# BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING DECEMBER 7, 2023

**CASE No. 24013** 

CHARLES LING WC 223H WELL

### **LEA COUNTY, NEW MEXICO**



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

APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

**CASE NO. 24013** 

# HEARING PACKAGE TABLE OF CONTENTS

- Compulsory Pooling Application Checklist and Filed Application
- MATADOR Exhibit A: Self-Affirmed Statement of Nick Weeks, Landman
  - o MATADOR Exhibit A-1: Overlapping HSU Notice Letter
  - o MATADOR Exhibit A-2: Draft C-102s
  - o MATADOR Exhibit A-3: Tract Map
  - o MATADOR Exhibit A-4: Pooled Mineral Interest Owners
  - o MATADOR Exhibit A-5: Sample Well Proposal Letter & AFEs
  - o MATADOR Exhibit A-6: Summary of Communication

С

- MATADOR Exhibit B: Self-Affirmed Statement of Liz Olson, Geologist
  - o MATADOR Exhibit B-1: Locator Map
  - o MATADOR Exhibit B-2: Subsea Structure Map
  - o MATADOR Exhibit B-3: Structural Cross Section
- MATADOR Exhibit C: Notice Affidavit
- MATADOR Exhibit D: Affidavit of Publication

# COMPULSORY POOLING APPLICATION CHECKLIST

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

Case: 24013	APPLICANT'S RESPONSE
Date	December 7, 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 COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	
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 WC-025 G-09 S243310P; Upper Wolfcamp Oil Pool [98135].
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)	319.73
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	Lot 2, SW4NE4, and the W2SE4 (W2E2 equivalent) of irregular Section 2, and the W2E2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	Yes; ownershp depth severance at the correlative stratigraphic interval of 12,412' MD as shown in the Dual Laterolog of the Stevens 11 #1 well (API No. 30-025-34246).
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract Released to Imaging: 12/5/2023 2:19:36 PM	Exhibit A-4

Received by OCD: 12/5/2023 2:17:36 PM	Page 4
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 End Com 222H well
Aven #1	Charles Ling 0211 Fed Com 223H well SHL: 240' FNL, 835' FEL (Lot 1) of Section 2
	BHL: 60' FSL, 1,650' FEL (Unit O) 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	N1/A
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)	Exhibit 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: 12/5/2023 2:19:36 PM Spacing Unit Schematic	Exhibit B-1

Received by OCD. 12/3/2023 2.17.30 FM	1420
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 A
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):	Janaly Felleyers
Date:	12/5/2023

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

APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

**CASE NO. 24013** 

#### **APPLICATION**

MRC Permian Company ("MRC" or "Applicant"), through undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling a standard 319.73-acre, more or less, horizontal well spacing unit in an interval of the Wolfcamp formation underlying Lot 2, SW4NE4, and the W2SE4 of Section 2, and the W2E2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. In support of its application, MRC states:

- 1. Applicant is a working interest owner in the proposed horizontal well spacing unit and has the right to drill thereon.
- 2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed horizontal well spacing unit.
- 3. Applicant seeks to pool 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 WC-025 G-09 S243310P; Upper Wolfcamp Oil Pool [98135].
- 4. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Charles Ling Fed Com 223H** well, to be horizontally drilled from a surface

location in the NE4NE4 equivalent (Lot 1) of Section 2 to a bottom hole location in the SW4SE4 (Unit O) of Section 11.

- 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 December 7, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed horizontal well spacing unit;
- B. Designating Matador Production Company as operator of this horizontal wells spacing unit and the wells 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

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 Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 319.73-acre, more or less, horizontal well spacing unit in an interval of the Wolfcamp formation comprised of Lot 2, SW4NE4, and the W2SE4 of Section 2, and the W2E2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. Applicant seeks to pool 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 WC-025 G-09 S243310P; Upper Wolfcamp Oil Pool [98135]. Said unit will be initially dedicated to the proposed Charles Ling Fed Com 223H well, to be horizontally drilled from a surface location in the NE4NE4 equivalent (Lot 1) of Section 2 to a bottom hole location in the SW4SE4 (Unit O) of Section 11. 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.

Received by OCD: 12/5/2023 2:17:36 PM

Page 10 of 44

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

APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

**CASE NO. 24013** 

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. MRC seeks an order pooling a standard 319.73-acre, more or less,

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

underlying Lot 2, SW4NE4, and the W2SE4 (W2E2 equivalent) of irregular Section 2,

and the W2E2 of Section 11 to be initially dedicated to the proposed Charles Ling Fed

Com 223H, a horizontal well to be drilled from a surface location in the NW4NE4 (Unit

B) of Section 2 to a bottom hole location in the SW4SE4 (Unit O) 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-

025-34246) to the base of the WC-025 G-09 S243310P; Upper Wolfcamp Oil Pool [98135]. MRC

has changed the pooled interval to an area of uniform ownership within Wolfcamp formation that

1

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Matador Production Company
Hearing Date: December 7, 2023

Case No. 24013

is subject to the existing upper Wolfcamp pool. This spacing unit will replace the spacing unit sought under Case 23933 currently pending before the Division.

