalty
Oak Valley Mineral and Land, LP	Overriding Royalty
David W. Cromwell	Overriding Royalty
Mike Moylett	Overriding Royalty
Kaleb Smith	Overriding Royalty
Deane Durham	Overriding Royalty
David Petroleum Corp.	Overriding Royalty
Thomas R. Nickoloff	Overriding Royalty

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

**APPLICATION OF MRC PERMIAN  
COMPANY TO AMEND ORDER NO. 21271,  
AS AMENDED, AND DISMISS ORDER NO. R-  
21272, EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23549**

**APPLICATION OF MRC PERMIAN  
COMPANY TO AMEND ORDER NO. 22559,  
APPROVE A NON-STANDARD SPACING  
UNIT, AND DISMISS ORDER NO. R-22560,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23552**

**AFFIDAVIT OF ANDREW PARKER**

Andrew Parker, of lawful age and being first duly sworn, declares as follows:

1. My name is Andrew Parker. I work for MRC Energy Company, an affiliate of Matador Production Company (“Matador”), as a Senior Vice President of Geoscience.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Matador in these cases, and I have conducted a geologic study of the lands in the subject area.
4. **Matador Exhibit D-1** is a locator map outlining the horizontal spacing units with a black box shaded in yellow, with the larger area identified in a red box.
5. In these cases, Matador intends to develop the Wolfcamp A of the Wolfcamp formation.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. D  
Submitted by: MRC Permian Company  
Hearing Date: June 15, 2023  
Case No. 23552**

6. **Matador Exhibit D-2** is a subsea structure map prepared off the top of the Wolfcamp formation. The contour interval is 50 feet. The structure map shows the Wolfcamp formation gently dipping to the southeast. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

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

8. **Matador Exhibit D-3** is a structural cross-section prepared displaying open-hole logs run over the Wolfcamp formation from the five representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, caliper, porosity, and resistivity, where available. The proposed target intervals for each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted interval, within the Wolfcamp formation, is consistent in thickness, across the entirety of the proposed spacing units.

9. In my opinion, the laydown orientation is the preferred orientation for development in this area for Wolfcamp wells because the maximum horizontal stress is north-south in this area.

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

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

12. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

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

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

FURTHER AFFIANT SAYETH NOT.

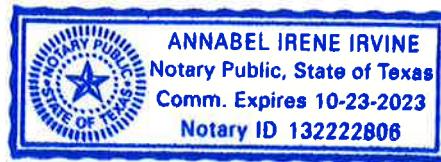
  
\_\_\_\_\_  
ANDREW PARKER

STATE OF TEXAS                    )  
  )  
COUNTY OF DALLAS            )

SUBSCRIBED and SWORN to before me this 6 day of June 2023 by  
Andrew Parker.

