

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

**APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR
COMPULSORY POOLING AND NOTICE OF OVERLAPPING SPACING UNIT,
LEA COUNTY, NEW MEXICO**

**Case Nos. 23833, 23835,
23838, and 23839.**

**Case Nos. 24110, 24111,
24112, and 24115
(Replacing Cases 23834,
23836, 23837 and 23840)**

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

Case Nos. 23961- 23964

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

**Case Nos. 24142-24145
(Replacing Cases 23885-
23888)**

MRC'S PRE-HEARING STATEMENT

MRC Permian Company ("MRC") (OGRID No. 4323) submits this pre-hearing statement,
as required by the Prehearing Order in these consolidated matters.

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APPLICANTS

MRC Permian Company

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STATEMENT OF THE CASE

MRC and Franklin Mountain have filed competing applications to pool four standup 320-acre, more or less, horizontal well spacing units in the Bone Spring and Wolfcamp formations underlying Section 36, Township 18 South, Range 34 East, and irregular Section 1, Township 19 South, Range 34 East, and NMPM, Lea County, New Mexico. While it appears that the competing Bone Spring applications seeking to approve overlapping spacing units and pool those spacing units can move forward, it is now clear that the competing Wolfcamp applications cannot.

The Competing Bone Spring Applications

The applications filed by MRC under cases 23961-64 seek approval and pooling of four overlapping standup horizontal well spacing units in the Bone Spring formation as follows:

- Under **Case 23961**, MRC seeks approval and pooling of an overlapping horizontal well spacing unit in the Bone Spring_formation underlying the Lot 4, SWNW, W2SW (W2W2 equivalent) of irregular Section 1 and the W2W2 of Section 36 for the proposed **Mongoose State 121H** well;
- Under **Case 23962**, MRC seeks approval and pooling of an overlapping horizontal well spacing unit in the Bone Spring_formation underlying Lot 3, SENW, and E2SW (E2W2 equivalent) of irregular Section 1 and the E2W2 of Section 36 for the proposed **Mongoose State 122H** well;
- Under **Case 23963**, MRC seeks approval and pooling of an overlapping horizontal well spacing unit in the Bone Spring_formation underlying Lot 2, SWNE, and W2SE (W2E2 equivalent) of irregular Section 1 and the W2E2 of Section 36 for the proposed **Mongoose State 123H** well; and
- Under **Case 23964**, MRC seeks approval and pooling of an overlapping horizontal well spacing unit in the Bone Spring_formation underlying Lot 1, the SE4NE4, and E2SE4 (E2E2 equivalent) of irregular Section 1 and the E2E2 of Section 36 for the proposed **Mongoose State 124H** well. .

MRC initially seeks to target the Second Bone Spring interval and plans to subsequently develop the First Bone Spring interval. Franklin Mountain Cases 24110, 24111, 24112 & 24115 seek to create the same spacing units in the Bone Spring formation and appear to target similar intervals for development.

The Competing Wolfcamp Applications must be dismissed.

The applications filed by Franklin Mountain under Cases 23833, 23835, 23838 and 23839 for the proposed “Cross State” wells, and the applications filed by MRC under Cases 24142-24145 for the proposed Mongoose State wells, seek to pool the same standup horizontal well spacing units in the Wolfcamp formation underlying Sections 36 and 1. However, MRC has recently learned that in December of 2023, Franklin Mountain obtained from the Division pooling orders and approved applications to drill the “Satellite State” wells. *See* Division Orders R-22963, 22964,

22067 & 22968 (issued in Cases 23829-23832) and Division well files for 30-025-52317 (Satellite State Com #701H), 30-025-52318 (Satellite State Com #702H), 30-025-52319 (Satellite State Com #703H), 30-025-52322 (Satellite State Com #704H), 30-025-52392 (Satellite State Com #801H), 30-025-52393 (Satellite State Com #802H), 30-025-52394 (Satellite State Com #803H), and 30-025-52395 (Satellite State Com #804H). The four standup 360-acre horizontal spacing units approved for the Satellite State wells include the N2N2 of Section 36 and all of Sections 25 and 24, Township 18 South, Range 34 East. Nowhere in Franklin Mountain's filed drilling permits, the filed pooling applications, or the exhibits submitted in the Satellite force pooling cases does Franklin Mountain identify the first and last take points for its Satellite wells. *Id.* The record from the pooling cases for the Satellite spacing units further reflect that MRC and the other working interest owners in the proposed Cross State spacing units did not received notice of the applications or the hearing on the Satellite State wells. *See* Cases 23829-23832, comparing Exhibit B (land affidavit) at para. 10 with Exhibit B-10 (notice list). Knowledge of the Satellite spacing units and drilling permits was not available to the MRC and the affected working interest owners in the proposed Cross State spacing units until after the Division approved the Satellite State drilling permits on December 14, 2023.

Since the N2N2 of Section 36 is now dedicated to the four 360-acre spacing units approved for the Franklin Mountain Satellite State Wolfcamp wells, inclusion of N2N2 of Section 36 into overlapping spacing units that seek to develop the same Wolfcamp intervals will negatively impact the correlative rights of the affected working interest owners in the existing Satellite State units and the proposed Wolfcamp spacing units. MRC therefore intends to dismiss Cases 24142-24145 in favor of applications that seek to create Wolfcamp spacing units that do not include the N2N2 of Section 36. MRC asserts that Franklin Mountain must do the same.

MRCs believes the following facts are undisputed and material to the issues presented in these consolidated cases:

1. The proposed horizontal well spacing units proposed in the Bone Spring formation will overlap the following existing Bone Spring spacing units in Sections 36 and 1:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025- 40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025- 40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025- 42367)
- A 200-acre horizontal well spacing unit comprised of the S2N2 of Section 35 and the SW4NW4 (Unit E) of Section 36 dedicated to Franklin Mountain's Tin Cup 36 State Com 2H (API 30-025-40422)

2. The existing Bone Spring wells in irregular Section 1 have been assigned to the Scharb; Bone Spring Pool (55610) while the existing wells in Section 36 have been assigned to the Airstrip; Bone Spring Pool (960).

3. There are no faults, pinch outs, or other geologic impediments to efficiently and effectively developing the Bone Spring and Wolfcamp formations with the proposed 2-mile horizontal wells.

4. The N2N2 of Section 36 is now dedicated to the Satellite State wells recently permitted by the Division that seek to develop the same Wolfcamp intervals as those targeted by Franklin Mountain's proposed Cross State wells.

5. Franklin Mountain has failed to disclose the location of the first take points and the last take points for the approved Satellite State wells, and has yet to identify the first take points and the last take points for the proposed Cross State wells.

FILED EVIDENCE

Pursuant to the Amended Prehearing Order entered for these consolidated matters, MRC has filed the following with this prehearing statement:

The Applications filed in MRC Cases 23961-23964

The Compulsory Pooling Checklists for MRC Cases 23961-23964

MRC Exhibit A: Self-affirmed Statement of Chris Carleton, Petroleum Landman

MRC Exhibit B: Self-affirmed Statement of Blake Herber, Petroleum Geologist

MRC Exhibit C: Self-affirmed Statement of Tanner Shulz, Petroleum Engineer

MRC Exhibit D: Notice Affidavit for Cases 23961-23964.

MRC Exhibit E: Affidavit of Publication for Cases 23961-23964

The qualifications for each witness and the narrative of their direct testimony are contained in the self-affirmed statements filed with this prehearing statement. Since it is unclear where Franklin Mountain intends to place the first take points and the last take points for the proposed Cross State wells, MRC reserves the right to call these or other witnesses to address issues that arise with the filing of additional information.

PROCEDURAL MATTERS

As noted above, MRC intends to dismiss Cases 24142-24145 seeking to pool the Wolfcamp formation under Sections 36 and 1 for the reasons set forth in the Self-affirmed statement of Tanner Shulz. MRC contends that the applications filed by Franklin Mountain under Cases 23833, 23835, 23838 and 23839, seeking to pool the Wolfcamp formation for the proposed “Cross State” wells, must likewise be dismissed.

Respectfully submitted,

HOLLAND & HART LLP

By:  _____

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ATTORNEYS FOR MRC PERMIAN COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on February 1, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

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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 AN OVERLAPPING HORIZONTAL
WELL SPACING UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23961

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 (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W2W2 of Section 1, Township 19 South, Range 34 East, and the W2W2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. 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 spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Mongoose State 121H** well to be horizontally drilled from a surface hole location in the SW4 of Section 1, with a first take point in the SW4SW4 (Unit M) of section 1 and a last take point in the NW4NW4 (Unit D) of Section 36.
4. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)
- A 200-acre horizontal well spacing unit comprised of the S2N2 of Section 35 and the SW4NW4 (Unit E) of Section 36 dedicated to Franklin Mountain's Tin Cup 36 State Com 1H (API 30-025-40422)

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. Approval of this overlapping horizontal well spacing unit and 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. Approving the overlapping horizontal well spacing unit and pooling all uncommitted interests therein;

- B. Designating Matador Production Company as operator of this horizontal well 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

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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 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W2W2 of Section 1, Township 19 South, Range 34 East, and the W2W2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Mongoose State 121H** well to be horizontally drilled from a surface hole location in the SW4 of Section 1, with a first take point in the SW4SW4 (Unit M) of section 1 and a last take point in the NW4NW4 (Unit D) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)
- A 200-acre horizontal well spacing unit comprised of the S2N2 of Section 35 and the SW4NW4 (Unit E) of Section 36 dedicated to Franklin Mountain's Tin Cup 36 State Com 1H (API 30-025-40422)

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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.

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

CASE NO. 23962

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 (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E2W2 of Section 1, Township 19 South, Range 34 East, and the E2W2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. 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 spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Mongoose State 122H** well to be horizontally drilled from a surface hole location in the SW4 of Section 1, with a first take point in the SE4SW4 (Unit N) of section 1 and a last take point in the NE4NW4 (Unit C) of Section 36.
4. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
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- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)

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. Approval of this overlapping horizontal well spacing unit and 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. Approving the overlapping horizontal well spacing unit and pooling all uncommitted interests therein;
- B. Designating Matador Production Company as operator of this horizontal well 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

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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 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E2W2 of Section 1, Township 19 South, Range 34 East, and the E2W2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Mongoose State 122H** well to be horizontally drilled from a surface hole location in the SW4 of Section 1, with a first take point in the SE4SW4 (Unit N) of section 1 and a last take point in the NE4NW4 (Unit C) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

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- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)

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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.

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**APPLICATION OF MRC PERMIAN COMPANY
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WELL SPACING UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23963

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 (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W2E2 of Section 1, Township 19 South, Range 34 East, and the W2E2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. 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 spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Mongoose State 123H** well to be horizontally drilled from a surface hole location in the SE4 of Section 1, with a first take point in the SW4SE4 (Unit O) of section 1 and a last take point in the NW4NE4 (Unit B) of Section 36.
4. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

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- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)

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. Approval of this overlapping horizontal well spacing unit and 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. Approving the overlapping horizontal well spacing unit and pooling all uncommitted interests therein;
- B. Designating Matador Production Company as operator of this horizontal well spacing unit and the wells to be drilled thereon;

- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
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Respectfully submitted,

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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 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W2E2 of Section 1, Township 19 South, Range 34 East, and the W2E2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Mongoose State 123H** well to be horizontally drilled from a surface hole location in the SE4 of Section 1, with a first take point in the SW4SE4 (Unit O) of section 1 and a last take point in the NW4NE4 (Unit B) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

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- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador’s Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 3H (API 30-025-42367)

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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.

**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. 23964

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 (a) approving a standard 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E2E2 of Section 1, Township 19 South, Range 34 East, and the E2E2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. 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 spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Mongoose State 124H** well to be horizontally drilled from a surface hole location in the SE4 of Section 1, with a first take point in the SE4SE4 (Unit P) of section 1 and a last take point in the NE4NE4 (Unit A) of Section 36.
4. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)

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. Approval of this overlapping horizontal well spacing unit and 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. Approving the overlapping horizontal well spacing unit and pooling all uncommitted interests therein;
- B. Designating Matador Production Company as operator of this horizontal well 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

By: 

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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 320-acre overlapping horizontal well spacing unit in the Bone Spring formation underlying the E2E2 of Section 1, Township 19 South, Range 34 East, and the E2E2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Mongoose State 124H** well to be horizontally drilled from a surface hole location in the SE4 of Section 1, with a first take point in the SE4SE4 (Unit P) of section 1 and a last take point in the NE4NE4 (Unit A) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG’s Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG’s Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador’s Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 3H (API 30-025-42367)


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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.

REVISED COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| | |
|--|--|
| Case: 23961 | APPLICANT'S RESPONSE |
| Date | February 8, 2024 |
| 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 AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO. |
| Entries of Appearance/Intervenors: | Franklin Mountain Energy 3, LLC; COG Operating LLC; Armstrong Energy Corporation; Slash Exploration LP |
| Well Family | Mongoose |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | N/A |
| Pool Name and Pool Code: | Airstrip; Bone Spring Pool (960); Scharb; Bone Spring Pool (55610) |
| Well Location Setback Rules: | Statewide oil rules |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 323.51-acres |
| Building Blocks: | 40 acres |
| Orientation: | South-North |
| Description: TRS/County | Lot 4, SWNW, W2SW (W2W2 equivalent) of irregular Section 1, Township 19 South, Range 34 East, and the W2W2 of Section 36, Township 18 South, Range 34 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 | No |
| Proximity Tracts: If yes, description | No |
| Proximity Defining Well: if yes, description | N/A |
| Applicant's Ownership in Each Tract | Exhibit A-4 |
| Well(s) | |

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| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed |
| Well #1 | Mongoose State 121H (API pending) SHL: 321' FNL & 132' FWL (Unit D) of Section 36 BHL: 110' FSL & 660' FWL (Unit M) of Section 1 Target: Bone Spring 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 D |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit E |
| 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-7 |
| Overhead Rates In Proposal Letter | Exhibit A-5 |
| Cost Estimate to Drill and Complete | Exhibit A-6 |
| Cost Estimate to Equip Well | Exhibit A-6 |
| Cost Estimate for Production Facilities | Exhibit A-6 |
| Geology | |
| Summary (including special considerations) | Exhibit B |
| Spacing Unit Schematic | Exhibit B-1 |
| Gunbarrel/Lateral Trajectory Schematic | N/A |


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| Well Orientation (with rationale) | Exhibit B |
| Target Formation | Exhibit B, B-3 |
| HSU Cross Section | Exhibit B-2 |
| Depth Severance Discussion | N/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 A-2 |
| Structure Contour Map - Subsea Depth | Exhibit B-2 |
| Cross Section Location Map (including wells) | Exhibit B-2 |
| Cross Section (including Landing Zone) | Exhibit B-3 |
| Additional Information | |
| Special Provisions/Stipulations | Applicant seeks approval of overlapping horizontal well spacing units |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Michael H. Feldewert |
| Signed Name (Attorney or Party Representative): |  |
| Date: | 2/1/2024 |

REVISED COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| | |
|--|--|
| Case: 23962 | APPLICANT'S RESPONSE |
| Date | February 8, 2024 |
| 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 AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO. |
| Entries of Appearance/Intervenors: | Franklin Mountain Energy 3, LLC; COG Operating LLC; Armstrong Energy Corporation; Slash Exploration LP |
| Well Family | Mongoose |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | N/A |
| Pool Name and Pool Code: | Airstrip; Bone Spring Pool (960); Scharb; Bone Spring Pool (55610) |
| Well Location Setback Rules: | Statewide oil rules |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 323.59-acres |
| Building Blocks: | 40 acres |
| Orientation: | South-North |
| Description: TRS/County | Lot 3, SENW, and E2SW (E2W2 equivalent) of irregular Section 1, Township 19 South, Range 34 East, and the E2W2 of Section 36, Township 18 South, Range 34 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 | No |
| Proximity Tracts: If yes, description | No |
| Proximity Defining Well: if yes, description | N/A |
| Applicant's Ownership in Each Tract | Exhibit A-4 |
| Well(s) | |

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| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed |
| Well #1 | Mongoose State 122H (API pending) SHL: 321' FNL & 162' FWL (Unit D) of Section 36 BHL: 110' FNL & 1980' FWL (Unit N) of Section 1 Target: Bone Spring 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 D |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit E |
| 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-7 |
| Overhead Rates In Proposal Letter | Exhibit A-5 |
| Cost Estimate to Drill and Complete | Exhibit A-6 |
| Cost Estimate to Equip Well | Exhibit A-6 |
| Cost Estimate for Production Facilities | Exhibit A-6 |
| Geology | |
| Summary (including special considerations) | Exhibit B |
| Spacing Unit Schematic | Exhibit B-1 |
| Gunbarrel/Lateral Trajectory Schematic | N/A |


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| Well Orientation (with rationale) | Exhibit B |
| Target Formation | Exhibit B, B-3 |
| HSU Cross Section | Exhibit B-2 |
| Depth Severance Discussion | N/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 A-2 |
| Structure Contour Map - Subsea Depth | Exhibit B-2 |
| Cross Section Location Map (including wells) | Exhibit B-2 |
| Cross Section (including Landing Zone) | Exhibit B-3 |
| Additional Information | |
| Special Provisions/Stipulations | Applicant seeks approval of overlapping horizontal well spacing units |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Michael H. Feldewert |
| Signed Name (Attorney or Party Representative): |  |
| Date: | 2/1/2024 |

REVISED COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| | |
|--|--|
| Case: 23963 | APPLICANT'S RESPONSE |
| Date | February 8, 2024 |
| 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 AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO. |
| Entries of Appearance/Intervenors: | Franklin Mountain Energy 3, LLC; COG Operating LLC; Armstrong Energy Corporation; Slash Exploration LP |
| Well Family | Mongoose |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | N/A |
| Pool Name and Pool Code: | Airstrip; Bone Spring Pool (960); Scharb; Bone Spring Pool (55610) |
| Well Location Setback Rules: | Statewide oil rules |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 323.65-acres |
| Building Blocks: | 40 acres |
| Orientation: | South-North |
| Description: TRS/County | Lot 2, SWNE, and W2SE (W2E2 equivalent) of irregular Section 1, Township 19 South, Range 34 East, and the W2E2 of Section 36, Township 18 South, Range 34 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 | No |
| Proximity Tracts: If yes, description | No |
| Proximity Defining Well: if yes, description | N/A |
| Applicant's Ownership in Each Tract | Exhibit A-4 |
| Well(s) | |

| | |
|--|---|
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed |
| Well #1 | Mongoose State 123H (API pending) SHL: 326' FNL & 2238' FEL (Unit B) of Section 36 BHL: 110' FNL & 1980' FEL (Unit O) of Section 1 Target: Bone Spring 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 D |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit E |
| 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-7 |
| Overhead Rates In Proposal Letter | Exhibit A-5 |
| Cost Estimate to Drill and Complete | Exhibit A-6 |
| Cost Estimate to Equip Well | Exhibit A-6 |
| Cost Estimate for Production Facilities | Exhibit A-6 |
| Geology | |
| Summary (including special considerations) | Exhibit B |
| Spacing Unit Schematic | Exhibit B-1 |
| Gunbarrel/Lateral Trajectory Schematic | N/A |


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| Well Orientation (with rationale) | Exhibit B |
| Target Formation | Exhibit B, B-3 |
| HSU Cross Section | Exhibit B-2 |
| Depth Severance Discussion | N/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 A-2 |
| Structure Contour Map - Subsea Depth | Exhibit B-2 |
| Cross Section Location Map (including wells) | Exhibit B-2 |
| Cross Section (including Landing Zone) | Exhibit B-3 |
| Additional Information | |
| Special Provisions/Stipulations | Applicant seeks approval of an overlapping horizontal well spacing unit |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Michael H. Feldewert |
| Signed Name (Attorney or Party Representative): |  |
| Date: | 2/1/2024 |

REVISED COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

| | |
|--|---|
| Case: 23964 | APPLICANT'S RESPONSE |
| Date | February 8, 2024 |
| 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 AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO. |
| Entries of Appearance/Intervenors: | Franklin Mountain Energy 3, LLC; COG Operating LLC; Armstrong Energy Corporation; Slash Exploration LP |
| Well Family | Mongoose |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | N/A |
| Pool Name and Pool Code: | Airstrip; Bone Spring Pool (960); Scharb; Bone Spring Pool (55610) |
| Well Location Setback Rules: | Statewide oil rules |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 323.73-acres |
| Building Blocks: | 40 acres |
| Orientation: | South-North |
| Description: TRS/County | Lot 1, SE4NE4, and E2SE4 (E2E2 equivalent) of irregular Section 1, Township 19 South, Range 34 East, and the E2E2 of Section 36, Township 18 South, Range 34 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 | No |
| Proximity Tracts: If yes, description | No |
| Proximity Defining Well: if yes, description | N/A |
| Applicant's Ownership in Each Tract | Exhibit A-4 |
| Well(s) | |

| | |
|--|--|
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed |
| Well #1 | Mongoose State 124H (API pending) SHL: 326' FNL & 2208' FEL (Unit B) of Section 36 BHL: 110' FSL & 660' FEL (Unit P) of Section 1 Target: Bone Spring 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 D |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit E |
| 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-7 |
| Overhead Rates In Proposal Letter | Exhibit A-5 |
| Cost Estimate to Drill and Complete | Exhibit A-6 |
| Cost Estimate to Equip Well | Exhibit A-6 |
| Cost Estimate for Production Facilities | Exhibit A-6 |
| Geology | |
| Summary (including special considerations) | Exhibit B |
| Spacing Unit Schematic | Exhibit B-1 |
| Gunbarrel/Lateral Trajectory Schematic | N/A |

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|--|--|
| Well Orientation (with rationale) | Exhibit B |
| Target Formation | Exhibit B, B-3 |
| HSU Cross Section | Exhibit B-2 |
| Depth Severance Discussion | N/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 A-2 |
| Structure Contour Map - Subsea Depth | Exhibit B-2 |
| Cross Section Location Map (including wells) | Exhibit B-2 |
| Cross Section (including Landing Zone) | Exhibit B-3 |
| Additional Information | |
| Special Provisions/Stipulations | Applicant seeks approval overlapping horizontal wells spacing units |
| CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Michael H. Feldewert |
| Signed Name (Attorney or Party Representative): |  |
| Date: | 2/1/2024 |

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

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

Case Nos. 23961- 23964

SELF-AFFIRMED STATEMENT OF CHRIS CARLETON, LANDMAN

1. My name is Chris Carleton and I work for MRC Energy Company, an affiliate of MRC Permian Company (“MRC”), as a Vice President – Land Operations.

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 applications filed by MRC in these consolidated cases and I am familiar with the status of the lands in the subject area.

4. In these consolidated cases, MRC seeks to pool standard horizontal well spacing units for two-mile laterals in the Bone Spring formation underlying Section 1, Township 19 South, Range 34 East, and Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, as follows:

- Under **Case 23961**, MRC seeks approval of an overlapping spacing unit in the Bone Spring formation underlying the Lot 4, SWNW, W2SW (W2W2 equivalent) of irregular Section 1 and the W2W2 of Section 36, and the pooling of this proposed horizontal well spacing unit, for the proposed **Mongoose State 121H** well;
- Under **Case 23962**, MRC seeks approval of an overlapping spacing unit in the Bone Spring formation underlying Lot 3, SENW, and E2SW (E2W2 equivalent) of irregular Section 1 and the E2W2 of Section 36, and the pooling of this proposed horizontal well spacing unit, for the proposed **Mongoose State 122H** well;

- Under **Case 23963**, MRC seeks approval of an overlapping spacing unit in the Bone Spring formation underlying Lot 2, SWNE, and W2SE (W2E2 equivalent) of irregular Section 1 and the W2E2 of Section 36, and the pooling of this proposed horizontal well spacing unit, for the proposed **Mongoose State 123H** well;
- Under **Case 23964**, MRC seeks approval of an overlapping spacing unit in the Bone Spring formation underlying Lot 1, the SE4NE4, and E2SE4 (E2E2 equivalent) of irregular Section 1 and the E2E2 of Section 36, and the pooling of this proposed horizontal well spacing unit, for the proposed **Mongoose State 124H** well;

Franklin Mountain Cases 24110, 24111, 24112 & 24115 seek to create the same spacing units in the Bone Spring formation for its proposed “Cross State Com” wells.

