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

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

CASE NO. 23994

NOTICE OF REVISED EXHIBIT A AND EXHIBIT C-2

MRC Hat Mesa, LLC applicant in the above-referenced case, gives notice that it

is filing the attached exhibit for acceptance into the record.

Revised Exhibit A is a revised compulsory pooling checklist that shows EOG

Resources, Inc. made an entry of appearance in the case.

Revised Exhibit C-2 is a revised copy of the C-102s that shows the portion of the

lateral, and dedicated acreage, for the pool indicated.

Respectfully submitted,

HOLLAND & HART LLP

Pathin

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

ATTORNEYS FOR MRC HAT MESA, LLC

CERTIFICATE OF SERVICE

I hereby certify that on December 7, 2023, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Jordan L. Kessler EOG RESOURCES, INC. 125 Lincoln Avenue, Suite 213 Santa Fe, New Mexico 87501 (432) 488-6108 Jordan_kessler@eogresources.com

Attorney for EOG Resources

Pathur

Paula M. Vance

Case: 23994	APPLICANT'S RESPONSE
Date	December 7, 2023
Applicant	MRC Hat Mesa, LLC
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company (OGRID No. 228937)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MRC HAT MESA, LLC FOR APPROVAL OF AN
	OVERLAPPING HORIZONTAL WELL SPACING UNIT AND
	COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	EOG Resources. Inc.
Well Family	Paul Flowers
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	WC-025 G-07 S213330F; BONE SPRING [97927] for the acreage
	in Sections 30 & 31 and LEGG; BONE SPRING [37870] for the
	acreage in Section 6
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	400
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	E/2 W/2 of Section 6, Township 22 South, Range 33 East, and
	the E/2 W/2 of Section 31 and the E/2 SW/4 of Section 30,
	Township 21 South, Range 33 East, NMPM, Lea County, New
Standard Harizantal Wall Spacing Unit (V/N) If No. describe	Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this	Yes
application?	
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-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)	

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Well #1	Paul Flowers State Com 112H well
	SHL: 442' FSL, 909' FWL (Lot 7) of Section 6, T22S-R33E
	BHL: 2,690' FNL, 1,649' FWL (Unit K) of Section 30, T21S-R33E
	Target: Bone Spring Orientation: North-South
	Completion: Standard Location
Well #2	Paul Flowers State Com 132H well
	SHL: 442' FSL, 2,038' FEL (Unit O) of Section 6, T22S-R33E
	BHL: 2,690' FNL, 2,177' FWL (Unit K) of Section 30, T21S-R33E
	Target: Bone Spring
	Orientation: North-South
Well #3	Completion: Standard Location Paul Flowers State Com 152H well
weii #5	SHL: 472' FSL, 2,068' FEL (Unit O) of Section 6, T22S-R33E
	BHL: 2,690' FNL, 2,177' FWL (Unit K) of Section 30, T21S-R33E
	Target: Bone Spring
	Orientation: North-South
	Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-2 Exhibit C-5
Completion Target (Formation, TVD and MD)	
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-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
- · · ·	Exhibit C-4
Pooled Parties (including ownership type) Unlocatable Parties to be Pooled	
Ownership Depth Severance (including percentage above &	N/A
below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Colseved in Increaning the Weges 12:55:57 PM	Exhibit C-5 -

