BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING NOVEMBER 2, 2023

CASE No. 23931

CHARLES LING 221H WELL

LEA COUNTY, NEW MEXICO



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

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

CASE NO. 23931

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- MATADOR Exhibit D: Affidavit of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23931	
	APPLICANT'S RESPONSE
Date	November 2, 2023
Applicant	MRC Permian Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company (OGRID No. 228937)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MRC PERMIAN COMPANY FOR APPROVAL OF OVERLAPPING HORIZTONAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	COG Operating LLC & Concho Oil & Gas LLC
Well Family	Charles Ling
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Limited in depth to the correlative stratigraphic interval from 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-025-34246) to the base of the Wolfcamp formation.
Pool Name and Pool Code:	WC-025 G-09 S243310P; Upper Wolfcamp [98135]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	319.98
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Lot 4, SW4NW4, and the W2SW4 (W2W2 equivalent) of irregular Section 2, and the W2W2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico Yes
and is approval of non-standard unit requested in this	ies
application?	
Other Situations Depth Severance: Y/N. If yes, description	Yes; limited in depth to the correlative stratigraphic
	interval from 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-025- 34246) to the base of the Wolfcamp formation.
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Rebonedae Joaning's KW3ik/202h2F19e42 PM	Exhibit A-4

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Well(s)	
Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status	
(standard or non-standard)	
Well #1	Charles Ling 0211 Fed Com 221H well SHL: 380' FNL, 1,860' FWL (Lot 3) of Section 2
	BHL: 60' FSL, 989' FWL (Unit M) of Section 11
	Target: Wolfcamp
	Orientation: North-South
	Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit A-2
Completion Target (Formation, TVD and MD)	Exhibit A-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	See Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-3
Tract List (including lease numbers and owners)	Exhibit A-3
If approval of Non-Standard Spacing Unit is requested, Tract	
List (including lease numbers and owners) of Tracts subject to	
notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above &	
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-4
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
Geology	
Summary (including special considerations)	Exhibit B
Released to Imaging: 10/31/2023 2:19:42 PM Spacing Unit Schematic	Exhibit B-1

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Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B, B-3
HSU Cross Section	Exhibit B-2
Depth Severance Discussion	Exhibit B; B-4
Forms, Figures and Tables	
C-102	Exhibit A-2
Tracts	Exhibit A-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-4
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-1
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	Paraly Thoras
Date:	10/31/2023

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

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

CASE NO. 23931

APPLICATION

MRC Permian Company ("MRC" or "Applicant"), through undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (a) approving a standard 319.98-acre, more or less, overlapping horizontal well spacing unit in an interval of the Wolfcamp formation comprised of Lot 4, SW4NW4, and the W2SW4 of Section 2, and the W2W2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in the correlative stratigraphic interval from 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-025-34246) to the base of the Wolfcamp formation. In support of its application, MRC states:

- 1. Applicant is a working interest owner in the proposed overlapping horizontal spacing unit and has the right to drill thereon.
- 2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed overlapping horizontal spacing unit.
- 3. Applicant seeks to initially dedicate the above-referenced overlapping horizontal spacing unit to the proposed **Charles Ling Fed Com 221H** well, to be horizontally drilled from a surface location in the NW4NW4 (Unit D) of Section 2 to a bottom hole location in the SW4SW4 (Unit M) of Section 11.

- 4. This 319.98-acre horizontal well spacing unit will overlap an existing 160-acre horizontal well spacing unit comprised of the W2W2 of Section 11 dedicated to the Charles Ling Fed Com 211H (API: 30-025-45080).
- 5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.
- 6. The pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on November 2, 2023, and, after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP

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

agrankin@hollandhart.com

pmvance@hollandhart.com

ATTORNEYS FOR MRC PERMIAN COMPANY

CASE :

Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 319.98-acre, more or less, overlapping horizontal well spacing unit in an interval of the Wolfcamp formation underlying Lot 4, SW4NW4, and the W2SW4 of Section 2, and the W2W2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in the correlative stratigraphic interval from 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-025-34246) to the base of the Wolfcamp formation. Said unit will be initially dedicated to the proposed Charles Ling Fed Com 221H well, to be horizontally drilled from a surface location in the NW4NW4 (Unit D) of Section 2 to a bottom hole location in the SW4SW4 (Unit M) of Section 11. This 319.98-acre horizontal well spacing unit will overlap an existing 160-acre horizontal well spacing unit comprised of the W2W2 of Section 11 dedicated to the Charles Ling Fed Com 211H (API: 30-025-45080). Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 22 miles northwest of Jal, New Mexico.

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

APPLICATION OF MRC PERMIAN COMPANY FOR APPROVAL OF OVERLAPPING HORIZONTAL WELL SPACING UNITS AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23931

SELF-AFFIRMED STATEMENT OF NICK WEEKS, LANDMAN

1. My name is Nick Weeks. I work for MRC Energy Company, an affiliate of MRC

Permian Company ("MRC"), as a Landman.

2. I have previously testified before the New Mexico Oil Conservation Division as an

expert witness in petroleum land matters. My credentials as a petroleum landman have been

accepted by the Division and made a matter of public record.

3. I am familiar with the application filed by MRC in this case and I am familiar with

the status of the lands in the subject area.

4. Under Case 23931, MRC seeks to an order pooling a standard 319.98-acre,

more or less, overlapping horizontal well spacing unit in a limited interval of the

Wolfcamp formation underlying Lot 4, SW4NW4, and the W2SW4 (W2W2 equivalent)

of irregular Section 2, and the W2W2 of Section 11, Township 24 South, Range 33 East,

NMPM, Lea County, New Mexico. This spacing unit will be initially dedicated to the

proposed Charles Ling Fed Com 221H, a horizontal well to be drilled from a surface

location in the in the NW4NW4 (Unit D) of Section 2 to a bottom hole location in the

SW4SW4 (Unit M) of Section 11.

5. This proposed spacing unit is <u>limited in depth</u> to the correlative stratigraphic

interval from 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-

1

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. A

Case No. 23931

025-34246) to the base of the Wolfcamp formation. MRC has limited the pooled interval to an area of uniform ownership within Wolfcamp formation. Shallower depths within the Wolfcamp above the 12,412' MD referenced above have different owners and ownership percentages created by prior conveyances in certain tracts included in the spacing unit.

- 6. Due to the existing development in the Wolfcamp formation underlying certain portions of this acreage, MRC has provided notice of the proposed overlapping spacing unit to all affected working interest owners in the proposed and existing Wolfcamp spacing units. MRC Exhibit A-1 is a copy of this notice letter. Matador has not received any objections to the proposed development plan. Since none of the affected working interest owners have objected to the proposed development plan, the request for Division approval of the overlapping horizontal well spacing unit can be dismissed.
- 7. MRC Exhibit A-2 contains a draft Form C-102 for the initial well. This form demonstrates that the completed interval will comply with statewide setbacks for oil wells. MRC understands that the pool for this acreage is the WC-025 G-09 S243310P;UPPER WOLFCAMP [98135].
- 8. MRC Exhibit A-3 identifies the tracts of land comprising the horizontal spacing unit. This subject area is comprised of state, federal and fee tracts.
- 9. MRC Exhibit A-4 identifies the working interest owners MRC seeks to pool, the tracts in which they hold an interest, and the respective ownership interest in the proposed horizontal spacing unit. Exhibit A-4 also contains a list of the overriding royalty interest owners and a record title holder that MRC seeks to pool.
- 10. MRC Exhibit A-5 contains a sample of the well proposal letter and AFE for the proposed well that was sent to the working interest owners. The costs reflected in the AFE are

consistent with what MRC and other operators have incurred for drilling similar horizontal wells in the area in this formation.