- 6. Shallower depths within the Wolfcamp above the 12,412' MD referenced above have a different working interest owner, Tap Rock Resources, LLC, which does not own in the depths MRC seeks to pool in this application. MRC has acquired Tap Rock Resources, LLC's interests in the depths being pooled in this application, and there are no other differences in working interest ownership or percentage between the shallower depths in the Wolfcamp formation and the interests MRC is seeking to pool in this application. I instructed Holland & Hart to provide notice of this application to Tap Rock Resources, LLC.
- 7. 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.
- 8. 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 and reflects the applicable pool as the WC-025 G-09 S243310P; UPPER WOLFCAMP [98135].
- 9. 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.
- 10. 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 working interest owners, the overriding royalty interest owners, and a record title holder that MRC seeks to pool.

- 11. 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.
- 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.
- 13. 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.
- 14. MRC has provided the law firm of Holland & Hart LLP with the names and 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.

- 15. MRC Exhibits A-1 through A-6 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.

Nick Weeks

12/4/2023 Date

# **EXHIBIT A-1**

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-1
Submitted by: Matador Production Company
Hearing Date: December 7, 2023

Case No. 24013

# VIA CERTIFIED MAIL 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 #223H

To Whom It May Concern:

Matador Production Company has proposed the above-referenced well for the initial development of the Wolfcamp formation under Lot 2, SW/4 NE/4, and the W/2 SE/4 of Section 2, and the W/2 E/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 319.73 acre, more or less, spacing unit comprised of Lot 2, SW/4 NE/4, and the W/2 SE/4 of Section 2, and the W/2 E/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 #223H well, to be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 2, Township 24 South, Range 33 East to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11, Township 24 South, Range 33 East. This well has an approximate TVD of 12,720'.

Matador's proposed 319.73 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 E/2 of Section 11, Township 24 South, Range 33 East, dedicated to Matador's Charles Ling Fed Com #213H (API: 30-025-45082). This well has an approximate TVD of 12,201'.

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: December 7, 2023

Case No. 24013

District I
625 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

Property Code

API Number

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

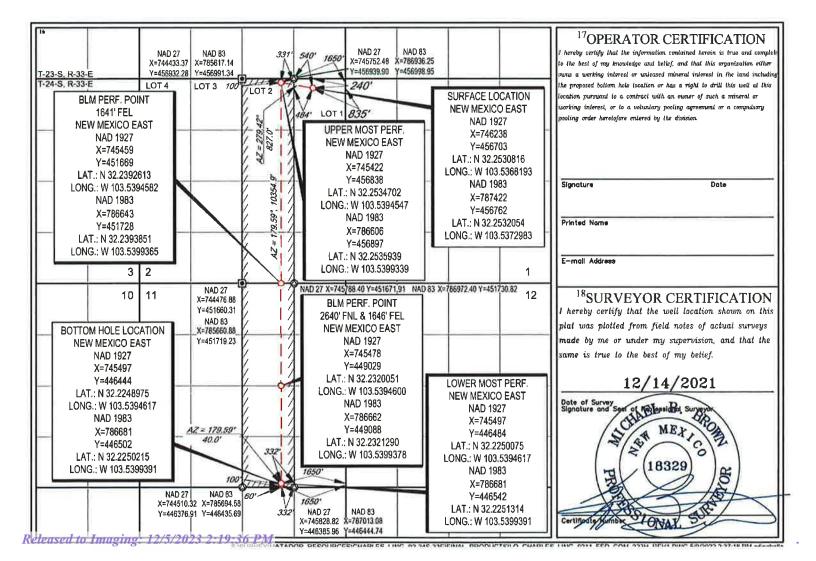
WELL LOCATION A	AND ACKEAGE DEDICATION PLAT	
<sup>2</sup> Pool Code	<sup>3</sup> Pool Name	
98135	WC-025 G-09 SQ433/0P;	Upper Wolfcan
	<sup>5</sup> Property Name	Well Number
CHARLES	LING 0211 FED COM	223H

OGRID No. Operator Name Elevation MATADOR PRODUCTION COMPANY 3636 228937 <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 835' 240' 1 2 24-S 33-E NORTH EAST LEA

11Bottom Hole Location If Different From Surface

				DOUDIN AND		interest rations but			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	11	24-S	33-E	-	60'	SOUTH	1650'	EAST	LEA
<sup>12</sup> Dedicated Acres 319.73	<sup>13</sup> Joint or 1	nfill 14Co	nsolidation Co	de <sup>15</sup> Ord	cr 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.



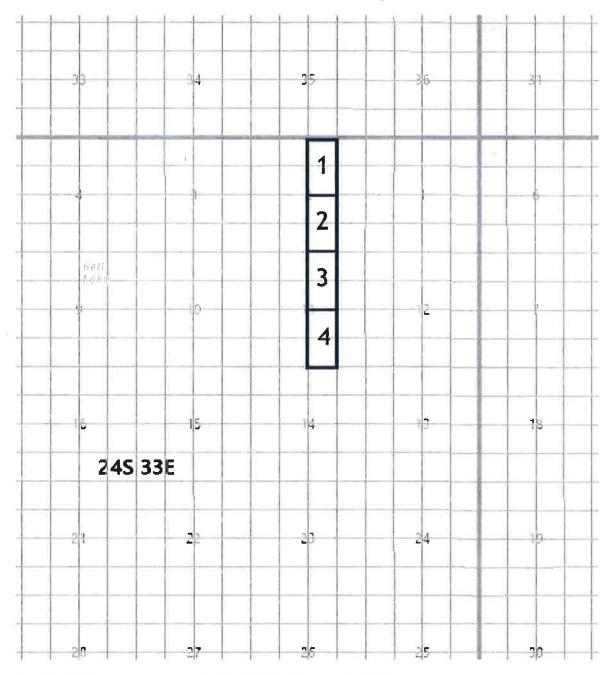
# **EXHIBIT A-3**

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-3
Submitted by Metado Braduction Company