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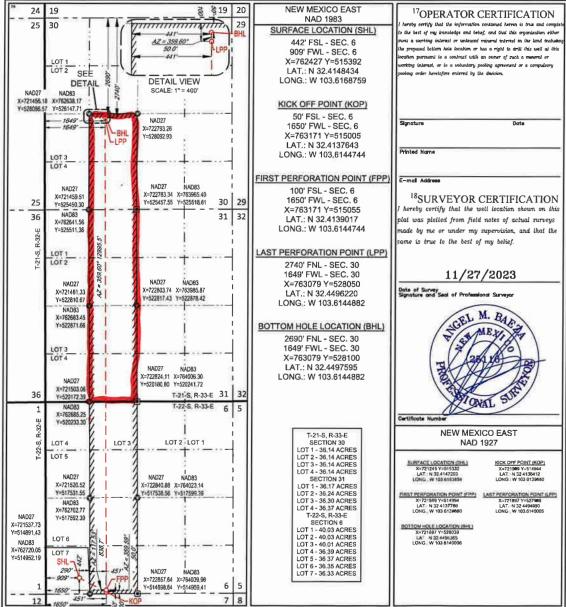
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Page 5 of 1
Exhibit C-5
Exhibit D
Exhibit D-1
N/A
Exhibit D
Exhibit D, D-3
Exhibit D-3
N/A
Exhibit C-2
Exhibit C-4
Exhibit C-4
Exhibit D-1
Exhibit D-1
Exhibit D-2
Exhibit D-3
Exhibit D-3
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ovided in this checklist is complete and accurate.
Paula M. Vance
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wed by OCI	D: 12///2023	11:38	:40 AI	1				Revise	Fe, New Mexico d Exhibit No. C-2	2		
	Phone: (575) 393-6161 District II 811 S, First SL, Artesia Phone: (575) 748-1283 District III 1000 Rio Brazos Road,	1625 N, French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S, First SL, Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720				Depar CONSERVA	Natural Resou tment TION DIVISIO	Hearing Da Cas rces				
	District IV 1220 S. St. Francis Dr., Phone: (505) 476-3460	Santa Fe, NM	4 87505		1220 South St. Francis Dr. Santa Fe, NM 87505					AMENDED REPORT		
				WELL L	OCATIO	ON AND ACR	EAGE DEDICA	ATION PLAT	Г			
		API Numbe	r	9	Pool Code		1c-025 G	Peol Nan	12330F,	Bone Socia		
	*Property Co	ođe				³ Property I PAUL FL	Name			Well Number 112H		
	⁷ OGRID N 2289				MATADO	⁸ Operator : OR PRODUC	Name TION COMPAN	TY	⁹ Elevation 3614'			
						¹⁰ Surface L	ocation					
	UL or lot no. 7	Section 6	Township 22-	S 33-E	1	Feet from the	North/South line SOUTH	Feet from the 909'	East/West H	LEA		
	17			1	Bottom H	ole Location If I	Different From Surf	face				
	UL or lot no. K	Section 30	Township 21-	S 33-E	* (PALE 10 PALE)	Feet from the 2690'	North/South line NORTH	Feet from the 1649'	East/West li	LEA		
240	¹² Dedicated Acres	¹³ Joint or	Infill	¹⁴ Consolidation Co	de ¹⁵ Or	der No.						
	5 C											

BEFORE THE OIL CONSERVATION DIVISION

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



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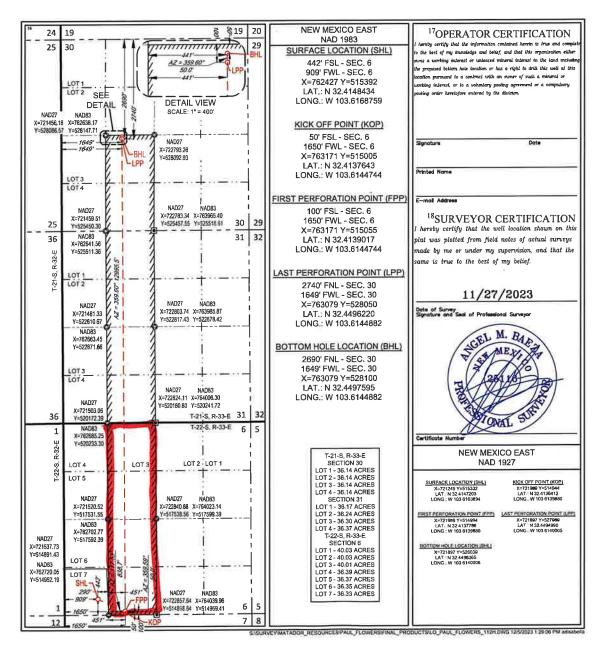
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District I 1625 N. Froch Dr., Hobbs, NM 88240 Phome: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Ancesia, NM 88210 Phome: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phome: (505) 334-6178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