5. There are no ownership depth severances in the Bone Spring formation underlying the subject acreage based on the title information MRC has.

6. There are existing “laydown” Bone Spring horizontal well spacing units in Sections 1 and 36 as follows:

- A 174-acre horizontal well spacing unit comprised of Lots 1-4 (N2N2 equivalent of Section 1 dedicated to COG’s Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG’s Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador’s Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 3H (API 30-025- 42367)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 2H (API 30-025- 40641)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain’s Butter Cup 36 State Com 1H (API 30-025- 40640)

- A 200-acre horizontal well spacing unit comprised of the S2N2 of Section 35 and the SW4NW4 (Unit E) of Section 36 dedicated to Franklin Mountain's Tin Cup 36 State Com 2H (API 30-025-40422)

7. **MRC Exhibit A-1** is a plat of Sections 1 and 36 showing the existing Bone Spring horizontal wells.

8. The existing Bone Spring wells in irregular Section 1 have been assigned to the Scharb; Bone Spring Pool (55610) while the existing wells in Section 36 have been assigned to the Airstrip; Bone Spring Pool (960).

9. **MRC Exhibit A-2** contains draft Form C-102s for MRC's initial Bone Spring wells in the subject acreage. Each of the proposed Bone Spring wells has two Form C-102s to allocate the acreage to the two Bone Spring pools underlying the subject acreage.

10. **MRC Exhibit A-3** identifies the tracts of land comprising the subject acreage, which is comprised of state and fee tracts.

11. **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 each of the proposed horizontal spacing units. MRC has identified the working interest owned by COG Operating, LLC has "Voluntary Joinder" on each exhibit within **Exhibit A-4**. MRC is under a signed purchase and sale agreement with COG Operating, LLC that is set to close on February 15, 2024, subject to customary closing conditions. Upon closing of the transaction, MRC would own that working interest. Exhibit A-4 also contains a list of the overriding royalty interest owners that MRC seeks to pool.

12. **MRC Exhibit A-5** contains a sample of the original well proposal letters for the proposed initial wells in the Bone Spring formation that was sent to the working interest owners. MRC Exhibit A-5 also contains a sample of the well proposal letters that MRC subsequently sent

to additional working interest parties that MRC learned about after conducting additional title work. As reflected in the attached C-102s, MRC has changed its plan and plans to drill the wells from pads in the N/2 N/2 of Section 36, rather than from the south. The change in surface pad locations will not have an impact on the AFE costs of the well.

13. In preparation for these cases, Matador's technical team reviewed the AFEs for our proposed Bone Spring wells in light of pricing changes and our current development plan. Attached as **MRC Exhibit A-6** are Matador's updated AFEs for these proposed wells. The costs reflected in the AFEs are consistent with what MRC and other operators have incurred for drilling similar horizontal wells in the area in the subject formation.

14. 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 proposed costs are lower than the \$9,000 per month and the \$900 per month costs proposed by Franklin Mountain.

15. **MRC Exhibit A-7** contains a general summary of the communications with each of the remaining uncommitted working interest owners. In addition to sending the well proposal letters, as reflected on Exhibit A-7, MRC has contacted many of the working interest owners it seeks to pool. There are also some parties we seek to pool that we have not yet been able to reach despite attempting to contact them at the last known contact information we have been able to locate. In my opinion, MRC has undertaken good faith efforts to reach a voluntary agreement.

16. 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. While preparing for this hearing and reviewing additional title information, MRC learned that certain mineral owners we believed to be leased were no longer leased in the Bone Spring

formation, and therefore were not included in the notice list for the Bone Spring cases. However, MRC did provide notice of its Wolfcamp application to these same unleased mineral owners, who therefore would have received notice of the hearing of these consolidated cases. 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.

17. **MRC Exhibits A-1 through A-7** were either prepared by me or compiled under my direction and supervision.

18. 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.



Chris Carleton

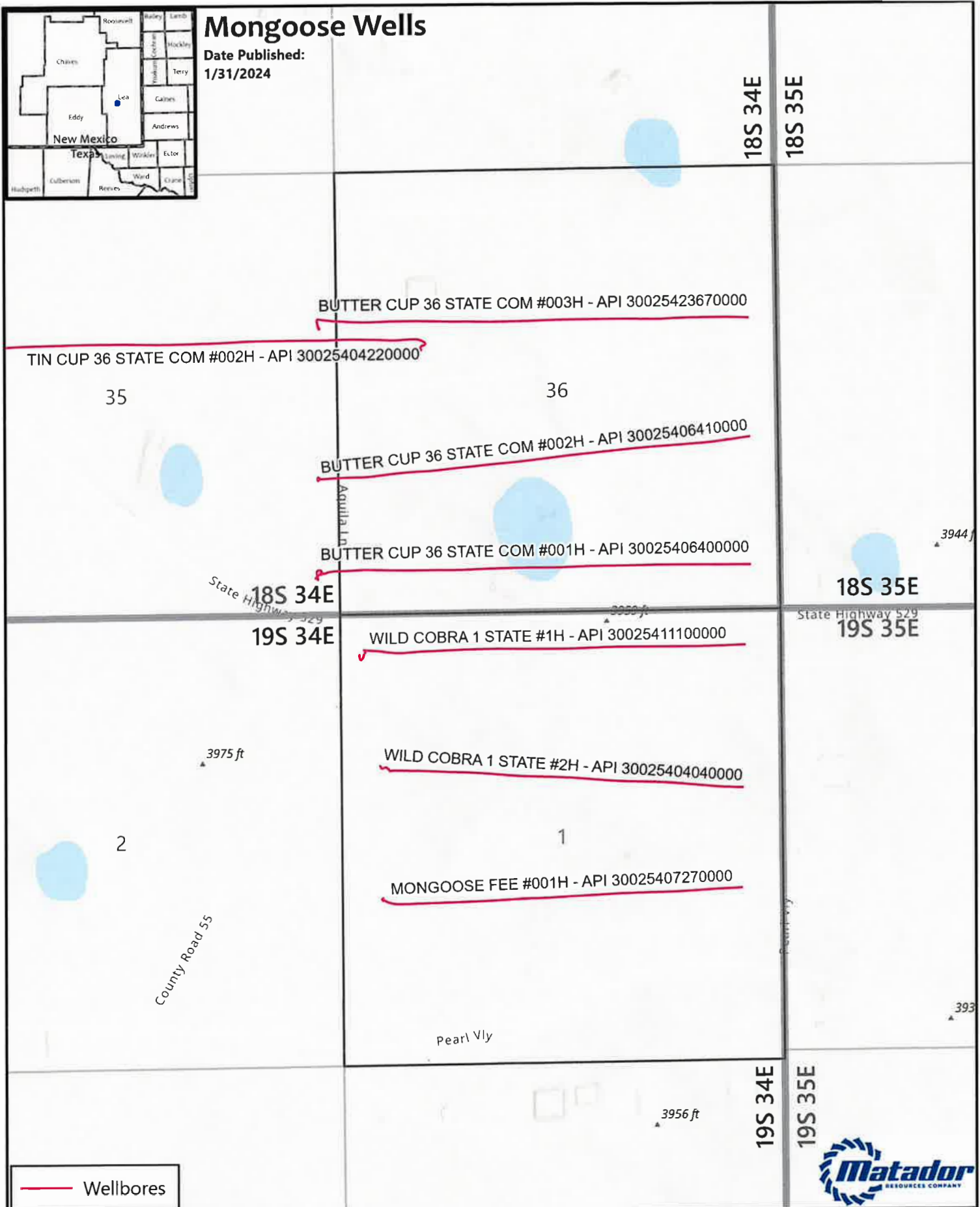
2/1/2024
Date

EXHIBIT A-1



Mongoose Wells

Date Published:
1/31/2024



— Wellbores



1:18,000

1 inch equals 1,500 feet

Map Prepared by: amercio.gamarral
 Date: January 31, 2024
 Project: \\gis\UserData\agamarra\temp\20240130 Mongoose Tract Map\Mongoose Tract Map.aprx
 Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
 Sources: IHS; ESR; US DOI BLM Carlsbad, NM Field Office, GIS Department;
 Texas Cooperative Wildlife Collection, Texas A&M University;
 United States Census Bureau (TIGER);

EXHIBIT A-2

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-2
Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case Nos. 23961 - 23964**

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
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District IV
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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 LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------------|--|---|
| ¹ API Number | ² Pool Code 960 | ³ Pool Name Airstrip; Bone Spring |
| ⁴ Property Code | ⁵ Property Name MONGOOSE STATE | |
| ⁷ OGRID No. 22B937 | ⁹ Operator Name MATADOR PRODUCTION COMPANY | ⁶ Well Number 121H |
| | | ⁸ Elevation 3974' |

¹⁰Surface Location

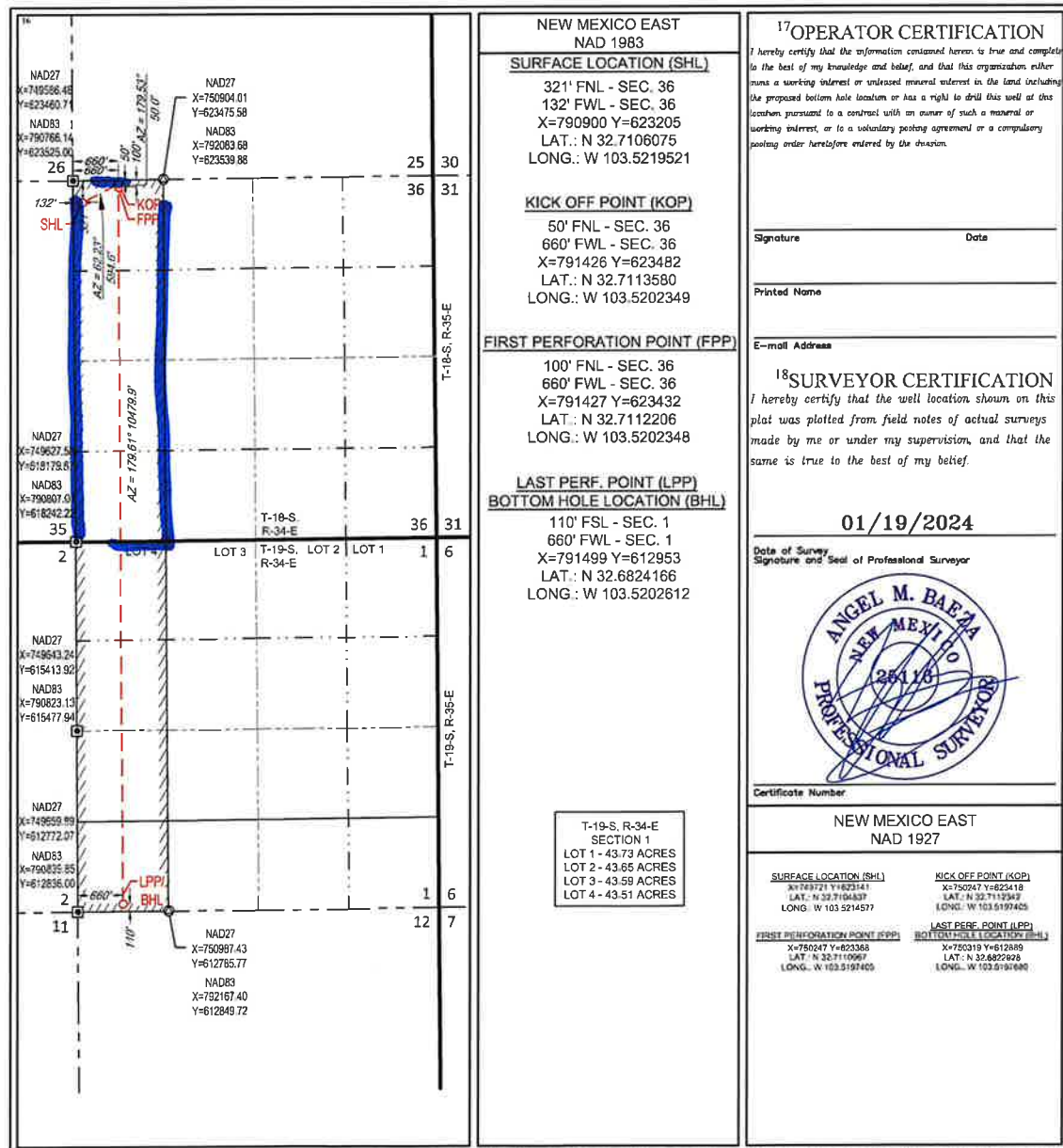
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 36 | 18-S | 34-E | - | 321' | NORTH | 132' | WEST | LEA |

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M | 1 | 19-S | 34-E | - | 110' | SOUTH | 660' | WEST | LEA |

| | | | |
|--|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160 823.51 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--|-------------------------------|----------------------------------|-------------------------|

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



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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|----------------------------------|--|--|--|---|----------------------------------|
| ¹ API Number | | ² Pool Code 55610 | | ³ Pool Name Scherb; Bone Spring | |
| ⁴ Property Code | | ⁵ Property Name MONGOOSE STATE | | | ⁶ Well Number 121H |
| ⁷ OGRID No. 228937 | | ⁸ Operator Name MATADOR PRODUCTION COMPANY | | | ⁹ Elevation 3974' |

¹⁰Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 36 | 18-S | 34-E | - | 321' | NORTH | 132' | WEST | LEA |

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| M | 1 | 19-S | 34-E | - | 110' | SOUTH | 660' | WEST | LEA |

| | | | |
|---|---|----------------------------------|-------------------------|
| ¹² Dedicated Acres 163.51 | ¹³ Joint or Infill 323.51 | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|---|----------------------------------|-------------------------|

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

**NEW MEXICO EAST
NAD 1983**

SURFACE LOCATION (SHL)
321' FNL - SEC. 36
132' FWL - SEC. 36
X=790900 Y=623205
LAT.: N 32.7106075
LONG.: W 103.5219521

KICK OFF POINT (KOP)
50' FNL - SEC. 36
660' FWL - SEC. 36
X=791426 Y=623482
LAT.: N 32.7113580
LONG.: W 103.5202349

FIRST PERFORATION POINT (FPP)
100' FNL - SEC. 36
660' FWL - SEC. 36
X=791427 Y=623432
LAT.: N 32.7112206
LONG.: W 103.5202348

LAST PERF. POINT (LPP)
BOTTOM HOLE LOCATION (BHL)
110' FSL - SEC. 1
660' FWL - SEC. 1
X=791499 Y=612953
LAT.: N 32.6824166
LONG.: W 103.5202612

T-19-S, R-34-E
SECTION 1
LOT 1 - 43.73 ACRES
LOT 2 - 43.65 ACRES
LOT 3 - 43.59 ACRES
LOT 4 - 43.51 ACRES

¹⁷OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION

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

01/19/2024

Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number _____

**NEW MEXICO EAST
NAD 1927**

| | |
|---|--|
| SURFACE LOCATION (SHL) X=745721 Y=622141 LAT. N 32.7104837 LONG. W 103.5214577 | KICK OFF POINT (KOP) X=750247 Y=622418 LAT. N 32.7112342 LONG. W 103.5197405 |
| FIRST PERFORATION POINT (FPP) X=750247 Y=623388 LAT. N 32.7110067 LONG. W 103.5197405 | LAST PERF. POINT (LPP) X=750219 Y=612940 LAT. N 32.6822998 LONG. W 103.5197690 |

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Department
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Santa Fe, NM 87505

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|--|---------------|--|---------------|---|-----------------------|---------------------------|------------------------|------------------------|---------------|
| ¹ API Number | | ² Pool Code 960 | | ³ Pool Name Airstrip; Bone Spring | | | | | |
| ⁴ Property Code | | ⁵ Property Name MONGOOSE STATE | | ⁶ Well Number 122H | | | | | |
| ⁷ GRID No. 228937 | | ⁸ Operator Name MATADOR PRODUCTION COMPANY | | ⁹ Elevation 3974' | | | | | |
| ¹⁰ Surface Location | | | | | | | | | |
| UL or lot no. D | Section 36 | Township 18-S | Range 34-E | Lot Idn - | Feet from the 321' | North/South line NORTH | Feet from the 162' | East/West line WEST | County LEA |
| ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | |
| UL or lot no. N | Section 1 | Township 19-S | Range 34-E | Lot Idn - | Feet from the 110' | North/South line SOUTH | Feet from the 1980' | East/West line WEST | County LEA |
| ¹² Dedicated Acres 160 - 323.59 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | | | |

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

NEW MEXICO EAST
NAD 1983

SURFACE LOCATION (SHL)

321' FNL - SEC. 36
162' FWL - SEC. 36
X=790930 Y=623206
LAT.: N 32.7106078
LONG.: W 103.5218545

KICK OFF POINT (KOP)

50' FNL - SEC. 36
1980' FWL - SEC. 36
X=792746 Y=623497
LAT.: N 32.7113711
LONG.: W 103.5159435

FIRST PERFORATION POINT (FPP)

100' FNL - SEC. 36
1980' FWL - SEC. 36
X=792747 Y=623447
LAT.: N 32.7112337
LONG.: W 103.5159436

LAST PERF. POINT (LPP)
BOTTOM HOLE LOCATION (BHL)

110' FSL - SEC. 1
1980' FWL - SEC. 1
X=792819 Y=612966
LAT.: N 32.6824262
LONG.: W 103.5159712

T-19-S, R-34-E
SECTION 1
LOT 1 - 43.73 ACRES
LOT 2 - 43.65 ACRES
LOT 3 - 43.59 ACRES
LOT 4 - 43.51 ACRES

¹⁷OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION

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

01/19/2024

Date of Survey _____
Signature and Seal of Professional Surveyor

Certificate Number _____

NEW MEXICO EAST
NAD 1927

| | |
|---|---|
| <u>SURFACE LOCATION (SHL)</u> X=790930 Y=623206 LAT: N 32.7106078 LONG: W 103.5218545 | <u>KICK OFF POINT (KOP)</u> X=792746 Y=623497 LAT: N 32.7113711 LONG: W 103.5159435 |
| <u>FIRST PERFORATION POINT (FPP)</u> X=792747 Y=623447 LAT: N 32.7112337 LONG: W 103.5159436 | <u>LAST PERF. POINT (LPP)</u> <u>BOTTOM HOLE LOCATION (BHL)</u> X=792819 Y=612966 LAT: N 32.6824262 LONG: W 103.5159712 |

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---------------------------------|--|--|--|--|----------------------------------|
| ¹ API Number | | ² Pool Code 55610 | | ³ Pool Name Scherbj Bone Springs | |
| ⁴ Property Code | | ⁵ Property Name MONGOOSE STATE | | | ⁶ Well Number 122H |
| ⁷ GRID No. 228937 | | ⁸ Operator Name MATADOR PRODUCTION COMPANY | | | ⁹ Elevation 3974' |

¹⁰Surface Location

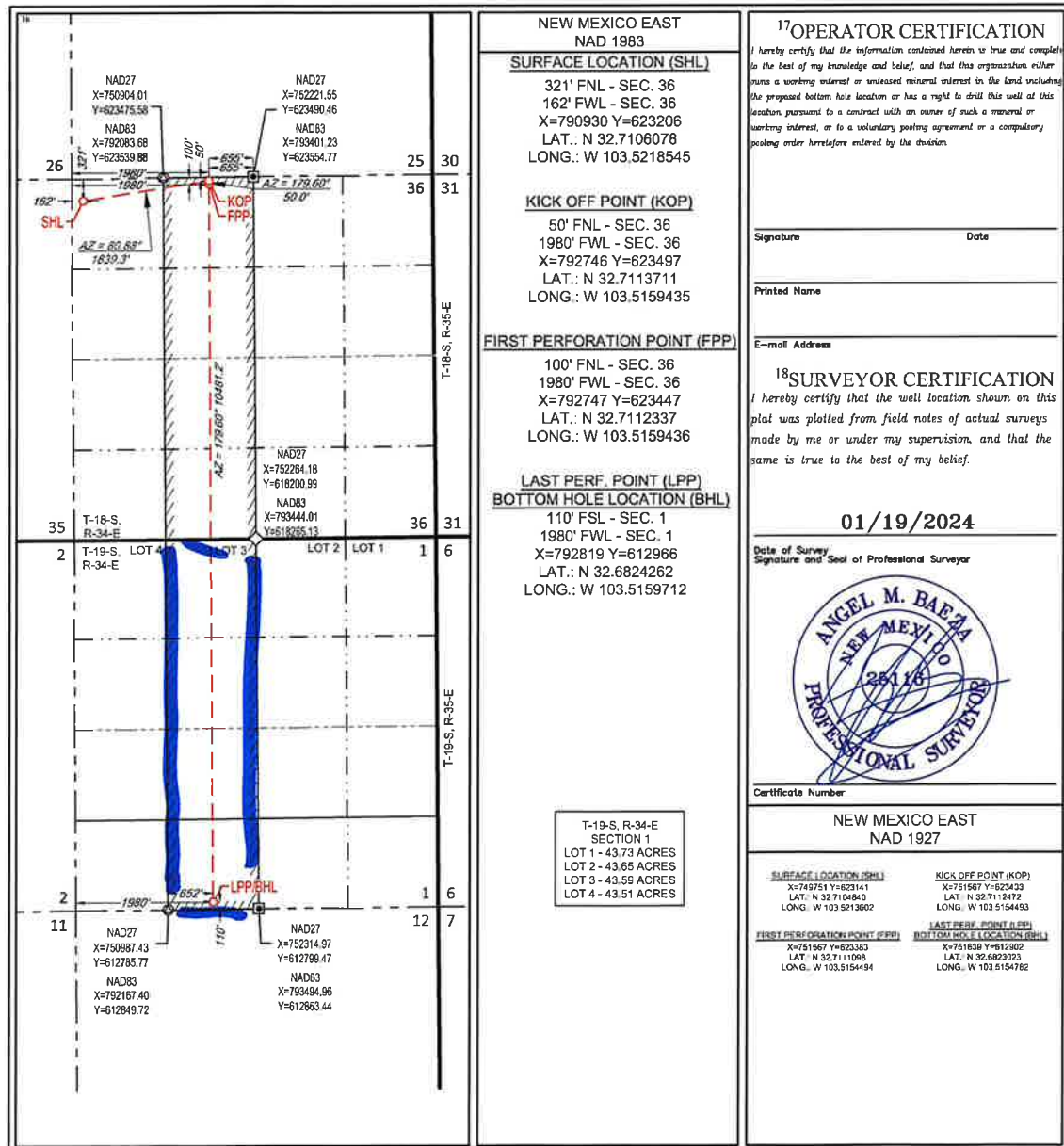
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| D | 36 | 18-S | 34-E | - | 321' | NORTH | 162' | WEST | LEA |

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| N | 1 | 19-S | 34-E | - | 110' | SOUTH | 1980' | WEST | LEA |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 163.59 323.59 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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



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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------------|--|---|
| ¹ API Number | ² Pool Code 960 | ³ Pool Name Airstrip; Bone Spring |
| ⁴ Property Code | ⁵ Property Name MONGOOSE STATE | |
| ⁷ OGRID No. 228937 | ⁶ Operator Name MATADOR PRODUCTION COMPANY | ⁸ Well Number 123H |
| ⁹ Elevation 3964' | | |

¹⁰Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B | 36 | 18-S | 34-E | - | 326' | NORTH | 2238' | EAST | LEA |

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 1 | 19-S | 34-E | - | 110' | SOUTH | 1980' | EAST | LEA |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 323.65 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

160

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.