Submitted by: Matador Production Company Hearing Date: December 7, 2023 Case No. 24013

#### Charles Ling 0211 Fed Com 137H & 223H

#### T24S-R33E, Lea County, NM



Tract 1: 79.73 acs - Sec. 2: Lot 2, NW/4NE/4 (State - VB-1814)

Tract 2: 80.00 acs - Sec. 2: W/2SE/4 (State - VB-1819)

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

Tract 4: 80.00 acs - <u>Sec. 11</u>: W/2SE/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: December 7, 2023
Case No. 24013

# **Exhibit**

# Summary of Interests

MRC Permian Company:			35.127125%
Voluntary Joinder:			53.315504%
Compulsory Pool:			11.557371%
Interest Owner:	Description:	Tract:	Interest:
The Allar Company*	Working Interest	1	6.234166%
Oxy Y-1 Company*	Working Interest	2	5.004222%
Murchison Oil and Gas, LLC*	Working Interest	3	0.318983%

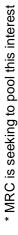




# **Exhibit**

# **Summary of Interests**

Interest Owner:	Description:	Tract:
820MT I 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	8
LMBI O&G Multi-State, L.L.C.*	Overriding Royalty	8
McMullen Minerals, LLC*	Overriding Royalty	4
MEC Petroleum Corp.*	Overriding Royalty	3
Nestegg Energy*	Overriding Royalty	1
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 Royalty	3
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
TD 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: December 7, 2023

Case No. 24013

#### **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,

11

MRC PERMIAN COMPANY

John Durham,

EOG Resources, Inc. hereby elects to:
Participate with its approximate working interest of 0.133333333 in Matador Production Company'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 Company'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 Company'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 0.088888889 in Matador Production Company'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.
By:
Title:
Date:
Contact Number:

#### **MATADOR PRODUCTION COMPANY**

ONE LINCOLN CENTRE - 5400 LBJ FREEWAY - SUITE 1600 - DALLAS, TEXAS 75240 Phone (972) 371-5200 • Fax (972) 371-5201

	ESTIMATE OF COSTS AND	TO THORIZATION FOR EXPENDITURE	
DATE:	April 14, 2022	AFE NO.:	
WELL NAME:	Charles Ling Fed Corn 223H	FIELD:	
LOCATION:	Sections 2&11-24S-33E	MD/TVD:	23220712950
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	10,000
MRC WI:			· ·
GEOLOGIC TARGET:	Wolfcamp B		
REMARKS:	Drill and complete a horizontal 2 mile long Wolfcam	p B target with about 46 frac stages	