- 11. MRC requests that the overhead and administrative costs for drilling and producing the proposed well be set at \$8,000 per month while drilling and \$800 per month while producing. These costs are consistent with or below what other operators are charging in this area for similar wells.
- 12. MRC Exhibit A-6 contains a general summary of the communications with each of the remaining uncommitted working interest owners. In addition to sending the well proposal letters, MRC has contacted each of the working interest owners that it seeks to pool and undertaken good faith efforts to reach a voluntary agreement.
- addresses of the parties that MRC seeks to pool and instructed that they be notified of this hearing.

 MRC has conducted a diligent search of all public records in the county where the property is located, reviewed telephone directories, and conducted computer searches to locate contact information for each interest owner.
- 14. **MRC Exhibits A-1 through A-6** were either prepared by me or compiled under my direction and supervision.
- 15. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Nick Weeks

10/27/2023 Date

EXHIBIT A-1

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-1
Submitted by: Matador Production Company
Hearing Date: November 2, 2023

Case No. 23931

<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO ALL WORKING INTEREST OWNERS IN THE AGREAGE AFFECTED BY PROPOSED OVERLAPPING SPACING UNIT

August 1, 2023

Re:

Notice of Overlapping Spacing Unit

Matador's Charles Ling Fed Com #221H

To Whom It May Concern:

Matador Production Company has proposed the above-referenced well for the initial development of the Wolfcamp formation under Lot 4, SW/4 NW/4, and the W/2 SW/4 of Section 2, and the W/2 W/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico.

This letter is to advise you that this proposed development plan will require the formation of the 319.98 acre, more or less, spacing unit comprised of Lot 4, SW/4 NW/4, and the W/2 SW/4 of Section 2, and the W/2 W/2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, which will initially be dedicated to:

(i) Matador's Charles Ling Fed Com #221H well, to be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 2, Township 24 South, Range 33 East, to a bottom hole location in the SW/4 SW/4 (Unit M) of Section 11, Township 24 South, Range 33 East. This well has an approximate TVD of 13,000'.

Matador's proposed 319.98 acre spacing unit will overlap the following existing spacing units and wells:

a. 160-acre, more or less, horizontal well spacing unit comprised of the W/2 W/2 of Section 11, Township 24 South, Range 33 East, dedicated to Matador's Charles Ling Fed Com #211H (API: 30-025-45080). This well has an approximate TVD of 12,387'.

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object the overlapping spacing unit by delivering a written statement of objection to our office within twenty (20) days of the mailing of this notice. If no objection is received within this 20-day period, we will proceed with obtaining any remaining regulatory approvals for the proposed spacing unit.

If you have any questions about this matter, please contact me at your convenience.

Sincerely,

Nicholas Weeks

Senior Staff Landman for Matador Production Company

972-371-5481

nweeks@matadorresources.com

EXHIBIT A-2

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-2
Submitted by: Matador Production Company

Hearing Date: November 2, 2023 Case No. 23931 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
Pictrict IV

1220 S. St. Francis Dr., Santa Fc, 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

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

AMENDED REPORT

			WELL LO	OCATIO	N AND ACR	EAGE DEDIC	ATION PLA	T				
1	API Number	7		² Pool Code			³ Pool No	ıme	^			
				98135	- W	L-025 G-0	9 52433	10P: Up,	per Wolfcan			
⁴Property C	ode				⁵ Property N	·						
				CHARI	211 FED CO	FED COM 2211						
OGRID N	lo.				Elevation							
2289	37		MATADOR PRODUCTION COMPANY 10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet Irom the	East/We:	st line County			
3	2	24-5	S 33-E	_	380'	NORTH	1860'	WEST	LEA			
			11	Bottom Ho	ole Location If I	Different From Su	rface					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/We	st line County			
M	11	24-5	33-E	_	60'	SOUTH	989'	WEST	LEA			
12Dedicated Acres	13 Joint or 1	lnfill 14	Consolidation Co	de 15Ord	der No.							
319.98												
4												

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.

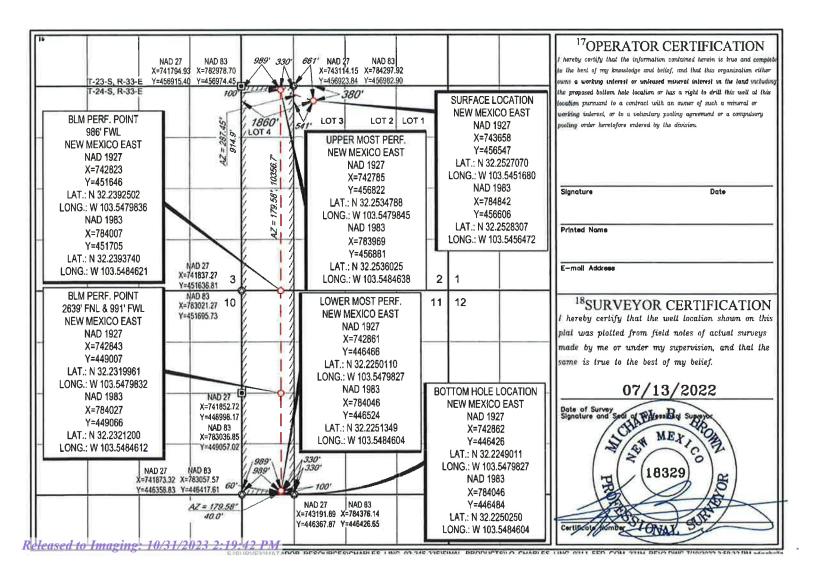


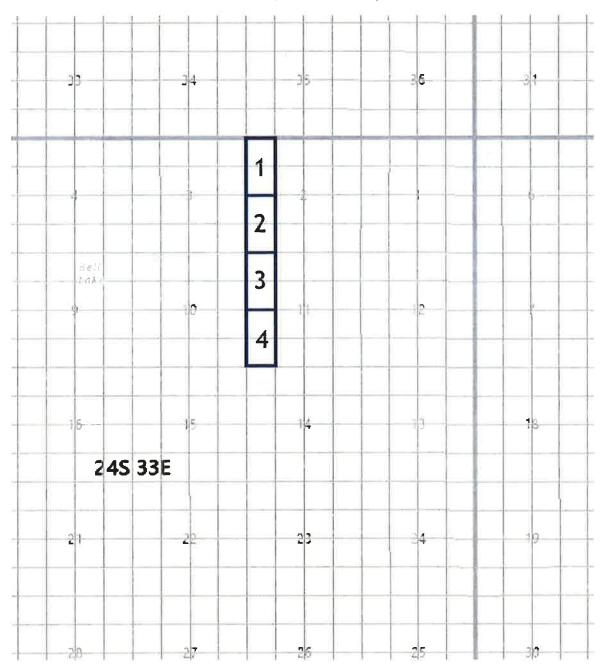
EXHIBIT A-3

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-3
Submitted by: Matador Production Company
Hearing Date: November 2, 2023

Case No. 23931

Charles Ling 0211 Fed Com 135H & 221H

T24S-R33E, Lea County, NM



Tract 1: 79.98 acs - Sec. 2: Lot 4, NW/4NW/4 (State - VB-1814)

Tract 2: 80.00 acs - <u>Sec. 2</u>: W/2SW/4 (State - VB-1819)

Tract 3: 80.00 acs - <u>Sec. 11</u>: W/2NW/4 (Federal - NMLC-063798)

Tract 4: 80.00 acs - <u>Sec. 11</u>: W/2SW/4 (Fee)

EXHIBIT A-4

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-4
Submitted by: Matador Production Company

