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.

APPEARANCES

APPLICANTS

ATTORNEY

MRC Permian Company

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Released to Imaging: 2/2/2024 2:33:51 PM

Franklin Mountain Energy 3, LLC

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OTHER PARTIES

Armstrong Energy Corporation and Slash Exploration LP

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STATEMENT OF THE CASE

MRC and Franklin Mountain have filed competing applications to pool four standup 320acre, 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.

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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.

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Respectfully submitted,

HOLLAND & HART LLP

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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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Michael H. Feldewert

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

Bv:

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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.

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. 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)
- 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, 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.

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. 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:

- 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, 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)
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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)
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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)

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:

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

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) Released to Imaging: 2/2/2024 2:33:51 PM	

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Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	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
the sine sets I M all Flore and the set Table Definite	Completion: Standard Location
Horizontal Well First and Last Take Points Completion Target (Formation, TVD and MD)	Exhibit A-2 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 Released to Imaging: 2/2/2024 2:32:51 PM	Exhibit B-1
Released to Imaging: 2/2/2024 2:33:51 PM 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 pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	Mahal & Fellewors
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) Released to Imaging: 2/2/2024 2:33:51 PM	

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Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	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 Released to Imaging: 2/2/2024 2:33:51 PM	Exhibit B-1
Released to Imaging: 2/2/2024 2:33:51 PM 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 pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	Fichal + Felleyers
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	Νο
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) Released to Imaging: 2/2/2024 2:33:51 PM	

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Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	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
Released to Imaging: 2/2/2024 2:33:51 PM 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 pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	prichal + + Mayors
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) Released to Imaging: 2/2/2024 2:33:51 PM	

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Name & API (if assigned), surface and bottom hole location,	Add wells as needed
footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	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
Horizontal Well First and Last Take Points	Completion: Standard Location 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 Exhibit A-7
Chronology of Contact with Non-Joined Working Interests Overhead Rates In Proposal Letter	Exhibit A-7
	Exhibit A-6
Cost Estimate to Drill and Complete Cost Estimate to Equip Well	Exhibit A-6
Cost Estimate to Equip weil Cost Estimate for Production Facilities	Exhibit A-6
Geology	
	Exhibit B
Summary (including special considerations) Spacing Unit Schematic	Exhibit B-1
Released to Imaging: 2/2/2024 2:33:51 PM Gunbarrel/Lateral Trajectory Schematic	
Gundarrei/Laterai 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 p	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	prechal & Fellement
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

 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 <u>Bone Spring</u> 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 <u>Bone Spring</u> 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 <u>Bone Spring</u> 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 <u>Bone Spring</u> 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

3

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 <u>are lower than</u> 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

4

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.

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

I affirm under penalty of perjury under the laws of the State of New Mexico that 18. 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.

Un Cult

2/1/2024 Date

EXHIBIT A-1

s: X

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

Received by OCD: 2/1/2024 6:10:03 PM

Page 43 of 119

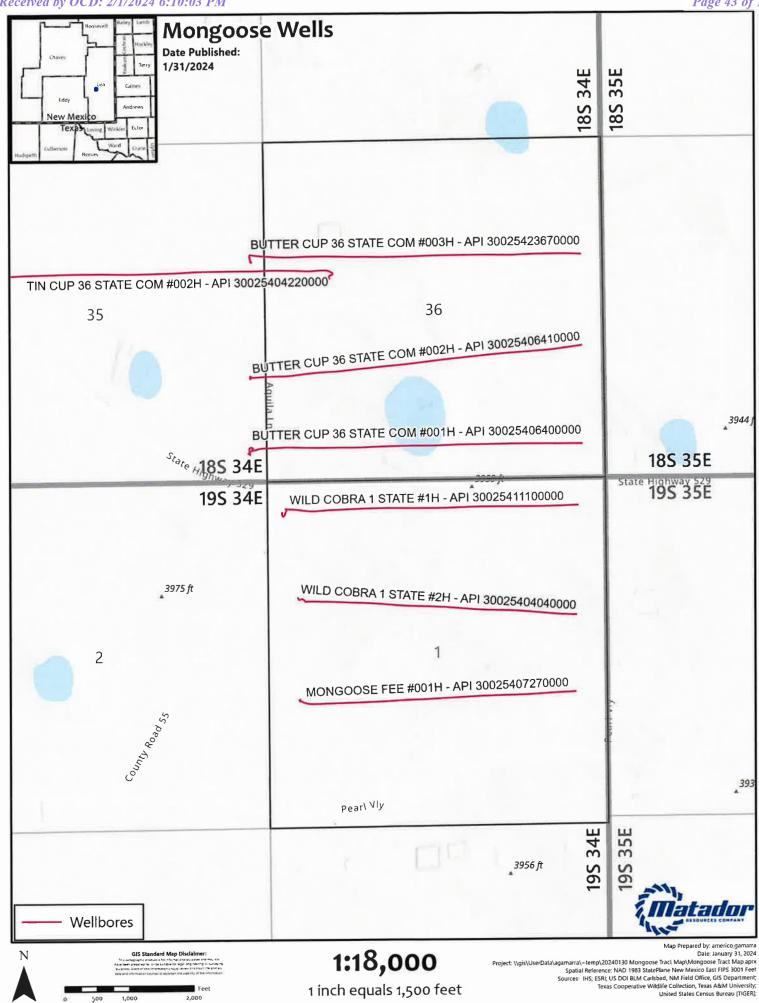


EXHIBIT A-2

81.°

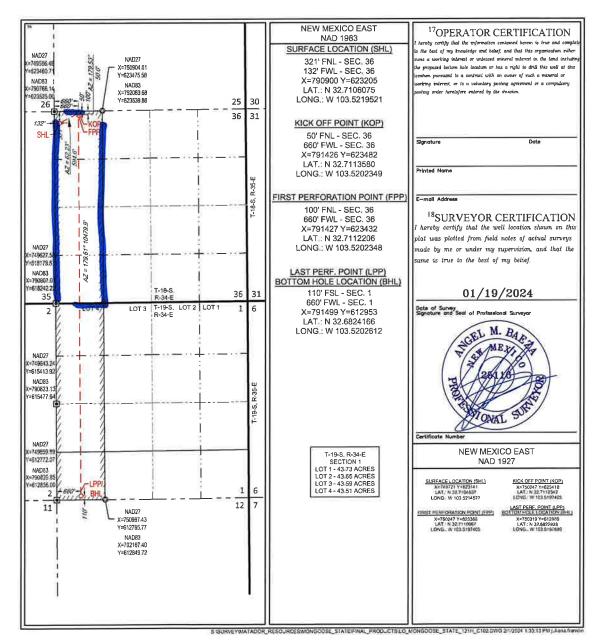
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-2 Submitted by: Matador Production Company Hearing Date: February 8, 2024 Case Nos. 23961 - 23964 District 1 (625 N. French Dr., 1lobbs. NM 88240 Phone: (573) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (573) 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., Prancis 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

	API Number	r		² Pool Code			³ Pool Name			
				960		Austrip	: Bone	Spring		
⁴ Property C	⁴ Property Code ³ Property Name MONGOOSE STATE							Well Number 121H		
70GRID 1			M	IATADOR	[®] Operator Na PRODUCT	ION COMPAN	Y		levation 974'	
					¹⁰ Surface Lo	cation				
IL 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 132'	East/West line WEST	County LEA	
		<u> </u>	11B	ottom Hole	Location If Di	fferent From Surfa	ace			
JL or lot no. M	Section 1	Township 19-S	Range 34-E	Lot Ida —	Feet from the 110'	North/South line SOUTH	Feet from the 660'	East/West line WEST	County	
Dedicated Acres	¹³ Joint or 1	Infili ¹⁴ Cor	solidation Code	e ¹⁵ Order '	ND.					

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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.

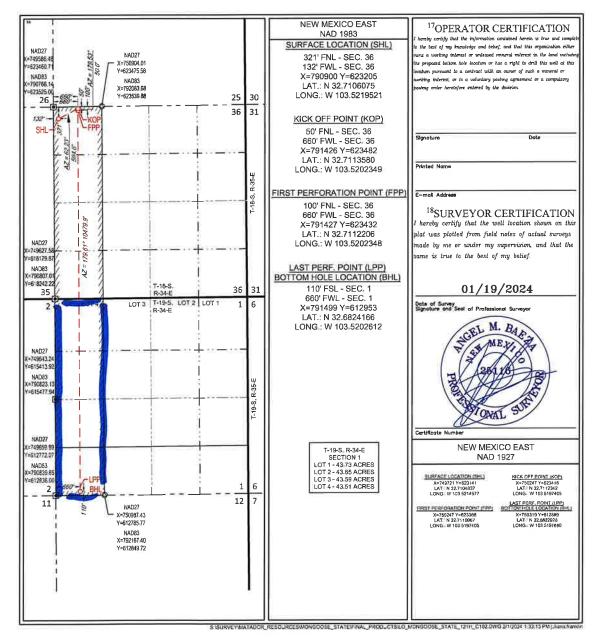


District 1 (E32 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 B1 S. First St., Artesia, NM 88210 Phone: (573) 748-1283 Fax: (573) 748-9720 District 111 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S, St. Francis 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

	API Number		-	² Pool Code			ATION PLA' Pool Nat	ne		
	ALL I HEIBOLI			5561		Scharb;	Bone	Source		
⁴ Property (ode				³ Property MONGOOSE	iame /		1) *1	/ell Number 121H	
	⁷ OGRID No. 228937				³ Operator I OR PRODUC	Name TION COMPAN	١Y		Elevation 3974	
			¹⁰ Surface Location							
UL or lot no. D	Section 36	Township 18–S	Range 34–E	Lat Idn —	Feet from the	North/South line NORTH	Feet from the 132'	East/West line	LEA	
			- 11	Bottom Ho	le Location If I	Different From Sur	face			
UL or lot no. M	Section 1	Township 19–S	Range 34-E	Lot Idn —	Feet from the 110'	North/South line SOUTH	Fect from the	East/West line WEST	Coun LEA	
¹² Dedicated Acres	¹³ Joint or 1	infill ¹⁴ Co	nsolidation Co	de ¹⁵ Ord	ler 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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 District 1

 1625 N. French Dr., Hobbs, NM 88240

 Phone: (575) 393-6161

 Fast, (575) 393-6161

 Bill S., First St., Artesia, NM 88210

 Phone: (575) 748-1283

 Phone: (575) 748-1283

 District III

 1000 Rio Brazos Road, Aztec, NM 87410

 Phone: (505) 346-6178

 District IV

 1205 S. St. Francis Dr., Santa Fe, NM 87505

 Phone: (505) 476-3460

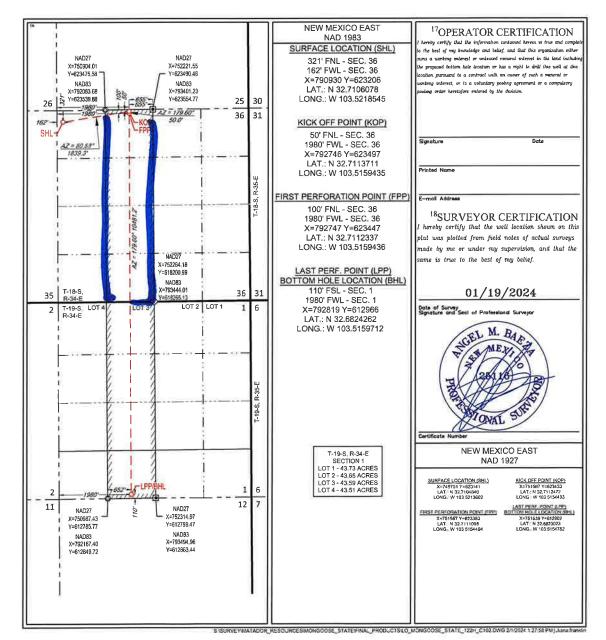
State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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

AMENDED REPORT

	API Number			² Pool Code			³ Pool Nan		
				760		Airstrip	Bone	Spring	
*Property (Code				⁹ Property Na MONGOOSE	'ell Number 122H			
⁷ 0GRID ! Z Z 8 9			М	ATADO	⁸ Operator N R PRODUCI	ame ION COMPAN	Y		Elevation 3974'
					¹⁰ Surface Lo	cation			
UL or lot no. D	Section 36	Tawnship 18–S	Range 34–E	Lot Idn	Feet from the 321'	North/South line	Feet from the 162'	East/West line WEST	County
			¹¹ B	ottom Hol	le Location If Di	ifferent From Surf	face		
UL or lot no. N	Section 1	Township 19–S	Range 34–E	Lot Ida —	Feet from the 110'	North/South line SOUTH	Feet from the 1980'	East/West line WEST	County LEA
Dedicated Acres	¹³ Joint or 1	nfill ¹⁴ Co	nsolidation Code	15Orde	er No.				

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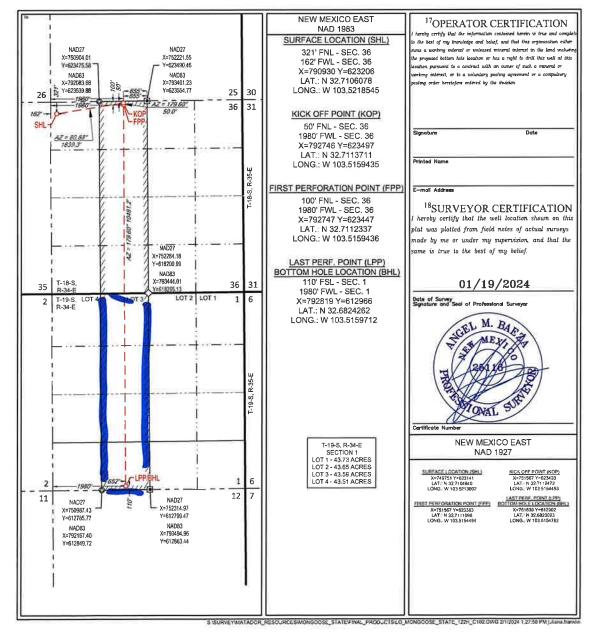


District I 1625 N. French Dr., Hobbs. NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District III 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1285 Fax: (575) 748-7200 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 314-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis 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

	API Numbe	r	5	² Pool Code		Scherb		e Sprins			
*Property (Code				³ Property Na MONGOOSE	ime	, , , , , , , , , , , , , , , , , , , ,	°We	Well Number 122H		
	⁷ OGRID No. 228937			IATADOR	[®] Operator N PRODUCT	ine ION COMPAN	ſΥ		Slevation 1974		
					¹⁰ Surface Lo	cation					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Count		
D	36	18-S	34-E	-	321'	NORTH	162'	WEST	LEA		
		•	¹¹ B	ottom Hole	Location If Di	ifferent From Surf	face				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Coupi		
N	1	19-S	34-E	2 1 1	110'	SOUTH	1980'	WEST	LEA		
¹² Dedicated Acres	¹³ Joint or	Infill ^{1*} Co	nsolidation Cod	e 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.



District 1 (625 N. French Dr., Hobbs. NM 8K240 Phome: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S. First St., Artesia, NM 8K210 Phome: (573) 748-1283 Fax: (573) 748-9720 District 11 1000 Rio Brazzas Road, Artec, NM 87410 Phome: (505) 334-6176 Fax: (505) 334-6170 District IV 1220 S. Si. Francis Dr., Santa Fe, NM 87505 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND A ODEACE DEDICATION DI AT

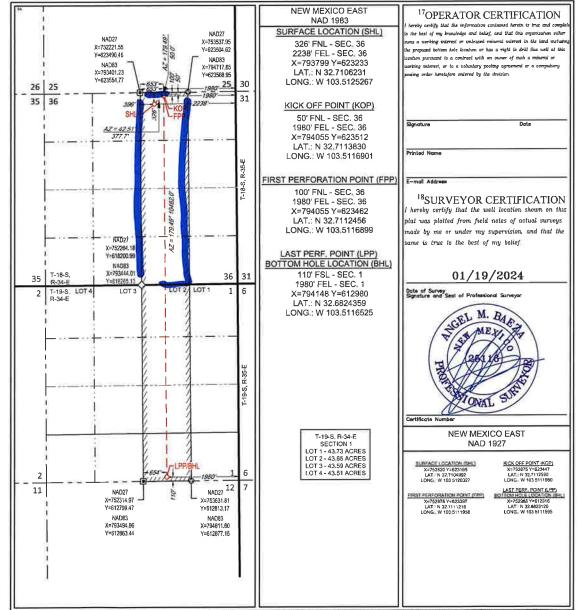
FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

	API Number			² Pool Code			⁵ Poel Nam	e		
				960		Airstin	: Bone	Spring		
Property (Code				³ Property Na IONGOOSE	amé 🕴		Well Number 123H		
'OGRID			М	ATADOR	[®] Operator Na PRODUCT	ION COMPAN	IY		levation 964	
					¹⁰ Surface Lo	cation				
UL or lot no. D	Section 36	Township 18–S	Range 34-E	Lot Idn	Feet from the 326	North/South line	Feet from the 2238'	East/West line EAST	County LEA	
В	30	10-5	10 IV	8 7 8				EAST	LIGA	
			¹¹ B	ottom Hole	Location If Di	ifferent From Sur	face			
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	2 — 2	110'	SOUTH	1980'	EAST	LEA	
¹² Dedicated Acres 323.65	¹³ Joint or 1	плш ^м Со	nsolidation Code	¹⁵ Order 1	No.					