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API Number	r		² Pool Code						
37870 Legg: Bone Sorire									
Code					nie –			ll Number	
				PAUL FLO	WERS		1	12H	
No.				-				levation	
37		М	ATADOI	R PRODUCT	ION COMPAN	Y	3	3614'	
				¹⁰ Surface Loc	ation				
Section	Township Range Lot Idn Feet			Feet from the	North/South line	Feet from the	East/West line	County	
6	22-S	33-E	-	442'	SOUTH	909'	WEST	LEA	
		11B	ottom Hole	e Location If Di	fferent From Surf	ace			
Section	Township	Hange	Range Lot Idn Fee		North/South line	Feet from the	East/West line	Count	
30	21-S	33-E	-	2690'	NORTH	1649'	WEST	LEA	
	Code No. 37 Section 6	TAPI Number Tode No. 37 Section Township 622-S Section Township	37 Social No. 37 Marge 6 22-S 33-E 11Br Section Section Township Range 11Br Section Section Township	⁷ API Number ³ Pool Code Code 37870 Code 37870 No. 37 MATADOF Section Township Range Lot Idn 6 22-S 33-E - 11Bottom Hole Section Township Range Lot Idn	⁷ API Number ³ Pool Code <u>37870</u> ³ Property Na PAUL FLO ⁴ Operator Na <u>37</u> <u>8</u> Operator Na <u>9</u> Operat	37870 Legg B Sode "Property Name PAUL FLOWERS No. "Operator Name 37 MATADOR PRODUCTION COMPAN 10 Surface Location Section Township Bange Lot Idn Feet from the North/South line G 22-S 11 Bottom Hole Location If Different From Surf Section Township Bange Lat Idn Feet from the North/South line	¹ API Number ² Pool Code ³ Pool Name 37870 Legg : Bone Spri Code ³ Property Name PAUL FLOWERS No. ⁵ Operator Name 37 MATADOR PRODUCTION COMPANY 10 Surface Location Section Township Range Lot Idn Feet from the North/South line SOUTH 909' 11 Bottom Hole Location If Different From Surface Section Township Range Lot Idn Feet from the North/South line Feet from the Lot Idn	³ Pool Code ³ Pool Name Code 37870 Legg Bone Spring Code ³ Property Name ⁵ Property Name PAUL FLOWERS 1 *Operator Name 1 *Operator Name * 37 MATADOR PRODUCTION COMPANY 33 10 Section Township Range Lot Idn Feet from the North/South line Section Township 11 Bottom Hole Location If Different From Surface 11 Section I Township Section Range Lot Idn Feet from the North/South line Feet from the East/West line 11 Bottom Hole Location If Different From Surface	

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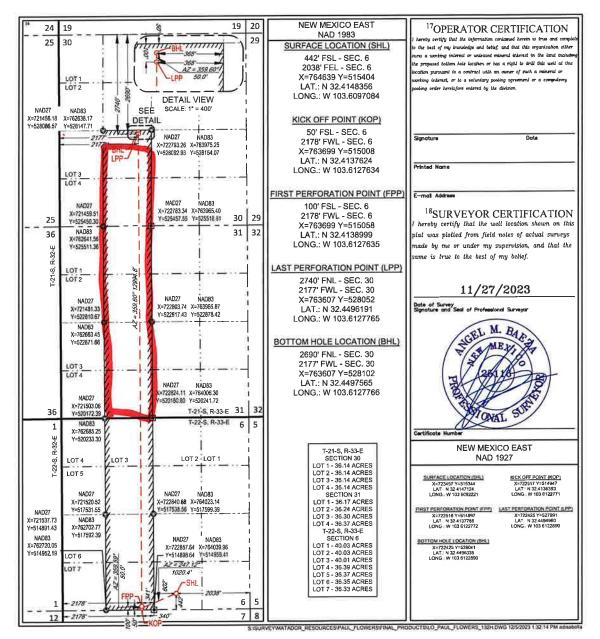
District 1 (625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District 111 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. SL Francis Dr., Sania Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