INTANGIBLE COSTS	DRILLING	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL
Land / Legal / Regulatory \$	56,000	00313	\$ 10,000	\$ 10,000	\$ 78,000
Location, Surveys & Damages	148,833	13,000	15,000	12,500	189,33
Drilling	076,075	10,000	10,000	12,000	878,07
	209,000				209,00
Cementing & Float Equip		3,780	3,000		5,780
Logging / Formation Evaluation	· ·	3,700		<del></del>	
Flowback - Labor			19,980		19,900
Flowback - Surface Rentals			121,250		121,260
Flowback - Rental Living Quarters		/			
Mud Logging	22,500				22,500
Mud Circulation System	52,675		-		52,673
Mud & Chemicals	345,000	53,900	21,500		420,400
Mud / Wastewater Disposal	150,000		2,000	1,000	153,00
Freight / Transportation	17,000	41,600	3,000		61.800
Hig Supervision / Engineering	136,000	101,420	10,000	1,800	249,220
Drill Bits	91,600		-	197	91,600
Fuel & Power	159,500	527,283	2,000		688,783
Water	45,000	693,600	2,000	1,000	741,000
Drig & Completion Overhead	10,000			>	10,000
Plugging & Abandonment					
Directional Drilling, Surveys	263,810	<del></del>			263,810
Completion Unit, Swab, CTU	200,010	154,000	9,000		103,000
Perforating, Wireline, Slickline		188,070	7,000	-	195,076
High Pressure Pump Truck		60,060	5,000		85,000
Right Pressure Pump Truck		2,202,352	3,000	<del></del>	2,202,352
			******		212,050
Stimulation Flowback & Disp		17,050	195,000		
Insurance	34,830				34,830
Labor	149,500	86,550	10,000	5,000	231,050
Rental - Surface Equipment	93,535	315,161	30,000	5,000	443,690
Rental - Downhole Equipment	138,000	94,000			232,600
Rental - Living Quarters	51,120	45,881	10	5,000	102,00
Contingency	92,460	244,653	46,571	4,130	387,614
Operations Center	26,014				28,014
TOTAL INTANGIBLES >	3,174,452	4,822,561	512,281	45,430	8,554,72
	DRILLING	COMPLETION COSTS	PRODUCTION	FACILITY COSTS	TOTAL
TANGIBLE COSTS		COSTS	COSTS	PAGILITY COSTS	\$ 85,090
		•			
Surface Casing \$	85,090	\$	\$	•——	
Intermediate Casing	85,090 464,095	\$	·	•	
Intermediate Casing Drilling Liner	464,095	<u> </u>	s		464,095
Intermediate Casing Drilling Liner Production Casing	464,095 642,811	•			464,093
Intermediate Casing Drilling Liner Production Casing Production Liner	464,095 642,811	\$	s		642,611
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing	484,095 642,811		192,000		464,095 642,611 192,000
Intermediate Casing Drilling Liner Production Casing Production Liner Toblog Wellhead	464,095 642,811	\$	45,000		464,095 642,611 192,600 118,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers	484,095 642,811	67.344			464,095 642,811 192,000 118,000 73,344
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Yanks	484,095 642,811	67.344	45,000	67.500	464,093 642,611 192,000 118,000 73,344 67,500
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weithead Packers, Liner Hangers Tanka Production Vessels	484,095 642,811	67,344	45,000	136,363	464,093 642,611 192,000 118,000 73,344 67,500 136,363
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellthead Packers, Liner Hangers Tanks Production Vessels Flow Lines	484,095 642,811	07.344	45,000		464,093 642,611 192,000 118,000 73,344 67,500 136,363
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	484,095 642,811	67.344	45,000	136,363	464,095 642,611 192,000 118,000 73,344 67,500 135,360 120,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellthead Packers, Liner Hangers Tanks Production Vessels Flow Lines	484,095 642,811	67.344	45,000	136,363 120,000	404,093 642,811 192,003 116,002 73,344 67,500 193,365 120,003
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	464,095 642,811 73,000	07.344	45,000	136,363 120,000	464,09: 642,811 192,000 118,000 73,344 67,500 130,500 120,000 30,000 11,256
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor	464,095 642,811 73,000	67.344	45,000	136,363 120,000	464,09: 642,811 192,000 118,000 73,344 67,500 130,500 120,000 30,000 11,256
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats	464,095 642,811 73,000	67.344	45,000	136,363 120,000	404.093 642,611 192,000 73,344 67,500 136,363 120,000 30,000 11,255 46,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Row String Artificial Litt Equipment Compressor Installation Coats Surface Pumps	464,095 642,811 73,000	07.344	45,000 6,000 30,000	136,363 120,000 11,250 48,000	404,093 642,811 119,003 73,344 67,503 120,003 30,000 11,252 46,003 19,376
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Litt Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface	464,095 642,811 73,000	67.344	30,000 5,000	136,363 120,000 11,250 48,000 14,376	404,093 642,811 119,003 73,344 67,503 120,003 30,000 11,252 46,003 19,376
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Downhole	464,095 642,811 73,000	07.344	39,600 5,000	136,363 120,000 11,250 48,000 14,376	404,093 642,811 119,003 73,344 67,503 120,003 30,000 11,252 46,003 19,376
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Litt Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	464,095 642,811 73,000	07.344	30,000 5,000	156,363 126,000 11,250 48,000 14,375 2,000	494,095 642,811 192,003 116,002 73,344 67,503 139,395 120,003 30,000 11,226 46,003 19,377 2,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter installation	464,095 642,811 73,000	67.344	30,600 5,000	136,363 120,000 11,250 48,000 14,376	494,095 642,811 192,003 116,002 73,344 67,503 139,395 120,003 30,000 11,226 46,003 19,377 2,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Surface Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration	464,095 642,811 73,000	07.344	30,000 5,000	136,363 126,000 11,250 48,000 14,375 2,600	404,093 642,811 192,002 73,344 67,5,365 129,002 30,000 11,25 46,500 19,372 2,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter installation Gas Conditioning / Dehydration Interconnecting Facility Piping	464,095 642,811 73,000	67.344	30,000 5,000	156,363 126,000 11,250 48,000 14,375 2,000	404,093 642,811 192,002 73,344 67,5,365 129,002 30,000 11,25 46,500 19,372 2,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	464,095 642,811 73,000	07.344	30,000 5,000 11,000	136,363 126,000 11,250 48,000 14,375 2,600	494,095 642,811 119,000 73,344 67,500 130,305 120,000 30,000 11,255 46,000 19,375 2,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanka Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	464,095 642,811 73,000	07.344	45,000 6,000 30,000 5,000 11,000	136,363 126,000 11,250 48,000 14,375 2,600 57,500	404.09: 642.61 192.03 110.00 73.34 67.536 120.00 11.25 46.00 19.37 2.00 66.50 56.26
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment	464,095 642,811 73,000	67.344	30,000 30,000 30,000 5,000 11,000	156,363 120,000 11,250 48,000 14,375 2,000 57,500	404,09 642,81 192,05 118,00 73,34 67,50 130,536 120,03 46,00 19,37 2,00 66,50 50,26
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weithead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gethering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	464,095 642,811 73,000	07.344	30,000 5,000 11,000 2,000	136,363 126,000 11,250 48,000 14,376 2,000 57,500 56,250	404,09 642,81 192,00 116,00 73,34 67,50 136,36 120,00 11,25 46,00 19,37 2,00 56,59 50,26 2,00 8,67 20,62
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanka Production Vessels Flow Lines Rod string Artificial Lilt Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gaihering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flaro Stack Electrical / Grounding	464,095 642,811 73,000	07.344	30,000 5,000 11,000 2,000	136,363 126,000 11,250 48,000 14,375 2,500 57,500 56,250 6,675 20,625 42,500	404.09: 642.611 192.03 110.00 73.344 67.536 120.00 11.25 46.00 19.37 2.00 66.50 2.00 6.67 20.62 44.50
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	464,095 642,811 73,000	07.344	30,000 5,000 11,000 2,000	136,363 120,000 11,250 48,000 14,375 2,000 57,500 56,250 6,875 20,625 42,500 5,000	494,093 642,811 192,003 116,002 73,344 67,503 120,003 30,000 11,224 46,003 2,000 66,500 2,000 6,677 20,622 44,500 10,000
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / SCADA Instrumentation / SCADA Instrumentation / SCADA Instrumentation / Safety	464,095 642,811 73,000		45,000 6,000 30,000 5,000 11,000 2,000 5,000	136,363 126,000 11,250 48,000 14,376 2,000 57,500 56,250 6,875 20,625 42,500 5,000 31,375	494,093 642,611 192,000 116,000 73,344 67,500 136,365 120,000 11,256 446,000 19,377 2,900 66,500 2,000 6,8,77 220,622 44,500 10,000 31,370
Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilthead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Coats Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	464,095 642,811 73,000	67,344	30,000 5,000 11,000 2,000	136,363 120,000 11,250 48,000 14,375 2,000 57,500 56,250 6,875 20,625 42,500 5,000	642,611 192,000 110,00