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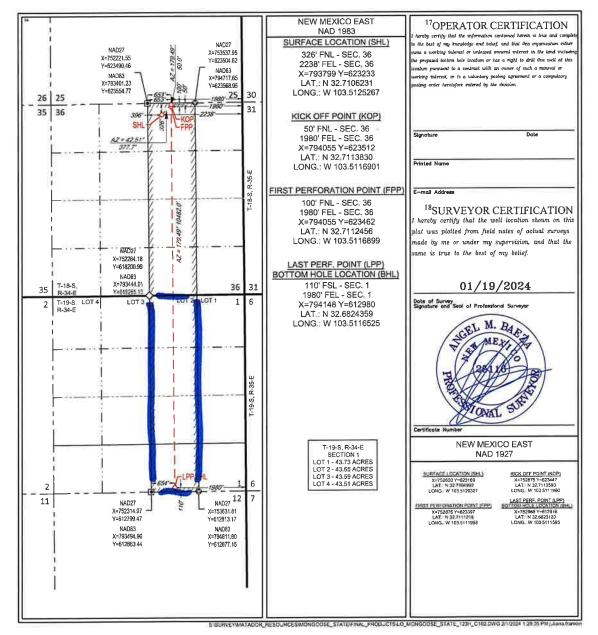
8.SURVEYWATAOOR_RESOURCESMONGCOSE_STATE/FINAL_PRODUCTSLO_MONGCOSE_STATE_122H_C102.DWO 2/1/2024 1 28:35 PM J. Jana Arawin

District I 1625 N French Dr., Hobbs., NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District III 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rito Brazos Road, Aztec, NM 87410 Phone: (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

	API Number	r		² Pool Code		³ Pool Name				
			5	55610 Scherb', Bon			Bone	Sorins		
*Property (Code				³ Property Na MONGOOSE				*Well Number 123H	
OGRID.	No.					Elevation				
2289	37		N	IATADOI	R PRODUCT	ION COMPAN	Y		3964'	
					¹⁰ Surface Lo	ation				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Соли	
B	36	18-S	34-E	-	326'	NORTH	2238'	EAST	LEA	
			¹¹ B	ottom Hol	e Location If Di	fferent From Surf	ace			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Fect from the	East/West line	Cour	
0	1	19-S	34-E	-	110'	SOUTH	1980'	EAST	LEA	
¹² Dedicated Acres	¹³ Joint or	nfill ¹⁴ Co	nsolidation Cod	e ¹⁵ Orde	r 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.



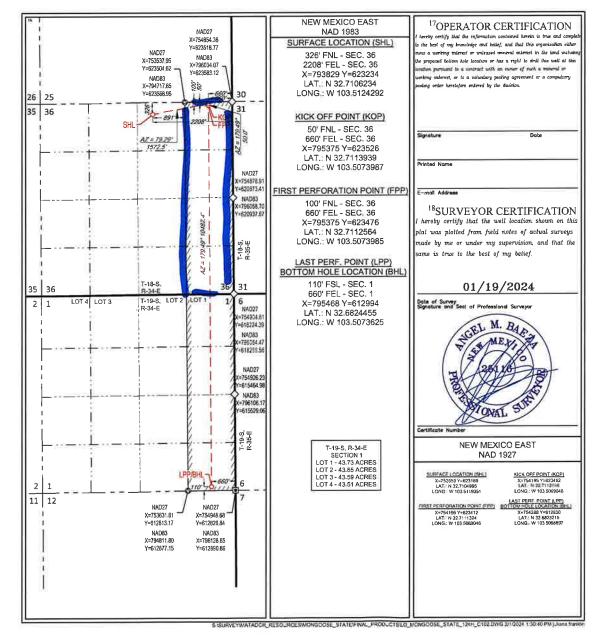
District 1 1625 N. French Dr., Hobbs, NM 48240 Phone; (575) 393-0161 Fax: (575) 393-0720 District 11 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District 111 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 34-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Sania Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

	API Number	r		² Pool Code			³ Pool Nam		
			9	60		Airstrip	Bone S	Drine	
*Property C	ode				³ Property Na	Wel	l Number		
				1	IONGOOSE	STATE		1	24H
OGRID	No.				⁸ Operator N	ame			levation
2289	37		M	IATADOF	PRODUCT	TION COMPAN	Y	3	963'
					¹⁰ Surface Lo	cation			
JL or lot no.	Section	Township	Range	Let Idn	Feet from the	North/South line	Feet from the	East/West line	Count
В	36	18-S	34-E	-	326'	NORTH	2208'	EAST	LEA
			¹¹ B	ottom Hole	Location If Di	ifferent From Surf	ace		
JI, or let no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	Coug
Р	1	19-S	34-E	2 — 2	110'	SOUTH	660'	EAST	LEA
Dedicated Acres	¹³ Joint or 1	Infill ^{Is} Co	nsolidation Code	e ¹⁵ Order	No.				

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

	^I API Number	r		² Pool Code		C 1 1.	³ Pool N				
				55610		Scharb	pone >	pline			
Property	Code		³ Property Name MONGOOSE STATE						*Well Num		
					MONGOOSE	STATE			124H	1	
70GRID	No.		⁸ Operator Name							Elevation	
2289	137]	MATADO	R PRODUC	TION COMPAN	YY		3963		
					¹⁰ Surface L	ocation					
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	Vest line	Cou	
В	36	18-S	34-E	-	326'	NORTH	2208'	EAST	' I	EA	
			11	Bottom Ho	le Location If I	oifferent From Sur	face				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/\	Vest line	Cou	
Р	1	19-S	34-E	· · · · ·	110'	SOUTH	660'	EAST	' I	EA	
¹² Dedicated Acres	¹³ Joint or 1	Infill ¹⁴ Co	nsolidation Co	de ¹⁵ Ord	er No.	L					

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.

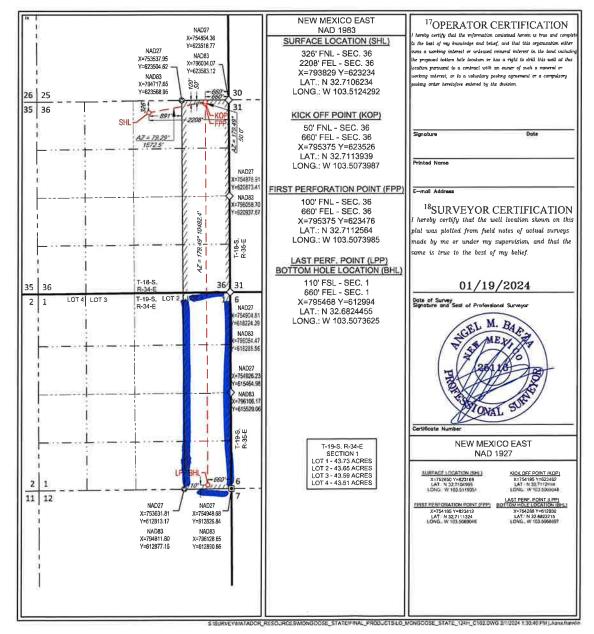


EXHIBIT A-3

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

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Received by OCD: 2/1/2024 6:10:03 PM

Page 54 of 119

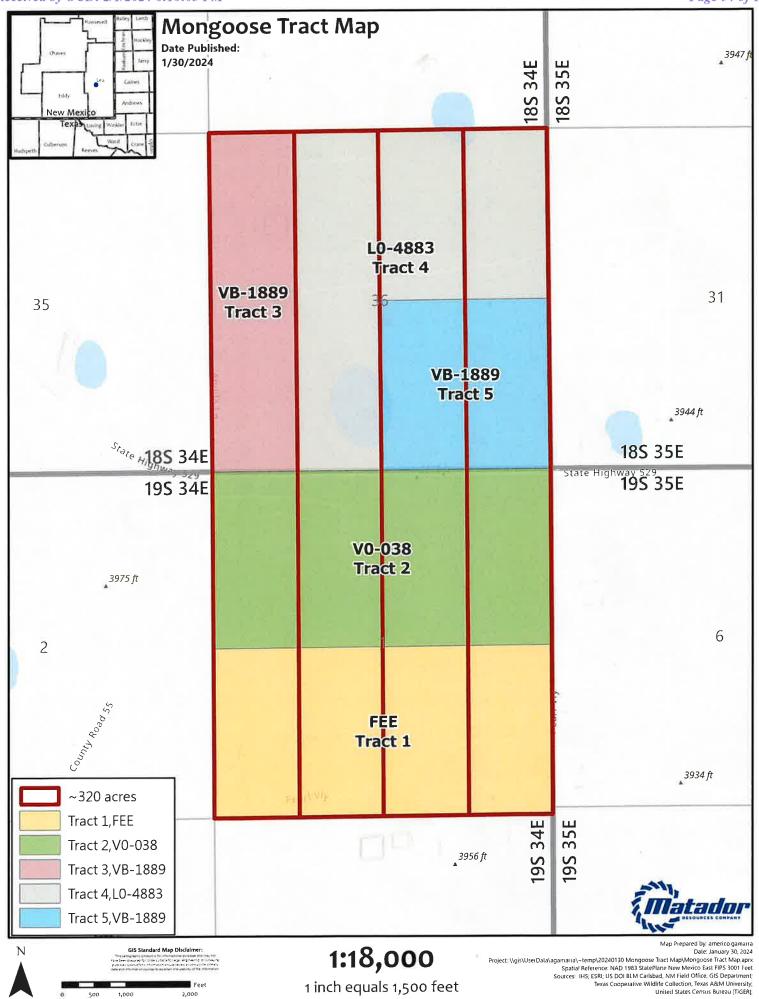


EXHIBIT A-4

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-4 Submitted by: Matador Production Company Hearing Date: February 8, 2024 Case Nos. 23961 - 23964

	W/2W/2 Bone Spring (Case 239 nmary of Interests	61)	
Matador Working Interest		Tract 1	
Voluntary Joinder		Tract 2	
PARTIES TO BE FORCE POOLED	0.1110/0	TACTA	
Interest Owner	Description	Tract #	Interest
Milestone Oil, LLC	Uncommitted Working Interest	1	
Peregrine Production, LLC	Uncommitted Working Interest	1	
DAVIS PARTNERS LTD	Uncommitted Working Interest	1	
Cavalry Energy Partners	Uncommitted Working Interest	1	
DSD Energy Resources LLC	Uncommitted Working Interest	1 1	
Milestone Resources, LLC	Uncommitted Working Interest	1	
REG XI Assets LLC	Uncommitted Working Interest	1	
Tarpon Industries Corporation	Uncommitted Working Interest	2	
SMAA Family, LP	Uncommitted Working Interest	2	
Stillwater Investments	Uncommitted Working Interest	2	
Heirs of Mary Hampton Elliot	Uncommitted Working Interest	2	
Charles D. Ray and wife, Lynne Ray	Uncommitted Working Interest	2	
Sharktooth Resources, Ltd	Uncommitted Working Interest	2	
Marathon Oil Permian LLC	Uncommitted Working Interest	2	
T.H. McElvain Oil & Gas, LLP	Uncommitted Working Interest	3	
	Uncommitted Working Interest	1,2&3	0.37937946428571
Franklin Mountain Energy 3, LLC	Unleased Mineral Owner		
SDH 2009 Investments, Ltd.		1	0.0000781250000
The Allar Company	Unleased Mineral Owner	1	
Hair Royalty Group, LLC	Unleased Mineral Owner		0.00008680555556
Pecos Bend Royalties, LLLP	Unleased Mineral Owner	1	0.00008680555556
White Star Royalty Company	Unleased Mineral Owner	1	
John Brickey	Unleased Mineral Owner	1	
Randolph D. McCall	Unleased Mineral Owner	1	
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	
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	0.00102538888888
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	0.0017361111111
OGX Royalty Fund IV LP	Unleased Mineral Owner	1	0.0017361111111
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	
AHCFL, LLC	Unleased Mineral Owner	1	
Buckhorn Energy, LLC	Unleased Mineral Owner	1	
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	

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	om E/2W/2 Bone Spring (Case 2 Summary of Interests		
Matador Working Interest		Tract 1	
Voluntary Joinder		Track 2	
Parties to be Force Pool			
Interest Owner	Description	Tract #	Interest
REG XI Assets LLC	Uncommitted Working Interest	1	0.0344238277
Milestone Resources, LLC	Uncommitted Working Interest	1	0.0128906222
Cavalry Energy Partners	Uncommitted Working Interest	1	0.0119140611
DSD Energy Resources LLC	Uncommitted Working Interest	1	0.0119140611
DAVIS PARTNERS LTD	Uncommitted Working Interest	1	0.0104166250
Peregrine Production, LLC	Uncommitted Working Interest	1	0.0048828125
Milestone Oil, LLC	Uncommitted Working Interest	1	
Marathon Oil Permian LLC	Uncommitted Working Interest	2	0.1136250000
Buckhorn Energy, LLC	Uncommitted Working Interest	2	0.0125000000
Sharktooth Resources, Ltd	Uncommitted Working Interest	2	0.0041666675
Charles D. Ray and wife, Lynne Ray	Uncommitted Working Interest	2	0.0037500000
Stillwater Investments	Uncommitted Working Interest	2	0.0005555550
SMAA Family, LP	Uncommitted Working Interest	2	0.0003750000
Tarpon Industries Corporation	Uncommitted Working Interest	2	0.0001851850
John Brickey	Uncommitted Working Interest	2	0.0000925925
EOG Resources, Inc.	Uncommitted Working Interest	4	0.1036585000
T.H. McElvain Oil & Gas, LLP	Uncommitted Working Interest	4	0.0867378750
Slash Exploration Limited Partnership	Uncommitted Working Interest	4	0.025000000
Marathon Oil Company	Uncommitted Working Interest	4	0.0121950000
Otter Creek	Uncommitted Working Interest	4	0.0081300000
Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS			
Trust dated September 23, 2005	Uncommitted Working Interest	4	0.0020325000
Williamson Enterprises	Uncommitted Working Interest	4	0.0020325000
Franklin Mountain Energy 3, LLC	Uncommitted Working Interest	1,24	0.2645930892
AHCFL, LLC	Unleased Mineral Owner	1	. 0.0050292944
AHCCI, LLC	Unleased Mineral Owner	1	0.0042968722
MJP Partners, Ltd.	Unleased Mineral Owner	1	0.0034721875
Heirs of Mary Hampton Elliot	Unleased Mineral Owner	1	0.0026041625
Richard D. Jones Jr.	Unleased Mineral Owner	1	0.0024007175
Jont E. Tyson	Unleased Mineral Owner	1	0.0017361111
OGX Royalty Fund IV LP	Unleased Mineral Owner	1	0.0017361111
Baloney Feathers, Ltd.	Unleased Mineral Owner	1	
Bruner, Estate of Fred, Deceased			
Robert B. Bruner, Ex'r	Unleased Mineral Owner	1	0.0013392857
VPD New Mexico, LLC C/O Titanium Exploration Partners, LLC	Unleased Mineral Owner	1	
AHCJL, LLC	Unleased Mineral Owner	1	0.0010253888
Derrill G. Elmore Trust	Unleased Mineral Owner	1	0.0009375000
Wells Fargo Bank, N.A. Agent of Southard Properties, LTD			
Agency	Unleased Mineral Owner	1	
Mid Lavaca Energy Co	Unleased Mineral Owner	1	0.0003906250
Patricia Wallace	Unleased Mineral Owner	1	0.0003125000
Wadi Petroleum, Inc.	Unleased Mineral Owner	1	0.0001953125
Randolph D. McCall	Unleased Mineral Owner	1	0.0001562500
Rebecca McCall Landis Baird	Unleased Mineral Owner	1	0.0001562500
William S. Deniger, Jr. David B. Deniger, Elizabeth Reymond			
and Fredrick D. Brownell heirs of Mary Helen Brownell	Unleased Mineral Owner	1	
Hair Royalty Group, LLC	Unleased Mineral Owner	1	
Pecos Bend Royalties, LLLP	Unleased Mineral Owner	1	0.0000868055

