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

APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22757, EDDY COUNTY, NEW MEXICO.

CASE NO. 24407 ORDER NO. R-22757

NOTICE OF *REVISED* EXHIBIT

Matador Production Company, applicant in the above-referenced case, gives notice that it is filing the attached exhibit for acceptance into the record.

Revised Matador Exhibit C-1 is a revised updated pooling exhibit.

Respectfully submitted,

HOLLAND & HART LLP

Michael H. Feldewert

Adam G. Rankin

Paula M. Vance

Pathyr

Post Office Box 2208

Santa Fe, New Mexico 87504-2208

(505) 988-4421

(505) 983-6043 Facsimile

mfeldewert@hollandhart.com

agrankin@hollandhart.com

pmvance@hollandhart.com

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

CERTIFICATE OF SERVICE

I hereby certify that on June 21, 2024, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Dana S. Hardy
Jaclyn McLean
P.O. Box 2068
Santa Fe, NM 87504-2068
Phone: (505) 982-4554
Facsimile: (505) 982-8623
dhardy@hinklelawfirm.com
jmclean@hinklelawfirm.com

Attorneys for Permian Resources Operating, LLC

Paula M. Vance

BEFORE THE OIL CONSERVATION DIVISION EXAMINER HEARING JUNE 27, 2024

CASE No. 24407

WHITBY 2526 FED COM #121H WELL

EDDY COUNTY, NEW MEXICO



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

APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22757, EDDY COUNTY, NEW MEXICO.

CASE NO. 24407 ORDER NO. R-22757

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- Matador Exhibit B: Original Pooling Orders
- Matador Exhibit C: Self-Affirmed Statement of Hawks Holder, Landman
 - o Matador Exhibit C-1: Revised Update Pooling Exhibit
- Matador Exhibit D: Self-Affirmed Statement of Notice
- Matador Exhibit E: Affidavit of Publication

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

APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22757, EDDY COUNTY, NEW MEXICO.

CASE NO. 24407 ORDER NO. R-22757

APPLICATION

Matador Production Company ("Matador" or "Applicant"), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to extend the drilling deadline under compulsory pooling Order No. R-22757 ("Order"). In support of its application, Matador states:

1. Division Order No. R-22757, entered on June 15, 2023, in Case No. 23489, created a standard 320-acre, more or less, horizontal spacing unit comprised of the N/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico (the "Unit"), and designated Matador as operator of the Unit.

2. Order No. R-22757 further pooled the uncommitted interests in the Bone Spring formation (Carlsbad; Bone Spring, East [96144]) in the Unit and dedicated the Unit to the proposed initial **Whitby 2526 Fed Com #121H well** (API No. 30-025-PENDING).

- 3. Applicant requests that Order No. R-22757 be re-opened and amended to allow Applicant additional time to commence drilling the well under the Order.
 - 4. There is good cause for Applicant's request for an extension of time to drill.
- 5. Under the Order, Applicant would be required to commence drilling the well by June 16, 2024, and therefore, asks for the deadline to commence drilling the well be extended for a year, to June 16, 2025.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. A
Submitted by: Matador Production Company
Hearing Date: June 27, 2024

Case No. 24407

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on May 2, 2024, and, after notice and hearing as required by law, the Division enter an order extending the time for Matador to commence drilling the proposed initial well under the Order.

Respectfully submitted,

HOLLAND & HART LLP

By:

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

ATTORNEYS FOR MATADOR PRODUCTION COMPANY

CASE :

Application of Matador Production Company to Amend Order No. R-22757, Eddy County, New Mexico. Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-22757. The Unit is comprised of the N/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. Order No. R-22757 pooled the uncommitted interests in the Bone Spring formation and dedicated the Unit to the proposed initial **Whitby 2526 Fed Com #121H well** to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 25, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26. Said area is located 5 miles northeast of Carlsbad, New Mexico.

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY MRC PERMIAN COMPANY

CASE NO. 23489 ORDER NO. R-22757

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on June 01, 2023, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. MRC Permian Company ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.

- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
- 20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 21. This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.
- 22. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 23. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 24. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled

CASE NO. 23489 ORDER NO. R-22757

Page 2 of 7

Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 25. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 26. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 27. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 28. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.

CASE NO. 23489 ORDER NO. R-22757

- 30. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 31. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 32. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 33. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 34. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 35. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 36. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

DYLAN M FUGE

DIRECTOR DMF/hat

Date: 6/15/2023

CASE NO. 23489 ORDER NO. R-22757

Exhibit A

Received by OCD: 5/5/2023 2:50:16 PM COMPULSORY POOLING APPLICATION CHECKLIST ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS Case: 23489 **APPLICANT'S RESPONSE** Date May 4, 2023 Applicant **MRC Permian Company** Designated Operator & OGRID (affiliation if applicable) Matador Production Company (OGRID No. 228937) Holland & Hart LLP Applicant's Counsel: Case Title: APPLICATION OF MRC PERMIAN COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO. Entries of Appearance/Intervenors: N/A Well Family Whitby Formation/Pool Formation Name(s) or Vertical Extent: **Bone Spring Formation** Primary Product (Oil or Gas): Oil Pooling this vertical extent: N/A Carlsbad; Bone Spring, East [96144] Pool Name and Pool Code: Well Location Setback Rules: Statewide oil rules Spacing Unit Type (Horizontal/Vertical) Horizontal 320 Size (Acres) **Building Blocks:** 40 acres Orientation: East-West Description: TRS/County N/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico Standard Horizontal Well Spacing Unit (Y/N), If No, describe Yes and is approval of non-standard unit requested in this application? Other Situations Depth Severance: Y/N. If yes, description No Proximity Tracts: If yes, description No Proximity Defining Well: if yes, description N/A Applicant's Ownership in Each Tract Exhibit C-3 Well(s) Name & API (if assigned), surface and bottom hole location, Add wells as needed footages, completion target, orientation, completion status

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Revised Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: May 4, 2023
Case Nos. 23489-23492

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CASE NO. 23489 ORDER NO. R-22757

(standard or non-standard)

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|---|---|-----------|
| Well #2 | Whitby 2526 Fed Com #121H well SHL: 1,146' FNL, 707' FEL (Unit A) of Section 25 FTP: 660' FNL, 100' FEL (Unit A) of Section 25 LTP: 660' FNL, 110' FWL (Unit D) of Section 26 BHL: 660' FNL, 110' FWL (Unit D) of Section 26 Target: Bone Spring Orientation: East-West Completion: Standard Location | |
| Horizontal Well First and Last Take Points | Exhibit C-1 | |
| Completion Target (Formation, TVD and MD) | Exhibit C-4 | |
| AFE Capex and Operating Costs | | |
| Drilling Supervision/Month \$ | \$8,000 | |
| Production Supervision/Month \$ | \$800 | |
| Justification for Supervision Costs | Exhibit C | |
| Requested Risk Charge | 200% | |
| Notice of Hearing | | |
| Proposed Notice of Hearing | Exhibit B | |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit E | |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit F | |
| Ownership Determination | | |
| Land Ownership Schematic of the Spacing Unit | Exhibit C-2 | |
| Tract List (including lease numbers and owners) If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | Exhibit C-3 N/A | |
| Pooled Parties (including ownership type) | Exhibit C-3 | |
| Unlocatable Parties to be Pooled | N/A | |
| Ownership Depth Severance (including percentage above & below) | N/A | |
| Joinder | | |
| Sample Copy of Proposal Letter | Exhibit C-4 | |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit C-3 | |
| Chronology of Contact with Non-Joined Working Interests | Exhibit C-5 | |
| Overhead Rates In Proposal Letter | Exhibit C-4 | |
| Cost Estimate to Drill and Complete | Exhibit C-4 | |
| Cost Estimate to Equip Well | Exhibit C-4 | |
| Cost Estimate for Production Facilities | Exhibit C-4 | |
| Geology | | |
| Summary (including special considerations) | Exhibit D | |
| Spacing Unit Schematic | Exhibit D-1 | |
| Released to Imaging -5/5/2023 2:58:03 PM Gunbarrel/Lateral Trajectory Schematic | N/A | |

