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

APPLICATIONS OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 23944-23945

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

Case Nos. 24074-24076

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

Case Nos. 24101-24102

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

APPLICANT

ATTORNEY

MRC Permian Company

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

OTHER PARTIES	ATTORNEY
Pride Energy Company	Sharon T. Shaheen Daniel B. Goldberg Montgomery & Andrews, P.A. Post Office Box 2307 Santa Fe, New Mexico 87504-2307 (505) 986-2678 sshaheen@montand.com dgoldberg@montand.com ec: wmcginnis@montand.com
EOG Resources, Inc.	Jordan L. Kessler EOG RESOURCES, INC. 125 Lincoln Avenue, Suite 213 Santa Fe, New Mexico 87501 (432) 488-6108

STATEMENT OF THE CASE

In these consolidated cases, both parties seek to pool the N2 of Sections 29 and 30,

Jordan kessler@eogresources.com

Township 20 South, Range 28 East, Eddy County, New Mexico. MRC's applications seek

orders (a) approving, as needed, overlapping spacing units in the Bone Spring formation,

and (b) pooling standard horizontal well spacing units, for two-mile laterals in the Bone

Spring and Wolfcamp formations, underlying the N2 of Sections 29 and 30 as follows:

- Under Case 24101, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Bone Spring</u> formation underlying the N2N2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 111H and the Wayne Gaylord 2930 Fed Com 121H wells. This proposed spacing unit overlaps an existing vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No 6 (30-015-24657), a gas well producing from the East Avalon Bone Spring Gas Pool [70870], currently operated by EOG Resources, Inc.
- Under Case 24102, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Bone Spring</u> formation underlying the S2N2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 112H and the Wayne Gaylord 2930 Fed Com 122H wells. This proposed

spacing unit overlaps an existing vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 (30-015-24657), a gas well producing from the East Avalon Bone Spring Gas Pool [70870], currently operated by EOG Resources, Inc.

- Under Case 24074, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Wolfcamp</u> formation underlying the N2N2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 201H.
- Under Case 24075, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Wolfcamp</u> formation underlying the S2N2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 202H.
- Under Case 24076, MRC <u>alternatively</u> seeks to pool a standard 640-acre horizontal spacing unit in the <u>Wolfcamp</u> formation underlying the N/2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 201H and Wayne Gaylord 2930 Fed Com 202H wells.¹

Pride Energy Company (Pride) has filed competing pooling applications under Cases 23944-23945 that seek to pool the N2 o Sections 29 and 30 in the Bone Spring and Wolfcamp formations for its proposed Burton Flats wells.

Both companies seek to initially develop the same Bone Spring and Wolfcamp intervals. MRC has the superior working interest control and has a federal lease expiring in the subject acreage. As a result, MRC desires to maintain control of the development plans to ensure drilling is commenced in advance of the lease expiration deadline. MRC also has substantial experience obtaining the necessary federal drilling permits and has initiated the process to obtain the necessary permits to allow drilling before the lease expiration date. According to Division records, Pride does not have experience obtaining federal drilling permits in New Mexico and does not appear to

¹ MRC expects to produce oil from this targeted interval and therefore filed for horizontal oil well spacing units under Cases 24074 and 24075. Pride Energy Company's 's competing Case 23945 likewise seeks approval of an upper Wolfcamp horizontal oil spacing unit in the WC Burton Flat Upper Wolfcamp, East [98315], which is an oil pool. However, the Division has informed MRC that the proposed Wolfcamp wells will be placed in the Burton Flats; Wolfcamp, North (Gas) [73520] pool subject to 320-acre spacing. Therefore, MRC has also filed Case 24076 to pool a 640-acre horizontal gas well spacing unit in the Wolfcamp formation for the proposed wells.

have initiated the action necessary to obtain federal drilling permits in time to drill before the lease expiration date. Other evidence will demonstrate that MRC's applications should be granted so that it can development acreage where it has the most working interest under control and can act prudently to avoid expiration of MRC's federal lease.

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

1. MRC controls more working interest in the N2 of Sections 29 and 30 than Pride.

2. MRC has a federal lease that expires on July 1, 2025, and has already initiated the process with the BLM to obtain federal drilling permits in time to meet that lease expiration deadline.

3. Both parties seek initially develop the same intervals underlying the subject acreage.

4. There are no faults, pinch outs, or other geologic impediments preventing MRC from efficiently and effectively developing the Bone Spring and Wolfcamp formations under the subject acreage with the 2-mile horizontal wells.

5. MRC has oil, gas and water takeaway capacity available for its proposed initial development plan.

6. The proposed horizontal well spacing units in the Bone Spring formation will overlap an existing vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No 6 (30-015-24657), a gas well producing from the East Avalon Bone Spring Gas Pool [70870], currently operated by EOG Resources, Inc.

FILED EVIDENCE

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

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The Applications filed in MRC Cases 24074-24076 (Wolfcamp formation) and Cases 24101-24102 (Bone Spring formation)

The Compulsory Pooling Checklists for MRC Cases 24076, 24101 and 24102. MRC has not filed Compulsory Pooling Checklists for Cases 24074-75 for the reasons identified in footnote 1 of this prehearing statement.

MRC Exhibit A: Self-affirmed Statement of David Johns, Petroleum Landman

MRC Exhibit B: Self-affirmed Statement of Andrew Parker, Petroleum Geologist

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

MRC Exhibit D: Self-affirmed Statement of Tavis Wolf, Petroleum Engineer

MRC Exhibit E: Notice Affidavit for Cases 24074-24076 (Wolfcamp formation) and

Cases 24101-24102 (Bone Spring formation)

MRC Exhibit F: Affidavit of Publication for Cases 24074-24076 (Wolfcamp formation) and Cases 24101-24102 (Bone Spring formation)

The qualifications for each witness and the narrative of their direct testimony are contained in the self-affirmed statements filed with this prehearing statement.

PROCEDURAL MATTERS

MRC reserves the right to call these or other witnesses to address issues that arise with the filing of additional information.

As noted in footnote 1 herein, MRC expects to produce oil from the targeted Wolfcamp A interval and therefore filed for horizontal oil well spacing units under Cases 24074 and 24075. Pride Energy Company's 's competing Case 23945 likewise seeks approval of an upper Wolfcamp horizontal oil spacing unit in the WC Burton Flat Upper Wolfcamp, East [98315], which is an oil pool. However, the Division has informed MRC that the proposed Wolfcamp wells will be placed in the Burton Flats; Wolfcamp, North (Gas) [73520] pool subject to 320acre spacing. MRC has therefore also filed Case 24076 to pool a 640-acre horizontal gas well spacing unit in the Wolfcamp formation for the proposed wells and has submitted for the hearing Form C-102s that comport with the Division identified gas pool.

Respectfully submitted,

HOLLAND & HART LLP

By:

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ATTORNEYS FOR MRC PERMIAN COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on May 16, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Sharon T. Shaheen Daniel B. Goldberg Montgomery & Andrews, P.A. Post Office Box 2307 Santa Fe, New Mexico 87504-2307 (505) 986-2678 sshaheen@montand.com dgoldberg@montand.com ec: wmcginnis@montand.com

Attorneys for Pride Energy Co.

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

Attorney for EOG Resources, Inc.

Michael H. Feldewert

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

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

CASE NO. 24074

APPLICATION

MRC Permian Company ("MRC" or "Applicant"), through undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17 for an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed overlapping horizontal spacing unit.

3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Wayne Gaylord 2930 Fed Com 201H** well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 (Unit D) of Section 30.

4. 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.

5. The pooling of interests in the proposed spacing unit 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 January 4, 2024, and, after notice and hearing as required by law, the Division enter an order:

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

fellevers acha By:

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ATTORNEYS FOR MRC PERMIAN COMPANY

CASE :

Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 201H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE4NE4 (Unit A) of Section 29 and last take points located in the NW4NW4 (Unit D) of Section 30. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.

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

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

CASE NO. 24075

APPLICATION

MRC Permian Company ("MRC" or "Applicant"), through undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17 for an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed overlapping horizontal spacing unit.

3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Wayne Gaylord 2930 Fed Com 202H** well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the SE4NE4 (Unit H) of Section 29 and a last take point in the SW4NW4 (Unit E) of Section 30.

4. 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.

5. The pooling of interests in the proposed spacing unit 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 January 4, 2024, and, after notice and hearing as required by law, the Division enter an order:

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

Fellevers Tichal By:

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ATTORNEYS FOR MRC PERMIAN COMPANY

CASE :

Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 320-acre, more or less, horizontal oil well spacing unit in the Wolfcamp formation underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 202H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SE4NE4 (Unit H) of Section 29 and last take points located in the SW4NW4 (Unit E) of Section 30. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.

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

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

CASE NO. 24076

APPLICATION

MRC Permian Company ("MRC" or "Applicant"), through undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17 for an order pooling a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed overlapping horizontal spacing unit.

3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the following proposed wells:

- Wayne Gaylord 2930 Fed Com 201H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 (Unit D) of Section 30, and
- Wayne Gaylord 2930 Fed Com 202H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the

SE4NE4 (Unit H) of Section 29 and a last take point in the SW4NW4 (Unit E) of Section 30.

4. The Division's district office has informed Applicant that these wells will be placed in the Burton Flats; Wolfcamp North (Gas) Pool (73520) although Applicant expects to produce oil from these wells. This application is being filed as an alternative to the simultaneously filed applications seeking to pool oil spacing units for these proposed wells.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

6. The pooling of interests in the proposed spacing unit 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 January 4, 2024, and, after notice and hearing as required by law, the Division enter an order:

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

Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the to the following proposed wells:

- Wayne Gaylord 2930 Fed Com 201H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the NE4NE4 (Unit A) of Section 29 and a last take point in the NW4NW4 (Unit D) of Section 30, and
- Wayne Gaylord 2930 Fed Com 202H well to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the SE4NE4 (Unit H) of Section 29 and a last take point in the SW4NW4 (Unit E) of Section 30.

Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, 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, EDDY COUNTY, NEW MEXICO.

CASE NO. 24101

APPLICATION

MRC Permian Company ("MRC" or "Applicant"), through undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17 and NMAC 19.15.16.15.B(9), for an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed overlapping horizontal spacing unit.

3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Wayne Gaylord 2930 Fed Com 111H** and the **Wayne Gaylord 2930 Fed Com 121H** wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE4NE4 (Unit A) of Section 29 and last take points located in the NW4NW4 (Unit D) of Section 30. 4. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

6. The approval of the overlapping horizontal well spacing unit and compulsory 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 January 4, 2024, 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 spacing
 Unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- 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 wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

ticha 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, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 111H and the Wayne Gaylord 2930 Fed Com 121H wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE4NE4 (Unit A) of Section 29 and last take points located in the NW4NW4 (Unit D) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, 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, EDDY COUNTY, NEW MEXICO.

CASE NO. 24102

APPLICATION

MRC Permian Company ("MRC" or "Applicant"), through undersigned attorneys, hereby files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal spacing unit and has the right to drill thereon.

2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed overlapping horizontal spacing unit.

3. Applicant seeks to initially dedicate the above-referenced horizontal spacing unit to the proposed **Wayne Gaylord 2930 Fed Com 112H** and the **Wayne Gaylord 2930 Fed Com 122H** wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SE4NE4 (Unit H) of Section 29 and last take points located in the SW4NW4 (Unit E) of Section 30. 4. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc.

5. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all interest owners in the subject spacing unit.

6. The approval of the overlapping horizontal well spacing unit and compulsory 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 January 4, 2024, 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 Pooling all uncommitted interests therein;
- B. Designating Matador Production Company as operator of this horizontal spacing
 Unit and the horizontal wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the wells;
- 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 wells against any working interest owner who does not voluntarily participate in the drilling of the wells.

Respectfully submitted,

HOLLAND & HART LLP

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ATTORNEYS FOR MRC PERMIAN COMPANY

CASE :

Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 112H and the Wayne Gaylord 2930 Fed Com 122H wells to be horizontally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SE4NE4 (Unit H) of Section 29 and last take points located in the SW4NW4 (Unit E) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.

REVISED COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24076	APPLICANT'S RESPONSE
Date	May 23, 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 COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Pride Energy Company; EOG Resources, Inc.
Well Family	Wayne Gaylord
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Burton Flats; Wolfcamp, North (Gas) [73520]
Well Location Setback Rules:	Statewide rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	643.59-acres
Building Blocks:	160 acres
Orientation:	East-West
Description: TRS/County	N2 of Sections 29 and irregular Section 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-4
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

<u>Received by OCD: 5/16/2024 4:47:20 PM</u>	Page 29 Wayna Gaylord 2920 Ead Com 201H (API panding)
Well #1	Wayne Gaylord 2930 Fed Com 201H (API pending) SHL: 1523' FNL, 1113' FWL (Unit E) of Section 28
	BHL: 660' FNL, 110' FWL (Lot 1) of Section 30
	Target: Wolfcamp
	Orientation: East-West
	Completion: Standard Location
Well #2	Wayne Gaylord 2930 Fed Com 202H (API pending)
	SHL: 1553' FNL, 1113' FWL (Unit E) of Section 28
	BHL: 1980' FNL, 110' FWL (Lot 2) of Section 30 Target: Wolfcamp
	Orientation: East-West
	Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit A-1
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 E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
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-3
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-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
Cost Estimate to Drill and Complete	Exhibit A-5
Cost Estimate to Equip Well	Exhibit A-5
Cost Estimate for Production Facilities	Exhibit A-5
See 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	

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Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-4 and B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B-5
HSU Cross Section	Exhibit B-5
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-4 and B-6
Structure Contour Map - Subsea Depth	Exhibit B-4
Cross Section Location Map (including wells)	Exhibit B-5
Cross Section (including Landing Zone)	Exhibit B-5
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information pr	ovided in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	pachaly Fellevers 5/16/2024
Date:	Juinal 4 - 4 placement 5/16/2024

REVISED COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24101	APPLICANT'S RESPONSE
Date	May 23, 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 COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Pride Energy Company; EOG Resources, Inc.
Well Family	Wayne Gaylord
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:	Avalon; Bone Spring, East [3713]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	321.9-acres
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	N2N2 of Sections 29 and irregular Section 30, Township 20 South, Range 28 East, NMPM, Eddy 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)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

Received by OCD: 5/16/2024 4:47:20 PM	Page 32 9
Well #1	Wayne Gaylord 2930 Fed Com 111H (API pending) SHL: 1522' FNL, 1003' FWL (Unit E) of Section 28
	BHL: 1522 FNL, 1003 FWL (Onit E) of Section 28 BHL: 335' FNL, 110' FWL (Lot 1) of Section 30
	Target: Bone Spring
	Orientation: East-West
	Completion: Standard Location
Well #2	Wayne Gaylord 2930 Fed Com 121H (API pending)
	SHL: 1523' FNL, 1083' FWL (Unit E) of Section 28
	BHL: 660' FNL, 110' FWL (Lot 1) of Section 30 Target: Bone Spring
	Orientation: East-West
	Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit A-1
Completion Target (Formation, TVD and MD)	Exhibit A-5
AFE Capex and Operating Costs	\$8.000
Drilling Supervision/Month \$ Production Supervision/Month \$	\$8,000 \$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 E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibit A-2
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-3
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-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-6
Overhead Rates In Proposal Letter	Exhibit A-5
	Exhibit A-5
Cost Estimate to Drill and Complete	
Cost Estimate to Drill and Complete Cost Estimate to Equip Well Cost Estimate for Production Facilities	Exhibit A-5 Exhibit A-5

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Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2 and B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B-3
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2 and B-6
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	Applicant is also seeking approval, as needed, of an overlapping horizontal well spacing unit in the Bone Spring formation
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):	stabal + + Mayers
Date:	/ denal & - + 10000000 5/16/2024

REVISED COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24102	APPLICANT'S RESPONSE
Date	May 23, 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 COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Pride Energy Company; EOG Resources, Inc.
Well Family	Wayne Gaylord
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:	Avalon; Bone Spring, East [3713]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	321.69-acres
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	S2N2 of Sections 29 and irregular Section 30, Township 20 South, Range 28 East, NMPM, Eddy 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)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed

Wayne Gaylord 2930 Fed Com 112H (API pending)
SHL: 1552' FNL, 1003' FWL (Unit E) of Section 28
BHL: 1657' FNL, 110' FWL (Lot 2) of Section 30
Target: Bone Spring
Orientation: East-West
Completion: Standard Location
Wayne Gaylord 2930 Fed Com 122H (API pending) SHL: 1553' FNL, 1083' FWL (Unit E) of Section 28
BHL: 1980' FNL, 110' FWL (Lot 2) of Section 30
Target: Bone Spring
Orientation: East-West
Completion: Standard Location
Exhibit A-1
Exhibit A-5
\$8,000
\$800
Exhibit A
200%
See Application
Exhibit E
Exhibit F
Exhibit A-2
Exhibit A-2
N/A
Exhibit A-3
N/A
N/A
Exhibit A-5
Exhibit A-3
Exhibit A-6
Exhibit A-5
Exhibit A-5
Exhibit A-5
Exhibit A-5

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Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2 and B-6
Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B-3
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibit B-2 and B-6
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-3
Cross Section (including Landing Zone)	Exhibit B-3
Additional Information	
Special Provisions/Stipulations	Applicant is also seeking approval, as needed, of an overlapping horizontal well spacing unit in the Bone Spring formation
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):	stand + Fellerent
Date:	5/16/2024

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

APPLICATIONS OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 23944-23945

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

Case Nos. 24074-24076

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

Case Nos. 24101-24102

SELF-AFFIRMED STATEMENT OF DAVID JOHNS, LANDMAN

1. My name is David Johns and I work for MRC Energy Company, an affiliate of MRC Permian Company ("MRC"), as an Area Land Manager.

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 and Pride Energy Company ("Pride") in these consolidated cases, and I am familiar with the status of the lands in the subject area.

4. MRC seeks orders approving overlapping spacing units in the Bone Spring formation, and pooling standard horizontal well spacing units, for two-mile laterals in the Bone Spring and Wolfcamp formations, underlying the N2 of Sections 29 and 30, Township 20 South, Range 28 East, Eddy County, New Mexico, as follows:

• Under Case 24101, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Bone Spring</u> formation underlying the N2N2 of

1

Sections 29 and 30, for the proposed **Wayne Gaylord 2930 Fed Com 111H** and the **Wayne Gaylord 2930 Fed Com 121H** wells. This proposed spacing unit overlaps an existing vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No 6 (30-015-24657), producing from the East Avalon Bone Spring Gas Pool [70870], currently operated by EOG Resources, Inc.

- Under Case 24102, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Bone Spring</u> formation underlying the S2N2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 112H and the Wayne Gaylord 2930 Fed Com 122H wells. This proposed spacing unit overlaps an existing vertical well spacing unit comprised of the NW4 of Section 30 dedicated to the Stonewall EP State No. 6 (30-015-24657), producing from the East Avalon Bone Spring Gas Pool [70870], currently operated by EOG Resources, Inc.
- Under Case 24074, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Wolfcamp</u> formation underlying the N2N2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 201H.
- Under Case 24075, MRC seeks to pool a standard 320-acre horizontal oil well spacing unit in the <u>Wolfcamp</u> formation underlying the S2N2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 202H.
- Under Case 24076, MRC alternatively seeks to pool a standard 640-acre horizontal spacing unit in the <u>Wolfcamp</u> formation underlying the N/2 of Sections 29 and 30, for the proposed Wayne Gaylord 2930 Fed Com 201H and Wayne Gaylord 2930 Fed Com 202H wells.
- 5. The Division has informed MRC that the proposed Wolfcamp wells will be placed

in the Burton Flats; Wolfcamp, North (Gas) [73520] pool, which would be subject to gas spacing.

MRC therefore filed Case 24076, which seeks to create a 640-acre horizontal gas well spacing unit

in the Wolfcamp formation for the proposed wells.

6. Pride's competing Case 23945 sought approval of an upper Wolfcamp horizontal

oil spacing unit in the WC Burton Flat Upper Wolfcamp, East [98315], which is an oil pool.

Accordingly, MRC also filed its alternative Cases 24074 and 24075 for its Wolfcamp wells based

on oil spacing, in case needed.

7. There are no ownership depth severances in either the Bone Spring or the Wolfcamp formations underlying the subject acreage.

8. MRC Exhibit A-1 contains draft Form C-102's for MRC's initial wells in numerical order starting with the Bone Spring formation. Matador has drafted these forms with the assumption that the Bone Spring wells will be placed in the Avalon; Bone Spring, East [3713] oil pool and that the Wolfcamp wells will be placed in the Burton Flats; Wolfcamp, North (Gas) [73520] pool.

9. The completed intervals for the proposed Bone Spring wells will remain within the standard setbacks required by the statewide rules set forth in 19.15.16.15 NMAC.

10. The completed intervals for the proposed Wolfcamp wells will remain within the standard setbacks at the perpendicular boundary to the spacing unit, and Matador will apply administratively for non-standard locations for its proposed 100' setbacks at the first and last take points for these wells.

11. MRC Exhibit A-2 identifies the tracts of land comprising the subject acreage, which consists of federal and state tracts.

12. **MRC Exhibit A-3** 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. As shown on Exhibit A-3, the working interest parties and ownership percentages are uniform in the N2 of the subject acreage.

13. MRC Exhibit A-4 contains a list of the overriding royalty interest owners that MRC seeks to pool and the tracts in which each overriding royalty owners holds an interest.

14. MRC Exhibit A-5 contains a sample of the various well proposal letters that were sent to the working interest owners, including (i) the June 13, 2023 Wolfcamp proposal sent to

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certain owners, (ii) the November 7, 2023 Bone Spring proposal sent to certain owners, (iii) the November 15, 2023 Bone Spring and Wolfcamp proposals sent to certain owners, (iv) the April 30, 2024 Bone Spring and Wolfcamp proposals sent to additional parties identified by MRC, and (v) the May 2, 2024 follow up letter sent certain owners who had previously received well proposals but whom MRC had not yet been able to contact.

15. MRC Exhibit A-5 also contains a copy of the current AFEs for MRC's 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 formations.

16. 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.

17. MRC Exhibit A-6 contains a general summary of the communications with each of the remaining uncommitted working interest owners. In preparing this exhibit, I worked closely with another MRC landman, Hanna Bollenbach, who was the landman primarily responsible for the various described communication efforts. In addition to sending the well proposal letters, MRC has attempted to contact each of the working interest owners that it seeks to pool and undertaken good faith efforts to reach a voluntary agreement with those it has been able to locate.

18. MRC has conducted a diligent search of all public records in the county where the property is located and conducted computer searches to attempt to locate contact information for each interest owner. As reflected in Exhibit A-6, after engaging in these efforts, MRC has been unable to locate a few of the working interest parties we seek to pool, but we are continuing efforts to locate those parties including sending additional proposal letter to other potential addresses we have been able to locate, if any.

4

19. 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. This list includes the operator of the existing Bone Spring vertical well spacing unit (EOG) and the known working interest owners in that existing spacing unit.

MRC's Working Interest Control

20. Pride has proposed Bone Spring and Wolfcamp spacing units that directly overlap and compete with Matador's applications—specifically, two-mile spacing units underlying the N2 of Sections 29 and 30.

21. As shown on Exhibit A-3, Matador owns 24.8605% of the working interest in the proposed spacing units. Matador has also received signed joint operating agreements from the following parties that together comprise 6.0283% of the working interest:

- a. Ard Energy Group, Ltd. (1.8173266%)
- b. Claremount Corporation (0.3407489%)
- c. Space Building Corp. (0.0083588%)
- d. Zorro Partners Ltd. (1.8173266%)
- e. Magic Dog Oil & Gas, Ltd. (0.2271667%)
- f. Javelina Partners (1.8173266%)

22. Accordingly, in total MRC currently has 30.8888% of the working interest in these competing cases committed to its development plans. In contrast Pride owns only a 24.861662% working interest in these cases.

MRC's Lease Expiration Deadline

23. MRC owns a federal lease covering 160 acres in the NW4 of Section 29 (Tract 2 on Exhibit A-2), which is included in the proposed spacing units. Matador's lease expires on July 31, 2025.

24. MRC desires to maintain control of the development plans to ensure that drilling is commenced in advance of the lease expiration deadline. Each of the wells in the proposed spacing units include federal acreage and therefore require federal drilling permits. MRC has significant experience obtaining federal drilling permits, including employing an entire team devoted to working on federal permits. With respect to Matador's Wayne Gaylord wells, MRC has:

- a. Conducted on-sites on or about 10/10/2023 and 12/13/2023 with the Bureau of Land Management ("BLM") for approval of proposed pad locations;
- b. Has staked its proposed wells on or about 09/27/23; and
- c. Has cleared the various BLM-related surveys (detailed below), necessary for its proposed drilling permits.
 - i. Karst Survey (August 2023 November 2023)
 - ii. Archaeological
 - iii. Scheer's Beehive Cactus Survey
 - iv. Biological Survey

MRC has therefore conducted the work necessary to file federal drilling permits, is in the process of finishing those permits, and intends to submit them shortly to the BLM to ensure that it can commence drilling before the lease expiration deadline.

25. In addition, MRC is currently running eight full time drilling rigs and will be able to drill its proposed Wayne Gaylord wells soon after receiving approved drilling permits from the BLM. 26. MRC has serious concerns about Pride's ability to meet MRC's lease expiration deadline. Based on the NMOCD website, it does not appear Pride has applied for and received an approved federal drilling permit in New Mexico. Among other concerns, the federal drilling permit process is a lengthy, time-consuming process that requires experience to navigate and MRC would be concerned if Pride were learning that process with MRC's lease expiration upcoming.

27. Expiration of MRC's federal lease would not only harm MRC, but would likely also delay development of the project as a whole—to the detriment all of all interest owners—because there would then be an unleased federal tract present in the middle of the proposed spacing units.

28. In addition to meeting our lease expiration, MRC's development plans seek to minimize surface disturbance for the development of this acreage by drilling each of the wells in these cases from one combined drilling pad and commingling the production from each of the wells in one combined facility.

29. MRC also has water, oil and has takeaway capacity available for its proposed development plan. This includes the ability to connect its wells to gas pipeline system operate by its midstream affiliate, San Mateo Midstream.

MRC's Good Faith Negotiations

30. As noted above, MRC has been making efforts to reach voluntary joinder with all working interest owners it has been able to locate in the proposed spacing units. As part of that effort, MRC has entered into a joint operating agreement with 6 parties thus far.

31. With respect to Pride, MRC sent Pride a proposed joint operating agreement and has been negotiating in good faith on the extensive changes proposed by Pride to MRC's joint

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operating agreement. This is the same joint operating agreement that the parties identified above received and executed.

Although MRC has been negotiating in good faith with Pride on Pride's proposed 32. changes, many of them are very unusual and do not comport with what the other working interest owners have found to be acceptable.

In addition, Pride has never sent Matador a proposed joint operating agreement for 33. Pride's proposed spacing units. It is therefore unclear whether Pride has sent an operating agreement to any of the parties to be pooled or discussed a voluntary agreement with any of the uncommitted parties.

In my opinion, MRC has engaged in good faith efforts to reach a voluntary 34. agreement with all parties to be pooled, including Pride.

MRC Exhibits A-1 through A-6 were either prepared by me or compiled under 35. my direction and supervision.

I affirm under penalty of perjury under the laws of the State of New Mexico that 36. 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.

05/16/24 Date

EXHIBIT A-1

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-1 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102
 District 1

 1625 N. French Dr., Hobbs. NM 88240

 Phone: (575) 393-6161
 Fax: (575) 393-6020

 District 11
 Bit 15. First St., Arcesia. NM 88210

 Phone: (575) 748-1283
 Fax: (575) 748-9720

 District 11
 District 11

 1000 Rio Brazos Road, Aztec, NM 87410
 OILL

 Phone: (505) 334-6178
 Fax: (505) 334-6170

 District IV
 1220 S.S.L. Francis Dr., Santa Fe, NM 87505

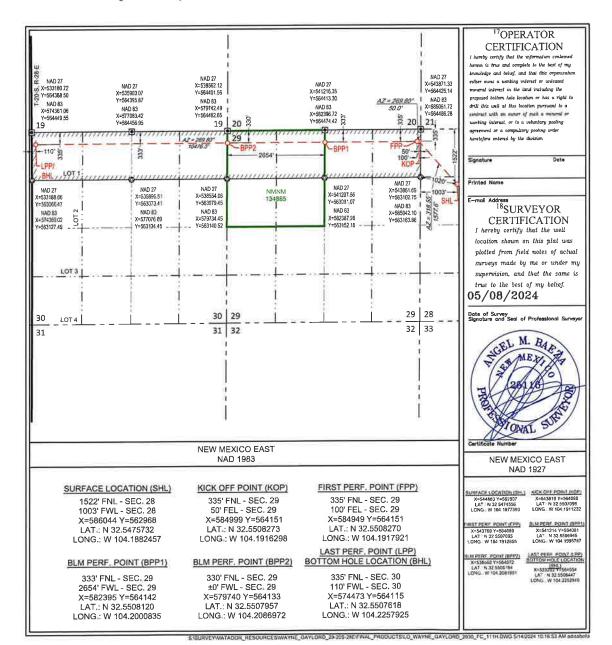
 Phone: (503) 476-3460
 Fax: (505) 476-3462

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

		W	ELL LO	OCATIO	N AND ACR	EAGE DEDIC	ATION PLAT	ſ		
	API Number	r		² Pool Code			³ Pool Nan			
				371	3	Avelon	Bone So	in Eq.		
⁴ Property (Code				SProperty N	lame 🖊		°W	ell Number	
		WAYNE GAYLORD 2930 FED COM						1	111H	
7OGRID	No.				⁸ Operator .	lame		2	Elevation	
2289	137]	MATADO	R PRODUC	TION COMPAN	IY	3	3223'	
					¹⁰ Surface Lo	ocation				
UL or let no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
Ε	28	20-S	28-E	-	1522'	NORTH	1003'	WEST	EDDY	
			11	Bottom Ho	le Location If E	Different From Sur	face			
UL er lot ne.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County	
1	30	20-S	28-E	2 1 0	335'	NORTH	110'	WEST	EDDY	
² Dedicated Acres	Joint or 1	Infill ^{†*} Co	nsolidation Co	de ¹⁵ Ord	ler No.					
321.90										

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 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S. First St., Anesia, NM 88210 Phone: (575) 748-1233 Fax: (575) 748-9720 District 111 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District 1V 1220 S. 5t., 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

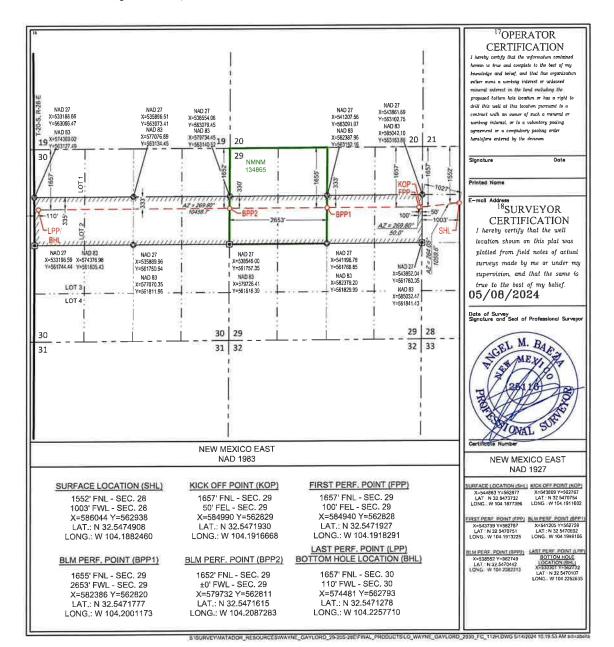
WELL CONTROL AND A ODDA OD DEDICATION DI AT

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

AMENDED REPORT

	API Number		1	² Pool Code			Pool Nam	¢	
			3.	713	A	valon: Br	one Spiin	ng, East	1
*Property C	Code				⁵ Property Na	me		°We	ll Number
			V	AYNE	GAYLORD 2	930 FED CO	Μ	1	12H
7OGRID I	No.				⁸ Operator Na	me		*E	levation
22893	7		Μ	ATADOF	R PRODUCT	ION COMPAN	Y	3	223'
					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	County
Ε	28	20-S	28-E	-	1552'	NORTH	1003'	WEST	EDDY
			¹¹ B	ottom Hole	e Location If Di	fferent From Surf	ace		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
2	30	20-S	28-E		1657'	NORTH	110'	WEST	EDDY
Dedicated Acres 321.69	¹³ Joint or 1	nfill ^{[4} Col	nsolidation Code	15Order	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 88240 Phone: (375) 393-6161 Fax: (375) 393-0720 <u>District.11</u> 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District.111</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District.1V</u> 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

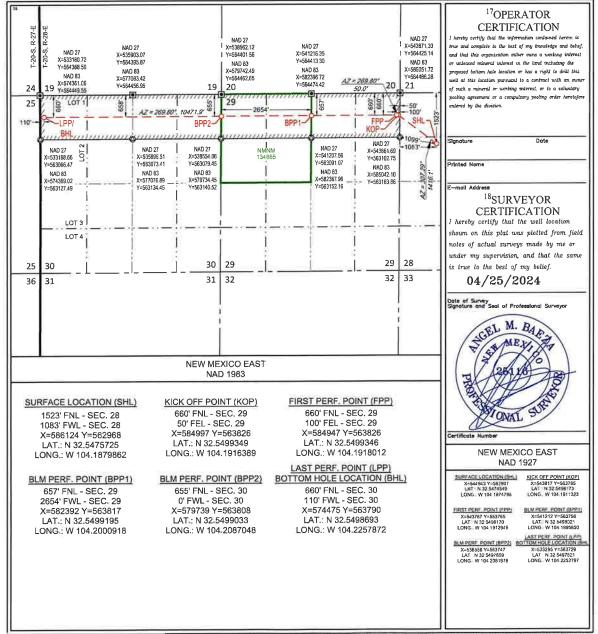
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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	API Number	-	1	² Pool Code			³ Pool Na	ame		
				3713		Auclon	Bone	Spring	E	ist
⁴ Property C	Code				Property N			1	1 01	Vell Number
			Ţ	VAYNE	GAYLORD	2930 FED C	MC			121H
7OGRID	No,				*Operator !	Name				⁹ Elevation
22893	7							3222'		
					¹⁰ Surface L	ocation				
UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	Ea	st/West line	County
Е	28	20-S	28-E	-	1523'	NORTH	1083'	WE	ST	EDDY
			¹¹ B	ottom Hol	le Location If I	Different From Su	rface			
UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	Ea	st/West line	County
1	30	20-S	28-E	-	660'	NORTH	110'	WE	ST	EDDY
¹² Dedicated Acres 321.90	¹³ Joint or 1	nfill ¹⁴ Co	nsolidation Code	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 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 111 811 S. First St., Artesua, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District 111 1000 Rio Brazos Rond, 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

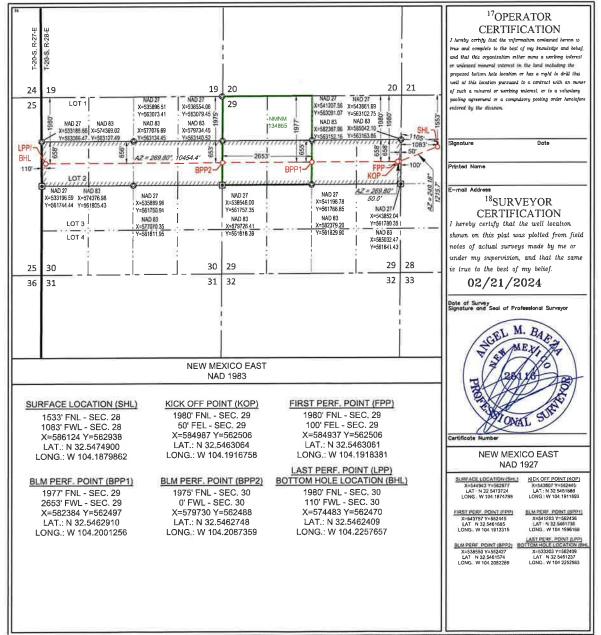
Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

	¹ API Number			² Pool Code			³ Pool Na		
			3	3713		Aveloni	Ls +		
*Property (Code				⁵ Property N	ame	Bone S	r 1'	^b Well Number
			1	WAYNE	GAYLORD 2	2930 FED CC	Μ		122H
7OGRID	No.				*Operator N	ате			*Elevation
22893	ן ר.		N	IATADOF	R PRODUCT	TION COMPAN	Y		3222'
					¹⁰ Surface Lo	cation			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West lin	e County
E	28	20-S	28-E	-	1553'	NORTH	1083'	WEST	EDDY
			11 _B	ottom Hole	e Location If D	ifferent From Sur	ace		
UL or lot no.	Section	Township	Range	Lot Idn	Fect from the	North/South line	Feet from the	East/West fir	e County
2	30	20-S	28-E	1000	1980'	NORTH	110'	WEST	EDDY
² Dedicated Acres 321.69	¹³ Joint or I	πfill ¹⁴ 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 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S. Frat SL, Artesia, NM 88210 Phone: (575) 748-7280 Fax: (575) 748-9720 District 111 1000 Rto Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. SL 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

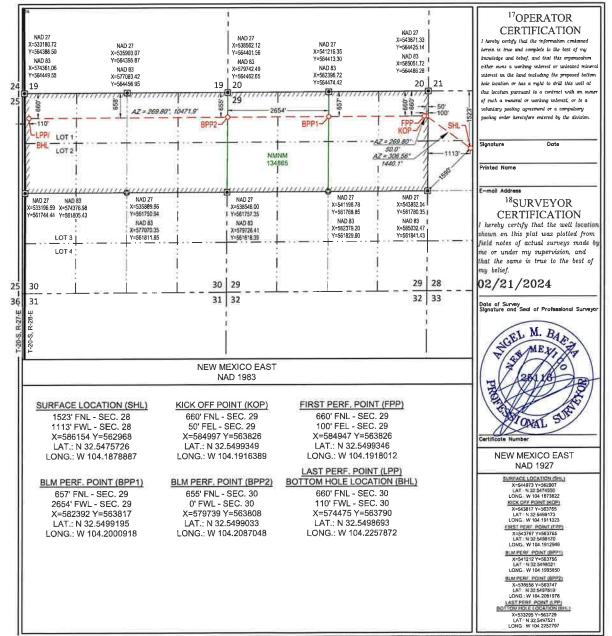
Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

WELL LOCATION AND	ACREAGE DEDICATION	PLAT
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	API Number			² Pool Code		100	³ Pool Nam		
			7	3520		Bulton F	lats; We	framp A	John Co.
⁴ Property C	ode	_			⁵ Property Na	me	,	1 W	all Number
			1	VAYNE	GAYLORD 2	930 FED CC	M	2	201H
⁷ OGRID N	lo.				*Operator Na	me		9	Elevation
22893	7		N	IATADOI	R PRODUCT	ION COMPAN	ſΥ	3	223'
					¹⁰ Surface Loo	ation			
L or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
Е	28	20-S	28-E	-	1523'	NORTH	1113'	WEST	EDDY
			¹¹ B	ottom Hol	e Location If Di	fferent From Sur	face		
L or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	30	20-S	28-E	-	660'	NORTH	110'	WEST	EDDY
Dedicated Acres	¹³ Joint or 1	nfill ¹⁴ Co	nsolidation Code	e ¹⁵ Order	r No.				
643.59									

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., 11obbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District 11 811 S. First St., Artesia, NM 88210 Phone: (575) 744-1283 Fax: (575) 748-9720 District 111 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. 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

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AMENDED REPORT

WELL LOCATION AND A	ACREAGE DEDICATION PLAT
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	API Number			² Pool Code			³ Pool Na		
			17	13520		Bulton	Hats: W.	officans	North (bas
*Property C	ode				^o Property N		1		Well Number
				WAYNE	GAYLORD 3	2930 FED CO	M		202H
7OGRID N	Vo.				*Operator N	ате			⁹ Elevation
22893	ר.	MATADOR PRODUCTION COMPANY 3222'						3222'	
					¹⁰ Surface Lo	ocation			
UL or lot no.	Section	Tewnship	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line County
Е	28	20-S	28-E	-	1553'	NORTH	1113'	WEST	EDDY
			11 ₁	Bottom Hol	e Location If D	ifferent From Sur	face		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/W	est line County
2	30	20-S	28-E	-	1980'	NORTH	110'	WEST	EDDY
² Dedicated Acres 643.59	¹³ Joint or 1	nfill ¹⁴ Con	solidation Cod	ie 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.