**NEW MEXICO EAST
NAD 1983**

SURFACE LOCATION (SHL)
326' FNL - SEC. 36
2238' FEL - SEC. 36
X=793799 Y=623233
LAT.: N 32.7106231
LONG.: W 103.5125267

KICK OFF POINT (KOP)
50' FNL - SEC. 36
1980' FEL - SEC. 36
X=794055 Y=623512
LAT.: N 32.7113830
LONG.: W 103.5116901

FIRST PERFORATION POINT (FPP)
100' FNL - SEC. 36
1980' FEL - SEC. 36
X=794055 Y=623462
LAT.: N 32.7112456
LONG.: W 103.5116899

**LAST PERF. POINT (LPP)
BOTTOM HOLE LOCATION (BHL)**
110' FSL - SEC. 1
1980' FEL - SEC. 1
X=794148 Y=612980
LAT.: N 32.6824359
LONG.: W 103.5116525

**T-19-S, R-34-E
SECTION 1
LOT 1 - 43.73 ACRES
LOT 2 - 43.65 ACRES
LOT 3 - 43.59 ACRES
LOT 4 - 43.51 ACRES**

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Signature _____ Date _____
Printed Name _____
E-mail Address _____

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

01/19/2024

Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number _____

**NEW MEXICO EAST
NAD 1927**

| | |
|--|--|
| SURFACE LOCATION (SHL) X=752820 Y=623189 LAT N 32.7104982 LONG. W 103.5120327 | KICK OFF POINT (KOP) X=752875 Y=623447 LAT.: N 32.7112590 LONG. W 103.5119560 |
| FIRST PERFORATION POINT (FPP) X=752875 Y=623397 LAT N 32.7111216 LONG. W 103.5119560 | LAST PERF. POINT (LPP) BOTTOM HOLE LOCATION (BHL) X=752868 Y=612918 LAT N 32.6823120 LONG. W 103.5119555 |

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1220 South St. Francis Dr.
Santa Fe, NM 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|----------------------------------|--|--|--|--|----------------------------------|
| ¹ API Number | | ² Pool Code 55610 | | ³ Pool Name Scherb; Bone Springs | |
| ⁴ Property Code | | ⁵ Property Name MONGOOSE STATE | | | ⁶ Well Number 123H |
| ⁷ OGRLD No. 220937 | | ⁸ Operator Name MATADOR PRODUCTION COMPANY | | | ⁹ Elevation 3964' |

¹⁰Surface Location

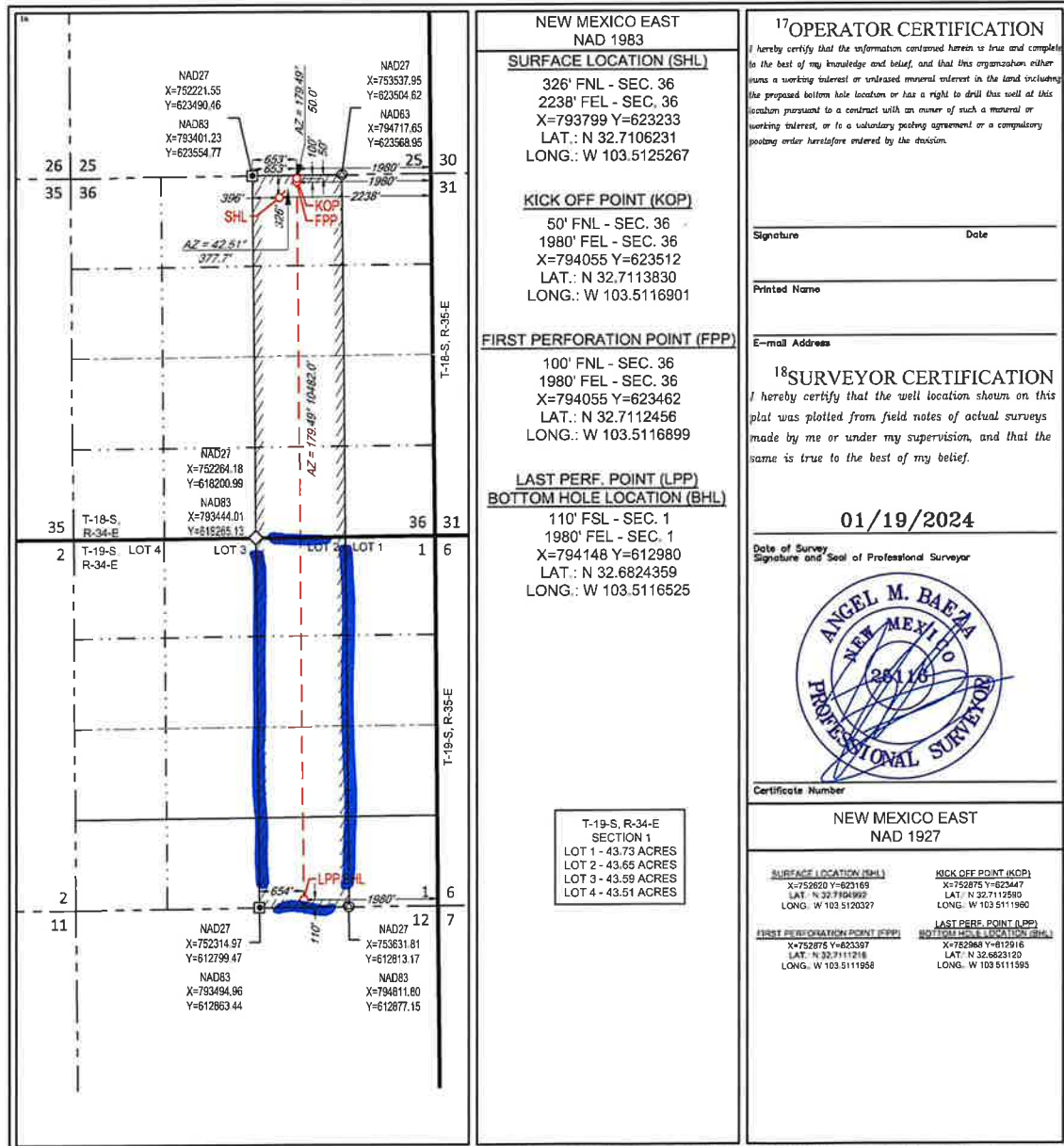
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B | 36 | 18-S | 34-E | - | 326' | NORTH | 2238' | EAST | LEA |

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 1 | 19-S | 34-E | - | 110' | SOUTH | 1980' | EAST | LEA |

| | | | |
|--|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 163.65 323.65 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|--|-------------------------------|----------------------------------|-------------------------|

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



¹⁷OPERATOR CERTIFICATION

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR CERTIFICATION

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

01/19/2024

Date of Survey
Signature and Seal of Professional Surveyor



Certificate Number

NEW MEXICO EAST
NAD 1927

| | |
|--|---|
| <u>SURFACE LOCATION (SHL)</u> X=752620 Y=623169 LAT. N 32.7104992 LONG. W 103.5120327 | <u>KICK OFF POINT (KOP)</u> X=752875 Y=623447 LAT. N 32.7112580 LONG. W 103.511980 |
|--|---|

| | |
|--|---|
| <u>FIRST PERFORATION POINT (FPP)</u> X=752875 Y=623307 LAT. N 32.7111216 LONG. W 103.511956 | <u>LAST PERF. POINT (LPP)</u> X=752964 Y=612916 LAT. N 32.6823120 LONG. W 103.511595 |
|--|---|

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---------------------------------|--|--|--|--|----------------------------------|
| ¹ API Number | | ² Pool Code 960 | | ³ Pool Name Airstrip; Bone Springs | |
| ⁴ Property Code | | ⁵ Property Name MONGOOSE STATE | | | ⁶ Well Number 124H |
| ⁷ GRID No. 228937 | | ⁸ Operator Name MATADOR PRODUCTION COMPANY | | | ⁹ Elevation 3963' |

¹⁰Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| B | 36 | 18-S | 34-E | - | 326' | NORTH | 2208' | EAST | LEA |

¹¹Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| P | 1 | 19-S | 34-E | - | 110' | SOUTH | 660' | EAST | LEA |

| | | | |
|---|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres 160 323.73 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|---|-------------------------------|----------------------------------|-------------------------|

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

**NEW MEXICO EAST
NAD 1983**

SURFACE LOCATION (SHL)
326' FNL - SEC. 36
2208' FEL - SEC. 36
X=793829 Y=623234
LAT.: N 32.7106234
LONG.: W 103.5124292

KICK OFF POINT (KOP)
50' FNL - SEC. 36
660' FEL - SEC. 36
X=795375 Y=623526
LAT.: N 32.7113939
LONG.: W 103.5073987

FIRST PERFORATION POINT (FPP)
100' FNL - SEC. 36
660' FEL - SEC. 36
X=795375 Y=623476
LAT.: N 32.7112564
LONG.: W 103.5073985

**LAST PERF. POINT (LPP)
BOTTOM HOLE LOCATION (BHL)**
110' FSL - SEC. 1
660' FEL - SEC. 1
X=795468 Y=612994
LAT.: N 32.6824455
LONG.: W 103.5073625

T-19-S, R-34-E
SECTION 1
LOT 1 - 43.73 ACRES
LOT 2 - 43.65 ACRES
LOT 3 - 43.59 ACRES
LOT 4 - 43.51 ACRES

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

Signature _____ Date _____

Printed Name _____

E-mail Address _____

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

01/19/2024

Date of Survey
Signature and Seal of Professional Surveyor

Certificate Number _____

**NEW MEXICO EAST
NAD 1927**

| | |
|--|--|
| <u>SURFACE LOCATION (SHL)</u> X=752650 Y=623189 LAT.: N 32.7104995 LONG.: W 103.5119351 | <u>KICK OFF POINT (KOP)</u> X=754195 Y=623482 LAT.: N 32.7113198 LONG.: W 103.5069048 |
| <u>FIRST PERFORATION POINT (FPP)</u> X=754195 Y=623412 LAT.: N 32.7111324 LONG.: W 103.5069046 | <u>LAST PERF. POINT (LPP) BOTTOM HOLE LOCATION (BHL)</u> X=754288 Y=612930 LAT.: N 32.6823215 LONG.: W 103.5068697 |

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District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | | | | | |
|--|---------------|--|---------------|---|-----------------------|---------------------------|------------------------|------------------------|---------------|
| ¹ API Number | | ² Pool Code 55610 | | ³ Pool Name Scharb; Bone Spring | | | | | |
| ⁴ Property Code | | ⁵ Property Name MONGOOSE STATE | | ⁶ Well Number 124H | | | | | |
| ⁷ GRID No. 228937 | | ⁸ Operator Name MATADOR PRODUCTION COMPANY | | ⁹ Elevation 3963' | | | | | |
| ¹⁰ Surface Location | | | | | | | | | |
| UL or lot no. B | Section 36 | Township 18-S | Range 34-E | Lot Idn - | Feet from the 326' | North/South line NORTH | Feet from the 2208' | East/West line EAST | County LEA |
| ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | |
| UL or lot no. P | Section 1 | Township 19-S | Range 34-E | Lot Idn - | Feet from the 110' | North/South line SOUTH | Feet from the 660' | East/West line EAST | County LEA |
| ¹² Dedicated Acres 163.73 323.73 | | ¹³ Joint or Infill | | ¹⁴ Consolidation Code | | ¹⁵ Order No. | | | |

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

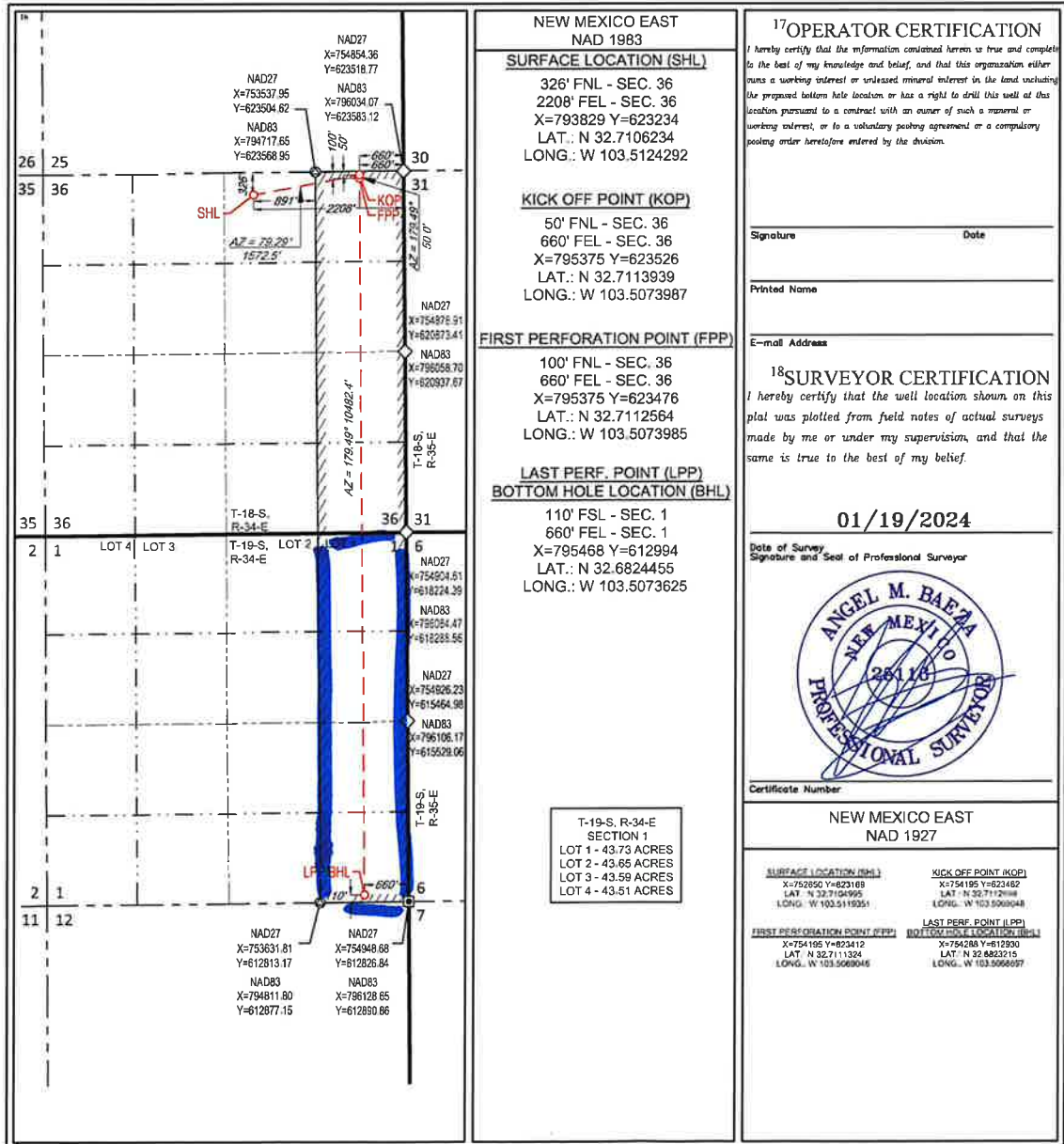


EXHIBIT A-3

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-3
Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case Nos. 23961 - 23964**

EXHIBIT A-4

| Mongoose State Com W/2W/2 Bone Spring (Case 23961) | | | |
|---|------------------------------|----------|------------------|
| Summary of Interests | | | |
| Matador Working Interest: 0.127957978 | | Tract 1 | |
| Voluntary Joinder: 0.111375 | | Tract 2 | |
| PARTIES TO BE FORCE POOLED | | | |
| Interest Owner | Description | Tract # | Interest |
| Milestone Oil, LLC | Uncommitted Working Interest | 1 | 0.00460069486111 |
| Peregrine Production, LLC | Uncommitted Working Interest | 1 | 0.00488281250000 |
| DAVIS PARTNERS LTD | Uncommitted Working Interest | 1 | 0.01041662500000 |
| Cavalry Energy Partners | Uncommitted Working Interest | 1 | 0.01191406111111 |
| DSD Energy Resources LLC | Uncommitted Working Interest | 1 | 0.01191406111111 |
| Milestone Resources, LLC | Uncommitted Working Interest | 1 | 0.01289062222222 |
| REG XI Assets LLC | Uncommitted Working Interest | 1 | 0.03442382777778 |
| Tarpon Industries Corporation | Uncommitted Working Interest | 2 | 0.00018518500000 |
| SMAA Family, LP | Uncommitted Working Interest | 2 | 0.00037500000000 |
| Stillwater Investments | Uncommitted Working Interest | 2 | 0.00055555500000 |
| Heirs of Mary Hampton Elliot | Uncommitted Working Interest | 2 | 0.00260416250000 |
| Charles D. Ray and wife, Lynne Ray | Uncommitted Working Interest | 2 | 0.00375000000000 |
| Sharktooth Resources, Ltd | Uncommitted Working Interest | 2 | 0.00416666750000 |
| Marathon Oil Permian LLC | Uncommitted Working Interest | 2 | 0.11362500000000 |
| T.H. McElvain Oil & Gas, LLP | Uncommitted Working Interest | 3 | 0.12500000000000 |
| Franklin Mountain Energy 3, LLC | Uncommitted Working Interest | 1, 2 & 3 | 0.37937946428571 |
| SDH 2009 Investments, Ltd. | Unleased Mineral Owner | 1 | 0.00007812500000 |
| The Allar Company | Unleased Mineral Owner | 1 | 0.00007812500000 |
| Hair Royalty Group, LLC | Unleased Mineral Owner | 1 | 0.00008680555556 |
| Pecos Bend Royalties, LLLP | Unleased Mineral Owner | 1 | 0.00008680555556 |
| White Star Royalty Company | Unleased Mineral Owner | 1 | 0.00008680555556 |
| John Brickey | Unleased Mineral Owner | 1 | 0.00009259250000 |
| Randolph D. McCall | Unleased Mineral Owner | 1 | 0.00015625000000 |
| Rebecca McCall Landis Baird | Unleased Mineral Owner | 1 | 0.00015625000000 |
| William S. Deniger, Jr. David B. Deniger, Elizabeth Reymond and Fredrick D. Brownell heirs of Mary Helen Brownell | Unleased Mineral Owner | 1 | 0.00015625000000 |
| Wadi Petroleum, Inc. | Unleased Mineral Owner | 1 | 0.00019531250000 |
| Patricia Wallace | Unleased Mineral Owner | 1 | 0.00031250000000 |
| Mid Lavaca Energy Co | Unleased Mineral Owner | 1 | 0.00039062500000 |
| Wells Fargo Bank, N.A. Agent of Southard Properties, LTD Agency | Unleased Mineral Owner | 1 | 0.00081380250000 |
| Derrill G. Elmore Trust | Unleased Mineral Owner | 1 | 0.00093750000000 |
| AHCJL, LLC | Unleased Mineral Owner | 1 | 0.00102538888889 |
| VPD New Mexico, LLC C/O Titanium Exploration Partners, LLC | Unleased Mineral Owner | 1 | 0.00123265000000 |
| Bruner, Estate of Fred, Deceased | | | |
| Robert B. Bruner, Ex'r | Unleased Mineral Owner | 1 | 0.00133928571429 |
| Baloney Feathers, Ltd. | Unleased Mineral Owner | 1 | 0.00158691500000 |
| Jont E. Tyson | Unleased Mineral Owner | 1 | 0.00173611111111 |
| OGX Royalty Fund IV LP | Unleased Mineral Owner | 1 | 0.00173611111111 |
| Richard D. Jones Jr. | Unleased Mineral Owner | 1 | 0.00240071750000 |
| MJP Partners, Ltd. | Unleased Mineral Owner | 1 | 0.00347218750000 |
| AHCCI, LLC | Unleased Mineral Owner | 1 | 0.00429687222222 |
| AHCFL, LLC | Unleased Mineral Owner | 1 | 0.00502929444444 |
| Buckhorn Energy, LLC | Unleased Mineral Owner | 1 | 0.01250000000000 |
| Crown Oil Partners, LP | ORRI Owner | 2 | |
| Charles D. Ray and wife, Lynne Ray, CD Ray, LLC | ORRI Owner | 2 | |

| | | | |
|---|------------|-------|--|
| COG Operating, LLCAttention: Joint Ventures | ORRI Owner | 2 | |
| Collin and Jones Investments, LLC | ORRI Owner | 2 | |
| Crump Energy Partners, II, LLC | ORRI Owner | 2 | |
| David Cromwell | ORRI Owner | 2 | |
| Deane Durham | ORRI Owner | 2 | |
| Good News Minerals, LLC | ORRI Owner | 2 | |
| H. Jason Wacker | ORRI Owner | 2 | |
| JA Gill Family Limited Partnership | ORRI Owner | 2 | |
| John D. Savage | ORRI Owner | 2 | |
| Jon Brickey | ORRI Owner | 2 | |
| JS&AL Family Limited Partnership | ORRI Owner | 2 | |
| Kaleb Smith | ORRI Owner | 2 | |
| LMC Energy, LLC | ORRI Owner | 2 | |
| Louellen T. Mays | ORRI Owner | 2 | |
| Mike Moylett | ORRI Owner | 2 | |
| Mongoose Minerals, LLCAttention: Joint Ventures | ORRI Owner | 2 | |
| Oak Valley Mineral and Land, LP | ORRI Owner | 2 | |
| Oak Valley Mineral and Land, LP | ORRI Owner | 2 | |
| Post Oak Crown IV, LLC | ORRI Owner | 2 | |
| Post Oak Crown IV-B, LLC | ORRI Owner | 2 | |
| Post Oak Mavros II, LLC | ORRI Owner | 2 | |
| Ross Duncan Properties, LLC | ORRI Owner | 2 | |
| Sortida Resources, LLC | ORRI Owner | 2 | |
| Stillwater Investments | ORRI Owner | 2 | |
| Tarpon Industries Corporation | ORRI Owner | 2 | |
| Williamson Oil and Gas, LLC | ORRI Owner | 2 | |
| Thomaston, LLC | ORRI Owner | 3 & 5 | |

| Mongoose State Com E/2W/2 Bone Spring (Case 23962) | | | |
|---|------------------------------|---------|---------------|
| Summary of Interests | | | |
| Matador Working Interest: 0.127957978 | | Tract 1 | |
| Voluntary Joinder: 0.111375 | | Tract 2 | |
| Parties to be Force Pool | | | |
| Interest Owner | Description | Tract # | Interest |
| REG XI Assets LLC | Uncommitted Working Interest | 1 | 0.03442382778 |
| Milestone Resources, LLC | Uncommitted Working Interest | 1 | 0.01289062222 |
| Cavalry Energy Partners | Uncommitted Working Interest | 1 | 0.01191406111 |
| DSD Energy Resources LLC | Uncommitted Working Interest | 1 | 0.01191406111 |
| DAVIS PARTNERS LTD | Uncommitted Working Interest | 1 | 0.01041662500 |
| Peregrine Production, LLC | Uncommitted Working Interest | 1 | 0.00488281250 |
| Milestone Oil, LLC | Uncommitted Working Interest | 1 | 0.00460069486 |
| Marathon Oil Permian LLC | Uncommitted Working Interest | 2 | 0.11362500000 |
| Buckhorn Energy, LLC | Uncommitted Working Interest | 2 | 0.01250000000 |
| Sharktooth Resources, Ltd | Uncommitted Working Interest | 2 | 0.00416666750 |
| Charles D. Ray and wife, Lynne Ray | Uncommitted Working Interest | 2 | 0.00375000000 |
| Stillwater Investments | Uncommitted Working Interest | 2 | 0.00055555500 |
| SMAA Family, LP | Uncommitted Working Interest | 2 | 0.00037500000 |
| Tarpon Industries Corporation | Uncommitted Working Interest | 2 | 0.00018518500 |
| John Brickey | Uncommitted Working Interest | 2 | 0.00009259250 |
| EOG Resources, Inc. | Uncommitted Working Interest | 4 | 0.10365850000 |
| T.H. McElvain Oil & Gas, LLP | Uncommitted Working Interest | 4 | 0.08673787500 |
| Slash Exploration Limited Partnership | Uncommitted Working Interest | 4 | 0.02500000000 |
| Marathon Oil Company | Uncommitted Working Interest | 4 | 0.01219500000 |
| Otter Creek | Uncommitted Working Interest | 4 | 0.00813000000 |
| Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005 | Uncommitted Working Interest | 4 | 0.00203250000 |
| Williamson Enterprises | Uncommitted Working Interest | 4 | 0.00203250000 |
| Franklin Mountain Energy 3, LLC | Uncommitted Working Interest | 1, 2 4 | 0.26459308929 |
| AHCFL, LLC | Unleased Mineral Owner | 1 | 0.00502929444 |
| AHCCI, LLC | Unleased Mineral Owner | 1 | 0.00429687222 |
| MJP Partners, Ltd. | Unleased Mineral Owner | 1 | 0.00347218750 |
| Heirs of Mary Hampton Elliot | Unleased Mineral Owner | 1 | 0.00260416250 |
| Richard D. Jones Jr. | Unleased Mineral Owner | 1 | 0.00240071750 |
| Jont E. Tyson | Unleased Mineral Owner | 1 | 0.00173611111 |
| OGX Royalty Fund IV LP | Unleased Mineral Owner | 1 | 0.00173611111 |
| Baloney Feathers, Ltd. | Unleased Mineral Owner | 1 | 0.00158691500 |
| Bruner, Estate of Fred, Deceased Robert B. Bruner, Ex'r | Unleased Mineral Owner | 1 | 0.00133928571 |
| VPD New Mexico, LLC C/O Titanium Exploration Partners, LLC | Unleased Mineral Owner | 1 | 0.00123265000 |
| AHCJL, LLC | Unleased Mineral Owner | 1 | 0.00102538889 |
| Derrill G. Elmore Trust | Unleased Mineral Owner | 1 | 0.00093750000 |
| Wells Fargo Bank, N.A. Agent of Southard Properties, LTD Agency | Unleased Mineral Owner | 1 | 0.00081380250 |
| Mid Lavaca Energy Co | Unleased Mineral Owner | 1 | 0.00039062500 |
| Patricia Wallace | Unleased Mineral Owner | 1 | 0.00031250000 |
| Wadi Petroleum, Inc. | Unleased Mineral Owner | 1 | 0.00019531250 |
| Randolph D. McCall | Unleased Mineral Owner | 1 | 0.00015625000 |
| Rebecca McCall Landis Baird | Unleased Mineral Owner | 1 | 0.00015625000 |
| William S. Deniger, Jr. David B. Deniger, Elizabeth Reymond and Fredrick D. Brownell heirs of Mary Helen Brownell | Unleased Mineral Owner | 1 | 0.00015625000 |
| Hair Royalty Group, LLC | Unleased Mineral Owner | 1 | 0.00008680556 |
| Pecos Bend Royalties, LLLP | Unleased Mineral Owner | 1 | 0.00008680556 |