CASE NO. 23489 ORDER NO. R-22757

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|--|---|
| Well Orientation (with rationale) | Exhibit D |
| Target Formation | Exhibit D, D-3 |
| HSU Cross Section | Exhibit D-3 |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | Exhibit C-1 |
| Tracts | Exhibit C-2 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit C-3 |
| General Location Map (including basin) | Exhibit D-1 |
| Well Bore Location Map | Exhibit D-1 |
| Structure Contour Map - Subsea Depth | Exhibit D-2 |
| Cross Section Location Map (including wells) | Exhibit D-3 |
| Cross Section (including Landing Zone) | Exhibit D-3 |
| Additional Information | |
| Special Provisions/Stipulations | N/A |
| CERTIFICATION: I hereby certify that the information p | rovided in this checklist is complete and accurate. |
| Printed Name (Attorney or Party Representative): | Paula M. Vance |
| Signed Name (Attorney or Party Representative): | Pho I |
| Date: | 5/3/2023 |

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CASE NO. 23489 ORDER NO. R-22757 Received by OCD: 6/21/2024 3:08:54 PM

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

APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER

ORDER NO. R-22757, EDDY COUNTY, NEW MEXICO.

CASE NO. 24407 ORDER NO. R-22757

SELF-AFFIRMED STATEMENT OF HAWKS HOLDER

Hawks Holder, of lawful age and being first duly sworn, declares as follows:

1. My name is Hawks Holder. I work for MRC Energy Company, an affiliate of MRC

Permian Company ("Matador"), as a Landman.

2. I have previously testified before the New Mexico Oil Conservation Division

("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 record.

3. I am familiar with the application filed by Matador in this case, and I am familiar

with the status of the lands in the subject area.

4. On June 15, 2023, the Division issued Order R-22757 ("Pooling Order") in Case

No. 23489 pooling the uncommitted interests in the Bone Spring formation (Carlsbad; Bone

Spring, East [96144]) underlying a standard 320-acre, more or less, overlapping horizontal spacing

unit comprised of the N/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East,

NMPM, Eddy County, New Mexico. Matador is the designated operator under the Pooling

Order and the pooled spacing unit is initially dedicated to the proposed Whitby 2526 Fed Com

1

#121H (API pending).

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. C

Submitted by: Matador Production Company Hearing Date: June 27, 2024 Case No. 24407

- 5. Matador is eager to develop this acreage and filed its application for a federal APD for the initial well on February 13, 2024. Matador filed its federal APD applications in February 2024 after Matador spent a significant amount of time working to find an acceptable surface location (after considering archeological surveys in the area) for the pads related to the initial well. Once the BLM approves Matador's previously filed federal APD, Matador intends to promptly drill the initial well under the order. Good cause therefore exists to extend the deadline to commence drilling under the order for a year, until June 15, 2025.
- 6. All of the working interest parties from the original Pooling Order are the same except that Oxy Y-1 Company and Occidental Permian Ltd. have sold their respective interests to Permian Resources Operating LLC. **Matador Exhibit C-1** is an updated copy of the pooling exhibit.
- 7. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable well, or to pay their estimated share of the costs to drill, complete and equip the applicable well.
 - 8. The granting of this application will prevent waste and protect correlative rights.
- 9. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.