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	
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	
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	

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Mongoose Sta	te Com W/2E/2 Bone Spring (Ca	ase 23963)	
	Summary of Interests		
Matador Working Interes		Tract 1	
Voluntary Joinde	er: 0.111375	Tract 2	ñ.
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
Cavatry Energy Partners	Uncommitted Working Interest	1	0.0119140611111
DSD Energy Resources LLC	Uncommitted Working Interest	1	0.0119140611111
1ilestone Resources, LLC	Uncommitted Working Interest	1	0.0128906222222
REG XI Assets LLC	Uncommitted Working Interest	1	0.0344238277778
ohn Brickey	Uncommitted Working Interest	2	0.0000925925000
arpon Industries Corporation	Uncommitted Working Interest	2	0.0001851850000
SMAA Family, LP	Uncommitted Working Interest	2	0.000375000000
Stillwater Investments	Uncommitted Working Interest	2	0.0005555550000
Charles D. Ray and wife, Lynne Ray	Uncommitted Working Interest	2	
Sharktooth Resources, Ltd	Uncommitted Working Interest	2	
Buckhorn Energy, LLC	Uncommitted Working Interest	2	0.012500000000
Marathon Oil Permian LLC	Uncommitted Working Interest	2	
Gregory J. Nibert and Carolyn S. Nibert, Co-Trustees of the DJS Trust dated September 23, 2005 Williamson Enterprises	Uncommitted Working Interest Uncommitted Working Interest Uncommitted Working Interest		0.0010162500000
Otter Creek			
Marathon Oil Company	Uncommitted Working Interest		
Slash Exploration Limited Partnership	Uncommitted Working Interest		
EOG Resources, Inc.	Uncommitted Working Interest		0.3219862767857
Franklin Mountain Energy 3, LLC	Uncommitted Working Interest	1, 2, 4 & 5	0.1058689375000
r.H. McElvain Oil & Gas, LLP	Uncommitted Working Interest		
SDH 2009 Investments, Ltd.	Unleased Mineral Owner	1	
The Allar Company	Unleased Mineral Owner	1	
Hair Royalty Group, LLC	Unleased Mineral Owner	1	
Pecos Bend Royalties, LLLP	Unleased Mineral Owner		
White Star Royalty Company	Unleased Mineral Owner	1	
Randolph D. McCall	Unleased Mineral Owner	1	
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			0.0001562500000
Helen Brownell	Unleased Mineral Owner	1	
Nadi Petroleum, Inc.	Unleased Mineral Owner	1	
Patricia Wallace	Unleased Mineral Owner	1	
Mid Lavaca Energy Co	Unleased Mineral Owner	1	0.0003906250000
Vells Fargo Bank, N.A. Agent of Southard Properties .TD Agency	Unleased Mineral Owner	1	
Derrill G. Elmore Trust	Unleased Mineral Owner	1	
AHCJL, LLC	Unleased Mineral Owner	1	0.0010253888888
/PD 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

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Baloney Feathers, Ltd.	Unleased Mineral Owner	1	0.0015869150000
Phenomena and the second se	Unleased Mineral Owner	1	0.001736111111
Jont E. Tyson		1	0.001736111111
OGX Royalty Fund IV LP	Unleased Mineral Owner		0.001/3811111
Richard D. Jones Jr.	Unleased Mineral Owner	1	
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	ORRIOwner	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	ORRIOwner	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.			

Mongoose State Com E/2E/2 Bone Spring (Case 23964)				
	Summary of Interests			
	Matador Working Interest: 0.127957978			
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-Truste		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		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	
			0.0008138025000	
			0.0009375000000	
			0.00102538888889	
			0.0012326500000	
			0.0013392857143	
			0.0015869150000	
Wells Fargo Bank, N.A. Agent of Southard Properti Derrill G. Elmore Trust AHCJL, LLC VPD New Mexico, LLC C/O Titanium Exploration Pa Bruner, Estate of Fred, DeceasedRobert B. Bruner, Baloney Feathers, Ltd. Jont E. Tyson OGX Royalty Fund IV LP Richard D. Jones Jr. Heirs of Mary Hampton Elliot	Unleased Mineral Owner Unleased Mineral Owner Unleased Mineral Owner	1 1 1 1 1 1 1 1 1 1 1 1 1	0.00081380 0.00093750 0.00102538 0.00123265 0.00133928	

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 <u>djohns@matadorresources.com</u>

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 #1111H, #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 #244H, Mongoose State #244H, 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

Ch Calle

Chris Carleton

AHCCl, 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.	r
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Mongoose State #112H wellNot to participate in the Mongoose State #112H.	r
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 .	r
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 .	r
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.	r
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Mongoose State #122H well.	r
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 .	r
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 .	r
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Mongoose State #221H wellNot to participate in the Mongoose State #221H.	r
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.	r

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

Ву:	
Title:	

Date:			
Duto.	 	 	

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

.

DATE:

WELL NAME: LOCATION: COUNTY/STATE: MRC WI:

REMARKS:

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

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

01/25/2024	AFE NO.:	0
Mongoose State #121H	FIELD:	0
Sections 1-19S-34E & 36-18S-34E	MD/TVD:	20314'/10050
Lea	LATERAL LENGTH:	about 10,000

MRC WI: GEOLOGIC TARGET: 2nd Bone Spring

Drill and complete a horizontal 2 mile long Second Bone Spring target with about 45 frac stages.

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
nd / Legal / Regulatory \$	17,500	\$	\$	\$ 10,000	\$ 27,8
ocation, Surveys & Damages	97,000	13,000	15,000	20,000	145,0
rilling	778,400				778,4
ementing & Float Equip	341,000	-			341,0
ogging / Formation Evaluation		3,750			3,7
	04.700	5,100			24,7
ud Logging	24,750				
ud Circulation System	138,420				138,4
ud & Chemicals	336,295	67,100			403,3
ud / Wastewater Disposal	235,000		-	1,000	236.0
reight / Transportation	22,500	41,800			64,3
ig Supervision / Engineering	139,200	80,080	7,500	7,200	233.9
	130,000	00,000			130.0
rill Bits		100.007			607,2
uel & Power	168,000	439,237			
/ater	76,250	563,500		1,000	640,7
rig & Completion Overhead	12,000				12,0
lugging & Abandonment	• • • •		-		
irectional Drilling, Surveys	329,739				329,7
nectorial brinning, ourveys		178,200	25,000		203,2
ompletion Unit, Swab, CTU	· · · · ·				
erforating, Wireline, Slickline		174,645	5,000		179,6
igh Pressure Pump Truck	· · · · · · · · · · · · · · · · · · ·	98,230		×	98,2
timulation	*	2,331,296			2,331,2
timulation Flowback & Disp		17,050	112,500		129,5
Isurance	12,798				12,
		60.075	110,000	5.000	
abor	203,000	62,975			380,5
ental - Surface Equipment	117,059	271,293	70,000	5,000	463,3
ental - Downhole Equipment	172,450	94,600	2		267,0
ental - Living Quarters	44,634	31,933	**	5,000	81,5
ontingency	170,865	219,542	34,500	5,420	430,3
perations Center	21,312				21,3
 Max Max		a 494 112 117 11		ILOPOSOT.	
TOTAL INTANGIBLES >		4,688,231	379,500	59,620	8,715,
TANGIBLE COSTS	COSTS	COSTS	COSTS	COSTS	COSTS
urface Casing S	81,651	\$	\$	\$	\$ 81,6
termediate Casing	384,719			2	384,7
rilling Liner					
roduction Casing	614,526				614,5
roduction Liner					
ubing	· · · ·		190,750		190,7
lellhead	83,500		45,000		128,5
ackers, Liner Hangers	· · · · ·	62,815	5,000		67,8
anks				40,925	40,9
	· · ·			156,388	156,3
roduction Vessels					
ow Lines			40,000	120,000	160,0
od string					
rtificial Lift Equipment	*		35,000		35,0
ompressor		-		21,375	21,3
stallation Costs	· · · · ·			80,000	50,0
				3,750	3,7
urface Pumps	<u> </u>				
on-controllable Surface	400		5,000	2,000	7,4
on-controllable Downhole	2 · · · · · · · · · · · · · · · · · · ·				
ownhole Pumps			-		
easurement & Meter Installation			16,000	46,560	62,
as Conditioning / Dehydration					440.4
terconnecting Facility Piping			20,000	92,000	112,0
athering / Bulk Lines				-	
lves, Dumps, Controllers	ee		5,000	-	5,
nk / Facility Containment				4,375	- 4,
are Stack			· .	10,938	10,
			10,000	53,550	63,
actrical / Grounding					
mmunications / SCADA			2,500	8,125	10.
strumentation / Safety			12,500	30,600	43,
TOTAL TANGIBLES >	1,164,796	62,815	386,750	670,585	2,284
TOTAL COSTS >		4,751,046	766,250	730,205	11,000
	11:				
ARED BY MATADOR PRODUCTION COMPAN					
Drilling Engineer. Julio Mayot	Team Lead - WTX/N				
ARED BY MATADOR PRODUCTION COMPAN Drilling Engineer: Julio Mayol Completions Engineer: Will Statton Production Engineer: Josh Brani	Team Lead - WTX/N	М АРW			

MATADOR RESOURCES COMPANY APPROVAL:

PresidentBE EVP, Co-COO EVP, Reservoir	Co-COO, SVP Operations	
NON OPERATING PARTNER APPROV	AL:	
Company Name:	Working Interest (%):	Tax ID:
Signed by:	Date:	
Title:	Approval: Yes	No (mark one)

PF

REMARKS:

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240

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

DATE:	01/25/2024	AFE NO.:	0
WELL NAME:	Mongoose State #122H	FIELD:	0
OCATION:	Sections 1-19S-34E & 36-18S-34E	MD/TVD:	20314'/10050'
OUNTY/STATE:	Lea	LATERAL LENGTH:	about 10,000'
RC WI:			
SEOLOGIC TARGET:	2nd Bone Spring		

2nd Bone Spring Drill and complete a horizontal 2 mile long Second Bone Spring target with about 45 frac stages.