REPARED BY MATADOR PR	ODUCTION COMPA	NY;	
Drilling Engineer: Complations Engineer: Production Engineer;	Billy Bell Garrell Hunt Jan Fredrik Mosnes	Team Lead - WTX/NM CSc	
ATADOR RESOURCES COM	PANY APPROVAL:		
Executive VP, COO/CFO	DEL		EVP COO- Drilling, Completion and Production B9
Executive VP, Legal	CA	SVP Geoscierce	
President	MVH		

	Company Name:	Working Interest (%):	Tex iD:
	Signed by	Date:	
- 1	Title:	Approval: Yes	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: December 7, 2023

Case No. 24013

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**

#### 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.

#### 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.

Received by OCD: 12/5/2023 2:17:36 PM

Page 31 of 44

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

APPLICATION OF MRC PERMIAN COMPANY

FOR COMPULSORY POOLING,

LEA COUNTY, NEW MEXICO.

CASE NOS. 24011-24014

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 cases, MRC seeks orders pooling four standard 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.

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

B interval of the Wolfcamp formation.

5. **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

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

horizontal drilling.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. B

- 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. 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.
- 11. 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.
- 12. Approving Matador's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.
- 13. **Matador Exhibits B-1 through B-3** were either prepared by me or compiled under my direction and supervision.

I affirm under penalty of perjury under the laws of the State of New Mexico that 14. 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.

dis Olson

11/30/23 Date

Received by OCD: 12/5/2023 2:17:36 PM

## **Locator Map**

### **Exhibit B-1**

175 21E <b>Eddy</b>	175 23E	175 24E	175 256	175 266	175.276	175 285	175 296	175 30£	Abo	<b>Lea</b> Reef	175 33E	175 34E	175 130	175 361	175 3.7E	175 3/IE	175) 3913	BLK AR
Eugy 8521E	185 23E	15 245	165252	185 261	185 276	185 286	185 291	185 30E	185 316	185 12£	185 33E	185340	185 750	185 362	185 37E	185 386	185)	Gaine:
15.21E	195.23E	195.245	195 252	195 268	195 27E	195 28E	195 295	135 30 <b>Y</b> O	ungest	Goat S	еер	105 34E	195355	195.04	195 37E	195 3 NE	1963	SLK A10
5 2 1 E	205 236	205 245	205 25€	205 26E	234271	205 286	205 29E	205 300	Capitan 205 31E	Aquifer 205 32E	205 336	205 3 4E	205 358	205 34E	205 37E	205 3 RE	205)	BLK A12
21E	20:55 22E 215/22E	20:55 2 M 215 20E	215 24E	215.250	215 261	215 27E	215 28 E	21529E	ounges	t Capita	n m	21533£	≥215 34E	215384	215 36E	215 37E	21 <sup>1</sup> /3 <sup>2</sup>	AZ9 BU
nE	115114	225 Z M	225 746	225 25 2	2524	225 27E	225 265	225 29E	225 30E	225 316	225 32E	2533	725 ME	225 3 M	225365	225 37E	225 38L	Andre
15	18221	215 230	235 246	235 256	235 26E	235 275	235 28E	235 200	23530€	235316		narles ubject <i>F</i>		235 356	236365	235 37E	235 380 =	SUK A 40
HE	245 22E	245 231	245 245	245 255	245.26E	245.27E	245 28E	245 29E	245 30E	245316	:245325	245 338	145 34E	245 35E	245-36E	245 37E	245 386	BLK AS2
216	2% 224	235,211	255 240	255 250	255 26E	255 270	255 28E	255 2 9 E	255 30E	255 3 1E	255 126	255 331	255 34E	255 35E	25 160	255 17€	255 3 ME	BLK ASS
TE .	215-229	:265:23E	265 24E	265 25E	265 268	265 27E	265 286	100 New Mexi	000ftUS	103311	120	265-33E	265 34E	265 35E	265 36E	265 37E	265 38E	BLK A56