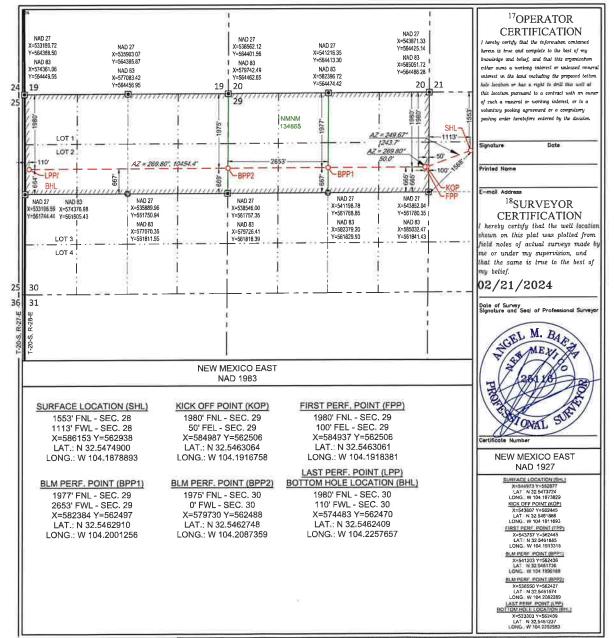
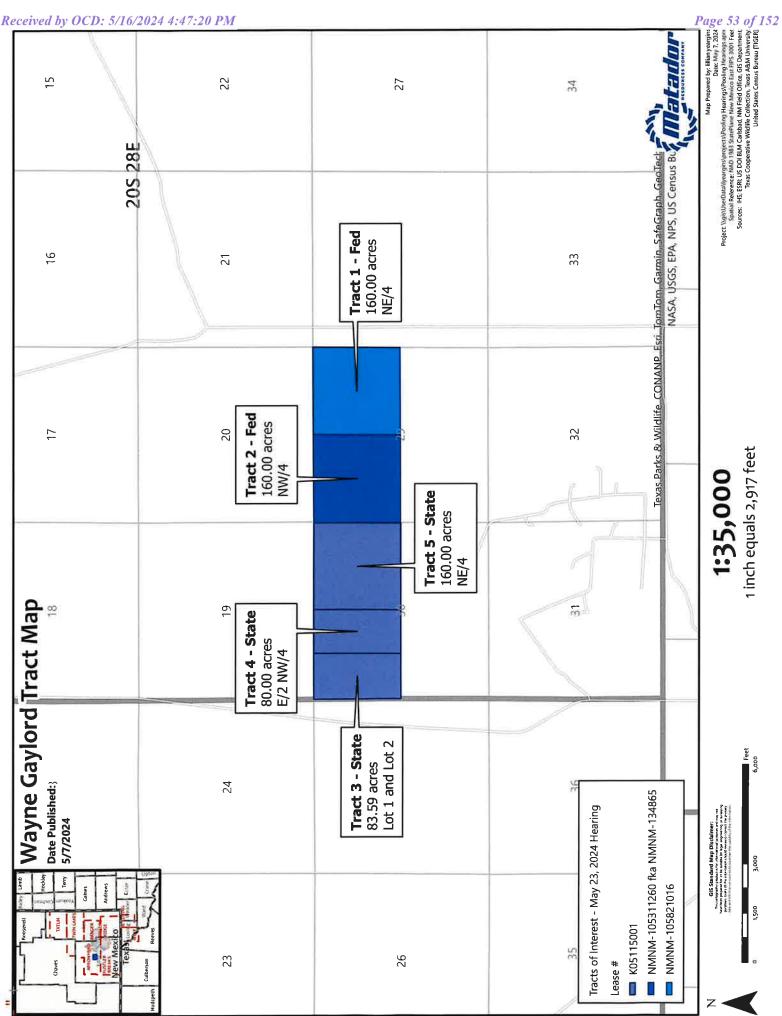


EXHIBIT A-2

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-2 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102



Released to Imaging: 5/17/2024 4:01:08 PM

Received by OCD: 5/16/2024 4:47:20 PM

EXHIBIT A-3

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-3 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

Summary of Interest Types	
MRC Permian Company	24.8605%
Signed JOA	6.0283%
Compulsory Pool	69.1112%
Total	100.000%

Released to Imaging: 5/17/2024 4:01:08 PM

Signed JOA	Tract	Working Interest
Ard Energy Group, Ltd.	3,4,5	1.8173%
Claremont Corporation	3,4,5	0.3407%
Space Building Corp	4	0.0084%
Zorro Partners Ltd.	3,4,5	1.8173%
Magic Dog Oil & Gas, Ltd.	3,4,5	0.2272%
Javelina Partners	3,4,5	1.8173%
Total		6.0283%

Parties to be Compulatory Pooled	Tract	Working Interest
Adolph P. Schuman	4	0.0033%
Anges Cluthe Oliver Trust clo Brown Brothers Harriman Trust Company of Delaware, National Association 4900 Trammell Crow Center	4	0.0033%
Atlantic Richfield Company	3,4,5	1.0138%
Betsy H. Keller	4	0.0017%
Brian D., Woehler Trust u/w of William B., Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association	4	0.0008%
Charles Cline Moore	4	0.0084%
Diamond Head Properties, LP	3,4,5	0.3189%
Dr. Isaac A Kawasaki	4	0.0033%
E.G. Holden Testamentary Trust	4	0.0017%
EOG Resources, Inc.	3,4,5	19.1060%
Emie Bello	4	0-0033%
Frances Bunn Revocable Living Trust dated May 18, 1982	4	0.0033%
Frederick Van Vranken	4	0.0033%
J.W. Gendron	4	0.0050%
Judith C. Devine Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association	4	0.0008%
Judson Exploration, LP	3,4,5	0.0757%
Karen V. and William H. Martin Energy, Ltd	3,4,5	0.2272%
OXY-1 Company	3,4,5	4.4430%
Pennzoil Exploration and Production Company	3,4,5	6.2151%
Pride Energy Corporation	1,4	24.8617%
Robert A. Oliver Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware National Association	4	0.0017%
Royalty Trust Corp	4	0.0033%
Shumana Exploration, LP	3,4,5	0.0757%
Taffrail Investments, LP	3,4,5	0.0757%
Tronox Worldwide, LLC	3,4,5	0.3285%
XTO Holdings, LLC	3,4,5	12.3263%
Total		69.1112%

Received by OCD: 5/16/2024 4:47:20 PM

EXHIBIT A-4

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-4 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

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Owner Name	<u>Tracts</u>
Abuelo, LLC	3,4, 5
Ergodic Resources, Inc.	3,4, 5
Jackie Sue Jones	3,4, 5
Pennzoil Exploration and Production Company	3,4, 5
Rado Royalties, LLC	3,4, 5
Savannah Morgan Boling	3,4, 5
Stacy Moore-Boling	3,4, 5
The Mark Wilson Family Partnership	3,4, 5

ORRI To Be Pooled in Case Nos. 24101-24102 and 24074-24076

EXHIBIT A-5

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-5 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

MRC Permian Company

One Lincoln Centre• 5400 LBJ Freeway• Suite 1500 • Dallas, Texas 75240 Voice 972.619.4341 • Fax 214.866.4946 hanna.bollenbach@matadorresources.com

Hanna Bollenbach Senior Landman

November 15, 2023

VIA CERTIFIED RETURN RECEIPT MAIL

Adolph P. Schuman 400 Sansome Street San Francisco, CA 94111

Re: Wayne Gaylord 2930 Fed Com #111H, #l 12H, #121H, #122H, #201H & #202H (the "Wells")
Participation Proposal
Sections 29 & 30, Township 20 South, Range 28 East
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Wayne Gaylord 2930 Fed Com #111H, Wayne Gaylord 2930 Fed Com #112H, Wayne Gaylord 2930 Fed Com #121H, Wayne Gaylord 2930 Fed Com #122H, Wayne Gaylord 2930 Fed Com #201H & Wayne Gaylord 2930 Fed Com #202H wells, located in Sections 29 & 30, Township 20 South, Range 28 East Eddy 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 six (6) enclosed Authority for Expenditures ("AFE") dated October 31, 2023 and May 25, 2023.

- Wayne Gaylord 2930 Fed Com #111H: to be drilled from a legal location with a proposed surface hole location in the NE/4 of Section. 29-20S-28E, a proposed first take point located at 330' FNL and 100' FWL of Section 29-20S-28E, and a proposed last take point located at 330' FNL and 100' FWL of Section 30-20S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~6,460' TVD) to a Measured Depth of approximately 16,764'.
- Wayne Gaylord 2930 Fed Com #112H: to be drilled from a legal location with a proposed surface hole location in the NE/4 of section 29-20S-28E, a proposed first take point located at 1650' FNL and 100' FWL of Section 29-20S-28E, and a proposed last take point located at 1650' FNL and 100' FWL of Section 30-20S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~6,460' TVD) to a Measured Depth of approximately 16,764'.
- Wayne Gaylord 2930 Fed Com #121H: to be drilled from a legal location with a proposed surface hole location in the NE/4 of Section 29-20S-28E, a proposed first take point located at 660' FNL and 100 FWL of Section 29-20S-28E, and a proposed last take point located at 660' FNL and 100' FWL of Section 30-20S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~7,400'TVD) to a Measured Depth of approximately 17,704'.

- Wayne Gaylord 2930 Fed Com #122H: to be drilled from a legal location with a proposed surface hole location in the NE/4 of Section 29-20S-28E, a proposed first take point located at 1980' FNL and 100' FWL of Section 29-20S-28E, and a proposed last take point located at 1980' FNL and 100' FWL of Section 30-20S-28E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (-7,400' TVD) to a Measured Depth of approximately 17,704'.
- Wayne Gaylord 2930 Fed Com #201H: to be drilled from a legal location with a proposed surface hole location in the NE/4 of Section 29-20S-28E, a proposed first take point located at 660' FNL and 100' FEL of Section 29-20S-28E, and a proposed last take point located at 660' FNL and 100' FWL of Section 30-20S-28E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (-8,850' TVD) to a Measured Depth of approximately 19,154'.
- Wayne Gaylord 2930 Fed Com #202H: to be drilled from a legal location with a proposed surface hole location in the NE/4 of Section 29-20S-28E, a proposed first take point located at 1,980' FNL and 100' FEL of Section 29-20S-28E, and a proposed last take point located at 1,980' FNL and 100' FWL of Section 30-20S-28E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (-8,850' TVD) to a Measured Depth of approximately 19,154'.

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 All of Sections 29 & 30, Township 20 South, Range 28 East Eddy 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 Hanna Bollenbach

.

Adolph P. Schuman hereby elects to:

Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's Wayne Gaylord 2930 Fed Com #111H well.
Not to participate in the Wayne Gaylord 2930 Fed Com #111H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Wayne Gaylord 2930 Fed Com #112H well. Not to participate in the Wayne Gaylord 2930 Fed Com #112H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Wayne Gaylord 2930 Fed Com #121H well.
 Not to participate in the Wayne Gaylord 2930 Fed Com #121H.
 Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Wayne Gaylord 2930 Fed Com #122H well.
 Not to participate in the Wayne Gaylord 2930 Fed Com #122H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Wayne Gaylord 2930 Fed Com #201H well.
 Not to participate in the Wayne Gaylord 2930 Fed Com #201H.
Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador
Production Company's Wayne Gaylord 2930 Fed Com #202H well.
 Not to participate in the Wayne Gaylord 2930 Fed Com #202H.

Adolph P. Schuman

By: _____

Title: _____

Date:				
	-			

Contact Number: _____

MATADOR PRODUCTION COMPANY

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

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

	ESTIMATE OF COSTS AND AUT	HORIZATION FOR EXPENDITURE	
DATE:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #111H	FIELD:	Bone Spring
LOCATION:	Section 29&30 20S 28E	MD/TVD:	16764'/6460'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:			
GEOLOGIC TARGET:	First Bone Spring Sand		

First Bone Spring Sand Drill and complete a horizontal 2.0 mile long First Bone Spring sand target with about 57 frac stages

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory \$	58,000	\$	\$.	\$ 10,000	\$ 68,000
Location, Surveys & Damages	157,500	13,000	15,000	16,667	202,16
Drilling	632,045				832,04
Cementing & Float Equip	337,000				337,000
Logging / Formation Evaluation		3,750	3,000		6,750
Flowback - Labor			18 160	· · · · · · · · · · · · · · · · · · ·	18,160
Flowback - Surface Rentals			127,850		127,850
Flowback - Rental Living Quarters					
	21,388		i		21,386
Mud Logging	116,469				116,469
Mud Circulation System			76,000		385,000
Mud & Chemicals	305,000	56,000	25,000		
Mud / Wastewater Disposal	190,000		-	1,000	181,000
Freight / Transportation	19,500	40,500	7,000		67,000
Rig Supervision / Engineering	119,250	92,800	6,000	1,800	219,850
Drill Bits	107,000				107,000
Fuel & Power	150,500	383,012	15,000		548,512
Water	45,000	510,547	3,000	1.000	559,547
Drig & Completion Overhead	10,000				10,000
Plugging & Abandonment	10,000				
	267,893				267,893
Directional Drilling, Surveys	207,093	200,000	9,000		209,000
Completion Unit, Swab, CTU			8,000		
Perforating, Wireline, Slickline		162,240			162,240
High Pressure Pump Truck	2.00	123,400	6,000		129,400
Stimulation		2,132,892			2,132,892
Stimulation Flowback & Disp		15,500	50,400		65,900
Insurance	30,175				30,175
Labor	197,500	60,250	15,000	5,000	277,750
Rental - Surface Equipment	90,598	297,110	10.000	20,000	417,705
Rental - Downhole Equipment	198,750	86,000			284,750
Rental - Living Quarters	55,625	38,540		5,000	99,165
	132,818		31,041	6,047	378,170
Contingency		208,265	31,041	6,047	
Operations Center	21,252			-	21,252
TOTAL INTANGIBLES >	3,453,263 DRILLING	4,423,806 COMPLETION	341,451 PRODUCTION	66,513	8,285,03 TOTAL
TANGIBLE COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing \$	48,091	\$	\$	5	\$ 48,091
Intermediate Casing					
	59,183				59,183
Drilling Liner	151,909		<u></u>		151,909
Drilling Liner Production Casing					59,183 151,909 561,924
Drilling Liner Production Casing Production Liner	151,909		104 250		151,909
Drilling Liner Production Casing Production Liner Tubing	151,909 561,924		104,250		151,909 561,924 104,250
Drilling Liner Production Casing Production Liner Tubing Weilhead	151,909 561,924 125,500		70,000		151,909 561,924 104,250 195,500
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers	151,909 561,924 125,500	49,072			151,909 561,924 104,250 195,500 49,072
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	151,909 561,924 125,500	49,072	70,000	84,167	151,905 561,924 104,250 195,500 49,072 84,167
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers	151,909 561,924 125,500	49,072	70,000	179,500	151,905 551,924 104,250 195,500 49,072 84,165 179,500
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	151,909 561,924 125,500	49,072	70,000		151,905 551,924 104,250 195,500 49,072 84,165 179,500
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines	151,909 561,924 125,500	49,072	70,000	179,500	151,905 551,924 104,250 195,500 49,072 84,165 179,500
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	151,909 561,924	49,072	70,000	179,500	151,905 561,924 104,255 195,500 49,072 84,167 179,500 120,000
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Rod string	151,909 561,924 	49,072	70,000	179,500	151,909 551,922 104,250 195,500 49,072 84,16° 179,500 120,000 335,000
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor	151,909 561,924 125,500	49,072	70,000	179,500 120,000 40,000	151,909 561,924 104,255 195,500 49,077 84,167 179,500 120,000 2355,000 40,000
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Instaliation Costs	151,909 561,924 125,500	49,072	335,000	179,500 120,000 40,000 80,000	151,909 551,922 104,250 195,500 49,077 84,167 179,500 120,000 40,000 40,000 80,000
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	151,909 561,924 	49,072		179,500 120,000 40,000 80,000 23,333	151,002 561,924 104,255 198,500 49,077 84,165 179,500 120,000 335,000 40,000 80,000 80,000 28,333
Drilling Liner Production Casing Production Casing Trubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	151,909 561,924 	49,072	<u>70,000</u> 	179,500 120,000 40,000 80,000	151,905 561,924 104,255,00 49,077 84,165 179,500 120,000 2335,000 40,000 80,000 28,333 2,000
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Instaliation Costs Surface Pumps Non-controllable Surface Non-controllable Euroment	151,909 561,924 125,500	49,072	70,000 	179,500 120,000 40,000 80,000 23,333	151,90 551,92 104,25 195,500 49,07 84,16 179,500 120,000 335,001 40,000 80,000 28,333 2,000
Drilling Liner Production Casing Production Liner Tubing Weilhead 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	151,909 561,924 	49,072	70,000 	179,500 120,000 40,000 80,000 23,333 2,000	151,002 561,922 104,255,00 49,077 84,165 179,500 120,000 335,000 40,000 80,000 28,333 2,000
Drilling Liner Production Casing Production Liner Tubing Weilhead 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	151,909 561,924 125,500	49,072	70,000 	179,500 120,000 40,000 80,000 23,333	151,002 561,922 104,255,00 49,077 84,165 179,500 120,000 335,000 40,000 80,000 28,333 2,000
Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangere Tanks Production Vessels Froduction Vessels Froduction Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,667	151,909 551,924 104,250 49,077 84,167 179,500 120,000 40,000 40,000 40,000 40,000 40,000 28,337 2,000 28,337 2,000
Drilling Liner Production Casing Production Liner Tubing 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 Downhoie Pumps Measurement & Meter Installation Gas Conditioning / Dehydration	151,909 561,924 	49,072	70,000 	179,500 120,000 40,000 80,000 23,333 2,000	151,909 551,924 104,250 49,077 84,167 179,500 120,000 40,000 40,000 40,000 40,000 40,000 28,337 2,000 28,337 2,000
Drilling Liner Production Casing Production Liner Tubing Weilhead 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 Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,667	151,909 551,924 104,250 49,077 84,167 179,500 120,000 40,000 40,000 40,000 40,000 40,000 28,337 2,000 28,337 2,000
Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangere Tanks Production Vessels Flow Lines Rod stiring Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,867 118,333	151,002 561,924 104,255,00 49,077 84,165 179,500 120,000 40,000 40,000 40,000 283,33 2,000 103,666 118,333
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangere Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,667 118,333	151,900 561,922 104,255 195,500 49,077 84,116 179,500 120,000 335,000 40,000 80,000 20,000 20,000 103,666 103,666 118,333 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,335 118,355
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment	151,909 561,924 	49,072	70,000 	179,500 120,000 60,000 23,333 2,000 92,667 118,333 16,667	151,900 561,924 104,255,50 49,077 84,116 179,500 120,000 28,303 2,000 28,333 2,000 20,000 28,333 2,000 20,0000 20,0000 20,0000 20,0000 20,0000 20,0000 20,0000 20,0000 20,0000 20,0000 20,00000000
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controliers Tank / Facility Containment Fiare Stack	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,667 118,333 16,667 29,167	151,90 561,92 104,255 195,500 49,07 84,16 179,500 120,000 2335,000 40,000 20
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangere Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Eventse Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Surface Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Burk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,667 118,333 16,667 29,167 80,000	151,002 561,922 104,255,00 49,077 84,165 179,500 120,000 20,000
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangere Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Eventse Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Non-controllable Burface Surface Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Burk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,867 118,333 118,333 16,667 29,167 80,000 15,000	151,900 561,924 104,255 195,500 49,077 84,165 179,500 120,000 20,0000 20,0000 20,0000 20,0000 20,0000 20,0000 20,00000000
Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment	151,909 561,924 	49.072	70,000 	179,500 120,000 80,000 23,333 2,000 92,667 118,333 16,667 29,167 80,000	151,905 551,924 104,255 195,500 49,072 84,167 179,500 120,000 20,000 28,333 2,000 28,333 2,000 103,667 118,333 118,335 118,355 118
Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	151,909 561,924 	49,072	70,000 	179,500 120,000 80,000 23,333 2,000 92,867 118,333 118,333 16,667 29,167 80,000 15,000	151,900 561,924 104,255 195,500 49,077 84,165 179,500 120,000 20,0000 20,0000 20,0000 20,0000 20,0000 20,0000 20,00000000

Drilling Engineer:	Perry Hawks	Team Lead - WTX/NM	
Completions Engineer:	Jack Hrncir	TW	
Production Engineer:	Garrell Liltrell		
DOR RESOURCES COM	PANY APPROVAL:		
Executive VP, Res		SVP Geoscience	COO- Drilling, Completion and Production
	WTE	NLF	66
Executive VP, Legal	CA		
President			
-	BG		
OPERATING PARTNER A	PPROVAL:		
Company Name:		Working Interest (%):	Tax ID:
Signed by:		Dale:	
Title:		Approval: Ye	No (mark on

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The auth so this APE are estimates only and may not be consecut to control legal construction regulatory buildings and well could under the terms of the ape

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:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #112H	FIELD:	Bone Spring
LOCATION:	Section 29&30 20S 28E	MD/TVD:	16764'/6460
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:			

GEOLOGIC TARGET:

First Bone Spring Sand Drill and complete a horizontal 2.0 mile long First Bone Spring sand target with about 57 frac stages

INTANGIBLE COSTS	COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory \$	58,000	\$	\$ -	\$ 10,000	\$ 66,000
Location, Surveys & Damages	157,500	13,000	15,000	16,667	202,167
Drilling	832,045		-		832,045
Cementing & Float Equip	337,000				337,000
Logging / Formation Evaluation		3,750	3,000		6,750
Flowback - Labor			18,180		18,160
Flowback - Surface Rentals			127,850		127,850
Flowback - Rental Living Quarters				· · · · · ·	
Mud Logging	21,388		121		21,368
Mud Circulation System	116,469				116,469
Mud & Chemicals	305.000	56,000	25,000		386,000
				1,000	181,000
Mud / Wastewater Disposal	180,000			1,000	
Freight / Transportation	19,500	40,500	7,000		67,000
Rig Supervision / Engineering	119,250	92,800	6,000	1,800	219,850
Drill Bits	107,000				107,000
Fuel & Power	150,500	383,012	15,000	-	548,512
Water	45,000	510,547	3,000	1,000	559,547
Drig & Completion Overhead	10,000	-		-	10,000
Plugging & Abandonment			·····		•
Directional Drilling, Surveys	267,893	4.1.10			267,893
Completion Unit, Swab, CTU	540	280,000	9,000		208,000
Perforating, Wireline, Slickline		162,240			162,240
High Pressure Pump Truck		123,400	6,000	· · · · · · · · · · · · · · · · · · ·	129,400
Stimulation		2,132,892			2,132,892
Stimulation Flowback & Disp		15,500	50,400		65,900
Insurance	30,175	15,500		<u> </u>	30,175
	197,500	60.250	15.000	5,000	277,750
Labor					
Rental - Surface Equipment	90,598	297,110	10,000	20,000	417,708
Rental - Downhole Equipment	198,750	86,000	-		284,750
Rental - Living Quarters	55,625	38,540		5,000	99,165
Contingency	132,818	208,265	31,041	6,047	376,170
Operations Center	21,252				21,252
TOTAL INTANGIBLES >	3,453,263	4,423,806	341,451	66,513	8,285,033
	DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
TANGIBLE COSTS Surface Casing \$				FACILITY COSTS	COSTS
Surface Casing \$	COSTS 48,091			FACILITY COSTS	COSTS \$ 48,091
Surface Casing \$	COSTS 48,091 59,183			FACILITY COSTS	COSTS \$ 48,091 59,183
Surface Casing \$ Intermediate Casing Drilling Liner	COSTS 48,091 59,183 151,909			FACILITY COSTS	COSTS \$ 48,091 59,183 151,909
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing	COSTS 48,091 59,183 151,909 561,924			FACILITY COSTS	COSTS \$ 48,091 59,183 151,909
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Liner	COSTS 48,091 59,183 151,909		COSTS	FACILITY COSTS	COSTS \$ 48,091 59,183 151,909 561,924
Surface Casing \$ Intermediate Casing Dilling Liner Production Casing Production Liner Tubing	COSTS 48,091 59,183 151,909 561,924		COSTS	FACILITY COSTS	COSTS 48,091 59,183 151,909 561,924
Surface Casing \$ Intermediate Casing Dilling Liner Production Casing Production Liner Tubing Weilhead	COSTS 48,091 59,183 151,909 561,924	COSTS	COSTS	FACILITY COSTS	COSTS \$ 48,091 59,183 151,909 561,924
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers	COSTS 48,091 59,183 151,909 561,924		COSTS	*	COSTS \$ 48,091 59,183 151,909 561,924
Surface Casing \$ Intermediate Casing Dilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	COSTS 48,091 59,183 151,909 561,924 125,500	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924
Surface Casing \$ Intermediate Casing Dilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels	COSTS 48,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,250 195,500 49,072 84,187 179,500
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,250 195,500 49,072 84,167 179,500
Surface Casing \$ Intermediate Casing Difference of the casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	COSTS 48,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 551,924
Surface Casing \$ Intermediate Casing Difference Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment	COSTS 48,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 45,091 59,183 151,909 561,924
Surface Casing \$ Intermediate Casing Difference Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment	COSTS 48,091 58,183 151,909 561,924 125,500 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,250 195,500 49,072 84,197 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string ArtIficial Lift Equipment Compressor	COSTS 48,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,250 195,500 49,072 84,197 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Dilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	COSTS 45,091 55,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 551,924 - - 104,250 195,500 49,072 84,167 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	COSTS 48,091 58,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,255 195,500 49,072 84,197 179,500 120,000 - 335,000 40,000 80,000 80,000 28,333
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,255 195,500 49,072 84,197 179,500 120,000 - 335,000 40,000 80,000 80,000 28,333
Surface Casing \$ Intermediate Casing Dilling Liner Production Casing Production Casing 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	COSTS 48,091 58,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 551,924 - 104,250 195,500 49,072 84,197 179,500 120,000 - 335,000 40,000 80,000 28,333 2,000
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Liner Tubing 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	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$	COSTS \$ 48,091 59,183 151,909 561,924 - 104,255 195,500 49,072 84,197 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Downhole Downhole Downhole Pumps Messurement & Meter Installation	COSTS 48,091 58,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 551,924
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Casing 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 Measurement & Meter Installation Gas Conditioning / Dehydration	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 45,091 59,183 151,909 561,924 - 104,255 105,500 49,072 B4,187 179,500 120,000 - - - - - - - - - - - - -
Surface Casing S Intermediate Casing Differences of the second se	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$	COSTS \$ 48,091 59,183 151,909 561,924 - 104,255 195,500 49,072 84,197 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Meesurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Fallity Piping Gathering / Bulk Lines	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 551,924
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Casing Weilhead 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 Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,255 195,500 49,072 84,187 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Downhole Downhole Downhole Downhole Downhole Pumps Measurement & Metor Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,000 561,924 - 104,255 195,500 49,072 84,167 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Messurement & Metor Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS 48,091 59,183 561,924 151,909 561,924 - 104,250 195,500 49,072 84,167 179,500 120,000 40,000 28,333 2,000 40,000 28,333 2,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Difference Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Messurement & Metor Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 561,924 - 104,250 195,500 49,072 84,187 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermeting Surface Casing Difference Surface	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 161,909 561,924 - 104,255 195,500 49,072 84,167 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Casing Difference Casing Difference Casing Production Casing Production Casing Production Liner Tubing \$ Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Su	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 161,900 561,924 - 104,255 195,500 49,072 84,187 179,500 120,000 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Difference Intermediate Casing Diffing Liner Production Casing Production Casing Weilhead Weilhead 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 Measurement & Meter Installation Gast Conditioning / Dehydration Interconnecting Facility Piping Gathering / Builk Lines Valves, Dumps, Controllers Tank / Facility Containment Flere Stack Electrical / Grounding	COSTS 49,091 59,183 151,909 561,924 	COSTS	COSTS	\$ 	COSTS \$ 48,091 59,183 151,909 551,924

PREPARED BY MATADOR PRO	DUCTION COMP	PANY:	
Drilling Engineer. Completions Engineer. Production Engineer.	Penry Hawks Jack Hmcir Garrett Littrell	Team Lead - WTX/NM	
MATADOR RESOURCES COM	ANY APPROVAL		
Executive VP, Res	WTE	SVP Geoscience	COO- Drilling, Completion and Production
Executive VP, Legel	CA		50° -
President	BG		
NON OPERATING PARTNER A	PPROVAL:		
Company Name:		Working Interest (%):	Tax ID:
Signed by:		Date	
'Title:		Approval:	YesNo (mark one)

obstance in the test case of the project. Taking installand approved where the APE may be detected in states from the section associated in states and the APE may be appropriate than or where a provide the APE may be detected in the section and and the section and and the section and and the section and the APE may be detected in the section and the section and the APE may be detected in the section and the section and the APE may be detected in the section and the section and the APE may be detected in the section and t The parts on this AFE are extended only and may not be consistent on an import legal, country, regulatory, betterapping and well and a more the form of the applica-

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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:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #121H	FIELD:	Bone Spring
LOCATION:	Section 29&30 20S 28E	MD/TVD:	17704/7400
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:	· · · · · · · · · · · · · · · · · · ·		
GEOLOGIC TARGET:	Second Bone Spring Sand		

Second Bone Spring Sand

Drill and complete a horizontal 2,0 mile long Second Bone Spring sand target with about 57 frac stages

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
and / Legal / Regulatory \$	58,000	\$	\$ -	\$ 10,000	\$ 68,00
ocation, Surveys & Damages	157,500	13,000	15,000	16,667	202,16
Drilling	832,045				832,04
Cementing & Float Equip	347,000				347,00
ogging / Formation Evaluation		3,750	3,000		6,75
Flowback - Labor		5,750	18,160		18,16
lowback - Surface Rentals			127,850		127,85
lowback - Rental Living Quarters			-		
Aud Logging	21,388				21,3
aud Circulation System	116,469				116,4
Aud & Chemicals	315,000	56,000	25,000		396,0
Nud / Wastewater Disposal	180,000			1,000	161.0
Freight / Transportation	19,500	40,500	7,000		67,0
Rig Supervision / Engineering	119,250	92,800	6,000	1,800	219.8
nii Bits	107,000	32,800		1,000	107.0
Fuel & Power	150,500	414,073	15,000	-	579,5
Vater	45,000	510,547	3,000	1,000	559,5
Orlg & Completion Overhead	10,000	-		-	10,0
Plugging & Abandonment					
Directional Drifling, Surveys	281,344				281,3
Completion Unit, Swab, CTU		200.000	9,000		209.0
Perforating, Wireline, Slickline		162,240	3,000		162,2
ligh Pressure Pump Truck		123,400	6,000		129,4
Stimulation		2,196,465	-		2,195,4
Stimulation Flowback & Disp		15,500	50,400		65,9
nsurance	31,867				31,8
abor	197,500	60,250	15,000	5,000	277,7
Rental - Surface Equipment	90,508	297,110	10,000	20,000	417,7
Rental - Downhole Equipment	198,750	86,000		20,000	284,7
			•		
Rental - Living Quarters	55,625	38,540		5,000	99,1
Contingency	134,224	211,371	31,041	6,047	382,6
Operations Center	21,252				21,2
TOTAL INTANGIBLES >	3,489,812	4,521,546	341,451	68,513	8,419,3
	DRILLING	COMPLETION	PRODUCTION		TOTAL
TANCIELE COSTS				FACILITY COSTS	COSTS
TANGIBLE COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing \$	COSTS 48,091			FACILITY COSTS	\$ 48,0
Surface Casing \$	COSTS 48,091 59,183			FACILITY COSTS	\$ 48,0 59,1
Surface Casing \$ Intermediate Casing Drilling Liner	COSTS 48,091 59,183 151,909			FACILITY COSTS	\$ 48,0 59,1 151,9
Surface Casing \$ Intermedlate Casing DrINing Liner Production Casing	COSTS 48,091 59,183			FACILITY COSTS	
Surface Casing \$ Intermedlate Casing DrINing Liner Production Casing	COSTS 48,091 59,183 151,909			FACILITY COSTS	\$ 48,0 59,1 151,9
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Liner	COSTS 48,091 59,183 151,909 590,999			FACILITY COSTS	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Production Casing Production Liner Tubing	COSTS 48,091 59,183 161,909 590,999		COSTS	FACILITY COSTS	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Production Casing Production Liner Tubing Wellhead	COSTS 48,091 59,183 151,909 590,999	© COSTS	COSTS	FACILITY COSTS	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Orilling Liner Production Casing Production Liner Iubing Neilhead Aackers, Liner Hangers	COSTS 48,091 59,183 151,909 590,999 		COSTS	\$	\$ 48,0 59,1 151,9 590,9 104,2 105,5 49,0
Surface Casing \$ Intermediate Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	COSTS 46,091 59,183 161,909 580,999 	© COSTS	COSTS	\$ 84,167	\$ 48,0 59,1 151,9 590,9 104,2 195,5 49,0 84,1
Surface Casing \$ Intermediate Casing Production Casing Production Liner Unbing Nellhead Packers, Liner Hangers Fanks Production Vessels	COSTS 48,091 59,183 151,909 590,999 	© COSTS	COSTS	\$ 84,167 179,500	\$ 48,0 59,1 590,9 590,9 104,2 105,5 49,0 84,1 179,5
Surface Casing \$ Intermediate Casing Production Casing Production Liner Unbing Nellhead Packers, Liner Hangers Fanks Production Vessels	COSTS 46,091 59,183 161,909 580,999 	© COSTS	COSTS	\$ 84,167	\$ 48,0 59,1 590,9 590,9 104,2 105,5 49,0 84,1 179,5
Surface Casing \$ Intermediate Casing Orilling Liner Production Casing Production Casing Production Liner Fubing Vollinead Packers, Liner Hangers Fanks Production Vessels Forduction Vessels Forduction Vessels	COSTS 46,091 59,183 161,909 590,999 	© COSTS	COSTS	\$ 84,167 179,500	\$ 48,0 59,1 590,9 590,9 104,2 105,5 49,0 84,1 179,5
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Liner Inubing Wellhead Packers, Liner Hangers Ianks Production Vessels Flow Lines Rod string	COSTS 48,091 59,183 161,909 590,999 - - - 125,500 - -	© COSTS	COSTS	\$ 84,167 179,500	\$ 48 0 59,1 151,9 580,9 104,2 105,5 49,0 84,1 179,5 120,0
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Liner Unbing Wellhead Packers, Liner Hangers Fanks Production Vessels Flow Lines Rod string Kold string	COSTS 48,001 59,183 151,909 590,999 	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9 104,2 195,5 49,0 84,1 179,5 120,0 315,0
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Liner Unbing Vellhead Packers, Liner Hangers Fanks Production Vessels Fook Lines Rod string Artificial Lift Equipment Compressor	COSTS 45,091 59,183 161,909 590,999 	© COSTS	COSTS	\$ 84,167 179,500 120,000 40.000	\$ 48.0 59.1 151.9 590.9 104.2 185.5 49.0 84.1 179.5 120.0 315.0 40.0
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Wollhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Aod string Artificial Lift Equipment Compressor netalletion Costs	COSTS 48,091 59,183 161,909 580,999 	© COSTS	COSTS	\$ 84,167 179,500 120,000 40,000 85,000	\$ 48,0 59,1 104,2 104,2 104,2 104,2 105,5 45,0 64,1 179,5 120,0 315,0 40,0 80,0
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Neulinead Vellnead Packers, Liner Hangers Fanks Production Vessels Flow Lines Rod string Artificial Litt Equipment Compressor Installation Costs Surface Pumps	COSTS 48,091 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 84,167 179,500 120,000 40,000 80,000 23,333	\$ 48,0 59,1 151,9 590,9 104,2 195,5 49,0 64,1 179,5 120,0 64,1 179,5 120,0 60,0 28,3
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Unbing Vellhead Packers, Liner Hangers Tanks Production Vessels Foduction Vessels Tod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	COSTS 48,091 59,183 161,909 580,999 	© COSTS	COSTS	\$ 84,167 179,500 120,000 40,000 85,000	\$ 48,0 59,1 151,9 590,9 104,2 195,5 49,0 64,1 179,5 120,0 64,1 179,5 120,0 60,0 28,3
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Unbing Vellhead Packers, Liner Hangers Tanks Production Vessels Foduction Vessels Tod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	COSTS 48,091 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 84,167 179,500 120,000 40,000 80,000 23,333	\$ 48,0 59,1 1 151,9 590,9
Surface Casing \$ Intermediate Casing Intermediate Casing Interrediate Casing Inderrediate In	COSTS 48,091 59,183 161,909 590,999 	© COSTS	COSTS	\$ 84,167 179,500 120,000 40,000 80,000 23,333	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Liner Iubing Nellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Artificial Lift Equipment Compressor Installetion Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Dow	COSTS 48,091 59,183 161,909 580,999 	© COSTS	COSTS	\$	\$ 48,0 59,1 151,9 590,9 104,2 195,5 49,0 64,1 179,5 120,0 64,1 0,0 28,3 2,0 28,3 2,0
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Unbing Wellhead Packers, Liner Hangers Ianks Production Vessels Fow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Downhole Pumps Neasurement & Meter Installation	COSTS 48,001 59,183 161,909 590,999 	© COSTS	COSTS	\$ 84,167 179,500 120,000 40,000 80,000 23,333	\$ 48,0 59,1 1 151,9 590,9
Surface Casing \$ Intermediate Casing Intermediate Casing Iniling Liner Production Casing Production Casing Veillhead Veilhead Vessels Inv Lines Rod string Artificial Lift Equipment Compressor Installetion Costs Surface Pumps Non-controllable Surface Von-controllable V	COSTS 48,001 59,183 161,909 590,999 	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Intermediate Casing Intermediate Casing Intermediate Casing Production Casing Production Liner Unbing Veillnead Packers, Liner Hangers Fanks Production Vessels Forks Controllable Surface Venceontrollable Surface Venceontrollable Surface Venceontrollable Surface Venceontrollable Surface Surface Pumps Measurement & Meter Installation Sas Conditioning / Dehydration Interconnecting Facility Piping	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Unbing Wellhead Packers, Liner Hangers Tanks Production Vessels Fow Lines Rod atring Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Surface Pumps Sas Conditioning / Dehydration Interconnecting Facility Piping Satthering / Bulk Lines	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48.0 59.1 151.9 590.9
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Unbing Wellhead Packers, Liner Hangers Tanks Production Vessels Fow Lines Rod atring Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Surface Pumps Sas Conditioning / Dehydration Interconnecting Facility Piping Satthering / Bulk Lines	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Intermediate Casing Intermediate Casing Indermediate Indermedi	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Surface Casing rtermediate Casing Production Casing Production Casing Production Liner Lubing Veilhead Packers, Liner Hangers Ianks Production Vessels Iow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Von-controllable Surface Von-controllable V	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9
Surface Casing Intermediate Casing Production Casing Production Casing Production Liner Libing Vellhead Packers, Liner Hangers Tanks Production Vessels Production Vessels Prod	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9 104,2 165,5 490,0 84,1 179,5 120,0 315,0 40,0 26,3 2,0 103,6 118,3 118,3 166,6 22,1
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gast Conditioning / Dehydration Interconnecting Facility Piping Gathering / Buik Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Tubing Wellhead Peckers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Downhole Downhole Tank / Facility Containment Flare Stack Electrical / Grounding Communicatione / SCADA	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 500,9 - 104,2 195,5 40,0 84,1 179,5 120,0 - 315,0 40,0 80,0 28,3 2,0 - 103,6 - 118,3 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Non-con	COSTS 45,091 59,183 161,909 590,999 	COSTS	COSTS	\$ 	\$ 48,0 59,1 151,9 590,9 - 104,2 195,5 49,0 - 315,0 - - - - - - - - - - - - -
Surface Casing \$ Intermediate Casing Intermediate Casing Intermediate Casing Production Casing Production Casing Production Liner Unbing Vellhead Packers, Liner Hangers Tanks Production Vessels Food Lines Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Non-controllable Surface Non-controllable	COSTS 48,001 59,183 161,909 590,999 - - - - - - - - - - - - -	© COSTS	COSTS	\$ 	\$ 48.0 59.1 151.9 590.9