Location, Surveys & Damages 977 Drilling 7776 Mulling 777	000	13,000 3,750 67,100 1,000 41,600 80,080 139,237 563,500 176,200 176,425 98,230 2,331,285 17,050 2,351,285 17,050 2,351,285 17,050 2,351,285 17,050 2,351,285 17,050 2,351,285 17,050 3,195,200 3,195	\$ 15,000 7,500 25,000 25,000 112,500 112,500 112,500 112,500 34,500 379,500 COSTS \$	\$ 10,00 20,00 	100 144 776 777 341 341 341 341 341 341 341 341 341 341 341 341 341 341 341 341 400 233 00 640 00 640 113 322 00 640 203 122 100 348 00 465 00 843 00 843 00 843 00 823 00 843 00 843 00 843 00 843 00 843 00 843 00 843 00 843 00 843 00 843
Jocation, Surveys & Damages 97 Drilling 776 Drilling & Float Equip 341 Logging 24 Mud Logging 24 Mud Circulation System 138 Mud Circulation System 336 Mud & Chemicals 336 Mud & Chemicals 336 Mud & Chemicals 336 Virg Supervision / Engineering 139 Viral Bits 130 Viral & Power 168 Vater 766 Directional Drilling, Surveys 329 Directional Drilling, Surveys 329 Completion Overhead 12 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 20 Derrotating, Wireline, Slickline 117 Stimulation 311 Stimulation Flowback & Disp 21 Stimulation Flowback & Disp 21 Stantal - Surface Equipment 117 Rental - Living Quarters 24 Data Casing 81 Directoal Drilling, Liner 21 Production Casing 614 Production Casing 614 Production Vessels 310 Jow Lines 310 Costing	3000	3,750 67,100 1,800 80,080 439,237 563,500 176,200 174,645 99,230 2,331,298 17,050 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	25,000 25,000 5,000 112,500 110,000 70,000 34,500 379,500	1,000 	777 341 22 133 00 230 00 231 00 232 00 341 300 300 233 00 324 325 2033 177 97 2033 122 100 384 100 465 122 100 341 203 122 100 465 100 266 100 27 20 9,71 20 9,71 20 343 200 364
Drilling 776 Cementing & Float Equip 341 Cementing & Float Equip 341 Using / Formation Evaluation 78 Wud Circulation System 138 Wud Chemicals 335 Wud Vastewater Disposal 235 Freight / Transportation 22 Vis Supervision / Engineering 139 Drill Bits 130 Vale & Power 168 Nater 76 Drig & Completion Overhead 12 Urging & Abandonment 22 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 200 Perforating, Wireline, Slickline 12 High Pressure Pump Truck 200 Stimulation 200 Stimulation Flowback & Disp 12 Stimulation Flowback & Disp 12 Stimulation Stimulation 200 Rental - Surface Equipment 177 Rental - Surface Equipment 170 Contingency 170 Operations Center 200 TANGIBLE COSTS COSTS Surface Casing 614 Production Casing 614 Production Vessels 97 Flow Lines 98	400 400 400 400 400 420 420 420	3,750 67,100 1,800 80,080 439,237 563,500 176,200 174,645 99,230 2,331,298 17,050 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	25,000 25,000 5,000 112,500 110,000 70,000 34,500 379,500	1,000 	777 341 22 133 00 230 00 231 00 232 00 341 300 300 233 00 324 325 2033 177 97 2033 122 100 384 100 465 122 100 341 203 122 100 465 100 266 100 27 20 9,71 20 9,71 20 343 200 364
Camonting & Float Equip 341 Cogging / Formation Evaluation Mud Logging / Formation Evaluation Mud Logging / Formation Evaluation Mud & Chemicals Mud & Chemica	000	67,100 41,800 80,080 439,237 563,500 176,645 98,230 174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		341 22 138 400 60 133 60 133 600 133 600 133 600 133 600 133 600 133 133 133 134 200 2,333 122 100 384 100 201 202 203 204,71 200 201 202 203 304,71 203 204,71 203 304 203 304
Logging / Formation Evaluation 244 Mud Logging 224 Mud Circulation System 234 Mud Chemicals 336 Mud / Wastewater Disposal 235 Freight / Transportation 225 Rig Supervision / Engineering 739 Fuel & Power 168 Fuel & Power 168 Unit of the second secon	- - - -	67,100 41,800 80,080 439,237 563,500 176,645 98,230 174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		22 22 133 400 233 400 233 667 5 81 200 243 132 243 122 243 122 243 122 243 122 243 122 243 122 243 122 243 122 243 122 243 122 243 122 243 122 243 122 122 122 122 122 122 123 122 122
Mud Circulation System 24 Mud Circulation System 138 Mud Chemicals 335 Mud / Chemicals 335 Mud / Vastewater Disposal 235 Freight / Transportation 22 Ris Supervision / Engineering 139 Drill Bits 130 Drill Bits 130 Drig & Completion Overhead 12 Drig & Completion Overhead 12 Directional Drilling, Surveys 329 Completion Unit, Swab, OTU — Perforating, Wireline, Silckline … High Pressure Pump Truck … Stimulation … Stimulation Flowback & Disp … Stimulation … Stimulation Flowback & Disp … Media Casing … Operations Center … TANGIBLE COSTS COSTS Surface Casing … Production Casing … Orilling Liner … <td>750 - 1220 - 1200 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 159 - 159 - 156 - 157 - 172 - 172 - 172 - 172 -</td> <td>67,100 41,800 80,080 439,237 563,500 176,645 98,230 174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231</td> <td>25,000 5,000 112,500 110,000 70,000 34,500 379,500</td> <td></td> <td>22 138 138 100 233 00 233 000 233 000 233 000 233 000 243 000 244 200 200 200 200 200 200</td>	750 - 1220 - 1200 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 1000 - 159 - 159 - 156 - 157 - 172 - 172 - 172 - 172 -	67,100 41,800 80,080 439,237 563,500 176,645 98,230 174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		22 138 138 100 233 00 233 000 233 000 233 000 233 000 243 000 244 200 200 200 200 200 200
Mud Circulation System 138 Mud & Chemicals 336 Mud & Chemicals 336 Freight / Transportation 225 Freight / Transportation 225 Rig Supervision / Engineering 139 Drill Bits 130 Sure 4 Power Water 168 Drig & Completion Overhead 12 Drig & Completion Overhead 12 Dirging & Abandonment 205 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 205 Perforating, Wireline, Slickline 117 Rental - Surface Equipment 117 Rental - Surface Equipment 117 Rental - Living Quarters 203 Contingency 170 Operations Center 21 TANGIBLE COSTS COSTS TANGIBLE COSTS COSTS Surface Casing 81 Orduction Casing 614 Production Casing 614 Production Vessels 614 Production Vessels 614 Production Vessels 614 Production Vessels 614 Surface Iner Mangers 614 Surface Suring 614 Surfac	120	* 41,800 80,080 439,237 563,500 * 178,200 174,645 98,230 2,331,298 171,080 2,331,298 171,080 2,331,293 2,31,293 2,31,293 2,31,293 2,31,933 2,19,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		133 400 60 233 600 233 130 600 233 130 600 130 600 131 600 132 200 201 122 122 123 124 125 125 126 127 128 129 120 430 20 471 20 20 20 20 384 384
Mud & Chemicals 336 Mud / Wastewater Disposal 235 Mud / Wastewater Disposal 235 Pright / Transportation 222 Nater 130 Fuel & Power 168 Vater 76 Directional Drilling, Surveys 329 Completion Overhead 12 Plugging & Abandonment 9 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 9 Perforating, Wireline, Slickline 11 tigh Pressure Pump Truck 9 Stimulation 12 Stimulation Flowback & Disp 177 Sental - Surface Equipment 117 Rental - Downhole Equipment 177 Sourface Casing 8 TANGIBLE COSTS COSTS Surface Casing 81 Production Casing 614 Production Casing 614 Production Liner 9 Flow Lines 9 Souting 83 Production Vessels 9 Towasois 9 String 9 Atting 9 Structure 9 Structure 9 Structure 9	295 5000 5000 5000 5000 5000 5000 5000 5	* 41,800 80,080 439,237 563,500 * 178,200 174,645 98,230 2,331,298 171,080 2,331,298 171,080 2,331,293 2,31,293 2,31,293 2,31,293 2,31,933 2,19,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		400 238 00 233 100 64 00 233 130 600 00 644 12 223 200 644 12 322 200 647 100 646 200 465 200 465 200 433 20 6,71 20 6,74 20 8,74 20 8,74 30 2058 36 36 37 200 384 36
Mud & Chemicals 336 Mud / Wastewater Disposal 235 Pright / Transportation 222 Rig Supervision / Engineering 133 Fuel & Power 168 Water 76 Fuel & Power 169 Vater 76 Drig & Completion Overhead 12 Plugging & Abandonment 200 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 200 Perforating, Wireline, Slickline 111 High Pressure Pump Truck 203 Stimulation 203 Stimulation Flowback & Disp 203 Contingency 217 Operations Center 22 TANGIBLE COSTS COSTS Surface Casing 81 Orduction Casing 614 Production Casing 614 Production Vessels 610 Production Vessels 610 Production Vessels 610 Production Vessels 614	295 5000 5000 5000 5000 5000 5000 5000 5	* 41,800 80,080 439,237 563,500 * 178,200 174,645 98,230 2,331,298 171,050 2,331,298 171,050 2,331,293 2,31,293 2,31,293 2,31,293 2,31,933 2,19,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		400 238 00 233 100 64 00 233 130 600 00 644 12 223 200 644 12 322 200 647 100 646 200 465 200 465 200 433 20 6,71 20 6,74 20 8,74 20 8,74 30 2058 36 36 37 200 384 36
Mud / Wastewater Disposal 235 Freight / Transportation 22 Ris Supervision / Engineering 133 Drill Bits 130 Fuel & Power 168 Water 168 Drig & Completion Overhead 12 Plugging & Abandonment 12 Drig K Completion Overhead 12 Plugging & Abandonment 12 Drig K Completion Overhead 12 Plugging & Abandonment 12 Derforating, Wireline, Sitckline 12 High Pressure Pump Truck 12 Stimulation 12 Stimulation Flowback & Disp 12 Stimulation Flowback & Disp 12 Astarace 12 Labor 203 Rental - Surface Equipment 117 Rental - Surface Equipment 117 Surface Casing 164 Drilling Liner 23 Production Casing 614 Production Casing 614 Production Vessels 26 Flow Lines 28 Rot Liner Mangers 28 Production Vessels 28 Flow Lines 28 Rot String 34 Surface Pumps 34	0000 0000	* 41,800 80,080 439,237 563,500 * 178,200 174,645 98,230 2,331,298 171,050 2,331,298 171,050 2,331,293 2,31,293 2,31,293 2,31,293 2,31,933 2,19,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		00 236 00 233 00 233 000 233 000 644 11 324 200 97 12 200 177 97 172 124 100 384 100 463 100 463 200 9,71 200 9,74 5 61 364 364
Freight / Transportation 22 Rig Supervision / Engineering 133 Still Bits 1330 Vater 168 Drig & Completion Overhead 12 Plugging & Abandonment 0 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 0 Perforating, Wireline, Slickline 11 High Pressure Pump Truck 0 Stimulation Stimulation Flowback & Disp 0 Stimulation Flowback & Disp 0 Stimulation Flowback & Disp 0 Contingency 170 Operations Center 203 TANGIBLE COSTS COSTS Surface Casing 81 Onling Liner 0 Production Casing 614 Production Vessels 0 Flow Lines 0 Rot String 83 Arknes 0 Production Vessels 0 Flow Lines 0 Rot String 0 String String String 0 String St	500	80,080 439,237 563,500 176,200 174,645 99,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500		66 233 130 600 100 601 100 644 112 200 200 243 177 99 178 112 100 386 100 386 200 430 200 430 200 430 200 671 COSTS 61 364 364
Rig Supervision / Engineering 133 Drill Bits 130 Drill Bits 130 Water 76 Drig & Completion Overhead 12 Plugging & Abandonment 12 Orientional Drilling, Surveys 329 Completion Unit, Swab, CTU 239 Perforating, Wireline, Slickline 11 Pressure Pump Truck 51 Stimulation Flowback & Disp 12 Isbor 203 Rental - Surface Equipment 1177 Rental - Surface Equipment 170 Contingency 170 Operations Center 203 TANGIBLE COSTS COSTS Surface Casing 81 Production Casing 614 Production Vessels 93 Flow Lines 93 Rot Airing Hangers 93 Tanks 97 Production Vessels 97 Flow Lines 93 Rot String 93 String 93 Production Vessels 93 Flow Lines 93 Rot String 93 String String 93 String String 93 Rental - Liner Hangers 93 <td>2000 200 2000 2</td> <td>80,080 439,237 563,500 176,200 174,645 99,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231</td> <td>25,000 5,000 112,500 110,000 70,000 34,500 379,500</td> <td>5,00 5,00 5,42 59,6 COSTS</td> <td>00 233 133 600 00 644 12 200 12 200 12 12 200 465 100 465 100 465 100</td>	2000 200 2000 2	80,080 439,237 563,500 176,200 174,645 99,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,42 59,6 COSTS	00 233 133 600 00 644 12 200 12 200 12 12 200 465 100 465 100
brill Bits 130 brill Bits 130 brill Bits 130 brill Bits 140 brill	000 000 000 000 000 000 000 000	439,237 563,500 176,645 96,230 2,331,296 171,050 2,975 271,293 8,4,600 31,933 218,542 4,668,231	25,000 5,000 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,42 59,6 COSTS	133 607 200 413 200 200 201 177 98 2,333 122 100 388 100 265 100 286 200 9,71 COSTS 364 364
Drill Bits 130 Drill Bits 130 Water 168 Water 76 Drill & Completion Overhead 12 Drig & Completion Overhead 12 Drig & Completion Unit, Swab, CTU 2 Derefroating, Wireline, Sitckline 1 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 2 Perforating, Wireline, Sitckline 1 Directional Flowback & Disp 12 Labor 12 Labor 12 Labor 2203 Rental - Surface Equipment 7172 Rental - Downhole Equipment 7172 Compressor 2 TOTAL INTANGIBLES > 3,584 TANGIBLE COSTS COSTS Surface Casing 614 Drilling Liner 2 Production Casing 614 Production Vessels 5 Flow Lines Red string 4 Artificial Lift Equipment C Compressor 2 Drill E Equipment 2 Drilling Liner 2 Driduction Vessels 5 Flow Lines Red string 4 Artificial Lift Equipment 2 Compressor 2 Drive Surface Costs 2 Drilling Line 2 Drilling Line 2 Drilling Line 2 Drilling Liner 2 Driduction Vessels 5 Flow Lines Red string 3 Drilling Line 2 Drilling Line 2 Drive Surface Costs 2 Drilling Line 2 Drilling Line 2 Drilling Line 2 Drilling Line 3 Drilling Line 3 Drilling Line 3 Drilling Line 3 Drilling Line 4 Driduction Vessels 4 4 Driduction Vessel 4 Drid	000 250 000 739 - - - - - - - - - - - - -	563,500 178,200 174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,00 5,00 5,00 5,00	00 600 601 644 11 12 325 200 177 98 2,333 128 100 465 200 466 100 465 200 433 100 465 200 433 201 207 201 8,71 20 9,71 COSTS 8 364 364
Fuel & Power 168 Water 76 Drig & Completion Overhead 12 Plugging & Abandonment 12 Diractional Drilling, Surveys 329 Completion Unit, Swab, CTU 9 Perforating, Wireline, Slickline 14 High Pressure Pump Truck 12 Stimulation Flowback & Disp 12 Insurance 12 Labor 203 Rental - Surface Equipment 177 Rental - Surface Equipment 177 Contingency 1700 Operations Center 23 TANGIBLE COSTS COSTS Surface Casing 8 Production Casing 614 Production Vessels 614 Compressor 614 Surface Casing 83 Production Vessels 614 Production Vessels 614 String 614 Production Vessels 614 String 614 String 614 String 614 Production Vessels 6	000 250 000 739 - - - - - - - - - - - - -	563,500 178,200 174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,00 5,00 5,00 5,00	00 600 601 644 11 12 325 200 177 98 2,333 128 100 465 200 466 100 465 200 433 100 465 200 433 201 207 201 8,71 20 9,71 COSTS 8 364 364