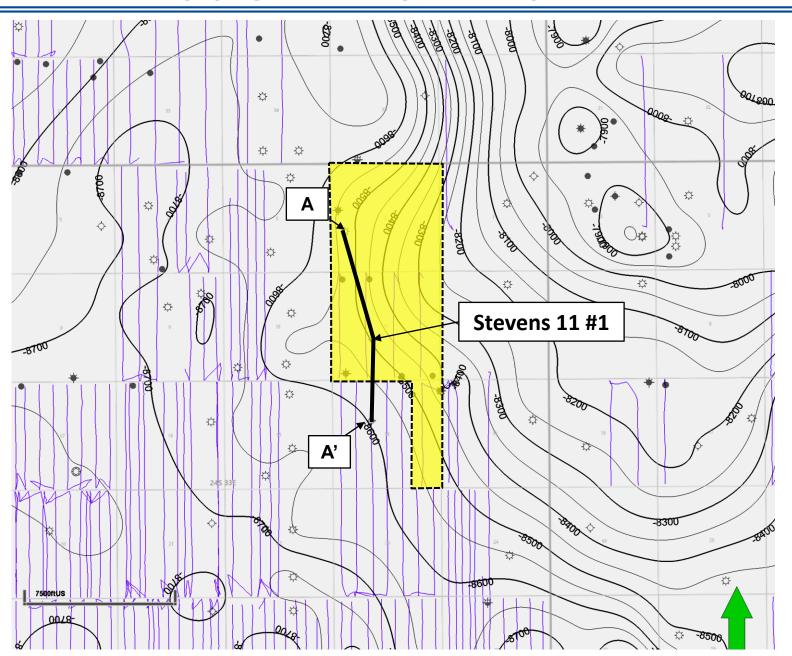
BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Exhibit No. B-1 **Submitted by: Matador Production Company** Hearing Date: December 7, 2023

Case No. 24013



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



#### **Map Legend**

**Wolfcamp Wells** 

Project Area



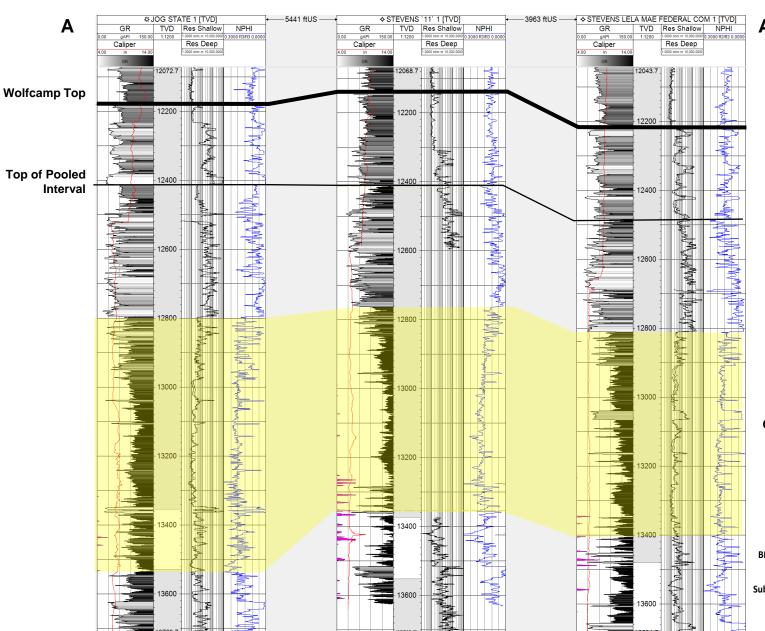
C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B-2
Submitted by: Matador Production Company
Hearing Date: December 7, 2023
Case No. 24013



### WC-025 G-09 S243310P; UPPER WOLFCAMP (Pool Code 98135) Structural Cross Section A – A'

#### **Exhibit B-3**



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: December 7, 2023 Case No. 24013



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

APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

**CASE NO. 24013** 

#### <u>AFFIDAVIT</u>

STATE OF NEW MEXICO
) ss.
COUNTY OF SANTA FE )

Michael H. Feldewert, attorney in fact and authorized representative of the Applicant herein, being first duly sworn, upon oath, states

- 1. 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.
- 2. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.
- 3. 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 December 4, 2023.
- 4. I caused a notice to be published to all parties subject to compulsory pooling on November 21, 2023. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit D.

Michael H. Feldewert

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Hearing Date: December 7, 2023
Case No. 24013

State of New Mexico )

County of Santa Fe )

SUBSCRIBED AND SWORN to before me this 5th day of December, 2023 by

Michael H. Feldewert.

My Commission Expires:

STATE OF NEW MEXICO NOTARY PUBLIC KARI D PEREZ COMMISSION # 1138272

COMMISSION EXPIRES 06/28/2026



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

November 17, 2023

# VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of MRC Permian Company for Compulsory Pooling, Lea County,

**New Mexico:** Charles Ling Fed Com 223H 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 December 7, 2023, and the status of the hearing can be monitored through the Division's website at <a href="https://www.emnrd.nm.gov/ocd/">https://www.emnrd.nm.gov/ocd/</a>.

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: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a>.