PREPARED BY MATADOR PRODUCTION COMPANY: N Team Lead - WTX/NM Perry Hawks Drilling Engineer. Jack Hmcir Completions Engineer: Production Engineer: Garreti Littrell MATADOR RESOURCES COMPANY APPROVAL: SVP Geoscience Executive VP, Res COO- Drilling, Completion and Production NLF CC WTE Execulive VP, Legal CA President BG NON OPERATING PARTNER APPROVAL: Working Interest (%): Tex ID: Company Name: Signed by: Date: Title Approval: Yes No (mark one)

he Operator by the data of spud them as the beal as at all the project. Taking its Control for AFE may be served up to a year of the service presented in a resulting the AFE, the Participant Appendix to present option of a shall be a service participant of the service participant of the service participant of the service participant option of a statistic participant option option of a statistic participant option option

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:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #122H	FIELD:	Bone Spring
LOCATION:	Section 29&30 20S 28E	MD/TVD:	177041/7400
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837

GEOLOGIC TARGET: Second Bone Spring Sand

Drill and complete a horizontal 2.0 mile long Second Bone Spring sand target with about 57 frac stages

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
	\$ 58,000	\$	\$ -	\$ 10,000	\$ 68,000
Location, Surveys & Damages	157,500	13,000	15,000	16.667	202,167
Drilling	832,045				832,045
Cementing & Float Equip	347,000				347,000
Logging / Formation Evaluation	· · · · · ·	3,750	3,000		6,750
Flowback - Labor			18,160		18,160
Flowback - Surface Rentals			127,850		127,850
Flowback - Rental Living Quarters					
Mud Logging	21,388				21,388
Mud Circulation System	116,469				116,469
Mud & Chemicals	315,000	56,000	25.000		396,000
Mud / Wastewater Disposal	180,000			1,000	181,000
Freight / Transportation	19,500	40,500	7,000	1,000	67,000
Rig Supervision / Engineering	119,250	92,800	6,000	1,800	219,850
Drill Bits		35,000	0,000		107,000
	107,000	444.979			579,573
Fuel & Power	150,500	414,073	15,000		
Water	45,000	510,547	3,000	1,000	559,547
Drig & Completion Overhead	10,000	-		· · ·	10,000
Plugging & Abandonment	C				٠
Directional Orilling, Surveys	281,344				281,344
Completion Unit, Swab, CTU	(4)	200,000	9,000		209,000
Perforating, Wireline, Slickline		162,240			162,240
High Pressure Pump Truck		123,400	6,000		129,400
Stimulation		2,196,466			2,196,466
Stimulation Flowback & Disp		15,500	50,400	·	65,900
Insurance	31,867				31,867
Labor	197,500	60.250	15.000	5,000	277,750
	90.596			20,000	417,708
Rental - Surface Equipment		297,110	10,000	20,000	
Rental - Downhole Equipment	198,750	86,000	·		284,750
Rental - Living Quarters	55,625	38,540		5,000	99,165
Contingency	134,224	211,371	31,041	6,047	382,682
Operations Center	21,252				21,252
TOTAL INTANGIBLES		4,521,546	341,451	68,513	8,419,322
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 48,091	\$	\$	\$	\$ 48,091
Intermediate Casing	59,183	•	•		59,183
Dritting Liner	151,909			()	151,909
Production Casing	590,999				590,999
Production Liner					
			104,250	<u> </u>	104.250
Tubing			70.000		195,500
Welthead	125,500	10.070			
Packers, Liner Hangers		49,072	<u> </u>		49,072
Tanks				84,167	84,167
Production Vessels	(m.)			179,500	179,500
Flow Lines				120,000	120,000
Red string					
					-
	•		315,000		315,000
Artificial Lift Equipment			315,000	40,000	40,000
Artificial Lift Equipment Compressor	**		315,000	40,000	40,000
Artificial Lift Equipment Compressor Installation Costs	(C)			80,000	40,000 80,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps	÷			80,000 23,333	40,000 80,000 28,333
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	(2)		5,000	80,000	40,000 80,000 28,333 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole	÷		5,000	80,000 23,333	40,000 80,000 28,333 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	÷		5,000	80,000 23,333 2,000	40,000 80,000 28,333 2,000 -
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation	÷		5,000	80,000 23,333	40,000 80,000 28,333 2,000 -
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration	÷		5,000	80,000 23,333 2,000 92,667	40,000 60,000 28,333 2,000 103,667
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Metser Installation Gas Conditioning / Dehydration Interconnecting Facility Piping	÷		5,000	80,000 23,333 2,000	40,000 60,000 28,333 2,000 103,667
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Metser Installation Gas Conditioning / Dehydration Interconnecting Facility Piping	÷		5,000	80,000 23,333 2,000 92,667	40,000 60,000 28,333 2,000 103,667
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Butk Lines	÷		5,000	90,000 23,333 2,000 92,667 118,333	40,000 60,000 28,333 2,000 103,667 118,333
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	÷		5,000	90,000 23,333 2,000 92,667 118,333	40,000 80,000 28,333 2,000 103,667 118,333
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Butik Lines Valves, Dumps, Controllers Tank / Facility Containment	÷		5,000	80,000 23,333 2,000 92,667 	40,000 60,000 28,333 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Burk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	÷		5,000	80,000 23,333 2,000 92,667 118,333 	40,000 80,000 28,333 2,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Buik Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	÷		5,000 11,000	80,000 23,333 2,000 92,667 118,333 16,667 29,167 80,000	40,000 60,000 28,333 2,000 103,667 118,333 16,667 20,167 110,000
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehytaration Interconnecting Facility Piping Gathering / Butk Lines Valves, Dumps, Controllers Tank / Facility Containment Fiare Stack Electrical / Grounding Communications / SCADA	÷		5,000	80,000 23,333 2,000 92,667 118,333 118,333 16,667 29,167 80,000	40,000 60,000 28,333 2,000 - - - - - - - - - - - - - - - - - -
Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Butk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / Safety			5,000 	80,000 23,333 2,000 92,667 118,333 	40,000 80,000 28,333 2,000 103,667 118,333 16,667 20,167 110,000 27,000 33,667
Red string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Fiare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety TOTAL COSTS		49.072 4.570,617	5,000 11,000	80,000 23,333 2,000 92,667 118,333 118,333 16,667 29,167 80,000	103,667

PREPARED BY MATADOR PRODUCTION COMPANY: Team Lead - WTX/NM Drilling Engineer: Perry Hawks Completions Engineer: Jack Hmeir Production Engineer: Garrett Littrell MATADOR RESOURCES COMPANY APPROVAL: SVP Geoscience COO- Drilling, Completion and Production Executive VP, Res NLF CC WTE Executive VP, Legal CA President BG NON OPERATING PARTNER APPROVAL: Tax ID: Company Name: Working Interest (%): Date: Signed by: Tille Approval: Yes No (mark one)

The provide that AFC are excluded as a polytowing provide an exploration of provide and the pr

MATADOR PRODUCTION COMPANY

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

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

DATE:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #201H	FIELD:	Wolfcamp
LOCATION:	Section 29&30 20S 28E	MD/TVD:	19154'/8850
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		

Drill and complete a horizontal 2 mile long Wolfcamp A-XY sand target

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000	5	\$ -	\$ 10,000 \$	68,000
Location, Surveys & Damages	157,500	13,000	15,000	16.667	202,167
Drilling	896,295				898,295
Cementing & Float Equip	357,000				357,000
Logging / Formation Evaluation		3,750	3,000		6,750
Flowback - Labor	-		18,160		18,160
Flowback - Surface Rentals	· · · · · · · · · · · · · · · · · · ·		127,850		127,850
Flowback - Rental Living Quarters					
Mud Logging	21,368		· · · · · ·		21,388
Mud Circulation System	125,553				125,553
Mud & Chemicals	330,000	63,000	25,000		418,000
Mud / Wastewater Disposal	195,000	•		1,000	195,000
Freight / Transportation	19,500	40,500	7,000		67,000
Rig Supervision / Engineering	128,250	94,400	6,000	1,800	230,450
Drll Bits	107,000				107,000
Fuel & Power	164,500	414,073	15,000	·	593,573
Water	45,000	562,328	3,000	1,000	611,328
Drig & Completion Overhead	10,000	-		-	10,000
Plugging & Abandonment		~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~			-
Directional Drilling, Surveys	302,094				302,094
Completion Unit, Swab, CTU	5 (A)	222,500	9,000		231,500
Perforating, Wireline, Slickline	2.62	162,240			162,240
High Pressure Pump Truck	*	127,800	6,000		133,800
Stimulation		2,421,475			2,421,475
Stimulation Flowback & Disp		15,500	50,400		65,900
Insurance	34,477		-	()	34,477
Labor	197,500	61,500	15,000	5,000	279,000
Rental - Surface Equipment	96,648	305,880	10,000	20,000	434,528
Rental - Downhole Equipment	213,750	94,500	ž	392	308,250
Rental - Living Quarters	58,125	40,125		5,000	103,250
Contingency	141,713	222,109	31,041	6,047	400,910
Operations Center	21,252				21,252
TOTAL INTANGIBLES	> 3,684,544	4,884,879	341,451	66,513	B,957,187
	DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS 48,091
	\$ 46,091 59,183	»	°	• •	59,183
Intermediate Casing	151,909				151,909
Drilling Liner	638,399				639,399
Production Casing	048,399				000,000
Production Liner		<u> </u>	125,100		125,100
Tubing Wellhead	125,800		45,000		170,500
Packers, Liner Hangers	the second secon	49,072	6,000		55,072
		48,072		84,167	84,157
Tanks Production Vessels				179,500	179,500
Flow Lines				120,000	120,000
Rod string	· · · ·		<u> </u>	120,000	120,000
			80,000		80,000
Artificial Lift Equipment			00,000	40,000	40,000
Compressor		<u> </u>	<u> </u>	80,000	80,000
Installation Costs			5,000	23,333	
Surface Pumps		<u> </u>		2,000	2,000
Non-controllable Surface			<u> </u>	2,000	2,000
Non-controllable Downhole			<u> </u>		
Downhole Pumps	(e)		11,000	92,667	103.667
Manager and an and a Manager in a failed and			11,000	92,007	
Measurement & Meter Installation					118,333
Gas Conditioning / Dehydration					
Gas Conditioning / Dehydration Interconnecting Facility Piping				118,333	
Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines			<u>.</u>	-	
Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Vaives, Dumps, Controllers					
Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment				16,667	16,667
Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Vaives, Dumps, Controllers Tank / Facility Containment Fiare Stack				<u> </u>	16,66
Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding			30,000	16,667 29,167 80,000	16,667 29,167 110,000
Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Conteinment Fiere Stack Electrical / Grounding Communications / SCADA				16,667 29,167 80,000 15,000	16,667 29,167 110,000 27,000
Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding		49.072	30,000	16,667 29,167 80,000	

Drilling Engineer: Completions Engineer:	Perry Hawks Jack Hmcir	Team Lead - WTX/NM		
Production Engineer:	Garrelt Littrell			
DOR RESOURCES COM	PANY APPROVAL:			
Executive VP, Res		EVP Geoscience	COO- Drilling, Completion and	i ProductionCC
Executive VP, Legal	WTE	NLF		
-	CA			
President				
	BG			
OPERATING PARTNER A	PPROVAL:			
Company Name:		Working Interesl (%):		Tax ID:
Signed by:		Date:		
Title:		Approval: Y	fes	No (mark one

4,913,750

655,551

981,013

11,258,941

4,708,628

TOTAL COSTS >

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The party an time AFE an expension period may not be presented as taking of any specific to legal statement, represently, to a cropy and and party and the terms of the approximate period statement and the statement of the statement of the terms of the statement of the stateme

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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:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #202H	FIELD:	Wolfcamp
LOCATION:	Section 29&30 20S 28E	MD/TVD:	19154'/8850'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:	······································		
GEOLOGIC TARGET:	Wolfcamp		

Drill and complete a horizontal 2 mile long Wolfcamp A-XY sand target

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000	\$	\$ -	\$ 10,000	\$ 68,000
ocation, Surveys & Damages	157,500	13,000	15,000	16,867	202,167
Drilling	698,295				896,295
Cementing & Float Equip	357,000			-	357,000
Logging / Formation Evaluation		3,750	3,000		6,750
Flowback - Labor			18,160		18,160
Flowback - Surface Rentals			127,850		127,850
	1		-		
Flowback - Rental Living Quarters			<u> </u>		21,388
Mud Logging	21,388				
Mud Circulation System	125,553				125,553
Mud & Chemicals	330,000	63,000	25,000		418,000
Mud / Wastewater Disposal	195,000		•	1,000	196,000
Freight / Transportation	19,500	40,500	7,000		67,000
Rig Supervision / Engineering	128,250	94,400	6,000	1,800	230,450
Drill Bits	107,000				107,000
Fuel & Power	164,500	414,073	15,000		593,573
				1.000	611.328
Water	45,000	562,328	3,000		
Drig & Completion Overhead	10,000			-	10,000
Plugging & Abandonment	*				
Directional Drilling, Surveys	302,094				302,094
Completion Unit, Swab, CTU		222,500	9,000		231,500
Perforating, Wireline, Slickline		162,240			162,240
High Pressure Pump Truck		127,800	6,000		133,800
Stimulation	· · · ·	2,421,475			2,421,475
		15,500	50,400		55,900
Stimulation Flowback & Disp		15,500	50,400		34,477
Insurance	34,477				
Labor	197,500	61,500	15,000	5,000	279,000
Rental - Surface Equipment	98,648	305,880	10,000	20,000	434,528
Rental - Downhole Equipment	213,750	94,500			308,250
Rental - Living Quarters	58,125	40,125		5,000	103,250
Contingency	141,713	222,109	31,041	6,047	400,910
Operations Center	21,252		-		21,252
		4,854,679	341,451	66,513	8,957,18
TOTAL INTANGIBLE	3,004,044	4,004,019			
	DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	COSTS	FACILITY COSTS	COSTS
TANGIBLE COSTS Surface Casing	COSTS \$ 48,091			FACILITY COSTS	COSTS \$ 48,091
	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS \$ 48,09 59,18
Surface Casing Intermediate Casing	COSTS \$ 48,091	COSTS	COSTS	FACILITY COSTS	COSTS \$ 48,091 59,163 151,905
Surface Casing Intermediate Casing Drilling Liner	COSTS \$ 48,091 59,183 151,909	COSTS	COSTS	FACILITY COSTS	COSTS \$ 48,091 59,163 151,905
Surface Casing Intermediate Casing Drilling Liner Production Casing	COSTS \$ 46,091 59,163	COSTS	COSTS	FACILITY COSTS	
Surface Casing Internediate Casing Drilling Liner Production Casing Production Liner	COSTS \$ 48,091 59,183 151,909 639,399	COSTS	COSTS	FACILITY COSTS	COSTS \$ 49,091 59,183 151,905 639,395
Surface Casing Intermediate Casing Dilling Liner Production Casing Production Liner Tubing	COSTS \$ 48,091 59,183 151,909 639,399	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead	COSTS 48,091 59,183 151,009 639,399 -	COSTS	COSTS	FACILITY COSTS	COSTS \$ 48,09 59,18 151,90 639,39 125,10 125,10 170,500
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers	COSTS \$ 48,091 59,183 151,909 639,399	COSTS	COSTS	\$	COSTS \$ 48,09 59,16 151,900 639,38
Surface Casing Intermediate Casing Dilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	COSTS \$ 48,091 59,183 151,609 639,399 	COSTS	COSTS	\$ 84,167	COSTS 46,091 59,165 151,005 639,395
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers	COSTS \$ 48,091 59,163 151,909 639,399 - 125,500	COSTS	COSTS	\$ 84,167 178,500	COSTS \$ 48,09 59,183 151,901 639,397 - 125,100 170,500 - 55,077 84,161 179,500
Surface Casing Intermediate Casing Dilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	COSTS \$ 48,091 59,183 151,609 639,399 	COSTS	COSTS	\$ 84,167	COSTS \$ 48,09 59,183 151,901 639,397 - 125,100 170,500 - 55,077 84,161 179,500
Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels	COSTS \$ 48,091 59,183 151,909 639,399 	COSTS	COSTS	\$ 84,167 178,500	COSTS \$ 48,09 59,185 151,001 639,395 125,101 170,500 55,077 84,16 179,500 120,000
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500	COSTS \$ 48,09 59,185 151,001 639,395 125,101 170,500 55,077 84,16 179,500 120,000
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Ardificial Lift Equipment	COSTS 46,091 59,163 151,609 639,399 1 125,500 -	COSTS	COSTS	\$ 	COSTS 46,09 56,18: 151,000 639,381 125,10 170,50 55,07 84,16 179,500 120,000 120,000 80,000
Surface Casing Intermediate Casing Dilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000	COSTS \$ 46,09 56,18: 151,001 639,38: 125,100 170,500 55,07: 84,16 170,500 120,001 120,000 120,000 40,000 40,000
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs	COSTS 46,091 59,163 151,609 639,399 125,500	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000	COSTS \$ 46,09 56,16 151,001 639,39 - 125,101 170,500 55,07 84,16 179,500 120,000 - 80,000 40,000 - 80,000 - - - - - - - - - - - - -
Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 120,000 40,000 30,000 23,333	COSTS \$ 46,091
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000	COSTS \$ 46,09 50,18: 151900 639,381 125,10 170,50 55,07 44,16 179,500 120,00 120,00 00 00 00 00 00 00 00 00 00
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 120,000 40,000 30,000 23,333	COSTS \$ 46,091
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface	COSTS 46,091 59,183 151,609 639,399 125,500 -	COSTS	COSTS	\$ 84,167 178,500 120,000 120,000 40,000 30,000 23,333	COSTS \$ 46,09 50,18: 151900 639,381 125,10 170,50 55,07 44,16 179,500 120,00 120,00 00 00 00 00 00 00 00 00 00
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 120,000 40,000 80,000 23,333 2,300 2,000	COSTS \$ 46,09 56,18 151,90 639,39 125,10 170,50 55,07 84,16 179,50 120,00
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Downhole Pumps	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 120,000 40,000 30,000 23,333	COSTS \$ 46,09 56,18: 151900 639397 125,10 170,50 55,07 84,16 179,500 120,00
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000 23,333 2,000 02,333 2,000 02,667	COSTS 46,09 56,18: 151,000 639,381 125,10 170,50 55,07 84,16 179,500 120,000 80,000 40,000 80,000 26,33 2,000 103,666 103,667 103,677 103
Surface Casing Intermediate Casing Difling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000 23,333 2,000 92,667	COSTS \$ 46,091
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000 23,333 2,000 02,333 2,000 02,667	COSTS 46,09 56,18: 151,000 639,381 125,10 170,50 55,07 84,16 179,500 120,000 80,000 40,000 80,000 26,33 2,000 103,666 103,667 103,677 103
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000 23,333 2,000 92,667 118,333 -	COSTS 46,09 5,18 151,90 639,39 125,10 170,50 55,07 84,16 179,50 120,00 80,00 28,33 2,00 103,66 1103,66 1103,66 118,33 118,35
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$	COSTS \$ 46,09 56,18 151,90 639,39
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-c	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000 23,333 2,000 92,667 118,333 -	COSTS \$ 46,09 56,18 151,90 639,39
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gase Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Fiare Stack	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 23,333 2,000 	COSTS \$ 46,09 56,18 151,000 633,937 125,100 170,500 55,07 84,16 170,500 120,000 80,000 40,000 80,000 40,000 80,000 100,68 100
Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$ 84,167 178,500 120,000 40,000 80,000 23,333 2,000 82,667 118,333 16,667 29,167 80,000	COSTS \$ 46,09 50,18: 151900 639,381 125,10 170,50 55,07 44,16 178,500 120,00 00 00 00 00 00 00 00 00 00
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-c	COSTS 46,091 58,163 151,909 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$	COSTS 46,091 56,183 151,905 639,385 125,100 170,500 55,077 44,165 179,500 120,000 40,000 40,000 40,000 40,000 28,333 2,000 103,661 118,333 118,333 118,333 22,106 103,661 110,000 27,0
Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Surface Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communication / Safety	COSTS	COSTS	COSTS	\$	COSTS \$ 46,09 5,07,85 151,000 639,397 125,100 170,500 55,07 84,16 178,500 120,000 80,000 80,000 80,000 80,000 80,000 100,66 105,66 116,33 2,00 103,66 116,55 29,16 110,000 27,000 33,66 33,66 23,000 27,000 33,66 34,600 34,600 35,07 36,76 36,76 36,77 36,77 36,77 36,77 37,700 37,
Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	COSTS 46,091 59,163 151,009 639,399 - - - - - - - - - - - - -	COSTS	COSTS	\$	COSTS \$ 48,09 59,18 151,90 639,39 - 125,10 170,50 55,07 84,16 178,50 120,00 20,00 20,00 - - - - - - - - - - - - -

PREPARED BY MATADOR PRO	DUCTION COMPA	NY: ,		
Drilling Englneer: Completions Engineer: Production Engineer:	Perry Hawks Jack Hmcir Garrett Littrall	Team Lead - WTXINIM		
MATADOR RESOURCES COM	PANY APPROVAL:			
Executive VP, Res	WTE	EVP Geoscience	COO- Drilling, Completion and Production	
Executive VP, Legal	CA	1 Yaat		
President	BG			
NON OPERATING PARTNER A	PPROVAL:			
Company Name:		Working Interest (%):	Tax ID:	
Signed by:		Date:		
Title:		Approval:	Yes	No (mark one)

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EXHIBIT A-6

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A-6 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

Summary of Communications with Uncommitted Working Interest Owners: Wayne Gaylord

1. 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 voluntary joinder.

- Sent Wolfcamp proposal: 6/6/2023
- Sent Bone Spring proposal: 11/7/2023
- Chris Carleton, Hanna Bollenbach and Hawks Holder have had conversations with EOG Resources, Inc. between December 2023 and May 2024 via in-person meetings, phone calls and email.

2. Frances Bunn Revocable Living Trust dated May 18, 1982

In addition to sending well proposals, Matador has had discussions with Frances Bunn Revocable Living Trust dated May 18, 1982 regarding their interest and we are continuing to discuss voluntary joinder.

- Sent Wolfcamp proposal: 6/6/2023
- Sent Bone Spring proposal: 11/7/2023
- Hanna Bollenbach has had conversations with a representative of the Frances Bunn Revocable Living Trust dated May 18, 1982 between December 2023 to May 2024 via email.

3. OXY-1 Company

In addition to sending well proposals, Matador has had discussions with OXY-1 Company regarding their interest and we are continuing to discuss voluntary joinder.

- Sent Wolfcamp proposal: 6/13/2023
- Sent Bone Spring proposal: 4/30/2024
- Hanna Bollenbach has had conversations with OXY-1 Company between November 2023 to May 2024 via phone calls and email.

4. Karen V. and William H. Martin Energy, Ltd

In addition to sending well proposals, Matador has had discussions with Karen V. and William H. Martin Energy, Ltd regarding their interest and we are continuing to discuss voluntary joinder.

- Sent Wolfcamp proposal: 6/6/2023
- Sent Bone Spring proposal: 11/7/2023
- Hanna Bollenbach has had conversations with Karen V. and William H. Martin Energy, Ltd between December 2023 to May 2024 via email.

5. Shumana Exploration, LP

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

- Sent Wolfcamp proposal: 6/6/2023
- Sent Bone Spring proposal: 11/7/2023
- Hanna Bollenbach has had conversations with Shumana Exploration, LP between November 2023 to May 2024 via email.

6. Taffrail Investments, LP

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

- Sent Wolfcamp proposal: 6/6/2023
- Sent Bone Spring proposal: 11/7/2023
- Hanna Bollenbach has had conversations with Taffrail Investments, LP between November 2023 to May 2024 via email.

7. XTO Holdings, LLC

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

- Sent Wolfcamp proposal: 6/6/2023
- Sent Bone Spring proposal: 11/7/2023
- Chris Carleton, Hanna Bollenbach and Nick Weeks have had conversations with XTO Holdings, LLC between June 2023 to May 2024 via in-person meetings, phone calls, and emails.

8. Pride Energy Company

In addition to sending well proposals, Matador has had discussions with Pride Energy Company regarding their interest and we are interested in continuing those discussions.

- Sent Wolfcamp proposal: 6/6/2023
- Sent Bone Spring proposal: 11/7/2023
- Hanna Bollenbach and Nick Weeks have had conversations with Pride Energy Company between November 2023 to May 2024 via in-person meetings, phone calls and email. MRC also recently met with Pride in Pride's offices to further discuss a potential joint operating agreement.

9. Anges Cluthe Oliver Trust, c/o Brown Brothers Harriman Trust Company of Delaware, National Association 4900 Trammell Crow Center

Matador's well proposal to Anges Cluthe Oliver Trust, c/o Brown Brothers Harriman Trust Company of Delaware, National Association 4900 Trammell Crow Center was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC well proposal was sent on November 7, 2023 and was apparently delivered.
- MRC attempted to locate heirs of Trust, but has been unable to locate a phone number or other contact information.
- MRC sent a follow up letter to this owner on May 2, 2024

10. Adolph P. Schuman

Matador's well proposal to Adolph P. Schuman was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's first proposal sent on November 16, 2023 to this owner went undelivered; however, we
 resent that proposal to a second address on or about December 19, 2023 which was apparently
 delivered
- MRC has been unable to find additional contact information for this owner.
- MRC sent a follow up letter to this owner on May 2, 2024

11. Betsy H. Keller

Matador's well proposal to Betsy H. Keller was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's first proposal was sent on June 6, 2023 to this owner and went undelivered; however, we resent that proposal to a second address on or about November 7, 2023 which was apparently delivered
- MRC has been unable to find additional contact information for this owner.
- MRC sent a follow up letter to this owner on May 2, 2024

12. Diamond Head Properties, LP

Matador's well proposal to Diamond Head Properties, LP was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's well proposal was sent on November 7, 2023, to this owner and was apparently delivered
- MRC has been unable to find additional contact information for this owner.
- MRC sent a follow up letter to this owner on May 2, 2024

13. E.G. Holden Testamentary Trust

Matador's well proposal to E.G. Holden Testamentary Trust was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's well proposal was sent on November 7, 2023 to this owner and was apparently delivered
- MRC has been unable to find additional contact information for this owner.
- MRC sent a follow up letter to this owner on May 2, 2024

14. Ernie Bello

Matador's well proposal to Ernie Bello was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's well proposal was sent on November 7, 2023to this owner and was apparently delivered
- MRC has been unable to find additional contact information for this owner.
- MRC sent a follow up letter to this owner on May 2, 2024

15. Judith C. Devine Trust u/w of William B. Oliver, c/o Brown Brothers Harriman Trust Company of Delaware, National Association

Matador's well proposal to Judith C. Devine Trust u/w of William B. Oliver, c/o Brown Brothers Harriman Trust Company of Delaware, National Association was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC well proposal was sent on November 7, 2023, and was apparently delivered.
- MRC attempted to locate heirs of Trust, but has been unable to locate a phone number or other contact information.
- MRC sent a follow up letter to this owner on May 2, 2024

16. Judson Exploration, LP

Matador's well proposal to Judson Exploration, LP was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's well proposal was sent on November 7, 2023, to this owner and was apparently delivered
- MRC has been unable to find additional contact information for this owner.
- MRC sent a follow up letter to this owner on May 2, 2024

17. Pennzoil Exploration and Production Company

Matador's well proposal to Pennzoil Exploration and Production Company was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's first proposal sent on April 30, 2024, to this owner went undelivered; however, we resent that proposal to a second address, which was apparently delivered
- MRC has been unable to find additional contact information for this owner.

18. Robert A. Oliver Trust u/w of William B. Oliver, c/o Brown Brothers Harriman Trust Company of Delaware, National Association

Matador's well proposal to Robert A. Oliver Trust u/w of William B. Oliver, c/o Brown Brothers Harriman Trust Company of Delaware, National Association was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC well proposal was sent on November 7, 2023, was apparently delivered.
- MRC attempted to locate heirs of Trust, but was unable to locate a phone number or other contact information.
- MRC sent a follow up letter to this owner on May 2, 2024

19. Royalty Trust Corp.

Matador's well proposal to contact Royalty Trust Corp. was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC's well proposal sent on April 30, 2024, to this owner was apparently delivered
- MRC has been unable to find additional contact information for this owner.

20. Dr. Isaac A Kawasaki

Matador well proposal to Dr. Isaac A Kawasaki was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC well proposal sent November 16, 2023, was apparently delivered.
- MRC sent a follow up letter to this owner on May 2, 2024
- MRC has been unable to find additional contact information for this owner.

21. Brian D. Woehler Trust u/w of William B. Oliver, c/o Brown Brothers Harriman Trust Company of Delaware, National Association

Matador well proposal to Brian D. Woehler Trust u/w of William B. Oliver, c/o Brown Brothers Harriman Trust Company of Delaware, National Association was apparently delivered, but we have not heard from this interest owner or otherwise been able to contact them. MRC is continuing to research additional ways to contact this owner.

- MRC well proposal sent on April 30, 2024, was apparently delivered.
- MRC sent a follow up letter to this owner on May 2, 2024
- MRC has been unable to find additional contact information for this owner.

22. Tronox Worldwide, LLC

Matador has tried to contact Tronox Worldwide, LLC but have not yet been able to connect. We are continuing to research various ways to contact this owner.

- MRC's first proposal sentApril 30, 2024, to this owner went undelivered; however, we resent that proposal to a second address on or about May 13, 2024, and are waiting to see if it is delivered
- MRC has been unable to find additional contact information for this owner.

23. Atlantic Richfield Company

Matador has tried to contact Atlantic Richfield Company but have not yet been able to connect. We are continuing to research various ways to contact this owner

- MRC's first proposal sent April 30, 2024, to this owner went undelivered; however, we have identified a second potential address and will be mailing a proposal to that address
- MRC has been unable to find additional contact information for this owner.

24. Frederick Van Vranken

Matador has tried to contact Frederick Van Vranken but have not yet been able to connect. We are continuing to research various ways to contact this owner

- MRC's first proposal sent August 1, 2023, went undelivered. MRC is in the process of researching a second potential address for this owner.
- MRC has been unable to find additional contact information for this owner.

25. J.W. Gendron

Matador has tried to contact J.W. Gendron but have not yet been able to connect. We are continuing to research various ways to contact this owner

- MRC's first proposal sent November 16, 2023, to this owner went undelivered; however, we have identified a second potential address and will be mailing a proposal to that address
- MRC has been unable to find additional contact information for this owner.

26. Charles Cline Moore

Matador has tried to contact Charles Cline Moore but have not yet been able to connect. We are continuing to research various ways to contact this owner

- MRC's first proposal sent on April 30, 2024, to this owner went undelivered; however, we have identified a second potential address and will be mailing a proposal to that address
- MRC has been unable to find additional contact information for this owner.

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

APPLICATIONS OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 23944-23945

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

Case Nos. 24074-24076

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

Case Nos. 24101-24102

SELF-AFFIRMED STATEMENT OF ANDREW PARKER

1. My name is Andrew Parker, and I am employed by MRC Energy Company, an affiliate of MRC Permian Company ("MRC"), as a Senior Vice President of Geosciences. 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 Cases 24074-24076 and 24101-24102 for the proposed Wayne Gaylord wells and the applications filed by Pride Energy Company ("Pride") in Cases 23944-23945 for its proposed Burton Flat wells. These consolidated cases seek to create spacing units in the Bone Spring and Wolfcamp formations underlying the N/2 of Sections 29 and 30, Township 20 South, Range 28 East, Eddy County, New Mexico. I have conducted a geologic study of the Bone Spring and Wolfcamp formations underlying the subject area in these cases.

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

3. MRC Exhibit B-1 is a locator map with a large red box near the middle of the map. The yellow shaded rectangle within this larger red box identifies the acreage MRC seeks to pool for its proposed Wayne Gaylord wells.

Bone Spring Formation

4. **MRC Exhibit B-2** is a subsea structure map prepared off the top of the Bone Spring formation. The contour interval is 100 feet. The structure map shows the Bone Spring formation gently dipping to the east/southeast. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, 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'.

6. **MRC Exhibit B-3** is a structural cross-section prepared displaying open-hole logs run over the Bone Spring formation from the four representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, caliper, porosity, and resistivity. The proposed target intervals for each of the proposed wells is labeled and marked with a yellow shaded area. Specifically, Matador's proposed target for its First Bone Spring wells (the #111H and #112H) and its Second Bone Spring wells (the #121H and #122H) are each highlighted and labeled. The logs in the cross-section demonstrate that the targeted interval, within the Bone Spring formation, is consistent across the entirety of the proposed spacing units and that the acreage will contribute proportionately to the proposed wells.

7. In my opinion, the laydown orientation is the preferred orientation for development in this area for Bone Spring wells because the maximum horizontal stress is north-south in this area.

8. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Bone Spring formation in the area of the spacing units proposed in these cases.

9. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each horizontal spacing unit.

10. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

Wolfcamp Formation

11. **MRC Exhibit B-4** is a subsea structure map prepared off the top of the Wolfcamp formation. The contour interval is 100 feet. The structure map shows the Wolfcamp formation gently dipping to the east/southeast. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

12. Also included on Matador Exhibit B-4 is a line of cross section from A to A'.

13. **MRC Exhibit B-5** is a structural cross-section prepared displaying open-hole logs run over the Wolfcamp formation from the four representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, caliper, porosity, and resistivity. The proposed target intervals for each of the proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted interval, within the Wolfcamp formation, is consistent across the entirety of the proposed spacing units and that the acreage will contribute proportionately to the proposed wells.

14. In my opinion, the laydown orientation is the preferred orientation for development in this area for Wolfcamp wells because the maximum horizontal stress is north-south in this area.

15. Based on my geologic study of the area, I have not identified any geologic impediments to drilling horizontal wells within the Wolfcamp formation in the area of the spacing units proposed in these cases.

16. In my opinion, each quarter-quarter section will be productive and contribute moreor-less equally to production from each horizontal spacing unit.

17. 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.

My Analysis of the Competing Development Plans

18. Both MRC and Pride have proposed development of the same, directly overlapping spacing units comprised of the N/2 of Sections 29 and 30, Township 20 South, Range 28 East, Eddy County, New Mexico.

19. MRC Exhibit B-6 is a side by side comparison showing the well locations and targets of each of MRC's and Pride's proposed development plans based on the well proposals that MRC received from Pride. MRC's proposed development is shown on the left and Pride's proposed development is shown on the right.

20. As shown on Exhibit B-6, MRC and Pride have both proposed two wells in the First Bone Spring formation at roughly the same TVDs. Likewise, MRC and Pride have both proposed two Upper Wolfcamp wells at roughly the same TVDs. Although the competing development plans vary slightly on the location of the wells, I do not consider those variances to be material and believe MRC's and Pride's proposed development of the First Bone Spring and Upper Wolfcamp are essentially the same.