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	⁷ API Number ² Pool Code ³ Pool Name									
			9-	7927	W	C-025 G	-07 SZI	3330F B	one Spri	
*Property (Code				me WERS		/ *W	ell Number		
OGRID No. *Operator Name 728937 MATADOR PRODUCTION COMPANY									^{°Elevation} 3617'	
					¹⁰ Surface Loc	ation				
UL or lot no. O	Section 6	Township 22–S	Range 33-E	Lot Idn —	Feet from the 442'	North/South line	Feet from the 2038'	East/West line EAST	County LEA	
		·	11B	ottom Hole	e Location If Di	fferent From Surf	ace			
UL or lot no. K	Section 30	Township 21-S	Range 33-E	Lot Idn —	Feet from the 2690'	North/South line NORTH	Feet from the 2177'	East/West line WEST	County LEA	
Dedicated Acres	¹³ Joint or	Infill ¹⁴ Co	nsolidation Code	¹⁵ Order	No.					

240

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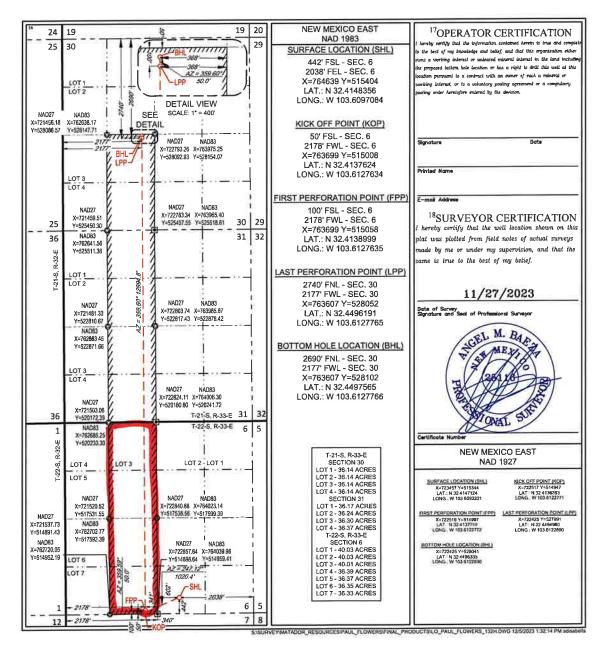
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	API Number			² Pool Code			³ Pool Nat		
			3	7870	2	Legg .	Bone	Spring	
⁴ Property C	ode				³ Property Na PAUL FLO		-	-\ / *W	ell Number 132H
70GRID N			М	ATADOR	^B Operator Na PRODUCT	me ION COMPAN	Y		Elevation 3617'
					¹⁰ Surface Loo	cation			
UL or lot no. O	Section 6	Township 22–S	Range 33-E	Lot Idn	Feet from the	North/South line SOUTH	Feet from the 2038'	East/West line EAST	County LEA
			11 _B	ottom Hole	Location If Di	fferent From Surf	ace		
VL or lot no. K	Section 30	Township 21–S	Range 33-E	Lot Idn —	Feet from the 2690'	North/South line	Feet from the 2177'	East/West line WEST	
Dedicated Acres	¹³ Joint or [nfill ^{ja} Co	nsolidation Code	15Order	No.				