Hearing Date: November 2, 2023 Case No. 23931

Summary of Interests

MRC Permian Company:			35.099680%
Voluntary Joinder:			22.085180%
Compulsory Pool:			42.815140%
Interest Owner:	Description:	Tract:	Interest:
COG Operating LLC	Working Interest	1,3	30.309941%
The Allar Company	Working Interest	1	6.248828%
Oxy Y-1 Company	Working Interest	2	5.000313%
Concho Oil & Gas LLC	Working Interest	_	0.937324%
Murchison Oil and Gas, LLC	Working Interest	3	0.318734%



Summary of Interests

Interest Owner:	Description:	Tract:
820MT BPEOR NM, LLC	Overriding Royalty	3
820MT II BPEOR NM, LLC	Overriding Royalty	3
Betsy Bond	Overriding Royalty	3
CCJR Properties, LLC	Overriding Royalty	3
Claire Chilton Lopez	Overriding Royalty	3
COG Operating LLC	Overriding Royalty	3
Concho Oil & Gas LLC	Overriding Royalty	3
Devon Energy Production Company, L.P.	Overriding Royalty / Record Title	3
Dragoon Creek Minerals, LLC	Overriding Royalty	4, 5
Ewell H. Muse, III	Overriding Royalty	3
Fine Line BPEOR NM, LLC	Overriding Royalty	3
Fortis Minerals II, LLC	Overriding Royalty	3
J. D. Murchison Interests, Inc.	Overriding Royalty	3
Jamie E. Jennings and George J, Lee, Trustees of the Jennings-Lee Trust	Overriding Royalty	3
Joe John Bond	Overriding Royalty	3
John C. Ryan, IV	Overriding Royalty	3
John C. Thomas	Overriding Royalty	3
John Lawrence Chilton	Overriding Royalty	3
Katherine K. McIntyre	Overriding Royalty	3
Keystone (RMB) BPEOR NM, LLC	Overriding Royalty	3
Keystone O&G Multi-State, LLC	Overriding Royalty	3



Summary of Interests

Interest Owner:	Description:	Tract:
KWCL Properties	Overriding Royalty	3
LMBI O&G Multi-State, L.L.C.	Overriding Royalty	3
McMullen Minerals, LLC	Overriding Royalty	4
MEC Petroleum Corp.	Overriding Royalty	3
Nestegg Energy	Overriding Royalty	
Pegasus Resources NM, LLC	Overriding Royalty	4
Pegasus Resources, LLC	Overriding Royalty	4
Richard Royall Ryan	Overriding Royalty	3
RMB BPEOR NM, LLC	Overriding Royalty	3
Roger John Allen and Nancy Edge Jennings Allen, Trustees of the Allen Family Revocable Trust	Overriding Rovalty	Е
Santa Elena Minerals IV, LP	Overriding Royalty	3
Sharbro Energy, LLC	Overriding Royalty	2
SRBI O&G Multi-State, L.L.C.	Overriding Royalty	3
SRBMT I BPEOR NM, LLC	Overriding Royalty	3
SRBMT II BPEOR NM, LLC	Overriding Royalty	3
Susan J. Croft	Overriding Royalty	3
Susan Ryan	Overriding Royalty	3
Tap Rock Minerals LP	Overriding Royalty	3
FD Minerals LLC	Overriding Royalty	3
The Allar Company	Overriding Royalty	1
Thru Line O&G Multi-State, L.L.C.	Overriding Royalty	3



EXHIBIT A-5

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-5
Submitted by: Matador Production Company
Hearing Date: November 2, 2023
Case No. 23931

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240 Voice 972.371.5236 • Fax 214.866.4946 jdurham@matadorresources.com

John Durham Area Land Manager

May 25, 2022

VIA CERTIFIED RETURN RECEIPT MAIL

EOG Resources, Inc. 5509 Champions Drive Midland, Texas 79706

Re:

Charles Ling Fed Com #221H, #222H, #223H, & #224H (the "Wells")
Participation Proposal
All of Sections 2 & 11, E2E2 of Section 14, Township 24 South, Range 33 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Charles Ling Fed Com #221H, Charles Ling Fed Com #222H, Charles Ling Fed Com #223H, and Charles Ling Fed Com #224H wells, located in All of Sections 2 & 11, E2E2 of Section 14, Township 24 South, Range 33 East, Lea County, New Mexico, to the Wolfcamp formation.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the four (4) enclosed Authority for Expenditures ("AFE") both dated April 12, 2022.
- Charles Ling Fed Com #221H: to be drilled from a legal location with a proposed surface hole location in the NW/4NW/4 of Section 2-24S-33E and a proposed bottom hole location in the SW/4SW/4 of Section 11-24S-33E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,950' TVD) to a Measured Depth of approximately 23,220'.
- Charles Ling Fed Com #222H: to be drilled from a legal location with a proposed surface hole location in the NE/4NW/4 of Section 2-24S-33E and a proposed bottom hole location in the SE/4SW/4 of Section 11-24S-33E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,950' TVD) to a Measured Depth of approximately 23,220'.
- Charles Ling Fed Com #223H: to be drilled from a legal location with a proposed surface hole location in the NW/4NE/4 of Section 2-24S-33E and a proposed bottom hole location in the SW/4SE/4 of Section 11-24S-33E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,950' TVD) to a Measured Depth of approximately 23,220'.

• Charles Ling Fed Com #224H: to be drilled from a legal location with a proposed surface hole location in the NE/4NE/4 of Section 2-24S-33E and a proposed bottom hole location in the SE/4SE/4 of Section 14-24S-33E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~12,950' TVD) to a Measured Depth of approximately 28,520'.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

EOG Resources, Inc. will own an approximate working interest shown below in each Well, subject to title verification.

MRC requests that you indicate your election to participate in the drilling and completion of the Wells in the space provided below, sign and return one (1) copy of this letter to the undersigned.

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement dated May 1, 2022, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering All of Sections 2 & 11, and the E2E2 of Section 14, Township 24 South, Range 33 East, Lea County, New Mexico, and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$8,000/\$800 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFE(s) within thirty (30) days of receipt of this notice. Additionally, if your election is to participate, please accept this letter as an invoice notice and request for payment. Please remit payment for your proportionate share of costs to Matador Production Company on or before thirty (30) days after receipt of this estimate and invoice. Please be aware that the enclosed AFE(s) are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

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

Sincerely,

MRC PERMIAN COMPANY

John Durhan

EOG Resources, Inc. nereby elects to:	
Participate with its approximate working interest of 0.133333333 in Matador Production Comp	any's
Charles Ling Fed Com #221H well, in the estimated amount of \$591,926.27.	
Not to participate in the Charles Ling Fed Com #221H	
Participate with its approximate working interest of 0.133333333 in Matador Production Comp	any's
Charles Ling Fed Com #222H well, in the estimated amount of \$591,926.27.	
Not to participate in the Charles Ling Fed Com #222H	
Participate with its approximate working interest of 0.133333333 in Matador Production Comp	any's
Charles Ling Fed Com #223H well, in the estimated amount of \$591,926.27.	
Not to participate in the Charles Ling Fed Com #223H	
Participate with its approximate working interest of 0.08888889 in Matador Production Comp	any's
Charles Ling Fed Com #224H well, in the estimated amount of \$478,231.02.	
Not to participate in the Charles Ling Fed Com #224H	
EOG Resources, Inc.	
Ву:	
Title:	
Date:	
Contact Number:	