21. Also shown on Exhibit B-6, however, is that MRC's and Pride's proposed development of the Second Bone Spring formation does differ. MRC proposed two Second Bone

Spring wells, similar to the two wells per half section spacing that both MRC and Pride proposed in the First Bone Spring and Upper Wolfcamp. However, Pride proposed three wells in the Second Bone Spring using a wine racking pattern.

22. Because the only material difference between MRC's and Pride's proposed development is with respect to the Second Bone Spring, I have analyzed the original oil in place for the Second Bone Spring to allow MRC reservoir engineers to determine recovery factors and to predict the ultimate recoverable volumes of oil for the Second Bone Spring wells in this project.

23. **MRC Exhibit B-7** shows two example wells within the project area where MRC has performed a petrophysical analysis to obtain estimated original oil-in-place for the Second Bone Spring, and a reference map denoting the well locations for the B to B' cross-section relative to the project area. For each well in the cross-section, the following logs are included: gamma ray, caliper, porosity, resistivity, and water saturation. Water saturation is calculated using the industry-standard Archie equation and is expressed as a percentage from 0 to 100%. On Exhibit B-7, the water saturation is shown on the far right track of each well's logs. Oil saturation is the remaining percentage, or 1 minus water saturation. Once calculated, the product of oil saturation and porosity (shown in the second track of the two logs on Exhibit B-7) can be integrated over a given interval to determine original oil-in-place for a given reservoir.

24. In this case, MRC calculated the original oil-in-place for the gross Second Bone Spring in a number of nearby wells with appropriate openhole datasets. Those values were then gridded in the project area to obtain an oil-in-place map, which can then be used to extract the volume of oil in the Second Bone Spring in the 640 acre project area.

In this case, I calculated that there are approximately 13 million barrels of oil in the 25. Second Bone Spring in the 640 acre project area. This number was provided to MRC's reservoir engineering expert witness, Tanner Schulz, to predict the ultimate oil recovery for this project.

Based on my geologic review of this acreage, I think that three wells per half section 26. in the Second Bone Spring formation is too tight of spacing and that MRC's proposed development using two Bone Spring wells is better.

Approving Matador's applications will be in the best interest of conservation, the 27. prevention of waste, and protection of correlative rights.

MRC Exhibits B-1 through B-7 were either prepared by me or compiled under 28. my direction and supervision.

29. 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.

Andrew Parker

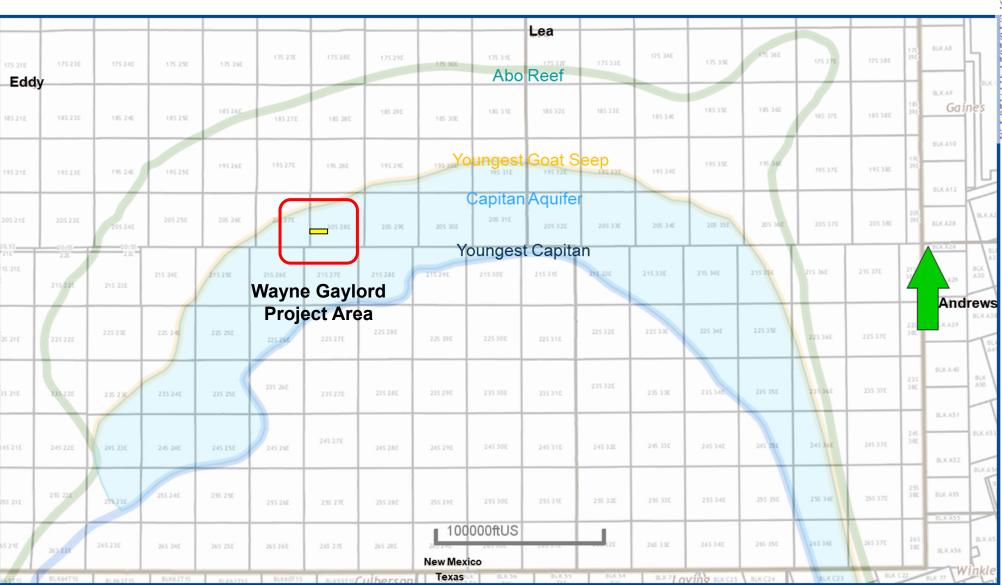
MAY 15, 2024 Date

Locator Map

Release

7/2024

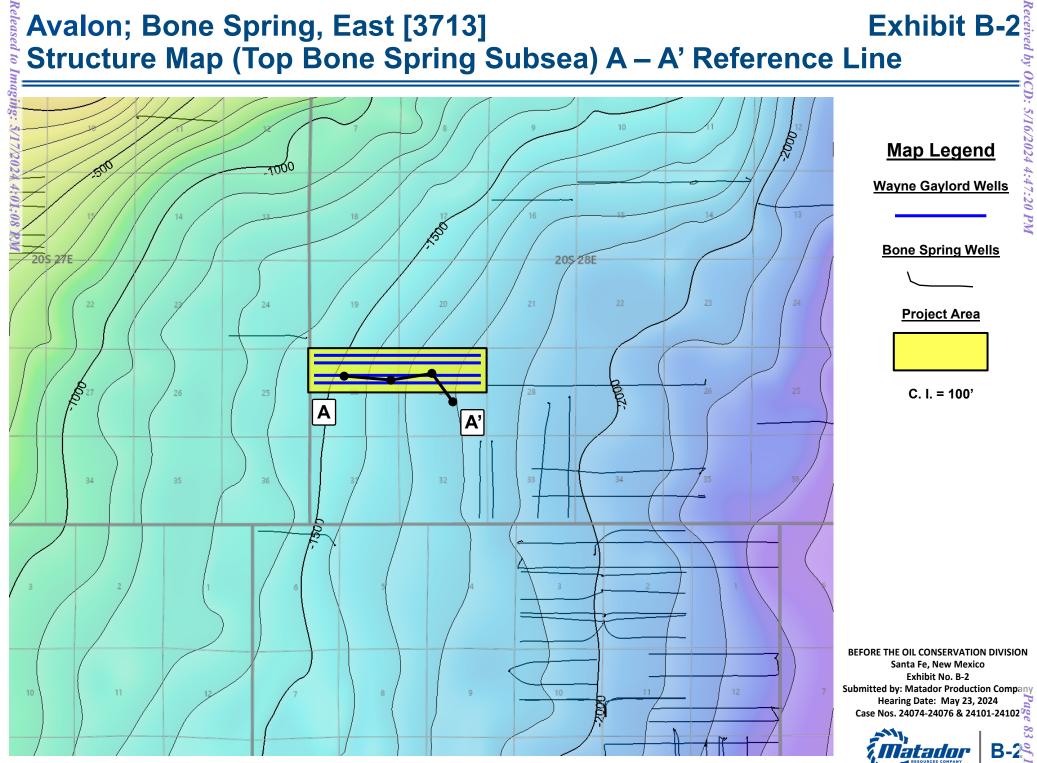
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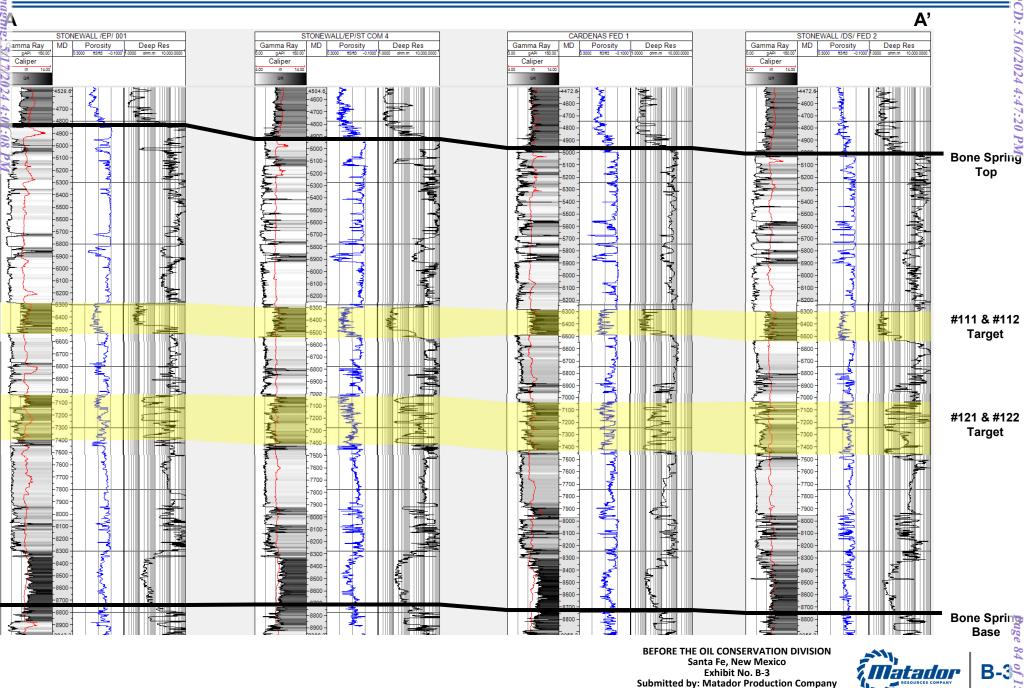
BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. B-1 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

Page 82 -1% Matador В

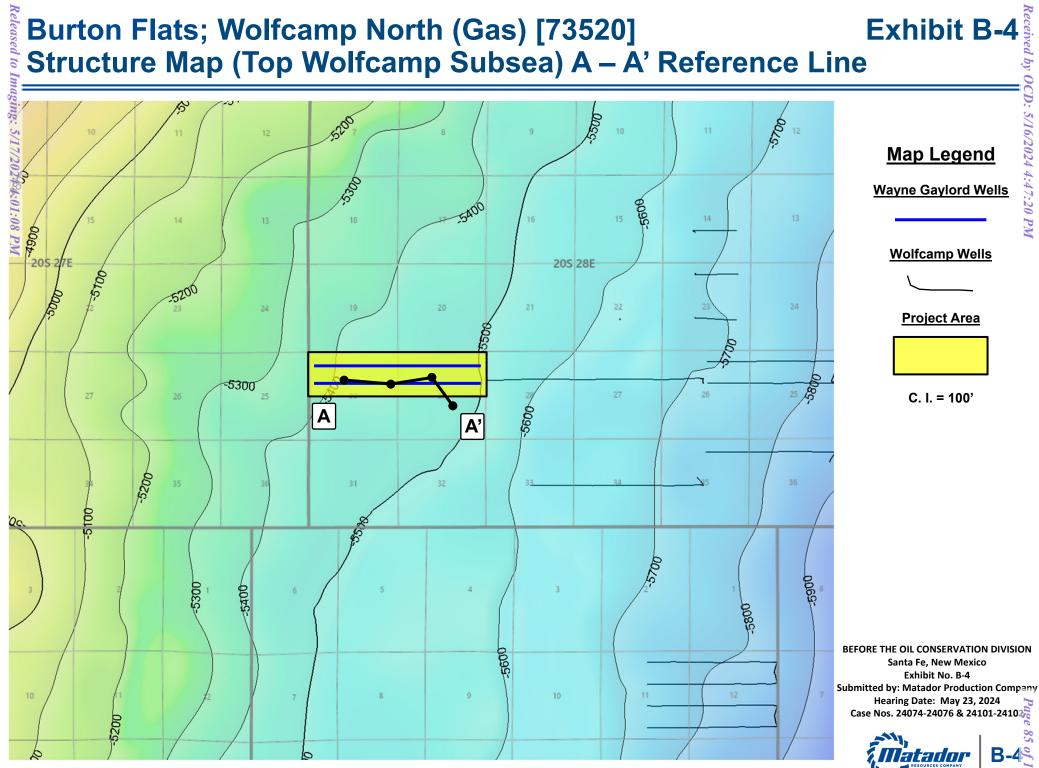
Wayne Gaylord 2930 Fed Com #111H, #112H, #121H, #122H, #201H, & #202H



Avalon; BONE SPRING, East [3713] Structural Cross-Section A – A'

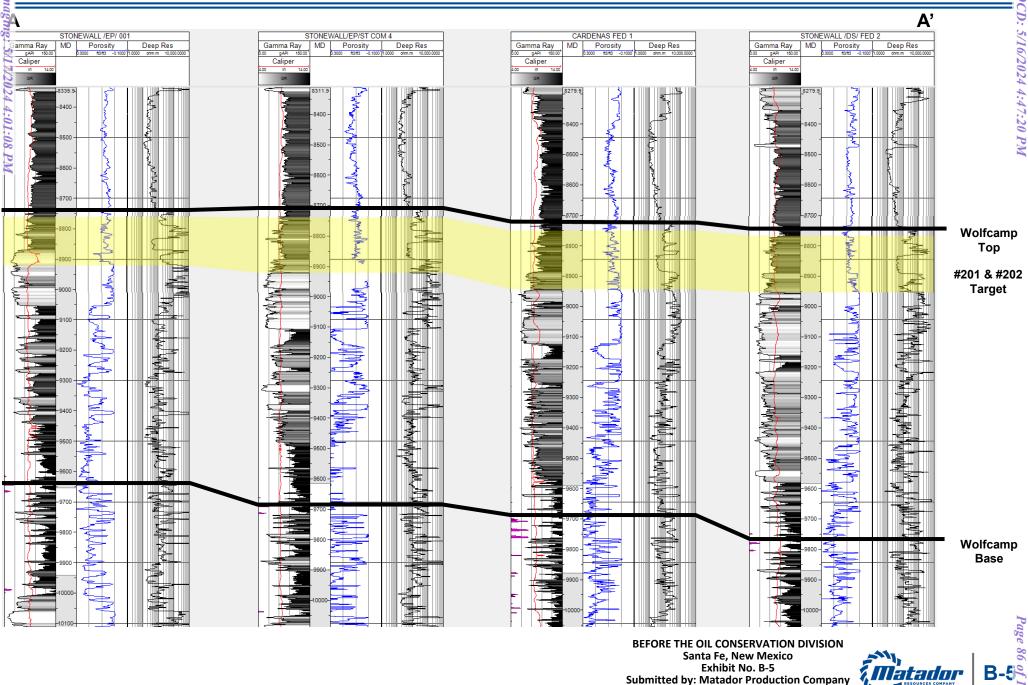


Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102 Exhibit B-3



Wayne Gaylord 2930 Fed Com #201H & #202H

Burton Flats; Wolfcamp North (Gas) [73520] Structural Cross-Section A – A'



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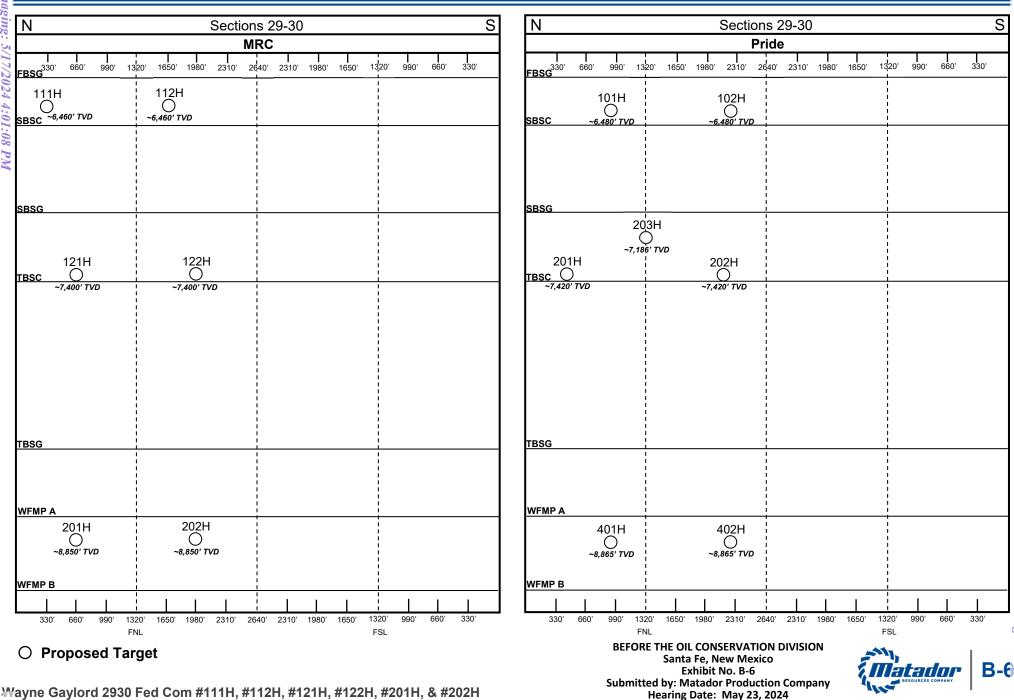
Exhibit No. B-5 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

Exhibit B-5

MRC vs. Pride – Side by Side Development Plans

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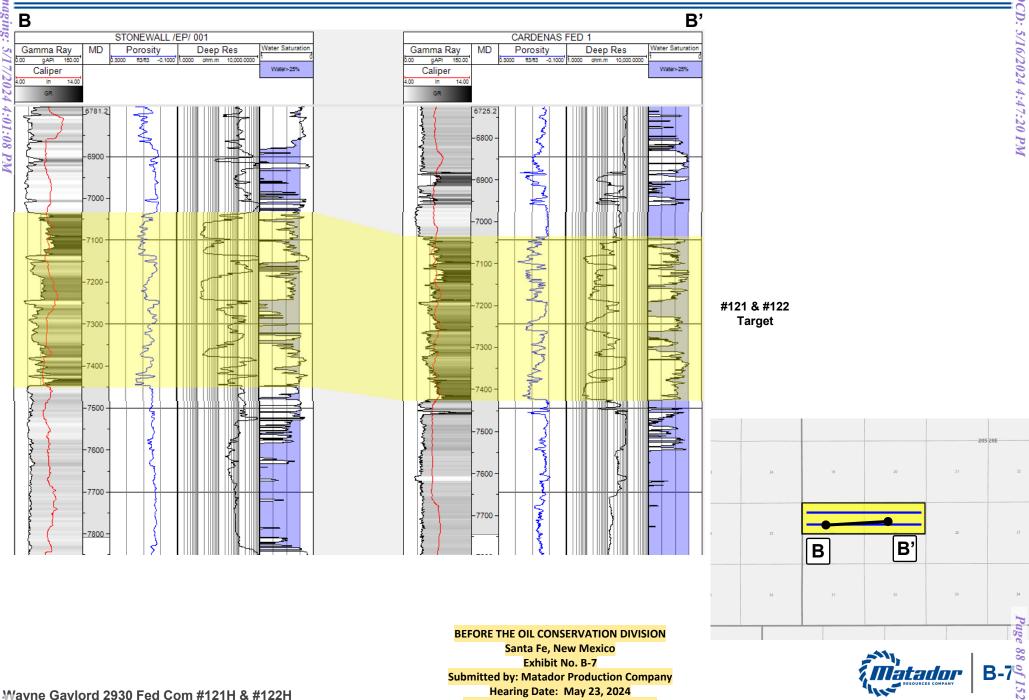
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Case Nos. 24074-24076 & 24101-24102

Wayne Gaylord 2930 Fed Com #111H, #112H, #121H, #122H, #201H, & #202H

Second Bone Spring Original Oil-in-Place



Santa Fe, New Mexico Exhibit No. B-7 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

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

APPLICATIONS OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 23944-23945

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

Case Nos. 24074-24076

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

Case Nos. 24101-24102

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") and Matador Production Company ("Matador"), as the Vice President of Reservoir Engineering and the Reserves Team.

- 2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum engineering. My credentials as a petroleum engineer have been accepted by the Division and made a matter of public record.
- 3. I am familiar with the applications filed by MRC in Cases 24074-24076 and 24101-24102 for the proposed Wayne Gaylord wells and the applications filed by Pride Energy Company ("Pride") in Cases 23944-23945 for its proposed Burton Flat wells. These consolidated cases seek to create spacing units in the Bone Spring and Wolfcamp formations underlying the N/2 of Sections 29 and 30, Township 20 South, Range 28 East, Eddy County, New Mexico. I have conducted a reservoir study of the Bone Spring and Wolfcamp formations underlying the subject area in these cases.

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102 Received by OCD: 5/16/2024 4:47:20 PM

4. **MRC Exhibit C-1** is a side-by-side comparison showing the competing development plans by MRC and Pride in these cases, with MRC's proposed development shown on the left and Pride's proposed development shown on the right. As shown on Exhibit C-1, MRC and Pride have both proposed two First Bone Spring wells and two Wolfcamp A wells with nearly identical proposed TVDs. Although Pride's proposed bottomhole locations for these wells are slightly different than MRC's proposed bottomhole locations, I do not think these variances are material and MRC's and Pride's proposed development for the First Bone Spring and Wolfcamp are essentially the same.

5. Exhibit C-1 also shows that MRC has proposed two wells in the Second Bone Spring formation, whereas Pride has proposed three wells in the Second Bone Spring formation using a wine racking pattern. Accordingly, the development plans for the Second Bone Spring are the primary difference between MRC's and Pride's proposed plans.

6. In my opinion, MRC's development plan for the Second Bone Spring is the optimal plan and Pride's addition of a third well is too tight of spacing that will lead to waste.

7. In analyzing the competing development spacing in the Second Bone Spring, I first obtained MRC's original oil in place (OOIP) volumetric calculations from MRC's geology department. As described in more detail in Mr. Parker's testimony in these cases, MRC's geology group calculated an estimated OOIP of 13 MMBO/sec for this project.

8. I then determined the expected barrels of oil recovered, or estimate of ultimate recovery (EUR), per well using third-party public data. MRC Exhibit C-2 contains a chart showing the EUR data from the Second Bone Spring wells located in the area of review (with such area of review being shown on MRC Exhibit C-3). On Exhibit C-2, all Second Bone Spring wells within the area of review are listed, but in calculating the estimated EUR I only considered wells

that were turned-in-line after 2016 to account for modern completion designs. Those post-2016 wells are highlighted in a green boundary. I used the production data from those wells and calculated a per-foot well EUR to account for varying lengths of wells. This calculation arrived at an approximately 55 Bo/ft EUR for those post-2016 wells in the area of review.

9. The length of MRC's proposed wells is approximately 10,000 feet, which using the production data described above would mean that we would expect MRC's wells to each produce approximately 550,000 barrels of oil. The table on Exhibit C-2 titled; "Expected Results Based on Area Study" shows this P50 value for the oil EUR for 2-mile horizontal well spaced at 4 wells per section in the area of interest being 550,000 barrels of oil. Although we used third party to calculate EURs for purposes of objectivity, the results we achieved are generally consistent with MRC's internal analysis.

10. Using the OOIP and area of interest's EUR, I then calculated a recovery factor for MRC's proposed Second Bone Spring development at approximately 8.5%. The estimated recovery factors are calculated using original oil in place (OOIP) volumetric calculations along with estimated ultimate recovery values. Specifically, the recovery factor is determined by summing the OOIP and the per well EURs per area of interest. The ratio between the area of interest's EUR and the corresponding OOIP determines the recovery factor.

11. Conversely, running this analysis in reverse, using the recovery factor of 8.5% with the estimated OOIP of 13 MMBO/sec, the EUR for a 2-mile horizontal well spaced at 6 wells per section (like Pride's proposed spacing), would amount to an expected EUR of 370,000 barrels of oil per well. This is also shown on the chart at the bottom of Exhibit C-2.

12. Understanding that the recovery factors as described in MRC Exhibit C-2 are similar in nature, it is my opinion that the development pattern, and in particular the well density

(4 wells per section spacing) used in the area are efficiently and effectively draining the contacted reservoir. Furthermore, assuming the OOIP observed at the Wayne Gaylord well log is 13MMBO/sec and assuming an 8.5% recovery factor is achieved, there are approximately 1.1 million barrels of total technical recoverable oil under the subject project area (13MMBO/sec (OOIP) x 2 (Number of sections in DSU) / 2 (Contemplates only the north half being developed) x 8.50% (Recovery Factor).

13. As described above, my calculations concluded an approximately 8.5% recovery factor for MRC's proposed Second Bone Spring wells. This 8.5% recovery factor is in line with recovery factors achieved by other Second Bone Spring wells in the area. **MRC Exhibit C-3** is a subsea structure map prepared for the top of the Third Bone Spring carbonate, which was prepared by MRC's geology department. The contour interval is 50 feet. Also shown on MRC Exhibit C-3 are all of the horizontal wells that MRC was able to locate that have been drilled in the Second Bone Spring formation in this area.

14. Also shown on MRC Exhibit C-3 is the hydrocarbon recovery factors, as calculated per development unit, in or around each group of Second Bone Spring developments in this area. The development areas that were used to calculate each recovery factory average are shown in blue dashes around each referenced development. I did not consider the wells going north-south or single unbounded wells when calculating these averages because such wells would not be directly analogous to the laydown development scenarios proposed by both parties in these cases. These hydrocarbon recovery factors are displayed on the map in yellow boxes posted across each unit where the calculation was made. The hydrocarbon recovery factor is a measure of what percentage of the contacted reservoir a single well, or unit, or development, will drain.

15. As shown on MRC Exhibit C-3, the hydrocarbon recovery factors for Second Bone Spring wells in this area range from approximately 4% to 10%, which is in line with the 8.5% calculated by MRC.

16. MRC Exhibit C-3 also has yellow text boxes around each of Second Bone Spring developments in this area showing the number of wells per section used for such projects. As shown in MRC Exhibit C-3, with the exception of one Matador development discussed below, it appears every operator in this area has developed the Second Bone Spring using four wells persection (consistent with MRC's plan). The one exception is MRC's Stebbins development highlighted in red (on MRC Exhibit C-3) in which MRC tested a six well per section development. Based on the poorer performance from this tighter six wells per-section spacing, and considering the performance of the other four wells per section projects, it is my opinion that four wells per section effectively drains the contacted reservoir.

17. My opinion that MRC's proposed spacing is superior to Pride's plan is further demonstrated on **MRC Exhibit C-4**, which is a table comparing my calculations of the estimated recoveries and economic results between MRC's proposed two well Second Bone Spring development plan on the left side (or first column), and Pride's proposed three well Second Bone Spring development plan, on the right side (or second and third columns). MRC's capital outlay to drill, complete and equip each well is assumed to be \$10.9M while Pride's is \$8.4M based on Pride's AFEs. MRC's Team Lead, Travis Wolf, is submitting an affidavit in this case with respect to his opinion that Pride's AFEs are too low and unachievable. Accordingly, I have also included a separate column on Exhibit C-3, titled "Pride Energy (MTDR CapEx)," which illustrates the performance of Pride's proposed three well Second Bone Spring development plan (6-well

equivalent spacing) with MRC's estimated capital expenditures. This analysis is shown in the middle column (or second column).

18. As discussed in MRC Exhibit C-2, the total technical recoverable oil used in row

two is 1.1 million barrels. Each economic scenario utilizes the same NYMEX strip pricing model

as of April 2024 along with the same expense model.

19. As shown on MRC Exhibit C-3, the results of this analysis confirm my opinion that

MRC's proposed development plan within the Second Bone Spring is superior to Pride's plan:

- a. The Total CapEx Spend row shows that MRC's Second Bone Spring development plan is estimated to cost (i) \$3 million less than Pride's plan based on Pride's AFEs (compare first column with third column), or (ii) \$11 million less than Pride's plan assuming Matador's estimated per well CapEx (compare first column with second column).
- b. The next two rows show that Matador's Second Bone Spring development plan is estimated to economically recover 40,000 barrels of oil, or 74,000 BOE, more than Pride's plan.
- c. The remaining rows show that MRC's Second Bone Spring development plan is expected to generate:
 - i. approximately \$20 million in undiscounted cashflow,
 - ii. yield a 1.92 ROI and 29% rate-of-return (RoR),
 - iii. payout in 3.9 years,
 - iv. and have an economic life of 31 years.
- d. Pride's Second Bone Spring development plan, on the other hand, is expected to generate either:

(i) using Pride's AFE amounts, approximately \$13 million in undiscounted cashflow, yield a 1.51 ROI and 21% (RoR), payout in 4.4 years, and have an economic life of 23 years, or

(ii) using MRC estimated per-well CapEx, approximately \$6 million in undiscounted cashflow, yield a 1.17 ROI and 6% (RoR), payout in 8.42 years, and have an economic life of 23 years.

20. In short, it is my opinion that MRC's development plan will cost the working

interest owners significantly less money than Pride's proposed plan, while at the same time

economically recovering <u>more hydrocarbon reserves</u> than Pride's proposed development plan. Accordingly, in my opinion, Pride's proposed development plan will result in (i) the drilling of unnecessary wells, (ii) economic waste, and (iii) waste of natural resources left in place compared to MRC's development plan.

Matador's Ability to Prudently Operate

21. Matador has consistently proven its ability to prudently operate. Matador has drilled over 600 horizontal wells in Eddy or Lea County, New Mexico, including over 250 horizontal wells that are two miles or longer.

22. Among other things, part of the reason for Matador's operating success is our 24 hours / 7 days a week MaxCom room located within our Dallas headquarters where we have both geologists and drilling engineers constantly monitoring our drilling operations. One of the primary benefits of our MaxCom room is that it enables us to have geologists monitoring and assisting with the steering of our wells at all times to ensure we maximize the percentage of the wellbore that is in our targeted interval.

23. On the other hand, based on NMOCD records, Matador was able to identify only 14 horizontal wells that Pride has drilled in Eddy or Lea County, New Mexico (being its Go State and Grama Ridge projects)—each of which are only 1 mile in length. The production history for these wells are not yet posted on the NMOCD records so I was unable to evaluate the performance of these one-mile horizontal wells.

24. Based on available public records, it does not appear that Pride has ever drilled a two-mile lateral in Eddy or Lea County, New Mexico, as they propose to do in these cases.

25. It is my opinion Matador has the ability to prudently operate and execute on its development plans, but I have concerns about Pride being able to prudently drill and operate its

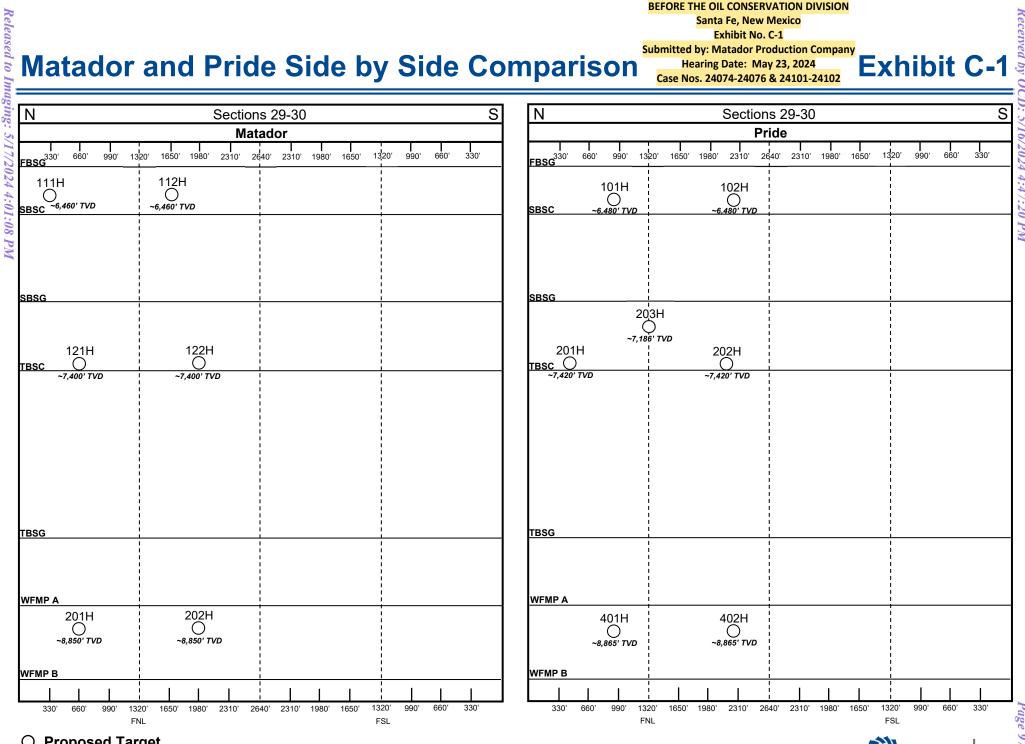
proposed seven 2-mile laterals when it apparently has never drilled wells with over 1-mile in lateral length in New Mexico before.

26. MRC Exhibits C-1 through C-4 were prepared by me or compiled under my direction and supervision. In addition, with respect to my references to Mr. Parker's statements and exhibits, I worked closely with Mr. Parker and the other geologists on our technical team that helped to analyze the acreage in these cases to understand their methodology and analysis, which is consistent with the collaborative approach between geology and reservoir that MRC would use when analyzing acreage for other business purposes.

I affirm under penalty of perjury under the laws of the State of New Mexico that 27. 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.

5/15/2024 Date



O Proposed Target

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Second Bone Spring Oil EUR

Releasea

Analog Data Supports 550 MBO Oil EUR for a 2-mile Horizontal Well at 4 wells Per Section

API14	Well Name	Operator	First Production Date	Enverus Lateral Length (ft)	Enverus Oil EUR (bbl)	BO/ft
30015542230000	BO HOWARD 1211 FEDERAL COM 124H	MATADOR OPERATING, LLC	12/1/2023	7,344	359,641	49
30015497710000	DUNDEE 4 FEDERAL COM 121H	PERMIAN RESOURCES	3/1/2023	10,585	566,101	53
30015497720000	DUNDEE 4 FEDERAL COM 123H	PERMIAN RESOURCES	3/1/2023	10,620	499,176	47
30015497440000	DUNDEE 4 FEDERAL COM 124H	PERMIAN RESOURCES	3/1/2023	10,701	467,483	44
30015497450000	DUNDEE 4 FEDERAL COM 122H	PERMIAN RESOURCES	3/1/2023	10,691	460,117	43
30015488000000	SIG 6 5 B2DA FEDERAL COM 001H	MEWBOURNE OIL	12/1/2022	9,977	796,536	80
30015496390000	SIG 6 5 B2EH FEDERAL COM 001H	MEWBOURNE OIL	12/1/2022	9,932	909,360	92
30015494270000	BO HOWARD 1211 FEDERAL COM 121H	MATADOR OPERATING, LLC	11/1/2022	7,054	591,278	84
30015494280000	BO HOWARD 1211 FEDERAL COM 122H	MATADOR OPERATING, LLC	11/1/2022	7,243	474,642	66
30015477320000	BOLANDER 32 STATE FEDERAL COM 121H	PERMIAN RESOURCES	9/1/2022	9,878	551,536	56
30015477340000	BOLANDER 32 STATE FEDERAL COM 122H	PERMIAN RESOURCES	9/1/2022	9,741	520,294	53
30015477390000	DAKOTA 32 STATE FEDERAL COM 123H	PERMIAN RESOURCES	9/1/2022	10,133	740,706	73
30015477420000	DAKOTA 32 STATE FEDERAL COM 133H	PERMIAN RESOURCES	9/1/2022	10,045	466,345	46
30015477040000	DAWSON 34 FEDERAL COM 123H	PERMIAN RESOURCES	5/1/2022	9,855	489,411	50
30015477060000	SHAMROCK 34 FEDERAL COM 121	PERMIAN RESOURCES	5/1/2022	10,463	975,284	93
30015477070000	SHAMROCK 34 FEDERAL COM 122H	PERMIAN RESOURCES	5/1/2022	9,880	673,369	68
30015477400000	DAKOTA 32 STATE FEDERAL COM 124H	PERMIAN RESOURCES	10/1/2021	9,952	647,342	65
30015460020000	LEATHERNECK 3029 FEDERAL COM 126H	MATADOR OPERATING, LLC	10/1/2021	9,868	216,071	22
30015468940000	LEATHERNECK 3029 FEDERAL COM 127H	MATADOR OPERATING, LLC	6/1/2021	9,830	402,576	41
30015469030000	LEATHERNECK 3029 FEDERAL COM 128H	MATADOR OPERATING, LLC	6/1/2021	10,011	365,460	37
30015449240000	TED PAUP 32-31 FED COM #125H	MATADOR OPERATING, LLC	6/1/2021	10,213	309,066	30
30015445740000	TED PAUP 32-31 FED COM #126H	MATADOR OPERATING, LLC	6/1/2021	10,329	268,600	26
30015476030000	DAWSON 34 FEDERAL COM 124H	PERMIAN RESOURCES	2/1/2021	9,937	749,854	75
30015460000000	LEATHERNECK 3029 FEDERAL COM 125H	MATADOR OPERATING, LLC	9/1/2019	9.832	463,599	47
30015441740000	STEBBINS 19 FEDERAL COM 127H	MATADOR OPERATING, LLC	9/1/2019	4,423	147,787	33
30015439020000	DERRINGER 18 B2MP FEDERAL 001H	MEWBOURNE OIL	9/1/2018	4.179	390,136	93
30015441720000	STEBBINS 19 FEDERAL 124H	MATADOR OPERATING, LLC	3/1/2018	4,299	235,621	55
30015441700000	STEBBINS 19 FEDERAL COM 123H	MATADOR OPERATING, LLC	12/1/2017	4,221	230,006	54
30015441850000	STEBBINS 20 FEDERAL 124H	MATADOR OPERATING, LLC	10/1/2017	4,431	435,869	98
30015432010000	STEBBINS 20 FEDERAL 123H	MATADOR OPERATING, LLC	4/1/2017	4,310	613,137	14:
30015426290000	BURTON FLAT DEEP UNIT 062H	DEVON	10/1/2015	4,553	188,321	41
30015431360000	BURTON FLAT DEEP UNIT 061H	DEVON	10/1/2015	4,548	155,465	34
30015426060000	WINCHESTER 36 B2LI STATE 001H	MEWBOURNE OIL	3/1/2015	4,288	129.091	30
30015424740000	RUGER 31 B2EH FEDERAL 001H	MEWBOURNE OIL	12/1/2014	4,338	176,092	41
30015426640000	GLOCK 17 B2EH FEDERAL 001H	MEWBOURNE OIL	11/1/2014	4,140	277,467	67
30015419510000	DERRINGER 18 LI FEDERAL 001H	MEWBOURNE OIL	7/1/2014	4,196	269,808	64
30015421150000	GLOCK 17 LI FED 001H	MEWBOURNE OIL	5/1/2014	4,255	173,096	41
30015419550000	HENRY 8 PM FEDERAL COM 001H	MEWBOURNE OIL	5/1/2014	4,233	173,000	44
30015419520000	RUGER 31 DA FEDERAL COM 001H	MEWBOURNE OIL	4/1/2014	4,087	287,679	70
30015417470000	WINCHESTER 36 HE STATE 001H	MEWBOURNE OIL	4/1/2014	4,007	154,152	36
30015417810000	HENRY 8 IL FEDERAL 001H	MEWBOURNE OIL	2/1/2014	4,334	112,375	26
30015405030000	BURTON FLAT DEEP UNIT 054H	DEVON	1/1/2014	4,334	244.132	50
30015414170000	GLOCK 17 MP FEDERAL 001H	MEWBOURNE OIL	11/1/2014	4,374	301,544	69
30015414170000	DERRINGER 18 DA FEDERAL 001H	MEWBOURNE OIL	8/1/2013	4,374	166,050	39
30015414310000	WINCHESTER 36 AD STATE 001H	MEWBOURNE OIL	8/1/2013	4,204	146,837	39
30013413340000		MEWBOURNE OIL	4/1/2013	4,298 4,379	146,837	34
30015410400000 30015397580000	THOMPSON 8 FEDERAL 003H DERRINGER 18 FEDERAL COM 002H	MEWBOURNE OIL	1/1/2013	4,024	184,256	46

<u>Legend</u>



TIL Post 2016 Dataset P50 **55 Bo/ft**

EUR Oil Equivalent for a 10,000' Lateral

▼ 550,000 Barrel of Oil

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-2 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

Expected Results Based on Area Study

Proposal	Estimated OOIP (MMBO/sec)	Recovery Factor	Proposed Wells per Section (Equivalent)	Oil Recovery Per Well (MBO)	Project ROI	Years to Capital Repayment
MTDR Proposal	13	8.50%	4	550	1.92	3.94
Pride Proposal	13	8.50%	6	370	1.51	4.42

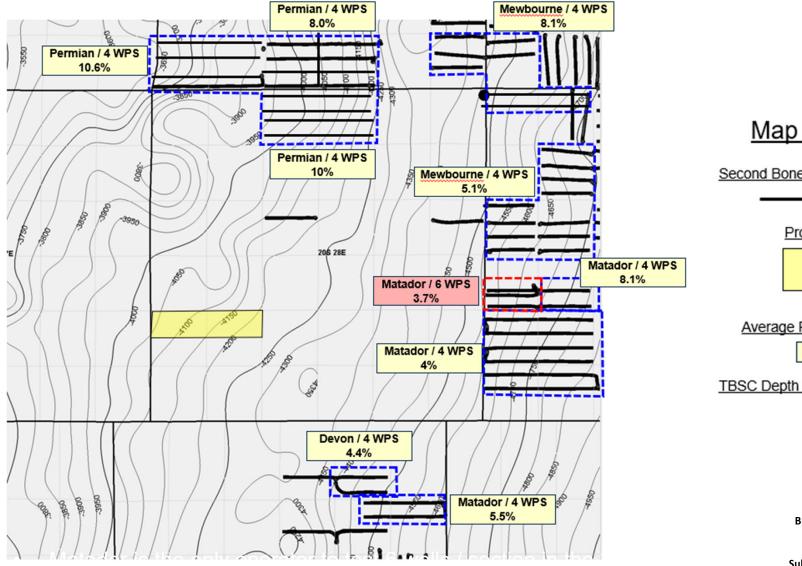
Second Bone Spring Recovery Factors

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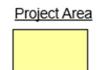
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Historical Recovery Factors Support 4 Wells Per Section



Map Legend

Second Bone Spring Lateral Well



Average Recovery Factor

#%

TBSC Depth Structure C.I. = 50'

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-3 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102



Matador vs. Pride Economic Comparison

Released to

Imag

Exhibit C-4

Operator	Matador	Pride Energy (MTDR CapEx)	Pride Energy (Pride CapEx)	
Proposed Wells per Section (Equivalent)	4	6	6	
Total Technical Recoverable Oil (Mbbl)		1,100		
Estimated Oil Recovery Per Well (Mbbl)	550	370	370	
Total CapEx Spend (\$MM)	22	33	25	
Total Economic Oil Recovered (Mbbl)	1,002	962	962	
Total Economic BOE Recovered (MBOE)	1,741	1,667	1,667	
Pricing / LNRI Scenario	Q2 2024 Strip / 100% WI 75% NRI			
Cum. Undiscounted Cashflow (\$M)	20,237	5,706	12,701	
Cum. Discounted Cashflow (10%) (\$M)	7,134	(2,394)	4,006	
Project Undisc. Return on Investment	1.92	1.17	1.51	
Project Rate of Return (%)	28.5	6.07	21.0	
Years to Payout of Capital Investment (Years)	3.94	8.42	4.42	
Project Life (Years)	30.7	23.2	23.2	

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. C-4 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

100 Matador

age

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

APPLICATIONS OF PRIDE ENERGY COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO

Case Nos. 23944-23945

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

Case Nos. 24074-24076

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

Case Nos. 24101-24102

SELF-AFFIRMED STATEMENT OF TRAVIS WOLF

1. My name is Travis Wolf, and I am employed by MRC Energy Company, an affiliate of MRC Permian Company ("MRC"), as a Senior Vice President and Area Asset Manager.