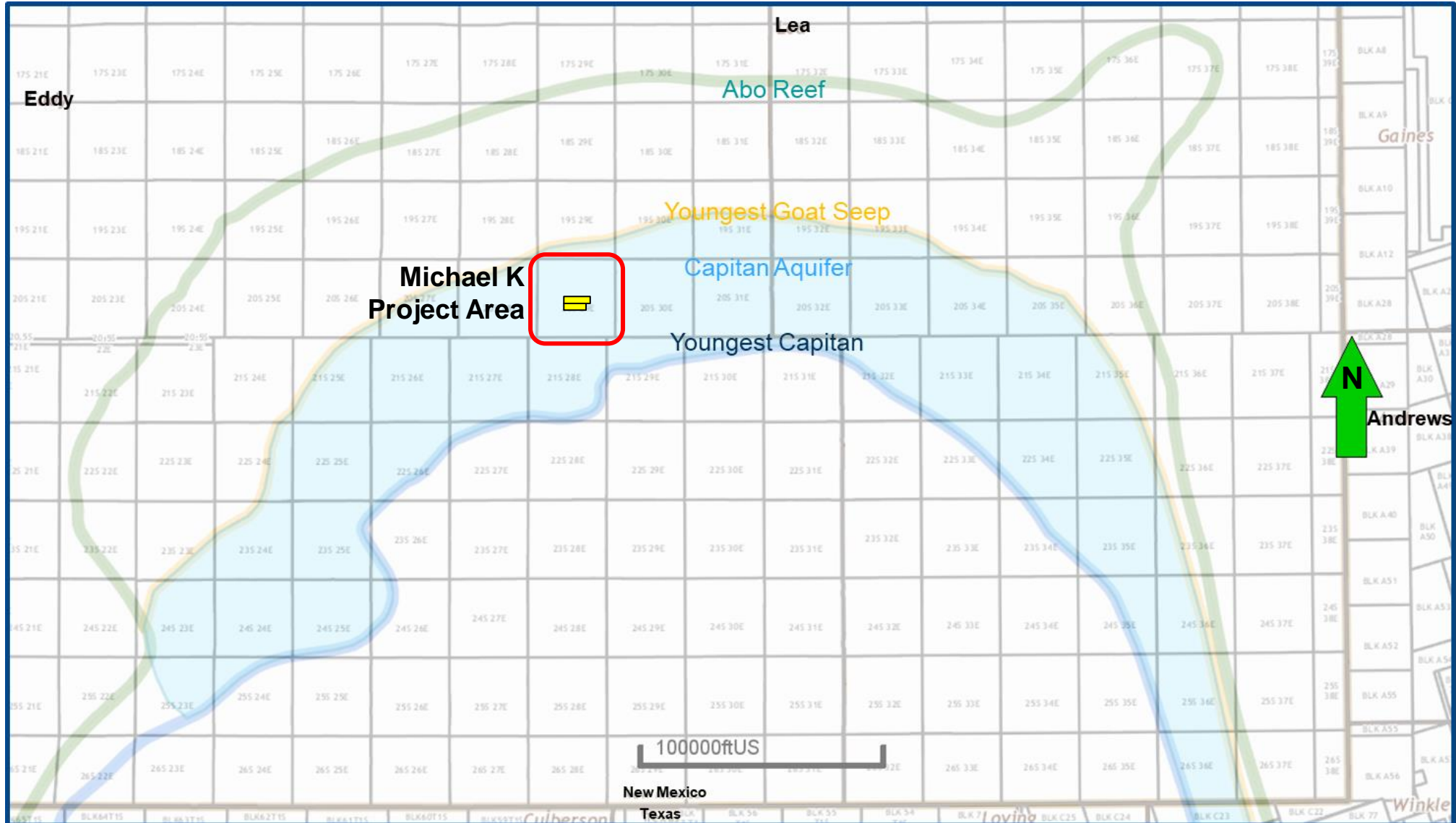
  
\_\_\_\_\_  
ANNABEL IRVINE  
NOTARY PUBLIC

My Commission Expires:  
10-23-2023

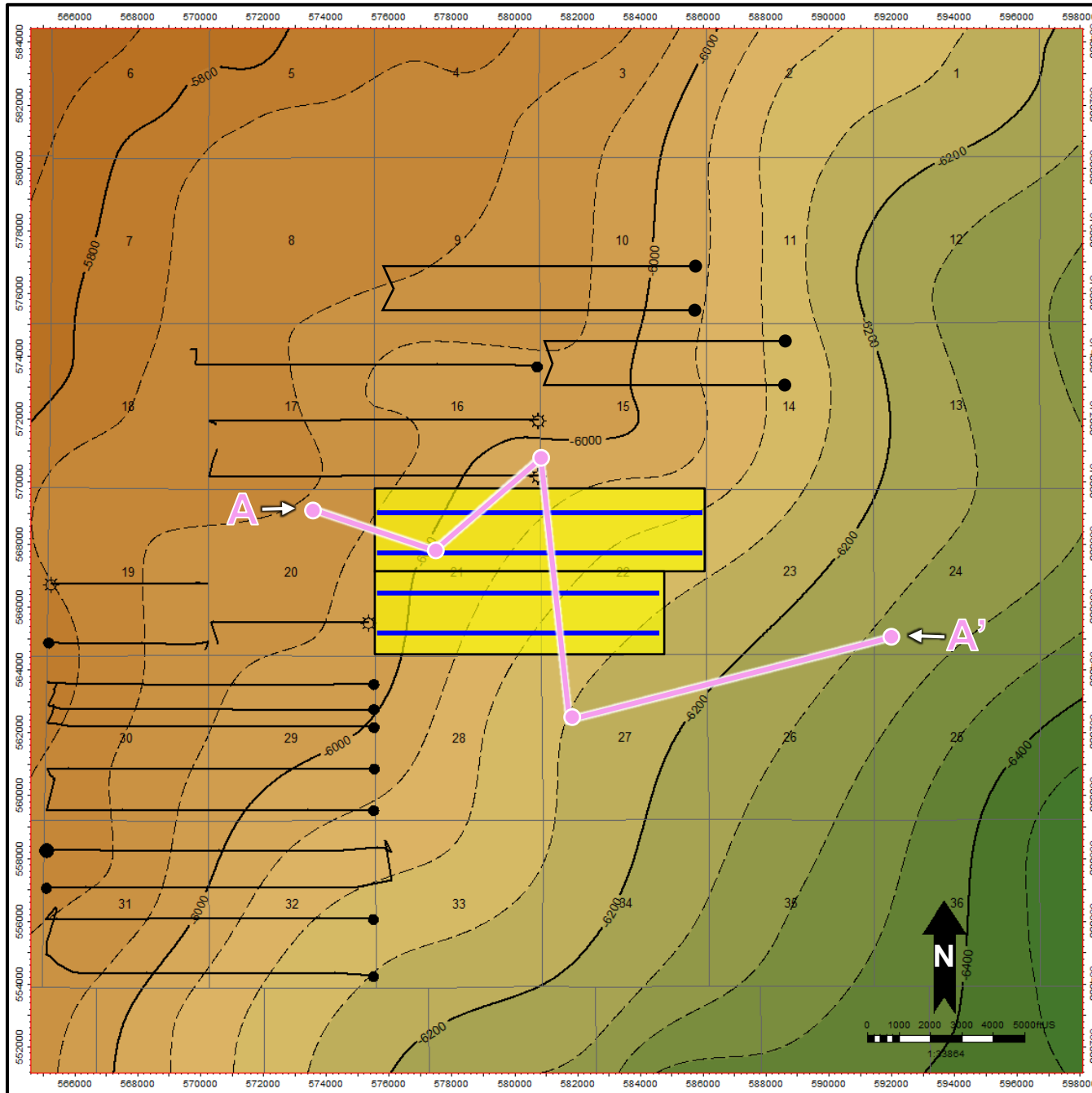




# Locator Map



# Structure Map (Wolfcamp Subsea) A – A' Reference Line

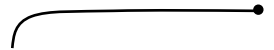


## Map Legend

**Michael K Wells**



**Wolfcamp Wells**



**Project Area**



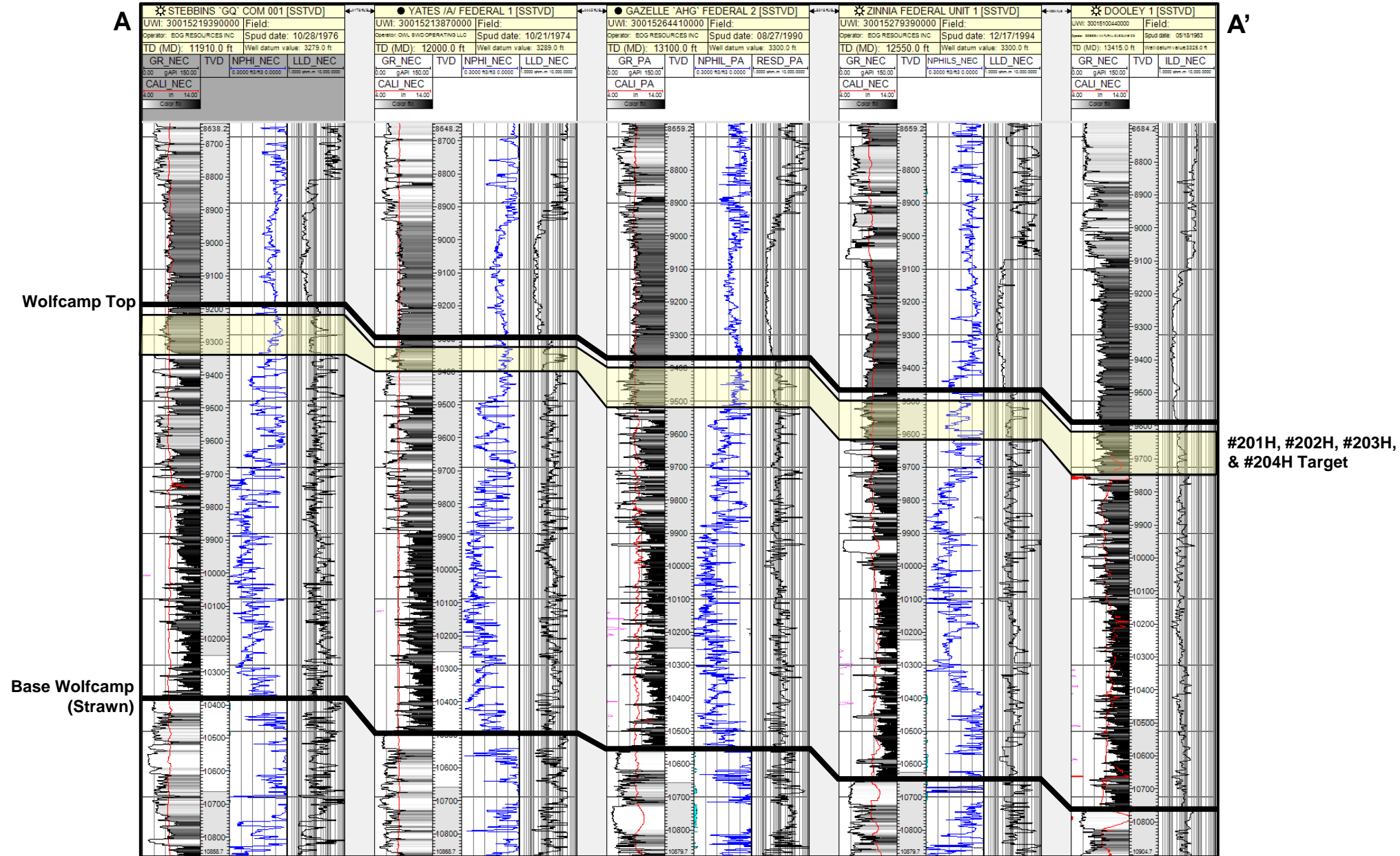
**C. I. = 50'**



# [73480] BURTON FLAT; WOLCAMP, EAST (GAS) Structural Cross-Section A - A'

Santa Fe, New Mexico  
Exhibit No. D-3

Submitted by: MRC Permian Company  
Hearing Date: June 15, 2023  
Case No. 23552



#201H, #202H, #203H,  
& #204H Target

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

**APPLICATION OF MRC PERMIAN  
COMPANY TO AMEND ORDER NO. R-22559,  
APPROVE A NON-STANDARD SPACING  
UNIT, AND DISMISS ORDER NO. R-22560,  
EDDY COUNTY, NEW MEXICO.**

**CASE NO. 23552**

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

1. I am attorney in fact and authorized representative of MRC Permian Company (“MRC”), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced application and notice of the hearing on this application and approval for a non-standard spacing unit was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.

3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.

4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 24, 2023.

5. I caused a notice to be published to all parties subject to these amendment proceedings and request for approval of a non-standard spacing unit. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached herein.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. E  
Submitted by: MRC Permian Company  
Hearing Date: June 15, 2023  
Case No. 23552**



---

Paula M. Vance

6/13/23

---

Date



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

May 12, 2023