MATADOR PRODUCTION COMPANY

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

Phone (972) 3	71-5200 • Fax (972) 371-5201

	ESTIMATE OF COSTS AND	AUTHORIZATION FOR EXPENDITURE	
DATE:	April 14, 2022	AFE NO.:	
WELL NAME:	Charles Ling Fed Com 221H	FIELD:	
LOCATION:	Sections 2&11-24S-33E	MD/TVD:	23220'/12950'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	10,000
MRC WI:			N
GEOLOGIC TARGET:	Wolfcamp B		
REMARKS:	Drill and complete a horizontal 2 mile long Wolfca	mp B target with about 46 frac stages	

	DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE COSTS	COSTS	costs	COSTS	FACILITY COSTS	\$ 78,000
Land / Legal / Regulatory	\$ 58,000 148,833	13,000	10,000	10,000	189,333
Location, Surveys & Damages	878.075	13,000	15,000	12,500	878,075
Drilling	209,000				209,000
Cementing & Flost Equip Logging / Formation Evaluation	209,000	3,780	3,000		6,780
Flowback - Labor		3,780	19,960		19,060
Flowback - Labor Flowback - Surface Rentals			121,250		121,250
Flowback - Rental Living Quarters			121,200		- 161,659
Mud Logging	22,500				22,500
Mud Circulation System	52.675				52,675
Mud & Chemicals	345,000	53,900	21,500		420,400
Mud / Wastewater Disposal	150,000	-	2,000	1,000	153,000
Freight / Transportation	17,000	41,800	3,000	•	61,600
Rig Supervision / Engineering	136,000	101,420	10,000	1,800	249,220
Drill Blis	91,600				91,60
Fuel & Power	159,500	527,283	2,000	-	589,76
Water	45,000	693,000	2,000	1,000	741,000
Drig & Completion Overhead	10,000	•			10,000
Plugging & Abandonment					
Directional Drilling, Surveys	263,810				263,010
Completion Unit, Swab, CTU		154,000	9,000		163,000
Perforating, Wireline, Slickline		168,070	7,000		195,070
High Pressure Pump Truck		60,060	5,000	-	65,060
Stimulation	2*	2,202,352			2,202,352
Stimulation Flowback & Disp		17,050	105,000		212,050
Insurance	34,830		40.000	5,000	34,830 231,050
Labor	149,500	66,550	10,000	5,000	443,698
Rental - Surface Equipment	93.535	94,600	30,000	5,000	232,800
Rental - Downhole Equipment	51,120	45,881		5,000	102,001
Rental - Living Quarters Contingency	92,460	244,653	48,571	4,130	387,814
Operations Center	28,014	E44,000	- 40,071	4/100	28,014
TOTAL INTANGIBLES		4,822,561	512,281	45,430	8,584,72
TOTAL INTANGIBLES					
	DRILLING			10,141	TOTAL
TANGIRI E COSTS	DRILLING COSTS	COMPLETION	PRODUCTION	FACILITY COSTS	COSTS
TANGIBLE COSTS	COSTS		PRODUCTION		COSTS
Surface Casing		COMPLETION	PRODUCTION		COSTS \$ 85,090
TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner	COSTS \$ 85,090	COMPLETION	PRODUCTION		COSTS \$ 85,690 464,000
Surface Casing Intermediate Casing Drilling Liner	COSTS \$ 85,090	COMPLETION	PRODUCTION		COSTS \$ 85,690 464,000
Surface Casing Intermediate Casing	COSTS \$ 85,090 464,095	COMPLETION	PRODUCTION COSTS		\$ 85,698 464,698 642,011
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner	COSTS \$ 85,090 464,095 642,811	COMPLETION	PRODUCTION COSTS \$		\$ 85,050 404,050 642,011
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Cliner Tubing Wellhead	COSTS \$ 85,090 464,095	COMPLETION COSTS	PRODUCTION COSTS \$		COSTS \$ 85,098 464,098 642,011 192,000 118,000
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hengers	COSTS \$ 85,090 464,095 642,811	COMPLETION	PRODUCTION COSTS \$	FACILITY COSTS 5	\$ 85,099 464,099 642,011 192,000 118,000 73,344
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks	COSTS \$ 85,090 464,095 642,811	COMPLETION COSTS	PRODUCTION COSTS \$	FACILITY COSTS 5 67,500	\$ 65,098 404,098 642,011 192,000 118,000 73,344 67,500
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels	COSTS \$ 85,090 464,095 642,811	COMPLETION COSTS	PRODUCTION COSTS \$	FACILITY COSTS 5 67,500 136,363	\$ 85,699 464,090 642,011 192,000 118,000 73,344 67,500
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines	COSTS \$ 85,090 464,095 642,811	COMPLETION COSTS	PRODUCTION COSTS \$	FACILITY COSTS 5 67,500	\$ 85,699 464,090 642,011 192,000 118,000 73,344 67,500
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod atring	COSTS \$ 85,090 464,095 642,811	COMPLETION COSTS	\$ 192,000 45,000 6,000	FACILITY COSTS 5 67,500 136,363	COSTS 85,694 464,695 642,011 192,000 118,000 73,344 67,501 130,365
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment	COSTS \$ 85,090 464,095 642,811	COMPLETION COSTS	PRODUCTION COSTS \$	FACILITY COSTS 5 67,600 136,363 120,000	COSTS 85.693 464.093 464.093 192.000 118.000 130.364 120.000 330.000 330.000 350.000 130.000 1
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Flow Lines Rod string Artificial Lift Equipment Compressor	COSTS \$ 85,090 464,095 642,811	COMPLETION COSTS	\$ 192,000 45,000 6,000	FACILITY COSTS 5 67,600 136,363 120,000	\$ 85,694 464,099 642,01 192,000 118,000 73,34 67,55 130,36 120,000
Surface Casing Intermediate Casing Dritting Liner Production Casing Production Liner Tubling Welthead Packers, Liner Hangers Tanks Production Vessels Flow Linee Rod string Artificial Lift Equipment Compressor Instaltation Costs	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	PRODUCTION COSTS \$ 192,000 45,000 6,000	FACILITY COSTS 67,500 136,363 120,000 11,250 46,000	\$ 85,091 464,093 642,01 192,000 118,000 73,34 67,50 130,36 120,000 11,25 48,000
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Liner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compresser Installation Costs Surface Pumps	COSTS \$ 85,000 464,005 842,811 73,000	COMPLETION COSTS	\$ 192,000 45,000 6,000	67,600 136,363 120,000 11,250 46,000 14,375	COSTS \$ 85,694 464,095 642,01 192,000 118,000 73,34 67,505 130,36 120,000 11,25 48,000 19,37
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Weithead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	COSTS \$ 85,000 464,005 642,811 73,000	COMPLETION COSTS	\$ 192,000 45,000 5,000 5,000	FACILITY COSTS 67,500 136,363 120,000 11,250 46,000	COSTS \$ 85,694 464,095 642,01 118,000 73,34 67,50 130,36 120,000 11,25 48,000 19,37 2,300
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Clier Tubling Wellhead Packers, Liner Hangers Tanks Production Vessols Flow Linee Rod string Artificial Lift Equipment Compressor Instaltation Costs Surface Pumpa Non-controllable Surface Non-controllable Surface Non-controllable Surface	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	PRODUCTION COSTS \$ 192,000 45,000 6,000	67,600 136,363 120,000 11,250 46,000 14,375	COSTS \$ 85,694 464,095 642,01 192,000 118,000 73,34 67,505 130,36 120,000 11,25 48,000 19,37
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compresser Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	COSTS \$ 85,000 464,005 642,811 73,000	COMPLETION COSTS	PRODUCTION COSTS \$ 192,000 45,000 6,000 5,000	67,600 136,363 120,000 11,250 46,000 14,375	COSTS \$ 85,694 464,095 642,01 192,000 118,000 73,34 67,505 130,36 120,000 11,25 48,000 19,007
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Weithead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compresser Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Downhole Downhole Downhole Downhole Downhole Downhole Downhole	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	PRODUCTION COSTS \$ 192,000 45,000 6,000 5,000	67,500 136,363 120,000 46,000 14,375 2,000	COSTS \$ 85,694 464,095 642,01 192,000 118,000 73,34 67,505 130,36 120,000 11,25 48,000 19,007
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Deliydration	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	\$ 192,000 45,000 5,000 5,000 11,000	67,500 136,363 120,000 46,000 14,375 2,000	\$ 05.694 464.095 642.01 192.000 73.34 67.50 130.36 120.000 11.25 48.00 19.37 2.00
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compresser Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Candilboning / Deliydralion Interconnecting Facility Piping	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	\$ 192,000 45,000 6,000 5,000 11,000	67,500 136,363 120,000 11,250 46,000 14,375 2,000	\$ 05.694 464.095 642.01 192.000 73.34 67.50 130.36 120.000 11.25 48.00 19.37 2.00
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubing Weithead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compresser Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning I Deltydration Interconnecting Facility Piping Gattering / Bulk Lines	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	\$ 192,000 45,000 6,000 5,000 11,000	67,500 136,363 120,000 14,375 2,000	COSTS \$ 05.684 404.095 642.01 192.000 118.000 773.44 67.50 130.36 120.000 11.25 48.000 19.37 2.00
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Ciner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Canditioning / Deltydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	\$	67,500 11,250 46,000 14,375 2,000	\$ 85,690 464,093 642,01 192,000 118,000 73,34 67,50 130,36 120,000 11,25 49,00 19,37 2,00 68,60 56,25
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Weithead Packers, Liner Hangers Tanks Production Vessels Production Costs Surface Pumpa Non-controllable Surface Non-controllable Surface Non-controllable Downhols Downhole Pumps Measurement & Meter Installation Gas Candilioning / Deliydration Interconnecting Facility Piping Gathering / Bulk Linos Valves, Dumps, Controllers Tank / Facility Containment	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	\$ 192,000 45,000 6,000	FACILITY COSTS 67,500 136,363 120,000 11,250 46,000 14,375 2,000 56,250 6,875 20,625	COSTS \$ 05.694 404.095 642.01 192.000 118.000 73.344 67.500 130.366 120.000 11.255 48.000 12.2500 56.500 56.250
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Ciner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Canditioning / Deltydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	\$ 192,000 45,000 6,000	67,500 136,363 120,000 11,250 46,000 14,375 2,000 57,500 56,250 	COSTS \$ 55.093 464.093 642.011 192.000 118.000 73.344 67.500 130.366 120.000 17.25 48.000 19.377 2.000 568.50 568.50 2.000 6.677 20.022 44.500
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Casing Weithead Packers, Liner Hangers Tanks Production Vessels Flow Lines Red string Artificial Lift Equipment Compresser Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Canditioning / Deliydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Fscility Containment Flane Stack	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	\$ 192,000 45,000 6,000 5,000 111,000	67,500 136,363 120,000 14,375 2,000 57,500 56,250 0,675 20,625 42,500 5,000	COSTS \$ 85.694 404.093 642.011 192.000 118.000 73.344 67.505 130.365 120.000 11.25 48.000 19.377 2.000 568.600 50.697 20.002 44.500 19.000
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Canditioning / Deltydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Filare Stack Electrical / Grounding	COSTS 85,000 464,095 642,811 72,000	COMPLETION COSTS	PRODUCTION COSTS \$	67,500 136,363 120,000 11,250 46,000 14,375 2,000 57,500 56,250 	COSTS \$ 05.684 404.095 642.01 192.000 118.000 773.344 67.505 130.366 120.000 11.225 48.000 12.375 2.000 56.507 20.002 44.500 13.375
Surface Casing Intermediate Casing Diffling Liner Production Casing Production Casing Production Liner Tubling Wellhead Packers, Liner Hangers Tanks Production Vessols Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumpa Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Canditioning / Deliydration Interconnecting Facility Piping Gattlering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	COSTS 845,000 464,005 642,811 73,000	COMPLETION COSTS	PRODUCTION COSTS \$	67,500 136,363 120,000 14,375 2,000 57,500 56,250 0,675 20,625 42,500 5,000	COSTS \$ 05.094 404.099 642.011 192.000 118.000 73.344 67.500 130.365 120.000 11.256 48.000 19.377 2.000