2. I graduated from Texas A&M University in 2015 with a bachelor's degree majoring

in Petroleum Engineering and minoring in Geology. Following graduation, I was employed by MRC as an Operations Engineer. This consisted of a combination of field supervision at the well site and office engineering roles through a rotation of drilling, completions and production operations. After one year, I became a Drilling Engineer overseeing several of MRC's drilling rig operations in New Mexico, West Texas and South Texas for the next 5 years. I was responsible for the planning, budgeting and execution for the drilling of over 60 horizontal wells from 2016 through 2021. Following the Drilling Engineering role, I became a Senior Production Engineer for approximately one year, and in this role I was responsible for the production operations in multiple areas of the Delaware Basin, which included over 75 operated wells in Eddy County, New Mexico and over 100 operated wells in Loving County, Texas. At the end of 2021, I became the Asset Manager for MRC's assets in West Texas, South Texas, East Texas/Louisiana and Matador's Non-

Operated properties throughout all areas, including the Delaware Basin. As an Asset Manager, I

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102 am responsible for the development of each of these assets in the most efficient, economic and prudent manner to fit into Matador's corporate strategy. This includes exploration, evaluation and acquisition of certain leaseholds within the asset area as well as overseeing the development plans and execution of Matador's acreage in these areas. This responsibility includes working alongside all departments such as Land, Regulatory, Legal, Accounting, Geology, Drilling, Completions, Production, Facilities, Marketing and Midstream. Since February 2024, I now manage our Arrowhead asset and transitioned out of West Texas. The Arrowhead asset includes northern Eddy County, New Mexico. As part of my employment at Matador, I am also required to complete at least 40 hours of continuing education per year. I am also a member of the Society of Petroleum Engineers, American Association of Drilling Engineers, and American Association of Petroleum Landmen.

3. I am generally familiar with the applications filed by MRC in Cases 24074-24076 and 24101-24102 for the proposed Wayne Gaylord wells and the applications filed by Pride Energy Company ("Pride") in Cases 23944-23945 for its proposed Burton Flat wells. These consolidated cases seek to create spacing units in the Bone Spring and Wolfcamp formations underlying the N/2 of Sections 29 and 30, Township 20 South, Range 28 East, Eddy County, New Mexico.

4. I am currently the Team Lead for MRC's Arrowhead team and, in that role, I am responsible for the development of MRC's proposed Wayne Gaylord project. In my role as Team Lead, one of my responsibilities is to coordinate with the various groups within MRC to compile our estimated costs for drilling, completing and producing the wells that MRC drills and operates in my area and to prepare our AFEs that we send when proposing the wells to other working interest partners. Attached as **MRC Exhibit D-1** are copies of the current AFEs for each of Matador's proposed Wayne Gaylord wells.

5. Attached as **MRC Exhibit D-2** are copies of the AFEs that MRC received from Pride Energy Company ("Pride") for its proposed Burton Flat wells. Pride's AFE amounts for its wells are less than MRC's AFE amounts for its wells. However, it is my opinion that Pride's AFEs are likely lower than is actually achievable for a development plan of wells of this length in this area if prudently drilled and operated.

6. For starters, I recently spent approximately 2.5 years as the Team Lead for MRC's non-operated team, and in that role I oversaw a team that reviewed and analyzed over seven hundred well proposals and AFEs that MRC received from approximately 30 different operators in New Mexico in connection with their wells proposals to MRC. Based on my experience, it is my opinion that MRC's AFE amounts are in line with the other experienced operators in New Mexico. I therefore believe that Pride cannot actually drill, complete and produce their development plan of wells for costs that are that much less than MRC's AFEs.

7. Pride's AFEs do not contain sufficient detail for me to do a complete comparison of the exact differences between MRC's and Pride's AFEs, but I have made the following observations in connection with my and my team's review of Pride's AFEs:

- a. Pride's AFEs appear to include only a three-string casing design, because they list out three strings: surface casing, intermediate casing and production casing. MRC's understanding is that the acreage in these cases is included in an area where the Bureau of Land Management will require a four-string casing design to approve a drilling permit. Attached as **MRC Exhibit D-3** is a map that MRC received from the Bureau of Land Management showing the four-string area boundary. The subject acreage is within this boundary. MRC's AFEs therefore include the costs of a four-string casing design. To the extent Pride's AFEs are for a three-string casing design, the addition of the fourth string of casing would add significant costs to their AFEs.
- b. Certain of the listed costs, such as drilling rig and directional drilling, appear to either assume below market rates for current costs in the industry or assume faster drilling of the development plan for these wells than MRC believes is achievable for their development plan.
- c. The cost for water in Pride's AFEs for their development plan of seven wells appears to assume either below market water rates or a smaller completion size than MRC is planning and believes is optimal.

- d. MRC's AFEs include certain costs to be incurred in the early life of the well, such as artificial lift, but it is unclear whether Pride included those costs in the AFEs or would later bill those costs to partners as LOE after the well was drilled.
- e. Pride's AFEs do not appear to include any detail on the components and breakdown of their facility costs, but list only a general "tank battery" charge. Based on Pride's estimated \$3.5 million to build the facility for this project, and given the lack of specifics in the AFEs, MRC is concerned Pride's proposed facility may not meet the quality standards proposed by MRC that also comply with applicable regulations.

8. In reviewing the NMOCD website, it did not appear that Pride has ever drilled and completed two-mile wells in New Mexico, as they propose to do here. On the other hand, Matador has drilled over 250 two-mile wells and has significant experience creating AFEs based on recent actual costs of similar well designs in similar targets to arrive at AFE estimates that reflect the actual anticipated costs of the well.

9. In short, it is my opinion that Pride's AFEs are lower than is actually achievable for a development plan of wells of this length in this area if prudently drilled and operated. It is also my opinion that MRC's AFEs reflect an accurate estimate of the costs to prudently drill, complete and produce wells of this length in this area in the current service cost environment.

10. 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.

Travis Wolf

5/15/2024

Date

EXHIBIT D-1

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-1 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

MATADOR PRODUCTION COMPANY

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

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

DATE:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #111H	FIELD:	Bone Spring
LOCATION:	Section 29&30 20S 28E	MD/TVD:	16764'/6460
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837

GEOLOGIC TARGET: First Bone Spring Sand REMARKS: Drill and complete a horizontal

Drill and complete a horizontal 2.0 mile long First Bone Spring sand target with about 57 frac stages

	DRILLING	COMPLETION	PRODUCTION		TOTAL
INTANGIBLE COSTS	COST5	COSTS	COSTS	FACILITY COSTS	COSTS
Land / Legal / Regulatory \$	58,000	\$	\$.	\$ 10,000 \$	
Location, Surveys & Damages	157,500	13,000	15,000	16,667	202,167
Drilling	832,045				832,045
Cementing & Float Equip	337,000				337,000
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			18,160		18,160
Flowback - Surface Rentals			127,850		127,850
Flowback - Rental Living Quarters					
Mud Logging	21,380				21,368
Mud Circulation System	116,469				116,469
Mud & Chemicals	305,000	56,000	25,000		386,000
Mud / Wastewater Disposal	180,000	-		1,000	181,000
Freight / Transportation	19,500	40,500	7,000	-	67,000
Rig Supervision / Engineering	119,250	92,800	6,000	1,800	219,850
Drill Bits	107,000				107,000
Fuel & Power	150,500	383,012	15,000	-	548,512
Water	45,000	510,547	3,000	1,000	55B,547
Drig & Completion Overhead	10,000	-			10,000
Plugging & Abandonment	= 5				
Directional Drilling, Surveys	267,893	-			267,893
Completion Unit, Swab, CTU		200,000	9,000		209,000
Perforating, Wireline, Slickline		162,240	•		162,240
High Pressure Pump Truck	•/	123,400	6,000		129,400
Stimulation		2,132,892			2,132,892
Stimulation Flowback & Disp		15,500	50,400		65,900
Insurance	30,175				30,175
Labor	197,500	60,250	15,000	5,000	277,750
Rental - Surface Equipment	90,598	297,110	10,000	20,000	417,708
Rental - Downhole Equipment	195,750	86,000		-	284,750
Rental - Living Quarters	55,625	38,540		5,000	99,165
Contingency	132,818	208,265	31,041	6,047	378,170
Operations Center	21,252				21,252
TOTAL INTANGIBLES >	3,453,263	4,423,806	341,451	66,513	8,285,033
	DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
Surface Casing \$	48,091	5	s	5 5	48,091
Intermediate Casing	59,183		·	~ <u> </u>	59,183
Drilling Liner	151,909				151,909
Production Casing	561,924				561,924
Production Liner	001,027				
			104,250		104,250
Weilhead	125,500		70.000	30 	195,500
Packers, Liner Hangers		49,072			49,072
Tarks				B4,167	84,167
Production Vessels				179,500	179,500
Flow Lines				120.000	120,000
Rod string			335.000		335,000
Artificial Lift Equipment	i			40.000	40.000

TOTAL COSTS >	4,399,870	4,472,877	908,701	981,013	10,762,462
TOTAL TANGIBLES >	946,607	49,072	567,250	914,500	2,477,429
Instrumentation / Safety				33,667	33,667
Communications / SCADA			12,000	15,000	27,000
Electrical / Grounding			30,000	60,000	110,000
Flare Stack				29,157	29,167
Tank / Facility Containment				16,667	16,667
Valves, Dumps, Controllers					
Gathering / Bulk Lines			• //		
Interconnecting Facility Piping				118,333	118,333
Gas Conditioning / Dehydration				-	-
Measurement & Meter Installation			11,000	92,867	103,667
Downhole Pumps			-		
Non-controltable Downhole	*				
Non-controllable Surface	2.0			2,000	2,000
Surface Pumps	*		5,000	23,333	28,333
Installation Costs				80,000	80,000
Compressor				40,000	40,000
Artificial Lift Equipment			335,000	1.1 Contractor	333,000

EPARED BY MATADOR PRO	DOUCTION COMPA	ANY:	
Drilling Engineer: Completions Engineer: Production Engineer:	Perry Hawks Jack, Hmoir Garrell Lillrell	Team Lead - WTX/NM	
TADOR RESOURCES COM	PANY APPROVAL:		
Executive VP, Res	WTE	SVP Geoscience	COO- Drilling, Completion and Production
Executive VP, Legal	CA		
President	BG		
N OPERATING PARTNER A	PPROVAL:		
Company Name:		Working Interest (%):	Tax /D:
Signed by:		Dale:	
Title		Approval: Y	/es 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:	January 30, 2024	AFE NO .:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #112H	FIELD:	Bone Spring
OCATION:	Section 29&30 20S 28E	MD/TVD:	16764'/6460'
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:			
GEOLOGIC TARGET:	First Bone Spring Sand		

Drill and complete a horizontal 2.0 mile long First Bone Spring sand target with about 57 frac stages

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory \$	58,000	5	\$ -	\$ 10,000	\$ 68,000
ocation, Surveys & Damages	157,500	13,000	15,000	16,667	202,16
Drilling	832,045	(832,04
Cementing & Float Equip	337,000				337,000
ogging / Formation Evaluation		3,750	3,000		6,75
Flowback - Labor			18,160		18,160
			127,850		127,850
Flowback - Surface Rentals					
Flowback - Rental Living Quarters	0.000		<u></u>		21,38
Mud Logging	21,388				116,469
Mud Circulation System	115,469				
Mud & Chemicals	305,000	56,000	25,000		386,000
Mud / Wastewater Disposal	180,000	¥	· · · · · · · · · · · · · · · · · · ·	1,000	181,000
Freight / Transportation	19,500	40,500	7,000	-	67,000
Rig Supervision / Engineering	119,250	92,800	6,000	1,800	219,850
Drill Bits	107,000				107,000
Fuel & Power	150,500	383.012	15,000		548,512
	45,000	510,547	3,000	1,000	559,54
Water		510,547	3,000		10,00
Drig & Completion Overhead	10,000				10,00
Plugging & Abandonment					257,893
Directional Drilling, Surveys	267,893				
Completion Unit, Swab, CTU	200	200,000	9,000		209,000
Perforating, Wireline, Slickline		162,240			162,24
High Pressure Pump Truck	· · ·	123,400	6,000	-	129,40
Stimulation		2,132,892			2,132,893
Stimulation Flowback & Disp		15,500	50,400		65,900
insurance	30,175		- STATES		30,175
	197,500	60,250	15,000	5,000	277,750
Labor			10.000	20,000	417.70
Rental - Surface Equipment	90,598	297,110	10.000		284,750
Rental - Downhole Equipment	198,750	86,000			
Rental - Living Quarters	55,625	38,540		5,000	99,16
Contingency	132,818	208,265	31,041	6,047	378,170
Operations Center	21,252		· · · · · · · · · · · · · · · · · · ·		21,25
TOTAL INTANGIBLES >	3,453,263	4,423,806	341,451	66,513	8,285,03
TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	COSTS
Surface Casing \$	48,091	5	\$	5	\$ 48,09
Intermediate Casing	59,183				59,18
Orilling Liner	151 000				151.90
	151,909				
Production Casing	561,924				
Production Casing Production Liner	561,924				151,90
Production Casing	561,924		104,250		561.924
Production Casing Production Liner	561,924		104,250		561,924 104,250 195,500
Production Casing Production Liner Tubing	561,924	49,072			561,92 104,25 104,25 195,50 49,07
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers	561,924	49,072		84,167	561.92 104,25 195,50 49,07 84,16
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	561,924	49,072		84,167	561.92 104,25 195,50 49,07 84,15 179,50
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels	561,924	49,072		179,500	561.92 104,25 195,50 49,07 84,16 179,50
Production Casing Production Liner Tubing Wellhead Packens, Liner Hangers Tanks Production Vessels Flow Lines	561,924	49,072			561.92 104,25 195,50 49,07 84,15 179,50
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	561,924	49,072	70,000	179,500	561.92 104.25 195.50 49,07 84,16 179,50 120,00
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment	561,924	49,072		179,500	561.92 104,25 195,50 49,07 84,16 179,50 120,00 335,00
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor	561,924	49.072	335,000	179,500 120,000 40,000	561.92 104.25 195.50 49.07 84.16 179.50 120.00
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs	561,924	49,072	335,000	179,500 120,000 40,000 80,000	561.92 104.25 195.50 49.07 84.16 179.50 129.00 335.00 40.00 80.00
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs	561,924	49,072	335,000	179,500 120,000 40,000 80,000 23,333	561.92 104.25 195.50 49.07 84.16 179.50 120.00 335,00 40.00 80.00 28,33
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	561,924	49,072	70,000 	179,500 120,000 40,000 80,000	561.92 104.25 195.50 49.07 84.16 179.50 720.00 335,00 40.00 80.00 28.33 2,00
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Production Vessels Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	561,924 125,500	49,072	335,000	179,500 120,000 40,000 80,000 23,333	561.92 104.25 195.50 49.07 84.16 179.50 120.00 335,00 40.00 80.00 28,33
Production Casing Production Liner Tubing Vellhead Packers, Liner Hangers Tanks Production Vessels Production Vessels Production Vessels Production Vessels Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface	561,924 126,500	49,072	70,000 	179,500 120,000 40,000 80,000 23,333	561.92 104.25 595.55 49.07 84.16 179.55 120.00
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tarks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	561,924 125,500	49,072	70,000 335,000 5,000	179,500 120,000 40,000 80,000 23,333	561.92 104.25 195.50 49.07 34.16 179.50 129.00 335,00 40.00 80.00 20.33 2.00
Production Casing Production Liner Tubing Veilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor nstallation Costs Surface Pumps Non-controllable Surface Non-controllable Surfac	561,924 126,500	49.072	70,000 	179,500 120,000 40,000 80,000 23,333 2,000	561.92 104.25 195.50 49,07 34,16 179,50 129,00 335,00 40,00 80,00 20,33 2,00
Production Casing Production Liner Tubing 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 Measurement & Meter Installation Gas Conditioning / Dehydration	561,924 125,500	49,072	70,000 335,000 5,000 11,000	179,500 120,000 40,000 30,000 23,333 2,000 92,967	561.92 104.25 195.50 49.07 34.16 179.50 335.00 40.00 28.33 2.00 103.66
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tarks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping	561,924 125,500	49,072	70,000 335,000 5,000 11,000	179,500 120,000 40,000 80,000 23,333 2,000	561.92 104.25 195.50 49.07 84.16 179.50 335,00 40.00 80.00 20.33 2.00 103.86
Production Casing Production Liner Tubing 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 Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gatherfing / Bulk Lines	561,924 125,500	49,072	70,000 335,000 5,000 11,000	179,500 120,000 40,000 23,333 2,000 92,667 115,333	561.92 104.25 195.50 49.07 84.15 179.50 120.00 80.00 80.00 20.33 2.00 103.65 118.33
Production Casing Production Liner Tubing 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 Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gatherfing / Bulk Lines	561,924 125,500	49,072	70,000 335,000 5,000 11,000	179,500 120,000 30,000 23,333 2,000 92,667 118,333	561.92 104.25 195.50 49.07 84.16 179.50 335.00 40.00 80.00 28.33 2.000 103.66
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Fanks Production Vessels Production Vessels Production Vessels Production Vessels Production Vessels Production Vessels Production Vessels Production Vessels Production Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Sas Conditioning / Dehydration nterconnecting Facility Piping Satherfing / Bulk Lines Valves, Dumps, Controllers	561,924 125,500	49.072	70,000 335,000 5,000 11,000	179,500 120,000 40,000 23,333 2,000 92,687 	561.92 104.22 195.55 49.07 84.16 179.55 120.00 20.00 20.03 20.00 103.66
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gatherfing / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment	561,924 125,500	49.072	70,000 335,000 5,000 11,000	179,500 120,000 30,000 23,333 2,000 92,667 118,333	561.92 104.25 195.55 49,07 84,16 179,55 120,00 40,00 40,00 28,33 2,00 103,66 103,66 29,16 16,66 29,16
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gatherfng / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	561,924 125,500	49.072	70,000 335,000 5,000 11,000	179,500 120,000 40,000 23,333 2,000 92,687 	561.92 104.25 195.52 49.07 84.15 179.50 120,000 40.00 80.00 28.33 2.00 103.66 103.66 29.16 16,666 29.16
Production Casing Production Liner Tubing 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 Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gatherfing / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	561,924 125,500	49,072	70,000 335,000 5,000 11,000 30,000	179,500 120,000 30,000 23,333 2,000 92,967 	561.92 104.25 195.50 49.07 84.16 179.50 120.00 80.00 20.33 2.00 103.66
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Frow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping GatherIng / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	561,924 125,500	49.072	70,000 335,000 5,000 11,000	179,500 120,000 40,000 80,000 23,333 2,000 92,687 - - - - - - - - - - - - - - - - - - -	561.92 104.25 595.50 49,07 84,16 179.50 120,00
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Instailation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gatherfing / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety	561,924		70,000 335,000 5,000 11,000 30,000 30,000 12,000	179,500 120,000 40,000 23,333 2,000 92,667 118,333 - - - 16,667 29,167 30,000 15,000 33,667	561.92 104.25 195.50 49,07 84,15 179,50 120,000 40,000 80,000 20,33 2,000 103,66 103,66 29,16 110,000 27,000 33,66
Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface No	561,924 125,500	49,072	70,000 335,000 5,000 11,000 30,000	179,500 120,000 40,000 80,000 23,333 2,000 92,687 - - - - - - - - - - - - - - - - - - -	561.92 104.25 195.50 49.07 84.15 179.50 120.00 80.00 80.00 20.00 103.66 - - - - - - - - - - - - -

PREPARED BY MATADOR PRODUCTION COMPANY: AN Team Lead - WTX/NM Drilling Engineer. Peny Hawks Completions Engineer: Jack Hmor Production Engineer: Garrett Littrell MATADOR RESOURCES COMPANY APPROVAL: Executive VP, Res COO- Drilling, Completion and Production CC WTE Executive VP, Legal CA President BG NON OPERATING PARTNER APPROVAL: Tax ID: Company Name: Working Interest (%): Dale: Signed by:

Title: ______Yes ____Yes ____No (mark one)

Page 107 of 152

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MATADOR PRODUCTION COMPANY

Phone (972) 371-5200 • Fax (972) 371-5201 ESTIMATE OF COSTS AND AUTHORIZ DENDITUDE

DATE:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #121H	FIELD:	Bone Spring
LOCATION:	Section 29&30 20S 28E	MD/TVD:	17704'/7400
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:			
GEOLOGIC TARGET:	Second Bone Spring Sand		

Second Bone Spring Sand Drill and complete a horizontal 2.0 mile long Second Bone Spring sand target with about 57 frac stages REMARKS:

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory \$	58,000	\$	\$.	\$ 10,000	\$ 68,1
ocation, Surveys & Damages	157,500	13,000	15,000	16,667	202,
	832,045	10,000			832,
Drilling					
Cementing & Float Equip	347,000				347.
Logging / Formation Evaluation	· · · · · · · · · · · · · · · · · · ·	3,750	3,000		δ,
Flowback - Labor			18,160		18,
lowback - Surface Rentals			127,850		127,
lowback - Sental Living Quarters					
					21,
/lud Logging	21,388				
Nud Circulation System	116,469				116
Aud & Chemicals	315,000	56,000	25,000		395
Mud / Wastewater Disposal	160,000		-	1,000	161
	19,500	40,500	7,000		67,
reight / Transportation				1,800	219
Rig Supervision / EngineerIng	119,250	92,800	6,000	1,000	
Drill Bits	107,000			· · · · · · · · · · · · · · · · · · ·	107
uel & Power	150,500	414,073	15,000	-	579
Nater	45,000	510,547	3,000	1,000	559
		010,041			10
Orlg & Completion Overhead	10,000				
Plugging & Abandonment					
Directional Drilling, Surveys	281,344				281
Completion Unit, Swab, CTU		200,000	9,000		209
		162,240	0,000		162
Perforating, Wireline, Slickline				·	
ligh Pressure Pump Truck		123,400	6,000		129
Stimulation	(E)	2,196,465			2,196
Stimulation Flowback & Disp		15,500	50,400	· · · · · · · · · · · · · · · · · · ·	65
nsurance	31,867	1.			31
		60,250	15.000	5.000	277
_abor	197,500				
Rental - Surface Equipment	90,598	297,110	10,000	20,000	417
Rental - Downhole Equipment	198,750	86,000		-	284
Rental - Living Quarters	55,625	38,540	-	5,000	99
	134,224	211,371	31,041	6,047	382
Contingency		211,571	51,041	0,041	21
Operations Center	21,252				
TOTAL INTANGIBLES >	3,489,812	4,521,546	341,451	66,513	8,419
	DRILLING	COMPLETION	PRODUCTION		TOTAL
TANGIBLE COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	COSTS
				S	\$ 4B
Surface Casing \$	46,091	s	\$	3	
ntermediate Casing	59,183				59
Drilling Liner	151,909				151
Production Casing	590,999				590
Production Liner		<u> </u>			
			104,250		104
Tubing	¥C.,				
Wellhead	125,500		70,000		195
Packers, Liner Hangers		49,072			49
Tanks				84,167	84
		()		179,500	179
Production Vessels	<u></u>				
Flow Lines				120,000	120
Rod string					-
Artificial Lift Equipment	-		315,000		315
				40,000	40
Compressor				80,000	
nstallation Costs				80,000	
Surface Pumps			5,000	23,333	28
Von-controllable Surface			3005	2,000	- 2
-on senseneore deriede	•				
Ven eestrollable Downhole	1 2 C			·	-
Non-controllable Downhole					_
Downhole Pumps				92,667	103
Downhole Pumps			11,000	o mja o r	
Downhole Pumps Measurement & Meter Installation			11,000		
Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration					118
Downhole Pumps Weasurement & Meter Installation Sas Conditioning / Dehydration Interconnecting Facility Piping				118,333	118
Downhole Pumps Weasurement & Meter Installation Sas Conditioning / Dehydration Interconnecting Facility Piping					118
Downhole Pumps Veasurement & Meter Installation Gas Conditioning / Dehydration Interconnecting FacIlity Piping Gathering / Bulk Lines					
Downhole Pumps				118,333	
Downhole Pumps Measurement & Meter Installation Sas Conditioning / Dehydration Interconnecting Facility Piping Sathering / Bulk Lines /alves, Dumps, Controllers fank / Facility Containment				118,333	
Downhole Pumps Veasurement & Meter Installation Gas Conditioning / Dehydration Interconnecting FacIlity Piping Sathering / Bulk Lines /alves, Dumps, Controllers Tank / Facility Containment				118,333 16,667 29,167	16
Downhole Pumps Weasurement & Meter Installation Sas Conditioning / Dehydration nterconnecting FacIlity Piping Sathering / Bulk Lines Valves, Dumps, Controllers Tank / FacIlity Containment			30,000	118,333 16,667 29,167 80,000	
Downhole Pumps Weasurement & Meter Installation Sas Conditioning / Dehydration nterconnecting Facility Piping Gathering / Bulk Lines Alves, Dumps, Controllers Tank / Facility Containment Flare Stack Eletrical / Grounding				118,333 16,667 29,167	
Downhole Pumps Measurement & Meter Installation Sas Conditioning / Dehydration nterconnecting FacIlity Piping Sathering / Bulk Lines /alves, Dumps, Controllers Tank / FacIlity Containment -lare Stack Electrical / Grounding Communications / SCADA			30,000	118,333 16,867 29,167 80,000 15,000	118
Downhole Pumps Weasurement & Meter Installation Sas Conditioning / Dehydration Interconnecting FacIlity Piping Sathering / Bulk Lines Jalves, Dumps, Controllers Tank / FacIlity Containment Flare Stack Electrical / Grounding Communications / SADA nstrumentation / Safety			30,000 12,000	118,333 16,667 29,167 80,000 15,000 33,667	16 29 110 27 33
Downhole Pumps Measurement & Meter Installation Sas Conditioning / Dehydration nterconnecting FacIlity Piping Sathering / Bulk Lines /alves, Dumps, Controllers Tank / FacIlity Containment -lare Stack Electrical / Grounding Communications / SCADA		49,072	30,000	118,333 16,867 29,167 80,000 15,000	16 29 110 27

Drilling Engineer. Completions Engineer: Production Engineer:	Perry Hawks Jack Hincir Garreti Littrell	Team Lead - WTX/NM	
DOR RESOURCES COM	PANY APPROVAL:		
Executive VP, Res	10.0707	SVP Geoscience	COO- Drilling, Completion and Production
Execulive VP, Legal	CA	NLF	
President	BG		
OPERATING PARTNER A	PROVAL:		
Company Name:		Working Interest (%):	Tax ID:
Signed by:		Date	
Tille		Approval: Ye	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:	January 30, 2024	AFE NO.:	
WELL NAME:	Wayne Gaylord 2930 Fed Com #122H	FIELD:	Bone Spring
LOCATION:	Section 29&30 20S 28E	MD/TVD:	17704/7400
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:			
GEOLOGIC TARGET:	Second Bone Spring Sand		
REMARKS:	Drill and complete a horizontal 2.0 mile long Second B	one Spring sand target with about 57 frac stages	

INTANGIBLE COSTS		DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	5	58,000	\$	\$.	\$ 10,000	\$ 68,000
Location, Surveys & Damages	-	157,500	13,000	15,000	16,567	202,157
Drilling		832,045				832,045
Cementing & Float Equip		347,000				347,000
Logging / Formation Evaluation			3,750	3,000		6,750
Flowback - Labor				15,160		18,160
				127,850		127,850
Flowback - Surface Rentals				121,000		
Flowback - Rental Living Quarters		04.008		· · · ·		21,385
Mud Logging		21,368				116,469
Mud Circulation System	1	116,469	20 000	25,000		396,000
Mud & Chemicals		315,000	56,000		1,000	181,000
Mud / Wastewater Disposal		180,000	-	7,000		67,000
Freight / Transportation	1 de constitución de la constitu	19,500	40,500			219.850
Rig Supervision / Engineering	8. T	119,250	92,800	6,000	1,800	107.000
Drill Bits		107,000				
Fuel & Power	A	150,500	414,073	15,000		579,573
Water		45,000	510,547	3,000	1,000	559,547
Drig & Completion Overhead		10,000	-			10,000
Plugging & Abandonment		20				
Directional Drilling, Surveys		281,344				281,344
Completion Unit, Swab, CTU			200,000	9,000	··	209,000
Perforating, Wireline, Slickline			162,240	-		162,240
High Pressure Pump Truck			123,400	6,000		128,400
Stimulation			2,196,466			2,196,465
Stimulation Flowback & Disp			15,500	50,400		65,900
		31.867	10,000			31,867
Insurance)	197,500	60,250	15,000	5,000	277,750
Labor		90,598	297,110	10,000	20,000	417,708
Rental - Surface Equipment		198,750	86,000	10,000		284,750
Rental - Downhole Equipment					5.000	99,165
Rental - Living Quarters		55,625	38,540	01.011	6,047	382,682
Contingency		134,224	211,371	31,041	0,047	21,252
						21,232
Operations Center		21,252				
•	INTANGIBLES >	3,489,812	4,521,546	341,451	68,513	8,419,323
TOTAL	INTANGIBLES >	3,489,812 DRILLING	COMPLETION	PRODUCTION		TOTAL
TOTAL	INTANGIBLES >	3,489,812 DRILLING COSTS			66,513 FACILITY COSTS	TOTAL COSTS
TOTAL TANGIBLE COSTS Surface Casing	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091	COMPLETION	PRODUCTION		TOTAL COSTS \$ 48,091
TANGIBLE COSTS Surface Casing Intermediate Casing	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183	COMPLETION	PRODUCTION		TOTAL COSTS \$ 48,091 59,183
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner	INTANGIBLES >	3,469,812 DRILLING COSTS 48,091 59,183 151,909	COMPLETION	PRODUCTION		TOTAL COSTS \$ 48,091 59,183 151,909
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183	COMPLETION	PRODUCTION		TOTAL COSTS \$ 48,091 59,183 151,909 590,999
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner	INTANGIBLES >	3,469,812 DRILLING COSTS 48,091 59,183 151,909	COMPLETION	PRODUCTION COSTS		TOTAL COSTS \$ 48,091 59,183 151,909 590,999
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,909 590,999	COMPLETION	PRODUCTION COSTS \$ 104,250		TOTAL COSTS \$ 48,091 59,183 151,909 590,999
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner	INTANGIBLES >	3,469,812 DRILLING COSTS 48,091 59,183 151,909	COMPLETION COSTS \$	PRODUCTION COSTS		TOTAL COSTS \$ 48,091 59,183 151,909 590,999
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,909 590,999	COMPLETION	PRODUCTION COSTS \$ 104,250	FACILITY COSTS	TOTAL COSTS \$ 48,091 59,183 151,909 590,999 104,250 195,500 48,072
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,909 590,999 - - 125,500	COMPLETION COSTS \$	PRODUCTION COSTS \$	FACILITY COSTS	TOTAL COSTS \$ 48,091 59,163 151,909 590,399 104,250 195,500 49,072 84,167
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhead Packers, Liner Hangers Tanks	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,909 590,999	COMPLETION COSTS \$	PRODUCTION COSTS \$	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 590,999 104,250 195,500 49,072 84,167 175,500
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,999 580,0999 	COMPLETION COSTS \$	PRODUCTION COSTS \$	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 590,999 104,250 195,500 49,072 84,167 175,500
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,909 590,999 - - 125,500	COMPLETION COSTS \$	PRODUCTION COSTS \$	FACILITY COSTS	TOTAL COSTS \$ 48,091 59,183 151,909 500,999 104,250 195,500 49,072 84,167 179,500 120,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Weilhoad Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,909 590,999 	COMPLETION COSTS \$	PRODUCTION COSTS \$	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 590,999 104,250 155,500 49,072 84,167 178,500 120,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 590,999 104,250 155,500 49,072 84,167 178,500 120,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Production Casing Production Casing Production Casing Production Casing Production Casing Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,909 590,999 - - - 125,500 - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS \$ 40,097 59,183 151,909 590,399 104,250 195,500 49,072 84,167 179,500 120,000 120,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,009 590,999 	COMPLETION COSTS \$	PRODUCTION COSTS 5	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 500,999 104,250 195,500 49,072 84,167 179,500 120,000 40,000 80,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	INTANGIBLES > \$	3,489,812 DRILLING COSTS 48,091 59,183 151,009 590,999 	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 590,999 104,250 155,500 40,072 84,167 178,500 120,000 315,000 40,000 60,000 80,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhoad Packers, Liner Hangers Tanks Production Vessels Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	INTANGIBLES >	3,489,812 DRLLING COSTS 48,091 59,183 151,009 590,999 	COMPLETION COSTS \$	PRODUCTION COSTS 5	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 590,999 104,250 155,500 40,072 84,167 178,500 120,000 315,000 40,000 60,000 80,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface	INTANGIBLES > \$	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,909 500,999 104,250 135,500 49,072 84,167 179,500 120,000 315,000 40,000 80,000 28,333 2,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps	INTANGIBLES > \$	3,489,812 DRLLING COSTS 48,091 59,183 151,009 590,999 	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 5,000	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,900 590,999 104,250 195,500 49,072 84,167 178,500 120,000 315,000 40,000 20,000
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Production Casing Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS \$ 40,097 59,183 151,900 590,999
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Production Casing Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 5,000 11,000	FACILITY COSTS	TOTAL COSTS
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Wallhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 5,000	FACILITY COSTS	TOTAL COSTS
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 5,000 11,000	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 151,905 590,999
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhoad Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	INTANGIBLES > \$	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 11,000 11,000	FACILITY COSTS	TOTAL COSTS 40,097 59,183 151,900 590,999 104,250 195,500 49,077 84,167 179,500 120,000 60,000 60,000 60,000 103,667 103,667 118,333 -
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Wallhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 5,000 11,000	FACILITY COSTS	TOTAL COSTS \$ 48.09 59,183 151,900 590,995 104,255 195,500 49,072 84,167 179,500 120,000 315,000 40,000 20,303 2,000 103,665 118,333 118,333 16,665
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment	INTANGIBLES > \$	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 5,000 11,000	FACILITY COSTS	TOTAL COSTS \$ 48,097 59,183 15,900 590,999 104,255 195,500 49,072 84,167 179,500 120,080 315,000 40,000 20,333 2,000 103,667 118,333 118,333 118,335 118,5667
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhoad Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	INTANGIBLES >	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS 5 104,250 70,000 315,000 11,000 11,000	FACILITY COSTS	TOTAL COSTS \$ 48,091 59,183 151,905 195,500 49,072 84,167 179,500 172,000 40,000 40,000 28,333 2,000 103,667 118,333
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	INTANGIBLES > \$	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Liner Tubing Weilhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Non	INTANGIBLES > \$	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS \$ 40,097 59,183 151,909 590,999
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communication / Safety	\$	3,489,812 DRLLING COSTS 48,091 59,183 151,099 580,998	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS \$ 48,051 59,183 151,909 500,999 104,250 195,500 48,072 84,167 179,500 120,000 40,000 40,000 80,000 28,333 2,000 103,667 103,667 118,333 118,335 118,3555 118,3555 118,3555 118,3555 118,3555 118,35555 118,35555 118,35555
TOTAL TANGIBLE COSTS Surface Casing Intermediate Casing Drilling Liner Production Casing Production Casing Production Liner Tubing Wallhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA Instrumentation / Safety	INTANGIBLES > \$ <td>3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -</td> <td>COMPLETION COSTS \$</td> <td>PRODUCTION COSTS</td> <td>FACILITY COSTS</td> <td>TOTAL COSTS</td>	3,489,812 DRILLING COSTS 48,091 59,183 151,099 580,999 - - 125,500 - - - - - - - - - - - - - - - - - -	COMPLETION COSTS \$	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS