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

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of MRC Permian Company to Amend Order No. R-22559, Approve a Non-Standard Spacing Unit, and Dismiss Order No. R-22560, Eddy County, New Mexico: Michael K&B 2122 Fed Com #203H & #204H wells**

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 1, 2023, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

**The hearing will be conducted on June 1, 2023, beginning at 8:15 a.m. Due to ongoing construction and associated space limitations at the Wendell Chino Building, Parties, Counsel for Parties, and the public are encouraged to attend/participate via the Webex Meeting platform. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.**

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Hawks Holder at (972) 619-4336 or at [hawks.holder@matadorresource.com](mailto:hawks.holder@matadorresource.com).

Sincerely,

Paula M. Vance  
**ATTORNEY FOR MRC PERMIAN COMPANY**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
[www.hollandhart.com](http://www.hollandhart.com)

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



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

May 12, 2023

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

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS  
AND AFFECTED PARTIES TO GEOGRAPHIC OFFSET**

**Re: Application of MRC Permian Company to Amend Order No. R-22559,  
Approve a Non-Standard Spacing Unit, and Dismiss Order No. R-22560, Eddy  
County, New Mexico: Michael K&B 2122 Fed Com #203H & #204H wells**

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Sincerely,

Paula M. Vance  
**ATTORNEY FOR MRC PERMIAN COMPANY**

T 505.988.4421 F 505.983.6043  
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849  
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208  
[www.hollandhart.com](http://www.hollandhart.com)