Date: ____

Tille: Approval: Yes

Released to Imaging: 10/31/2023 2-19:42 PM

PREPARED BY MATADOR PRODUCTION COMPANY:

122000 00 02

No (mark one)

EXHIBIT A-6

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-6
Submitted by: Matador Production Company
Hearing Date: November 2, 2023
Case No. 23931

Charles Ling 0211 Fed Com 135H, Charles Ling 0211 Fed Com 136H, Charles Ling 0211 Fed Com 137H, Charles Ling 0214 Fed Com 138H, Charles Ling 0211 Fed Com 221H, Charles Ling 0211 Fed Com 222H, Charles Ling 0211 Fed Com 223H, Charles Ling 0214 Fed Com 224H

Summary of Communication

COG Operating LLC

- 5/26/2022: Proposals mailed via certified mail.
- 6/1/2022: Proposals delivered. (Received signed return receipt)
- 6/1/2022 9/26/2023: sent JOA, responded to inquiries.

Oxy Y-1 Company

- 5/26/2022: Proposals mailed via certified mail.
- 6/1/2022: Proposals delivered. Received signed return receipt.
- 6/1/2022 9/26/2023: sent JOA, responded to inquiries.

Concho Oil & Gas LLC

- 5/26/2022: Proposals mailed via certified mail.
- 6/1/2022: Proposals delivered. Received signed return receipt.
- 6/1/2022 9/26/2023: sent JOA, responded to inquiries.

Murchison Oil and Gas LLC

- 5/26/2022: Proposals mailed via certified mail.
- 5/31/2022: Proposals delivered. Received signed return receipt.
- 5/31/2022 9/26/2023: sent JOA, received elections, responded to inquiries.

The Allar Company

- 8/29/2023: Proposals mailed via certified mail.
- 8/30/2023: sent JOA and proposals electronically.
- 9/5/2023: Proposals delivered to Agent per USPS website.
- 9/5/2023 9/26/2023: sent JOA, responded to inquiries.

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

APPLICATION OF MRC PERMIAN COMPANY FOR APPROVAL OF OVERLAPPING HORIZONTAL WELL SPACING UNITS AND FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 23931-23934

SELF-AFFIRMED STATEMENT OF LIZ OLSON

My name is Liz Olson and I am employed by MRC Energy Company, an affiliate of

Matador Production Company ("Matador"), as a Senior Geologist.

1. I have previously testified before the New Mexico Oil Conservation Division as an

expert witness in petroleum geology. I am familiar with the applications filed by Matador in these

consolidated cases and have conducted a geologic study of the lands in the subject area.

2. Under these consolidated cases, MRC seeks orders pooling four standard

overlapping horizontal well spacing units in a limited interval of the Wolfcamp formation

underlying certain portions of Sections 2, 11, and 14, Township 24 South, Range 33 East, NMPM,

Lea County, New Mexico.

3. Matador Exhibit B-1 is a locator map outlining the subject area with a black box

shaded in yellow.

5.

4. The target interval for the initial wells in the proposed spacing units is the Wolfcamp

B interval of the Wolfcamp formation.

Matador Exhibit B-2 is a subsea structure map that I prepared for the top of the

Wolfcamp formation. The contour interval is 50 feet. The structure map shows the Wolfcamp

formation dipping to the west/southwest. The structure appears consistent across the proposed

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico

spacing units and I do not observe any faulting, pinch outs, or other geologic impediments to horizontal drilling.