Hawks Holder

1/1/11

Date

5/13/24

Summary of Interests

| MRC Permian Company: | | | 38.947948% |
|---|---------------------------|----------------------|------------|
| Voluntary Joinder: | | | 7.876396% |
| Compulsory Pool: | | | 53.175657% |
| Compulsory Pool Interest Owner: | Description: | Tract: | Interest: |
| EOG Resources, Inc. | Working Interest | 1, 2, 3, 4, 9, 11 | 16.210317% |
| Permian Resources Operating, LLC | Working Interest | 1, 2, 3, 4, 8, 9, 11 | 18.722873% |
| Oxy Y-1 Company | Working Interest | 1, 2, 3, 4 | 7.643694% |
| Magnum Hunter Production, Inc. | Working Interest | 2 | 6.250000% |
| Jasha Cultrerri and wife, Susan Cultrerri | Working Interest | 11 | 1.712053% |
| Ross Duncan Properties LLC | Working Interest | 11 | 0.501302% |
| Brian C. Reid and wife, Katherine C. Reid | Working Interest | 11 | 0.572917% |
| Norma G. Barton | Unleased Working Interest | 3 | 1.562500% |

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico Revised Exhibit No. C-1

Submitted by: Matador Production Company

Hearing Date: June 27, 2024

Case No. 24407



Summary of Interests

| Interest Owner: | Description: |
|---|--------------------|
| WilderPan LLC | Overriding Royalty |
| Carrie McVay, Trustee of the Carrie McVay Trust | Overriding Royalty |
| Llano Natural Resources, LLC | Overriding Royalty |
| CRM 2018, L.P. | Overriding Royalty |
| Bernard Lee House, Jr. | Overriding Royalty |
| Casa Grande Royalty Co., Inc. | Overriding Royalty |
| BWAB Limited Liability Company | Overriding Royalty |
| Delia C. Parker | Overriding Royalty |
| Penasco Petroleum LLC | Overriding Royalty |
| Rolla R. Hinkle, III | Overriding Royalty |
| Ronald L. Marcum and wife, Sylvia G. Marcum | Overriding Royalty |
| Ter-mack, LP | Overriding Royalty |
| William Edward Steinmann, Jr. and Patricia Ann Steinmann, Joint Tenants | Overriding Royalty |
| Nuevo Seis, Limited Partnership | Overriding Royalty |
| Robert H. Hannifin and Maxine B. Hannifin, Trustees of the Robert and Maxine Hannifin Trust dated March 1, 2005 | Overriding Royalty |



Summary of Interests

| Interest Owner: | Description: |
|----------------------------|--------------------|
| Quanah Exploration, LLC | Overriding Royalty |
| Wallace H. Scott, III | Overriding Royalty |
| William Winfield Scott | Overriding Royalty |
| McElroy Minerals, LLC | Overriding Royalty |
| James D. Finley | Overriding Royalty |
| Matthew E. Cooper | Overriding Royalty |
| Brent D. Talbot | Overriding Royalty |
| Stephen M. Clark | Overriding Royalty |
| AmeriPermian Holdings, LLC | Overriding Royalty |
| Guest Petroleum, Inc. | Overriding Royalty |
| Westway Petro | Overriding Royalty |
| Ronald T. May | Overriding Royalty |
| Bryant E. Kirk | Overriding Royalty |



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

APPLICATION OF MATADOR PRODUCTION COMPANY TO EXTEND THE DRILLING DEADLINE UNDER ORDER NO. R-22757, EDDY COUNTY, NEW MEXICO.

CASE NO. 24407 ORDER NO. R-22757

SELF-AFFIRMED STATEMENT OF PAULA M. VANCE

- 1. I am attorney in fact and authorized representative of Matador Production

 Company ("Matador"), the Applicant herein. I have personal knowledge of the matter addressed herein and am competent to provide this self-affirmed statement.
- 2. The above-referenced application and notice of the hearing on this application was sent by certified mail to the locatable affected parties on the date set forth in the letter attached hereto.
- 3. The spreadsheet attached hereto contains the names of the parties to whom notice was provided.
- 4. The spreadsheet attached hereto contains the information provided by the United States Postal Service on the status of the delivery of this notice as of May 10, 2024.
- 5. I caused a notice to be published to all parties subject to this request for extension proceeding. An affidavit of publication from the publication's legal clerk with a copy of the notice publication is attached herein.
- 6. 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.