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

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765424603497	Yates Industries LLC	403 W San Francisco St	Santa Fe	NM	87501-1836	Your item was delivered to an individual at the address at 2:08 pm on May 15, 2023 in SANTA FE, NM 87501.
9414811898765424603428	Yates Energy Royalty Interests LLC	PO Box 2323	Roswell	NM	88202-2323	Your item was picked up at the post office at 10:08 am on May 17, 2023 in ROSWELL, NM 88201.
9414811898765424603466	William Joe Snipes	2305 E Pine Lodge Rd	Roswell	NM	88201-9119	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603459	Westview Boys Home, Inc.	PO Box 553	Hollis	OK	73550-0553	Your item was picked up at the post office at 10:03 am on May 16, 2023 in HOLLIS,
9414811898765424603077	Vladin, LLC	PO Box 100	Artesia	NM	88211-0100	Your item was picked up at the post office at 2:43 pm on May 16, 2023 in
9414811898765424603039	Vance Malcolm Haldeman	800 W. Brasher Road, Unit 106	Roswell	NM	88203	Your item was picked up at the post office at 3:51 pm on May 18, 2023 in
9414811898765424603046	Tracy Morand	4 Oak Cir	Helena	MT	59601-0375	Your item was delivered to an individual at the address at 11:30 am on May 18, 2023 in HELENA, MT 59601.
9414811898765424603091	Tierra Oil Company	PO Box 700968	San Antonio	TX	78270-0968	Your item was picked up at the post office at 10:31 am on May 23, 2023 in
9414811898765424603008	Thomas R. Nickloff	390 N Blue Wave Ln	Vero Beach	FL	32963-4276	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765424603022	T.I.G. Properties, LLC	PO Box 10508	Midland	TX	79702-7508	Your item was delivered at 12:44 pm on May 22, 2023 in MIDLAND, TX 79701.
9414811898765424603060	States Royalty Limited Partnership	300 N Breckenridge Ave	Breckenridge	TX	76424-3506	Your item was delivered to an individual at the address at 10:19 am on May 16, 2023 in BRECKENRIDGE, TX 76424.
9414811898765424603053	Stacy Welch Green	PO Box 164	Sonoita	AZ	85637-0164	Your item was picked up at the post office at 10:03 am on May 16, 2023 in
9414811898765424603015	Spirit Trail, LLC	PO Box 1818	Roswell	NM	88202-1818	Your item was picked up at the post office at 9:20 am on May 16, 2023 in
9414811898765424603374	Spiral, Inc.	PO Box 1933	Roswell	NM	88202-1933	Your item was picked up at the post office at 2:04 pm on May 16, 2023 in
9414811898765424603336	Sharbro Energy, LLC	PO Box 840	Artesia	NM	88211-0840	Your item was picked up at the post office at 11:07 am on May 16, 2023 in
9414811898765424603381	Santo Royalty Company LLC	PO Box 1020	Artesia	NM	88211-1020	Your item was picked up at the post office at 10:56 am on May 16, 2023 in
9414811898765424603343	Santo Legado, LLC	PO Box 1020	Artesia	NM	88211-1020	Your item was picked up at the post office at 10:56 am on May 16, 2023 in
9414811898765424603398	Samuel H Marshall, Jr and William S Marshall, Trustees u/w/o Samuel Marshall, deceased	522 Camille Ln	Tuscaloosa	AL	35405-6314	Your item was delivered to an individual at the address at 2:44 pm on May 17, 2023 in TUSCALOOSA, AL 35405.
9414811898765424603305	Rolla R. Hinkle, III	PO Box 2292	Roswell	NM	88202-2292	Your item was picked up at the post office at 12:54 pm on May 16, 2023 in
9414811898765424603329	Rita Lea Bonifield Spencer	2624 NW 151st St	Edmond	OK	73013-9221	ROSWELL, NM 88201.
9414811898765424603367	Randy Mike Whelan	2901 Eisenhower St	Carrollton	TX	75007-4887	Your item was delivered to an individual at the address at 12:37 pm on May 16, 2023 in EDMOND, OK 73013.
9414811898765424603350	Quientesa Royalty LP	508 W Wall St Ste 1220	Midland	TX	79701-5086	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603312	Post Oak Crown IV-B, LLC	1675 S State St Ste B	Dover	DE	19901-5140	Your item was delivered to the front desk, reception area, or mail room at 2:23 pm on May 16, 2023 in MIDLAND, TX 79701.
9414811898765424603176	Post Oak Crown IV, LLC	1675 S State St Ste B	Dover	DE	19901-5140	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603138	PetroYates, Inc.	PO Box 1608	Albuquerque	NM	87103-1608	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603183	Permian Exploration Corporation	118 W 1st St	Roswell	NM	88203-4702	Your item was picked up at the post office at 10:29 am on May 15, 2023 in ALBUQUERQUE, NM 87102.
9414811898765424603145	Penasco Petroleum LLC	PO Box 2292	Roswell	NM	88202-2292	Your item was delivered to an individual at the address at 12:29 pm on May 16, 2023 in ROSWELL, NM 88203.
9414811898765424603190	Paula Su Whelan	221 Mockingbird Ln	Coppell	TX	75019-3432	Your item was picked up at the post office at 1:44 pm on May 19, 2023 in
9414811898765424603107	Paul Pate	219 Escondido Pt	Jemez Springs	NM	87025-9058	Your item was delivered to an individual at the address at 12:31 pm on May 16, 2023 in COPPELL, TX 75019.
9414811898765424603121	Paul E. Siegel, Successor Fiduciary	38 Horseshoe Dr	Saratoga Springs	NY	12866-5050	Your item was delivered to an individual at the address at 2:21 pm on May 15, 2023 in JEMEZ SPRINGS, NM 87025.
9414811898765424603169	James Iverson III Revocable Living Trust Pamela J. Burke, trustee of the Siegfried	PO Box 10508	Midland	TX	79702-7508	Your item was delivered to an individual at the address at 3:07 pm on May 18, 2023 in SARATOGA SPRINGS, NY 12866.
9414811898765424603152	Pamela J. Burke, trustee of the P.I.P. 1990 Trust	PO Box 10508	Midland	TX	79702-7508	Your item was delivered at 12:44 pm on May 22, 2023 in MIDLAND, TX 79701.
9414811898765424603114	Pamela J. Burke, Trustee of the EGP Revocable Living Trust	PO Box 10508	Midland	TX	79702-7508	Your item was delivered at 12:44 pm on May 22, 2023 in MIDLAND, TX 79701.
9414811898765424603671	Pamela J. Burke, trustee of the Claire Ann Iverson Revocable Living Trust	PO Box 10508	Midland	TX	79702-7508	Your item was delivered at 12:44 pm on May 22, 2023 in MIDLAND, TX 79701.
9414811898765424603633	Oak Valley Mineral and Land, LP	PO Box 50820	Midland	TX	79710-0820	Your item was delivered to an individual at the address at 12:44 pm on May 22, 2023 in MIDLAND, TX 79701. Your item has been delivered to an agent for final delivery in MIDLAND, TX 79705 on May 16, 2023 at 10:41 am.
9414811898765424603688	Mountain Lion Oil & Gas, LLC	1314 Knox St	Houston	TX	77007-3017	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.