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

Contact

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

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

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

Received by OCD: 12/5/2023 2:17:36 PM

#### MRC - Charles Ling 223H well Case no. 24013 Postal Delivery Report

						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498357869	820MT I BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your item was picked up at a postal
						facility at 8:35 am on November 22,
9414811898765498357678	EOG Resources, Inc.	5509 Champions Dr	Midland	TX	79706-2843	2023 in MIDLAND, TX 79702.
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765498357128	Ewell H. Muse, III	5802 Kentucky Derby	Austin	TX	78746-1140	currently in transit to the next facility.
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498357135	Fine Line BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765498357364	Fortis Minerals II, LLC	1111 Bagby St Ste 2150	Houston	TX	77002-2626	currently in transit to the next facility.
						Your item was delivered to an individual
						at the address at 12:12 pm on
9414811898765498357395	J. D. Murchison Interests, Inc.	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	November 21, 2023 in PLANO, TX
						Your item has been delivered and is
	Jamie E. Jennings and George J, Lee, Trustees					available at a PO Box at 12:32 pm on
9414811898765498357012	Of The Jennings-Lee Trust	PO Box 670326	Dallas	TX	75367-0326	November 24, 2023 in DALLAS, TX
						Your item was picked up at a postal
						facility at 9:37 am on November 22,
9414811898765498357005	Joe John Bond	1159 Oak Forest Dr	Fort Worth	TX	76114-4549	2023 in FORT WORTH, TX 76114.
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765498357081	John C. Ryan, IV	6229 Genoa Rd	Fort Worth	TX	76116-2025	currently in transit to the next facility.
						Your item was picked up at the post
						office at 12:46 pm on November 25,
9414811898765498357456	John C. Thomas	PO Box 6881	San Antonio	TX	78209-0881	2023 in SAN ANTONIO, TX 78209.
						Your item was delivered to an individual
	l					at the address at 4:41 pm on November
9414811898765498357494	John Lawrence Chilton	4949 Corriente Ln	Fort Worth	TX	76126-1853	24, 2023 in FORT WORTH, TX 76126.
						Your item was delivered to the front
0.44.404.4000765.400057000	020147    DD50D NN4    1	204.44 : 61.61 2700			76400 0404	desk, reception area, or mail room at
9414811898765498357883	820MT II BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your item has been delivered to an
04440440007654000555	Kathadaa K Malatana	E42 Thursday C	El Danie		70042 4254	agent for final delivery in EL PASO, TX
9414811898765498357517	Katherine K. McIntyre	512 Thunder Crest Ln	El Paso	TX	/9912-4251	79912 on November 21, 2023 at 11:39
						Your item was delivered to the front
0.44.404.4000765.400257500	Kaustana BMB BBEOD MM III C	204 Main Ch Ch - 2700	Ford Minuth		76402 2424	desk, reception area, or mail room at
9414811898/65498357500	Keystone RMB BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	/6102-3131	9:47 am on November 21, 2023 in FORT

#### MRC - Charles Ling 221H-224H wells, Case nos. 24011-24014 Postal Delivery Report

						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498357531	Keystone O&G Multi-State, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356268	KWCL Properties	307 W 7th St Ste 1705	Fort Worth	TX	76102-5103	11:37 am on November 21, 2023 in
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356237	LMBI O&G Multi-State, L.L.C.	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765498356855	McMullen Minerals, LLC	2821 W 7th St Ste 515	Fort Worth	TX	76107-8912	currently in transit to the next facility.
						Your item was delivered to an individual
						at the address at 11:57 am on
9414811898765498356893	MEC Petroleum Corp.	414 W Texas Ave Ste 410	Midland	TX	79701-4415	November 22, 2023 in MIDLAND, TX
						Your item was delivered to an individual
						at the address at 12:12 pm on
9414811898765498356879	Murchison Oil and Gas, LLC	7250 Dallas Pkwy Ste 1400	Plano	TX	75024-5002	November 21, 2023 in PLANO, TX
						Your item was delivered to an individual
						at the address at 1:23 pm on November
9414811898765498356701	Nestegg Energy	2308 Sierra Vista Rd	Artesia	NM	88210-9409	22, 2023 in ARTESIA, NM 88210.
						Your item has been delivered to an
						agent for final delivery in HOUSTON, TX
9414811898765498356770	Oxy Y-1 Company	5 Greenway Plz	Houston	TX	77046-0526	77046 on November 21, 2023 at 12:13
						Your item was delivered to an individual
						at the address at 12:24 pm on
9414811898765498357715	Betsy Bond	4310 48th Ave Apt 3U	Woodside	NY	11377-6202	November 25, 2023 in ZIP Code 11376.
						Your item has been delivered and is
						available at a PO Box at 11:05 am on
9414811898765498356992	Pegasus Resources NM, LLC	PO Box 470698	Fort Worth	TX	76147-0698	November 21, 2023 in FORT WORTH, TX
						Your item has been delivered and is
						available at a PO Box at 11:05 am on
9414811898765498356619	Pegasus Resources, LLC	PO Box 470698	Fort Worth	TX	76147-0698	November 21, 2023 in FORT WORTH, TX
						Your item departed our USPS facility in
						ALBUQUERQUE, NM 87101 on
						December 3, 2023 at 10:04 pm. The
9414811898765498356602	Richard Royall Ryan	14011 Bluff Park Dr	San Antonio	TX	78216-7926	item is currently in transit to the
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356688	RMB BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT

#### MRC - Charles Ling 221H-224H wells, Case nos. 24011-24014 Postal Delivery Report

F	Roger John Allen and Nancy Edge Jennings					Your package will arrive later than
	Allen Trustees Of The Allen Family Revocable					expected, but is still on its way. It is
9414811898765498356152	Trust	3623 Overbrook Dr	Dallas	TX	75205-4326	currently in transit to the next facility.
						Your item was picked up at a postal
						facility at 11:32 am on November 29,
9414811898765498356190	Santa Elena Minerals IV, LP	PO Box 2063	Midland	TX	79702-2063	2023 in MIDLAND, TX 79701.
						Your item was picked up at the post
						office at 10:42 am on November 22,
9414811898765498356312	Sharbro Energy, LLC	PO Box 840	Artesia	NM	88211-0840	2023 in ARTESIA, NM 88210.
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356305	SRBI O&G Multi-State, L.L.C.	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356336	SRBMT I BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356060	SRBMT II BPEOR NM, LLC	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your item was picked up at the post
						office at 1:45 pm on November 22,
9414811898765498357708	CCJR Properties, LLC	PO Box 1451	Keller	TX	76244-1451	2023 in KELLER, TX 76248.
						Your item was delivered to an individual
						at the address at 11:42 am on
9414811898765498356091	Susan J. Croft	6713 Deep Valley Ln	Fort Worth	TX	76132-1121	November 21, 2023 in FORT WORTH, TX
						We attempted to deliver your item at
						12:19 pm on November 21, 2023 in
						FORT WORTH, TX 76110 and a notice
9414811898765498356077	Susan Ryan	2208 Mistletoe Blvd	Fort Worth	TX	76110-1130	was left because an authorized
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356497	Tap Rock Excluded Minerals, LLC	523 Park Point Dr Ste 200	Golden	со	80401-9387	11:25 am on November 20, 2023 in
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356558	Tap Rock Resources, LLC	523 Park Point Dr Ste 200	Golden	со	80401-9387	11:25 am on November 20, 2023 in
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498356541	TD Minerals LLC	8111 Westchester Dr Ste 900	Dallas	TX	75225-6146	11:14 am on November 27, 2023 in
						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498351218	The Allar Company	PO Box 1567	Graham	TX	76450-7567	10:13 am on November 21, 2023 in

Received by OCD: 12/5/2023 2:17:36 PM

#### MRC - Charles Ling 221H-224H wells, Case nos. 24011-24014 Postal Delivery Report

						Your item was delivered to the front
						desk, reception area, or mail room at
9414811898765498351201	Thru Line O&G Multi-State, L.L.C.	201 Main St Ste 2700	Fort Worth	TX	76102-3131	9:47 am on November 21, 2023 in FORT
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765498357739	Claire Chilton Lopez	620 Rockledge Dr	Saginaw	TX	76179-1840	currently in transit to the next facility.
						Your item was picked up at a postal
						facility at 7:32 am on November 27,
9414811898765498357968	COG Operating LLC	600 W Illinois Ave	Midland	TX	79701-4882	2023 in MIDLAND, TX 79702.
						Your item was picked up at a postal
						facility at 7:32 am on November 27,
9414811898765498357982	Concho Oil & Gas LLC	600 W Illinois Ave	Midland	TX	79701-4882	2023 in MIDLAND, TX 79702.
						We now anticipate delivery of your
						package the next business day. We
9414811898765498357654	Devon Energy Production Company, L.P.	333 W Sheridan Ave	Oklahoma City	ОК	73102-5010	apologize for the delay.
						Your package will arrive later than
						expected, but is still on its way. It is
9414811898765498357692	Dragoon Creek Minerals, LLC	2821 W 7th St Ste 515	Fort Worth	TX	76107-8912	currently in transit to the next facility.

#### Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

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 November 22, 2023 and ending with the issue dated November 22, 2023.

Publisher

Sworn and subscribed to before me this 22nd day of November 2023.

My commission expires

January 29, 2027

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

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

**LEGAL NOTICE** November 22, 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, December 7, 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.emnrd.nm.gov/ocd/hearing-info/ or obtained from Sheila Apodaca, at Sheila. Apodaca@emnrd.nm.gov. Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/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 Sheila Apodaca at Sheila. Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than November 27, 2023.

Persons may view and participate in the hearings through the following link: https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m8e2efa70128b8314f91bf0542ac8df6c

Webinar number: 2497 742 0771

Join by video system: 24977420771@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your

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

Access code: 2497 742 0771

Panelist password: b2WcDzPFe47 (22923973 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.; Jamle 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. 24013: Application of MRC Permian Company for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 319.73-acre, more or less, horizontal well spacing unit in an interval of the Wolfcamp formation comprised of Lot 2, SW4NE4, and the horizontal well spacing unit in an interval of the Wolfcamp formation comprised of Lot 2, SW4NE4, and the W2SE4 of Section 2, and the W2E2 of Section 11, Township 24 South, Range 33 East, NMPM, Lea County, New Mexico. Applicant seeks to pool 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 WC-025 G-09 S243310P; Upper Wolfcamp Oil Pool [98135]. Said unit will be initially dedicated to the proposed Charles Ling Fed Com 223H well, to be horizontally drilled from a surface location in the NE4NE4 equivalent (Lot 1) of Section 2 to a bottom hole location in the SW4SE4 (Unit O) of Section 11. 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 New Mexico. 00285051

67100754

00285051

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: December 7, 2023

Case No. 24013