 BEFORE THE OIL CONSERVAL

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Matador Production Company

Submitted by: Matador Production Compa Hearing Date: June 27 2024 Case No. 24407 5/14/2024

Paula M. Vance

Date



Paula M. Vance **Associate Phone** (505) 988-4421 pmvance@hollandhart.com

April 26, 2024

VIA CERTIFIED MAIL CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Matador Production Company to Amend Order No. R-22757, Eddy County, New Mexico: Whitby 2526 Fed Com #121H well

Ladies & Gentlemen:

This letter is to advise you that Matador Production Company has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on May 16, 2024, and the status of the hearing can be monitored through the Division's website at http://www.emnrd.state.nm.us/ocd/.

It is anticipated that hearings will be held in a hybrid format with both in-person and virtual participation options. The meeting will be held in the Pecos Hall Hearing Room at the Wendall Chino Building, 1st Floor, 1220 South St. Francis Dr., Santa Fe, New Mexico. To participate virtually in the hearing, see the instructions posted on the OCD Hearings website: https://www.emnrd.nm.gov/ocd/hearing-info/.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date. Parties appearing in cases are required to file a Pre-hearing Statement four business days in advance of a scheduled hearing that complies with the provisions of NMAC 19.15.4.13.B.

If you have any questions about this matter, please contact Hawks Holder at (972) 619-4336 or hawks.holder@matadorresources.com.

Sincerely,

Paula M. Vance

ATTORNEY FOR MATADOR PRODUCTION

COMPANY

| Your ite | em was |
|--|---------------------|
| dolivor | |
| uenven | ed to an |
| individ | ual at the |
| addres | s at 11:37 am on |
| May 6, | 2024 in SPRING, |
| 9414811898765403320971 AmeriPermian Holdings, LLC 1733 Woodstead Ct Ste 206 The Woodlands TX 77380-3401 TX 77380-3 | 80. |
| Your ite | em was picked |
| up at a | postal facility at |
| 1:00 pr | m on May 8, |
| 2024 ir | n MIDLAND, TX |
| 9414811898765403320612 Bernard Lee House, Jr. PO Box 51707 Midland TX 79710-1707 79705. | |
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| 9414811898765403320650 Brent D. Talbot 1308 Lake St Ste 200 Fort Worth TX 76102-4505 facility. | |
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| expect ^a | ed, but is still on |
| its way | . It is currently |
| in trans | sit to the next |
| 9414811898765403320667 Brian C. Reid and wife, Katherine C. Reid 10 Desta Dr Midland TX 79705-4515 facility. | |
| Your pa | ackage will |
| arrive I | later than |
| expect ^o | ed, but is still on |
| its way | . It is currently |
| in trans | sit to the next |
| 9414811898765403320629 BWAB Limited Liability Company 100 Saint Paul St Ste 305 Denver CO 80206-5136 facility. | |
| | |
| Your ite | em was |
| deliver | ed to an |
| individ | ual at the |
| addres | s at 10:40 am on |
| Carrie McVay, Trustee of The Carrie McVay | 2024 in SAN |
| 9414811898765403320605 Trust 3225 Willard St San Diego CA 92122-2920 DIEGO, | , CA 92122. |

| | | | | | | Your item was picked up at the post office at 11:05 am on May 7, |
|------------------------|-------------------------------|---------------------------|-------------|----|------------|--|
| 9414811898765403320698 | Casa Grande Royalty Co., Inc. | PO Box 818 | Kemah | TX | 77565-0818 | 2024 in KEMAH, TX 77565. |
| | | | | | | Your item was picked |
| | | | | | | up at a postal facility at |
| | | | | | | 10:08 am on May 8, |
| | | | | | | 2024 in MIDLAND, TX |
| 9414811898765403320643 | CRM 2018, L.P. | PO Box 51933 | Midland | TX | 79710-1933 | 79705. |
| | | | | | | Your item was delivered to an individual at the address at 2:42 pm on May 8, 2024 in |
| 9414811898765403320681 | Delia C. Parker | 1421 W Carrizo Springs Ln | Pueblo West | со | 81007-2006 | LAKEVILLE, MN 55044. |
| 9414811898765403320674 | EOG Resources, Inc. | 1111 Bagby St Lbby 2 | Houston | TX | 77002-2589 | This is a reminder to arrange for redelivery of your item or your item will be returned to sender. |
| | | | | | | |
| | | | | | | Your item was |
| | | | | | | delivered to the front |
| | | | | | | desk, reception area, or mail room at 11:55 |
| | | | | | | am on May 3, 2024 in |
| | | | | | | FORT WORTH, TX |
| 9414811898765403320117 | James D. Finley | 1308 Lake St Ste 200 | Fort Worth | TX | 76102-4505 | |