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9414811898765424603640	Morna Ruth Bonifield Canon	9403 Winding Ridge Dr	Dallas	TX	75238-1449	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765424603602	Monty D. McLane and wife, Karen R. McLane	PO Box 9451	Midland	TX	79708-9451	Your item was picked up at the post office at 11:16 am on May 18, 2023 in Midland, TX 79705 post office at 8:07 am on May 17, 2023 and is ready for pickup.
9414811898765424603626	Mike Moylett	PO Box 50820	Midland	TX	79710-0820	Your item was delivered to an individual at the address at 11:03 am on May 16, 2023 in ROSWELL, NM 88201.
9414811898765424603664	Michael S. Richardson	4 Red Sky Ln	Roswell	NM	88201-8315	Your item was delivered to an individual at the address at 10:51 am on May 16, 2023 in MIDLAND, TX 79707.
9414811898765424603657	Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust	3608 Meadowridge Ln	Midland	TX	79707-4543	Your item was delivered to an individual at the address at 2:41 pm on May 16, 2023 in VAN NUYS, CA 91411.
9414811898765424603619	Melanie Coll DeTemple	5653 Tobias Ave	Van Nuys	CA	91411-3348	Your item was delivered to an individual at the address at 12:31 pm on May 16, 2023 in COPPELL, TX 75019.
9414811898765424603978	Mel Whelan	221 Mockingbird Ln	Coppell	TX	75019-3432	This is a reminder to pick up your item before May 30, 2023 or your item will be returned on May 31, 2023. Please pick up the item at the ROSWELL, NM 88202
9414811898765424603930	McQuiddy Communications & Energy, Inc.	PO Box 2072	Roswell	NM	88202-2072	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603985	Max W. Coll, III	7625 El Centro Blvd Unit 1	Las Cruces	NM	88012-9313	Your item was delivered to the front desk, reception area, or mail room at 12:54 pm on May 22, 2023 in HOUSTON, TX 77056.
9414811898765424603947	Mavros Minerals II, LLC	PO Box 50820	Midland	TX	79710-0820	Your item was delivered to an individual at the address at 2:44 pm on May 16, 2023 in CARLSBAD, NM 88220.
9414811898765424603992	Mary Lynn Forehand	403 San Juan Mnr	Carlsbad	NM	88220-6606	Your item was delivered to the front desk, reception area, or mail room at 10:11 am on May 17, 2023 in MIDLAND, TX 79705.
9414811898765424603923	Marshall & Winston, Inc.	PO Box 50880	Midland	TX	79710-0880	Your item was picked up at the post office at 10:01 am on May 17, 2023 in
9414811898765424603961	Marsha S. Melton	138 Conley Pl	Odessa	TX	79762-4564	Your item was delivered to an individual at the address at 1:11 pm on May 15, 2023 in ALBUQUERQUE, NM 87120.
9414811898765424603954	Mark Pate and Elizabeth A. Pate, as joint tenants	4925 Black Dr NW	Albuquerque	NM	87120-4426	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603916	Marian Welch Pendegrass	2705 Gaye Dr	Roswell	NM	88201-3428	Your item was delivered to the front desk, reception area, or mail room at 11:16 am on May 17, 2023 in HOUSTON, TX 77024.
9414811898765424603770	Marathon Oil Permian LLC	990 Town And Country Blvd	Houston	TX	77024-2217	Your item was delivered to an individual at the address at 10:03 am on May 16, 2023 in ARLINGTON, NE 68002.
9414811898765424603732	Mackenzie Thompson	1110 Oakridge Ct	Arlington	NE	68002-3008	Your item was picked up at the post office at 1:34 pm on May 18, 2023 in
9414811898765424603787	Lynn S. Allensworth	11 El Arco Iris Dr	Roswell	NM	88201-7711	Your item was delivered to an individual at the address at 10:20 am on May 16, 2023 in TULSA, OK 74119.
9414811898765424603749	Locke, LLC	1350 S Boulder Ave Ste 710	Tulsa	OK	74119-3208	Your item was picked up at the post office at 12:06 pm on May 18, 2023 in
9414811898765424603763	LML, LLC	PO Box 3194	Boulder	CO	80307-3194	Your item was delivered to an individual at the address at 10:20 am on May 16, 2023 in TULSA, OK 74119.
9414811898765424603701	Locke Funds II, LP	1350 S Boulder Ave Ste 710	Tulsa	OK	74119-3208	Your item was forwarded to a different address at 3:11 pm on May 15, 2023 in DENVER, CO. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.
9414811898765424603756	LMC Energy, LLC	1207 S Platte River Dr Unit E	Denver	CO	80223-3143	Your item was picked up at the post office at 1:20 pm on May 16, 2023 in DE
9414811898765424603718	Lisa Diane Coe	PO Box 494	De Soto	KS	66018-0494	Your item was returned to the sender on May 23, 2023 at 11:48 am in HOUSTON, TX 77057 because it could not be delivered as addressed.
9414811898765424603831	Liberty Energy LLC	2425 Fountain View Dr Ste 300	Houston	TX	77057-4857	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603886	Laura Crumbaugh and Cheryl Ann Harrison, Co-Trustees of the Bettianne H. Bowen	PO Box 130448	Birmingham	AL	35213-0448	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603848	KMF Land LLC	412 W 15th St	New York	NY	10011-7054	Your item was delivered to an individual at the address at 11:57 am on May 17, 2023 in HUNTINGTON, NY 11743.
9414811898765424603893	Kelley Whelan	62 Homeland Dr Apt 1	Huntington	NY	11743-6408	Your item was delivered to an individual at the address at 12:42 pm on May 18, 2023 in CHUCKEY, TN 37641.
9414811898765424603800	Katherine Fletcher	390 Barren Rd	Chuckey	TN	37641-5843	Your item was delivered to an individual at the address at 11:37 am on May 17, 2023 in HOUSTON, TX 77024.
9414811898765424603824	Katherine Coe Fodell	803 Monte Cello St	Houston	TX	77024-4515	Your package is moving within the USPS network and is on track to be delivered to its final destination. It is currently in transit to the next facility.
9414811898765424603862	Kaleb Smith	PO Box 50820	Midland	TX	79710-0820	Your item was delivered to an individual at the address at 12:29 pm on May 16, 2023 in ROSWELL, NM 88203.
9414811898765424603855	K & C Production Company, Inc.	118 W 1st St	Roswell	NM	88203-4702	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603817	Julia Terri Welch	6804 N Capital Of Texas Hwy Apt 511	Austin	TX	78731-1768	