- 6. Also included on Matador Exhibit B-2 is a line of cross section from A to A'.
- 7. **Matador Exhibit B-3** is a structural cross-section that I prepared displaying openhole logs run over the Wolfcamp formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included, when available: gamma ray, caliper, resistivity, and porosity. The target interval of the proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted interval, within the Wolfcamp formation, is consistent in thickness across the entirety of the proposed spacing unit.
- 8. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Wolfcamp formation underlying the area comprising the proposed spacing units.
- 9. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from the horizontal spacing units.
- 10. The proposed spacing units are limited in depth to the correlative stratigraphic interval from 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-025-34246) to the base of the Wolfcamp formation.
- 11. **Matador Exhibit B-4** is a type log of the Stevens 11 #1 well (API No. 30-025-34246). I have bracketed on this type log the pooled interval, which includes the target interval for the initial wells.
- 12. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

- 13. In my opinion, the standup orientation is the preferred orientation for development in this area for the target interval of this well because the maximum horizontal stress is east-west in this area.
- 14. Approving Matador's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 15. **Matador Exhibits B-1 through B-4** were either prepared by me or compiled under my direction and supervision.
- 16. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Liz Olson Date

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. B-1

Submitted by: Matador Production Company

Hearing Date: November 2, 2023 Case No. 23931

Exhibit B-1

175 21E 175 23E Eddy 185 21E 185 23E	185 2-4€	175 25E	175 26E	175 27E	175 28E	175 29E	175 30E	175 31E Abo	Lea Reef	175 33E	175 34E	175 350	175 365	175 37E	175 38E	175) BLX AB 39E3
185 21E 185 23E				185 27E	185 28E	185 29E	18S 30E	185 316			The second second					
19521E 19523E	195 24E	195 25E	195.26E						185 32E	185 33E	18534E	185 350	185 36E	185 37E	185 38E	185 Gaines
				195 27E	195 28E	195 29E	195 302	ungest	Goat S	eep	195 34E	195 35E	195 34 E	195 37E	195 38E	BLK A10 195 391 BLK A12
05 21E 205 23E	205 24E	205 25E	205 26E	2052π	205 28E	205 29E	205 30E	205 31E	Aquifei 205 32E	205 3 M	205 34€	205 35E	205 36£	205 37E	205 38E	205 39£3 BLK A28
0.555 20155 21E 22E 5 21E 215 22E	20:55 2 3£ 215 23£	215 24E	215 25E	215 26E	215 27E	215 28E	215 29E	ounges	t Capita	n 215 32E	215 33E	215 34E	215 35E	215 36E	215 37E	215 38 A29 BD A30
S 21E 22S 22E	225 2 M	225 245	225 25E	225264	225 27E	225 28E	225 29E	225 30E	225 31E	225 32E	225 3 M	225 34E	225 35E	225 36E	225 37E	Andrey
S 21E 235.22E	235 238	235 24E	235 25E	235 26Ε	235 27E	235 28E	235 29E	235 30E	235 31E		narles l ibject <i>P</i>		235 35E	23534E	23S 37E	235 38E BLK A 40 BL A5
15 21E 245 22E	245 23E	245 248	245 25E	245 26E	245 27E	245 28E	245 29E	245 30E	24531E	245 32E	245 331	245 34E	245 351	245 36E	245 37E	245 BLK A51 BLK BLK A52
IS 21E 255 22E	25%,23%	255 24E	255 250	255 26E	255 270	255 28E	255 29E	255 30E	255 31E	255 326	255 33E	255 34E	255 35E	255 360	255 37E	255 360 BUK A55
5 2 1E 265 22E	265 23E	265 24E	265 25E	265 26E	265 27E	265 28E	100 New Mexi	000ftUS	103 311	325	265 33E	265 34E	265 358	265 36E	265 37E	265 38E BLKAS6

WC-025 G-09 S243310P;UPPER WOLFCAMP (Pool Code 98135) Structure Map (Top Wolfcamp Subsea) A – A' Reference Line

₩ ✡ ≎ ✡ ≎ **Stevens 11 #1**

Map Legend

Wolfcamp Wells

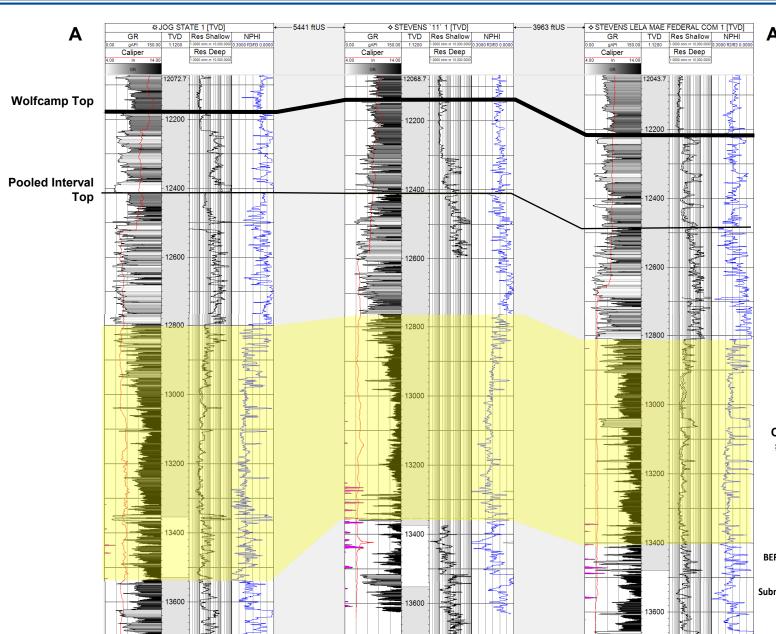
Subject Area



C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-2
Submitted by: Matador Production Company
Hearing Date: November 2, 2023
Case No. 23931



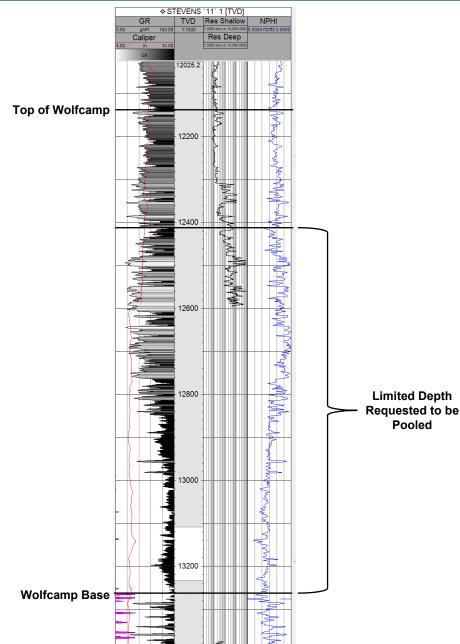


Charles Ling #221H, #222H, #223H, and #224H Target

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-3
Submitted by: Matador Production Company
Hearing Date: November 2, 2023
Case No. 23931



Exhibit B-4



BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-4
Submitted by: Matador Production Company
Hearing Date: November 2, 2023
Case No. 23931



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

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

CASE NO. 23931

SELF-AFFIRMED STATEMENT OF MICHAEL H. FELDEWERT

- 1. I am attorney in fact and authorized representative of MRC Permian Company ("MRC"), the Applicant herein. I have personal knowledge of the matters addressed herein and am competent to provide this self-affirmed statement.
- 2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the 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 October 30, 2022.
- 5. I caused a notice to be published to all parties subject to these compulsory pooling proceedings on October 19, 2022. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit D.
- 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. C
Submitted by: Matador Production Company
Hearing Date: November 2, 2023
Case No. 23931

10/31/23

Date

Michael H. Feldewert



Michael H. Feldewert Partner Phone (505) 988-4421 mfeldewert@hollandhart.com

October 13, 2023

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS AND ALL WORKING INTEREST OWNERS AFFECTED BY THE PROPOSED OVERLAPPING SPACING UNIT

Re: Application of MRC Permian Company for Approval of an Overlapping Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico: Charles Ling Fed Com 221H well

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on November 2, 2023, and the status of the hearing can be monitored through the Division's website at https://www.emnrd.nm.gov/ocd/.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. 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 Nicholas Weeks at (972) 371-5481 or nweeks@matadorresources.com.