| | | | | | | Your item was forwarded to a different address at 3:53 pm on May 7, 2024 in MIDLAND, TX. This was because of forwarding instructions or because the address or ZIP Code on the |
|------------------------|--|-----------------------------|------------|----|------------|--|
| 9414811898765403320155 | Jasha Cultrerri and wife Susan Cultrerri | 1206 Neely Ave | Midland | TX | 79705-7529 | label was incorrect. |
| | | | | | | This is a reminder to pick up your item before May 17, 2024 or your item will be returned on May 18, 2024. Please pick up the item at the LUBBOCK, TX 79464 |
| 9414811898765403320162 | Llano Natural Resources, LLC | PO Box 65318 | Lubbock | TX | 79464-5318 | Post Office. |
| | | | | | | Your package will arrive later than expected, but is still on its way. It is currently in transit to the next |
| 9414811898765403320100 | Magnum Hunter Production, Inc. | 600 N Marienfeld St Ste 600 | Midland | TX | 79701-4405 | , |
| | | | | | | Your item has been delivered and is available at a PO Box at 8:02 am on May 3, 2024 in FORT WORTH, |
| 9414811898765403320193 | Matthew E. Cooper | PO Box 2200 | Fort Worth | TX | 76113-2200 | TX 76102. |

| | | | | | | Your item was delivered to an individual at the address at 3:24 pm on May 2, 2024 in ENGLEWOOD, CO |
|------------------------|-----------------------------------|--------------------------|-----------|-------|------------|--|
| 9414811898765403320148 | McElroy Minerals, LLC | 4210 S Bellaire Cir | Englewood | СО | 80113-5052 | 80113. Your item was |
| | | | | | | delivered to an |
| | | | | | | individual at the |
| | | | | | | address at 5:47 pm on |
| | | | | | | May 3, 2024 in HOBBS, |
| 9414811898765403320186 | Norma J. Barton | 407 E Arriba Dr | Hobbs | NM | 88240-3432 | |
| | | | | | | Your item was picked |
| | | | | | | up at the post office at |
| | | | | | | 12:20 pm on May 3, |
| 0/1/011000765/02220121 | Nuevo Seis, Limited Partnership | PO Box 2588 | Roswell | NM | 88202-2588 | 2024 in ROSWELL, NM |
| 3414611636703403320131 | Nuevo Seis, Liiniteu raitheisiiip | FO BOX 2368 | ROSWEII | INIVI | 00202-2300 | 88201. |
| 0444044000765403330470 | Ossidontal Pagasian IAd | 5 Consequent Ple Ste 440 | | TV | 77046-0521 | Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on May 4, 2024 at |
| 9414811898765403320179 | Occidental Permian Ltd | 5 Greenway Plz Ste 110 | Houston | TX | 77046-0521 | 11:01 am. |
| | | | | | | Your item has been delivered to an agent for final delivery in HOUSTON, TX 77046 on May 4, 2024 at |
| 9414811898765403320315 | Oxy Y-1 Company | 5 Greenway Plz Ste 110 | Houston | TX | 77046-0521 | |
| | | | | | | Your item was picked |
| | | | | | | up at the post office at |
| | | | | | | 10:48 am on May 6, 2024 in ROSWELL, NM |
| 9414811898765403320353 | Penasco Petroleum LLC | PO Box 4168 | Roswell | NM | 88202-4168 | · · |
| 9414811898765403320353 | Penasco Petroleum LLC | PO Box 4168 | Roswell | NM | 88202-4168 | · · |