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9414811898765424603275	John T. Hinkle and Linda J. Hinkle, Trustees of the Hinkle Living Trust dated January 9, 1996	2604 Coronado Dr	Roswell	NM	88201-3405	Your item was delivered to an individual at the address at 10:19 am on May 16, 2023 in ROSWELL, NM 88201.
9414811898765424603237	John F. Coll	1723 Ashford Hollow Ln Apt 1005	Houston	TX	77077-4809	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603282	John A. Yates aka John A. Yates Sr., Trustee of Trust Q u/w/o Peggy A. Yates, deceased	PO Box 100	Artesia	NM	88211-0100	Your item was picked up at the post office at 2:43 pm on May 16, 2023 in ARTESIA, NM 88210.
9414811898765424603244	Jesse A. Faught, JR.	PO Box 52603	Midland	TX	79710-2603	Your item was delivered to an individual at the address at 12:25 pm on May 16, 2023 in MIDLAND, TX 79705.
9414811898765424603299	James Gary Welch	9307 Sam Rayburn Ct	Cypress	TX	77433-3649	Your item was delivered to an individual at the address at 12:52 pm on May 17, 2023 in CYPRESS, TX 77433.
9414811898765424603206	Jalapeno Corporation	PO Box 1608	Albuquerque	NM	87103-1608	Your item was picked up at the post office at 10:29 am on May 15, 2023 in ALBUQUERQUE, NM 87102.
9414811898765424603220	Hunt Oil Company	1900 N Akard St	Dallas	TX	75201-2729	Your item was delivered to an individual at the address at 8:55 am on May 16, 2023 in DALLAS, TX 75201.
9414811898765424603268	H. Jason Wacker	5601 Hillcrest	Midland	TX	79707-9113	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424603251	Good News Minerals LLC	4000 N Big Spring St Ste 310	Midland	TX	79705-4628	Your item was delivered to an individual at the address at 10:19 am on May 16, 2023 in MIDLAND, TX 79705.
9414811898765424603213	Gerard G. Vavrek	1521 2nd Ave Apt 1604	Seattle	WA	98101-4509	Your item was delivered to an individual at the address at 1:08 pm on May 16, 2023 in SEATTLE, WA 98101.
9414811898765424609574	Fortis Minerals II, LLC	1111 Bagby St Ste 2150	Houston	TX	77002-2626	Your item departed our NORTH HOUSTON TX DISTRIBUTION CENTER destination facility on May 23, 2023 at 3:17 am. The item is currently in transit to the
9414811898765424609536	Estate of Sarah Elizabeth Garner	71 Edgewater Dr	Middletown	PA	17057-1661	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765424609581	Estate of Jean Wallace	1709 Missouri Ave	Joplin	MO	64804-0761	Your item was delivered to an individual at the address at 2:13 pm on May 16, 2023 in JOPLIN, MO 64804.
9414811898765424609543	Erin L. Cofrin Revocable Trust	43 Camino Arroyo Pl	Palm Desert	CA	92260-0326	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765424609598	Eric J. Coll	3113 45th St	Lubbock	TX	79413-3511	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765424609529	Ellen Marion Skylark	20350 Marsh Creek Rd	Brentwood	CA	94513-4808	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424609567	Diamond Lil Properties, LLC	PO Box 1818	Roswell	NM	88202-1818	Your item was picked up at the post office at 9:20 am on May 16, 2023 in
9414811898765424609550	Deane Durham	PO Box 50820	Midland	TX	79710-0820	Your item was delivered to an individual at the address at 8:35 am on May 22, 2023 in GRAHAM, TX 76450.
9414811898765424609512	David W. Cromwell	2008 Country Club Dr	Midland	TX	79701-5719	Your item was delivered to an individual at the address at 9:53 am on May 16, 2023 in MIDLAND, TX 79701.
9414811898765424609475	David Petroleum Corporation	116 W 1st St	Roswell	NM	88203-4702	Your item has been delivered to an individual at the address at 12:29 pm on May 16, 2023 in ROSWELL, NM 88203.
9414811898765424609437	Cynthia Phillips	2401 W Fairground Rd	Artesia	NM	88210-9632	Your item was delivered to an individual at the address at 10:18 am on May 16, 2023 in ARTESIA, NM 88210.
9414811898765424609482	Cynthia Cindy Hinkle, Trustee	4104 Wimbledon Cir	College Station	TX	77845-5397	Your item was delivered to an individual at the address at 12:44 pm on May 18, 2023 in COLLEGE STATION, TX 77845.
9414811898765424609444	Crown Oil Partners, LP	PO Box 50820	Midland	TX	79710-0820	Your item has been delivered to an agent for final delivery in MIDLAND, TX 79705 on May 16, 2023 at 10:41 am.
9414811898765424609499	Collins & Jones Investments, LLC	508 W Wall St Ste 1200	Midland	TX	79701-5076	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765424609468	Claudia Liz Carlson	229 Weiss Ct	Atwater	CA	95301-4200	Your item has been delivered to an agent for final delivery in ATWATER, CA 95301 on May 17, 2023 at 4:00 pm.
9414811898765424609451	Clarke C. Coll	3972 S Spring Loop	Roswell	NM	88203-9625	Your item was picked up at the post office at 12:14 pm on May 18, 2023 in ROSWELL, NM 88201.
9414811898765424609413	Charlotte Forehand Albright	1705 Boyd Dr	Carlsbad	NM	88220-5404	Your item was delivered to an individual at the address at 6:02 pm on May 18, 2023 in CARLSBAD, NM 88220.
9414811898765424609079	Charles E. Hinkle	429 Darby Rd	Ridley Park	PA	19078-1314	Your item was delivered to an individual at the address at 11:25 am on May 17, 2023 in RIDLEY PARK, PA 19078.
9414811898765424609086	Chalcam Exploraton, LLC	200 W 1st St Ste 434	Roswell	NM	88203-4675	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424609048	Catherine Coll, trustee of the Testamentar Trust created by Article IV of the Will of Max W. Coll, II, deceased	83 La Barbaria Trl	Santa Fe	NM	87505-9008	Your item was picked up at the post office at 1:00 pm on May 17, 2023 in SANTA FE, NM 87505.