Sincerely,

Michael H. Feldewert

ATTORNEY FOR MRC PERMIAN COMPANY

Location 110 North Guadalupe, Suite 1 Santa Fe, NM 87501-1849 Mailing Address
P.O. Box 2208
Santa Fe, NM 87504-2208

Contact p: 505.988.4421 | f: 505.983.6043 www.hollandhart.com

Holland & Hart LLP Anchorage Aspen Billings Boise Boulder Cheyenne Denver Jackson Hole Las Vegas Reno Salt Lake City Santa Fe Washington, D.C.

						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492400325	820MT I BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item was delivered to the front desk,
						reception area, or mail room at 8:18 am on
9414811898765492400066	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	October 16, 2023 in MIDLAND, TX 79701.
						Your package will arrive later than expected,
						but is still on its way. It is currently in transit
9414811898765492400004	Ewell H. Muse, III	5802 Kentucky Derby	Austin	TX	78746-1140	to the next facility.
						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492400097	Fine Line BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item arrived at our NORTH HOUSTON TX
						DISTRIBUTION CENTER destination facility on
						October 28, 2023 at 3:16 pm. The item is
9414811898765492400073	Fortis Minerals II, LLC	1111 Bagby St Ste 2150	Houston	TX	77002-2626	currently in transit to the destination.
						Your item was delivered to the front desk,
						reception area, or mail room at 1:28 pm on
9414811898765492400417	J. D. Murchison Interests, Inc.	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	October 16, 2023 in PLANO, TX 75024.
						This is a reminder to pick up your item before
						October 30, 2023 or your item will be
	Jamie E. Jennings and George J, Lee,					returned on October 31, 2023. Please pick up
9414811898765492400455	Trustees Of The Jennings-Lee Trust	PO Box 670326	Dallas	TX	75367-0326	the item at the DALLAS, TX 75367 Post Office.
						Your item was delivered to an individual at
		1.500.15				the address at 3:10 pm on October 18, 2023
9414811898765492400462	Joe John Bond	1159 Oak Forest Dr	Fort Worth	TX	76114-4549	in FORT WORTH, TX 76114.
						Your item was delivered to an individual at
0.44.404.4000765.400.400.404	Labor C. Doran IV	5220 6 8 1			76446 2025	the address at 11:02 am on October 17, 2023
9414811898765492400424	John C. Ryan, IV	6229 Genoa Rd	Fort Worth	TX	/6116-2025	in FORT WORTH, TX 76116.
0.44.404.4.0007.55.403.400.400	John C Thomas	DO D C004	Can Antania	T)/	70200 0004	Your item was picked up at the post office at
9414811898765492400400	John C. Thomas	PO Box 6881	San Antonio	TX	78209-0881	1:41 pm on October 20, 2023 in SAN Your item was delivered to an individual at
0414911909765402400402	John Laurance Chilton	4040 Corriente La	Fort Worth	TV	76126 1952	the address at 10:22 am on October 21, 2023
9414811898765492400493	John Lawrence Chilton	4949 Corriente Ln	Fort Worth	TX	76126-1853	in FORT WORTH, TX 76126. Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
0414011000765402400201	820MT II BREOD NIM II C	201 Main St Ste 2700	Fort Worth	TV	76102 2121	in FORT WORTH, TX 76102.
9414811898765492400301	OZUIVIT II DEUN INIVI, LLC	ZOT MIGHT OF OUR STAND	Fort Worth	TX	70102-3131	Your item has been delivered to an agent for
						final delivery in EL PASO, TX 79912 on
0/1/011000765/02/00//0	Katharina K. Malatura	512 Thunder Crest Ln	El Paso	TX	70012 4251	October 16, 2023 at 2:38 pm.
9414811898765492400448	Katherine K. McIntyre	512 munder Crest Lii	EI Paso	IX	/9912-4251	October 10, 2023 at 2.38 pm.

						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492400486	Keystone RMB BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492400431	Keystone O&G Multi-State, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item was returned to the sender at 8:28
						am on October 16, 2023 in FORT WORTH, TX
						76102 because the forwarding order for this
9414811898765492400516	KWCL Properties	307 W 7th St Ste 1705	Fort Worth	TX	76102-5103	address is no longer valid.
						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492400554	LMBI O&G Multi-State, L.L.C.	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item was delivered to an individual at
						the address at 1:08 pm on October 16, 2023
9414811898765492400561	McMullen Minerals, LLC	2821 W 7th St Ste 515	Fort Worth	TX	76107-8912	in FORT WORTH, TX 76107.
						Your item was delivered to an individual at
						the address at 1:38 pm on October 16, 2023
9414811898765492400523	MEC Petroleum Corp.	414 W Texas Ave Ste 410	Midland	TX	79701-4415	in MIDLAND, TX 79701.
						Your item was delivered to the front desk,
						reception area, or mail room at 1:28 pm on
9414811898765492400509	Murchison Oil and Gas, LLC	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	October 16, 2023 in PLANO, TX 75024.
						Your item was delivered to an individual at
						the address at 12:28 pm on October 18, 2023
9414811898765492400592	Nestegg Energy	2308 Sierra Vista Rd	Artesia	NM	88210-9409	in ARTESIA, NM 88210.
						Your item has been delivered to an agent for
						final delivery in HOUSTON, TX 77046 on
9414811898765492400585	Oxy Y-1 Company	5 Greenway Plz	Houston	TX	77046-0526	October 18, 2023 at 11:34 am.
						Your package will arrive later than expected,
						but is still on its way. It is currently in transit
9414811898765492400394	Betsy Bond	4310 48th Ave Apt 3U	Woodside	NY	11377-6202	to the next facility.
						Your item was delivered at 9:03 am on
9414811898765492400578	Pegasus Resources NM, LLC	PO Box 470698	Fort Worth	TX	76147-0698	October 16, 2023 in FORT WORTH, TX 76147.
						Your item was delivered at 9:03 am on
9414811898765492408215	Pegasus Resources, LLC	PO Box 470698	Fort Worth	TX	76147-0698	October 16, 2023 in FORT WORTH, TX 76147.
						Your item arrived at the SANTA FE, NM 87501
						post office at 9:14 am on October 27, 2023
9414811898765492408253	Richard Royall Ryan	14011 Bluff Park Dr	San Antonio	TX	78216-7926	and is ready for pickup.
						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492408260	RMB BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.