| | | | | | | Your package will arrive later than |
|------------------------|--|------------------------------|---------|----|------------|-------------------------------------|
| | | | | | | expected, but is still on |
| | | | | | | its way. It is currently |
| | | | | | | in transit to the next |
| 9414811898765403320360 | Permian Resources Operating, LLC | 300 N Marienfeld St Ste 1000 | Midland | TX | 79701-4688 | |
| | | | | | | Your item was |
| | | | | | | delivered to an |
| | | | | | | individual at the |
| | | | | | | address at 12:04 pm on |
| | | | | | | May 6, 2024 in |
| 9414811898765403320322 | Quanah Exploration, LLC | 515 Tradewinds Blvd | Midland | TX | 79706-2968 | MIDLAND, TX 79706. |
| | | | | | | Your item was picked |
| | | | | | | up at a postal facility at |
| | Robert H. Hannifin and Maxine B. Hannifin, | | | | | 10:52 am on May 7, |
| | Trustees Of The Robert And Maxine | | | | | 2024 in MIDLAND, TX |
| 9414811898765403320308 | Hannifin Trust Dated March 1, 2005 | PO Box 218 | Midland | TX | 79702-0218 | 79702. |
| | | | | | | Your item was picked |
| | | | | | | up at the post office at |
| | | | | | | 10:24 am on May 3, |
| | | | | | | 2024 in ROSWELL, NM |
| 9414811898765403320391 | Rolla R. Hinkle, III | PO Box 2292 | Roswell | NM | 88202-2292 | 88201. |
| | | | | | | Your package will |
| | | | | | | arrive later than |
| | | | | | | expected, but is still on |
| | | | | | | its way. It is currently |
| | Ronald L. Marcum and wife, Sylvia G. | | | | | in transit to the next |
| 9414811898765403320346 | Marcum | 4574 Weeping Willow Dr | El Paso | TX | 79922-2219 | facility. |
| | | | | | | Your item was picked |
| | | | | | | up at the post office at |
| | | | | | | 11:31 am on May 6, |
| | | | | | | 2024 in ARTESIA, NM |
| 9414811898765403320384 | Ross Duncan Properties, LLC | PO Box 647 | Artesia | NM | 88211-0647 | 88210. |

| 9414811898765403320339 | Stephen M. Clark | PO Box 2200 | Fort Worth | TX | 76113-2200 | Your item has been delivered and is available at a PO Box at 8:02 am on May 3, 2024 in FORT WORTH, TX 76102. |
|------------------------|--|----------------------|------------|-------|------------|--|
| 9414811898765403320018 | Ter-Mack IP | 124 Larkspur Loop | Alto | NM | 88312-8019 | This is a reminder to arrange for redelivery of your item or your item will be returned to sender. |
| 9414811898703403320018 | TEI-Wath, LF | 124 Lai Kspui Loop | Alto | NIVI | 88312-8019 | Your item has been delivered to an agent for final delivery in AUSTIN, TX 78703 on May 6, 2024 at 12:51 |
| 9414811898765403320056 | Wallace H. Scott, III | 2901 Oakhurst Ave | Austin | TX | 78703-1951 | • |
| | | | | | | Your item was picked up at a postal facility at 12:39 pm on May 8, 2024 in MIDLAND, TX |
| 9414811898765403320063 | WilderPan LLC | PO Box 50088 | Midland | TX | 79710-0088 | |
| 9414811898765403320025 | William Edward Steinmann, Jr. And Patricia Ann Steinmann, Joint Tenants | 146 Flute Player Way | Alto | NM | 88312-8015 | Your item was picked up at a postal facility at 2:33 pm on May 7, 2024 in ALTO, NM |
| 3414011030703403320023 | Ann Steinhain, John Tehants | 140 Hate Flayer Way | Aito | INIVI | 00312-0013 | Your item was delivered to an individual at the address at 12:18 pm on May 6, 2024 in AUSTIN, |
| 9414811898765403320001 | William Winfield Scott | 3000 Willowood Cir | Austin | TX | 78703-1056 | TX 78703. |