Drilling Engineer:	Perry Hawks	Team Lead - WTX/NM			
Completions Engineer.	Jack Hmeir	TW			
Production Engineer:	Garrett Littrell				
OR RESOURCES COM	PANY APPROVAL:	3		_	_
Executive VP, Res	WEE	SVP Geoscience	COO- Drilling, Completion and	Production	CC
Executive VP, Legal	VIIL				
LABOULIVE VI, LOGBI	CA				
President					
	BG				
ERATING PARTNER A	PPROVAL:				
Company Name:		Working Interest (%):		Tax ID	
Signed by:		Date			
Title		Approval:	Yes	No	(mark o

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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

DATE:	January 30, 2024	AFE NO :	
WELL NAME:	Wayne Gaylord 2930 Fed Com #201H	FIELD:	Wolfcamp
LOCATION:	Section 29&30 20S 28E	MD/TVD:	19154'/8850
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
ARC WI:			
GEOLOGIC TARGET:	Wolfcamp		

Wolfcamp Drill and complete a horizontal 2 mile long Wolfcamp A-XY sand target

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
and / Legal / Regulatory \$	56,000	\$	\$.	\$ 10,000	\$ 68,000
ocation, Surveys & Damages	197,500	13,000	15,000	16,667	202,183
Drilling	898,295				898,295
Cementing & Float Equip	357,000	-			357,000
ogging / Formation Evaluation		3,750	3,000		6,750
Towback - Labor			18,160		18,160
Flowback - Surface Rentals			127,850		127,850
Howback - Rental Living Quarters		()			-
Mud Logging	21,365	0	-		21,386
Mud Circulation System	125,553				125,553
Mud & Chemicals	330,000	63,000	25,000		418,000
Mud a chemicals Mud / Wastewater Disposal	195,000			1,000	196,000
	19,500	40,500	7.000		67,000
Freight / Transportation	128,250	94,400	6,000	1,800	230,450
Rig Supervision / Engineering		34,400			107,000
Drill Bits	107,000	111070	15,000		593,573
Fuel & Power	164,500	414,073		1,000	611,328
Water	45,000	562,328	3,000		10,000
Drig & Completion Overhead	10,000	-		- 513	10,000
Plugging & Abandonment	15.5		11		
Directional Drilling, Surveys	302,094				302,094
Completion Unit, Swab, CTU		222,500	9,000		231,500
Perforating, Wireline, Slickline		162,240	5 .		162,240
High Pressure Pump Truck		127,800	6,000		133,800
Stimulation		2,421,475		<u> </u>	2,421,475
Stimulation Flowback & Disp	1.1	15,500	50,400		65,900
Insurance	34,477				34,477
Labor	197,500	61,500	15,000	5,000	279,000
Rental - Surface Equipment	98,648	305,880	10,000	20,000	434,528
	213,750	94,500			308,250
Rental - Downhole Equipment	58,125	40,125		5,000	103,250
Rental - Living Quarters	141,713	222,109	31,041	6,047	400,910
Contingency		222.105	01,041		21,252
Operations Center	21,252		6.53		
TOTAL INTANGIBLES >	3,684,544	4,864,679	341,451 PRODUCTION	66,513	8,957,18 TOTAL
TANGIBLE COSTS	DRILLING COSTS	COMPLETION			COSTS
	00313	COSTS	COSTS	FACILITY COSTS	
	48,091	COSTS	COSTS \$	FACILITY COSTS	\$ 48,091
Surface Casing \$		COSTS	COSTS	S	\$ 48,09 59,18
Surface Casing \$	48,091 59,183	\$	\$	S	\$ 48,09 59,18 151,90
Surface Casing \$ Intermediate Casing Drilling Liner	48,091 59,153 151,909	\$	\$	S	\$ 48,091 59,183 151,905
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing	48,091 59,183	\$	\$	S	\$ 48,091 59,183 151,908 639,399
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Liner	48,091 59,153 151,909	COSTS	\$	FACILITY COSTS	\$ 48,091 59,183 151,908 639,399
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Liner Tubing	48,091 59,163 151,909 839,399	\$	\$ 125,100	S S	\$ 48,091 59,183 151,908 639,395 - 125,100
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead	48,091 59,153 151,909	\$	\$ 125,100 45,000	FACILITY COSTS	\$ 48,091 59,183 151,906 639,393 125,100 170,500
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Casing Tubing Wellhead Packers, Liner Hangers	48,091 59,163 151,909 839,399	COSTS	\$ 125,100	\$	\$ 48,09 59,183 639,39 125,100 125,100 170,500 55,071
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks	48,091 59,163 151,909 839,399	\$	\$ 125,100 45,000	\$ 	\$ 48,091 59,185 161,900 639,391 125,100 170,500 55,077 84,165
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels	48,091 59,163 151,909 839,399	\$	\$ 125,100 45,000	\$ 	\$ 48,091 56,182 151,900 639,391 125,100 170,500 55,077 84,167
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Production Casing Production Casing Production Casing Production Vessels Production Vessels Flow Lines	48,091 59,163 151,909 839,399	\$	\$ 125,100 45,000	\$ 	\$ 48,09 55,162 151,900 533,581 125,100 170,500 55,077 84,16 179,500 120,080
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Casing Production Casing Production Casing Production Casing Production Casing Production Vessels Production Vessels Flow Lines	48,091 59,163 151,909 839,399	\$	\$ 	\$ 	\$ 48,09 55,182 151,500 639,393 125,100 170,500 55,077 84,16 179,500 120,000
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Troduction Casing Wollhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string	48,091 59,163 151,909 839,399	\$	\$ 125,100 45,000	\$ 	\$ 48,09 59,182 151,900 639,393 125,100 170,600 55,077 84,161 179,500 120,000 80,000
Surface Casing \$ Intermediate Casing Onling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment	48,091 59,183 161,909 639,399 125,500	\$	\$ 	\$ 120,000 40,000	\$ 48,09 55,160 51,500 539,399 125,100 170,500 55,077 84,16 179,500 120,000 20,000 40,000
Surface Casing \$ Intermediate Casing Office Casing Office Casing Office Casing Production Casing Production Casing Uroduction Liner Tubing Wallhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor	48,091 59,163 151,909 639,399 125,500	\$	\$ 125,100 45,000 6,000 80,000	\$ 	\$ 48,09 55,182 151,500 538,393 125,100 170,500 55,077 84,16 179,500 120,500 120,500 120,500 40,000 80,000
Surface Casing \$ Intermediate Casing Offling Liner Production Casing Production Casing Unbing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs	48,091 59,163 151,509 839,399 125,500	\$	\$ 	\$ 	\$ 48,09 55,180 151,800 639,39 125,100 170,5
Surface Casing \$ Intermediate Casing Office Casing Office Casing Office Casing Production Casing Production Casing Unbing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps	48,091 59,183 151,909 838,399 125,500 	\$	\$ 125,100 45,000 6,000 80,000	\$ 	\$ 48,09 59,18 151,800 639,39 125,100 170,500 55,07 84,16 179,500 120,000 86,000 40,000 80,000 28,33
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tarks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface	48,091 59,163 151,909 639,399 125,500 	\$	\$ 125,100 45,000 6,000 80,000 5,000	\$ 	\$ 48,09 55,180 151,800 639,39 125,100 170,5
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Casing Unbing 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	48,091 59,163 151,509 539,399 125,500	\$	\$ 125,100 45,000 6,000 80,000 5,000	\$ 	\$ 48,00 69,18 151,80 639,39 125,10 170,50 55,07 84,15 179,50 120,00 20,00 80,00 20,00 2,0
Surface Casing \$ Intermediate Casing Orling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Rod string Rod string Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps	48,091 59,163 151,509 539,399 125,500	\$	\$	\$	\$ 48,09 65,182 151,900 639,393 125,100 170,500 170,500 170,500 170,500 170,500 170,500 120,000 86,000 80,000 20,333 2,000
Surface Casing \$ Intermediate Casing Offling Liner Production Casing Verduction Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Downhole Downhole Pumps Measurement & Meter Installation	48,091 59,163 151,509 539,399 125,500	\$	\$ 125,100 45,000 6,000 80,000 5,000	\$ 	\$ 48,09 65,182 151,900 639,393 125,100 170,500 170,500 170,500 170,500 170,500 170,500 120,000 86,000 80,000 20,333 2,000
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Casing 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 Measurement & Meter Installation Gas Conditioning / Dehydration	48,091 59,163 151,509 539,399 125,500	\$	\$	\$	\$ 48,09 55,180 151,800 639,391 125,100 170,600 55,077 84,16 179,500 120,000 40,000 80,000 28,333 2,000
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping	48,091 59,163 151,509 539,399 125,500	\$	\$	\$ 84.167 179.500 120.000 40,000 00,000 23,333 2,000 92,667	\$ 48,09 65,182 151,800 639,393 125,100 170,500 100,000 100,
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Casing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	48,091 59,163 151,509 539,399 125,500	\$	\$	\$ 84.167 179,500 120,000 40,000 23,333 2,000 92,667 118,333 118,333	\$ 48,09 55,180 151,800 639,391 125,100 170,600 55,077 84,16 179,500 120,000 40,000 80,000 28,333 2,000
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Casing 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 Measurement & Meter Installation Gast Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers	48,091 59,163 151,509 539,399 125,500	\$	\$	\$	\$ 48,09 59,18 151,800 639,39 125,100 170,560 120,500 120,500 120,000 40,000 40,000 28,33 2,000 103,666 103,666 103,666 103,666 103,667 118,32 118,35 118,35 118,3
Surface Casing former of the second s	48,091 59,163 151,509 539,399 125,500	\$	\$	\$ B4.167 179,500 120,000 40,000 00,000 23,333 2,000 92,667 118,333 118,333 118,535 16,667	\$ 48,09 5,151,80 639,39 125,100 170,500 55,077 84,16 179,500 120,000 20,000 26,033 2,000 20,000 26,033 2,000 2,00
Surface Casing \$ Intermediate Casing Production Casing Production Casing Production Liner Tubing Wallhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable	48,091 59,163 151,509 539,399 125,500	\$	\$	\$	\$ 48,09 5,180 51,80 53,93 125,10 170,50 55,07 84,16 179,50 120,00 40,00 80,00 28,33 2,00
Surface Casing S Intermediate Casing Orlling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface Non-controllable Surface S	48,091 59,163 151,509 539,399 125,500	\$	\$	\$	\$ 48,09 55,180 151,800 563,839 55,000 170,600 170,600 170,600 170,600 170,600 170,600 170,600 170,600 40,000 80,000 28,333 2,000
Surface Casing S Intermediate Casing Orlling Liner Production Casing Production Casing Production Liner Tubing 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 Measurement & Meter Installation Gast Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	48,091 59,163 151,509 539,399 125,500	\$	\$	\$ 84.167 179.500 120.000 00,000 23,333 2,000 92,667 \$ 118,333 16,687 29,167 80,000 15,000 15,000	\$ 48,09 5,151,803 639,393 125,100 170,500 55,077 84,16 179,500 120,000 20,000 20,000 20,000 20,000 103,66
Surface Casing \$ Intermediate Casing Orlling Liner Production Casing Production Casing Production Liner Tubing Wellhead Packers, Liner Hangers Tanks Production Vessels Flow Lines Rod string Artificial Lift Equipment Compressor Installation Costs Surface Pumps Non-controllable Surface Non-controllable Company Surface Non-controllable Surface Non	48,091 59,163 151,509 539,399 125,500	\$	\$	\$	\$ 48,091 5,15,005 151,005 539,395 125,100 170,500 125,007 38,161 179,500 120,000 40,
Surface Casing \$ Intermediate Casing Drilling Liner Production Casing Production Casing Tubing Wellhead Packers, Liner Hangers	48,091 59,163 151,509 539,399 125,500	\$	\$	\$ 84.167 179.500 120.000 00,000 23,333 2,000 92,667 \$ 118,333 16,687 29,167 80,000 15,000 15,000	\$ 48,091 5,190 639,395 125,100 170,500 55,077 84,167 179,500 120,000 40,000 40,000 20,000 20,000 20,000 100,561 103,561 118,333 118,335 118,355 11

Drilling Engineer:	Perry Hawks	Team Lead - WTX/NM	
Completions Engineer:	Jack Hmcir	τw	
Production Engineer:	Garrett Littrell		
OR RESOURCES COM	PANY APPROVAL:		
Executive VP, Res	WTE	EVP Geoscience	COO- Drilling, Compiellon and Production
	WIE	NLF	
Executive VP, Legal	CA		
Presidenl			
-	BG		
ERATING PARTNER A			
		Working Interest (%):	Tax ID:
Company Name:			
Signed by:		Date:	

riy tan ti tin a ta t progina of E. the Parlacent opens REMARKS:

MATADOR PRODUCTION COMPANY

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

DATE:	January 30, 2024	AFE NO :	
WELL NAME:	Wayne Gaylord 2930 Fed Corn #202H	FIELD:	Wolfcamp
LOCATION:	Section 29&30 20S 28E	MD/TVD:	1915478850
COUNTY/STATE:	Eddy, NM	LATERAL LENGTH:	9,837
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp		

Drill and complete a horizontal 2 mile long Wolfcamp A-XY sand target

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS		OTAL COSTS
Land / Legal / Regulatory \$	58,000	\$	\$.	\$ 10,000	5	68,000
Location, Surveys & Damages	157,500	13,000	15,000	15,667		202,167
Drilling	698,295					898,295
Cementing & Float Equip	357,000					357,000
Logging / Formation Evaluation		3,750	3,000			6,750
Flowback - Labor			18,160			18,160
Flowback - Surface Rentals			127,850			127,850
Flowback - Rental Living Quarters						•
Mud Logging	21,388				127.2	21,388
Mud Circulation System	125,553					125,553
Mud & Chemicals	330,000	63,000	25,000			418,000
Mud / Wastewater Disposal	195,000		· · · ·	1,000	0	196,000
Freight / Transportation	19,500	40,500	7,000	-		67,000
RIg Supervision / Engineering	128,250	94,400	6,000	1,800	-	238,450
Drill Bits	107,000	-				107,000
Fuel & Power	164,500	414,073	15,000			593,573
Water	45,000	562,328	3,000	1,000		611,328
Drig & Completion Overhead	10,000					10,000
Plugging & Abandonment						
Directional Drilling, Surveys	302,094			~	-	302,094
Completion Unit, Swab, CTU		222,500	9,030			231,500
Perforating, Wireline, Slickline		162,240				162,240
High Pressure Pump Truck		127,800	6,000	· · · · · · · ·		133,800
Stimulation		2,421,475			-	2.421.475
		15,500	50,400		-	65,900
Stimulation Flowback & Disp	34,477	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				34,477
Insurance	197,500	61,500	15,000	5,000	_	279,000
Labor	98 648	305,880	10,000	20,000		434,528
Rental - Surface Equipment	213,750	94,500				308,250
Rental - Downhole Equipment	58,125	40,125	· · · · · ·	5,000		103,250
Rental - Living Quarters	141,713	222,109	31,041	8,047		400,910
Contingency		222,105	01,041	0,041		21,252
Operations Center	21,252 3,684,544	4,864,679	341,451	66,513		6,957,18
TOTAL INTANGIBLES >	DRILLING	COMPLETION	PRODUCTION	00,010		TOTAL
TANGIBLE COSTS	COSTS	COSTS	COSTS	FACILITY COSTS	c	COSTS
Surface Casing \$	48,091	\$	5	5	\$	48,091
Intermediate Casing	59,183	19-11-11-11-11-11-11-11-11-11-11-11-11-1	<u> </u>			59,183
Drilling Liner	151,909			0		151,909
Production Casing	639,399				-	639,399
Production Liner	0001000					-
Tubing			125,100	2 2		125,100
Wellhead	125,500		45,000			170,500
Packers, Liner Hangers	1201000	49,072	6,000			55,072
Tanks				84,167		84,167
Production Vessels				179,500		179,500
		()		120,000	-	120,000
Flow Lines		V				
Rod string			80,000			80,000
Artificial Lift Equipment		· · · · · · · · · · · · · · · · · · ·	00,000	40,000		40,000
Compressor				80,000		80,000
Installation Costs			5,000	23,333		28,333
Surface Pumps		Carrier and the second	0,000	2,000		2,000
						-,
Non-controllable Surface						
Non-controllable Downhole						
Non-controllable Downhole Downhole Pumps	11		-	02 p57	3	-
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation		=		92,667		-
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration	11		11,000			103,667
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping	11		11,000	118,333		103,667
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	11		11,000			103,667
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Vaives, Dumps, Controllers	11		11,000	118,333		103.667
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines	11		11,000	118,333		103.667
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Vaives, Dumps, Controllers	11			118,333 18,567 29,167		103.66 118,33 16,66 29,16
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment	11		11.000 	118,333 16,567 29,167 80,000		103.667 118,333 16,667 29,167 110,000
Non-controllable Downhole Downhole Pumps Messurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack	11			118,333 18,567 29,167 80,000 15,000		103.667 118.333 18.667 29.167 110.000 27.000
Non-controllable Downhole Downhole Pumps Measurement & Metor Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding	11		11,000 	118,333 16,667 29,167 80,000 15,000 33,667		103.667 118.333 18.667 29.167 110.000 27.000 33.667
Non-controllable Downhole Downhole Pumps Measurement & Meter Installation Gas Conditioning / Dehydration Interconnecting Facility Piping Gathering / Bulk Lines Valves, Dumps, Controllers Tank / Facility Containment Flare Stack Electrical / Grounding Communications / SCADA	11	49,072	11.000 	118,333 18,567 29,167 80,000 15,000		103.667 118.333 18.667 29.167 110.000 27.000

ARED BY MATADOR PRO	DOUCTION COMP	ANY:		
Drilling Engineer: Completions Engineer: Production Engineer	Peny Hawks Jack Hmor Garrett Littrell	Team Lead - WTX/NM		
DOR RESOURCES COM	PANY APPROVAL			
Executive VP, Res	WTE	EVP Geoscience	COO- Drilling, Completion and Pro	ductionCC
Executive VP, Legal	CA			
President	8G			
OPERATING PARTNER A	PPROVAL:			
Company Name:		Working Interest (%):		Tax ID:
Signed by:		Date:		
Title:		Approval:	Yes	No (mark one)

in the sensities and so the false used of the presided. Thereas includence as

EXHIBIT D-2

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-2 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

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AUTHORITY FOR EXPENDITURE WELL COST ESTIMATE

UW

.



WELL NAME & NUMBER: Burton Flat Federal State Con	m 29 30-20	5-28E #4	02H		OSED DE			AFE #	SHL: EZ NE - Sect. 29	Date 8/18/2023
OPERATOR:					NTY OR P			PROJECT	BHL:	PROSPECT
Pride Energy Company	_				Eddy			1	SW NW - Sect. 30	
DBJECTIVE: Drill and Complete horizonta	al well to the	Wolfca	mp forma	tion, esti	mated TV	D 8,865',	STA1		ATION (SEC / TOW N2 Sec. 29 & 30-20	
Estimated TMD 19,169'. REMARKS:					_			1		
TVD: True Vertical Depth										
TMD: Measured Depth										
SHL: Surface Hole Location; E	BHL: Bottom	Hole Lo	cation							
	INT	ANGIBLES						DRILLING	COMPLETION	
5 (0) mt								\$ 600,000.00	\$ 0.00	TOTAL 600.000.0
Drilling Rig Drilling Mobilization		_						200,000.00		
Ng Fuel		-						150,000.00		
Drill Bits							-	100,000.00		
Dean, Drift, Tally Casing Dn-Site Consultants							-	7,500.00 85,000.00		
Celiar, Conductor, and Mousehole							-	25,000.00		
Directional Drilling								200,000.00		
iolids Control			_	_				65,000.00		
Nater Nater Transfer								15,000.00		
Casing Crew								15,000.00		
Cement							-	40,000.00		
Cellar Pumps to Drill Surface Hole	_							7,500.00		
Centralizers and Float Equipment Frac Plugs								7,000.00		
Casing Thread Representative								0.00	8,000.00	8,000.0
Location								80,000.00		
Solids Haul Off and Disposal							_	20,000.00		
Drilling Instrumentation								10.000.00		
Drill Pipe Inspection							-	15,000.00	0.00	15,000.0
Viscellaneous Equipment Rental (P	ortable Toilet	s, Forklift,	etc.]					5,000.00		
rac Tanks								5,000.00		
Mudlogging & Geosteering 125 Monitoring								3,000.00		
lydraulic Choke with Panel							-	4,000.00		
Drilling Mud								80,000.00		
BOP Services	_	_	_					10,000.00		
Rotating Head Shaker Screens		_	_					6,000.00		
Toe Sleeve								0.00	5,000.00	
Housing, Water System, Intercoms,	etc.				_		_	16,000.00	10,000.00	
Welding								5,000.00	2,500,000.00	
Frac Fuel for Frac and Frac Fueling Syster	m							0.00	350,000.00	
Consultants for Frac and Drill Out							-	0.00	49,000.00	
Wireline Perforating								0.00	160,000.00	
Foe Prep Work Workover Rig, etc. for Drill Out	_							0.00	50,000.00	
Norkover kig, etc. for Drill Out								0.00	25,000.00	-
Consultants for Flowback								0.00	30,000.00	
Frac Stack								0.00	45,000.00	
Crane Flowback Water From Frac	_	_	_		_			0.00	40,000.00	
Flowback water From Frac					_		-	20,000.00		
				SU		TANGIBLES	2	1,958,000.00	4,438,000.00	6,396,000.0
						ency at 10%	·	195,800.00	443,800.00	639,600.0
					TOTALIN	NTANGIBLES	_	2,153,800.00	4,881,800.00	7,035,600.0
		NGIBLES	1			1		DRILLING	COMPLETION	
CASING Surface Casing	FOOTAGE 318	5/2E 13_375	WIEGHT 54.5	GRADE J-55	THREAD	CROST/FT 34.96		\$ 11,117.28	\$ 0.00	TOTAL 11,117.2
ntermediate Casing	3,061	9.625	40		LTC	26.41		80,841.01	0.00	80,841.0
roduction Casing	19,169	5.5	20		GBCD	23		0.00	440,887.00	440,887.0
	8,500	2.875	6.5	L-80	8rd	10		0.00	85,000.00	85,000.00
ubing								17,000.00	20,000.00	37,000.0
Vellhead								0.00	500,000.00	500,000.0
Vellhead Gas Pipeline Installation					SUB-TOTAL	TANGIBLES	\$		\$ 1,145,887.00	\$ 1,254,845.2
Vellhead ias Pipeline Installation					Cashlas	ency at 10%	\$	10,895.83		
Vellhead ias Pipeline Installation										
Vellhead ias Pipeline Installation						TANGIBLES		119.854.12		
Vellhead ias Pipeline Installation			1		TOTAL	TANGIBLES				
Vellhead las Pipeline Installation ank Battery				OTAL W		TANGIBLES		119,854.12	\$ 1,260,475.70	\$ 1,380,329.82
Velihead Jas Pipeline Installation ank Battery spproval: PRIDE ENERGY COMPAI	,			OTAL W	TOTAL	TANGIBLES	\$	119.854.12 DRILLING	S 1,260.475.70 COMPLETION	\$ 1,380,329.82 TOTAL
Velihead as Pipeline Installation ank Battery pproval:	,	L	1	OTAL W	TOTAL	TANGIBLES	\$	119.854.12 DRILLING	S 1,260.475.70 COMPLETION	\$ 1,380,329.83 TOTAL
Velihead as Pipeline Installation ank Battery pproval: PRIDE ENERGY COMPAI	,	L LSHIP A	1	OTAL W	TOTAL	TANGIBLES	\$ \$ Working	119,854.12 DRILLING 2,273,654.12 ginterest Owner:	\$ 1,260,475.70 COMPLETION \$ 6,142,275.70	\$ 1,380,329.8 TOTAL \$ 8,415,929.82 Working Interest Owner
Velihead as Pipeline Installation ank Battery pproval: PRIDE ENERGY COMPAI	,	ISHIP Jii	1 10-	OTAL W	TOTAL	TANGIBLES	\$ \$ Working	119.854.12 DRILLING 2,273,654.12	S 1,260.475.70 COMPLETION	\$ 1,380,329.8 TOTAL \$ 8,415,929.82
Velihead ass Pipeline Installation ank Battery PRIDE ENERGY COMPAI AN OKLAHOMA GENER X	,	iship Liu	le.	OTAL W	TOTAL	TANGIBLES	S \$ Working B 5	119,854.12 DRILLING 2,273,654.12 Interest Owner: //thu ATE Amount 8,415,929.82	\$ 1,260,475.70 COMPLETION \$ 6,142,275.70	\$ 1,380,329.8 TOTAL \$ 8,415,929.82 Working Interest Owner
Velihead as Pipeline Installation ank Battery PRIDE ENERGY COMPAN AN OKLAHOMA GENER, X By: Pride Oll & Gas Co., Inc.	He W.	iship Liu	le		TOTAL	TANGIBLES	S \$ Working B 5	119,854.12 DRILLING 2,273,654.12 EInterest Owner: //8ths AFE Amount	\$ 1,260,475.70 COMPLETION \$ 6,142,275.70	\$ 1,380,329.8 TOTAL \$ 8,415,929.82 Working Interest Owner
Vellhead as Pipeline Installation ank Battery PRIDE ENERGY COMPAI AN OKLAHOMA GENER X By: Pride Oll & Gas Co., Inc., Title: General Partner By: John W. Pride	AL PARTNEF	1950	Phone # (916 Fax # (918) 5) 524-9200	TOTAL	TANGIBLES	S \$ Working B 5	119,854.12 DRILLING 2,273,654.12 Interest Owner: //thu ATE Amount 8,415,929.82	\$ 1,260,475.70 COMPLETION \$ 6,142,275.70	\$ 1,380,329.8 TOTAL \$ 8,415,929.82 Working Interest Owner
Velihead as Pipeline Installation ank Battery PRIDE ENERGY COMPAI AN OKLAHOMA GENER X By: Pride Oll & Gas Co., Inc. Title: General Partner By: John W. Pride	AL PARTNER	1950	Phone # (916 Fax # (918) 5) 524-9200	TOTAL	TANGIBLES	S \$ Working B 5	119,854.12 DRILLING 2,273,654.12 interest Owner: /8th AFE Amount 8,415,929.82 pproved By:	\$ 1,260,475.70 COMPLETION \$ 6,142,275.70	\$ 1,380,329.8 TOTAL \$ 8,415,929.82 Working Interest Owner

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Released to Imaging: 5/17/2024 4:01:08 PM



ENERGY COMPANY P.O. Box 701950, Tulsa, OK 74170-1950 (918) 524-9200 (O); (918) 524-9292 (F)

		_							-		1	B-4-
WELL NAME & NUMBER:				PRO	POSED DE	PTH (ft):		AFE #	1	SHL:		Date
Burton Flat Federal State Co	m 29 30-20S	-28E #1	01H		17,240' TI	ND			E2	NE - Sect. 29		8/18/2023
OPERATOR:					JNTY OR P			PROJECT		BHL:	1	PROSPECT
							I		I MIA	/ NW - Sect. 30		
Pride Energy Company		_		-	Eddy					and the second se		
OBJECTIVE:							STATE	LEGAL LO	CATIC	ON (SEC / TOW	NSHI	P / RANGE)
Drill and Complete horizonta	al well to the	1st Bor	ne Spring i	formatio	n, estimate	ed TVD	NM		N2 S	iec. 29 & 30-20	S-28	E
6,480', Estimated TMD 17,24												
			_								_	
REMARKS:												
TVD: True Vertical Depth												
TMD: Total Measured Depth	`											
SHL: Surface Hole Location; E	BHL: Bottom	Hole Lo	cation								_	
	INTE	NGIBLES		_				DRILLING	T	COMPLETION	1	
	INTA	NGIBLES					<u> </u>		+ •		-	7074
								\$	-	\$		TOTAL
Drilling Rig								600,000.00		0.00		600,000.00
Drilling Mobilization								200,000.00		0.00		200,000.00
Rig Fuel								150,000.00		0.00	1	150,000.00
Drill Bits		_						100,000.00		0.00		100,000.00
								7,500.00		0.00		7,500.00
Clean, Drift, Tally Casing				_			<u> </u>					
On-Site Consultants								85,000.00		0.00		85,000.00
Cellar, Conductor, and Mousehole								25,000.00		0.00		25,000.00
Directional Drilling								200,000.00		0.00		200,000.00
Solids Control								65,000.00		0.00		65,000.00
Water				-				15,000.00		330,000.00		345,000.00
				_								
Water Transfer				_	_	_	-	5,000.00		35,000.00		40,000.00
Casing Crew								15,000.00		22,000.00		37,000.00
Cement								40,000.00		85,000.00		125,000.00
Cellar Pumps to Drill Surface Hole								7,500.00	j l	0.00		7,500.00
Centralizers and Float Equipment							1	7,000.00		16,000.00		23,000.00
					_							
Frac Plugs								0.00		30,000.00		30,000.00
Casing Thread Representative								0.00		8,000.00		8,000.00
Location								80,000.00		0.00		80,000.00
Solids Haul Off and Disposal								20,000.00		0.00	1	20,000.00
Liquids Haul Off and Disposal		_		_				105,000.00		0.00		105,000.00
Drilling Instrumentation				_				10,000.00		0.00		10,000.00
		_					<u> </u>					
Drill Pipe Inspection								15,000.00		0.00		15,000.00
Miscellaneous Equipment Rental (Pr	ortable Tollets,	, Forklift,	etc.)					S,000.00		5,000.00		10,000.00
Frac Tanks								5,000.00		3,000.00		\$,000.00
Mudlogging & Geosteering								50,000,00		0.00		50,000.00
H25 Monitoring							-	3,000.00		0.00		3,000.00
				_								
Hydraulic Choke with Panel			_		_	_		4,000.00		0.00		4,000.00
Drilling Mud			_	-		_		80,000.00		0.00		80,000.00
BOP Services						-		10,000.00		0.00		10,000.00
Rotating Head								2,000.00		0.00		2,000.00
Shaker Screens								6,000.00		0.00		6,000.00
							<u> </u>					
Toe Sleeve								0.00		5,000.00		5,000.00
Housing, Water System, Intercoms,	etc.							16,000.00		10,000.00		26,000.00
Welding								5,000.00		0.00		5,000.00
Frac			_			_	-	0.00		2,500,000.00		2,500,000.00
Fuel for Frac and Frac Fueling System	m			_	_			0.00		350,000.00		350,000.00
		_					<u> </u>					
Consultants for Frac and Drill Out								0.00		49,000.00		49,000.00
Wireline Perforating								0.00		160,000.00		160,000.00
Toe Prep Work								0.00		50,000.00		50,000.00
Workover Rig, etc. for Drill Out								0.00		120,000.00	1	120,000.00
Flowback Equipment								0.00		25,000.00		25,000.00
		_		_			<u> </u>			30,000.00		
Consultants for Flowback								0.00				30,000.00
Frac Stack			-					0.00		45,000.00		45,000.00
Crane								0.00		40.000.00	-	40,000.00
Flowback Water From Frac								0.00		500,000.00		500,000.00
Trucking								20,000.00		20,000.00		40,000.00
00.0000200				-	G.TOTAL	TANGIBLES		1,958,000.00		4,438,000.00		6,396,000.00
			_	51								
						ency at 10%		195,800.00		443,800.00		639,600.00
					TOTALIN	TANGIBLES		2,153,800.00		4,881,800.00	_	7,035,600.00
		CIPI FC	_				-	DILLING	1	OMBLETION	-	
		GIBLES			-			DRILLING	+ - C	COMPLETION	1	
CASING	FOOTAGE	SIZE	WIEGHT	GRADE	THREAD			\$	-	\$	_	TOTAL
	318	13.375	54.5		BTC	34.96		11,117.28	-	0.00		11,117.28
Surface Casing		9.625	40	J-55	LTC	25.41		80,841.01		0.00		80,841.01
Intermediate Casing	3,061		20	HCP-110	GBCD	23		0.00		396,520.00		396,520.00
	3,061 17,240	5.5			Brd	10		0.00	-	61,150.00		61,150.00
Intermediate Casing Production Casing	17,240				519						-	
Intermediate Casing Production Casing Tubing		5.5 2.875						17,000.00		20,000.00		37,000.00
Intermediate Casing Production Casing Tubing Wellhead	17,240									100,000.00		
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation	17,240							D.00				
Intermediate Casing Production Casing Tubing Wellhead	17,240							0.00		500,000.00		500,000.00
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation	17,240				SUB-TOTAL	TANGIBLES	5		5		s	500,000.00
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation	17,240							0.00 108,958.29		500,000.00 1,077,670.00		500,000.00 1,186,628.29
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation	17,240				Conting	ency at 10%	\$	0.00 108,958.29 10,895.83	\$	500,000.00 1,077,670.00 107,767.00	\$	500,000.00 1,186,628.29 118,662.83
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation	17,240				Conting		\$	0.00 108,958.29	\$	500,000.00 1,077,670.00	\$	500,000.00 1,186,628.29
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation	17,240				Conting	ency at 10%	\$ \$	0.00 108,958.29 10,895.83 119,854.12	\$ \$	500,000.00 1,077,670.00 107,767.00 1,185,437.00	\$	500,000.00 1,186,628.29 118,662.83 1,305,291.12
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation	17,240				Conting TOTAL	ency at 10% TANGIBLES	\$ \$	0.00 108,958.29 10,895.83	\$ \$	500,000.00 1,077,670.00 107,767.00	\$	500,000.00 1,186,628.29 118,662.83
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery	17,240				Conting	ency at 10% TANGIBLES	\$ \$ D	0.00 108,958.29 10,895.83 119,854.12 RILLING	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION	5	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL
Intermediate Casing Production Casing Weilhead Gas Pipeline Installation Tank Battery Approval:	17.240 6,115				Conting TOTAL	ency at 10% TANGIBLES	\$ \$	0.00 108,958.29 10,895.83 119,854.12	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00	\$	500,000.00 1,186,628.29 118,662.83 1,305,291.12
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery	17.240 6,115				Conting TOTAL	ency at 10% TANGIBLES	\$ \$ D	0.00 108,958.29 10,895.83 119,854.12 RILLING	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION	5	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT	17.240 6,115 ,115	2.675			Conting TOTAL	ency at 10% TANGIBLES	\$ 5 0 \$	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION	5	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL
Intermediate Casing Production Casing Weilhead Gas Pipeline Installation Tank Battery Approval:	17.240 6,115 ,115	2.675			Conting TOTAL	ency at 10% TANGIBLES	\$ 5 0 \$	0.00 108,958.29 10,895.83 119,854.12 RILLING	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION	\$ \$	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT	17.240 6,115 ,115	2.675			Conting TOTAL	ency at 10% TANGIBLES	\$ \$ D S Working Int	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT	17.240 6,115 ,115	2.675			Conting TOTAL	ency at 10% TANGIBLES	\$ \$ D S Working Int	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12 crest Owner: 11 AFE Amount	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT	17.240 6,115 ,115	2.675			Conting TOTAL	ency at 10% TANGIBLES	\$ \$ D S Working Int	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT	17.240 6,115 ,115	2.675			Conting TOTAL	ency at 10% TANGIBLES	\$ \$ D S Working Int	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12 crest Owner: 11 AFE Amount	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT AN OKLAHOMA GENERV X By: Pride OII & Gas Co., Inc.	NY, AL PARTNERS	2.675			Conting TOTAL	ency at 10% TANGIBLES	\$ \$ \$ Working Int \$ \$	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12 crest Owner: 11 AFE Amount	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Tubing Weilhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT AN OKLAHOMA GENERV X By: Pride OII & Gas Co., Inc.	17.240 6,115 ,115	2.875		TOTAL W	Conting TOTAL	ency at 10% TANGIBLES	\$ \$ \$ Working Int \$ \$	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12 erest Owner: 11 AFE Amount 8,340,891.17	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Tubing Wellhead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAI AN OKLAHOMA GENERJ By: Pride Oll & Gas Co., Inc. Title: General Partner	NY, AL PARTNERS	2.875	ride	OTAL W	Conting TOTAL	ency at 10% TANGIBLES	\$ \$ Working Int 8/80 5 Appr	0.00 108,958.29 10,895.83 119,854.12 RILLING 2,273,654.12 erest Owner: 11 AFE Amount 8,340,891.17	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Utilinead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT AN OKLAHOMA GENER/ By: Pride Oll & Gas Co., Inc. Title: General Partner By: Show W, Pride	17,240 6,115 NY, AL PARTNERS	2.875		OTAL W	Conting TOTAL	ency at 10% TANGIBLES	\$ \$ Working Int 8/80 5 Appr	0.00 108,958.29 10,895.83 113,864.12 RILLING 2,273,654.12 erest Owner: 1, AFE Amount 8,340,851.12 oved By:	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12 ing Interest Owner's
Intermediate Casing Production Casing Utilinead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT AN OKLAHOMA GENER/ By: Pride Oll & Gas Co., Inc. Title: General Partner By: Show W, Pride	17.240 6,115 , 115 , 11	2.875		OTAL W	Conting TOTAL	ency at 10% TANGIBLES	\$ \$ Working Int 8/80 5 Appr	0.00 108,958.29 10,895.83 113,864.12 RILLING 2,273,654.12 erest Owner: 1, AFE Amount 8,340,851.12 oved By:	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Utilinead Gas Pipeline Installation Tank Battery Approval: PRIDE ENERGY COMPAT AN OKLAHOMA GENER/ By: Pride Oll & Gas Co., Inc. Title: General Partner By: Show W. Pride	17.240 6,115 , 115 , 11	2.875		OTAL W	Conting TOTAL	ency at 10% TANGIBLES	\$ \$ Working Int 8/80 5 Appr	0.00 108,958.29 10,895.83 113,854.12 RILLING 2,273,654.12 event Owner: 113,8FE Amount 8,340,891.12 oved By: gnature:	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12
Intermediate Casing Production Casing Trobing Weilhead Gas Pipeline Installation Fank Battery PRIDE ENERGY COMPAR AN OKLAHOMA GENER/ By: Pride OI & Gas Co., Inc. Title: General Partner By: John W, Pride Title: President	17.240 6,115 , 115 , 11	2.875		OTAL W	Conting TOTAL	ency at 10% TANGIBLES	\$ \$ Working Int 8/80 5 Appr	0.00 108,958.29 10,895.83 113,854.12 RILLING 2,273,654.12 event Owner: 113,8FE Amount 8,340,891.12 oved By: gnature:	\$ \$ CC	500,000.00 1,077,670.00 107,767.00 1,185,437.00 DMPLETION 6,067,237.00	\$ \$ Work	500,000.00 1,186,628.29 118,662.83 1,305,291.12 TOTAL 8,340,891.12

