

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING JULY 25, 2024**

CASE NO. 24480

MONIKA 14 17S 37E #001 WELL

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF GREYHOUND RESOURCES, LLC,
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24480

**HEARING PACKAGE
TABLE OF CONTENTS**

- **Greyhound Exhibit A:** Compulsory Pooling Application Checklist
- **Greyhound Exhibit B:** Filed Application
- **Greyhound Exhibit C:** Self-Affirmed Statement of David Johns, Landman
 - Greyhound Exhibit C-1: Draft C-102s
 - Greyhound Exhibit C-2: Unleased Mineral Owners
 - Greyhound Exhibit C-3: Sample Well Proposal Letter & AFEs
 - Greyhound Exhibit C-4: Sample Well Proposal Letter & AFEs
- **Greyhound Exhibit D:** Self-Affirmed Statement of Andrew Parker, Geologist
 - Greyhound Exhibit D-1: Locator Map
 - Greyhound Exhibit D-2: Subsea Structure Map
 - Greyhound Exhibit D-3: Structural Cross Section
- **Greyhound Exhibit E:** Self-Affirmed Statement of Notice
- **Greyhound Exhibit F:** Affidavit of Publication


COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

Case: 24480	APPLICANT'S RESPONSE
Date: July 25, 2024	
Applicant	Greyhound Resources Company, LLC
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company [OGRID 228937]
Applicant's Counsel:	Holland & Hart LLP
Case Title:	Application of Greyhound Resources Company, LLC, for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	
Well Family	Monika
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp & Bone Spring formations
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Humble City; Wolfcamp (33510) Hobbs Channel; Bone Spring (31705)
Well Location Setback Rules:	Statewide Rules
Spacing Unit	
Type (Horizontal/Vertical)	Directional
Size (Acres)	40-acres
Building Blocks:	N/A
Orientation:	N/A
Description: TRS/County	SW4NE4 of Section 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in the application?	N/A
Other Situations	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	N/A
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, footages, completion target, orientation, completion status (standard or non-standard)	

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

Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480

Well #1	Monika 14 17S 37E 001 (30-025-49719) Initial Wolfcamp Completion: SHL: 2128' FNL & 2321' FEL (Unit G) of Sec. 14, T17S, R37E BHL: 1571' FNL & 1975' FEL (Unit G) of Sec. 14, T17S, R37E Completion Location expected to be: Non-Standard Secondary Bone Spring Completion: SHL: 2128' FNL & 2321' FEL (Unit G) of Sec. 14, T17S, R37E BHL: 1585' FNL & 1989' FEL (Unit G) of Sec. 14, T17S, R37E Completion Location expected to be: Non-Standard
Horizontal Well First and Last Take Points	N/A
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 A
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)	Exhibits C-2 and C-3
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	Exhibit C-4
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
Release to the Surface	N/A

Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	N/A
Target Formation	Exhibit D
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 C-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Michael H. Feldewert
Signed Name (Attorney or Party Representative):	
Date:	18-Jul-24

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

**APPLICATION OF GREYHOUND RESOURCES
COMPANY, LLC, FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24480

APPLICATION

Greyhound Resources Company, LLC (“Applicant”) through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted interests in standard 40-acre vertical well spacing units in the Wolfcamp and Bone Spring formations underlying the SW4 NE4 of Section 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. In support of this application, Applicant states:

1. Applicant is an interest owner in the subject acreage and has a right to drill thereon.
2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed spacing units.
3. Applicant proposes to dedicate the above-referenced spacing unit to the existing **Monika 14 17S 37E State 001** (30-025-49719), a vertical well currently drilled in the Strawn formation from a previously approved non-standard location in the SW4 NE4 (Unit G) of Section 14.
4. Applicant intends to recomplete the well initially in the Wolfcamp formation [Humble City; Wolfcamp (33510)], and then in the Bone Spring formation [Hobbs Channel; Bone Spring (31705)] as warranted.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480**

5. Applicant has separately filed for administrative approval of the non-standard location in the Wolfcamp and Bone Spring formations.

6. Applicant has sought and been unable to obtain voluntary agreement for the development of these lands from all working interest owners in the subject acreage.

7. The pooling of interests will avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

8. The approval of this application and the pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Matador requests that this application be set for hearing before an Examiner of the Oil Conservation Division on June 13, 2024, and, after notice and hearing as required by law, the Division enter an order:

- A. Pooling all uncommitted interests in the proposed Wolfcamp and Bone Spring spacing units;
- B. Designating Matador Production Company as the operator of said spacing units and wells drilled thereon;
- C. Authorizing Applicant to recover a proportionate share of costs of drilling, equipping, completing, and recompleting the existing well;
- D. Approving the actual operating charges and costs of supervision while recompleting the well, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and

- E. Imposing a 200% charge for the risk assumed by Applicant in recompleting the well against any working interest owner who does not voluntarily participate in the recompletion of the well.