| | | | |
|--|------------------------|----------|---------------|
| White Star Royalty Company | Unleased Mineral Owner | 1 | 0.00008680556 |
| SDH 2009 Investments, Ltd. | Unleased Mineral Owner | 1 | 0.00007812500 |
| The Allar Company | Unleased Mineral Owner | 1 | 0.00007812500 |
| Crown Oil Partners, LP | ORRI Owner | 2 | |
| Charles D. Ray and wife, Lynne Ray, CD Ray, LLC | ORRI Owner | 2 | |
| COG Operating, LLCAttention: Joint Ventures | ORRI Owner | 2 | |
| Collin and Jones Investments, LLC | ORRI Owner | 2 | |
| Crump Energy Partners, II, LLC | ORRI Owner | 2 | |
| David Cromwell | ORRI Owner | 2 | |
| Deane Durham | ORRI Owner | 2 | |
| Good News Minerals, LLC | ORRI Owner | 2 | |
| H. Jason Wacker | ORRI Owner | 2 | |
| JA Gill Family Limited Partnership | ORRI Owner | 2 | |
| John D. Savage | ORRI Owner | 2 | |
| Jon Brickey | ORRI Owner | 2 | |
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| Post Oak Mavros II, LLC | ORRI Owner | 2 | |
| Ross Duncan Properties, LLC | ORRI Owner | 2 | |
| Sortida Resources, LLC | ORRI Owner | 2 | |
| Stillwater Investments | ORRI Owner | 2 | |
| Tarpon Industries Corporation | ORRI Owner | 2 | |
| Williamson Oil and Gas, LLC | ORRI Owner | 2 | |
| The Taurus Corporationc/o Robert Benson Payne, Jr. | ORRI Owner | 4 | |
| Armstrong Energy Corporation | ORRI Owner | 4 | |
| Chimney Rock Oil & Gas, LLC | ORRI Owner | 4 | |
| Penroc Oil Corporation | ORRI Owner | 4 | |
| Blue Ridge Royalties, LLC | ORRI Owner | 4 | |
| JKV Corporation | ORRI Owner | 4 | |
| Ridgeback Energy, Inc. | ORRI Owner | 4 | |
| Thomaston, LLC | ORRI Owner | 3, 4 & 5 | |

| Mongoose State Com W/2E/2 Bone Spring (Case 23963) | | | |
|---|------------------------------|-------------|-----------------|
| Summary of Interests | | | |
| Matador Working Interest: 0.127957978 | | Tract 1 | |
| Voluntary Joinder: 0.111375 | | Tract 2 | |
| Parties to be Force Pooled | | | |
| Interest Owner | Description | Tract # | Interest |
| Milestone Oil, LLC | Uncommitted Working Interest | 1 | 0.0046006948611 |
| Peregrine Production, LLC | Uncommitted Working Interest | 1 | 0.0048828125000 |
| DAVIS PARTNERS LTD | Uncommitted Working Interest | 1 | 0.0104166250000 |
| Cavalry Energy Partners | Uncommitted Working Interest | 1 | 0.0119140611111 |
| DSD Energy Resources LLC | Uncommitted Working Interest | 1 | 0.0119140611111 |
| Milestone Resources, LLC | Uncommitted Working Interest | 1 | 0.0128906222222 |
| REG XI Assets LLC | Uncommitted Working Interest | 1 | 0.0344238277778 |
| John Brickey | Uncommitted Working Interest | 2 | 0.0000925925000 |
| Tarpon Industries Corporation | Uncommitted Working Interest | 2 | 0.0001851850000 |
| SMAA Family, LP | Uncommitted Working Interest | 2 | 0.0003750000000 |
| Stillwater Investments | Uncommitted Working Interest | 2 | 0.0005555550000 |
| Charles D. Ray and wife, Lynne Ray | Uncommitted Working Interest | 2 | 0.0037500000000 |
| Sharktooth Resources, Ltd | Uncommitted Working Interest | 2 | 0.0041666675000 |
| Buckhorn Energy, LLC | Uncommitted Working Interest | 2 | 0.0125000000000 |
| Marathon Oil Permian LLC | Uncommitted Working Interest | 2 | 0.1136250000000 |
| Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005 | Uncommitted Working Interest | 4 | 0.0010162500000 |
| Williamson Enterprises | Uncommitted Working Interest | 4 | 0.0010162500000 |
| Otter Creek | Uncommitted Working Interest | 4 | 0.0040650000000 |
| Marathon Oil Company | Uncommitted Working Interest | 4 | 0.0060975000000 |
| Slash Exploration Limited Partnership | Uncommitted Working Interest | 4 | 0.0125000000000 |
| EOG Resources, Inc. | Uncommitted Working Interest | 4 | 0.0518292500000 |
| Franklin Mountain Energy 3, LLC | Uncommitted Working Interest | 1, 2, 4 & 5 | 0.3219862767857 |
| T.H. McElvain Oil & Gas, LLP | Uncommitted Working Interest | 4 & 5 | 0.1058689375000 |
| SDH 2009 Investments, Ltd. | Unleased Mineral Owner | 1 | 0.0000781250000 |
| The Allar Company | Unleased Mineral Owner | 1 | 0.0000781250000 |
| Hair Royalty Group, LLC | Unleased Mineral Owner | 1 | 0.0000868055556 |
| Pecos Bend Royalties, LLLP | Unleased Mineral Owner | 1 | 0.0000868055556 |
| White Star Royalty Company | Unleased Mineral Owner | 1 | 0.0000868055556 |
| Randolph D. McCall | Unleased Mineral Owner | 1 | 0.0001562500000 |
| Rebecca McCall Landis Baird | Unleased Mineral Owner | 1 | 0.0001562500000 |
| William S. Deniger, Jr. David B. Deniger, Elizabeth Reymond and Fredrick D. Brownell heirs of Mary Helen Brownell | Unleased Mineral Owner | 1 | 0.0001562500000 |
| Wadi Petroleum, Inc. | Unleased Mineral Owner | 1 | 0.0001953125000 |
| Patricia Wallace | Unleased Mineral Owner | 1 | 0.0003125000000 |
| Mid Lavaca Energy Co | Unleased Mineral Owner | 1 | 0.0003906250000 |
| Wells Fargo Bank, N.A. Agent of Southard Properties, LTD Agency | Unleased Mineral Owner | 1 | 0.0008138025000 |
| Derrill G. Elmore Trust | Unleased Mineral Owner | 1 | 0.0009375000000 |
| AHCJL, LLC | Unleased Mineral Owner | 1 | 0.0010253888889 |
| VPD New Mexico, LLC C/O Titanium Exploration Partners, LLC | Unleased Mineral Owner | 1 | 0.0012326500000 |
| Bruner, Estate of Fred, Deceased Robert B. Bruner, Ex'r | Unleased Mineral Owner | 1 | 0.0013392857143 |

| | | | |
|--|------------------------|----------|-----------------|
| Baloney Feathers, Ltd. | Unleased Mineral Owner | 1 | 0.0015869150000 |
| Jont E. Tyson | Unleased Mineral Owner | 1 | 0.0017361111111 |
| OGX Royalty Fund IV LP | Unleased Mineral Owner | 1 | 0.0017361111111 |
| Richard D. Jones Jr. | Unleased Mineral Owner | 1 | 0.0024007175000 |
| Heirs of Mary Hampton Elliot | Unleased Mineral Owner | 1 | 0.0026041625000 |
| MJP Partners, Ltd. | Unleased Mineral Owner | 1 | 0.0034721875000 |
| AHCCI, LLC | Unleased Mineral Owner | 1 | 0.0042968722222 |
| AHCFL, LLC | Unleased Mineral Owner | 1 | 0.0050292944444 |
| Crown Oil Partners, LP | ORRI Owner | 2 | |
| Charles D. Ray and wife, Lynne Ray, CD Ray, LLC | ORRI Owner | 2 | |
| COG Operating, LLCAttention: Joint Ventures | ORRI Owner | 2 | |
| Collin and Jones Investments, LLC | ORRI Owner | 2 | |
| Crump Energy Partners, II, LLC | ORRI Owner | 2 | |
| David Cromwell | ORRI Owner | 2 | |
| Deane Durham | ORRI Owner | 2 | |
| Good News Minerals, LLC | ORRI Owner | 2 | |
| H. Jason Wacker | ORRI Owner | 2 | |
| JA Gill Family Limited Partnership | ORRI Owner | 2 | |
| John D. Savage | ORRI Owner | 2 | |
| Jon Brickley | ORRI Owner | 2 | |
| JS&AL Family Limited Partnership | ORRI Owner | 2 | |
| Kaleb Smith | ORRI Owner | 2 | |
| LMC Energy, LLC | ORRI Owner | 2 | |
| Louellen T. Mays | ORRI Owner | 2 | |
| Mike Moylett | ORRI Owner | 2 | |
| Mongoose Minerals, LLCAttention: Joint Ventures | ORRI Owner | 2 | |
| Oak Valley Mineral and Land, LP | ORRI Owner | 2 | |
| Oak Valley Mineral and Land, LP | ORRI Owner | 2 | |
| Post Oak Crown IV, LLC | ORRI Owner | 2 | |
| Post Oak Crown IV-B, LLC | ORRI Owner | 2 | |
| Post Oak Mavros II, LLC | ORRI Owner | 2 | |
| Ross Duncan Properties, LLC | ORRI Owner | 2 | |
| Sortida Resources, LLC | ORRI Owner | 2 | |
| Stillwater Investments | ORRI Owner | 2 | |
| Tarpon Industries Corporation | ORRI Owner | 2 | |
| Thomaston, LLC | ORRI Owner | 3, 4 & 5 | |
| Williamson Oil and Gas, LLC | ORRI Owner | 2 | |
| The Taurus Corporationc/o Robert Benson Payne, Jr. | ORRI Owner | 4 | |
| Armstrong Energy Corporation | ORRI Owner | 4 | |
| Chimney Rock Oil & Gas, LLC | ORRI Owner | 4 | |
| Penroc Oil Corporation | ORRI Owner | 4 | |
| Blue Ridge Royalties, LLC | ORRI Owner | 4 | |
| JKV Corporation | ORRI Owner | 4 | |
| Ridgeback Energy, Inc. | ORRI Owner | 4 | |

| Mongoose State Com E/2E/2 Bone Spring (Case 23964) | | | | |
|---|------------------------------|-------------|-----------------|--|
| Summary of Interests | | | | |
| Matador Working Interest: 0.127957978 | | | Tract 1 | |
| Voluntary Joinder: 0.111375 | | | Tract 2 | |
| Parties to be force pooled | | | | |
| Interest Owner | Description | Tract # | Interest | |
| Milestone Oil, LLC | Uncommitted Working Interest | 1 | 0.0046006948611 | |
| Peregrine Production, LLC | Uncommitted Working Interest | 1 | 0.0048828125000 | |
| DAVIS PARTNERS LTD | Uncommitted Working Interest | 1 | 0.0104166250000 | |
| Cavalry Energy Partners | Uncommitted Working Interest | 1 | 0.0119140611111 | |
| DSD Energy Resources LLC | Uncommitted Working Interest | 1 | 0.0119140611111 | |
| Milestone Resources, LLC | Uncommitted Working Interest | 1 | 0.0128906222222 | |
| REG XI Assets LLC | Uncommitted Working Interest | 1 | 0.0344238277778 | |
| John Brickey | Uncommitted Working Interest | 2 | 0.0000925925000 | |
| Tarpon Industries Corporation | Uncommitted Working Interest | 2 | 0.0001851850000 | |
| SMAA Family, LP | Uncommitted Working Interest | 2 | 0.0003750000000 | |
| Stillwater Investments | Uncommitted Working Interest | 2 | 0.0005555550000 | |
| Charles D. Ray and wife, Lynne Ray | Uncommitted Working Interest | 2 | 0.0037500000000 | |
| Sharktooth Resources, Ltd | Uncommitted Working Interest | 2 | 0.0041666675000 | |
| Buckhorn Energy, LLC | Uncommitted Working Interest | 2 | 0.0125000000000 | |
| Marathon Oil Permian LLC | Uncommitted Working Interest | 2 | 0.1136250000000 | |
| Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees | Uncommitted Working Interest | 4 | 0.0010162500000 | |
| Williamson Enterprises | Uncommitted Working Interest | 4 | 0.0010162500000 | |
| Otter Creek | Uncommitted Working Interest | 4 | 0.0040650000000 | |
| Marathon Oil Company | Uncommitted Working Interest | 4 | 0.0060975000000 | |
| Slash Exploration Limited Partnership | Uncommitted Working Interest | 4 | 0.0125000000000 | |
| EOG Resources, Inc. | Uncommitted Working Interest | 4 | 0.0518292500000 | |
| Franklin Mountain Energy 3, LLC | Uncommitted Working Interest | 1, 2, 4 & 5 | 0.3219862767857 | |
| T.H. McElvain Oil & Gas, LLP | Uncommitted Working Interest | 4 & 5 | 0.1058689375000 | |
| SDH 2009 Investments, Ltd. | Unleased Mineral Owner | 1 | 0.0000781250000 | |
| The Allar Company | Unleased Mineral Owner | 1 | 0.0000781250000 | |
| Hair Royalty Group, LLC | Unleased Mineral Owner | 1 | 0.0000868055556 | |
| Pecos Bend Royalties, LLLP | Unleased Mineral Owner | 1 | 0.0000868055556 | |
| White Star Royalty Company | Unleased Mineral Owner | 1 | 0.0000868055556 | |
| Randolph D. McCall | Unleased Mineral Owner | 1 | 0.0001562500000 | |
| Rebecca McCall Landis Baird | Unleased Mineral Owner | 1 | 0.0001562500000 | |
| William S. Deniger, Jr. David B. Deniger, Elizabeth | Unleased Mineral Owner | 1 | 0.0001562500000 | |
| Wadi Petroleum, Inc. | Unleased Mineral Owner | 1 | 0.0001953125000 | |
| Patricia Wallace | Unleased Mineral Owner | 1 | 0.0003125000000 | |
| Mid Lavaca Energy Co | Unleased Mineral Owner | 1 | 0.0003906250000 | |
| Wells Fargo Bank, N.A. Agent of Southard Property | Unleased Mineral Owner | 1 | 0.0008138025000 | |
| Derrill G. Elmore Trust | Unleased Mineral Owner | 1 | 0.0009375000000 | |
| AHCJL, LLC | Unleased Mineral Owner | 1 | 0.0010253888889 | |
| VPD New Mexico, LLC C/O Titanium Exploration Partners | Unleased Mineral Owner | 1 | 0.0012326500000 | |
| Bruner, Estate of Fred, Deceased Robert B. Bruner, | Unleased Mineral Owner | 1 | 0.0013392857143 | |
| Baloney Feathers, Ltd. | Unleased Mineral Owner | 1 | 0.0015869150000 | |
| Jont E. Tyson | Unleased Mineral Owner | 1 | 0.0017361111111 | |
| OGX Royalty Fund IV LP | Unleased Mineral Owner | 1 | 0.0017361111111 | |
| Richard D. Jones Jr. | Unleased Mineral Owner | 1 | 0.0024007175000 | |
| Heirs of Mary Hampton Elliot | Unleased Mineral Owner | 1 | 0.0026041625000 | |

| | | | |
|---|------------------------|----------|-----------------|
| MJP Partners, Ltd. | Unleased Mineral Owner | 1 | 0.0034721875000 |
| AHCCI, LLC | Unleased Mineral Owner | 1 | 0.0042968722222 |
| AHCFL, LLC | Unleased Mineral Owner | 1 | 0.0050292944444 |
| Crown Oil Partners, LP | ORRI Owner | 2 | |
| Charles D. Ray and wife, Lynne Ray, CD Ray, LLC | ORRI Owner | 2 | |
| COG Operating, LLCAttention: Joint Ventures | ORRI Owner | 2 | |
| Collin and Jones Investments, LLC | ORRI Owner | 2 | |
| Crump Energy Partners, II, LLC | ORRI Owner | 2 | |
| David Cromwell | ORRI Owner | 2 | |
| Deane Durham | ORRI Owner | 2 | |
| Good News Minerals, LLC | ORRI Owner | 2 | |
| H. Jason Wacker | ORRI Owner | 2 | |
| JA Gill Family Limited Partnership | ORRI Owner | 2 | |
| John D. Savage | ORRI Owner | 2 | |
| Jon Brickey | ORRI Owner | 2 | |
| JS&AL Family Limited Partnership | ORRI Owner | 2 | |
| Kaleb Smith | ORRI Owner | 2 | |
| LMC Energy, LLC | ORRI Owner | 2 | |
| Louellen T. Mays | ORRI Owner | 2 | |
| Mike Moylett | ORRI Owner | 2 | |
| Mongoose Minerals, LLCAttention: Joint Ventures | ORRI Owner | 2 | |
| Oak Valley Mineral and Land, LP | ORRI Owner | 2 | |
| Oak Valley Mineral and Land, LP | ORRI Owner | 2 | |
| Post Oak Crown IV, LLC | ORRI Owner | 2 | |
| Post Oak Crown IV-B, LLC | ORRI Owner | 2 | |
| Post Oak Mavros II, LLC | ORRI Owner | 2 | |
| Ross Duncan Properties, LLC | ORRI Owner | 2 | |
| Sortida Resources, LLC | ORRI Owner | 2 | |
| Stillwater Investments | ORRI Owner | 2 | |
| Tarpon Industries Corporation | ORRI Owner | 2 | |
| Thomaston, LLC | ORRI Owner | 3, 4 & 5 | |
| Williamson Oil and Gas, LLC | ORRI Owner | 2 | |
| The Taurus Corporationc/o Robert Benson Payne, | ORRI Owner | 4 | |
| Armstrong Energy Corporation | ORRI Owner | 4 | |
| Chimney Rock Oil & Gas, LLC | ORRI Owner | 4 | |
| Penroc Oil Corporation | ORRI Owner | 4 | |
| Blue Ridge Royalties, LLC | ORRI Owner | 4 | |
| JKV Corporation | ORRI Owner | 4 | |
| Ridgeback Energy, Inc. | ORRI Owner | 4 | |

EXHIBIT A-5

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-5
Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case Nos. 23961 - 23964**

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.619.1259 • Fax 214.866.4946

djohns@matadorresources.com

David Johns
Senior Staff Landman

September 29, 2023

VIA CERTIFIED RETURN RECEIPT MAIL

Franklin Mountain Energy 3, LLC
44 Cook Street, Suite 1000
Denver, CO 80206

Re: Mongoose State #121H, #122H, #123H, & #124H (the "Wells")
Participation Proposal
Section 1, Township 19 South, Range 34 East; Section 36, Township 18 South, Range 34 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Mongoose State #121H, Mongoose State #122H, Mongoose State #123H & Mongoose State #124H wells, located in Section 1, Township 19 South, Range 34 East; Section 36, Township 18 South, Range 34 East, Lea County, New Mexico.

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") dated September 25, 2023.

- **Mongoose State #121H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 660' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.
- **Mongoose State #122H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.
- **Mongoose State #123H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.

- **Mongoose State #124H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 660' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.

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.

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, which will be provided at a later date, covering the Section 1, Township 19 South, Range 34 East; Section 36, Township 18 South, Range 34 East, Lea County, New Mexico, and has the following general provisions:

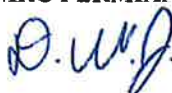
- 100%/300%/300% Non-consenting penalty
- \$8,000/\$800 Drilling and Producing rate
- Matador Production Company named as Operator

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs 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



David Johns

Franklin Mountain Energy 3, LLC hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #121H** well.

_____ Not to participate in the **Mongoose State #121H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #122H** well.

_____ Not to participate in the **Mongoose State #122H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #123H** well.

_____ Not to participate in the **Mongoose State #123H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #124H** well.

_____ Not to participate in the **Mongoose State #124H**.

Franklin Mountain Energy 3, LLC

By: _____

Title: _____

Date: _____

Contact Number: _____

MRC Permian Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240

Voice 972.371.5430 • Fax 214.866.4930

ccarleton@matadorresources.com

Chris Carleton
Vice President of Land Operations

January 16, 2024

VIA CERTIFIED RETURN RECEIPT MAIL

AHCCI, LLC
6844 Rio Grande Blvd NW
Albuquerque, NM 87107

Re: Mongoose State #111H, #112H, #113H, #114H, #121H, #122H, #123H, #124H, #221H, #222H, #223H, #224H, #241H, #242H, #243H, & #244H (the "Wells")
Participation Proposal
Section 1, Township 19 South, Range 34 East; Section 36, Township 18 South, Range 34 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Mongoose State #111H, Mongoose State #112H, Mongoose State #113H, Mongoose State #114H, Mongoose State #121H, Mongoose State #122H, Mongoose State #123H, Mongoose State #124H, Mongoose State #221H, Mongoose State #222H, Mongoose State #223H, Mongoose State #224H, Mongoose State #241H, Mongoose State #242H, Mongoose State #243H & Mongoose State #244H wells, located in Section 1, Township 19 South, Range 34 East; Section 36, Township 18 South, Range 34 East, Lea County, New Mexico.

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 sixteen (16) enclosed Authority for Expenditures ("AFE").

- **Mongoose State #111H:** to be drilled from a legal location with a proposed surface hole in Section 1-19S-34E, a proposed first take point located at 660' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 19,554'.
- **Mongoose State #112H:** to be drilled from a legal location with a proposed surface hole location in Section 1-19S-34E, a proposed first take point located at 1,980' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 19,554'.
- **Mongoose State #113H:** to be drilled from a legal location with a proposed surface hole location in Section 1-19S-34E, a proposed first take point located at 1,980' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FEL and 100' FNL of Section 36-18S-34E. The Well will

have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 19,554'.

- **Mongoose State #114H:** to be drilled from a legal location with a proposed surface hole location in Section 1-19S-34E, a proposed first take point located at 660' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~9,500' TVD) to a Measured Depth of approximately 19,554'.
- **Mongoose State #121H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 660' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.
- **Mongoose State #122H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.
- **Mongoose State #123H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.
- **Mongoose State #124H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 660' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~10,050' TVD) to a Measured Depth of approximately 20,314'.
- **Mongoose State #221H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 660' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,950' TVD) to a Measured Depth of approximately 21,214'.
- **Mongoose State #222H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,950' TVD) to a Measured Depth of approximately 21,214'.
- **Mongoose State #223H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FEL and 100' FNL of Section 36-18S-34E. The

Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,950' TVD) to a Measured Depth of approximately 21,214'.