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The costs on this AFE are estimates only and may not be construed as cellings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory of or other agreement covering this well. **Released to Imaging:** 5/17/2024 4:01:08 PM

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AUTHORITY FOR EXPENDITURE WELL COST ESTIMATE

4 ENERGY COMPANY P.O. Box 701950, Tulsa, OK 74170-1950 (918) 524-9200 (O); (918) 524-9292 (F)

1 000	OSED DEI 17,240' TM NTY OR P Eddy , estimato	ARISH:	AFE # PROJECT STATE NM DRILLING \$ Comparison DRILLING \$ Compari	SW DCATIC N2 S N2 S N2 S N2 N2 N2 N2 N2 N2 N2 N2 N2 N2 N2 N2 N2	SHL: NE - Sect. 29 BHL: NW - Sect. 30 N (SEC / TOWN ec. 29 & 30-200 COMPLETION 5 0.00 0.	S-28E TOTAL 600, 200, 150, 100, 7, 85, 20, 65, 20, 65, 345, 20, 65, 345, 23, 30, 8, 80, 23, 30, 31, 10, 8, 10, 10, 10, 10, 10, 10, 10, 10
OUN	NTY OR P Eddy	ARISH:	STATE NM LEGAL I/ STATE DRILLING \$ 600,000. 200,000. 150,000. 150,000. 1250,000. 100,000. 250,000. 100,000. 250,000. 100,000. 150,000. 25,000. 200,000. 15,000. 155,000. 9,000. 155,000. 9,000. 155,000. 9,000. 20,000. 10,000. 100,000. 15,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000.	SW DCATIC N2 S N2 S N2 S N2 N2 N2 N2 N2 N2 N2 N2 N2 N2 N2 N2 N2	BHL: NW - Sect. 30 DN (SEC / TOW) ec. 29 & 30-20: COMPLETION \$ 0.00 0.0	PROSPEI PROSPEI NSHIP / RANG S-28E TOTAL 600, 200, 150, 200, 100, 300, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 200, 100, 20
	Eddy		STATE NM LEGAL I/ STATE DRILLING \$ 600,000. 200,000. 150,000. 150,000. 1250,000. 100,000. 250,000. 100,000. 250,000. 100,000. 150,000. 25,000. 200,000. 15,000. 155,000. 9,000. 155,000. 9,000. 155,000. 9,000. 20,000. 10,000. 100,000. 15,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 5,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000. 100,000. 10,000.	CATIC N2 S 0 0 0 0 0 0 0 0 0 0 0 0 0	NW - Sect. 30 N (SEC / TOW) ec. 29 & 30-20 COMPLETION \$ COMPLETION \$ 0.00 0.	NSHIP / RANG S-28E TOTAL 600, 200, 150, 200, 150, 200, 65, 245, 245, 240, 345, 240, 345, 240, 345, 240, 345, 240, 345, 200, 65, 345, 200, 65, 345, 200, 100, 100, 100, 100, 100, 100, 100
tion,			NM DRILLING \$ 600,000. 150,000. 1250,000. 1250,000. 25,000. 25,000. 25,000. 25,000. 25,000. 25,000. 25,000. 15,000. 40,000. 7,500. 7,500. 15,000. 40,000. 7,500. 10,000. 15,000. 105,000. 105,000. 105,000. 5,000. 5,000. 5,000. 5,000. 5,000. 3,000. 4,000. 3,000. 10,000. 2,000. 6,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000.	CATIC N2 S 0 0 0 0 0 0 0 0 0 0 0 0 0	DN (SEC / TOW) ec. 29 & 30-20: COMPLETION \$ 0.000 0.00	S-28E TOTAL 600, 200, 150, 100, 7, 85, 20, 65, 20, 65, 345, 20, 65, 345, 23, 30, 8, 80, 23, 30, 31, 10, 8, 10, 10, 10, 10, 10, 10, 10, 10
	, estimate		NM DRILLING \$ 600,000. 150,000. 1250,000. 1250,000. 25,000. 25,000. 25,000. 25,000. 25,000. 25,000. 25,000. 15,000. 40,000. 7,500. 7,500. 15,000. 40,000. 7,500. 10,000. 15,000. 105,000. 105,000. 105,000. 5,000. 5,000. 5,000. 5,000. 5,000. 3,000. 4,000. 3,000. 10,000. 2,000. 6,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000. 10,000.	N2 S	ec. 29 & 30-20 COMPLETION \$ 0.00 0.00 0.00 0.00 0.00 0.00 330,000.00 35,000.00 35,000.00 35,000.00 35,000.00 35,000.00 0.00	S-28E TOTAL 600, 200, 150, 100, 7, 85, 20, 65, 20, 65, 345, 20, 65, 345, 23, 30, 8, 80, 23, 30, 31, 10, 8, 10, 10, 10, 10, 10, 10, 10, 10
	, estimate		DRILLING \$ 600,000. 200,000. 150,000. 7,500. 25,000. 25,000. 25,000. 15,000. 15,000. 7,500. 7,500. 7,500. 7,500. 7,500. 7,500. 15,000. 15,000. 10,000.	00 00 00 00 00 00 00 00 00 00 00 00 00	DMPLETION \$ 0.00 0.00 0.00 0.00 0.00 0.00 330,000.00 35,000.00 35,000.00 35,000.00 30,000.00 30,000.00 30,000.00 30,000.00 0.0000 0.0000 0.0000 0.000000	TOTAL 600, 200, 150, 100, 25, 25, 200, 65, 345, 40, 37, 125, 7, 23, 30, 88, 80, 200, 10, 10, 10, 10, 10, 10, 10,
			\$ 600,000. 200,000. 200,000. 150,000. 150,000. 7,500. 25,000. 25,000. 25,000. 15,000. 15,000. 15,000. 7,500. 7,500. 7,500. 7,500. 7,500. 7,500. 10,000	00 00 00 00 00 00 00 00 00 00	\$ 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	600, 200, 1500, 100, 7, 85, 25, 200, 65, 345, 40, 37, 125, 7, 23, 30, 8, 8, 80, 105, 10, 105, 10, 10, 15, 20, 10, 10, 15, 20, 20, 44, 88, 80, 20, 20, 20, 20, 20, 20, 20, 20, 20, 2
			\$ 600,000. 200,000. 200,000. 150,000. 150,000. 7,500. 25,000. 25,000. 25,000. 15,000. 15,000. 15,000. 7,500. 7,500. 7,500. 7,500. 7,500. 7,500. 10,000	00 00 00 00 00 00 00 00 00 00	\$ 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.	600, 200, 1500, 100, 7, 85, 25, 200, 65, 345, 40, 37, 125, 7, 23, 30, 8, 8, 80, 105, 10, 105, 10, 10, 15, 20, 10, 10, 15, 20, 20, 44, 88, 80, 20, 20, 20, 20, 20, 20, 20, 20, 20, 2
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5 5 5		TOTAL IN ADE THREAD S5 BTC 55 LTC -110 GBCD 80 8rd SUB-TOTAL Conting TOTAL	TOTAL INTANGIBLES	TOTAL INTANGIBLES 2,153,800.0 DRILLING DRILLING ADE THREAD CROST/FT \$ 55 BTC 34.96 11,117.2 55 BTC 26.41 80.841.0 -110 GBCD 23 0.0 80 8rd 10 0.0 0 0.0 0.0 0.0 0 0.00 0.00 0.0 0.0 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 <t< td=""><td>TOTAL INTANGIBLES 2,153,800.00 DRILLING DRILLING C ADE THREAD CROST/FT \$ 55 BTC 34.96 11,117.28 55 BTC 26.41 80,841.01 -110 GBCD 23 0.00 80 8rd 10 0.00 0 0.00 0.00 0.00 SUB-TOTAL TANGIBLES 106,958.29 \$ Contingency at 10% Contingency at 10% 119,854.12 \$ AUWELL COSTS DRILLING C Verking interest Owner: #/#ths AFE Amount \$ 3200 Approved By: </td><td>TOTAL INTANGIBLES 2,153,800.00 4,881,800.00 DRILLING COMPLETION ADE THREAD CROST/FT \$ \$ 55 BTC 34,96 11,117.28 0.00 55 LTC 26,44 80,841.01 0.00 10 GBCD Z3 0.00 396,520.00 80 8rd 10 0.00 61,150.00 10 GBCD Z3 0.00 396,520.00 80 8rd 10 0.00 61,150.00 0.00 17,000.00 20,000.00 0.00 100,000.00 0.00 S00,000.00 0.00 500,000.00 0.00 500,000.00 Contingency at 10% 10,895.83 107,767.00 COMPLETION \$ 1,125,437.00 LWELL COSTS \$ 2,273,654.12 \$ 1,125,437.00 Weiking interest Owner: 8,340,893.12 \$ 8,340,893.12 200 Approved By: </td></t<>	TOTAL INTANGIBLES 2,153,800.00 DRILLING DRILLING C ADE THREAD CROST/FT \$ 55 BTC 34.96 11,117.28 55 BTC 26.41 80,841.01 -110 GBCD 23 0.00 80 8rd 10 0.00 0 0.00 0.00 0.00 SUB-TOTAL TANGIBLES 106,958.29 \$ Contingency at 10% Contingency at 10% 119,854.12 \$ AUWELL COSTS DRILLING C Verking interest Owner: #/#ths AFE Amount \$ 3200 Approved By:	TOTAL INTANGIBLES 2,153,800.00 4,881,800.00 DRILLING COMPLETION ADE THREAD CROST/FT \$ \$ 55 BTC 34,96 11,117.28 0.00 55 LTC 26,44 80,841.01 0.00 10 GBCD Z3 0.00 396,520.00 80 8rd 10 0.00 61,150.00 10 GBCD Z3 0.00 396,520.00 80 8rd 10 0.00 61,150.00 0.00 17,000.00 20,000.00 0.00 100,000.00 0.00 S00,000.00 0.00 500,000.00 0.00 500,000.00 Contingency at 10% 10,895.83 107,767.00 COMPLETION \$ 1,125,437.00 LWELL COSTS \$ 2,273,654.12 \$ 1,125,437.00 Weiking interest Owner: 8,340,893.12 \$ 8,340,893.12 200 Approved By:

Ine costs on this AFE are estimates only and may not be construed as cellings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Released to Imaging: 5/17/2024 4:01:08 PM

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AUTHORITY FOR EXPENDITURE WELL COST ESTIMATE

۰ľ ENERGY COMPANY P.O. Box 701950, Tulsa, OK 74170-1950 (918) 524-9200 (O); (918) 524-9292 (F)

WELL NAME & NUMBER:				PRO	POSED DE	PTH (ft):	1	AFE #	SHL:	T	Date
Burton Flat Federal State Co	om 29_30-20	5-28E #2	01H		18,280' TI	MD			E2 NE - Sec. 29		8/18/2023
OPERATOR:				COL	JNTY OR F	ARISH:		PROJECT	BHL:		PROSPECT
Pride Energy Company					Eddy		-		NW NW - Sec. 3		
OBJECTIVE:	- I II			f			STATE	LEGAL LO	CATION (SEC / TOV		
Drill and Complete horizont 7,420', Estimated TMD 18,2		2 2 na Bo	ne spring	tormatio	in, esuma				N2 Sec. 29 & 30-2	03-28	ic.
REMARKS:				_							
TVD: True Vertical Depth											
TMD: Total Measured Dept	h										
SHL: Surface Hole Location;	BHL: Bottom	Hole Lo	cation							_	
	INT	ANGIBLES					T	DRILLING	COMPLETION	T	
	_							5	\$	1	TOTAL
Drilling Rig	_		_					600,000,00		_	600,000.00
Drilling Mobilization							<u> </u>	200,000.00			200,000.00
Rig Fuel Drill Bits								100,000.00		_	100.000.00
Clean, Drift, Taily Casing							1	7,500.00			7,500.00
On-Site Consultants					_			85,000.00			85,000.00
Cellar, Conductor, and Mousehole		_			_	_		25,000.00			25,000.00
Directional Drilling Solids Control				-			1-	65,000.00			65,000.00
Water								15,000.00	330,000.0		345,000.00
Water Transfer								5,000.00			40,000.00
Casing Crew Cement								15,000.00			37,000.00
Cellar Pumps to Drill Surface Hole		_					†	7,500.00			7,500.00
Centralizers and Float Equipment								7,000.00			23,000.00
Frac Plugs								0.00			30,000.00
Casing Thread Representative	_	_	_				-	0.00			8,000.00
Location Solids Haul Off and Disposal								80,000.00			80,000.00
Uguids Haul Off and Disposal					-	1	1	105,000.00			105,000.00
Orilling Instrumentation								10,000.00	0.0	ю	10,000.00
Drill Pipe Inspection								15,000.00			15,000.00
Miscellaneous Equipment Rental (F Frac Tanks	Portable Toilet	s, Forklift,	etc.)	_			-	5,000.00			10,000.00 8.000.00
Mudlogeing & Geosteering			_					50,000.00		_	50,000.00
H2S Monitoring								3,000.00			3,000.00
Hydraulic Choke with Panel								4,000.00			4,000.00
Drilling Mud					_			80,000.00			80,000.00
BOP Services Rotating Head								10,000.00			2,000.00
Shaker Screens							1	6,000.00		_	6,000.00
Toe Sleeve								0.00			5,000.00
Housing, Water System, Intercoms,	etc.	i	_		_	_	-	16,000.00			26,000.00
Welding		_						5,000.00			5,000.00
Fuel for Frac and Frac Fueling Syste	m							0.00			350,000.00
Consultants for Frac and Drill Out			_					0.00			49,000.00
Wireline Perforating Toe Prep Work							-	0.00			160,000.00
Workover Rig, etc. for Drill Out			_	_			-	0.00		_	120,000.00
Flowback Equipment		-						0.00			25,000.00
Consultants for Flowback		-	_					0.00			30,000.00
Frac Stack								0.00			45,000.00
Crane Flowback Water From Frac						_		0.00			500,000.00
Trucking								20,000.00			40,000.00
				SL		TANGIBLES		1,958,000.00	it was a set of the se		6,396,000.00
			_			ency at 10%		195,800.00			639,600.00
	_	_			IOTAL IN	ITANGIBLES		2,153,800.00		1	7,035,600.00
CAPINIC		IGIBLES	MICOLIE	COASE	THIDETE	Chore Im	-	DRILLING	COMPLETION	-	TOTAL
CASING Surface Casing	FOOTAGE 318	SIZE 13.375	WIEGHT 54.5	GRADE J-55	THREAD	CROST/FT 34.96		\$ 11,117.28	\$	1	TOTAL 11.117.28
Intermediate Casing	3,061	9.625	40		LTC	26.41		80,841.01	0.00		80,841.01
Production Casing	18,280	5.5		HCP-110	GBCD	23		0.00	420,440.00		420,440.00
Tubing Wellhead	7,055	2.875	6.5	L-80	8rd	10		0.00	70,550.00		70,550.00
Gas Pipeline Installation				_				17,000.00	20,000.00	_	37,000.00
Tank Battery								0.00	500,000.00		500,000.00
						TANGIBLES		108,958.29	\$ 1,110,990.00	\$	1,219,948.29
						ency at 10%		10,895.83			121,994.83
			_		TOTAL	TANG!BLES	-	119,854.12	\$ 1,222,089.00	1.3	1,341,943.12
		i i					0	RILLING	COMPLETION	1	TOTAL
Approval:			T	OTAL W	ELL COS	15	\$	2,273,654.12	\$ 6,103,889.00	\$	8,377,543.12
PRIDE ENERGY COMPA	NY,	ê								1	
AN OKLAHOMA GENER		SHIP					Working in	terest Owner:			
100							2550		10.675 (0) - 535	Worl	king interest Owner's
Λ	1 11	0-	2				8/80	8.377,543.12	WI Decimal	21	oportionate Costs
x	now.	Via	2				-	0,377,343.12			
By: Pride Oli & Gas Co., Inc.				Lenc -			App	oved By:			_
Title: General Partner P.O. Box 701950 Phone # (918) 524-9200 By: John W. Pride Tulsa, OK 74170-1950 Fax # (918) 524-9292 Signature:					1						
Title: President E-mail: johnp@pride-energy.com					-						
Date: 9/(4/ 2	7073							Date:		_	-

The costs on this AFE are estimates only and may not be construed as cellings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Released to Imaging: 5/17/2024 4:01:08 PM

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AUTHORITY FOR EXPENDITURE WELL COST ESTIMATE



WELL NAME & NUMBER: Burton Flat Federal State Co	m 29 30-205	-28E #7	03H		OSED DE	•••		AFE #	E	SHL: 2 NE - Sec. 29		Date 8/18/2023
OPERATOR:	23_30-203	- BUL HA			NTY OR P.		-	PROJECT	1	BHL:		PROSPECT
Pride Energy Company					Eddy					W2 NW - Sec. 30		
OBJECTIVE:							STATE	LEGAL LOC		ON (SEC / TOW		
Drill and Complete horizonta		Znd Bo	ne Spring	Formatio	n, estima	ted TVD	NM		N2 !	iec. 29 & 30-20	S-28I	E
7,186', Estimated TMD 18,04	16'.				-				_		-	
REMARKS:												
TVD: True Vertical Depth TMD: Total Measured Depth												
SHL: Surface Hole Location;		Hole Lo	cation									
		NGIBLES		_		_	1	DRILLING	-	COMPLETION	-	
	114134	MGIBLES					<u> </u>	S	1	\$		TOTAL
Drilling Rig								600,000.00		0.00		600,000.0
Drilling Mobilization						_		200,000.00		0.00		200,000.0
Rig Fuel	_	_	_	_		_		150,000.00		0.00		150,000.0
Drill Bits Clean, Drift, Tally Casing								7,500.00		0.00		7,500.0
On-Site Consultants								85,000.00		0.00		85,000.0
Cellar, Conductor, and Mousehole								25,000.00		0.00		25,000.0
Directional Drilling								200,000.00		0.00		200,000.0 65,000.0
Solids Control								15,000.00		330,000.00		345,000.0
Water Transfer							1	5,000.00	<u> </u>	35,000.00		40,000.0
Casing Crew						_		15,000.00		22,000.00		37,000.0
Cement								40,000.00		85,000.00	_	125,000.0
Cellar Pumps to Drill Surface Hole Centralizers and Float Equipment		_						7,500.00		0.00		7,500.0
Centralizers and Float Equipment Frac Plugs								0.00		30,000.00		30,000.0
Casing Thread Representative								0.00		8,000.00		8,000.0
Location								80,000.00		0.00		80,000.0
Solids Haul Off and Disposal			_				-	20,000.00		0.00		20,000.0
Liquids Haul Off and Disposal Drilling Instrumentation		_		-	-		-	105,000.00		0.00		105,000.0
Drill Pipe Inspection	_			_				15,000.00		0.00		15,000.0
Miscellaneous Equipment Rental (P	ortable Tollets	, Forklift,	etc.)					5,000.00		5,000.00		10,000.0
Frac Tanks								S,000.00		3,000.00		8,000.0
Mudlogging & Geosteering						_	<u> </u>	50,000.00		0.00		50,000.0
H25 Monitoring Hydraulic Choke with Panel	_		_	_		-		4,000.00		0.00		4,000.0
Drilling Mud						-	-	80.000.00		0.00		80,000.0
BOP Services								10,000.00		0.00		10,000.0
Rotating Head								2,000.00		0.00		2,000.0
Shaker Screens				_			<u> </u>	6,000.00		0.00		5,000.0
Toe Sleeve Housing, Water System, Intercoms,	etc.							16,000.00		10,000.00		26,000.0
Welding								5,000.00		0.00		5,000.0
Frac								0.00		2,500,000.00		2,500,000.0
Fuel for Frac and Frac Fueling Syste	m			_	_	_		0.00		350,000.00		350,000.0 49,000.0
Consultants for Frac and Drill Out Wireline Perforating						_	<u> </u>	0.00		160,000.00		160,000.0
Toe Prep Work								0.00		50,000.00		50,000.0
Workover Rig, etc. for Drill Out								0.00		120,000.00	-	120,000.0
Flowback Equipment								0.00	-	25,000.00		25,000.0
Consultants for Flowback								0.00		30,000.00		30,000.0
Frac Stack Crane								0.00		40,000.00		40,000.0
Flowback Water From Frac								0.00		500,000.00		500,000.0
Trucking								20,000.00	1	20,000.00		40,000.0
	_			ડા		TANGIBLES		1,958,000.00		4,438,000.00 443,800.00	_	6,396,000.0
						ency at 10%		195,800.00		443,800.00		7,035,600.0
	_				1017420	.,			-			
CASING	FOOTAGE	SIZE	WIEGHT	GRADE	THREAD	CROST/FT		S S	-	COMPLETION \$		TOTAL
Surface Casing	318	13.375	54.5		BTC	34.96		11,117.28	1	0.00		11,117.2
Intermediate Casing	3,061	9.625			LTC	26.41		80,841.01		0.00		80,841.0
Production Casing	18,046	5.5		HCP-110	GBCD	23		0.00		415,058.00		415.058.0
Tubing	7,135	2.875	6.5	1-80	8rd	10		0.00	-	71,350.00		71,350.0
Wellhead Gas Pipeline Installation								17,000.00	-	20,000.00	-	100,000.0
Tank Battery								0.00		500,000.00		500,000.0
						TANGIBLES		108,958.29		1,106,408.00	\$	1,215,366.2
						ency at 10%		10,895.83		110,640.80	\$	121,536.6
				_	TOTAL	TANGIBLES	15	119,854.12	1.9	1,217,048.80	\$	1,336,902.93
							1	RILLING	0	OMPLETION		TOTAL
Annesis			ר ו	TOTAL W	ELL COS	TS	\$	2,273,654.12	\$	6,098,848.80	\$	8,372,502.92
Approval: PRIDE ENERGY COMPA	NY.						1				_	
AN OKLAHOMA GENER		SHIP					Working In	terest Owner:				
	2.0	۸							<u> </u>		Worl	king interest Owner
(4 11	_[]	1				8/81	hs AFE Amount		WI Decimal		oportionate Costs
x	phil	X	ide				5	8,372,502.92				
By: Pride Oli & Gas Co., Inc.	- Barrison	V					App	roved By:	_			
Title: General Partner	P.O. Box 701950		Phone # (918					Charles and the second s				
	Tulsa, OK 74170-: E-mail: Johnp@pr		Fax # (918) 5	24-9292			1	Ignature:			_	
		energy						Date:				
-1161	2073						-	24	_		_	
Date: 1/17/												

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The costs on this AFE are estimates only and may not be construed as cellings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. **Released to Imaging:** 5/17/2024 4:01:08 PM

AUTHORITY FOR EXPENDITURE WELL COST ESTIMATE

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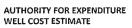


WELL NAME & NUMBER: Burton Flat Federal State Com 29_30-20S-28E #202H	P		OSED DEP 18,280' TN			AFE #		SHL: 2 NE - Sec. 29		Date 8/18/2023
OPERATOR:	- 0	_	NTY OR P		-	PROJECT	<u> </u>	BHL:	1	PROSPECT
Pride Energy Company			Eddy		_			V NW - Sec. 30		
OBJECTIVE:					STAT			ON (SEC / TOW		
Drill and Complete horizontal well to the 2nd Bone Sp	pring forma	atior	ı, estimat	ed TVD	NN	1	N2 :	Sec. 29 & 30-20	5-28	E
7,420', Estimated TMD 18,280'. REMARKS:		_					-		_	
TVD: True Vertical Depth										
TMD: Total Measured Depth										
SHL: Surface Hole Location; BHL: Bottom Hole Locatio	n				_				_	_
INTANGIBLES		-				DRILLING	1	COMPLETION	1	
						\$		\$	1	TOTAL
Drilling Rig Drilling Mobilization						600,000.00		0.00		600,000.0
Rig Fuel		_				150,000.00	+	0.00		150,000.0
Drill Bits		_				100,000.00		0.00		100,000.0
Clean, Drift, Tally Casing On-Site Consultants		_				7,500.00		0.00		7,500.0
Cellar, Conductor, and Mousehole		_			-	25,000.00		0.00		25,000.0
Directional Drilling		_				200,000.00		0.00		200,000.0
Solids Control Water						65,000.00		0.00 330,000.00		65,000.0 345,000.0
Water Transfer				_		5,000.00		35,000.00		40,000.0
Casing Crew						15,000.00		22.000.00		37,000.0
Coment Collec Rumps to Drill Surface Hole		_	-	_		40,000.00		85,000.00		125,000.0
Cellar Pumps to Drill Surface Hole Centralizers and Float Equipment		_				7,500.00		16,000.00	<u> </u>	23,000.0
Frac Plugs						0.00		30,000.00		30,000.0
Casing Thread Representative						0.00	-	8,000.00		8,000.0
Location Solids Haul Off and Disposal		1.1				20,000.00	-	0.00		80,000.0
Liquids Haul Off and Disposal						105,000.00		0.00		105,000.0
Drilling instrumentation	_	_				10,000.00	-	0.00		10,000.0
Drill Pipe Inspection Miscellaneous Equipment Rental (Portable Toilets, Forklift, etc.)		-				15,000.00	-	0.00		10,000.0
Frac Tanks						5,000.00		3,000.00		8,000.0
Mudlogging & Geosteering		_				50,000.00		0.00		50,000.0
H2S Monitoring Hydraulic Choke with Panel						3,000.00		0.00		3,000.0 4,000.0
Drilling Mud				-		80,000.00		0.00		80,000.D
BOP Services		_				10,000.00		0.00		10,000.0
Rotating Head	_	_	-	-	_	2,000.00	-	0.00		2,000.0
Shaker Screens		_			-	0.00	1	5,000.00		5,000.0
Housing, Water System, Intercoms, etc.						16,000.00		10,000.00		26,000,0
Welding						5,000.00		0.00 2,500.000.00		5,000.0
Frac Fuel for Frac and Frac Fueling System		_			-	0.00		350,000.00		350,000.0
Consultants for Frac and Drill Out						0.00		49,000.00		49,000.0
Wireline Perforating	_	_				0.00		160,000.00		160,000.0
Toe Prep Work Workover Rig, etc. for Drill Out						D.00		120,000.00		120,000.0
Flowback Equipment						0.00		25,000.00		25,000.0
Consultants for Flowback						0.00		30,000.00		30,000.0
Frac Stack Crane		_				0.00		40,000.00		40,000.0
Flowback Water From Frac		_				0.00		500,000.00		500,000.0
Trucking				TANGINI FC	_	20,000.00	-	20,000.00	-	40,000.0
	_	50		TANGIBLES ency at 10%		1,958,000.00		4,438,000.00		6,396,000.0 639,600.0
				TANGIBLES		2,153,800.00		4,881,800.00	_	7,035,600.0
TANGIBLES		_				DRILLING	Ľ	COMPLETION	1	
CASING FOOTAGE SIZE WI	EGHT GRA		THREAD	CROST/FT		\$		\$	_	TOTAL
Surface Casing 318 13.375	54.5 J-5		BTC	34.96		11,117.28 80,841.01	-	0.00	-	11,117.2
Intermediate Casing 3,061 9.625 Production Casing 18,280 5.5	40 J-5 20 HCP-		GBCD	26.41 23	-	80,841.01	-	420,440.00	-	420,440.0
Tubing 7,055 2.875	6.5 L-8	_	Brd	10		0.00		70,550.00		70,550.0
Wellhead						17,000.00	-	20,000.00	_	37,000.0
Contraction of the second s		-				0.00	-	100,000.00	_	100,000.00
Gas Pipeline Installation		_	UP TOTAL	TANGIBLES	ŝ	108,958.29	5	1,110,990.00	\$	1,219,948.29
Gas Pipeline Installation Tank Battery			UB-TUTAL	Trataloces	-					121,994.8
			Continge	ncy at 10%	\$	10,895.83	\$	111,099.00	\$	
			Continge		\$	10,895.83 119,854.12	\$	111,099.00 1,222,089.00	\$	
			Continge TOTAL	ncy at 10% TANGIBLES	\$		\$		_	
Tank Bettery	тота		Continge	ncy at 10% TANGIBLES	\$	119,854.12	\$	1,222,089.00	_	1,341,943.17
	тота		Continge TOTAL	ncy at 10% TANGIBLES	\$	119,854.12 DRILLING	\$ \$ C	1,222,089.00	5	1,341,943.12 TOTAL
Approval:	тота		Continge TOTAL	TANGIBLES	\$ \$	119,854.12 DRILLING	\$ \$ C	1,222,089.00	\$	1,341,943.1 TOTAL 8,377,543.12
Approval: PRIDE ENERGY COMPANY,	тота		Continge TOTAL	TANGIBLES	\$ \$ Worklay	119,854.12 DRILLING 2,273,654.12 ginteren Owner:	\$ \$ C	1,222,089.00 COMPLETION 6,103,889.00	\$ World	1,341,943.1 TOTAL 8,377,543.12
Approval: PRIDE ENERGY COMPANY,	тота		Continge TOTAL	TANGIBLES	\$ \$ Worklay	119,854.12 DRILLING 2,273,654.12	\$ \$ C	1,222,089.00	\$ World	1,341,943.1 TOTAL 8,377,543.12
Approval: PRIDE ENERGY COMPANY, AN OKLAHOMA GENERAL PARTNERSHIP X GHWW, PUTU	тота		Continge TOTAL	TANGIBLES	\$ \$ Working 5	119,854.12 DRILLING 2,273,654.12 g interent Owner: (hths AFE Amount & 377,543.12	\$ \$ C	1,222,089.00 COMPLETION 6,103,889.00	\$ World	1,341,943.1 TOTAL 8,377,543.12
Approval: PRIDE ENERGY COMPANY, AN OKLAHOMA GENERAL PARTNERSHIP X By: Pride OII & Gas Co., Inc./		L W	Continge TOTAL	TANGIBLES	\$ \$ Working 5	119,854.12 DRILLING 2,273,654.12 g Interen Owner: /Siths AFE Amount	\$ \$ C	1,222,089.00 COMPLETION 6,103,889.00	\$ World	1,341,943.12 TOTAL 8,377,543.12
Approval: PRIDE ENERGY COMPANY, AN OKLAHOMA GENERAL PARTNERSHIP By: Pride OII 8: Gas Co., Inc. Title: General Partner Pt.O. Box 701950 Photo By: John W. Pride Tula: General Partner Pt.O. Box 701950 Photo Phot	TOTA * # (918) 524-9	L W	Continge TOTAL	TANGIBLES	\$ \$ Working 5	119,854.12 DRILLING 2,273,654.12 g interent Owner: (hths AFE Amount & 377,543.12	\$ \$ C	1,222,089.00 COMPLETION 6,103,889.00	\$ World	1,341,943.12 TOTAL 8,377,543.12
Approval: PRIDE ENERGY COMPANY, AN OKLAHOMA GENERAL PARTNERSHIP X By: Pride OII & Gas Co., Inc./ Title: General Partner Title: General Partner P.O. Box 701550 Phone	* # (918) 524-9	L W	Continge TOTAL	TANGIBLES	\$ \$ Working 5	119,854.12 DRILLING 2,273,654.12 EInterert Owner: (Jatha AFE Amount 8,377,543.12 opproved By:	\$ \$ C	1,222,089.00 COMPLETION 6,103,889.00	\$ World	1,341,943.12 TOTAL 8,377,543.12

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Released to Imaging: 5/17/2024 4:01:08 PM

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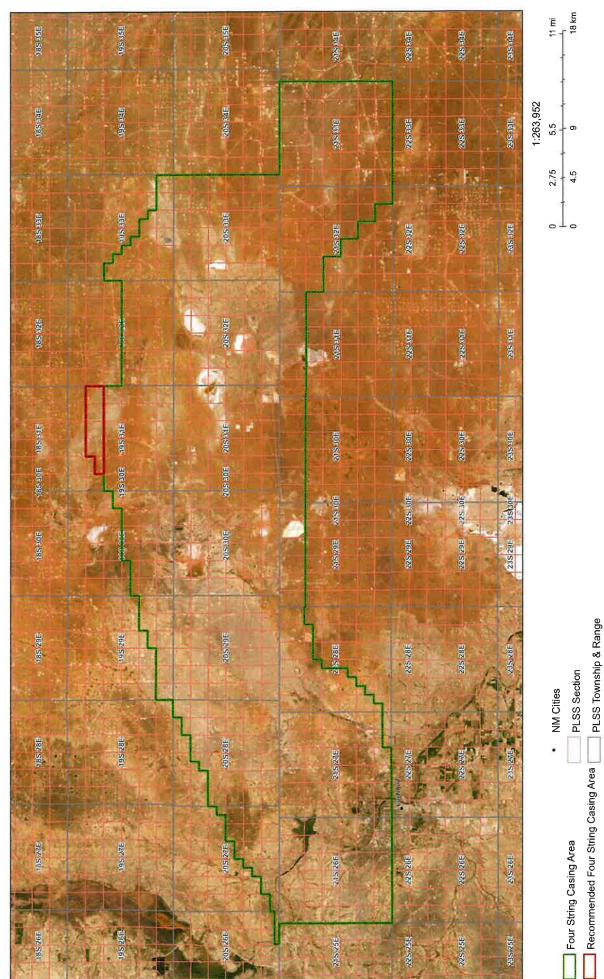
WELL NAME & NUMBER: Burton Flat Federal State Co	om 29:30-20	S-78F #	101H	PRO	POSED DI 19,169' T			AFE #	SHL: E2 NE - Sect. 29	Date 8/18/2023
OPERATOR:		-206 H	WAII	co	UNTY OR		1	PROJECT	BHL:	PROSPECT
Pride Energy Company		_		_	Eddy				NW NW - Sect. 3	
OBJECTIVE:							STAT		CATION (SEC / TOV	
Drill and Complete horizonta Estimated TMD 19,169'.	al well to the	e Wolfca	imp forma	ation, est	imated T	VD 8,865',	NM		N2 Sec. 29 & 30-2	0\$-28E
REMARKS:		_					<u>!</u>			
TVD: True Vertical Depth										
TMD: Total Measured Depth	ı									
SHL: Surface Hole Location;	BHL: Botton	n Hole Lo	ocation							
	INT	ANGIBLES	\$					DRILLING	COMPLETION	
			_					\$	\$	TOTAL
Drilling Rig Drilling Mobilization								600,000.00 200,000.00		
lig Fuel					_			150,000.00		
Prill Bits								100,000.00		
Clean, Orlft, Tally Casing On-Site Consultants		_	_	_	-		-	7,500.00		
ellar, Conductor, and Mousehole								25,000.00		
Directional Drilling				_				200,000.00		
iolids Control Nater							<u> </u>	65,000.00		
Vater Transfer								5,000.00		
asing Crew								15,000.00		
ement ellar Pumps to Drill Surface Hole	_			-	_		-	40,000.00		
Centralizers and Float Equipment		_	-				-	7,500.00		
rac Plugs								0.00	30,000.0	0 30,000
Casing Thread Representative								0.00		
ocation iolids Haul Off and Disposal								20,000.00		
Iquids Haul Off and Disposal								105,000.00	0.0	0 105,000.
Drilling Instrumentation				_	_			10,000.00		
Orill Pipe Inspection Miscellaneous Equipment Rental (P	ortable Toilet	s. Forklift	. etc.]			_	-	15,000.00		
racTanks								5,000.00		
Audlogging & Geosteering								50,000.00		
125 Monitoring Iydraulic Choke with Panel							<u> </u>	3,000.00		
Prilling Mud					_			80,000.00		
IOP Services								10,000.00		
lotating Head ihaker Screens			_	_	_	_		2,000.00		
Toe Sleeve								0.00		
Housing, Water System, Intercoms,	etc.	-						16,000.00	10,000.00	26,000.
Welding Frac			_					5,000.00		
uel for Frac and Frac Fueling System		_			_			0.00		
Consultants for Frac and Drill Out			_					0.00		49,000.
Vireline Perforating	_				_	_	-	0.00		
oe Prep Work Vorkover Rig, etc. for Drill Out			_		_	_		0.00		
lowback Equipment								0.00		
onsultants for Flowback								0.00		
rac Stack					_		-	0.00		
lowback Water From Frac							-	0.00		
rucking							2	20,000.00		
				ા		NTANGIBLES gency at 10%	-	1,958,000.00		
						NTANGIBLES		2,153,800.00		
	TA	NGIBLES						DRILLING	COMPLETION	
CASING	FOOTAGE	SIZE	WIEGHT	GRADE	THREAD	CROST/FT		\$	\$	TOTAL
urface Casing	318	13.375	54.5	J-55	BTC	34.96		11,117.28	0.00	11,117.3
ntermediate Casing roduction Casing	3,061	9.625			LTC GBCD	26.41		80,841.01	0.00 440,887.00	80,841.0
ubing	8,500	2.875		L-80	Brd	10		0.00	440,887.00	85,000.0
Veilhead								17,000.00	20,000.00	37,000.0
as Pipeline Installation ank Battery								0.00	100,000.00	100,000.0
our and the t					SUB-TOTAL	L TANGIBLES	\$	0.00	500,000.00 \$ 1,145.887.00	500,000.0 \$ 1,254,845.2
					Conting	ency at 10%	\$	10,895.83	\$ 114,588.70	
					TOTAL	TANGIBLES	\$	119,854.12	\$ 1,260,475.70	\$ 1,380,329.8
		1						DRILLING	COMPLETION	TOTAL
			דן	OTAL W	ELL COS	TS	\$	2,273,654.12	\$ 6,142,275.70	\$ 8,415,929.8
poroval:	NY,	3		-	_		-			
		SHIP				[Working I	Interest Owners		
RPTOVAI: PRIDE ENERGY COMPAT AN OKLAHOMA GENER/	AL PARTNER									Working Interest Owner
PRIDE ENERGY COMPAN	AL PARTNER	^					m./ #	the AFE Amount		
PRIDE ENERGY COMPAN		And	10 -			1			WI Decimal	Proportionate Costs
PRIDE ENERGY COMPANIAN OKLAHOMA GENERA	AL PARTNER	Prid	20-				5	8,415,929.82	WI Recimal	Proportionate Costs
AN OKLAHOMA GENERA X By: Pride Oil & Gas Co., Inc.	hull.					i	\$		WI Decimal	Proportionate Costs
PRIDE ENERGY COMPAN AN OKLAHOMA GENERA X By: Pride Oil & Gas Co., Inc. Title: General Partner	AL PARTNER		Phone # (918) Fax # (918) 5:				\$ Ap	8,415,929.82	Wi Decimal	Proportionate Costs
PRIDE ENERGY COMPAN AN OKLAHOMA GENERA By: Pride Oil & Gas Co., Inc. / P By: John W. Pride Title: General Partner By: John W. Pride	LUU.	1950	Phone # (918 Fax # (918) 5:				\$ Ap	8,415,929.82	WI Decimal	Proportionate Costs

The costs on this AFE are estimates only and may not be construed as ceilings on any specific item or the total cost of the project. In executing this AFE, the participant agrees to pay its proportionate share of the actual costs incurred, including legal, curative, regulatory, brokerage and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Released to Imaging: 5/17/2024 4:01:08 PM

EXHIBIT D-3

BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. D-3 Submitted by: Matador Production Company Hearing Date: May 23, 2024 Case Nos. 24074-24076 & 24101-24102

Released to Imaging: 5/17/2024 4:01:08 PM



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

APPLICATIONS OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

CASE NOS. 24074-24076

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

CASE NOS. 24101-24102

<u>SELF-AFFIRMED STATEMENT OF</u> <u>MICHAEL H. FELDEWERT</u>

1. I am attorney in fact and authorized representative of MRC Permian Company

("MRC"), the Applicant herein. I have personal knowledge of these matters addressed herein and am competent to provide this self-affirmed statement.