PO Box 631667 Cincinnati, OH 45263-1667

AFFIDAVIT OF PUBLICATION

Joe Stark Holland And Hart 110 N Guadalupe ST # 1 Santa Fe NM 87501-1849

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:

05/02/2024

and that the fees charged are legal. Sworn to and subscribed before on 05/02/2024

Legar Cicik

Notary, State of WI, County of Brown

My commission expires

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Case No. 24407

THIS IS NOT AN INVOICE!

Please do not use this form for payment remittance.

DENISE ROBERTS Notary Public State of Wisconsin

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Matador Production Company
Hearing Date: June 27, 2024
Case No. 24407

Page 1 of 2

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following cases. The hearings will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform (sign-in information below) on Thursday, May 16, 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/lmaging/Default.aspx. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Sheila Apodaca at Sheila.Apodaca@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-659-1779, no later than May 7, 2024.

Persons may view and participate in the hearings 2024. Persons may view and participate in the hearings through the following https://nmemnrd.webex.com/nmemnrd/j.php? MTID=m32aaf777e9d082c47d69dd41d9276ffa

Webingr number: 2486 275 6900

Join by video system: Dial 24862756900@nmemnrd.webex.com You can also dial 173.243.2.68 and enter your webinar number.

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

Access code: 2486 275 6900 Panelist password: PxJVpFrv278 (79587378 from phones and video systems)

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

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

Mexico Principal Meridian whether or not so stated.)

To: All affected interest owners, including: AmeriPermian Holdings, LLC; Bernard Lee House, Jr., his heirs and devisees; Brian C. Reid and wife, Katherine C. Reid, their heirs and devisees; BWAB Limited Liability Company; Carrie McVay, Trustee of the Carrie McVay Trust; Casa Grande Royalty Co., Inc.; CRM 2018, L.P.; Delia C. Parker, her heirs and devisees; EOG Resources, Inc.; James D. Finley, hisheirs and devisees; Jasha Cultrerri and wife Susan Cultrerri, their heirs and devisees; LlanoNatural Resources, LLC; Magnum Hunter Production, Inc.; Matthew E. Cooper, his heirsand devisees; McElroy Minerals, LLC; Norma J. Barton, her heirs and devisees; Nuevo Seis, Limited Partnership; Occidental Permian Ltd; Oxy Y-1 Company; Penasco Petroleum LLC; Permian Resources Operating, LLC; Quanah Exploration, LLC; Robert H. Hannifin andMaxine B. Hannifin, Trustees of the Robert and Maxine Hannifin Trust dated March 1,2005; Rolla R. Hinkle, III, his heirs and devisees; Ronald L. Marcum and wife, Sylvia G.Marcum, their heirs and devisees; Ross Duncan Properties, LLC; Stephen M. Clark, hisheirs and devisees; Ter-mack, LP; Wallace H. Scott, III, his heirs and devisees; WilderPanLLC; William Edward Steinmann, Jr. and Patricia Ann Steinmann, Joint Tenants, theirheirs and devisees, and William Winfield Scott, his heirs and devisees. devisees.

Case No. 24407: Application of Matador Production Company to Amend Order No. R-22757, Eddy County, New Mexico. Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-22757. The Unit is comprised of the N/2 N/2 of Sections 25 and 26, Township 21 South, Range 27 East, NMPM, Eddy County, New Mexico. Order No. R-22757 pooled the uncommitted interests in the Bone Spring formation and dedicated the Unit to the proposed initial Whitby 2526 Fed Com #121H well to be horizontally drilled from a surface location in the NE/4 NE/4 (Unit A) of Section 25, to a bottom hole location in the NW/4 NW/4 (Unit D) of Section 26. Said area is located 5 miles northeast of Carlsbad, New Mexico.

Released to Imaging: 6/24/2024 11:26#30199M5, Current Argus, May 2, 2024