- **Mongoose State #224H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 660' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,950' TVD) to a Measured Depth of approximately 21,214'.
- **Mongoose State #241H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 660' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,500' TVD) to a Measured Depth of approximately 21,687'.
- **Mongoose State #242H:** to be drilled from a legal location with a proposed surface hole location in the S/2SW/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FWL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FWL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,500' TVD) to a Measured Depth of approximately 21,687'.
- **Mongoose State #243H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 1,980' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 1,980' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,500' TVD) to a Measured Depth of approximately 21,687'.
- **Mongoose State #244H:** to be drilled from a legal location with a proposed surface hole location in the S/2SE/4 of Section 1-19S-34E, a proposed first take point located at 660' FEL and 100' FSL of Section 1-19S-34E, and a proposed last take point located at 660' FEL and 100' FNL of Section 36-18S-34E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~11,500' TVD) to a Measured Depth of approximately 21,687'.

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.

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, which will be provided at a later date, covering the Section 1, Township 19 South, Range 34 East; Section 36, Township 18 South, Range 34 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 AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs 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



Chris Carleton

AHCCI, LLC hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #111H** well.
_____ Not to participate in the **Mongoose State #111H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #112H** well.
_____ Not to participate in the **Mongoose State #112H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #113H** well.
_____ Not to participate in the **Mongoose State #113H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #114H** well.
_____ Not to participate in the **Mongoose State #114H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #121H** well.
_____ Not to participate in the **Mongoose State #121H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #122H** well.
_____ Not to participate in the **Mongoose State #122H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #123H** well.
_____ Not to participate in the **Mongoose State #123H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #124H** well.
_____ Not to participate in the **Mongoose State #124H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #221H** well.
_____ Not to participate in the **Mongoose State #221H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Mongoose State #222H** well.
_____ Not to participate in the **Mongoose State #222H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
 Production Company's **Mongoose State #223H** well.
 _____ Not to participate in the **Mongoose State #223H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
 Production Company's **Mongoose State #224H** well.
 _____ Not to participate in the **Mongoose State #224H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
 Production Company's **Mongoose State #241H** well.
 _____ Not to participate in the **Mongoose State #241H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
 Production Company's **Mongoose State #242H** well.
 _____ Not to participate in the **Mongoose State #242H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
 Production Company's **Mongoose State #243H** well.
 _____ Not to participate in the **Mongoose State #243H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
 Production Company's **Mongoose State #244H** well.
 _____ Not to participate in the **Mongoose State #244H**.

AHCCI, LLC

By: _____

Title: _____

Date: _____

Contact Number: _____

EXHIBIT A-6

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-6
Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case Nos. 23961 - 23964**

MATADOR PRODUCTION COMPANY

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

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

| | | | |
|------------------|--|-----------------|---------------|
| DATE: | 01/25/2024 | AFE NO.: | 0 |
| WELL NAME: | Mongoose State #121H | FIELD: | 0 |
| LOCATION: | Sections 1-19S-34E & 36-18S-34E | MD/TVD: | 20314'/10050' |
| COUNTY/STATE: | Lea | LATERAL LENGTH: | about 10,000' |
| MRC WI: | | | |
| GEOLOGIC TARGET: | 2nd Bone Spring | | |
| REMARKS: | Drill and complete a horizontal 2 mile long Second Bone Spring target with about 45 frac stages. | | |

| | DRILLING COSTS | COMPLETION COSTS | PRODUCTION COSTS | FACILITY COSTS | TOTAL COSTS |
|----------------------------------|------------------|------------------|------------------|----------------|-------------------|
| INTANGIBLE COSTS | | | | | |
| Land / Legal / Regulatory | \$ 17,600 | \$ - | \$ - | \$ 10,000 | \$ 27,600 |
| Location, Surveys & Damages | 97,000 | 13,000 | 15,000 | 20,000 | 145,000 |
| Drilling | 778,400 | - | - | - | 778,400 |
| Cementing & Float Equip | 341,000 | - | - | - | 341,000 |
| Logging / Formation Evaluation | - | 3,750 | - | - | 3,750 |
| Mud Logging | 24,750 | - | - | - | 24,750 |
| Mud Circulation System | 138,420 | - | - | - | 138,420 |
| Mud & Chemicals | 336,295 | 67,100 | - | - | 403,395 |
| Mud / Wastewater Disposal | 235,000 | - | - | 1,000 | 236,000 |
| Freight / Transportation | 22,500 | 41,800 | - | - | 64,300 |
| Rig Supervision / Engineering | 139,200 | 80,080 | 7,500 | 7,200 | 233,980 |
| Drill Bits | 130,000 | - | - | - | 130,000 |
| Fuel & Power | 168,000 | 439,237 | - | - | 607,237 |
| Water | 76,250 | 563,500 | - | 1,000 | 640,750 |
| Drig & Completion Overhead | 12,000 | - | - | - | 12,000 |
| Plugging & Abandonment | - | - | - | - | - |
| Directional Drilling, Surveys | 329,739 | - | - | - | 329,739 |
| Completion Unit, Swab, CTU | - | 178,200 | 25,000 | - | 203,200 |
| Perforating, Wireline, Slickline | - | 174,645 | 5,000 | - | 179,645 |
| High Pressure Pump Truck | - | 98,230 | - | - | 98,230 |
| Stimulation | - | 2,331,296 | - | - | 2,331,296 |
| Stimulation Flowback & Disp | - | 17,050 | 112,500 | - | 129,550 |
| Insurance | 12,798 | - | - | - | 12,798 |
| Labor | 203,000 | 62,975 | 110,000 | 5,000 | 380,975 |
| Rental - Surface Equipment | 117,059 | 271,293 | 70,000 | 5,000 | 463,352 |
| Rental - Downhole Equipment | 172,450 | 94,600 | - | - | 267,050 |
| Rental - Living Quarters | 44,634 | 31,933 | - | 5,000 | 81,567 |
| Contingency | 170,865 | 219,542 | 34,500 | 5,420 | 430,327 |
| Operations Center | 21,312 | - | - | - | 21,312 |
| TOTAL INTANGIBLES > | 3,588,172 | 4,688,231 | 379,500 | 59,620 | 8,715,523 |
| TANGIBLE COSTS | | | | | |
| Surface Casing | \$ 81,651 | \$ - | \$ - | \$ - | \$ 81,651 |
| Intermediate Casing | 384,719 | - | - | - | 384,719 |
| Drilling Liner | - | - | - | - | - |
| Production Casing | 614,526 | - | - | - | 614,526 |
| Production Liner | - | - | - | - | - |
| Tubing | - | - | 190,750 | - | 190,750 |
| Wellhead | 83,500 | - | 45,000 | - | 128,500 |
| Packers, Liner Hangers | - | 62,815 | 5,000 | - | 67,815 |
| Tanks | - | - | - | 40,925 | 40,925 |
| Production Vessels | - | - | - | 156,388 | 156,388 |
| Flow Lines | - | - | 40,000 | 120,000 | 160,000 |
| Rod string | - | - | - | - | - |
| Artificial Lift Equipment | - | - | 35,000 | - | 35,000 |
| Compressor | - | - | - | 21,375 | 21,375 |
| Installation Costs | - | - | - | 80,000 | 80,000 |
| Surface Pumps | - | - | - | 3,750 | 3,750 |
| Non-controllable Surface | 400 | - | 5,000 | 2,000 | 7,400 |
| Non-controllable Downhole | - | - | - | - | - |
| Downhole Pumps | - | - | - | - | - |
| Measurement & Meter Installation | - | - | 16,000 | 46,560 | 62,560 |
| Gas Conditioning / Dehydration | - | - | - | - | - |
| Interconnecting Facility Piping | - | - | 20,000 | 92,000 | 112,000 |
| Gathering / Bulk Lines | - | - | - | - | - |
| Valves, Dumps, Controllers | - | - | 5,000 | - | 5,000 |
| Tank / Facility Containment | - | - | - | 4,375 | 4,375 |
| Flare Stack | - | - | - | 10,938 | 10,938 |
| Electrical / Grounding | - | - | 10,000 | 53,550 | 63,550 |
| Communications / SCADA | - | - | 2,500 | 8,125 | 10,625 |
| Instrumentation / Safety | - | - | 12,500 | 30,600 | 43,100 |
| TOTAL TANGIBLES > | 1,164,796 | 62,815 | 386,750 | 670,585 | 2,284,946 |
| TOTAL COSTS > | 4,752,968 | 4,751,046 | 766,250 | 730,205 | 11,000,469 |

PREPARED BY MATADOR PRODUCTION COMPANY:

| | | | |
|-----------------------|--------------|--------------------|--|
| Drilling Engineer: | Julio Mayol | Team Lead - WTX/NM | |
| Completions Engineer: | Will Statton | APW | |
| Production Engineer: | Josh Bryant | | |

MATADOR RESOURCES COMPANY APPROVAL:

| | | | |
|----------------|-----|------------------------|-----|
| President | BEG | Chief Geologist | NLF |
| EVP, Co-COO | CA | Co-COO, SVP Operations | CC |
| EVP, Reservoir | WTE | | |

NON OPERATING PARTNER APPROVAL:

| | | |
|---------------|-----------------------|---------------|
| Company Name: | Working Interest (%): | Tax ID: |
| Signed by: | Date: | |
| Title: | Approval: Yes | No (mark one) |

This table on the AFE was estimated only and may not be conclusive as settings on any specific item at the local level of the project. Tubing installation occurred under the AFE, the Participant agrees to pay its pro-rata share of actual costs incurred, including legal, insurance, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a certificate of insurance or other evidence of insurance to the Operator by the date of cost.

MATADOR PRODUCTION COMPANY

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

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

| | | | |
|------------------|--|-----------------|---------------|
| DATE: | 01/25/2024 | AFE NO.: | 0 |
| WELL NAME: | Mongoose Slate #122H | FIELD: | 0 |
| LOCATION: | Sections 1-19S-34E & 36-18S-34E | MD/TVD: | 20314'/10050' |
| COUNTY/STATE: | Lea | LATERAL LENGTH: | about 10,000' |
| MRC WI: | | | |
| GEOLOGIC TARGET: | 2nd Bone Spring | | |
| REMARKS: | Drill and complete a horizontal 2 mile long Second Bone Spring target with about 45 frac stages. | | |

| | DRILLING COSTS | COMPLETION COSTS | PRODUCTION COSTS | FACILITY COSTS | TOTAL COSTS |
|----------------------------------|------------------|------------------|------------------|----------------|-------------------|
| INTANGIBLE COSTS | | | | | |
| Land / Legal / Regulatory | \$ 17,500 | \$ - | \$ - | \$ 10,000 | \$ 27,500 |
| Location, Surveys & Damages | 97,000 | 13,000 | 15,000 | 20,000 | 145,000 |
| Drilling | 778,400 | - | - | - | 778,400 |
| Cementing & Float Equip | 341,000 | - | - | - | 341,000 |
| Logging / Formation Evaluation | - | 3,750 | - | - | 3,750 |
| Mud Logging | 24,750 | - | - | - | 24,750 |
| Mud Circulation System | 138,420 | - | - | - | 138,420 |
| Mud & Chemicals | 336,295 | 67,100 | - | - | 403,395 |
| Mud / Wastewater Disposal | 235,000 | - | - | 1,000 | 236,000 |
| Freight / Transportation | 22,500 | 41,800 | - | - | 64,300 |
| Rig Supervision / Engineering | 139,200 | 80,080 | 7,500 | 7,200 | 233,980 |
| Drill Bits | 130,000 | - | - | - | 130,000 |
| Fuel & Power | 168,000 | 439,237 | - | - | 607,237 |
| Water | 76,250 | 563,500 | - | 1,000 | 640,750 |
| Drig & Completion Overhead | 12,000 | - | - | - | 12,000 |
| Plugging & Abandonment | - | - | - | - | - |
| Directional Drilling, Surveys | 329,739 | - | - | - | 329,739 |
| Completion Unit, Swab, CTU | - | 178,200 | 25,000 | - | 203,200 |
| Perforating, Wireline, Slickline | - | 174,645 | 5,000 | - | 179,645 |
| High Pressure Pump Truck | - | 98,230 | - | - | 98,230 |
| Stimulation | - | 2,331,298 | - | - | 2,331,298 |
| Stimulation Flowback & Disp | - | 17,060 | 112,500 | - | 129,560 |
| Insurance | 12,798 | - | - | - | 12,798 |
| Labor | 203,000 | 62,975 | 110,000 | 5,000 | 380,975 |
| Rental - Surface Equipment | 117,059 | 271,293 | 70,000 | 5,000 | 463,352 |
| Rental - Downhole Equipment | 172,450 | 94,600 | - | - | 267,050 |
| Rental - Living Quarters | 44,634 | 31,933 | - | 5,000 | 81,567 |
| Contingency | 170,865 | 219,542 | 34,500 | 5,420 | 430,327 |
| Operations Center | 21,312 | - | - | - | 21,312 |
| TOTAL INTANGIBLES > | 3,588,172 | 4,688,231 | 379,500 | 59,620 | 8,715,523 |
| TANGIBLE COSTS | | | | | |
| Surface Casing | \$ 81,651 | \$ - | \$ - | \$ - | \$ 81,651 |
| Intermediate Casing | 384,719 | - | - | - | 384,719 |
| Drilling Liner | - | - | - | - | - |
| Production Casing | 614,526 | - | - | - | 614,526 |
| Production Liner | - | - | - | - | - |
| Tubing | - | - | 190,750 | - | 190,750 |
| Wellhead | 83,500 | - | 45,000 | - | 128,500 |
| Packers, Liner Hangers | - | 62,815 | 5,000 | - | 67,815 |
| Tanks | - | - | - | 40,925 | 40,925 |
| Production Vessels | - | - | - | 156,368 | 156,368 |
| Flow Lines | - | - | 40,000 | 120,000 | 160,000 |
| Rod string | - | - | - | - | - |
| Artificial Lift Equipment | - | - | 35,000 | - | 35,000 |
| Compressor | - | - | - | 21,375 | 21,375 |
| Installation Costs | - | - | - | 80,000 | 80,000 |
| Surface Pumps | - | - | - | 3,750 | 3,750 |
| Non-controllable Surface | 400 | - | 5,000 | 2,000 | 7,400 |
| Non-controllable Downhole | - | - | - | - | - |
| Downhole Pumps | - | - | - | - | - |
| Measurement & Meter Installation | - | - | 16,000 | 46,560 | 62,560 |
| Gas Conditioning / Dehydration | - | - | - | - | - |
| Interconnecting Facility Piping | - | - | 20,000 | 92,000 | 112,000 |
| Gathering / Bulk Lines | - | - | - | - | - |
| Valves, Dumps, Controllers | - | - | 5,000 | - | 5,000 |
| Tank / Facility Containment | - | - | - | 4,375 | 4,375 |
| Flare Stack | - | - | - | 10,938 | 10,938 |
| Electrical / Grounding | - | - | 10,000 | 53,550 | 63,550 |
| Communications / SCADA | - | - | 2,500 | 8,125 | 10,625 |
| Instrumentation / Safety | - | - | 12,500 | 30,600 | 43,100 |
| TOTAL TANGIBLES > | 1,164,796 | 62,815 | 386,750 | 670,585 | 2,284,946 |
| TOTAL COSTS > | 4,752,968 | 4,751,046 | 766,250 | 730,205 | 11,000,469 |

PREPARED BY MATADOR PRODUCTION COMPANY:

| | | | |
|-----------------------|--------------|--------------------|-------|
| Drilling Engineer: | Julio Mayol | Team Lead - WTX/NM | _____ |
| Completions Engineer: | Will Statton | APW | _____ |
| Production Engineer: | Josh Bryant | | |

MATADOR RESOURCES COMPANY APPROVAL:

| | | | |
|----------------|-------|------------------------|-------|
| President | _____ | Chief Geologist | _____ |
| EVP, Co-COO | BEG | Co-COO, SVP Operations | NLF |
| EVP, Reservoir | CA | | CC |
| | WTE | | |

NON OPERATING PARTNER APPROVAL:

| | | | | | |
|---------------|-------|-----------------------|-------------------------|---------|-------|
| Company Name: | _____ | Working Interest (%): | _____ | Tax ID: | _____ |
| Signed by: | _____ | Date: | _____ | | |
| Title: | _____ | Approval: | Yes _____ No (mark one) | | |

The costs on this AFE are estimates only and may not be considered as savings on any specific item for the total cost of the project. Funding obligation approval under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be covered by and billed proportionately for Operator's well control and general liability insurance unless participant provides Operator a satisfactory evidence of its own insurance in an amount acceptable to the Operator by the date of bill.

MATADOR PRODUCTION COMPANY

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

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

| | | | |
|------------------|--|-----------------|---------------|
| DATE: | 01/25/2024 | AFE NO.: | 0 |
| WELL NAME: | Mongoose Slate #123H | FIELD: | 0 |
| LOCATION: | Sections 1-19S-34E & 36-18S-34E | MD/TVD: | 20314/10050' |
| COUNTY/STATE: | Lea | LATERAL LENGTH: | about 10,000' |
| MRC WI: | | | |
| GEOLOGIC TARGET: | 2nd Bone Spring | | |
| REMARKS: | Drill and complete a horizontal 2 mile long Second Bone Spring target with about 45 frac stages. | | |

| | DRILLING COSTS | COMPLETION COSTS | PRODUCTION COSTS | FACILITY COSTS | TOTAL COSTS |
|----------------------------------|------------------|------------------|------------------|----------------|-------------------|
| INTANGIBLE COSTS | | | | | |
| Land / Legal / Regulatory | \$ 17,500 | \$ - | \$ - | \$ 10,000 | \$ 27,500 |
| Location, Surveys & Damages | 97,000 | 13,000 | 15,000 | 20,000 | 145,000 |
| Drilling | 778,400 | - | - | - | 778,400 |
| Cementing & Float Equip | 341,000 | - | - | - | 341,000 |
| Logging / Formation Evaluation | - | 3,750 | - | - | 3,750 |
| Mud Logging | 24,750 | - | - | - | 24,750 |
| Mud Circulation System | 138,420 | - | - | - | 138,420 |
| Mud & Chemicals | 336,295 | 67,100 | - | - | 403,395 |
| Mud / Wastewater Disposal | 235,000 | - | - | 1,000 | 236,000 |
| Freight / Transportation | 22,500 | 41,800 | - | - | 64,300 |
| Rig Supervision / Engineering | 139,200 | 80,080 | 7,500 | 7,200 | 233,980 |
| Drill Bits | 130,000 | - | - | - | 130,000 |
| Fuel & Power | 168,000 | 439,237 | - | - | 607,237 |
| Water | 76,250 | 563,500 | - | 1,000 | 640,750 |
| Drg & Completion Overhead | 12,000 | - | - | - | 12,000 |
| Plugging & Abandonment | - | - | - | - | - |
| Directional Drilling, Surveys | 329,739 | - | - | - | 329,739 |
| Completion Unit, Swab, CTU | - | 178,200 | 25,000 | - | 203,200 |
| Perforating, Wireline, Slickline | - | 174,645 | 5,000 | - | 179,645 |
| High Pressure Pump Truck | - | 98,230 | - | - | 98,230 |
| Stimulation | - | 2,331,296 | - | - | 2,331,296 |
| Stimulation Flowback & Dip | - | 17,050 | 112,500 | - | 129,550 |
| Insurance | 12,798 | - | - | - | 12,798 |
| Labor | 203,000 | 62,975 | 110,000 | 5,000 | 380,975 |
| Rental - Surface Equipment | 117,059 | 271,293 | 70,000 | 5,000 | 463,352 |
| Rental - Downhole Equipment | 172,450 | 94,600 | - | - | 267,050 |
| Rental - Living Quarters | 44,634 | 31,933 | - | 5,000 | 81,567 |
| Contingency | 170,865 | 219,542 | 34,500 | 5,420 | 430,327 |
| Operations Center | 21,312 | - | - | - | 21,312 |
| TOTAL INTANGIBLES > | 3,588,172 | 4,688,231 | 379,500 | 59,620 | 8,715,523 |
| TANGIBLE COSTS | | | | | |
| Surface Casing | \$ 81,651 | \$ - | \$ - | \$ - | \$ 81,651 |
| Intermediate Casing | 384,719 | - | - | - | 384,719 |
| Drilling Liner | - | - | - | - | - |
| Production Casing | 614,526 | - | - | - | 614,526 |
| Production Liner | - | - | - | - | - |
| Tubing | - | - | 190,750 | - | 190,750 |
| Wellhead | 83,500 | - | 45,000 | - | 128,500 |
| Packers, Liner Hangers | - | 62,815 | 5,000 | - | 67,815 |
| Tanks | - | - | - | 40,925 | 40,925 |
| Production Vessels | - | - | - | 156,388 | 156,388 |
| Flow Lines | - | - | 40,000 | 120,000 | 160,000 |
| Rod string | - | - | - | - | - |
| Artificial Lift Equipment | - | - | 35,000 | - | 35,000 |
| Compressor | - | - | - | 21,375 | 21,375 |
| Installation Costs | - | - | - | 80,000 | 80,000 |
| Surface Pumps | - | - | - | 3,750 | 3,750 |
| Non-controllable Surface | 400 | - | 5,000 | 2,000 | 7,400 |
| Non-controllable Downhole | - | - | - | - | - |
| Downhole Pumps | - | - | - | - | - |
| Measurement & Meter Installation | - | - | 16,000 | 46,560 | 62,560 |
| Gas Conditioning / Dehydration | - | - | - | - | - |
| Interconnecting Facility Piping | - | - | 20,000 | 92,000 | 112,000 |
| Gathering / Bulk Lines | - | - | - | - | - |
| Valves, Dumps, Controllers | - | - | 5,000 | - | 5,000 |
| Tank / Facility Containment | - | - | - | 4,375 | 4,375 |
| Flare Stack | - | - | - | 10,938 | 10,938 |
| Electrical / Grounding | - | - | 10,000 | 53,550 | 63,550 |
| Communications / SCADA | - | - | 2,500 | 8,125 | 10,625 |
| Instrumentation / Safety | - | - | 12,500 | 30,600 | 43,100 |
| TOTAL TANGIBLES > | 1,164,796 | 62,815 | 386,750 | 670,585 | 2,284,946 |
| TOTAL COSTS > | 4,752,968 | 4,751,046 | 766,250 | 730,205 | 11,000,469 |

PREPARED BY MATADOR PRODUCTION COMPANY:

| | | | |
|-----------------------|--------------|--------------------|-------|
| Drilling Engineer: | Julio Mayol | Team Lead - WTX/NM | _____ |
| Completions Engineer: | Will Statton | | APW |
| Production Engineer: | Josh Bryant | | |

MATADOR RESOURCES COMPANY APPROVAL:

| | | | |
|----------------|-------|------------------------|-------|
| President | _____ | Chief Geologist | _____ |
| | BEG | | NLF |
| EVP, Co-COO | _____ | Co-COO, SVP Operations | _____ |
| | CA | | CC |
| EVP, Reservoir | _____ | | |
| | WTE | | |

NON OPERATING PARTNER APPROVAL:

| | | | | | |
|---------------|-------|-----------------------|-------------------------|---------|-------|
| Company Name: | _____ | Working Interest (%): | _____ | Tax ID: | _____ |
| Signed by: | _____ | Date: | _____ | | |
| Title: | _____ | Approval: | Yes _____ No (mark one) | | |

The data on this AFE are estimates only and may not be accurate as to the actual cost of the project. Tying installation approved under the AFE may be delayed up to a year after the well has been completed. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering the well. Participants shall be covered by E&S and third party liability insurance unless Participant provides Operator a certificate evidencing its own insurance in an amount acceptable to the Operator by the date of said.