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9414811898765424609000	Carolyn Sue Bonifield Canon	5136 Horseshoe Trl	Dallas	TX	75209-3326	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424609024	Carolyn Holmstrom, Trustee of the John A. Holmstrom 2004 Trust	4134 Meyerwood Dr	Houston	TX	77025-4038	Your item was delivered to an individual at the address at 3:45 pm on May 23, 2023 in HOUSTON, TX 77025.
9414811898765424609062	Caleb Taylor	200 W First St.	Fort Davis	TX	79734	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765424609055	Bryan W. Welch	1764 S Paige Creek Pl	Tucson	AZ	85748-7763	Your item was delivered to an individual at the address at 12:41 pm on May 16, 2023 in TUCSON, AZ 85748.
9414811898765424609376	Braille Institute of America, Inc.	741 N Vermont Ave	Los Angeles	CA	90029-3514	Your item was delivered to an individual at the address at 9:25 am on May 16, 2023 in LOS ANGELES, CA 90029.
9414811898765424609338	Becky Welch Kitto Cooper	PO Box 1482	Sonoita	AZ	85637-1482	Your item was picked up at the post office at 12:23 pm on May 18, 2023 in
9414811898765424609383	Bank of America, N.A., Trustee of the Selma E. Andrews Trust f/b/o Peggy Barrett	PO Box 2546	Fort Worth	TX	76113-2546	Your item was delivered to an individual at the address at 11:56 am on May 22, 2023 in FORT WORTH, TX 76102.
9414811898765424609345	Bank of America, N.A., Trustee of the Selma E. Andrews Perpetual Charitable Trust	PO Box 2546	Fort Worth	TX	76113-2546	Your item was delivered to an individual at the address at 11:56 am on May 22, 2023 in FORT WORTH, TX 76102.
9414811898765424609390	Anne Marie Burdick	6708 Oak Hill Dr	Fort Worth	TX	76132-4543	Your item was delivered to an individual at the address at 3:52 pm on May 16, 2023 in FORT WORTH, TX 76132.
9414811898765424609307	Alan Jochimsen	4209 Cardinal Ln	Midland	TX	79707-1935	Your item was delivered to an individual at the address at 9:43 am on May 16, 2023 in MIDLAND, TX 79707.

# Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

## Affidavit of Publication

Ad # 0005700426

This is not an invoice

**HOLLAND AND HART**  
POBOX 2208

**SANTA FE, NM 87504**

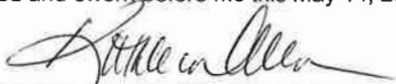
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

05/14/2023

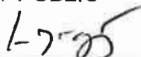


Legal Clerk

Subscribed and sworn before me this May 14, 2023:



State of WI, County of Brown  
NOTARY PUBLIC



My commission expires

KATHLEEN ALLEN  
Notary Public  
State of Wisconsin

Ad # 0005700426  
PO #: Case No. 23552  
# of Affidavits 1

This is not an invoice

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. F  
Submitted by: MRC Permian Company  
Hearing Date: June 15, 2023  
Case No. 23552

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on Thursday, June 1, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearing-info/> or obtained from Marlene Salvidrez, at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov). Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at [Marlene.Salvidrez@emnrd.nm.gov](mailto:Marlene.Salvidrez@emnrd.nm.gov), or the New Mexico Relay Network at 1-800-659-1779, no later than May 22, 2023.

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

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=ma6ae23341387d744a0ac0dd42666b517>  
Webinar number: 2487 125 5805

Join by video system: [24871255805@nmemnrd.webex.com](mailto:24871255805@nmemnrd.webex.com)  
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+1-408-418-9388 United States Toll  
Access code: 2487 125 5805

Panelist password: SVkzTp8GF43 (78598784 from phones and video systems)

**STATE OF NEW MEXICO TO:  
All named parties and persons  
having any right, title, interest  
or claim in the following case  
and notice to the public.**

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

To: All interest owners subject to pooling proceedings and affected parties to geographic offset, including: EOG Resources, Inc.; Oxy Y-1 Company; BLM - Carlsbad Field Office; Alan Jochimsen, his heirs and devisees; Anne Marie Burdick, her heirs and devisees; Bank of America, N.A., Trustee of the Selma E. Andrews Perpetual Charitable Trust; Bank of America, N.A., Trustee of the Selma E. Andrews Trust f/b/o Peggy Barrett; Becky Welch Kitto Cooper, her heirs and devisees; Braille Institute of America, Inc.; Bryan W. Welch, his heirs and devisees; Caleb Taylor, his heirs and devisees; Carolyn Holmstrom, Trustee of the John A. Holmstrom 2004 Trust; Carolyn Sue Bonifield Canon, her heirs and devisees; Catherine Coll, trustee of the Testamentary Trust created by Article IV of the Will of Max W. Coll, II, deceased; Chalcam Exploraton, LLC; Charles E. Hinkle, his heirs and devisees; Charlotte Forehand Albright, her heirs and devisees; Clarke C. Coll, his heirs and devisees; Claudia Liz Carlson, her heirs and devisees; Collins & Jones Investments, LLC; Crown Oil Partners, LP; Cynthia (Cindy) Hinkle, Trustee u/w/o Clarence E. Hinkle, deceased; Cynthia Phillips, her heirs and devisees; David Petroleum Corporation; David W. Cromwell, his heirs