2. The above-referenced applications and notice of the hearing on this application

were sent by certified mail to the affected parties on the date set forth in the letter attached hereto.

3. The spreadsheets attached hereto contains the names of the parties to whom notice

was provided.

4. The spreadsheets attached hereto contains the information provided by the United

States Postal Service on the status of the delivery of this notice as of May 15, 2024.

5. I caused a notice to be published to all parties subject to these proceedings.

An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached herein.

I affirm under penalty of perjury under the laws of the State of New Mexico that 6.

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.

Michael H. Feldewert

05/16/24 Date

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

May 3, 2024

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico: *Wayne Gaylord 2930 Fed Com 201H well*

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 23, 2024, and the status of the hearing can be monitored through the Division's website at <u>https://www.emnrd.nm.gov/ocd/</u>.

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 Dr., 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 Hanna Bollenbach at (972) 619-4341 or at hanna.bollenbach@matadorresources.com.

Sincerely,

Pachal + Followers

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

May 3, 2024

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico: Wayne Gaylord 2930 Fed Com 202H well

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 23, 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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Michael H. Feldewert Partner Phone (505) 988-4421 mfeldewert@hollandhart.com

May 3, 2024

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

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico: Wayne Gaylord 2930 Fed Com 201H and 202H wells

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 23, 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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Michael H. Feldewert ATTORNEY FOR MRC PERMIAN COMPANY

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

May 3, 2024

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

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

Re: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico: *Wayne Gaylord 2930 Fed Com 111H and 121H wells*

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 23, 2024, and the status of the hearing can be monitored through the Division's website at <u>https://www.emnrd.nm.gov/ocd/</u>.

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 Dr., 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>.

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If you have any questions about this matter, please contact Hanna Bollenbach at (972) 619-4341 or at hanna.bollenbach@matadorresources.com.

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Pachal 2 - + Menors

Michael H. Feldewert ATTORNEY FOR MRC PERMIAN COMPANY

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

May 3, 2024

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

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

Re: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico: *Wayne Gaylord 2930 Fed Com 112H and 122H wells*

Ladies & Gentlemen:

This letter is to advise you that MRC Permian Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 23, 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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If you have any questions about this matter, please contact Hanna Bollenbach at (972) 619-4341 or at hanna.bollenbach@matadorresources.com.

Sincerely,

Michael H. Feldewert ATTORNEY FOR MRC PERMIAN COMPANY

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		1				
9414811898765403694034	Abuelo, LLC	21 Crook Dr	Artesia	NM		Your item was delivered to an individual at the address at 4:33 pm on May 10, 2024 in ARTESIA, NM 88210.
						Your item departed our USPS facility in OKLAHOMA CITY OK DISTRIBUTION CENTER on May 14, 2024 at 8:24 am. The item is currently in transit to the
9414811898765403694416	Ergodic Resources, Inc.	22003 Castlewind Cir	Katy	ТΧ	77450-8639	destination.
9414811898765403694461	Jackie Sue Jones	21 Crook Dr	Artesia	NM		Your item was delivered to an individual at the address at 4:33 pm on May 10, 2024 in ARTESIA, NM 88210.
9414811898765403694409	Pennzoil Exploration and Production Company	PO Box 2967	Houston	ТХ		This is a reminder to pick up your item before May 21, 2024 or your item will be returned on May 22, 2024. Please pick up the item at the HOUSTON, TX 77252 Post Office.
9414811898765403694447	Rado Royalties, LLC	5 Inverness Dr E	Englewood	со		Your item was delivered to an individual at the address at 2:15 pm on May 6, 2024 in ENGLEWOOD, CO 80112.

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9414811898765403694478	Savannah Morgan Boling	4917 Cypress Ave	Wichita Falls	TX	76310-3419	Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is ready for pickup.
9414811898765403694553	Stacy Moore-Boling	PO Box 1617	Artesia	NM	88211-1617	Your item arrived at our LUBBOCK TX DISTRIBUTION CENTER destination facility on May 14, 2024 at 5:42 pm. The item is currently in transit to the destination.
						This is a reminder to pick up your item before May 24, 2024 or your item will be returned on May 25, 2024. Please pick up the item at the MIDLAND, TX 79702
9414811898765403694560	The Mark Wilson Family Partnership	PO Box 2145	Midland	ΤХ	79702-2145	Post Office.
9414811898765403694508	Adolph P. Schuman	2701 16th St	San Francisco	СА	94103-4215	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765403694546	Anges Cluthe Oliver Trust c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	TX		Your item has been delivered to an agent for final delivery in DALLAS, TX 75201 on May 14, 2024 at 9:30 am.

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Atlantic Richfield Company	515 S Flower St	Los Angeles	СА	90071-2201	Your item departed our USPS facility in ALBUQUERQUE, NM 87101 on May 14, 2024 at 6:46 pm. The item is currently in transit to the destination.
Betsy H. Keller	2524 Union St	San Francisco	СА	94123-3833	Your item was delivered to the front desk, reception area, or mail room at 6:47 pm on May 7, 2024 in SAN FRANCISCO, CA 94123.
Brian D. Woehler Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	TX	75201-2911	Your item has been delivered to an agent for final delivery in DALLAS, TX 75201 on May 14, 2024 at 9:30 am.
Charles Cline Moore	605 Market St Fl 9	San Francisco	СА	94105-3219	Your item is being held at the SAN FRANCISCO, CA 94105 post office at 9:45 am on May 7, 2024. This is at the request of the customer.
Diamond Head Properties, LP	PO Box 2127	Midland	ТХ	79702-2127	Your item was picked up at a postal facility at 9:59 am on May 13, 2024 in MIDLAND, TX 79702.
Dr. Joans & Kawacaki	724 Kalaninuu St	Hanalulii		06925 2420	We attempted to deliver your item at 2:50 pm on May 14, 2024 in HONOLULU, HI 96825 and a notice was left because an authorized recipient was not
	Betsy H. Keller Brian D. Woehler Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	Betsy H. Keller 2524 Union St Brian D. Woehler Trust U/W Of William B 4900 Trammell Crow Center 2001 Oliver c/o Brown Brothers Harriman Trust 4900 Trammell Crow Center 2001 Company Of Delaware, National Association 605 Market St Fl 9 Charles Cline Moore 605 Market St Fl 9 Diamond Head Properties, LP PO Box 2127	Betsy H. Keller 2524 Union St San Francisco Brian D. Woehler Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association 4900 Trammell Crow Center 2001 Ross Avenue Dallas Charles Cline Moore 605 Market St Fl 9 San Francisco Diamond Head Properties, LP PO Box 2127 Midland	Betsy H. Keller 2524 Union St San Francisco CA Brian D. Woehler Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association 4900 Trammell Crow Center 2001 Ross Avenue Dallas TX Charles Cline Moore 605 Market St Fl 9 San Francisco CA Diamond Head Properties, LP PO Box 2127 Midland TX	Betsy H. Keller 2524 Union St San Francisco CA 94123-3833 Brian D. Woehler Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association 4900 Trammell Crow Center 2001 Ross Avenue Dallas TX 75201-2911 Charles Cline Moore 605 Market St Fl 9 San Francisco CA 94105-3219 Diamond Head Properties, LP PO Box 2127 Midland TX 79702-2127

9414811898765403695840	E.G. Holden Testamentary Trust	2524 Union St	San Francisco	СА	94123-3833	Your item was delivered to the front desk, reception area, or mail room at 6:47 pm on May 7, 2024 in SAN FRANCISCO, CA 94123.
9414811898765403695833	EOG Resources, Inc.	PO Box 4362	Houston	тх	77210-4362	Your item was delivered to an individual at the address at 6:36 am on May 14, 2024 in HOUSTON, TX 77002.
9414811898765403695710	Ernie Bello	3325 Ala Akulikuli St	Honolulu	HI	96818-2215	Your item was delivered to an individual at the address at 1:03 pm on May 13, 2024 in HONOLULU, HI 96818.
9414811898765403695765	Estate of Edward R Hudson, Jr.616 Texas Street	616 Texas St	Fort Worth	тх	76102-4612	Your item was delivered to the front desk, reception area, or mail room at 1:11 pm on May 7, 2024 in FORT WORTH, TX 76102.
	Frances Bunn Revocable Living Trust Dated May 18, 1982	2493 Makiki Heights Dr	Honolulu	н	96822-2542	Your item was delivered to the front desk, reception area, or mail room at 3:37 pm on May 13, 2024 in HONOLULU,
9414811898765403695741	Frederick Van Vranken	PO Box 264	Jericho	NY	11753-0264	Your item has been delivered and is available at a PO Box at 10:41 am on May 10, 2024 in JERICHO, NY 11753.

9414811898765403695734	J.W. Gendron	1280 Encino Dr	San Marino	СА	91108-1008	Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is ready for pickup.
9414811898765403695918	Judith C. Devine Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	TX	75201-2911	Your item has been delivered and is available at a PO Box at 9:54 am on May 9, 2024 in DALLAS, TX 75201.
9414811898765403695925	Judson Exploration, LP	3736 Bee Caves Rd Ste 1 PMB 181	West Lake Hills	ТХ	78746-5378	Your item was returned to the sender at 1:50 pm on May 13, 2024 in AUSTIN, TX 78746 because the forwarding order for this address is no longer valid.
9414811898765403695949	Karen V. and William H. Martin Energy, Ltd	400 N Marienfeld St Ste 100	Midland	ТХ	79701-4350	Your item was delivered to an individual at the address at 8:42 am on May 10, 2024 in MIDLAND, TX 79701.
9414811898765403695932	Magic Dog Oil & Cas Ltd	PO Box 10708	Midland	ТХ	79702-7708	This is a reminder to pick up your item before May 24, 2024 or your item will be returned on May 25, 2024. Please pick up the item at the MIDLAND, TX 79702 Pact Office

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9414811898765403695611	OXY-1 Company	PO Box 27570	Houston	ТХ		Your item has been delivered and is available at a PO Box at 8:49 am on May 7, 2024 in HOUSTON, TX 77227.
9414811898765403695666	Pennzoil Exploration and Production Company	PO Box 2967	Houston	ТХ		This is a reminder to pick up your item before May 21, 2024 or your item will be returned on May 22, 2024. Please pick up the item at the HOUSTON, TX 77252 Post Office.
9414811898765403695697	Pride Energy Corporation	PO Box 701950	Tulsa	ОК		Your item was picked up at a postal facility at 9:47 am on May 9, 2024 in TULSA, OK 74136.
9414811898765403695680	Robert A. Oliver Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	ТХ		Your item has been delivered to an agent for final delivery in DALLAS, TX 75201 on May 14, 2024 at 9:30 am.
9414811898765403695673	Royalty Trust Corp.	PO Box 22577	Hialeah	FL		Your item has been delivered and is available at a PO Box at 1:38 pm on May 8, 2024 in HIALEAH, FL 33002.
9414811898765403695154	Shumana Exploration, 1P	PO Box 11245	Midland	ТХ		This is a reminder to pick up your item before May 24, 2024 or your item will be returned on May 25, 2024. Please pick up the item at the MIDLAND, TX 79702 Post Office.

9414811898765403695161	Taffrail Investments, LP	PO Box 11025	Midland	тх		This is a reminder to pick up your item before May 24, 2024 or your item will be returned on May 25, 2024. Please pick up the item at the MIDLAND, TX 79702 Post Office.
3414011030703403033101					75762 0025	
						Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is
9414811898765403695109	Tronox Worldwide, LLC	PO Box 268859	Oklahoma City	ОК	73126-8859	ready for pickup.
						Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is
9414811898765403695147	XTO Holdings, LLC	810 Houston St	Fort Worth	ТΧ	76102-6203	ready for pickup.

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9414811898765403627766	Abuelo, LLC	21 Crook Dr	Artesia	NM	88210-9227	Your item was delivered to an individual at the address at 4:33 pm on May 10, 2024 in ARTESIA, NM 88210.
9414811898765403627704	Ergodic Resources, Inc.	22003 Castlewind Cir	Katy	ТХ	77450-8639	Your item departed our USPS facility in OKLAHOMA CITY OK DISTRIBUTION CENTER on May 14, 2024 at 8:24 am. The item is currently in transit to the destination.
0414011000705400007740		21 Graak Dr			00210 0227	Your item was delivered to an individual at the address at 4:33 pm on May 10, 2024 in
9414811898765403627742 9414811898765403627919	Jackie Sue Jones Pennzoil Exploration and Production Company	21 Crook Dr PO Box 2967	Artesia Houston	NM TX		ARTESIA, NM 88210. This is a reminder to pick up your item before May 21, 2024 or your item will be returned on May 22, 2024. Please pick up the item at the HOUSTON, TX 77252 Post Office.
9414811898765403627964	Rado Royalties, LLC	5 Inverness Dr E	Englewood	со	80112-5519	Your item was delivered to an individual at the address at 2:15 pm on May 6, 2024 in ENGLEWOOD, CO 80112.

MRC - Wayne Gaylord 111H, 121H, 112H and 122H wells - Case nos. 24101-24102	
Postal Delivery Report	

9414811898765403627902	Savannah Morgan Boling	4917 Cypress Ave	Wichita Falls	ТХ	76310-3419	Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is ready for pickup.
9414811898765403627940	Stacy Moore-Boling	PO Box 1617	Artesia	NM	88211-1617	Your item arrived at our LUBBOCK TX DISTRIBUTION CENTER destination facility on May 14, 2024 at 5:42 pm. The item is currently in transit to the destination.
9414811898765403627933	The Mark Wilson Family Partnership	PO Box 2145	Midland	ТХ	79702-2145	This is a reminder to pick up your item before May 24, 2024 or your item will be returned on May 25, 2024. Please pick up the item at the MIDLAND, TX 79702 Post Office.
9414811898765403627971	Adolph P. Schuman	2701 16th St	San Francisco	CA	94103-4215	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765403627650	Anges Cluthe Oliver Trustc/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	ТХ	75201-2911	Your item has been delivered to an agent for final delivery in DALLAS, TX 75201 on May 14, 2024 at 9:30 am.

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9414811898765403627605	Atlantic Richfield Company	515 S Flower St	Los Angeles	СА	90071-2201	Your item was delivered to an individual at the address at 10:25 am on May 7, 2024 in LOS ANGELES, CA 90057.
9414811898765403627643	Betsy H. Keller	2524 Union St	San Francisco	СА	94123-3833	Your item was delivered to the front desk, reception area, or mail room at 6:47 pm on May 7, 2024 in SAN FRANCISCO, CA 94123.
9414811898765403627636	Brian D. Woehler Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	ТХ	75201-2911	Your item has been delivered to an agent for final delivery in DALLAS, TX 75201 on May 14, 2024 at 9:30 am.
9414811898765403627117	Charles Cline Moore	605 Market St Fl 9	San Francisco	СА	94105-3219	Your item is being held at the SAN FRANCISCO, CA 94105 post office at 9:45 am on May 7, 2024. This is at the request of the customer.
9414811898765403627162	Diamond Head Properties, LP	PO Box 2127	Midland	TX	79702-2127	Your item was picked up at a postal facility at 9:59 am on May 13, 2024 in MIDLAND, TX 79702.

						We attempted to deliver
						your item at 2:50 pm on
						May 14, 2024 in
						HONOLULU, HI 96825
						and a notice was left
						because an authorized
						recipient was not
9414811898765403627193	Dr. Isaac A Kawasaki	734 Kalanipuu St	Honolulu	HI	96825-2420	available.
						Your item was delivered
						to the front desk,
						reception area, or mail
						room at 6:47 pm on
						May 7, 2024 in SAN
9414811898765403627186	E.G. Holden Testamentary Trust	2524 Union St	San Francisco	CA	94123-3833	FRANCISCO, CA 94123.
						Your item was delivered
						to an individual at the
						address at 6:36 am on
						May 14, 2024 in
9414811898765403627315	EOG Resources, Inc.	PO Box 4362	Houston	ТΧ	77210-4362	HOUSTON, TX 77002.
						Your item was delivered
						to an individual at the
						address at 1:03 pm on
						May 13, 2024 in
9414811898765403627322	Ernie Bello	3325 Ala Akulikuli St	Honolulu	HI	96818-2215	HONOLULU, HI 96818.
						Your item was delivered
						to the front desk,
						reception area, or mail
						room at 1:11 pm on
	Estate of Edward R Hudson, Jr.616					May 7, 2024 in FORT
9414811898765403627391	Texas Street	616 Texas St	Fort Worth	TX	76102-4612	WORTH, TX 76102.

		Postal Delivery Report				
9414811898765403627384	Frances Bunn Revocable Living Trust dated May 18, 1982	2493 Makiki Heights Dr	Honolulu	HI	96822-2542	Your item was delivered to the front desk, reception area, or mail room at 3:37 pm on May 13, 2024 in HONOLULU, HI 96822.
9414811898765403627018	Frederick Van Vranken	PO Box 264	Jericho	NY	11753-0264	Your item has been delivered and is available at a PO Box at 10:41 am on May 10, 2024 in JERICHO, NY 11753.
9414811898765403627063	J.W. Gendron	1280 Encino Dr	San Marino	СА	91108-1008	Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is ready for pickup.
9414811898765403627001	Judith C. Devine Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	ТХ	75201-2911	Your item has been delivered to an agent for final delivery in DALLAS, TX 75201 on May 14, 2024 at 9:30 am.
9414811898765403627087	Judson Exploration, LP	3736 Bee Caves Rd Ste 1 PMB 181	West Lake Hills	ТХ	78746-5378	Your item was returned to the sender at 1:12 pm on May 7, 2024 in AUSTIN, TX 78746 because the forwarding order for this address is no longer valid.

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9414811898765403627070	Karen V. and William H. Martin Energy, Ltd	400 N Marienfeld St Ste 100	Midland	ТХ	79701-4350	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765403627469	Magic Dog Oil & Gas, Ltd.	PO Box 10708	Midland	тх	79702-7708	This is a reminder to pick up your item before May 24, 2024 or your item will be returned on May 25, 2024. Please pick up the item at the MIDLAND, TX 79702 Post Office.
9414811898765403627407	OXY-1 Company	PO Box 27570	Houston	ТХ	77227-7570	Your item has been delivered and is available at a PO Box at 8:49 am on May 7, 2024 in HOUSTON, TX 77227.
9414811898765403627445	Pennzoil Exploration and Production Company	PO Box 2967	Houston	ТХ	77252-2967	This is a reminder to pick up your item before May 21, 2024 or your item will be returned on May 22, 2024. Please pick up the item at the HOUSTON, TX 77252 Post Office.
9414811898765403627438	Pride Energy Corporation	PO Box 701950	Tulsa	ОК	74170-1950	Your item was picked up at a postal facility at 9:47 am on May 9, 2024 in TULSA, OK 74136.

MRC - Wayne Gaylord 111H, 121H, 112H and 122H wells - Case nos. 24101-24102 Postal Delivery Report

MRC - Wayne Gaylord 111H, 121H, 112H and 122H wells - Case nos. 24101-24102 Postal Delivery Report

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9414811898765403627513	Robert A. Oliver Trust U/W Of William B Oliver c/o Brown Brothers Harriman Trust Company Of Delaware, National Association	4900 Trammell Crow Center 2001 Ross Avenue	Dallas	ТХ	75201-2911	Your item has been delivered to an agent for final delivery in DALLAS, TX 75201 on May 14, 2024 at 9:30 am.
9414811898765403627568	Royalty Trust Corp.	PO Box 22577	Hialeah	FL	33002-2577	Your item has been delivered and is available at a PO Box at 1:38 pm on May 8, 2024 in HIALEAH, FL 33002.
9414811898765403627520	Shumana Exploration, LP	PO Box 11245	Midland	тх	79702-8245	This is a reminder to pick up your item before May 24, 2024 or your item will be returned on May 25, 2024. Please pick up the item at the MIDLAND, TX 79702 Post Office.
9414811898765403627599	Taffrail Investments, LP	PO Box 11025	Midland	ТХ	79702-8025	Your item arrived at the MIDLAND, TX 79702 post office at 4:04 pm on May 14, 2024 and is ready for pickup.
9414811898765403627537	Tronox Worldwide, LLC	PO Box 268859	Oklahoma City	ОК	73126-8859	Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is ready for pickup.

		Postal Delivery Report				
9414811898765403626264	XTO Holdings, LLC	810 Houston St	Fort Worth	ТХ	76102-6203	Your item arrived at the SANTA FE, NM 87501 post office at 9:18 am on May 14, 2024 and is ready for pickup.
9414811898765403626202	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item was picked up at a postal facility at 7:50 am on May 8, 2024 in SANTA FE, NM 87501.

MRC - Wayne Gaylord 111H, 121H, 112H and 122H wells - Case nos. 24101-24102

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STATE OF WISCONSIN, COUNTY OF BROWN

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

of New Mexico, Deportment, Oil Energy Minerals Div Sheilo A .gov, Docume be v nrd.nm coses may be becoments titled https://doc.may.cov/inaging/Defoult, you are an individual with a disability who r reader, amplifier, gualified sign language interpr other form of auxillary aid or service to attend or pate in a discussion and or service to attend or pate in a service of the service of the service of a Sheila.Apadaca@emnrd.nm.gov, or the New Relay Network at 1-800-659-1779, no later than / 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.)

All land descriptions herein refer to Ihb Principal Meridian whether or not so stated affected interest owners, including: A tragodic Resources, Inc.: Jackie oue jone ampany: Rede Rayollies, LLC; dy ampany: Rede Rayollies, LLC; Sov. Boling, her heirs and devisees; The Mark V Partnership; Adolph P. Schuman, his heir s; Anges Clube Oliver Frust Ca Brown I rrimma, Truther Frust Ca Brown and the rest of the second states of the period states of the second states of the second states of the period states of the second states of the second states of the period states of the second states of the second states of the period states of the second states of the second states of the period states of the second states of the second states of the period states of the second states of the second states of the period states of the second states of the second states of the period states of the second states of the second states of the period states of the s

24074: Application of MRC Permian Corr npulsory Pooling, Eddy County, New Me n1 in the above-styled course seeks an order andard 320-acre, more or less, horizontal oi unit in the Wolfcomp formalian underlyin Sections 29 & 30. Township 20 South, Ran & 30, Township zu Soon County, New Mexico. Soïd d to the proposed Wayne well to be horizontally drillo i in the NE/4 of Section. 29, in the NE4NE4 (Unit A) of i rind in the NW4NW4 (U Com 201H v ole location ts located in ints located in the NEANEA (Unit A) of Se t take points located in the NVMAWA (Un 30, Also, to be considered will be the ond completing the wells and the allocatio tereor, actual operating costs and char-ision, designation of Matadar Praduction Cr rator of the proposed spacing unit, and for risk involved in drilling the wells. The located approximately 7 miles north of La New Mexico. #10147496, Current Argus, May 7, 2024



Page 1 of 1



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Joe Stark Joe Stark EENR Specialist Holland & Hart 222 South Main Street Suite 2200 Salt Lake City UT 84101

STATE OF WISCONSIN, COUNTY OF BROWN

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

SANTA FE, NEW MERCES and I New Merces and I New Mexico, Energy Minerals and Jiros New Minerals and Division hereby gives notice that the Division with hearings before a hearing examiner on the se. The hearings will be conducted in a hybrid hin person at the Energy, Minerals. I reces Department, Wendell Chino Building, 1220 South SI, Francis Drive, 1st Floor, Sa 5505 and via the WebEx virtual meeting before a Drust day. May 2 with source of the second seco both

STATE OF NEW MEXICO TO: All named parties and persons having any right, tille, interest or claim in the following case and notice to the public.

land descriptions herein refer to the New ipol Meridian whether or not so stated.)

OTE: All lond descriptions herein refer to the New scice Principal Meridian whether or not so stated.) : All offected interest owners, including: Abuelo, A Erodal, Ress, Dess, Mc.: Lackris Sue Jones, her re and the sess, Person and Explores and Produc-neomony: Rada Revallies, LLC; Sovannah noom Boling, her heirs and devisees; Tak Mork Wilson mily Portnership; Adalph P, Schuman, his heirs and visees; Anges Cluthe Oliver Trust (A Brown Borth-hers and devisees; The Mork Wilson mily Portnership; Adalph P, Schuman, his heirs and visees; Anges Cluthe Oliver Trust (A Brown Borth-sociation; Atlantic Richfield, Company; Betsy H, ler, her heirs and devisees; Brian D, Woehler Trust vof William B. Oliver Co Brown Brothers Horriman ust Company of Delaware, National Association; arles Cline Moore, his heirs and devisees; Diamod devisees; Frances Bunn Revacable Living Trust dated visees; J.W. Gendran, his heirs and devisees; Judin ustes; Frances Bunn Revacable Living Trust dated visees; J.W. Gendran, his heirs and devisees; Judin others Harriman Trust Company of Delaware, tional Association; Judson Exploration, LP; Karen and William E. Oliver Trust (Company) of Delaware, tional Association; Judson Exploration, LP; Karen and William Company; Pride Energy Carporation; bert A Oliver Trust Ward William Eo Oliver floware, National Association; Pride Energy Carporation; bert A Oliver Trust Ward William Eo Oliver Corp.; umana Exploration, LP; Taffrail Investments, LP; computery Panalist, Cond XTO Holdinss, LLC.

No. 24075: Application of MRC Permian Comp ompulsory Pooling, Eddy County, New Mey cant in the obove-styled cause seeks an order i standard 320-acre, more or less, horizontal oil ing unit in the Waltcamp formation underlying of Sections 29 & 30, Township 20 South, Rang NMPM, Eddy County, New Mexico, Said unit Jections 29 & Ju, Township 20 South, Rating 26 Jun, Rating 26 Jun, Township 20 South, Rating 26 Jun, Rating 26 Jun, Rating 26 Jun, Rating 26 Jun, 2

New Mexico. #10147380, Current Argus, May 7, 2024

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STATE OF WISCONSIN, COUNTY OF BROWN

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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 ("Divi-sion") hereby gives notice that the Division will hold public hearings before a hearing examiner on the follow-ing case. The hearings will be conducted in a hybrid fash-ion, 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, May 23, 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 https://www.emnrd.nm.gov/ocd/hearing-info/ at or obtained from Sheila Apodaca, at Sheila.Apodaca@emnrd.nm.gov. Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx. If https://ocalmage.emhra.htm.gov/imaging/Default.aspx. It 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 partici-pate in a hearing, contact Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than May 13, 2024 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.)

Mexico Principal Meridian whether or not so stated.) To: All affected interest owners, including: Abuelo, LLC; Ergodic Resources, Inc.; Jackie Sue Jones, her heirs and devisees; Pennzoil Exploration and Produc-tion Company; Rado Royalties, LLC; Savannah Morgan Boling, her heirs and devisees; Stacy Moore-Boling, her heirs and devisees; The Mark Wilson Family Partnership; Adolph P. Schuman, his heirs and devisees; Anges Cluthe Oliver Trust c/o Brown Broth-ers Harriman Trust Company of Delaware, National Association; Atlantic Richfield Company; Betsy H. Keller, her heirs and devisees; Brian D. Woehler Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Charles Cline Moore, his heirs and devisees; Diamond Head Properties, LP; Dr. Isaac A Kawasaki, his heirs and devisees; E.G. Holden Testamentary Trust; EOG Resources, Inc.; Ernie Bello, his heirs and devisees; Estate of Edward R Hudson, Jr., his heirs and devisees; J.W. Gendron, his heirs and devisees; Judith C. Devine Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Judson Exploration, LP; Karen V. and William H. Martin Energy, Ltd; Magic Dog Oil & Gas, Ltd.; OXY-1 Company; Pennzoil Exploration; Robert A. Oliver Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Royalty Trust Corp.; Shumana Exploration, LP; Taffrail Investments, LP; Tronox Worldwide, LLC, and XTO Holdings, LLC.

Case No. 24076: Application of MRC Permian Company for Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling a standard 640-acre, more or less, horizontal well spacing unit in the Wolfcamp formation underlying the N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said unit will be initially dedicated to the to the following proposed wells:
Wayne Gaylord 2930 Fed Com 201H well to be horizontallydrilled from a surface hole location in the NE/4 of Section. 29, with a first take point in the NE44 (Unit A) of Section 29and a last take point in the NW4NW4 (Unit D) of Section 30, and
Wayne Gaylord 2930 Fed Com 202H well to be horizontallydrilled from a surface hole location in the NE/4 (Unit H) of Section 29and a last take point in the SE4NE4 (Unit H) of Section 30.
Also, to be considered will be the cost of drilling and completing the wells 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 wells.

operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 7 miles north of La Huerta, New



PO Box 631667 Cincinnati, OH 45263-1667

AFFIDAVIT OF PUBLICATION

Joe Stark Joe Stark EENR Specialist Holland & Hart 222 South Main Street Suite 2200 Salt Lake City UT 84101

STATE OF WISCONSIN, COUNTY OF BROWN

The Carlsbad Current Argus, a newspaper published in the city of Carlsbad, Eddy County, State of New Mexico, and personal knowledge of the facts herein state and that the notice hereto annexed was Published in said newspapers in the issue:

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

SANTA FE, NEW MEXICO The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Divi-sion") hereby gives notice that the Division will hold public hearings before a hearing examiner on the follow-ing case. The hearings will be conducted in a hybrid fash-ion, 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, May 23, 2024, beginning at 8:15 a.m. To participate in the hearings, see the instructions posted below. The docket may be viewed at https://www.emnrd.nm.gov/ocd/hearing-info/ or obtained from Sheila Apodaca, at Sheila.Apodaca@emnrd.nm.gov/Documents filed in these cases may be viewed at https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or partici-pate in a hearing, contact Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than May 13, 2024. 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.)

Morre: All fund descriptions herein refer former the Mew Mexico Principal Meridian whether or not so stated.)
To: All affected interest owners, including: Abuelo, LLC; Ergodic Resources, Inc.; Jackie Sue Jones, her heirs and devisees; Pennzoil Exploration and Production Company; Rado Royalties, LLC; Savannah Morgan Boling, her heirs and devisees; Lex Savannah Morgan Boling, her heirs and devisees; The Mark Wilson Family Partnership; Adolph P. Schuman, his heirs and devisees; Anges Cluthe Oliver Trust c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Atlantic Richfield Company; Betsy H. Keller, her heirs and devisees; Brian D. Woehler Trust Uw of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Charles Cline Moore, his heirs and devisees; Diamond Head Properties, LP; Dr. Isaac A Kawasaki, his heirs and devisees; Frances Bunn Revocable Living Trust dated May 18, 1982; Frederick Van Vranken, his heirs and devisees; J.W. Gendron, his heirs and devisees; Judith C. Devine Trust U/w of William B. Oliver c/o Brown Brothers and devisees; J.W. Gendron, his heirs and devisees; Judith C. Devine Trust U/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Judson Exploration, LP; Karen V. and William H. Martin Energy, Ltd; Magic Dog Oil & Gas, Ltd.; OXY-1 Company; Prinzoil Exploration, and Production Company; Pride Energy Corporation; Robert A. Oliver Trust U/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; LP; Taffrail Investments, LP; Tronox Worldwide, LLC; XTO Holdings, LLC, and New Mexico State Land Office.

Mexico State Land Office. Case No. 24101: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the N2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed Wayne Gaylord 2930 Fed Com 111H and the Wayne Gaylord 2930 Fed Com 121H wells to be horizon-tally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the NE/4 of Section. 29, with first take points located in the NW4NW4 (Unit D) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedi-cated to the Stonewall EP State No. 6 [30-015-24557], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells 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 wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.



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STATE OF WISCONSIN, COUNTY OF BROWN

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KATHLEEN ALLEN Notary Public State of Wisconsin

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

SANTA FE, NEW MEXICO The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Divi-sion") hereby gives notice that the Division will hold public hearings before a hearing examiner on the follow-ing case. The hearings will be conducted in a hybrid fash-ion, 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, May 23, 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/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 partici-pate in a hearing, contact Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than May 13, 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.)

Mexico Principal Meridian whether or not so stated.)
 To: All affected interest owners, including: Abuelo, LLC; Ergodic Resources, Inc.; Jackie Sue Jones, her heirs and devisees; Pennzoil Exploration and Production Company; Rado Royalties, LLC; Savannah Morgan Boling, her heirs and devisees; The Mark Wilson Family Partnership; Adolph P. Schuman, his heirs and devisees; Anges Cluthe Oliver Trust c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Atlantic Richfield Company; Betsy H. Keller, her heirs and devisees; Brian D. Woehler Trust U/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Charles Cline Moore, his heirs and devisees; Diamond Head Properties, LP; Dr. Isaac A Kawasaki, his heirs and devisees; Frances Bunn Revocable Living Trust dated May 18, 1982; Frederick Van Vranken, his heirs and devisees; J.W. Gendron, his heirs and devisees; Judith C. Devine Trust U/w of William B. Oliver C/o Brown Brothers Harriman Trust Company of Delaware, National Association; Charles Cline Moore, his heirs and devisees; Diamond Head Properties, LP; Dr. Isaac A Kawasaki, his heirs and devisees; Frances Bunn Revocable Living Trust dated May 18, 1982; Frederick Van Vranken, his heirs and devisees; J.W. Gendron, his heirs and devisees; Judith C. Devine Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Judson Exploration, LP; Karen V. and William H. Martin Energy, Ltd; Magic Dog Oil & Gas, Ltd.; OXY-1 Company; Penzoil Exploration; Robert A. Oliver Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Pride Energy Corporation; Robert A. Oliver Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; Pride Energy Corporation; Robert A. Oliver Trust u/w of William B. Oliver c/o Brown Brothers Harriman Trust Company of Delaware, National Association; LP; Taffrail Investmen

Metrico State Land Office.
 Case No. 24102: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving a standard, overlapping 320-acre, more or less, horizontal well spacing unit in the Bone Spring formation, Avalon; Bone Spring, East [Pool Code 3713], underlying the S2N2 of Sections 29 & 30, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico, and (b) pooling the uncommitted interests in this proposed unit. Said unit will be initially dedicated to the proposed wayne Gaylord 2930 Fed Com 112H and the Wayne Gaylord 2930 Fed Com 12H wells to be horizon-tally drilled from a surface hole location in the NE/4 of Section. 29, with first take points located in the SW4NW4 (Unit E) of Section 30. This proposed horizontal well spacing unit will overlap a 160-acre vertical well spacing unit comprised of the NW4 of Section 30 dedi-cated to the Stonewall EP State No. 6 [30-015-24657], a gas well producing from the East Avalon Bone Spring Gas Pool [Code 3278] and currently operated by EOG Resources, Inc. Also, to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matodor Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the wells. The subject area is located approximately 7 miles north of La Huerta, New Mexico.

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District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV

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

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Action 345309

QUESTIONS

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	345309
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	Not answered.	
Testimony time (in minutes)	Not answered.	