MATADOR PRODUCTION COMPANY

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

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

| | | | |
|------------------|--|-----------------|---------------|
| DATE: | 01/25/2024 | AFE NO.: | 0 |
| WELL NAME: | Mongoose State #124H | FIELD: | 0 |
| LOCATION: | Sections 1-19S-34E & 36-18S-34E | MD/TVD: | 20314'/10050' |
| COUNTY/STATE: | Lea | LATERAL LENGTH: | about 10,000' |
| MRC WI: | | | |
| GEOLOGIC TARGET: | 2nd Bone Spring | | |
| REMARKS: | Drill and complete a horizontal 2 mile long Second Bone Spring target with about 45 frac stages. | | |

| | DRILLING COSTS | COMPLETION COSTS | PRODUCTION COSTS | FACILITY COSTS | TOTAL COSTS |
|----------------------------------|------------------|------------------|------------------|----------------|-------------------|
| INTANGIBLE COSTS | | | | | |
| Land / Legal / Regulatory | \$ 17,500 | \$ - | \$ - | \$ 10,000 | \$ 27,500 |
| Location, Surveys & Damages | 97,000 | 13,000 | 15,000 | 20,000 | 145,000 |
| Drilling | 778,400 | - | - | - | 778,400 |
| Cementing & Float Equip | 341,000 | - | - | - | 341,000 |
| Logging / Formation Evaluation | - | 3,750 | - | - | 3,750 |
| Mud Logging | 24,750 | - | - | - | 24,750 |
| Mud Circulation System | 138,420 | - | - | - | 138,420 |
| Mud & Chemicals | 336,295 | 67,100 | - | - | 403,395 |
| Mud / Wastewater Disposal | 235,000 | - | - | 1,000 | 236,000 |
| Freight / Transportation | 22,500 | 41,800 | - | - | 64,300 |
| Rig Supervision / Engineering | 139,200 | 80,080 | 7,500 | 7,200 | 233,980 |
| Drill Bits | 130,000 | - | - | - | 130,000 |
| Fuel & Power | 168,000 | 439,237 | - | - | 607,237 |
| Water | 76,250 | 563,500 | - | 1,000 | 640,750 |
| Drig & Completion Overhead | 12,000 | - | - | - | 12,000 |
| Plugging & Abandonment | - | - | - | - | - |
| Directional Drilling, Surveys | 329,739 | - | - | - | 329,739 |
| Completion Unit, Swab, CTU | - | 178,200 | 25,000 | - | 203,200 |
| Perforating, Wireline, Slickline | - | 174,645 | 5,000 | - | 179,645 |
| High Pressure Pump Truck | - | 98,230 | - | - | 98,230 |
| Stimulation | - | 2,331,296 | - | - | 2,331,296 |
| Stimulation Flowback & Disp | - | 17,050 | 112,500 | - | 129,550 |
| Insurance | 12,798 | - | - | - | 12,798 |
| Labor | 203,000 | 62,975 | 110,000 | 5,000 | 380,975 |
| Rental - Surface Equipment | 117,059 | 271,293 | 70,000 | 5,000 | 463,352 |
| Rental - Downhole Equipment | 172,450 | 94,600 | - | - | 267,050 |
| Rental - Living Quarters | 44,634 | 31,933 | - | 5,000 | 81,567 |
| Contingency | 170,865 | 219,542 | 34,500 | 5,420 | 430,327 |
| Operations Center | 21,312 | - | - | - | 21,312 |
| TOTAL INTANGIBLES > | 3,588,172 | 4,688,231 | 379,500 | 59,620 | 8,715,523 |
| TANGIBLE COSTS | | | | | |
| Surface Casing | \$ 81,651 | \$ - | \$ - | \$ - | \$ 81,651 |
| Intermediate Casing | 384,719 | - | - | - | 384,719 |
| Drilling Liner | - | - | - | - | - |
| Production Casing | 614,526 | - | - | - | 614,526 |
| Production Liner | - | - | - | - | - |
| Tubing | - | - | 190,750 | - | 190,750 |
| Wellhead | 83,500 | - | 45,000 | - | 128,500 |
| Packers, Liner Hangers | - | 62,815 | 5,000 | - | 67,815 |
| Tanks | - | - | - | 40,925 | 40,925 |
| Production Vessels | - | - | - | 156,388 | 156,388 |
| Flow Lines | - | - | 40,000 | 120,000 | 160,000 |
| Rod string | - | - | - | - | - |
| Artificial Lift Equipment | - | - | 35,000 | - | 35,000 |
| Compressor | - | - | - | 21,375 | 21,375 |
| Installation Costs | - | - | - | 80,000 | 80,000 |
| Surface Pumps | - | - | - | 3,750 | 3,750 |
| Non-controllable Surface | 400 | - | 5,000 | 2,000 | 7,400 |
| Non-controllable Downhole | - | - | - | - | - |
| Downhole Pumps | - | - | - | - | - |
| Measurement & Meter Installation | - | - | 16,000 | 46,580 | 62,580 |
| Gas Conditioning / Dehydration | - | - | - | - | - |
| Interconnecting Facility Piping | - | - | 20,000 | 92,000 | 112,000 |
| Gathering / Bulk Lines | - | - | - | - | - |
| Valves, Dumps, Controllers | - | - | 5,000 | - | 5,000 |
| Tank / Facility Containment | - | - | - | 4,375 | 4,375 |
| Flare Stack | - | - | - | 10,938 | 10,938 |
| Electrical / Grounding | - | - | 10,000 | 53,550 | 63,550 |
| Communications / SCADA | - | - | 2,500 | 8,125 | 10,625 |
| Instrumentation / Safety | - | - | 12,500 | 30,600 | 43,100 |
| TOTAL TANGIBLES > | 1,164,796 | 62,815 | 386,750 | 670,595 | 2,284,946 |
| TOTAL COSTS > | 4,752,968 | 4,751,046 | 766,250 | 730,205 | 11,000,469 |

PREPARED BY MATADOR PRODUCTION COMPANY:

| | | | |
|-----------------------|--------------|--------------------|--|
| Drilling Engineer: | Julio Mayol | Team Lead - WTX/NM | |
| Completions Engineer: | Will Statton | APW | |
| Production Engineer: | Josh Bryant | | |

MATADOR RESOURCES COMPANY APPROVAL:

| | | | |
|----------------|-----|------------------------|-----|
| President | BEG | Chief Geologist | NLF |
| EVP, Co-COO | CA | Co-COO, SVP Operations | CC |
| EVP, Reservoir | WTE | | |

NON OPERATING PARTNER APPROVAL:

| | | |
|---------------|-----------------------|---------------|
| Company Name: | Working Interest (%): | Tax ID: |
| Signed by: | Date: | |
| Title: | Approval: Yes | No (mark one) |

I, the undersigned, hereby authorize any and all costs to be incurred as set forth in this estimate of costs and authorization for expenditure. In executing this AFE, the Participant agrees to pay its proportionate share of actual costs incurred, including legal, auditing, regulatory, brokerage and well costs under the terms of the spot lease joint operating agreement, regulatory order or other agreement covering this well. Participants shall be deemed to have authorized the Operator's well control and general liability insurance unless participant provides Operator a certificate evidencing its own insurance in an amount equivalent to the Operator by the date of bid.

EXHIBIT A-7

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A-7
Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case Nos. 23961 - 23964**

Summary of Communications – Mongoose State Com Bone Spring

Uncommitted Working Interest Owners

1. Cavalry Energy Partners
In addition to sending well proposals, Matador has had discussions with Cavalry Energy Partners regarding their interest.
2. Davis Partners LTD
In addition to sending well proposals, Matador has had discussions with Davis Partners LTD regarding their interest.
3. DSD Energy Resources LLC
In addition to sending well proposals, Matador has had discussions with DSD Energy Resources LLC regarding their interest.
4. Milestone Oil, LLC
In addition to sending well proposals, Matador has had discussions with Milestone Oil, LLC regarding their interest and we are continuing to discuss voluntary joinder.
5. Milestone Resources, LLC
In addition to sending well proposals, Matador has had discussions with Milestone Resources, LLC regarding their interest and we are continuing to discuss voluntary joinder.
6. Peregrine Production, LLC
In addition to sending well proposals, Matador has attempted to reach out to Peregrine Production, LLC regarding their interest and we are continuing to try to make contact and pursue potential voluntary joinder .
7. REG XI Assets LLC
In addition to sending well proposals, Matador has had discussions with REG XI Assets LLC regarding their interest and we are continuing to discuss potential voluntary joinder.

8. Buckhorn Energy, LLC

In addition to sending well proposals, Matador has had discussions with Buckhorn Energy, LLC regarding their interest and we are continuing to discuss potential voluntary joinder.

9. Charles D. Ray and wife, Lynne Ray

In addition to sending well proposals, Matador has had discussions with Charles D. Ray and wife, Lynne Ray regarding their interest and we are continuing to discuss potential voluntary joinder.

10. Jon Brickey

In addition to sending well proposals, Matador has attempted to reach out to Jon Brickey regarding their interest and we are continuing to try to make contact to discuss potential voluntary joinder.

11. Marathon Oil Permian LLC

In addition to sending well proposals, Matador has had discussions with Marathon Oil Permian LLC regarding their interest and we are continuing to discuss potential voluntary joinder.

12. Sharktooth Resources, Ltd

In addition to sending well proposals, Matador has had discussions with Sharktooth Resources, Ltd regarding their interest and we are continuing to discuss potential voluntary joinder.

13. SMAA Family, LP

In addition to sending well proposals, Matador has attempted to reach out to SMAA Family, LP regarding their interest and we are continuing to try to make contact and pursue potential voluntary joinder .

14. Stillwater Investments

In addition to sending well proposals, Matador has had discussions with Stillwater Investments regarding their interest and we are continuing to discuss potential voluntary joinder.

15. Tarpon Industries Corporation

In addition to sending well proposals, Matador has had discussions with Tarpon Industries Corporation regarding their interest. Tarpon Industries have indicated they are interested in participating in the development and we are continuing to discuss potential voluntary joinder.

16. EOG Resources, Inc.

In addition to sending well proposals, Matador has had discussions with EOG Resources, Inc. regarding their interest and we are continuing to discuss potential voluntary joinder.

17. Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005

In addition to sending well proposals, Matador has attempted to reach out to Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005, regarding their interest and we are continuing to try to make contact and discuss potential voluntary joinder.

18. Marathon Oil Company

In addition to sending well proposals, Matador has had discussions with Marathon Oil Company regarding their interest and we are continuing to discuss potential voluntary joinder.

19. Otter Creek

In addition to sending well proposals, Matador has attempted to reach out to Otter Creek regarding their interest and we are continuing to try to make contact to discuss potential voluntary joinder.

20. Slash Exploration Limited Partnership

In addition to sending well proposals, Matador has had discussions with Slash Exploration Limited Partnership regarding their interest and we are continuing to discuss potential voluntary joinder.

21. Williamson Enterprises

In addition to sending well proposals, Matador has had discussions with Williamson Enterprises regarding their interest and we are continuing to discuss potential voluntary joinder.

22. T.H. McElvain Oil & Gas, LLP

In addition to sending well proposals, Matador has had discussions with T.H. McElvain Oil & Gas, LLP regarding their interest.

23. Franklin Mountain Energy 3, LLC

In addition to sending well proposals, Matador has had discussions with Franklin Mountain Energy 3, LLC and has sent Franklin Mountain a trade offer that would have resolved these cases by agreement.

Unleased Mineral Owners

1. AHCCI, LLC

In addition to sending well proposals, Matador has attempted to reach out to AHCCI, LLC regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

2. AHCFL, LLC

In addition to sending well proposals, Matador has attempted to reach out to AHCFL, LLC regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

3. AHCJL, LLC

In addition to sending well proposals, Matador has attempted to reach out to AHCJL, LLC regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

4. Baloney Feathers, Ltd.

In addition to sending well proposals, Matador has had discussions with Baloney Feathers, Ltd. regarding leasing their interest and we are continuing to negotiate an oil and gas lease.

5. Robert Bruner, Estate of Fred, Deceased

In addition to sending well proposals, Matador has attempted to reach out to Robert Bruner, Estate of Fred, Deceased regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder .

6. Derrill G. Elmore Trust

In addition to sending well proposals, Matador has attempted to reach out to Derrill G. Elmore Trust regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder .

7. Hair Royalty Group, LLC

In addition to sending well proposals, Matador has had discussions with Hair Royalty Group, LLC regarding leasing their interest or signing an operating agreement and we are continuing to work towards potential voluntary joinder.

8. Heirs of Mary Hampton Elliot

In addition to sending well proposals, Matador has attempted to reach out to the Heirs of Mary Hampton Elliot regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

9. Jont E. Tyson

In addition to sending well proposals, Matador has attempted to reach out to Jont E. Tyson regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

10. Mid Lavaca Energy Co

Mid Lavaca has indicated they are not interested in participating in the drilling program.

11. Patricia Wallace

In addition to sending well proposals, Matador has attempted to reach out to Patricia Wallace regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

12. MJP Partners Ltd

In addition to sending well proposals, Matador has had discussions with MJP Partners Ltd regarding their interest. MJP Partners Ltd have indicated they are interested in participating in the development and we are continuing to discuss potential voluntary joinder.

13. Pecos Bend Royalties, LLLP

In addition to sending well proposals, Matador has had discussions with Pecos Bend Royalties, LLLP regarding leasing their interest and we are continuing to negotiate an oil and gas lease.

14. Randolph D. McCall

In addition to sending well proposals, Matador has attempted to reach out to Randolph D. McCall regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

15. Rebecca McCall Landis Baird

In addition to sending well proposals, Matador has attempted to reach out to Rebecca McCall Landis Baird regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

16. Richard D. Jones Jr.

In addition to sending well proposals, Matador has attempted to reach out to Richard D. Jones Jr. regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

17. OGX Royalty Fund IV LP

In addition to sending well proposals, Matador has had discussions with OGX Royalty Fund IV LP regarding leasing their interest and we are continuing to negotiate an oil and gas lease.

18. SDH 2009 Investments, Ltd.

In addition to sending well proposals, Matador has attempted to reach out to SDH 2009 Investments, Ltd. regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder .

19. The Allar Company

In addition to sending well proposals, Matador has had discussions with The Allar Company regarding leasing their interest or signing an operating agreement and we are continuing to work towards potential voluntary joinder.

20. VPD New Mexico, LLC C/O Titanium Exploration Partners, LLC

In addition to sending well proposals, Matador has attempted to reach out to VPD New Mexico, LLC C/O Titanium Exploration Partners, LLC regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

21. Wadi Petroleum, Inc.

In addition to sending well proposals, Matador has attempted to reach out to Wadi Petroleum, Inc. regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder .

22. Wells Fargo Bank, N.A. Agent of Southard Properties, LTD Agency

In addition to sending well proposals, Matador has attempted to reach out to Wells Fargo Bank, N.A. Agent of Southard Properties, LTD Agency regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder.

23. White Star Royalty Company

In addition to sending well proposals, Matador has had discussions with White Star Royalty Company regarding leasing their interest or signing an operating agreement and we are continuing to work towards potential voluntary joinder.

24. William S. Deniger, Jr. David B. Deniger, Elizabeth Reymond and Fredrick D. Brownell heirs of Mary Helen Brownell

In addition to sending well proposals, Matador has attempted to reach out to William S. Deniger, Jr. David B. Deniger, Elizabeth Reymond and Fredrick D. Brownell heirs of Mary Helen Brownell regarding their interest and we are continuing to try to make contact to either lease their interest or pursue potential voluntary joinder .

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

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

Case Nos. 23961- 23964

SELF-AFFIRMED STATEMENT OF BLAKE HERBER

1. My name is Blake Herber and I am employed by MRC Energy Company, an affiliate of MRC Permian Company (“MRC”), as a Senior Staff Geologist. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology.

2. I am familiar with the applications filed by MRC in these consolidated cases, and in the Franklin Mountain Cases 24110, 24111, 24112 & 24115 that seek to create spacing units in the Bone Spring formation for its proposed “Cross State” wells. I have conducted a geologic study of the lands in the subject area.

3. **MRC Exhibit B-1** is a locator map outlining the subject area with a black box shaded in yellow.

4. **MRC Exhibit B-2** contains a subsea structure map prepared for the top of the Bone Spring formation. The contour interval is 50 feet. This structure map shows the Bone Spring formation dipping gently to the 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.

5. Also included on Matador Exhibit B-2 is a line of cross section from A to A’.

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

**Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case Nos. 23961 - 23964**

6. **MRC Exhibit B-3** contains a structural cross-section prepared displaying open-hole logs run over the Bone Spring 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 for MRC's proposed initial wells in the Second Bone Spring interval (Mongoose State 121H, 122H, 123H and 124H), and the target interval for the planned wells in the First Bone Spring interval (Mongoose 111H, 112H, 1134H and 114H) are labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted intervals within the Bone Spring formation are consistent in thickness across the entirety of the proposed spacing unit.

7. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Bone Spring formation underlying the area comprising the proposed spacing units.

8. 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.

9. 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.

10. In my opinion, each of the quarter-quarter sections comprising the proposed spacing units will be productive and contribute proportionally to the production from the horizontal spacing units.

11. In my opinion, approving MRC's pooling applications is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

12. Based on the information contained in Franklin Mountain's Cross State well proposals, it appears that Franklin Mountain is targeting the same (or very similar) target intervals. Once MRC has had an opportunity to review Franklin Mountain's exhibits in these cases describing the development plan in more detail, I will be able to address any differences at the hearing in these cases.

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

14. 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.



Blake Herber

1/31/2024

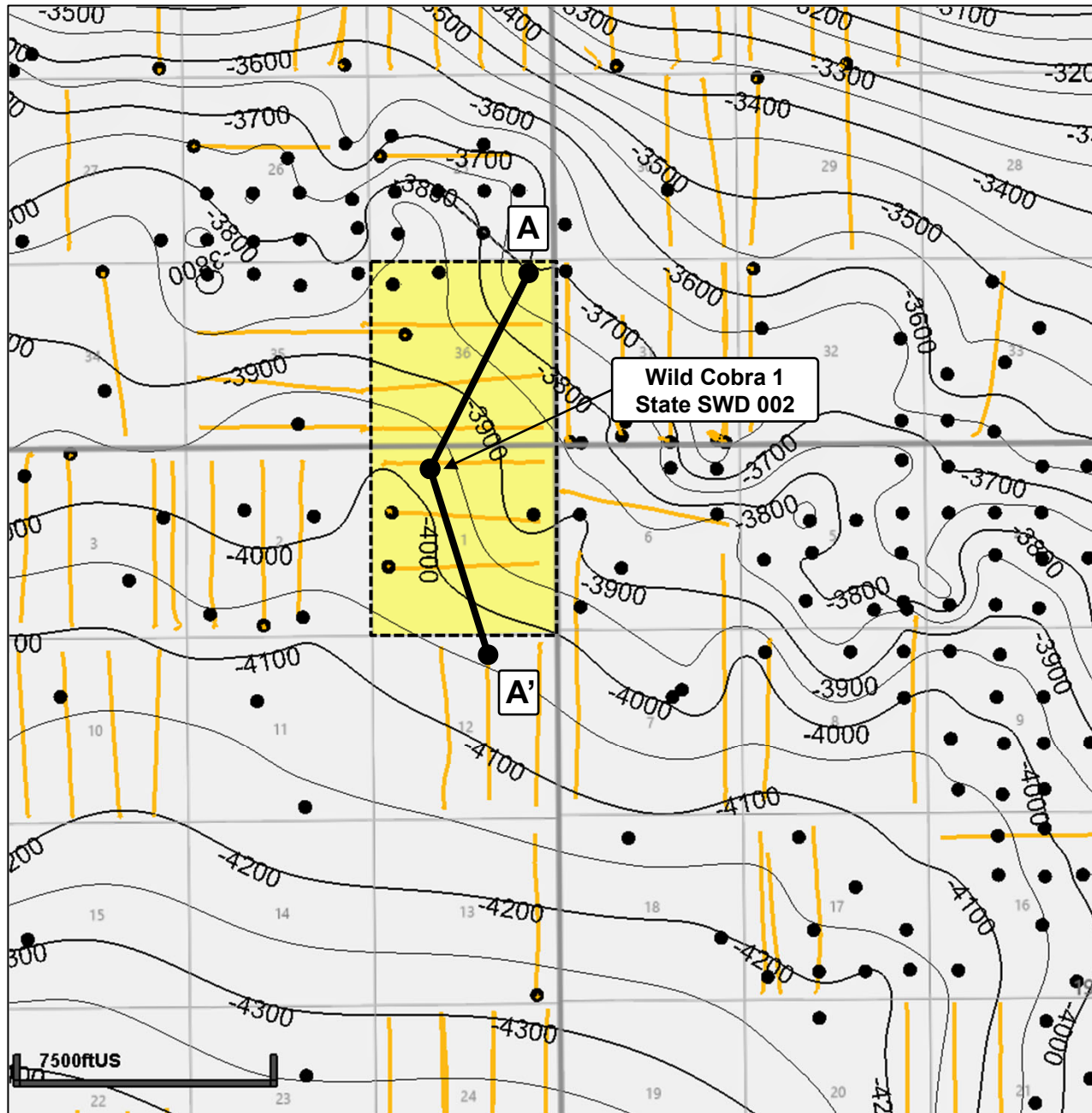
Date

AIRSTRIP; BONE SPRING [Pool Code 960]
SCHARB; BONE SPRING [Pool Code 55610]

Structure Map (Top Bone Spring Subsea) A – A' Reference Line

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Map Legend

Bone Spring 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: February 8, 2024
 Case Nos. 23961 - 23964



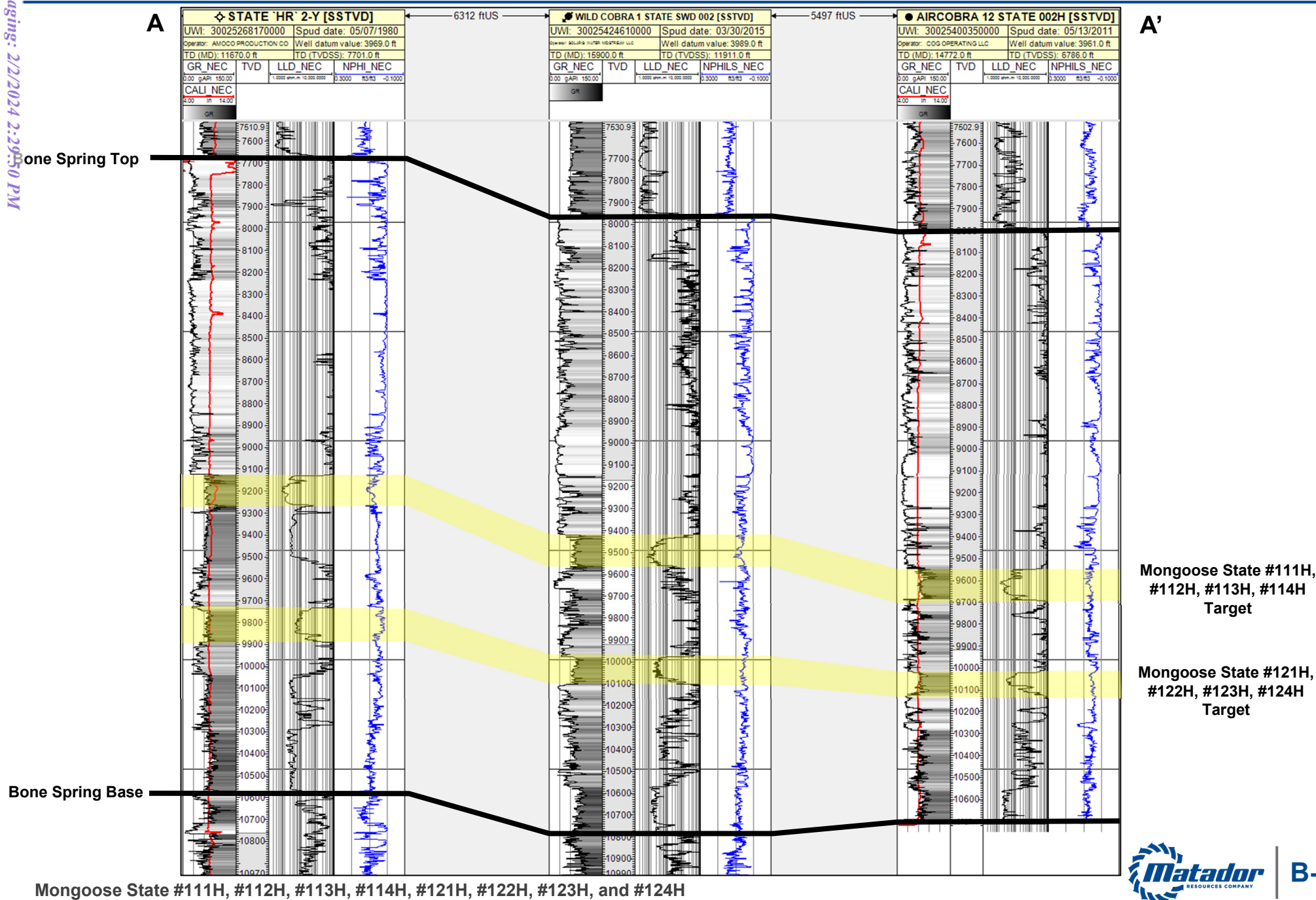
AIRSTRIP; BONE SPRING [Pool Code 960] SCHARB; BONE SPRING [Pool Code 55610] Structural Cross-Section A – A'

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. B-3
 Submitted by: Matador Production Company
 Hearing Date: February 8, 2024
 Case Nos. 23961 - 23964

Exhibit B-3

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Page 91 of 119



B-3

Mongoose State #111H, #112H, #113H, #114H, #121H, #122H, #123H, and #124H

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

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

Case Nos. 23961- 23964

SELF-AFFIRMED STATEMENT OF TANNER SCHULZ

1. My name is Tanner Schulz and I am employed by MRC Energy Company, an affiliate of MRC Permian Company (“MRC”), as the Vice President of Reservoir Engineering and the Reserves Team.