Water 76 Drig & Completion Overhead 12 Drig & Abandonment 12 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 2 Perforating, Wireline, Silckline 11 High Pressure Pump Truck 12 Stimulation Flowback & Disp 12 Labor 12 Labor 12 Labor 12 Labor 177 Rental - Surface Equipment 1177 Rental - Downhole Equipment 1177 Rental - Downhole Equipment 1170 Operations Center 21 TOTAL INTANGIBLES > 3,564 TANGIBLE COSTS COSTS 13 TANGIBLE COSTS COSTS 13 TANGIBLE Costs 20 Production Casing 6144 Production Vessels 1 Flow Liners 1 Rents Living 2 Rents I Li	250 1000 1000 1000 1000 1000 1000 1000 1599 1509 1000 1	563,500 178,200 174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,00 5,00 5,00 5,00	00 644 12 2020 2037 177 97 2,333 125 125 100 465 100 465
Drig & Completion Overhead 12 Plugging & Abandonment 329 Dirig & Abandonment 329 Completion Unit, Swab, CTU 20 Perforating, Wireline, Slickline 11 High Pressure Pump Truck 31 Stimulation 31 Stimulation Flowback & Disp 12 Insurance 203 Labor 203 Rental - Surface Equipment 117 Rental - Living Quarters 44 Contingency 170 Operations Center 21 TANGIBLE COSTS COSTS TANGIBLE COSTS COSTS Total INTANGIBLES > 3,580 3580 Tanke 98 Production Casing 614 Production Vessels 614 String 614 String 614 Production Vessels 614 Production Vessels 614 Production Vessels 614 <	3000	178,200 174,645 99,230 2,331,296 17,050 62,975 271,293 94,600 31,933 218,542 4,668,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,42 59,6 COSTS	12 200 2,333 122 122 122 122 122 122 122
Plugging & Abandonment 329 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 9 Perforating, Wireline, Slickline 1 High Pressure Pump Truck 5 Stimulation 1 Stimulation Flowback & Disp 1 Insurance 12 Labor 203 Rental - Surface Equipment 117 Rental - Surface Equipment 117 Rental - Surface Equipment 117 Rental - Living Quarters 44 Contingency 170 Operations Center 21 TOTAL INTANCIBLES > 3,580 Trade Casing 81 Drilling Liner 0 Production Casing 614 Production Vessels 9 Flow Lines 9 Rot Aifficial Lift Equipment 9 Compressor 9 Installation Costs 9 Surface Dumps 9	739	174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,00 5,00 5,00 5,00	325 200 177 98 2,33 122 100 380 100 465 200 433 200 433 200 433 200 433 200 433 200 87 20 20 8,71 20 8,71 20 20 20 20 20 20 20 20 20 20 20 20 20
Plugging & Abandonment 329 Directional Drilling, Surveys 329 Completion Unit, Swab, CTU 329 Perforating, Wireline, Slickline 11 High Pressure Pump Truck 31 Stimulation 12 Stimulation Flowback & Disp 12 Rental - Surface Equipment 117 Rental - Surface Equipment 117 Rental - Downhole Equipment 117 Rental - Downhole Equipment 170 Operations Center 221 TANGIBLE COSTS COSTS Surface Casing 81 Offiling Liner 3.588 Production Casing 614 Production Casing 614 Production Vessels 633 Production Vessels 634 Flow Lines 364 String 364 String <t< td=""><td></td><td>174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231</td><td>112,500 112,500 110,000 70,000 34,500 379,500</td><td>5,00 5,00 5,00 5,00 5,42 59,6: COSTS</td><td>203 177 98 2,331 122 112 100 380 00 465 266 200 433 20 8,71 COSTS \$ 81 36</td></t<>		174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,42 59,6: COSTS	203 177 98 2,331 122 112 100 380 00 465 266 200 433 20 8,71 COSTS \$ 81 36
Directional Drilling, Surveys 329 Completion Unit, Swab, CTU Perforating, Wireline, Silckline High Pressure Pump Truck Stimulation Flowback & Disp Stimulation Flowback & Disp Issurance Labor 2003 Rental - Surface Equipment 177 Rental - Downhole Equipment 177 Rental - Downhole Equipment 177 Contingency 170 Operations Center 21 TOTAL INTANGIBLES > 3,584 TANGIBLE COSTS COSTS Surface Casing 614 Drilling Liner Production Casing 614 Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Costs Surfac		174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,42 59,6: COSTS	203 177 98 2,331 122 112 100 380 00 465 266 200 433 20 8,71 COSTS \$ 81 36
Completion Unit, Swab, CTU Perforating, Wireline, Slickline High Pressure Pump Truck Stimulation Stimulation Flowback & Disp stimulation Flowback & Disp Labor Rental - Surface Equipment I177 Rental - Living Quarters Contingency TOTAL INTANGIBLES >		174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,42 59,6: COSTS	203 177 98 2,331 122 112 100 380 00 465 266 200 433 20 8,71 COSTS \$ 81 36
Perforating, Wireline, Slickline High Pressure Pump Truck Stimulation Stimulation Stimulation Flowback & Disp Insurance Labor Rental - Surface Equipment Rental - Duwnhole Equipment Rental - Living Quarters Rental - Living Quarters Costing TANGIBLE COSTS TOTAL INTANCIBLES > 3,58e TANGIBLE COSTS COSTS Surface Casing Cost Surfa	796 7000 7059 7334 7334 712 712 712 712	174,645 98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	112,500 112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,42 59,6: COSTS	177 98 2.33 128 129 100 468 266 200 433 200 400 433 200 400 400 400 200 400 400 400 400 400 400 400 400 400
High Pressure Pump Truck Stimulation Stimulation Flowback & Disp Insurance Labor Rental - Surface Equipment Rental - Lownhole Equipment Rental - Lownhole Equipment Rental - Lownhole Equipment Rental - Downhole Equipment Rental - Lownhole Equipment Rental - Downhole Equipment Rental - Lownhole Equipment Contingency 170 Operations Center 201 TOTAL INTANGIBLES > Sufface Casing Sufface Casing Cost Torduction Casing Ordiling Liner Production Liner Tubing Weilhead Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	798 798 7000 759 750 759 750 759 750 750 719 719 72 719 72 719 72 719 72 719 72 719 72 719 719 719 719 719 719 719 719	98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,42 59,6: COSTS	9 2,33 122 10 384 100 384 100 265 100 286 200 433 221 200 6,71 COSTS 5 61 384
High Pressure Pump Truck Stimulation Stimulation Flowback & Disp nsurance Labor Rental - Surface Equipment Rental - Surface Equipment Rental - Living Quarters Add Contingency Derrot Casing TANGIBLE COSTS COSTS TANGIBLE Costs Contingency Production Casing Orilling Liner Production Vessels Production Vessels Flow Lines Rot String Addition Costs Surface Dumps	798 798 7000 759 750 759 750 759 750 750 719 719 72 719 72 719 72 719 72 719 72 719 72 719 719 719 719 719 719 719 719	98,230 2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	112,500 110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,42 59,6: COSTS	2,33 128 12 10 00 388 267 20 8 20 433 20 8,71 COSTS 5 8 386 386 386 386 386 386 386
Stimulation Stimul	798 798 7000 759 750 759 750 759 750 750 719 719 72 719 72 719 72 719 72 719 72 719 72 719 719 719 719 719 719 719 719	2,331,298 17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	110,000 70,000 34,500 379,500	5,00 5,00 5,00 5,00 5,42 59,6: COSTS	2,33 128 12 10 00 388 267 20 8 20 433 20 8,71 COSTS 5 8 386 386 386 386 386 386 386
Stimulation Flowback & Disp 12 Abor 203 Rental - Surface Equipment 117 Rental - Surface Equipment 117 Rental - Living Quarters 44 Contingency 170 Operations Center 221 TANGIBLE COSTS COSTS Surface Casing 8 Orduction Casing 614 Production Vessels 93 Production Vessels 93 Flow Lines 93 Rot King 93 Varificial Lift Equipment 93 Surface Descence 93 Surface Casing 614 Production Casing 614 Production Liner 93 Varificial Lift Equipment 93 Surface Tring Surface Propriet 93 Surface Descor 93 Surface Descor 93 Surface Surface Surface Casing 93 Surface Production Vessels 93 Surface Regressor 93 Surface Regressor 93	798 798 7000 759 750 759 750 759 750 750 719 719 72 719 72 719 72 719 72 719 72 719 72 719 719 719 719 719 719 719 719	17,050 62,975 271,293 94,600 31,933 219,542 4,688,231	110,000 70,000 34,500 379,500	5,00 5,00 5,42 59,6 COSTS	123 123 120 120 120 120 100 100 100 100
nsurance 12 abor sental - Surface Equipment 203 Rental - Surface Equipment 177 Rental - Downhole Equipment 177 Rental - Downhole Equipment 217 Contingency 2170 TOTAL INTANGIBLES > 3,564 TANGIBLE COSTS COSTS Unface Casing \$ 81 ntermediate Casing 614 Production Casing 614 Production Liner Lubing 83 Production Vessels 9 Produ	798	62,975 271,293 94,600 31,933 219,542 4,688,231	110,000 70,000 34,500 379,500	5,00 5,00 5,42 59,6 COSTS	11 100 380 265 200 430 200 430 20 430 20 430 20 430 20 430 20 575 5 67 38-
abor 203 Sental - Downhole Equipment 117 Rental - Living Quarters 44 Contingency 170 Operations Center 21 TANGIBLE COSTS COSTS Surface Casing 8 Onling Liner 0 Production Casing 614 Production Liner 0 Production Vessels 0 Flow Lines 0 Sold String 83 Valificial Lift Equipment 0 Surface Costing 614 Production Casing 614 Production Liner 0 Valificial Lift Equipment 0 Sold String 0 Valificial Lift Equipment 0 Surface Rosts 0 Surface Tores 0 Sur	000	271,293 94,600 31,933 219,542 4,688,231	70,000 34,500 379,500	5,00 5,00 5,42 59,6 COSTS	00 380 465 265 200 88 00 433 22 20 8,71 COSTS \$ 81 36 36
	334 335 312 172	271,293 94,600 31,933 219,542 4,688,231	70,000 34,500 379,500	5,00 5,00 5,42 59,6 COSTS	00 463 267 00 81 00 433 20 8,71 20 8,71 COSTS \$ 87 384
Rental - Surface Equipment 117 Rental - Living Quarters 44 Contingency 170 Operations Center 21 TOTAL INTANGIBLES > 3,584 TANGIBLE COSTS COSTS Surface Casing 8 Orilling Liner 9 Production Casing 614 Production Vessels 9 Flow Lines 9 Rot kiring 9 Artificial Lift Equipment 9 Compressor 9 Surface Dumps 9	334 335 312 172	271,293 94,600 31,933 219,542 4,688,231	70,000 34,500 379,500	5,00 5,00 5,42 59,6 COSTS	00 463 267 00 81 00 433 20 8,71 20 8,71 COSTS \$ 87 384
Rental - Downhole Equipment 172 Rental - Living Quarters 44 Contingency 170 Operations Center 23 TANGIBLE COSTS COSTS Surface Casing 81 Intermediate Casing 614 Production Casing 614 Production Casing 83 Production Vessels 83 String 414 Acting 83 Ackers, Liner Hangers 83 Production Vessels 83 Flow Lines 83 String 83 <	450 334 365 312 172 551 \$ 719 526 	94,600 31,933 219,542 4,688,231	34,500	5,00 5,42 59,63 COSTS	267 20 20 20 20 20 20 20 20 0,71 COSTS 3 384 384
Rental - Living Quarters 44 Contingency 170 Operations Center 21 TOTAL INTANGIBLES > 3,580 TANGIBLE COSTS COSTS Stratec Casing \$ 81 Intermediate Casing 364 Drilling Liner	334 365 312 172 551 \$ 551 \$ 526 	31,933 219,542 4,688,231	379,500	5,00 5,42 59,6 COSTS	100 81 20 433 21 21 20 8,71 COSTS 5 384
Contingency 170 Operations Center 21 TOTAL INTANGIBLES > 3,564 TANGIBLE COSTS COSTS Surface Casing 81 ntermediate Casing 384 Drilling Liner	3865 312 172 551 551 526 	219,542 4,688,231	379,500	5,42 59,6; COSTS	20 430 21 20 8,71 COSTS \$ 8 384
Contingency 170 Operations Center 21 TOTAL INTANGIBLES > 3,564 TANGIBLE COSTS COSTS Surface Casing 81 ntermediate Casing 384 Drilling Liner	3865 312 172 551 551 526 	219,542 4,688,231	379,500	59,6 COSTS	20 8,71 20 8,71 COSTS \$ 81 384
Deperations Center 21 TOTAL INTANGIBLES > 3,560 TANGIBLE COSTS COSTS Surface Casing 61 Intermediate Casing 384 Drilling Liner	312 172 551 \$	4,688,231	379,500	59,6 COSTS	20 8,71 20 8,71 COSTS \$ 81 384
TOTAL INTANGIBLES > 3,584 TANGIBLE COSTS COSTS Surface Casing 81 Intermediate Casing 384 Drilling Liner	172 551 \$ 719 526			COSTS	20 8,71 COSTS \$ 81 384
TANGIBLE COSTS COSTS Surface Casing \$ 61 Intermediate Casing 384 Drilling Liner	551 \$ 719 526			COSTS	\$3B4
Surface Casing \$ 61 ntermediate Casing 384 Orilling Liner 614 Production Casing 614 Production Liner 614 Production Liner 614 Production Liner 614 Production Vessels 61 Production Vessel 61 Production Vesse	719 526		\$		\$ 81 384
ntermediate Casing 384 Trilling Liner Production Casing 614 Production Liner Lubing 83 Packers, Liner Hangers 83 Packers, Liner Hangers 93 Production Vessels 93 Production Vessel 93 Pr	719 526				384
Drilling Liner Production Casing Production Liner Tubing Wellhead Production Liner Production Vessels Flow Lines Rod strinig Artificial Lift Equipment Compressor Installation Costs Surface Pumps	526		<i>n</i>		
Production Casing 614 Production Liner Tubing 614 Veilhead 83 Production Vessels Production Vessels Production Vessels Production Vessels Compressor Stafficial Lift Equipment Compressor Installation Costs Surface Pumps	526				614
Production Casing 614 Production Liner Tubing 614 Veilhead 83 Production Vessels Production Vessels Production Vessels Production Vessels Compressor Stafficial Lift Equipment Compressor Installation Costs Surface Pumps					614
Tubing 83 Vellhead 83 Jackers, Liner Hangers 83 Jackers, Liner Hangers 83 Jackers, Liner Hangers 83 Jorduction Vessels 96 Jow Lines 96 Sod string 96 Aufficial Lift Equipment 96 Compressor 96 Installation Costs 96 Surface Pumps 96					
Tubing 83 Mellhead 83 Packers, Liner Hangers 83 Production Vessels 83 Flow Lines 83 Rod string 83 Artificial Lift Equipment 83 Compressor 83 Installation Costs 83 Surface Pumps 83					
Wellhead 83 Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps					
Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	•		190,750		190
Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Aufficial Lift Equipment Compressor nstallation Costs Surface Pumps	500		45,000		128
Tanks Production Vessels Production Vessels Production Vessels Compressor Surface Luit Equipment Compressor Installation Costs Surface Pumps		62,815	5,000		67
Production Vessels Flow Lines Actificial Lift Equipment Compressor nstallation Costs Surface Pumps		02,015			
Flow Lines Constant C				40,92	
Flow Lines Constant C			-	156,38	18 156
Rod string Artificial Lift Equipment Compressor Antificial String Surface Pumps			40,000	120,00	10 160
Artificial Lift Equipment Compressor nstallation Costs Lift Costs			10,000		
Compressor nstallation Costs Surface Pumps					
nstallation Costs Surface Pumps	•:		35,000		35
nstallation Costs Surface Pumps			-	21,37	75 21
Surface Pumps				80,00	
				3.75	
Von-controllable Surface					
	100		5,000	2,00	7 00
Non-controllable Downhole			C		
Downhole Pumps					
	<u> </u>				
Measurement & Meter Installation	·		16,000	46,56	62 62
Sas Conditioning / Dehydration		14		-	
nterconnecting Facility Piping			20,000	92,00	112
Sathering / Bulk Lines					
/alves, Dumps, Controllers			5,000		
Fank / Facility Containment			(a).	4,37	
Flare Stack				10,93	10
			10,000	53,55	
Electrical / Grounding					
Communications / SCADA			2,500	8,12	
nstrumentation / Safety				30,60	
TOTAL TANGIBLES > 1,154			12,500	670,5	85 2,28
TOTAL COSTS > 4,752	796	62.815	12,500	D/U 5	05 11,00
101AC 00313 2 4,132		62,815 4,751,046		730,2	11 00