and devisees; Deane Durham, her heirs and devisees; Diamond Lil Properties, LLC; Ellen Marion Skylark, her heirs and devisees; Eric J. Coll, his heirs and devisees; Erin L. Cofrin Revocable Trust; Estate of Jean Wallace, her heirs and devisees; Estate of Sarah Elizabeth Garner, her heirs and devisees; Fortis Minerals II, LLC; Gerard G. Vavrek, his heirs and devisees; Good News Minerals LLC; H. Jason Wacker, his heirs and devisees; Hunt Oil Company; Jalapeno Corporation; James Gary Welch, his heirs and devisees; Jesse A. Faught, JR., his heirs and devisees; John A. Yates aka John A. Yates Sr., Trustee of Trust Q u/w/o Peggy A. Yates, deceased; John F. Coll, his heirs and devisees; John T. Hinkle and Linda J. Hinkle, Trustees of the Hinkle Living Trust dated January 9, 1996; Julia Terri Welch, her heirs and devisees; K & C Production Company, Inc.; Kaleb Smith, his heirs and devisees; Katherine Coe Fodell, her heirs and devisees; Katherine Fletcher, her heirs and devisees; Kelley Whelan, his or her heirs and devisees; KMF Land LLC; Laura Crumbaugh and Cheryl Ann Harrison, Co-Trustees of the Bettianne H. Bowen Living Trust; Liberty Energy LLC; Lisa Diane Coe, her heirs and devisees; LMC Energy, LLC LML, LLC; Locke Funds II, LP; Locke, LLC; Lynn S. Allensworth, her heirs and devisees; Mackenzie Thompson, her heirs and devisees; Marathon Oil Permian LLC; Marian Welch Pendegrass, her heirs and devisees; Mark Pate and Elizabeth A. Pate, as joint tenants, their heirs and devisees; Marsha S. Melton, her heirs and devisees; Marshall & Winston, Inc.; Mary Lynn Forehand, her heirs and devisees; Mavros Minerals II, LLC; Max W. Coll, III, his heirs and devisees; McQuiddy Communications & Energy, Inc.; Mel Whelan, his or her heirs and devisees; Melanie Coil DeTemple, her heirs and devisees; Michael D. Hayes and Kathryn A. Hayes, Co-Trustees of the Hayes Revocable Trust; Michael S. Richardson, his heirs and devisees; Mike Moylett, his heirs and devisees; Monty D. McLane and wife, Karen R. McLane, their heirs and devisees; Morna Ruth Bonifield Canon, her heirs and devisees; Mountain Lion Oil & Gas, LLC; Oak Valley Mineral and Land, LP; Pamela J. Burke, trustee of the Claire Ann Iverson Revocable Living Trust; Pamela J. Burke, Trustee of the EGP Revocable Living Trust; Pamela J. Burke, trustee of the P.I.P. 1990 Trust; Pamela J. Burke, trustee of the Siegfried James Iverson III Revocable Living Trust; Paul E. Siegel, Successor Fiduciary, his heirs and devisees; Paul Pate, his heirs and devisees; Paula Su Whelan, her heirs and devisees; Penasco Petroleum LLC; Permian Exploration Corporation; PetroYates, Inc.; Post Oak Crown IV, LLC; Post Oak Crown IV-B, LLC; Quientesa Royalty LP; Randy Mike Whelan, his heirs and devisees; Rita Lea Bonifield Spencer, her heirs and devisees; Robin Williams, his or her heirs and devisees; Rolla R. Hinkle, III, her heirs and devisees; Samuel H. Marshall, Jr. and William S. Marshall, Trustees u/w/o Samuel Marshall, deceased; Santo Legado, LLC; Santo Royalty Company LLC; Sharbro Energy, LLC; Spiral, Inc.; Spirit Trail, LLC; Stacy Welch Green, his or her heirs and devisees; States Royalty Limited Partnership; T.I.G. Properties, LLC; Thomas R. Nickoloff, his heirs and devisees; Tierra Oil Company; Tracy Morand, his or her heirs and devisees; Vance Malcolm Haldeman, his heirs and devisees; Vadin, LLC; Westview Boy's Home, Inc.; William Joe Snipes, his heirs and devisees; Yates Energy Royalty Interests LLC and Yates Industries LLC.

Case No. 23552: Application of MRC Permian Company to Amend Order No. R-22559, Approve a Non-Standard Spacing Unit, and Dismiss Order No. R-22560, Eddy County, New Mexico. Applicant seeks to amend pooling Order No. R-22559, to incorporate the acreage under Order No. R-22560 to create a non-standard horizontal well spacing unit, and dismiss Order No. R-22560. The units under the existing orders are comprised as follows:

- Order No. R-22559 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard N/2 S/2 of Section 21

and the N/2 SW/4 and NW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit, based on 40-acre building blocks, is dedicated to the **Michael K&B 2122 Fed Com #203H** well (API No. 30-015-53686), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the NW/4 SE/4 (Unit J) of Section 22.

- Order No. R-22560 pooled uncommitted mineral interests in the Wolfcamp formation (Burton Flat; Wolfcamp, East (oil) [98315]) underlying a standard 280-acre horizontal spacing unit comprised of the S/2 S/2 of Section 21 and the S/2 SW/4 and SW/4 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. This standard horizontal well spacing unit, based on 40-acre building blocks, is dedicated to the **Michael K&B 2122 Fed Com #204H** well (API No. 30-015-53685), which was horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) of Section 20 to a bottomhole location in the SW/4 SE/4 (Unit O) of Section 22.

The Oil Conservation Division has since dedicated the acreage to a gas pool subject to 320-acre spacing. Thus, Applicant seeks to amend Order No. R-22559, combining the dedicated acreage under the two original units to form a non-standard 560-acre, more or less, horizontal well spacing unit in the Wolfcamp formation comprised of the S/2 of Section 21 and the SW/4 and W/2 SE/4 of Section 22, Township 20 South, Range 29 East, NMPM, Eddy County, New Mexico. Approval of the non-standard horizontal well spacing unit is necessary to prevent waste and protect correlative rights. All other provisions under Order No. R-22559 are proposed to remain unchanged. This area is located about 13.5 miles northeast of Carlsbad, New Mexico.

#5700426, Current Argus, May 14, 2023