2. I graduated from Texas Tech University in 2013 with a bachelor’s degree in both Mechanical Engineering and Petroleum Engineering. Following graduation, I worked for BOPCO, L.P. for about 4 years as a Production Engineer. I was primarily responsible for BOPCO’s legacy assets located in Winkler County, Texas, overseeing more than 400 vertical and horizontal wells, one active waterflood and an Ellenberger dewatering project. After ExxonMobil acquired BOPCO in 2017, I started working for Matador as a Reservoir Engineer. During my time at Matador, I have worked in the Delaware Basin, including Eddy and Lea Counties in New Mexico, and Loving, Reeves and Ward Counties in Texas. Additionally, I have worked Matador’s assets in the Haynesville Shale and Cotton Valley located in Northern Louisiana and the Eagle Ford Shale and Austin Chalk located in South Texas. More recently, I am responsible for overseeing Matador’s reserves process and reserves estimates and value. Moreover, I work with our internal teams to develop these assets in a prudent manner. As part of my employment for Matador, I am also

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case Nos. 23961 - 23964

required to complete at least 40 hours of continuing education each year. I am also a registered Professional Engineer in the State of Texas and a member of the Society of Petroleum Engineers.

3. I am familiar with the applications filed by Franklin Mountain in the above-referenced cases for their proposed Cross State wells in the Wolfcamp formation, which have proposed spacing units comprising Section 1, Township 19 South, Range 34 East, and Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. I have also reviewed the recently available information for Franklin Mountain's Satellite State Wolfcamp wells, with spacing units comprising Sections 24, 25 and the N/2 N/2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico.

4. Franklin Mountain's Cross State and Satellite State Wolfcamp spacing units seek to overlap in the N/2 N/2 of Section 36, and they appear to be targeting the same or substantially similar target intervals within the Wolfcamp formation.

5. After reviewing the pooling application materials for Franklin Mountain's Cross State and Satellite Wolfcamp wells, as well as the approved drilling permits for those wells on the NMOCD website, I have been unable to determine where Franklin Mountain's first and last take points are located for either the Cross State or Satellite Wolfcamp wells.

6. **Exhibit C-1** is the first two pages of the Application for Permit to Drill filed by Franklin Mountain for the proposed Cross State 701H well. This filed permit reflects a surface hole location in the SW4NW4 (Unit E) of Section 36. While this permit includes the NW4NW4 of Section 36 in the horizontal well spacing unit, it does not indicate where the first take point will be located. I was also unable to locate that information in the

Cross State well proposals or Franklin Mountain's filed pooling applications for the Cross State wells.

7. **Exhibit C-2** is an exhibit Franklin Mountain included in the force pooling cases for the Satellite Wolfcamp wells. This exhibit appears to indicate that Franklin Mountain is contemplating that both the Cross State and Satellite Wolfcamp wells have some portion of their completed laterals located in the N/2 N/2 of Section 36 within the same or substantially similar target intervals.

8. While Franklin Mountain's intent is not clear from these filings, it is my opinion that each quarter-quarter section of Franklin Mountain's proposed spacing unit for the Cross State wells will not contribute proportionally to the production from their proposed wells and that Franklin Mountain's development plan will adversely affect the correlative rights of the owners in the Cross State spacing units who do not own interests in the N/2 N/2 of Section 36. That is because (i) either the N/2 N/2 of Section 36 is not being developed or not being fully developed by the Cross State wells since the completed lateral will either not penetrate the tracts comprising the N2N2 of Section 36 or will be cut short in those tracts while all the other tracts in the proposed Cross State spacing unit will have fully completed laterals, or (ii) Franklin Mountain is planning to complete the entirety of the N/2 N/2 of Section 36 with its Cross State wells, but is also planning to develop some portion of that same N/2 N/2 of Section 36 with its Satellite wells, thereby draining the targeted reserves for the benefit of the Satellite owners. Under either of those scenarios, the interest owners in the Cross State spacing units who do not own in the N/2 N/2 of Section 36 are adversely impacted since their proportionate interests in the production from the Cross State wells is being diluted by the inclusion

of N/2 N/2 acreage that will contribute less reserves to the Cross State spacing unit wells than the remaining tracts in Section 36 and Section 1 that comprise the proposed spacing units.

9. 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.


Tanner Schulz

2/1/2024
Date

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505**

Form C-101
August 1, 2011
Permit 354620

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|--|-------------------------------|
| 1. Operator Name and Address Franklin Mountain Energy 3, LLC 44 Cook Street Denver, CO 80206 | | 2. OGRID Number 331595 |
| 4. Property Code 335013 | | 3. API Number 30-025-52314 |
| 5. Property Name CROSS STATE COM | | 6. Well No. 701H |

7. Surface Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| E | 36 | 18S | 34E | E | 1350 | N | 380 | W | Lea |

8. Proposed Bottom Hole Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| M | 1 | 19S | 34E | M | 130 | S | 360 | W | Lea |

9. Pool Information

| | |
|-------------------|-----|
| AIRSTRIP:WOLFCAMP | 970 |
|-------------------|-----|

Additional Well Information

| | | | | |
|---------------------------|-----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 3970 |
| 16. Multiple N | 17. Proposed Depth 21232 | 18. Formation Wolfcamp | 19. Contractor | 20. Spud Date 1/1/2024 |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Size | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5 | 13.375 | 54.5 | 1973 | 1507 | 0 |
| Int1 | 12.25 | 9.625 | 40 | 4211 | 882 | 0 |
| Prod | 8.75 | 7 | 32 | 10388 | 505 | 3211 |
| Prod | 8.75 | 5.5 | 20 | 21232 | 2707 | 10388 |

Casing/Cement Program: Additional Comments

Please see attached 14pt plan for additional information.

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Double Ram | 10000 | 5000 | Cactus |

| | | |
|--|----------------------------------|---------------------------------|
| 23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. | OIL CONSERVATION DIVISION | |
| Signature: | | |
| Printed Name: Electronically filed by Rachael A Overbey | Approved By: Paul F Kautz | |
| Title: Project Manager | Title: Geologist | |
| Email Address: roverbey@fmellc.com | Approved Date: 12/14/2023 | Expiration Date: 12/14/2025 |
| Date: 11/21/2023 | Phone: 303-570-4057 | Conditions of Approval Attached |

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Matador Production
Company Hearing Date: February 8, 2024
Case Nos. 23961 - 23964

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Page 2 of 26

District I
1625 N. French Dr., Hobbs, NM 88240
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District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

AMENDED REPORT

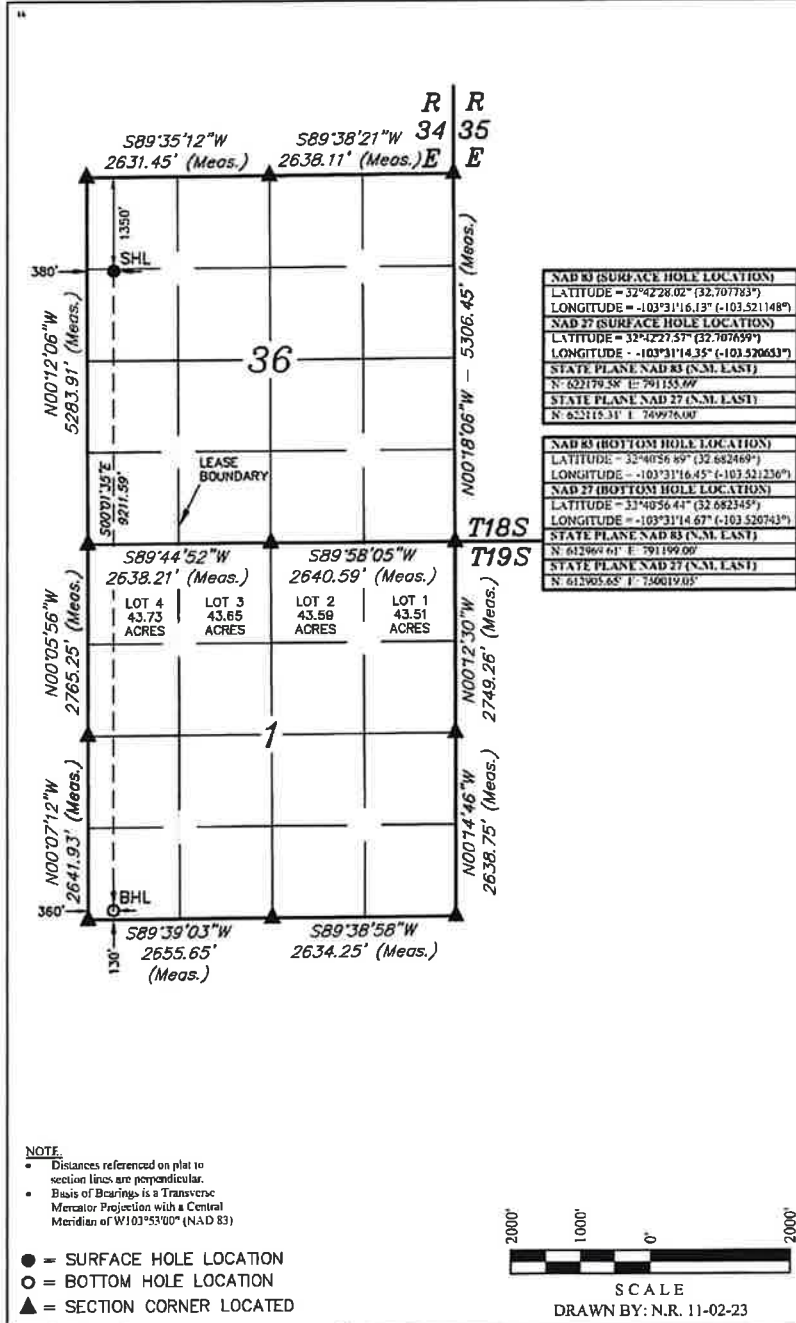
WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|-----------------------|--|--|--|-----------------------------------|--|
| 1 API Number | | 2 Pool Code 970 | | 3 Pool Name AIRSTRIP: WOLFCAMP | |
| 4 Property Code | | 5 Property Name CROSS STATE COM | | 6 Well Number 701H | |
| 7 OGRID No. 331595 | | 8 Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC | | 9 Elevation 3970.7' | |

| 11 Surface Location | | | | | | | | | |
|---------------------|---------------|-----------------|--------------|---------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no. E | Section 36 | Township 18S | Range 34E | Lot Idn | Feet from the 1350 | North/South line NORTH | Feet from the 380 | East/West line WEST | County LEA |

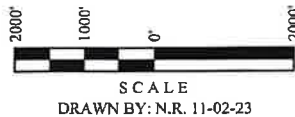
| 12 Bottom Hole Location if Different From Surface | | | | | | | | | |
|---|--------------|--------------------|--------------|-----------------------|----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no. M | Section 1 | Township 19S | Range 34E | Lot Idn | Feet from the 130 | North/South line SOUTH | Feet from the 360 | East/West line WEST | County LEA |
| 13 Dedicated Acres 323.73 | | 14 Joint or Infill | | 15 Consolidation Code | | 16 Order No. | | | |

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



NOTE:
• Distances referenced on plat to section lines are perpendicular.
• Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

- = SURFACE HOLE LOCATION
- = BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED



17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or as a volunteer pooling interest in the well, and that no pooling order heretofore entered by the state is in effect.

Rachael Greberby
Signature
11/10/2023
Date

Rachael Greberby
Trustee Name
roverby@fmlc.com
E-mail Address

| NAD 83 (SURFACE HOLE LOCATION) | |
|--------------------------------------|---|
| LATITUDE = 32°42'28.02" (32.707783°) | LONGITUDE = -103°31'16.13" (-103.521148°) |
| NAD 27 (SURFACE HOLE LOCATION) | |
| LATITUDE = 32°42'27.57" (32.707699°) | LONGITUDE = -103°31'14.35" (-103.520653°) |
| STATE PLANE NAD 83 (N.M. LAST) | |
| N = 622159.58' E = 791153.99' | STATE PLANE NAD 27 (N.M. LAST) |
| N = 623115.31' E = 769976.00' | |
| NAD 83 (BOTTOM HOLE LOCATION) | |
| LATITUDE = 32°40'56.69" (32.682469°) | LONGITUDE = -103°31'16.45" (-103.521236°) |
| NAD 27 (BOTTOM HOLE LOCATION) | |
| LATITUDE = 32°40'56.44" (32.682345°) | LONGITUDE = -103°31'14.67" (-103.520743°) |
| STATE PLANE NAD 83 (N.M. LAST) | |
| N = 612969.61' E = 791199.00' | STATE PLANE NAD 27 (N.M. LAST) |
| N = 613905.65' E = 750019.05' | |

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

October 03, 2023
Date of Survey

Signature and Seal of Professional Surveyor:



Certificate Number:

Field Development Overview

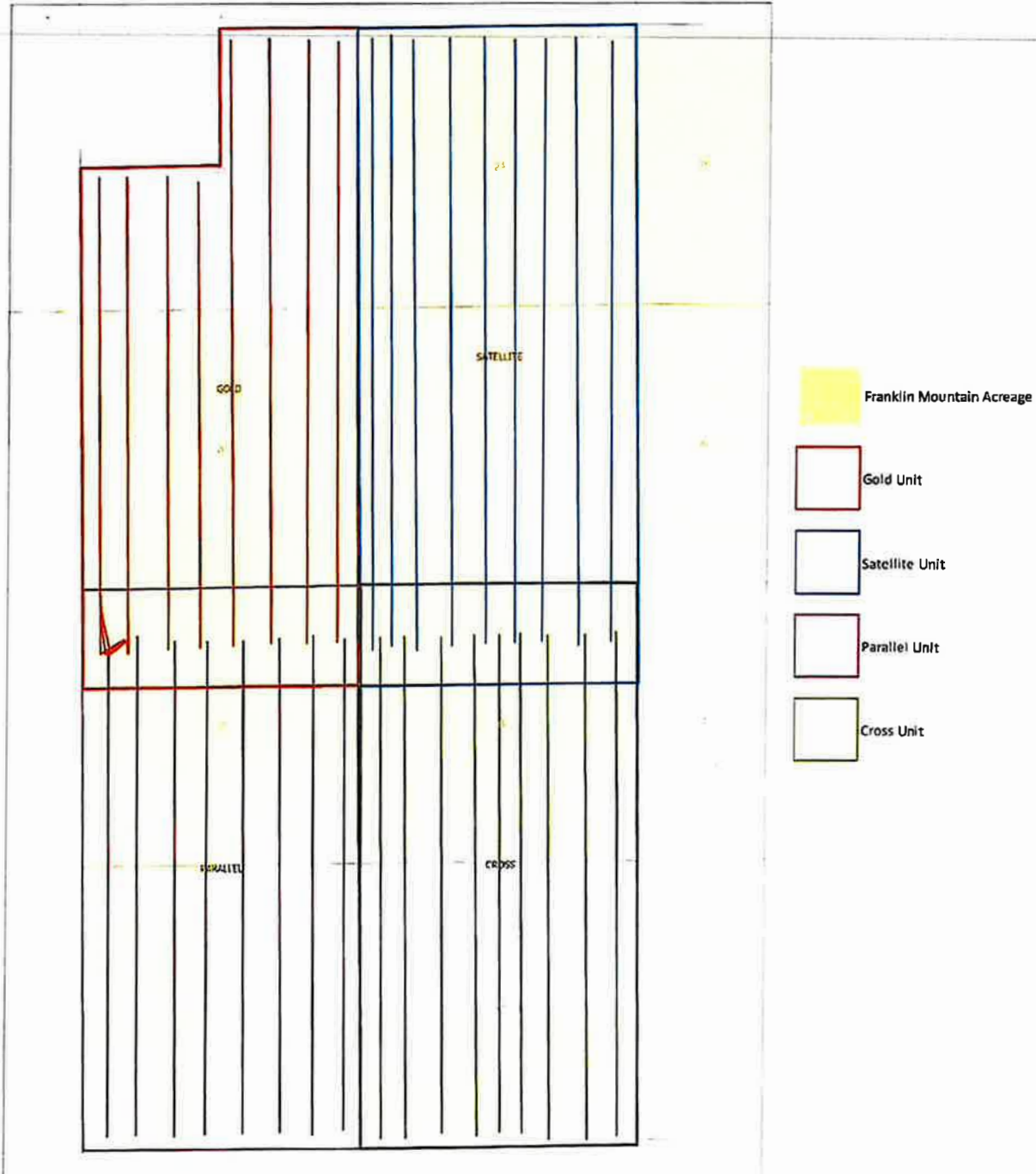


Exhibit B-2

1 Mile

OCD Examiner Hearing 10-5-23

No. 23829

15

Released to Imaging: 10/3/2023 4:38:59 PM

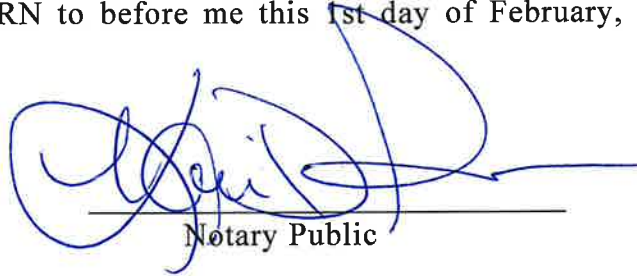


BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-2
 Submitted by: Matador Production Company
 Hearing Date: February 8, 2024
 Case Nos. 23961 - 23964

State of New Mexico)

County of Santa Fe)

SUBSCRIBED AND SWORN to before me this 1st day of February, 2024 by
Michael H. Feldewert.



Notary Public

My Commission Expires:

06/28/26

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

January 19, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

**Re: Application of MRC Permian Company for Compulsory Pooling, Lea County,
New Mexico: Mongoose State 121H 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 set before a Division Examiner on February 8, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Ave., Santa Fe, New Mexico. To participate virtually in the 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 David Johns at (972) 619-1259 or at djohns@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



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

January 19, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

**Re: Application of MRC Permian Company for Compulsory Pooling, Lea County,
New Mexico: Mongoose State 122H 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 set before a Division Examiner on February 8, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

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Sincerely,

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



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

January 19, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Application of MRC Permian Company for Compulsory Pooling, Lea County, New Mexico: *Mongoose State 123H 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 set before a Division Examiner on February 8, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

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If you have any questions about this matter, please contact David Johns at (972) 619-1259 or at djohns@matadorresources.com.

Sincerely,

Michael H. Feldewert
ATTORNEY FOR MRC PERMIAN COMPANY

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110 North Guadalupe, Suite 1
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Michael H. Feldewert
Partner
Phone (505) 988-4421
mfeldewert@hollandhart.com

January 19, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

**Re: Application of MRC Permian Company for Compulsory Pooling, Lea County,
New Mexico: Mongoose State 124H 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 set before a Division Examiner on February 8, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