Completions Engineer:	Will Statton	APW	
Production Engineer.	Josh Bryanl		
MATADOR RESOURCES COMP	ANY APPROVAL:		
President	BEG	Chief Geologist	
EVP, Co-COO	CA	Co-COO, SVP Operations	
EVP, Reservair	WTE		
NON OPERATING PARTNER AF	PPROVAL:		
Company Name:		Working Interest (%):	Tax ID:
Signed by:		Date:	
Title:		Approval: Yes	No (mark one)

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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 #123H	FIELD:	0
LOCATION:	Sections 1-19S-34E & 36-18S-34E	MD/TVD:	20314'/10050'
COUNTY/STATE:	Lea	LATERAL LENGTH:	about 10,000'
IRC WI:			0
GEOLOGIC TARGET:	2nd Bone Spring		
REMARKS:	Drill and complete a horizontal 2 mile long Second Bon	e Spring target with about 45 frac stages.	

INTANGIBLE COSTS		DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
and / Legal / Regulatory	5	17,500	\$	5	\$ 10,000	\$ 27,5
ocation, Surveys & Damages	12	97,000	13,000	15,000	20,000	145,0
Filling		778,400				778,4
Cementing & Float Equip		341,000				341,0
ogging / Formation Evaluation			3,750			3,7
Aud Logging		24,750				24,7
Aud Circulation System		138,420				138,4
	-	336,295	67,100			403,3
Aud & Chemicals	-				1,000	236.0
/lud / Wastewater Disposal		235,000			1,000	
reight / Transportation		22,500	41,800		-	64,3
Rig Supervision / Engineering		139,200	80,080	7,500	7,200	233,9
Drill Bits		130,000				130,0
Fuel & Power		168,000	439,237			607,2
Nater		76,250	563,500	C	1,000	640,7
Orlg & Completion Overhead		12,000				12,0
Plugging & Abandonment	-	16.66				
		329,739				329,7
Directional Drilling, Surveys			180.000	05.000		
Completion Unit, Swab, CTU			178,200	25,000		203,2
Perforating, Wireline, Slickline		*	174,645	5,000		179,6
ligh Pressure Pump Truck			98,230			98,2
Stimulation			2,331,296			2,331,2
Stimulation Flowback & Disp			17,050	112,500		129,5
nsurance	-	12,798				12,7
Labor		203,000	62,975	110,000	5,000	380,9
	-		271,293	70,000	5,000	463,3
Rental - Surface Equipment	-	117,059	94,600	10,000	0,000	463,3
Rental - Downhole Equipment		172,450				
Rental - Living Quarters		44,634	31,933	7.	5,000	81,5
Contingency		170,865	219,542	34,500	5,420	430,3
Operations Center		21,312	-			21,3
	OTAL INTANGIBLES >	3,588,172	4,688,231	379,500	59,620	8,715,5
TANGIBLE COSTS	UTAL INTANOIDLES >	COSTS	COSTS	COSTS	COSTS	COSTS
Surface Casing	5	81,651	\$	5	\$	\$ 81,6
ntermediate Casing	· · ·	384,719	·	·	×	384,7
20000000000000000000000000000000000000						
Drilling Liner		· · · ·				
Production Casing		614,526				614,5
Production Liner		×				÷
Tubing	-					190,7
				190.750		
	-			190,750		
Wellhead	5	83,500	62,815	45,000		128,5
Wellhead Packers, Liner Hangers	-	83,500	62,815	45,000 5,000	40.025	128,5
Wellhead Packers, Liner Hangers Tanks	_	83,500	62,815	45,000	40,925	128,5 67,8 40,9
Wellhead Packers, Liner Hangers Tanks Production Vessels		83,500	62,815	45,000	156,388	128,5 67,8 40,9 156,3
Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines		83,500	62,815	45,000		128,5 67,8 40,9
Wellhead Packers, Liner Hangers Tanks Production Vessels	-	83,500	62,815	45,000 5,000 	156,388	128,5 67,8 40,9 156,3 160,0
Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines		83,500	62,815	45,000	156,388	128,5 67,8 40,9 156,3 160,0 - - 35,0
Vellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment		83,500	62,815	45,000 5,000 	156,388	128,5 67,8 40,9 156,3 160,0 - - 35,0
Vellhead Packers, Liner Hangers Fanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Sompressor		83,500	<u>62,815</u>	45,000 5,000 	155,388 120,000 21,375	128,5 67,8 40,9 156,3 160,0
Wellhead Packers, Liner Hangers Tanks Production Vassels Flow Lines Rod string Artificial Lift Equipment Compressor nstallation Costs		83,500	62,815	45,000 5,000 40,000 35,000	155,388 120,000 21,375 80,000	128,5 67,8 40,9 156,3 160,0 35,0 21,3 80,0
Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps		83,500 	62,815	45,000 5,000 40,000 	155,388 120,000 21,375 80,000 3,750	128,5 67,8 40,9 156,3 160,0
Wellhead Packers, Liner Hangers Tarks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Sun-controllable Surface		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 33,000 - - - 5,000	155,388 120,000 21,375 80,000	128,5 87,8 40,9 156,3 160,0
Vellhead Packers, Liner Hangers Tanks Production Vassels Toduction Vassels Todustring Artificial Lift Equipment Compressor natellation Costs Surface Pumps Non-controllable Surface Von-controllable Downhole		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 35,000 	155,388 120,000 21,375 80,000 3,750	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 80,0 3,7 7,7,4
Vellhead Packers, Liner Hangers Fanks Production Vessels Flow Lines Sod string Artificial Lift Equipment Compressor nstallation Costs Surface Pumps Von-controllable Surface Non-controllable Downhole Downhole Pumps		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 35,000 	156,388 120,000 21,375 80,000 3,750 2,000	128,5 67,8 40,9 156,3 166,3 160,0 21,3 80,0 21,3 80,0 3,7 7,4
Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	on	83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 35,000 	155,388 120,000 21,375 80,000 3,750	128,5 67,8 40,9 156,3 160,0
Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 35,000 	155,388 120,000 21,375 80,000 3,750 2,000 46,560	128,5 67,8 40,9 156,3 160,0 21,3 80,0 3,7 7,4
Wellhead Packers, Liner Hangers Tanks Production Vassels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installati Gas Conditioning / Dehydratior		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 35,000 	155,388 120,000 21,375 80,000 3,750 2,000 46,560	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 80,0 3,7 7,4 62,5
Wellhead Packers, Liner Hangers Tarks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Surface Pumps Measurement & Meter Installati Sas Conditioning / Dehydration Factoring Facility Piping		83,500 - - - - - - - - - - - - - - - - - -	<u>62,815</u>	45,000 5,000 	155,388 120,000 21,375 80,000 3,750 2,000 46,560 92,000	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 80,0 3,7 7,4 62,5
Vellhead Packers, Liner Hangers Fanks Production Vessels Flow Lines Rod string Compressor Installation Costs Surface Pumps Von-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meler Installati Sas Conditioning / Dehydration nterconnecting Facility Piping Sathering / Bulk Lines		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 	156,388 120,000 21,375 80,000 3,750 2,000 46,560 92,000	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 680,0 3,7 7,4 62,5 112,0
Vellhead Packers, Liner Hangers Fanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor nstallation Costs Surface Pumps Von-controllable Surface Von-controllable Downhole Downhole Pumps Measurament & Meter Installati Sas Conditioning / Dehydration nlerconnecting Facility Piping Gathering / Bulk Lines Jalves, Dumps, Controllers		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 35,000 - - - - - - - - - - - - - - - - - -	156,388 120,000 21,375 80,000 3,759 2,000 46,560 92,000	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 60,0 3,7 7,4 62,5 112,0 112,0
Vellhead Vellhead Vackers, Liner Hangers Janks Production Vessels Tow Lines Nod string Sompressor nstallation Costs Surface Pumps Von-controllable Surface Von-controllable Surface Von-controllable Surface Von-controllable Downhole Downhole Pumps Measurement & Meter Installati Sas Conditioning / Dehydration neterconnecting Facility Piping Sathering / Buik Lines /alves, Dumps, Contollers Tank / Facility Containment		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 33,000 5,000 16,000 5,000 5,000	156,388 120,600 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 80,0 37,7 7,4 62,5 62,5 112,0 112,0 5,0 4,3
Vellhead Packers, Liner Hangers Fanks Production Vessels Pow Lines Xod string Artificial Lift Equipment Compressor nstallation Costs Surface Pumps Von-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Surface Jumps Measurement & Meter Installati Saterring / Bulk Lines Sathering / Bulk Lines Fank / Facility Containment Tare Stack		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 	155,388 120,000 21,375 80,000 3,759 2,000 46,560 - - - - 4,375 10,938	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 680,0 3,7 7,4
Vellhead Packers, Liner Hangers Fanks Production Vessels Production Vessels Production Vessels Artificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Von-controllable Downhole Downhole Pumps Measurement & Meter Installati Sas Conditioning / Dehydration Interconnecting Facility Piping Sathering / Bulk Lines fank / Facility Containment Flare Stack Betrical / Grounding		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 40,000 33,000 	156,388 120,000 21,375 80,000 3,759 2,000 46,560 - - - - - - - - - - - - - - - - - - -	128,5 67,8 40,9 156,3 160,0 21,3 80,0 35,0 21,3 60,0 3,7 7,4 4
Vellhead Packers, Liner Hangers Fanks Production Vessels Production Vessels Production Vessels Artificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Von-controllable Downhole Downhole Pumps Measurement & Meter Installati Sas Conditioning / Dehydration Interconnecting Facility Piping Sathering / Bulk Lines fank / Facility Containment Flare Stack Betrical / Grounding		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 - - - - - - - - - - - - -	156,388 120,000 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 160,0 21,3 80,0 37,7 7,4
Vellhead Vellhead Vackers, Liner Hangers Tarks Production Vessels -low Lines Nod string Compressor nstallation Costs Surface Pumps Von-controllable Surface Von-controllable Surface Von-controllable Surface Von-controllable Downhole Downhole Pumps Weasurement & Meler Installati Sas Conditioning / Dehydration nterconnecting Facility Piping Sathering / Bulk Lines /alves, Dumps, Controllers fank / Facility Containment -lank / Eactical / Grounding Communications / SCADA		83,500 - - - - - - - - - - - - - - - - - -		45,000 5,000 40,000 33,000 	156,388 120,000 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 160,0 21,3 80,0 37,7 7,4
Vellhead Vellhead Vackers, Liner Hangers Tarks Production Vessels -low Lines Nod string Compressor nstallation Costs Surface Pumps Von-controllable Surface Von-controllable Surface Von-controllable Surface Von-controllable Downhole Downhole Pumps Weasurement & Meler Installati Sas Conditioning / Dehydration nterconnecting Facility Piping Sathering / Bulk Lines /alves, Dumps, Controllers fank / Facility Containment -lank / Eactical / Grounding Communications / SCADA		83,500		45,000 5,000 40,000 35,000 5,000 20,000 5,000 10,000 2,500 12,500	156,388 120,000 21,375 80,000 3,759 2,000 	128,5 67,8 40,9 156,3 160,0 21,3 35,0 221,3 60,0 3,7 7,7,4 4 5,0 4,3 10,9 63,5 10,6 43,1 10,9 63,5 10,6 43,1
Vellhaad Vellhaad Yackers, Liner Hangers Yarks Production Vessels How Lines tod string Compressor Installation Costs Jurface Pumps Jon-controllable Surface Jon-controllable Surface Jon-controllable Surface Jon-controllable Downhole Downhole Pumps Reasurement & Meter Installati Sas Conditioning / Dehydration Interconnecting Facility Piping Sathering / Bulk Lines Yalves, Dumps, Controllers Taik / Facility Containment Hare Stack Hoetrical / Grounding Jommunications / SCADA		83,500 - - - - - - - - - - - - - - - - - -	62,815	45,000 5,000 - - - - - - - - - - - - -	156,388 120,000 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 35,0 21,3 80,0 33,7 7,4 62,5 62,5 - 112,0 112,0 - 5,0 4,3 10,9 63,5 5,0 63,5 5,0 64,3,1 10,6 43,1 10,6 2,224,4
Vellhead Yackers, Liner Hangers Yackers, Liner Hangers Yarduction Vessels Yorduction Vessels tod string Attificial Lift Equipment Jompressor Installation Costs Surface Pumps Jon-controllable Surface Jon-controllable Surface Jon-controllable Downhole Downhole Pumps Measurement & Meler Installati Sas Conditioning / Dehydration Herconnecting Facility Piping Jathering / Bulk Lines Yalves, Dumps, Controllers Yank / Facility Containment Jare Stack Jestrical / Grounding Communications / SCADA nstrumentation / Safety	TOTAL TANGIBLES >	83,500		45,000 5,000 40,000 35,000 5,000	156,388 120,600 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 160,0 21,3 60,0 21,3 60,0 3,7 7,7,4 5,0 112,0 4,3 10,9 63,5 10,6 4,3,1 10,6 4,3,1 10,6 4,3,1 10,6 4,3,1 10,6 4,3,1 10,6 10,6 10,6 10,6 10,6 10,6 10,6 10
Vellhead Vellhead Vackers, Liner Hangers Tanks Production Vessels Voluction Vessels Voluction Vessels Valificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Von-controllable Surface Von-controllable Surface Von-controllable Surface Sathering / Bulk Lines Sathering / Sounding Communication / SCADA Instrumentation / Safety PARED BY MATADOR PRO	TOTAL TANGIBLES > TOTAL COSTS >	83,500	62,815 4,751,046	45,000 5,000 40,000 35,000 5,000	156,388 120,600 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 160,0 21,3 60,0 21,3 60,0 3,7 7,7,4 5,0 112,0 4,3 10,9 63,5 10,6 4,3,1 10,6 4,3,1 10,6 4,3,1 10,6 4,3,1 10,6 4,3,1 10,6 10,6 10,6 10,6 10,6 10,6 10,6 10
Vellhead Packers, Liner Hangers Fanks Production Vessels Pow Lines Xod string Artificial Lift Equipment Compressor nstallation Costs Surface Pumps Von-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Surface Jumps Measurement & Meter Installati Saterring / Bulk Lines Sathering / Bulk Lines Fank / Facility Containment Tare Stack	TOTAL TANGIBLES > TOTAL COSTS > DDUCTION COMPANY: Julio Mayol	83,500		45,000 5,000 40,000 35,000 5,000	156,388 120,600 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 160,0 21,3 80,0 37,7 7,4
Vellhead Packers, Liner Hangers Fanks Production Vessels Flow Lines Rod string Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Sathering / Bulk Lines Sathering / Sortollers Fank / Facility Containment Flare Stack Electrical / Grounding Communication / SACDA nstrumentation / Safety PARED BY MATADOR PRO	TOTAL TANGIBLES > TOTAL COSTS >	83,500	62,815 4,751,046	45,000 5,000 40,000 35,000 5,000	156,388 120,600 21,375 80,000 3,750 2,000 46,560 	128,5 67,8 40,9 156,3 35,0 21,3 80,0 33,7 7,4 62,5 62,5 - 112,0 112,0 - 5,0 4,3 10,9 63,5 5,0 63,5 5,0 64,3,1 10,6 43,1 10,6 2,224,4
Vellhaad Vellhaad Vackers, Liner Hangers Tanks Production Vessels Too Lines too Li	TOTAL TANGIBLES > TOTAL COSTS > DDUCTION COMPANY: Julio Mayol	83,500		45,000 5,000 40,000 35,000 5,000	156,388 120,600 21,375 80,000 3,750 2,000 46,560 	128.8 67,6 40,5 156.3 160,0 21,3 80,0 33,7 7,4 62,5 62,5 112,0 5,0 63,5 63,5 10,6 43,3 10,5 63,5 10,6 43,3 10,5 63,5 10,6 10,6 10,6 10,6 10,6 10,6 10,6 10,6
Vellhaad tackers, Liner Hangers tanks troduction Vessels low Lines tood string vritificial Lift Equipment compressor stallation Costs turface Pumps lon-controllable Surface ion-controllable Surface stathering / Bulk Lines falves, Dumps, Controllers ank / Facility Containment lare Stack ionmunications / Safety PARED BY MATADOR PROC Drilling Engineer:	TOTAL TANGIBLES > TOTAL COSTS > DDUCTION COMPANY: Julio Mayol Will Statton	83,500		45,000 5,000 40,000 35,000 5,000	156,388 120,600 21,375 80,000 3,750 2,000 46,560 	128.6 67,6 40,9 156.3 160,0 33,0 (21,3 80,0 33,1 7,4 62,1 112,0 62,1 112,0 5,0 (0,4 3,3 10,9 63,8 10,6 63,8 10,6 (4,3,3) 2,284,4

President Chief Geologist BEG NIL E Co-COO, SVP Operations EVP, Co-COO CA 00 EVP, Reservoir WTE NON OPERATING PARTNER APPROVAL: Tax ID: Working Interest (%): Company Name: Signed by: Date:

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Approval: Yes

Title:

PF

M/

No (mark one)

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REMARKS:

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:	aboul 10,000'
MRC WI:	······································		
GEOLOGIC TARGET:	2nd Bone Spring		

2nd Bone Spring Drill and complete a horizontal 2 mile long Second Bone Spring target with about 45 frac stages.