	Roger John Allen and Nancy Edge					Your package will arrive later than expected,
	Jennings Allen Trustees Of The Allen					but is still on its way. It is currently in transit
9414811898765492408208	Family Revocable Trust	3623 Overbrook Dr	Dallas	TX	75205-4326	to the next facility.
						Your item was delivered to the front desk,
						reception area, or mail room at 11:50 am on
9414811898765492408246	Santa Elena Minerals IV, LP	PO Box 2063	Midland	TX	79702-2063	October 19, 2023 in MIDLAND, TX 79701.
						Your item was picked up at the post office at
9414811898765492408239	Sharbro Energy, LLC	PO Box 840	Artesia	NM	88211-0840	11:26 am on October 18, 2023 in ARTESIA,
						Your item was delivered to an individual at
						the address at 10:16 am on October 17, 2023
9414811898765492408277	SRBI O&G Multi-State, L.L.C.	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492408857	SRBMT I BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492408826	SRBMT II BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.
						Your item was picked up at the post office at
9414811898765492400349	CCJR Properties, LLC	PO Box 1451	Keller	TX	76244-1451	12:41 pm on October 16, 2023 in KELLER, TX
						Your item was delivered to an individual at
						the address at 10:17 am on October 20, 2023
9414811898765492408802	Susan J. Croft	6713 Deep Valley Ln	Fort Worth	TX	76132-1121	in FORT WORTH, TX 76132.
						Your package will arrive later than expected,
						but is still on its way. It is currently in transit
9414811898765492408888	Susan Ryan	2208 Mistletoe Blvd	Fort Worth	TX	76110-1130	to the next facility.
						Your item was delivered to the front desk,
						reception area, or mail room at 11:38 am on
9414811898765492408833	Tap Rock Excluded Minerals, LLC	523 Park Point Dr Ste 200	Golden	СО	80401-9387	October 16, 2023 in GOLDEN, CO 80401.
						Your item was delivered to the front desk,
						reception area, or mail room at 11:38 am on
9414811898765492408871	Tap Rock Resources, LLC	523 Park Point Dr Ste 200	Golden	СО	80401-9387	October 16, 2023 in GOLDEN, CO 80401.
						Your item was delivered to the front desk,
						reception area, or mail room at 12:55 pm on
9414811898765492408758	TD Minerals LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	October 16, 2023 in DALLAS, TX 75225.
						Your item was delivered to an individual at
						the address at 10:20 am on October 16, 2023
9414811898765492408765	The Allar Company	PO Box 1567	Graham	TX	76450-7567	in GRAHAM, TX 76450.
						Your item was delivered to an individual at
						the address at 10:15 am on October 17, 2023
9414811898765492408727	Thru Line O&G Multi-State, L.L.C.	201 Main St Ste 2700	Fort Worth	TX	76102-3131	in FORT WORTH, TX 76102.

Received by OCD: 10/31/2023 2:05:19 PM

						Your package will arrive later than expected,
						but is still on its way. It is currently in transit
9414811898765492400387	Claire Chilton Lopez	620 Rockledge Dr	Saginaw	TX	76179-1840	to the next facility.
						Your item was delivered to the front desk,
						reception area, or mail room at 8:03 am on
9414811898765492400332	COG Operating LLC	600 W Illinois Ave	Midland	TX	79701-4882	October 17, 2023 in MIDLAND, TX 79701.
						Your item was delivered to the front desk,
						reception area, or mail room at 8:03 am on
9414811898765492400370	Concho Oil & Gas LLC	600 W Illinois Ave	Midland	TX	79701-4882	October 17, 2023 in MIDLAND, TX 79701.
						Your item was picked up at a postal facility at
	Devon Energy Production Company,					10:18 am on October 16, 2023 in OKLAHOMA
9414811898765492400011	L.P.	333 W Sheridan Ave	Oklahoma City	ОК	73102-5010	CITY, OK 73102.
						Your item was delivered to an individual at
						the address at 12:17 pm on October 24, 2023
9414811898765492400059	Dragoon Creek Minerals, LLC	2821 W 7th St Ste 515	Fort Worth	TX	76107-8912	in FORT WORTH, TX 76107.

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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

> Beginning with the issue dated October 19, 2023 and ending with the issue dated October 19, 2023.

Publisher

Sworn and subscribed to before me this 19th day of October 2023.

Notary

My commission expires August 09, 2025

(Seal)

PAULA GUELL Notary Public - State of New Mexico Commission # 1135156 My Comm. Expires Aug 9, 2025

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

LEGAL NOTICE October 19, 2023

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 cases. The hearings will be conducted remotely on Thursday, November 2, 2023, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at https://www.emrrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at Marlene Salvidrez, at https://www.emrrd.nm.gov/ocd/hearing-info/ or obtained from Marlene Salvidrez, at https://ocdimage.emnrd.nm.gov/lmaging/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, or the New Mexico Relay Network at 1-800-659-1779, no later than October 22, 2023.

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m2782857f226867528004f8664692193a

Webinar number: 2480 928 8744

oin by video system: 24809288744@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll

Access code: 2480 928 8744
Panelist password: gVU2PbUBJ68 (48827282 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 affected interest owners, including: 820MT I BPEOR NM, LLC; 820MT II BPEOR NM, LLC; Betsy Bond, her heirs and devisees; CCJR Properties, LLC; Claire Chilton Lopez, her heirs and devisees; COG Operating LLC; Concho Oil & Gas LLC; Devon Energy Production Company, L.P.; Dragoon Creek Minerals, LLC; EOG Resources, Inc.; Ewell H. Muse, III, his or her heirs and devisees; Fine Line BPEOR NM, LLC; Fortis Minerals II, LLC; J. D. Murchison Interests, Inc.; Jamie E. Jennings and George J, Lee, Trustees of the Jennings-Lee Trust; Joe John Bond, his heirs and devisees; John C. Ryan, IV, his heirs and devisees; John C. Thomas, his heirs and devisees; John Lawrence Chilton, his heirs and devisees; Katherine K. McIntyre, her heirs and devisees; Keystone (RMB) BPEOR NM, LLC; Keystone O&G Multi-State, LLC; KWCL Properties; LMBI O&G Multi-State, L.L.C.; McMullen Minerals, LLC; MEC Petroleum Corp.; Murchison Oil and Gas, LLC; Nestegg Energy; Oxy Y-1 Company; Pegasus Resources NM, LLC; Pegasus Resources, LLC; Richard Royall Ryan, his heirs and devisees; RMB BPEOR NM, LLC; Roger John Allen and Nancy Edge Jennings Allen, Trustees of the Allen Family Revocable Trust; Santa Elena Minerals IV, LP; Sharbro Energy, LLC; SRBI O&G Multi-State, L.L.C.; SRBMT II BPEOR NM, LLC; SRBMT II BPEOR NM, LLC; Susan J. Croft, her heirs and devisees; Susan Ryan, her heirs and devisees; Tap Rock Excluded Minerals, LLC; Tap Rock Resources, LLC; TD Minerals LLC; The Allar Company; and Thru Line O&G Multi-State, L.L.C.

Case No. 23931: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard 319.98-acre, more or less, overlapping horizontal well spacing unit in an interval of the Wolfcamp formation underlying Lot 4, SW4NW4, and the W2SW4 of Section 2, and the W2W2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico, and (b) pooling all uncommitted mineral interests in the correlative stratigraphic interval from 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-025-34246) to the base of the Wolfcamp formation. Said unit will be initially dedicated to the proposed Charles Ling Fed Com 221H well, to be horizontally drilled from a surface location in the NW4NW4 (Unit D) of Section 2 to a bottom hole location in the SW4SW4 (Unit M) of Section 11. This 319.98-acre horizontal well spacing unit will overlap an existing 160-acre horizontal well spacing unit comprised of the W2W2 of Section 11 dedicated to the Charles Ling Fed Com 211H (API: 30-025-45080). Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 22 miles northwest of Jal, New Mexico. #00283855

67100754

00283855

HOLLAND & HART LLC PO BOX 2208 SANTA FE, NM 87504-2208

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

Submitted by: Matador Production Company Hearing Date: November 2, 2023

Case No. 23931