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Sincerely,

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

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|------------------------------------|--------------------------------|-------------|----|------------|--|
| 9414811898765405256575 | Buckhorn Energy, LLC | 505 N Big Spring St Ste 303 | Midland | TX | 79701-4346 | Your item was delivered to an individual at the address at 9:51 am on January 23, 2024 in MIDLAND, TX 79701. |
| 9414811898765405251211 | Catena Resources Operating, LLC | 18402 US Highway 281 N Ste 258 | San Antonio | TX | 78259-7614 | Your item arrived at our SAN ANTONIO TX DISTRIBUTION CENTER destination facility on January 29, 2024 at 11:20 am. The item is currently in transit to the destination. |
| 9414811898765405251259 | Charles D. Ray and wife, Lynne Ray | PO Box 51608 | Midland | TX | 79710-1608 | Your item was picked up at a postal facility at 8:47 am on January 30, 2024 in MIDLAND, TX 79705. |
| 9414811898765405251266 | COG Operating, LLC | 600 W Illinois Ave | Midland | TX | 79701-4882 | Your item was picked up at a postal facility at 7:44 am on January 24, 2024 in MIDLAND, TX 79701. |
| 9414811898765405251228 | Collins Partners, Ltd | 5000 Burnet Rd | Austin | TX | 78756-2612 | Your item was delivered to the front desk, reception area, or mail room at 1:16 pm on January 23, 2024 in AUSTIN, TX 78756. |
| 9414811898765405251204 | Davis Partners, Ltd. | PO Box 3061 | Midland | TX | 79702-3061 | Your item was picked up at the post office at 1:26 pm on January 24, 2024 in MIDLAND, TX 79701. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|--|----------------------------------|---------|----|------------|---|
| 9414811898765405251297 | EOG Resources, Inc. | 5509 Champions Dr | Midland | TX | 79706-2843 | Your item was picked up at a postal facility at 8:31 am on January 23, 2024 in MIDLAND, TX 79701. |
| 9414811898765405251280 | Franklin Mountain Energy 3, LLC | 44 Cook St Ste 1000 | Denver | CO | 80206-5827 | Your item was delivered to the front desk, reception area, or mail room at 1:04 pm on January 22, 2024 in DENVER, CO 80206. |
| 9414811898765405251235 | Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees Of The Djs Trust Dated September 23, 2005 | PO Box 1453 | Roswell | NM | 88202-1453 | Your item was picked up at the post office at 10:04 am on January 23, 2024 in ROSWELL, NM 88201. |
| 9414811898765405251273 | John Brickey | 4821 Rangewood | Midland | TX | 79707-2630 | Your item was delivered to an individual at the address at 3:36 pm on January 23, 2024 in MIDLAND, TX 79707. |
| 9414811898765405251853 | JS&AL Family Limited Partnership | 303 Veterans Airpark Ln Ste 1100 | Midland | TX | 79705-4551 | Your item was delivered to the front desk, reception area, or mail room at 10:00 am on January 23, 2024 in MIDLAND, TX 79705. |
| 9414811898765405251860 | Louellen T. Mays | 3108 Preston Dr | Midland | TX | 79707-5220 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251808 | Marathon Oil Company | 990 Town And Country Blvd | Houston | TX | 77024-2217 | Your item was delivered to the front desk, reception area, or mail room at 1:36 pm on January 26, 2024 in HOUSTON, TX 77024. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|--------------------------------|---------------------------|---------|----|------------|--|
| 9414811898765405251891 | Marathon Oil Permian LLC | 990 Town And Country Blvd | Houston | TX | 77024-2217 | Your item was delivered to the front desk, reception area, or mail room at 1:36 pm on January 26, 2024 in HOUSTON, TX 77024. |
| 9414811898765405251846 | Mid Lavaca Energy Co. | PO Box 202650 | Austin | TX | 78720-2650 | Your item was picked up at a postal facility at 12:19 pm on January 24, 2024 in AUSTIN, TX 78759. |
| 9414811898765405251884 | Nuevo Seis Limited Partnership | PO Box 2588 | Roswell | NM | 88202-2588 | Your item was picked up at the post office at 12:30 pm on January 24, 2024 in ROSWELL, NM 88201. |
| 9414811898765405251877 | Otter Creek | PO Box 1557 | Sealy | TX | 77474-1557 | Your item was forwarded to a different address at 8:53 am on January 25, 2024 in SEALY, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect. |
| 9414811898765405251716 | Paul Davis, Ltd. | PO Box 871 | Midland | TX | 79702-0871 | Your item was picked up at a postal facility at 10:17 am on January 23, 2024 in MIDLAND, TX 79701. |
| 9414811898765405251754 | Peregrine Production, LLC | PO Box 50655 | Midland | TX | 79710-0655 | Your item arrived at the MIDLAND, TX 79705 post office at 10:17 am on January 23, 2024 and is ready for pickup. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|---------------------------------------|-----------------------------|---------|----|------------|---|
| 9414811898765405251761 | REG XI Assets, LLC | 1200 Smith St Ste 1950 | Houston | TX | 77002-4322 | Your item was delivered to an individual at the address at 12:19 pm on January 29, 2024 in HOUSTON, TX 77002. |
| 9414811898765405251723 | Ridgeback Energy, Inc. | 8409 Pickwick Ln Unit 120 | Dallas | TX | 75225-5323 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251709 | Sharktooth Resources, Ltd | 505 N Big Spring St Ste 303 | Midland | TX | 79701-4346 | Your item was delivered to an individual at the address at 9:50 am on January 23, 2024 in MIDLAND, TX 79701. |
| 9414811898765405251747 | Slash Exploration Limited Partnership | PO Box 1973 | Roswell | NM | 88202-1973 | Your item was picked up at the post office at 10:15 am on January 24, 2024 in ROSWELL, NM 88201. |
| 9414811898765405251730 | SMAA Family, LP | 3801 Saint Andrews Ct | Midland | TX | 79707-4417 | Your item was delivered to an individual at the address at 2:44 pm on January 23, 2024 in MIDLAND, TX 79707. |
| 9414811898765405251778 | Stillwater Investments | 6403 Sequoia Dr | Midland | TX | 79707-1547 | Your item was delivered to an individual at the address at 10:26 am on January 23, 2024 in MIDLAND, TX 79707. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|-------------------------------|----------------------------------|-----------|----|------------|---|
| 9414811898765405251914 | T.H. McElvain Oil & Gas, LLP | 1819 Denver West Dr Ste 260 | Lakewood | CO | 80401-3118 | Your item was delivered to an individual at the address at 12:34 pm on January 23, 2024 in GOLDEN, CO 80401. |
| 9414811898765405251952 | Tarpon Industries Corporation | PO Box 52002 | Midland | TX | 79710-2002 | Your item has been delivered and is available at a PO Box at 12:30 pm on January 26, 2024 in MIDLAND, TX 79705. |
| 9414811898765405251969 | Williamson Enterprises | 1402 St Tropez Ln | Arlington | TX | 76013-8344 | Your item was delivered to an individual at the address at 3:07 pm on January 24, 2024 in ARLINGTON, TX 76013. |
| 9414811898765405251921 | Williamson Oil and Gas, LLC | 303 Veterans Airpark Ln Ste 1100 | Midland | TX | 79705-4551 | Your item was delivered to the front desk, reception area, or mail room at 10:00 am on January 23, 2024 in MIDLAND, TX 79705. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|---|------------------------|---------|----|------------|---|
| 9414811898765405251167 | Crown Oil Partners, LP | PO Box 50820 | Midland | TX | 79710-0820 | Your item arrived at the MIDLAND, TX 79705 post office at 10:17 am on January 23, 2024 and is ready for pickup. |
| 9414811898765405251129 | Charles D. Ray and wife, Lynne Ray CD Ray, LLC | PO Box 51608 | Midland | TX | 79710-1608 | Your item was picked up at a postal facility at 8:47 am on January 30, 2024 in MIDLAND, TX 79705. |
| 9414811898765405251105 | COG Operating, LLC Attention Joint Ventures | 600 W Illinois Ave | Midland | TX | 79701-4882 | Your item was picked up at a postal facility at 7:44 am on January 24, 2024 in MIDLAND, TX 79701. |
| 9414811898765405251143 | Collin and Jones Investments, LLC | 508 W Wall St Ste 1200 | Midland | TX | 79701-5076 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251181 | Crump Energy Partners, II, LLC | PO Box 50820 | Midland | TX | 79710-0820 | Your item arrived at the MIDLAND, TX 79705 post office at 10:18 am on January 23, 2024 and is ready for pickup. |
| 9414811898765405251136 | David Cromwell | PO Box 50820 | Midland | TX | 79710-0820 | Your item arrived at the MIDLAND, TX 79705 post office at 10:18 am on January 23, 2024 and is ready for pickup. |
| 9414811898765405251174 | Deane Durham | PO Box 50820 | Midland | TX | 79710-0820 | Your item arrived at the MIDLAND, TX 79705 post office at 10:18 am on January 23, 2024 and is ready for pickup. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|------------------------------------|----------------------------------|---------|----|------------|--|
| 9414811898765405251310 | Good News Minerals, LLC | PO Box 50820 | Midland | TX | 79710-0820 | Your item arrived at the MIDLAND, TX 79705 post office at 10:17 am on January 23, 2024 and is ready for pickup. |
| 9414811898765405251358 | H. Jason Wacker | 5601 Hillcrest | Midland | TX | 79707-9113 | Your item was forwarded to a different address at 8:30 am on January 26, 2024 in MIDLAND, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect. |
| 9414811898765405251365 | JA Gill Family Limited Partnership | 303 Veterans Airpark Ln Ste 1100 | Midland | TX | 79705-4551 | Your item was delivered to the front desk, reception area, or mail room at 10:00 am on January 23, 2024 in MIDLAND, TX 79705. |
| 9414811898765405251327 | John D. Savage | 3801 Saint Andrews Ct | Midland | TX | 79707-4417 | Your item was delivered to an individual at the address at 2:44 pm on January 23, 2024 in MIDLAND, TX 79707. |
| 9414811898765405251303 | Jon Brickey | 4821 Rangewood | Midland | TX | 79707-2630 | Your item was delivered to an individual at the address at 3:36 pm on January 23, 2024 in MIDLAND, TX 79707. |
| 9414811898765405251396 | JS&AL Family Limited Partnership | 303 Veterans Airpark Ln Ste 1100 | Midland | TX | 79705-4551 | Your item was delivered to the front desk, reception area, or mail room at 10:00 am on January 23, 2024 in MIDLAND, TX 79705. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|---|-------------------------|---------|----|------------|--|
| 9414811898765405251341 | Kaleb Smith | PO Box 50820 | Midland | TX | 79710-0820 | Your item arrived at the MIDLAND, TX 79705 post office at 10:17 am on January 23, 2024 and is ready for pickup. |
| 9414811898765405251389 | LMC Energy, LLC | 550 W Texas Ave Ste 945 | Midland | TX | 79701-4233 | Your item was returned to the sender at 7:33 am on January 29, 2024 in MIDLAND, TX 79701 because the forwarding order for this address is no longer valid. |
| 9414811898765405251334 | Louellen T. Mays | 3108 Preston Dr | Midland | TX | 79707-5220 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251372 | Mike Moylett | PO Box 50820 | Midland | TX | 79710-0820 | Your item arrived at the MIDLAND, TX 79705 post office at 10:17 am on January 23, 2024 and is ready for pickup. |
| 9414811898765405251013 | Mongoose Minerals, LLC Attention Joint Ventures | 600 W Illinois Ave | Midland | TX | 79701-4882 | Your item was picked up at a postal facility at 7:44 am on January 24, 2024 in MIDLAND, TX 79701. |
| 9414811898765405251051 | Oak Valley Mineral and Land, LP | PO Box 50820 | Midland | TX | 79710-0820 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251068 | Oak Valley Mineral and Land, LP | PO Box 50820 | Midland | TX | 79710-0820 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|-------------------------------|------------------------|---------|----|------------|---|
| 9414811898765405251020 | Post Oak Crown IV, LLC | 5200 San Felipe St | Houston | TX | 77056-3606 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251006 | Post Oak Crown IV-B, LLC | 5200 San Felipe St | Houston | TX | 77056-3606 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251099 | Post Oak Mavros II, LLC | 34 S Wynden Dr Ste 210 | Houston | TX | 77056-2531 | Your item was delivered to an individual at the address at 12:13 pm on January 25, 2024 in HOUSTON, TX 77056. |
| 9414811898765405251044 | Ross Duncan Properties, LLC | PO Box 647 | Artesia | NM | 88211-0647 | Your item was picked up at the post office at 11:09 am on January 23, 2024 in ARTESIA, NM 88210. |
| 9414811898765405251082 | Sortida Resources, LLC | PO Box 50820 | Midland | TX | 79710-0820 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |
| 9414811898765405251037 | Stillwater Investments | 6403 Sequoia Dr | Midland | TX | 79707-1547 | Your item was delivered to an individual at the address at 10:26 am on January 23, 2024 in MIDLAND, TX 79707. |
| 9414811898765405251075 | Tarpon Industries Corporation | PO Box 52002 | Midland | TX | 79710-2002 | Your item has been delivered and is available at a PO Box at 12:30 pm on January 26, 2024 in MIDLAND, TX 79705. |

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964
Postal Delivery Report

| | | | | | | |
|------------------------|-----------------------------|----------------------------------|---------|----|------------|---|
| 9414811898765405251419 | Thomaston, LLC | 1600 Stout St Ste 500 | Denver | CO | 80202-3137 | Your item has been delivered to the original sender at 12:59 pm on January 29, 2024 in GOLDEN, CO 80401. |
| 9414811898765405251457 | Williamson Oil and Gas, LLC | 303 Veterans Airpark Ln Ste 1100 | Midland | TX | 79705-4551 | Your item was delivered to the front desk, reception area, or mail room at 10:00 am on January 23, 2024 in MIDLAND, TX 79705. |

MRC - Mongoose 122H-124H - Case nos.23962- 23964
Postal Delivery Report

| | | | | | | |
|------------------------|--|-----------------------------|------------|----|------------|--|
| 9414811898765405251938 | The Taurus Corporation c/o Robert Benson Payne, Jr. | PO Box 1477 | Little Elm | TX | 75068-1477 | Your item was picked up at the post office at 9:56 am on January 23, 2024 in LITTLE ELM, TX 75068. |
| 9414811898765405251976 | Armstrong Energy Corporation | PO Box 1973 | Roswell | NM | 88202-1973 | Your item was picked up at the post office at 10:15 am on January 24, 2024 in ROSWELL, NM 88201. |
| 9414811898765405251655 | Chimney Rock Oil & Gas, LLC | PO Box 1973 | Roswell | NM | 88202-1973 | Your item was picked up at the post office at 10:15 am on January 24, 2024 in ROSWELL, NM 88201. |
| 9414811898765405251662 | Penroc Oil Corporation | 1515 W Calle Sur St Ste 174 | Hobbs | NM | 88240-0998 | Your item was delivered to the front desk, reception area, or mail room at 5:24 pm on January 23, 2024 in HOBBS, NM 88240. |
| 9414811898765405251624 | Blue Ridge Royalties, LLC | PO Box 1973 | Roswell | NM | 88202-1973 | Your item was picked up at the post office at 10:15 am on January 24, 2024 in ROSWELL, NM 88201. |
| 9414811898765405251600 | JKV Corporation | 8601 W Cross Dr Ste F5-208 | Littleton | CO | 80123-0702 | Your item has been delivered to an agent for final delivery in LITTLETON, CO 80123 on January 22, 2024 at 11:14 am. |
| 9414811898765405251693 | Ridgeback Energy, Inc. | 8409 Pickwick Ln Unit 120 | Dallas | TX | 75225-5323 | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility. |

LEGAL NOTICE
January 25, 2024

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

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
January 25, 2024
and ending with the issue dated
January 25, 2024.



Publisher

Sworn and subscribed to before me this
25th day of January 2024.



Business Manager

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.

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 in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform (sign-in information below) on Thursday, February 8, 2024, 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/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than January 29, 2024.

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: Buckhorn Energy, LLC; Catena Resources Operating, LLC; Charles D. Ray and wife, Lynne Ray, their heirs and devisees; Collins Partners, Ltd; Davis Partners, Ltd.; EOG Resources, Inc.; Franklin Mountain Energy 3, LLC; Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005; John Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Louellen T. Mays, her heirs and devisees; Marathon Oil Company; Marathon Oil Permian LLC; Mid Lavaca Energy Co.; Nuevo Seis Limited Partnership; Otter Creek; Paul Davis, Ltd.; Peregrine Production, LLC; REG XI Assets, LLC; Ridgeback Energy, Inc.; Sharktooth Resources, Ltd; Slash Exploration Limited Partnership; SMAA Family, LP; Stillwater Investments; T.H. McElvain Oil & Gas, LLP; Tarpon Industries Corporation; Williamson Enterprises; Williamson Oil and Gas, LLC; Crown Oil Partners, LP; Charles D. Ray and wife, Lynne Ray CD Ray, LLC; COG Operating, LLC; Collin and Jones Investments, LLC; Crump Energy Partners, II, LLC; David Cromwell, his heirs and devisees; Deane Durham, her heirs and devisees; Good News Minerals, LLC; H. Jason Wacker, his heirs and devisees; JA Gill Family Limited Partnership; John D. Savage, his heirs and devisees; Jon Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Kaleb Smith, his heirs and devisees; LMC Energy, LLC; Louellen T. Mays, his or her heirs and devisees; Mike Moylett, his heirs and devisees; Mongoose Minerals, LLC; Oak Valley Mineral and Land, LP; Oak Valley Mineral and Land, LP; Post Oak Crown IV, LLC; Post Oak Crown IV-B, LLC; Post Oak Mavros II, LLC; Ross Duncan Properties, LLC; Sortida Resources, LLC; Tarpon Industries Corporation; Thomaston, LLC, and Williamson Oil and Gas, LLC.

Case No. 23961: 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 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W2W2 of Section 1, Township 19 South, Range 34 East, and the W2W2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed Mongoose State 121H well to be horizontally drilled from a surface hole location in the SW4 of Section 1, with a first take point in the SW4SW4 (Unit M) of section 1 and a last take point in the NW4NW4 (Unit D) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)
- A 200-acre horizontal well spacing unit comprised of the S2N2 of Section 35 and the SW4NW4 (Unit E) of Section 36 dedicated to Franklin Mountain's Tin Cup 36 State Com 1H (API 30-025-40422)

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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.

#00286744

PO BOX 2208
SANTA FE, NM 87504-2208

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

Submitted by: Matador Production Company
Hearing Date: February 8, 2024
Case No. 23961 - 23964

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
January 25, 2024
and ending with the issue dated
January 25, 2024.



Publisher

Sworn and subscribed to before me this
25th day of January 2024.



Business Manager

My commission expires

January 29, 2027
STATE OF NEW MEXICO
(Seal) 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 January 25, 2024

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 in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform (sign-in information below) on Thursday, February 8, 2024, 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/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than January 29, 2024.

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: Buckhorn Energy, LLC; Catena Resources Operating, LLC; Charles D. Ray and wife, Lynne Ray, their heirs and devisees; COG Operating, LLC; Collins Partners, Ltd; Davis Partners, Ltd.; EOG Resources, Inc.; Franklin Mountain Energy 3, LLC; Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005; John Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Louellen T. Mays, his or her heirs and devisees; Marathon Oil Company; Marathon Oil Permian LLC; Mid Lavaca Energy Co.; Nuevo Seis Limited Partnership; Otter Creek; Paul Davis, Ltd.; Peregrine Production, LLC; REG XI Assets, LLC; Ridgeback Energy, Inc.; Sharktooth Resources, Ltd; Slash Exploration Limited Partnership; SMAA Family, LP; T.H. McElvain Oil & Gas, LLP; Tarpon Industries Corporation; Williamson Enterprises; Williamson Oil and Gas, LLC; Crown Oil Partners, LP; Charles D. Ray and wife, Lynne Ray, CD Ray, LLC; Collin and Jones Investments, LLC; Crump Energy Partners, II, LLC; David Cromwell, his heirs and devisees; Deane Durham, her heirs and devisees; Good News Minerals, LLC; H. Jason Wacker, his heirs and devisees; JA Gill Family Limited Partnership; John D. Savage, his heirs and devisees; Jon Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Kaleb Smith, his heirs and devisees; LMC Energy, LLC; Louellen T. Mays, his or her heirs and devisees; Mike Moylett, his heirs and devisees; Oak Valley Mineral and Land, LP; Post Oak Crown IV, LLC; Post Oak Crown IV-B, LLC; Post Oak Mavros II, LLC; Ross Duncan Properties, LLC; Sortida Resources, LLC; Stillwater Investments; Thomaston, LLC; The Taurus Corporation; Armstrong Energy Corporation; Chimney Rock Oil & Gas, LLC; Penroc Oil Corporation; Blue Ridge Royalties, LLC; JKV Corporation; Ridgeback Energy, Inc.; Mike Moylett, his heirs and devisees; Mongoose Minerals, LLC; Oak Valley Mineral and Land, LP; and Oak Valley Mineral and Land, LP.

Case No. 23962: 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 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the E2W2 of Section 1, Township 19 South, Range 34 East, and the E2W2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed Mongoose State 122H well to be horizontally drilled from a surface hole location in the SW4 of Section 1, with a first take point in the SE4SW4 (Unit N) of section 1 and a last take point in the NE4NW4 (Unit C) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)

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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.
#00286745

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
January 25, 2024
and ending with the issue dated
January 25, 2024.



Publisher

Sworn and subscribed to before me this
25th day of January 2024.



Business Manager

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 January 25, 2024

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

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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: Buckhorn Energy, LLC; Catena Resources Operating, LLC; Charles D. Ray and wife, Lynne Ray, their heirs and devisees; COG Operating, LLC; Collins Partners, Ltd; Davis Partners, Ltd.; EOG Resources, Inc.; Franklin Mountain Energy 3, LLC; Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005; John Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Louellen T. Mays, his or her heirs and devisees; Marathon Oil Company; Marathon Oil Permian LLC; Mid Lavaca Energy Co.; Nuevo Seis Limited Partnership; Otter Creek; Paul Davis, Ltd.; Peregrine Production, LLC; REG XI Assets, LLC; Ridgeback Energy, Inc.; Sharktooth Resources, Ltd; Slash Exploration Limited Partnership; SMAA Family, LP; T.H. McElvain Oil & Gas, LLP; Tarpon Industries Corporation; Williamson Enterprises; Williamson Oil and Gas, LLC; Crown Oil Partners, LP; Charles D. Ray and wife, Lynne Ray, CD Ray, LLC; Collin and Jones Investments, LLC; Crump Energy Partners, II, LLC; David Cromwell, his heirs and devisees; Deane Durham, her heirs and devisees; Good News Minerals, LLC; H. Jason Wacker, his heirs and devisees; JA Gill Family Limited Partnership; John D. Savage, his heirs and devisees; Jon Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Kaleb Smith, his heirs and devisees; LMC Energy, LLC; Louellen T. Mays, his or her heirs and devisees; Mike Moylett, his heirs and devisees; Oak Valley Mineral and Land, LP; Post Oak Crown IV, LLC; Post Oak Crown IV-B, LLC; Post Oak Mavros II, LLC; Ross Duncan Properties, LLC; Sortida Resources, LLC; Stillwater Investments; Thomaston, LLC; The Taurus Corporation; Armstrong Energy Corporation; Chimney Rock Oil & Gas, LLC; Penroc Oil Corporation; Blue Ridge Royalties, LLC; JKV Corporation; Ridgeback Energy, Inc.; Mike Moylett, his heirs and devisees; Mongoose Minerals, LLC; Oak Valley Mineral and Land, LP; and Oak Valley Mineral and Land, LP.

Case No. 23963: 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 320-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the W2E2 of Section 1, Township 19 South, Range 34 East, and the W2E2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed Mongoose State 123H well to be horizontally drilled from a surface hole location in the SE4 of Section 1, with a first take point in the SW4SE4 (Unit O) of section 1 and a last take point in the NW4NE4 (Unit B) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)

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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.
#00286746

LEGAL NOTICE
January 24, 2024

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

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

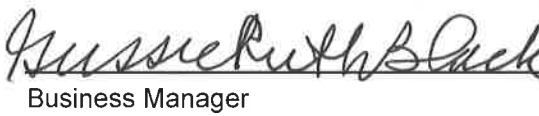
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
January 24, 2024
and ending with the issue dated
January 24, 2024.



Publisher

Sworn and subscribed to before me this
24th day of January 2024.



Business Manager

My commission expires

January 29, 2027

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

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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: Buckhorn Energy, LLC; Catena Resources Operating, LLC; Charles D. Ray and wife, Lynne Ray, their heirs and devisees; COG Operating, LLC; Collins Partners, Ltd; Davis Partners, Ltd.; EOG Resources, Inc.; Franklin Mountain Energy 3, LLC; Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005; John Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Louellen T. Mays, his or her heirs and devisees; Marathon Oil Company; Marathon Oil Permian LLC; Mid Lavaca Energy Co.; Nuevo Seis Limited Partnership; Otter Creek; Paul Davis, Ltd.; Peregrine Production, LLC; REG XI Assets, LLC; Ridgeback Energy, Inc.; Sharktooth Resources, Ltd; Slash Exploration Limited Partnership; SMAA Family, LP; T.H. McElvain Oil & Gas, LLP; Tarpon Industries Corporation; Williamson Enterprises; Williamson Oil and Gas, LLC; Crown Oil Partners, LP; Charles D. Ray and wife, Lynne Ray, CD Ray, LLC; Collin and Jones Investments, LLC; Crump Energy Partners, II, LLC; David Cromwell, his heirs and devisees; Deane Durham, her heirs and devisees; Good News Minerals, LLC; H. Jason Wacker, his heirs and devisees; JA Gill Family Limited Partnership; John D. Savage, his heirs and devisees; Jon Brickey, his heirs and devisees; JS&AL Family Limited Partnership; Kaleb Smith, his heirs and devisees; LMC Energy, LLC; Louellen T. Mays, his or her heirs and devisees; Mike Moylett, his heirs and devisees; Oak Valley Mineral and Land, LP; Post Oak Crown IV, LLC; Post Oak Crown IV-B, LLC; Post Oak Mavros II, LLC; Ross Duncan Properties, LLC; Sortida Resources, LLC; Stillwater Investments; Thomaston, LLC; The Taurus Corporation; Armstrong Energy Corporation; Chimney Rock Oil & Gas, LLC; Penroc Oil Corporation; Blue Ridge Royalties, LLC; JKV Corporation; Ridgeback Energy, Inc.; Mike Moylett, his heirs and devisees; Mongoose Minerals, LLC; Oak Valley Mineral and Land, LP; and Oak Valley Mineral and Land, LP.

Case No. 23964: 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 320-acre overlapping horizontal well spacing unit in the Bone Spring formation underlying the E2E2 of Section 1, Township 19 South, Range 34 East, and the E2E2 of Section 36, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico, and (b) pooling this proposed horizontal well spacing unit. Said unit will be initially dedicated to the proposed Mongoose State 124H well to be horizontally drilled from a surface hole location in the SE4 of Section 1, with a first take point in the SE4SE4 (Unit P) of section 1 and a last take point in the NE4NE4 (Unit A) of Section 36. This proposed horizontal well spacing unit will overlap the following existing Bone Spring spacing units:

- A 174-acre horizontal well spacing unit comprised of the N2N2 of Section 1 dedicated to COG's Wild Cobra, 1 State 1H (API 30-025-41110)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 1 COG's Wild Cobra 1 State 2H (API 30-025-40404)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 1 dedicated to Matador's Mongoose Fee 1H (API 30-025-40727)
- A 160-acre horizontal well spacing unit comprised of the S2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 1H (API 30-025-40640)
- A 160-acre horizontal well spacing unit comprised of the N2S2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 2H (API 30-025-40641)
- A 160-acre horizontal well spacing unit comprised of the S2N2 of Section 36 dedicated to Franklin Mountain's Butter Cup 36 State Com 3H (API 30-025-42367)

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 proposed spacing unit, and a 200% charge for risk involved in drilling the well. The subject area is located approximately 24 miles west of Hobbs, New Mexico.
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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.

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