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
and / Legal / Regulatory \$		s	\$	\$ 10,000	\$ 27
	97.000	13,000	15,000	20,000	145
ocation, Surveys & Damages		13,000	15,000	20,000	
Drilling	778,400				778
Cementing & Float Equip	341,000		3		341
ogging / Formation Evaluation		3,750			3
Mud Logging	24,750				24
					138
Mud Circulation System	138,420				
Mud & Chemicals	336,295	67,100			403
Mud / Wastewater Disposal	235,000			1,000	236
Freight / Transportation	22,500	41,800	1		64
			7,500	7,200	233
Rig Supervision / Engineering	139,200	80,089	7,500	1,200	
Drill Bits	130,000				130
Fuel & Power	168,000	439,237			607
Nater	76,250	563,500		1,000	640
					12
Orig & Completion Overhead	12,000				- 14
Plugging & Abandonment					
Directional Drilling, Surveys	329,739				329
Completion Unit, Swab, CTU		178,200	25,000		203
		174,645	5,000		175
Perforating, Wireline, Slickline			5,000		
tigh Pressure Pump Truck		98,230			98
Stimulation		2,331,296			2,33
Stimulation Flowback & Disp		17,050	112,500		129
		11,000	112,000		
nsurance	12,798	<u>0 - </u>			12
abor	203,000	62,975	110,000	5,000	380
Rental - Surface Equipment	117,059	271,293	70,000	5,000	463
	172,450	94,600			267
Rental - Downhole Equipment					
Rental - Living Quarters	44,634	31,933		5,000	81
Contingency	170,865	219,542	34,500	5,420	.430
Operations Center	21,312				21
			12501203		-
TOTAL INTANGIBLES >	3,588,172	4,688,231	379,500	59,620	8,71
TANGIBLE COSTS	COSTS	COSTS	COSTS	COSTS	COSTS
Surface Casing S	81,651	\$	\$	\$	\$ 81
ntermediate Casing	384,719		3 	2	384
ntermediate Casing	304,713				
Drilling Liner					
	614,526	-			614
Production Casing	014,020				015
		a			
Production Liner		a			
		a	100.750		100
[ubing		a 	190,750		
[ubing	83,500		45,000		128
lubing Velihead		62,815			128
fubing	83,500		45,000	40.925	128
Fubing	83,500		45,000	40,925	128 67 40
Fubing	83,500		45,000	156,388	120 67 40 156
Fubing	83,500		45,000		120 67 40 156
Vubing Velihead Ackers, Liner Hangers Ackers, Liner Hangers, Liner Ha	83,500		45,000	156,388	120 67 40 156
fubing Velihead Packers, Liner Hangers Packers, Liner Hangers Production Vessels Tow Lines Code string Code string	83,500 • •		45,000 5,000 40,000	156,388	128 67 40 156
fubing	83,500		45,000 5,000 40,000 35,000	156,388 120,000	128 67 40 156 156
lubing Velihead ackers, Liner Hangers anks Production Vessels Cod string Artificial Lift Equipment Compressor	83,500		45,000 5,000 40,000 35,000	156,388 120,000 21,375	128 67 40 156 150 35 21
lubing Velihead ackers, Liner Hangers anks Production Vessels Cod string Artificial Lift Equipment Compressor	83,500		45,000 5,000 40,000 35,000	156,388 120,000 21,375 80,000	128 67 46 155 156 39 21 80
Fubing	83,500		45,000 5,000 40,000 35,000	156,388 120,000 21,375	128 67 46 155 156 39 21 80
Tubing Veilhead Jackers, Liner Hangers Tanks Production Vessels Tow Lines Sod string vrifficial Lift Equipment Compressor Installation Costs Surface Pumps	83,500		45,000 5,000 40,000 35,000	21,375 80,000 3,750	128 60 40 156 35 21 80 21 80 21
Fubing Velihead Packers, Liner Hangers Fanks Production Vessels Tow Lines Tow Lines Sod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Son-controllable Surface	83,500		45,000 5,000 40,000 33,000 	156,388 120,000 21,375 80,000	128 67 40 156 166 35 21 80 3
Fubing Velihead Packers, Liner Hangers Fanks Production Vessels Tow Lines Tow Lines Sod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Son-controllable Surface	83,500		45,000 5,000 40,000 35,000	21,375 80,000 3,750	128 67 40 156 166 35 21 80 3
Fubing	83,500		45,000 5,000 40,000 33,000 	21,375 80,000 3,750	128 67 40 156 166 35 21 80 3
Vubing Veilhead Veilhead Veilhead Zackers, Liner Hangers Ianks Zroduction Vessels Tow Lines Sod string Veificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Von-controllable Downhole Downhole Pumps	83,500 - - - - - - - - - - - - - - - - - -		45,000 5,000 40,000 35,000 	156,388 120,000 21,375 80,000 3,750 2,000	128 80 40 156 156 20 21 80 22 80 22 3
Fubing Wellhead Vellhead Jackers, Liner Hangers Fanks Production Vessels Tow Lines Tow Lines Sold string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Von-controllable Surface Downhole Pumps Abeasurement & Meter Installation	83,500 		45,000 5,000 40,000 35,000 	156,388 120,000 21,375 80,000 3,750 2,000 46,580	128 67 460 156 156 35 21 800 33 7 7
Tubing Veilhead Jackers, Liner Hangers Tanks Production Vessels Tow Lines Sod string Vitificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Oon-controllable Downhole Downhole Pumps Aesa Conditioning / Dehydration	83,500 - - - - - - - - - - - - - - - - - -		45,000 5,000 40,000 	156,388 120,000 21,375 80,000 3,750 2,000 46,580	128 67 46 166 35 21 86 37 7 62
Tubing Veilhead Jackers, Liner Hangers Tanks Production Vessels Tow Lines Sod string Vitificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Oon-controllable Downhole Downhole Pumps Aesa Conditioning / Dehydration	83,500 - - - - - - - - - - - - - - - - - -		45,000 5,000 40,000 35,000 	156,388 120,000 21,375 80,000 3,750 2,000 46,580	128 67 46 166 35 21 86 37 7 62
Fubing Wellhead Velihead Jackers, Liner Hangers Fanks Production Vessels Tow Lines Tow Lines Sold string Artificial Lift Equipment Compressor Surface Pumps Non-controllable Durhace Jownhole Pumps Actor Installation Sas Conditioning / Dehydration Interconnecting Facility Piping	83,500 - - - - - - - - - - - - - - - - - -		45,000 5,000 40,000 	156,388 120,000 21,375 80,000 3,750 2,000 46,580	128 67 46 166 35 21 86 37 7 62
Fubing Wellhead Packers, Liner Hangers Fanks Production Vessels Tow Lines Stop String Mifficial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Von-controllable Surface Oownhole Pumps Saw Coditioning / Dehydration nterconnecting Facility Piping Sathering / Bulk Lines	83,500 - - - - - - - - - - - - - - - - - -		45,000 5,000 40,000 335,000 	156,388 120,000 21,375 80,000 3,750 2,000 46,580 - 92,000	122 61 44 156 35 22 86 32 7 7 86 32 7 112
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	Drilling Engineer. Completions Engineer: Production Engineer:	Julio Mayol Will Statton Josh Bryant	Team Lead - WTX/NM	APW	
MATAD	OR RESOURCES COMP	ANY APPROVAL:			
	President EVP, Co-COO EVP, Keservoir	BEG CA WTE	Chief Geologist	NLF CC	
NON OF	PERATING PARTNER A	PROVAL:			
	Company Name:		Warki	ng Interest (%):	Tax ID:

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Date:

Approval:

Yes

Signed by: Title:

No (mark one)

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

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Summary of Communications - Mongoose State Com Bone Spring

Uncommitted Working Interest Owners

- 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.

- 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.

 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, LLPIn 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 th 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 openhole 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.

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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.

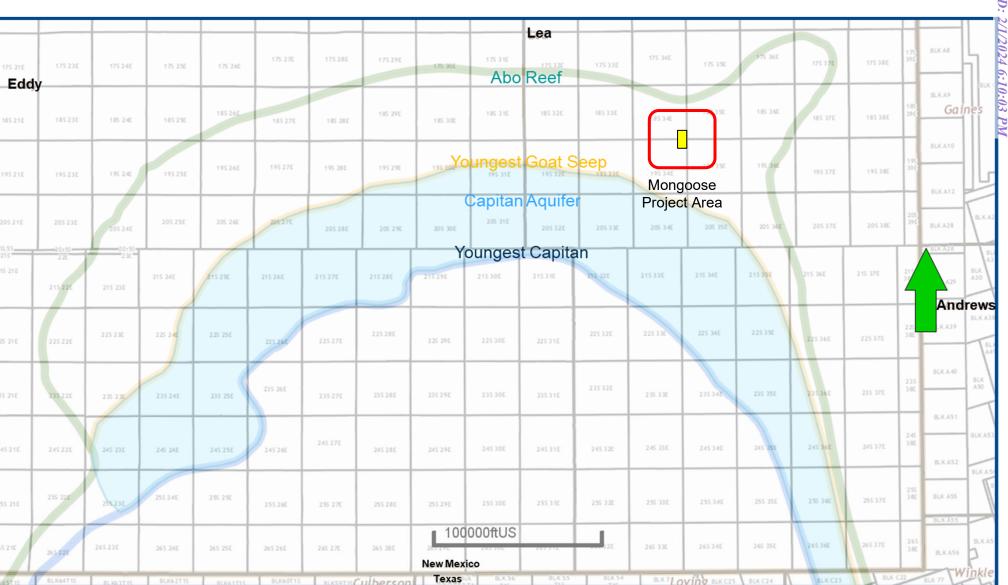
13. **Matador Exhibits B-1 through B-3** were either prepared by me or compiled under my direction and supervision.

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

Locator Map

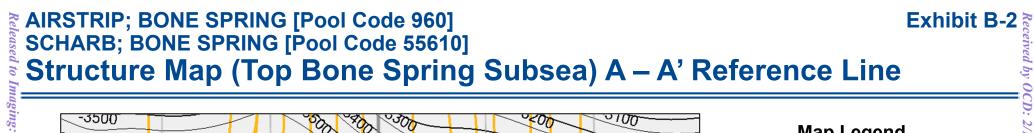


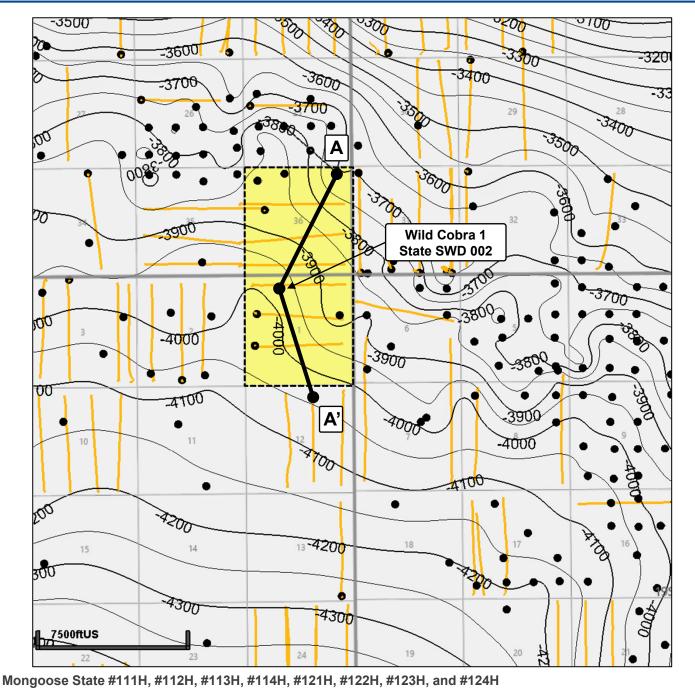
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B-1 Submitted by: Matador Production Company Hearing Date: February 8, 2024 Case Nos. 23961 - 23964

Page 89 -1% Matador В

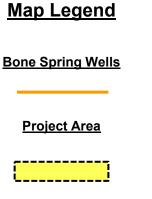
Mongoose State #111H, #112H, #113H, #114H, #121H, #122H, #123H, and #124H

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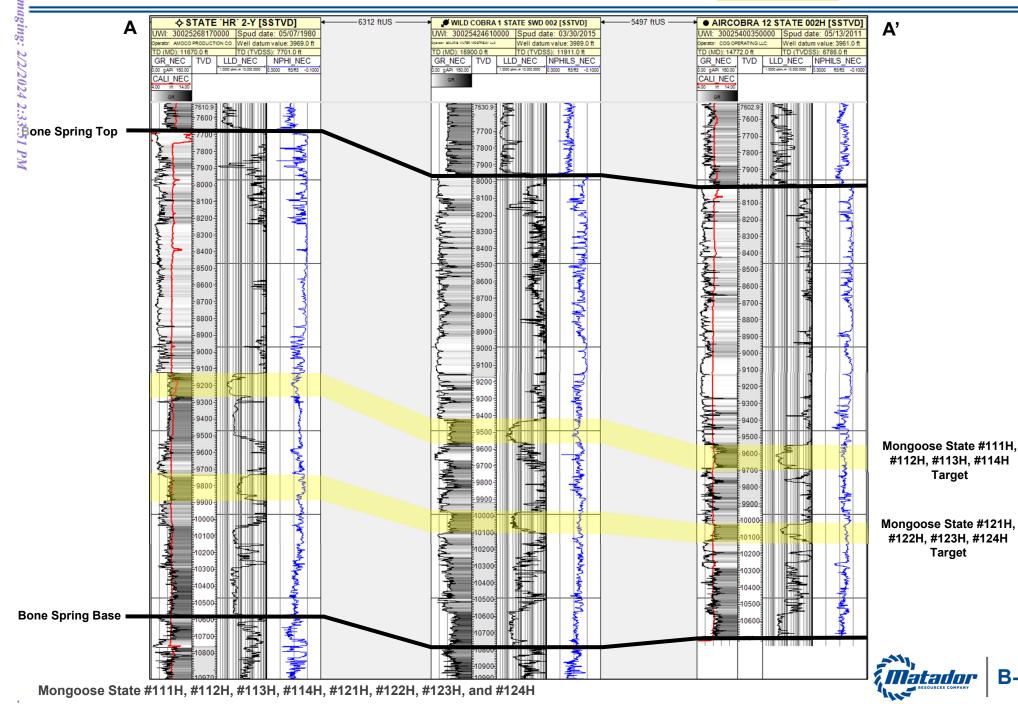
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BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B-2 Submitted by: Matador Production Company Hearing Date: February 8, 2024 Case Nos. 23961 - 23964





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



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 abovereferenced 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

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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.

I affirm under penalty of perjury under the laws of the State of New Mexico that 9. 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. <u>Schulz</u> Tanner Schulz

2/1/2024 Date

Page 1 of 26

Form C-101 August 1, 2011

Permit 354620

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District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. Firsl 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. Bi 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

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

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	Cook Street										3. AP	Number				
	nver, CO 80206				-						_	30-025-5231	4			
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						the second se	face Location									
UL - Lot	Section	Township		Range		ot idn	Feet From		N/S Line	Feet Fro		E/W Line	County			
E	36	18	BS	34	E	E	13	50	N	_	380	W		Lea		
					8	Proposed E	Bottom Hole Lo	cation	1							
UL - Lol	Section	Township	F	Range	L	ot idn	Feet From		N/S Line	Feet From		E/W Line	County			
M	1	19	s	34E		M	13	0	S		360	W		Lea		
						9. Poc	Information									
AIRSTRIP:W	OLFCAMP											970	_			
						Additional	Well Informati	on								
11. Work Type		12. Well Ty			13. Cab	le/Rotary			ease Type	15.		evel Elevation				
Nev	w Well		OIL						State		39	70				
16. Multiple		17. Propose			18, For			19. C	Contractor	20.	Spud Dele					
N			21232			Wolfcamp		_				/2024				
Depth to Groun	nd water				Distance	e from neerest l	resh water well			Dis	ance to ne	areel surface water				
Wo will be i	using a closed-loc	p system in lie	eu of line	ed pits												
					21. Pr	oposed Cas	ing and Cemer	t Prog	gram							
Туре	Hole Size	Casing			Casing W			ng Dep	oth		f Cement		Estimated	TOC		
Surf	17.5	13.3	375		54.			1973			507		0			
Int1	12.25	9.6			40			4211			82		0	_		
Prod	8.75	7			32			0388			05		3211			
Prod	8.75	5.	.5		20)	2	1232		27	07		10388			
					Casinol	Cement Proo	ram: Additiona	Com	ments							
Please see a	ttached 14pt plan	for additional i	nformatio		Geoing	o cintent i rog			interne							
						Personal Plan	vout Preventio		Sec. 1							
	Туре		T		Working Pr		vour Prevenuo	Prog	Test Pressu		-	Man	faciurer	_		
			<u> </u>	V	1000				5000							-
	Double Ram		L		1000	0			5000			Ca	ictus			
							1							_		
	ertify that the infor	mation given a	bove is tr	ue and comp	plete to ti	ne best of my			0	L CONSER	VATION	DIVISION				
knowledge at	fy I have complied	d		AC Mand	los 40 45	14.0 (P) NM										
X, if applicat		a with 19.15.14	F.9 (M) M	MAC 2 and/	01 19.10	.14.9 (D) 14197										
	ne.															
Signature:																
Printed Name:	Electronical	ly filed by Rack	ael A Ou	erbev		_	Approved By		Paul F Kautz							
Title:	Project Mar						Tille:		Geologist	-						
Email Address:	roverbey@1						Approved Da	ato:	12/14/2023	_	10	piration Date: 12/1	4/2025			
					70 4053			-			10	piration Date: 12/1	4/2020			
Date:	11/21/2023			Phone: 303-5	5/0-4057		 Conditions 	OT ADD	oroval Atlached							

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

Released to Imaging: 12/14/2023 3:07:17 PM

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Received by OCD: 11/21/2023 4:01:57 PM

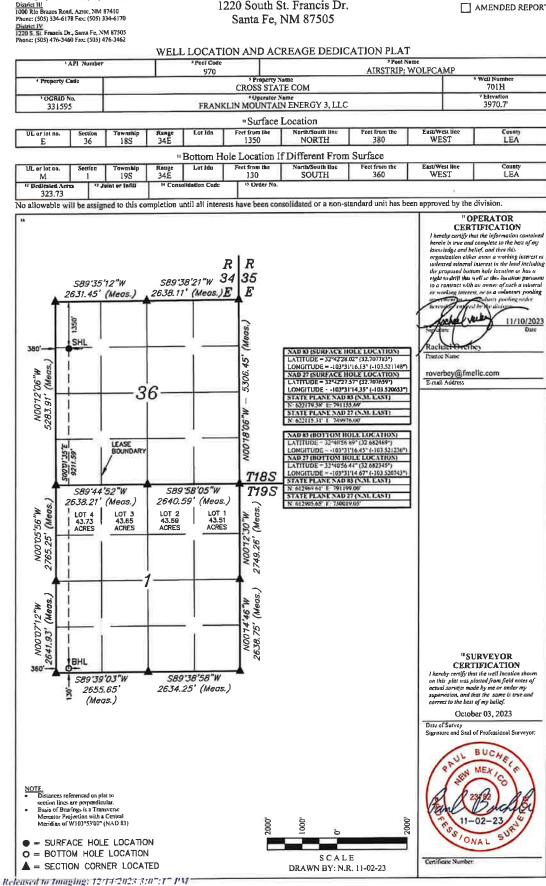
District.1 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II BII S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

Page 2 of 26

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

AMENDED REPORT



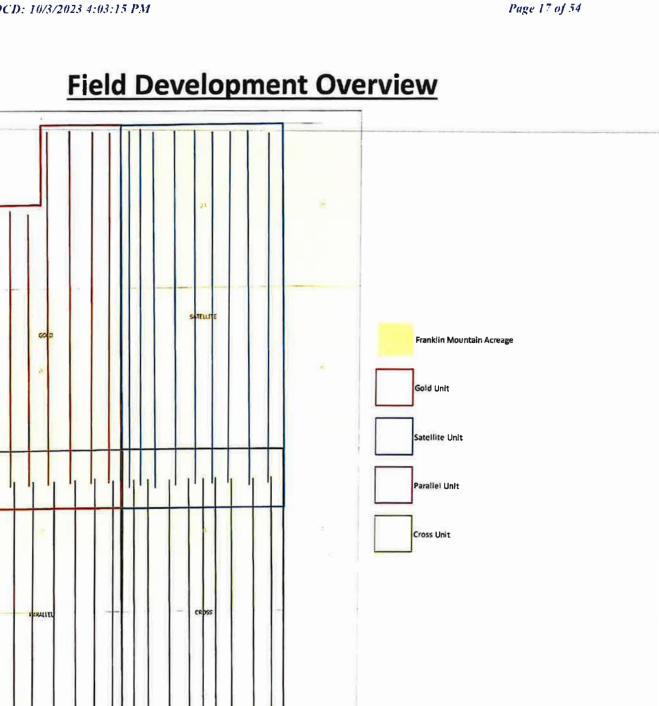
State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Released to Imaging: 2/2/2024 2:33:51 PM

Received by OCD: 10/3/2023 4:03:15 PM





1 Mile

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

OCD Examiner Hearing 10-5-23 No. 23829 15



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 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 NO. 23961-23964

AFFIDAVIT

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

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

1. The above-referenced applications and notices of the hearing was sent by certified mail to the affected parties on the date set forth in the letters attached hereto.