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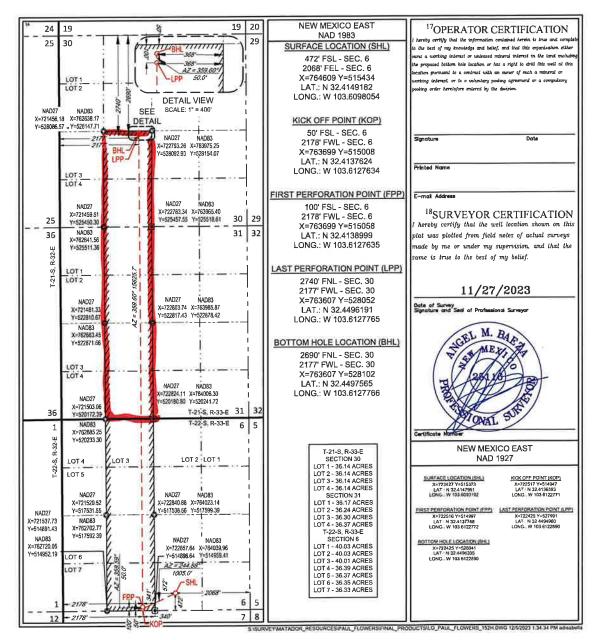
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	API Number			¹ Pool Code			³ Pool Nan		-		
			97	927	h	1C-025 G	07 Se	213330F;	Bone S		
⁴ Property 0	Code				Property Na PAUL FLO				I Number 52H		
2289			M	*Operator Name *Opera							
2201	3 (¹⁰ Surface Lo						
L or let no.	Section	Township	Range	Lot Idn	Feet from the	cet from the North/South line	Feet from the	East/West line	County		
0	6	22-S	33-E		472'	SOUTH	2068'	EAST	LEA		
			11B	ottom Hole	Location If Di	fferent From Surt	ace				
L or lot no.	Section	Township	Range Lot Idn		Feet from the	North/South line	Feet from the	East/West line	County		
K	30	21-S	33-E		2690'	NORTH	2177'	WEST	LEA		
Dedicated Acres	¹³ Joint or I	nfill ⁽⁴ Co	asolidation Code	¹⁵ Order	No.			//			

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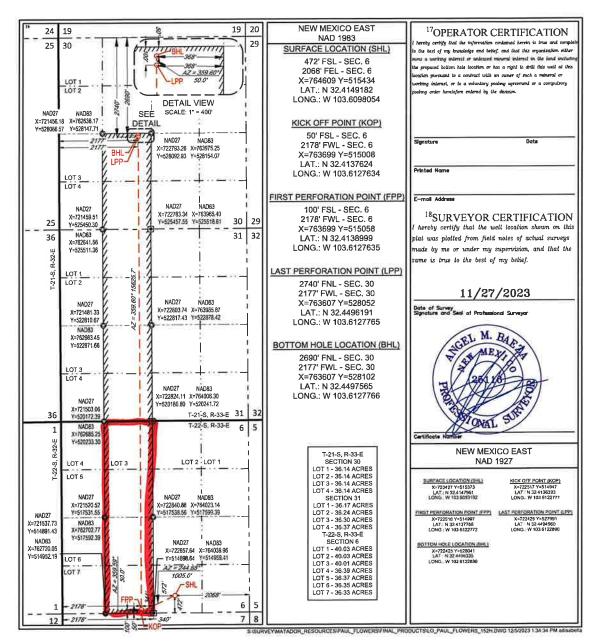
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	¹ API Number	r		² Pool Code ³ Pool Name							
			37	870		Legg; B	one SD	ring			
*Property	Code				³ Property Na	me) °	Vell Number		
PAUL FLOWERS								152H			
⁷ OCRID No. ⁸ Operator Name									⁹ Elevation		
2289	37	MATADOR PRODUCTION COMPANY									
LEF V					¹⁰ Surface Loo	ation					
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
0	6	22-S	33-E	-	472'	SOUTH	2068'	EAST	LEA		
			11B	ottom Hole	e Location If Di	fferent From Surf	face				
JL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County		
K	30	21-S	33-E	_	2690'	NORTH	2177'	WEST	LEA		
Dedicated Acres	¹³ Joint or 1	Infill	nsolidation Code	15Order	No.						

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