2. The spreadsheet attached hereto contains the names of the parties to whom notice was provided and the information provided by the United States Postal Service on the status of the delivery of this notice as of January 31, 2024. There is a list that covers the parties that received notice of all four cases, and then a list of additional parties that received notice for Cases 23962-23964.

4. I caused a notice to be published to all parties subject to this compulsory pooling proceeding on January 24, 2024, for Case 23964, and then January 25, 2024, for the remaining cases. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached as Exhibit E.

Michael H. Feldewert BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D 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	_
STATE OF NEW MEXICO NOTARY PUBLIC KARI D PEREZ COMMISSION # 1138272 COMMISSION EXPIRES 06/28/2026	

My Commission Expires: 16

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: <u>https://www.emnrd.nm.gov/ocd/hearing-info/</u>.

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,

Stichal + + Menors

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

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

TO: ALL AFFECTED PARTIES

Re: Application of MRC Permian Company for Compulsory Pooling, Lea County, New Mexico: *Mongoose State 122H well*

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

January 19, 2024

<u>VIA CERTIFIED MAIL</u> 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 <u>https://www.emnrd.nm.gov/ocd/</u>.

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Sincerely,

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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 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/.

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: <u>https://</u>www.emnrd.nm.gov/ocd/hearing-info/.

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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,

Tichal & Fellevers

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

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

						Your item was delivered to an individual at the address
						at 9:51 am on January 23,
0414011000765405356575	Buckhorn Energy LLC	FOF N Dia Carina St Sta 202	Midland	TV	79701-4346	2024 in MIDLAND, TX
9414811898765405256575	Buckhorn Energy, LLC	505 N Big Spring St Ste 303	Midland	ТХ	/9/01-4346	/9/01.
						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
9414811898765405251211	Catena Resources Operating, LLC	18402 US Highway 281 N Ste 258	San Antonio	ТΧ	78259-7614	transit to the destination.
						Your item was picked up at
						a postal facility at 8:47 am
						on January 30, 2024 in
9414811898765405251259	Charles D. Ray and wife, Lynne Ray	PO Box 51608	Midland	ТХ	79710-1608	MIDLAND, TX 79705.
						Your item was picked up at
						a postal facility at 7:44 am
						on January 24, 2024 in
9414811898765405251266	COG Operating, LLC	600 W Illinois Ave	Midland	ТХ	79701-4882	MIDLAND, TX 79701.
						Your item was delivered to
						the front desk, reception
						area, or mail room at 1:16
9414811898765405251228	Collins Partners, Ltd	5000 Burnet Rd	Austin	тх	70756 2612	pm on January 23, 2024 in AUSTIN, TX 78756.
9414811898705405251228			Austin		/8/30-2012	AUSTIN, 1X 78750.
						Your item was picked up at
						the post office at 1:26 pm
9414811898765405251204	Davis Partners, Ltd.	PO Box 3061	Midland	тх	70702-2061	on January 24, 2024 in MIDLAND, TX 79701.
3414011030703403231204		LO DOY 2001	willianu	17	19102-3001	WIDLAND, IX / 3/01.

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9414811898765405251297	EOG Resources, Inc.	5509 Champions Dr	Midland	ТХ	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	СО	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.
	John Brickey		Midland	ТХ	79707-2630	Your item was delivered to an individual at the address at 3:36 pm on January 23, 2024 in MIDLAND, TX
9414811898765405251273	JS&AL Family Limited Partnership	4821 Rangewood 303 Veterans Airpark Ln Ste 1100	Midland	TX		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.
9414611696703403231633						Your package will arrive later than expected, but is still on its way. It is currently in transit to the
9414811898765405251860		3108 Preston Dr	Midland	TX	79707-5220	Your item was delivered to the front desk, reception area, or mail room at 1:36 pm on January 26, 2024 in
9414811898765405251808	Marathon Oil Company	990 Town And Country Blvd	Houston	TX	77024-2217	HOUSTON, TX 77024.

Postal Delivery Report								
9414811898765405251891	Marathon Oil Permian LLC	990 Town And Country Blvd	Houston	ТХ	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	тх	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	ТХ	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.		
						Your item was picked up at		

PO Box 871

PO Box 50655

Received by OCD: 2/1/2024 6:10:03 PM

a postal facility at 10:17 am on January 23, 2024 in

Your item arrived at the MIDLAND, TX 79705 post office at 10:17 am on January 23, 2024 and is

79702-0871 MIDLAND, TX 79701.

79710-0655 ready for pickup.

Midland

Midland

ТХ

TX

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

9414811898765405251716 Paul Davis, Ltd.

9414811898765405251754 Peregrine Production, LLC

				-		
9414811898765405251761	REG XI Assets, LLC	1200 Smith St Ste 1950	Houston	тх	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
	Sharktooth Resources, Ltd	505 N Big Spring St Ste 303	Midland	ТХ	79701-4346	Your item was delivered to an individual at the address at 9:50 am on January 23, 2024 in MIDLAND, TX
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	ТХ	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	ТХ	79707-1547	Your item was delivered to an individual at the address at 10:26 am on January 23, 2024 in MIDLAND, TX 79707.

9414811898765405251914	T.H. McElvain Oil & Gas, LLP	1819 Denver West Dr Ste 260	Lakewood	СО	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	ТХ	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	ТХ	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	ТХ	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.	

Received by OCD: 2/1/2024 6:10:03 PM

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

9414811898765405251167	Crown Oil Partners, LP	PO Box 50820	Midland	ТХ	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 RayCD Ray, LLC	PO Box 51608	Midland	тх	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, LLCAttention Joint Ventures	600 W Illinois Ave	Midland	ТХ	79701-4882	Your item was picked up at a postal facility at 7:44 am on January 24, 2024 in MIDLAND, TX 79701.
5414611050705405251105						Your package will arrive later than expected, but is still on its way. It is currently in transit to the
9414811898765405251143	Collin and Jones Investments, LLC	508 W Wall St Ste 1200	Midland	TX	79701-5076	next facility. Your item arrived at the MIDLAND, TX 79705 post office at 10:18 am on January 23, 2024 and is
9414811898765405251181	Crump Energy Partners, II, LLC	PO Box 50820	Midland	TX	79710-0820	ready for pickup. Your item arrived at the MIDLAND, TX 79705 post office at 10:18 am on January 23, 2024 and is
9414811898765405251136	David Cromwell	PO Box 50820	Midland	тх	79710-0820	ready for pickup. Your item arrived at the MIDLAND, TX 79705 post office at 10:18 am on January 23, 2024 and is
9414811898765405251174	Deane Durham	PO Box 50820	Midland	тх	79710-0820	ready for pickup.

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

						Your item arrived at the
						MIDLAND, TX 79705 post
						office at 10:17 am on
						January 23, 2024 and is
9414811898765405251310	Good News Minerals, LLC	PO Box 50820	Midland	тх	79710-0820	ready for pickup.
5414611656705405251510		10 00x 50020	Witatatia		75710 0820	
						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
9414811898765405251358	H. Jason Wacker	5601 Hillcrest	Midland	тх	79707-9113	label was incorrect.
5414611656705405251556			Ivitatia		/5/0/ 5115	
						Your item was delivered to
						the front desk, reception
						area, or mail room at 10:00
						am on January 23, 2024 in
9414811898765405251365	JA Gill Family Limited Partnership	303 Veterans Airpark Ln Ste 1100	Midland	тх	79705-4551	MIDLAND, TX 79705.
			Innaiana		13703 1331	Your item was delivered to
						an individual at the address
						at 2:44 pm on January 23,
						2024 in MIDLAND, TX
9414811898765405251327	John D. Savage	3801 Saint Andrews Ct	Midland	тх	79707-4417	79707.
						Your item was delivered to
						an individual at the address
						at 3:36 pm on January 23,
						2024 in MIDLAND, TX
9414811898765405251303	Jon Brickey	4821 Rangewood	Midland	тх	79707-2630	
	· · · · · · · · · · · · · · · · · · ·					
						Your item was delivered to
						the front desk, reception
						area, or mail room at 10:00
						am on January 23, 2024 in
9414811898765405251396	JS&AL Family Limited Partnership	303 Veterans Airpark Ln Ste 1100	Midland	тх	79705-4551	MIDLAND, TX 79705.

Released to Imaging: 2/2/2024 2:33:51 PM

MRC - Mongoose 121H - 124H wells - Case nos. 23961-23964 Postal Delivery Report								
						Your item arrived at the		
						MIDLAND, TX 79705 post		
						office at 10:17 am on		
						January 23, 2024 and is		
9414811898765405251341	Kaleb Smith	PO Box 50820	Midland	ТΧ	79710-0820	ready for pickup.		
						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		
9414811898765405251389	LMC Energy, LLC	550 W Texas Ave Ste 945	Midland	ΤХ	79701-4233	longer valid.		
						Your package will arrive		
						later than expected, but is		
						still on its way. It is		
						currently in transit to the		

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Received by OCD: 2/1/2024 6:10:03 PM

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

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

						Your package will arrive later than expected, but is
						still on its way. It is
						currently in transit to the
9414811898765405251020	Post Oak Crown IV, LLC	5200 San Felipe St	Houston	ТΧ	77056-3606	-
						Your package will arrive
						later than expected, but is
						still on its way. It is
						currently in transit to the
9414811898765405251006	Post Oak Crown IV-B, LLC	5200 San Felipe St	Houston	ТΧ	77056-3606	
						Your item was delivered to
						an individual at the address
						at 12:13 pm on January 25,
						2024 in HOUSTON, TX
9414811898765405251099	Post Oak Mavros II, LLC	34 S Wynden Dr Ste 210	Houston	ТХ	77056-2531	77056.
						Your item was picked up at
						the post office at 11:09 am
						on January 23, 2024 in
9414811898765405251044	Ross Duncan Properties, LLC	PO Box 647	Artesia	NM	88211-0647	ARTESIA, NM 88210.
						Your package will arrive
						later than expected, but is
						still on its way. It is
0444044000765405054000		DO D	N 41 - 1 - 1		70740 0000	currently in transit to the
9414811898765405251082	Sortida Resources, LLC	PO Box 50820	Midland	ТΧ	79710-0820	Your item was delivered to
						an individual at the address
						at 10:26 am on January 23,
0444044000705405254027			N 4: all a se al	TV	79707-1547	2024 in MIDLAND, TX
9414811898765405251037	Stillwater Investments	6403 Sequoia Dr	Midland	ТХ	/9/0/-154/	/9/0/.
						Your item has been
						delivered and is available at
						a PO Box at 12:30 pm on
						January 26, 2024 in
0414011000765405254075	Tarpon Industries Corporation	PO Box 52002	Midland	тх	70710 2002	
9414011898/054052510/5	raipon industries corporation	PU BUX 52002	iviluiand	17	/9/10-2002	MIDLAND, TX 79705.

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	MRC - Mongoo	ose 121H - 124H wells - Case nos. 239 Postal Delivery Report	61-23964			
9414811898765405251419	Thomaston, LLC	1600 Stout St Ste 500	Denver	СО	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	тх		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.

Received by OCD: 2/1/2024 6:10:03 PM

	1			1		
						Your item was picked up at the
						post office at 9:56 am on
	The Taurus Corporation c/o					January 23, 2024 in LITTLE
9414811898765405251938	Robert Benson Payne, Jr.	PO Box 1477	Little Elm	ТΧ	75068-1477	ELM, TX 75068.
						Your item was picked up at the
						post office at 10:15 am on
						January 24, 2024 in ROSWELL,
9414811898765405251976	Armstrong Energy Corporation	PO Box 1973	Roswell	NM	88202-1973	NM 88201.
						Your item was picked up at the
						post office at 10:15 am on
						January 24, 2024 in ROSWELL,
9414811898765405251655	Chimney Rock Oil & Gas, LLC	PO Box 1973	Roswell	NM	88202-1973	NM 88201.
						Your item was delivered to the
						front desk, reception area, or
						mail room at 5:24 pm on
						January 23, 2024 in HOBBS,
9414811898765405251662	Penroc Oil Corporation	1515 W Calle Sur St Ste 174	Hobbs	NM	88240-0998	NM 88240.
						Your item was picked up at the
						post office at 10:15 am on
						January 24, 2024 in ROSWELL,
9414811898765405251624	Blue Ridge Royalties, LLC	PO Box 1973	Roswell	NM	88202-1973	NM 88201.
						Your item has been delivered
						to an agent for final delivery in
						LITTLETON, CO 80123 on
9414811898765405251600	JKV Corporation	8601 W Cross Dr Ste F5-208	Littleton	СО	80123-0702	January 22, 2024 at 11:14 am.
						Your package will arrive later
						than expected, but is still on its
						way. It is currently in transit to
9414811898765405251693	Ridgeback Energy, Inc.	8409 Pickwick Ln Unit 120	Dallas	тх	75225-5323	the next facility.

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 publishe 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.

Hussiekerthelad

Business Manager

My commission expires January 29, 2027 (Seal) STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087526

COMMISSION # 108/526 COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish op 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 Page 116 of 119 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, Eebruary 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.emrnd.nm.gov/ocd/hearing-info/ or obtained from Sheila Apodaca, at Sheila.Apodaca@emmrd.nm.gov. Documents filed in these cases may be viewed at https://ocdimage.emrnd.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; 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
 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

Released to Imaging: 2/2/2024 2:33:51 PM

Page 117 of 119

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.

Russell

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://codimage.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.)

(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; UMC 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; The Taurus Corporation; Sortida Resources, LLC; Stillwater Investments; Thomaston, LLC; The Taurus Corporation; Armstrong Energy Corporation; Chimney Rock Oil & Gas, LLC; Penroc Oil Corporation; Blue Ridge Royaities, LLC; JKV Corporation; Ridgeback Energy, Inc.; Mike Moylett, his heirs and devisees; Mongoose Minerals, LLC; Oak Valley Mineral and Land, LP; an

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. 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

LEGAL NOTICE

Page 118 of 119

Affidavit of Publication

STATE OF NEW MEXICO COUNTY OF LEA

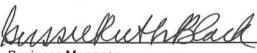
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

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

hisself

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 o 1937 and payment of fees for said publication has been made.

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: Bidgeback Energy Inc.; Sharktooth Resources, Ltd; Slash Exploration Limited Nuevo Seis Limited Partnership: Otter Creek; Paul Davis, Ltd.; Peregrine Production, LLC; ŘÉG 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, MMPM, 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 Rone Spring 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

Page 119 of 119

LEGAL NOTICE January 24, 2024

Affidavit of Publicatior

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

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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; Carergy, 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; 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
 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. #00286722

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