Respectfully submitted,

HOLLAND & HART LLP

By: 

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

**ATTORNEYS FOR GREYHOUND RESOURCES
COMPANY, LLC**

CASE _____: **Application of Greyhound Resources Company, LLC for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all uncommitted interests in standard 40-acre vertical well spacing units in the Wolfcamp and Bone Spring formations underlying the SW4NE4 of Section 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the existing **Monika 14 17S 37E State 001** (30-025-49719), a vertical well currently drilled in the Strawn formation from a previously approved non-standard location in the SW4NE4 (Unit G) of Section 14. Also to be considered will be the proportionate cost of drilling, recompleting and equipping said well and the allocation of these costs, the operating costs and charges for supervision, the designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in recompleting said well. Said area is located approximately 10 miles Northwest of Hobbs, New Mexico.

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

**APPLICATION OF GREYHOUND RESOURCES, LLC,
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24480

SELF-AFFIRMED STATEMENT OF DAVID JOHNS, LANDMAN

1. My name is David Johns and I am employed by MRC Energy Company, an affiliate of Greyhound Resources, LLC ("Greyhound"), as the 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 record.

3. I am familiar with the application filed by Greyhound in this case and the status of the lands in the subject area.

4. Greyhound seeks an order pooling all uncommitted interests in a standard 40-acre directional well spacing units in the Wolfcamp and Bone Spring formations underlying the SW4NE4 (Unit G) of Section 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the existing Monika 14 17S 37E 001 (30-025-49719), a directional well currently drilled in the Strawn formation from a previously approved non-standard location in the SW4NE4 (Unit G) of Section 14.

5. The initial 80-acre spacing unit in the Strawn formation for this well was approved by Division Order R-22177 under Case 22500.

6. Greyhound intends to recomplete the Monika well initially in the Wolfcamp formation [Humble City; Wolfcamp Pool (33510)] and plug back the Strawn formation.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480**

Greyhound may also recomplete the well further up hole in the Bone Spring formation [Hobbs Channel; Bone Spring Pool (31705)] as warranted. Both pools are oil pools subject to the Division's statewide rules.

7. Greyhound seeks to have Matador Production Company (OGRID No. 228937) designated as the operator of these proposed spacing units.

8. Greyhound has obtained administrative approval of the non-standard location in this Wolfcamp oil pool under Administrative Order NSL – 8706. Greyhound has similarly obtained administrative approval of the non-standard location in this Bone Spring oil pool under Administrative Order NSL – 8705, in the event it determines it needs to continue moving up-hole to complete the well in the Bone Spring formation.

9. **Greyhound Exhibit C-1** contains two draft form C-102's for this well, one for the Wolfcamp formation and a second for the Bone Spring formation. The SW4NE4 (Unit G) of Section 14 is comprised of one fee tract.

10. **Greyhound Exhibit C-2** identifies the unleased mineral owners that Greyhound seeks to pool in the 40-acre tract comprising the proposed spacing unit. No ownership depth severances exist in the proposed spacing unit, so the interests in the Wolfcamp and Bone Spring formations are uniform.

11. **Greyhound Exhibit C-3** contains a sample well proposal letter and AFE for the proposed recompletion sent to the mineral owners. It notes that the AFE costs represent only the estimated costs of drilling, completing, and equipping in the Wolfcamp formation, based on the applicable actual costs incurred when drilling into the Strawn formation. These estimated costs do not include any of the costs associated with drilling deeper than the Wolfcamp formation or for plugging back the Strawn formation.

12. Greyhound has estimated the overhead and administrative costs at \$8000/month while drilling and \$800/month while operating the well. These costs are consistent with what other operators are charging in this area for similar wells. Greyhound respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division.

13. **Greyhound Exhibit C-4** contains a summary of the contacts with each of the unleased mineral interest owners that Greyhound seeks to pool. It reflects that in addition to sending the well proposal letters, Greyhound has undertaken efforts to reach an agreement with the unleased mineral owners that it has been able to locate.

14. As indicated in Greyhound Exhibit C-4, Greyhound has not been able to locate contact information for all the unleased mineral owners that it seeks to pool. Greyhound has conducted a diligent search of the public records in the county where the property is located, as well as conducting computer searches in an attempt to locate contact information for each of these mineral owners. In my opinion, Greyhound has undertaken good faith efforts to locate each of the unleased mineral owners that it seeks to pool.

15. I provided the law firm of Holland & Hart LLP a list of names and addresses for the uncommitted interest owners that Greyhound seeks to pool and instructed that they be notified of this hearing.

16. **Greyhound Exhibit C-1 through C-4** were either prepared by me or compiled under my direction and supervision.

17. 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.

D.W.J.
David Johns

07/16/24
Date

EXHIBIT C-1

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480**

DISTRICT I
1025 N. FRENCH DR., HOBBS, NM 88240
Phone: (575) 393-6101 Fax: (575) 393-0720

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-49719	Pool Code 33510	Pool Name Humble City; Wolfcamp
Property Code	Property Name MONIKA 14-17S-37E	Well Number #1
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Elevation 3738.5'

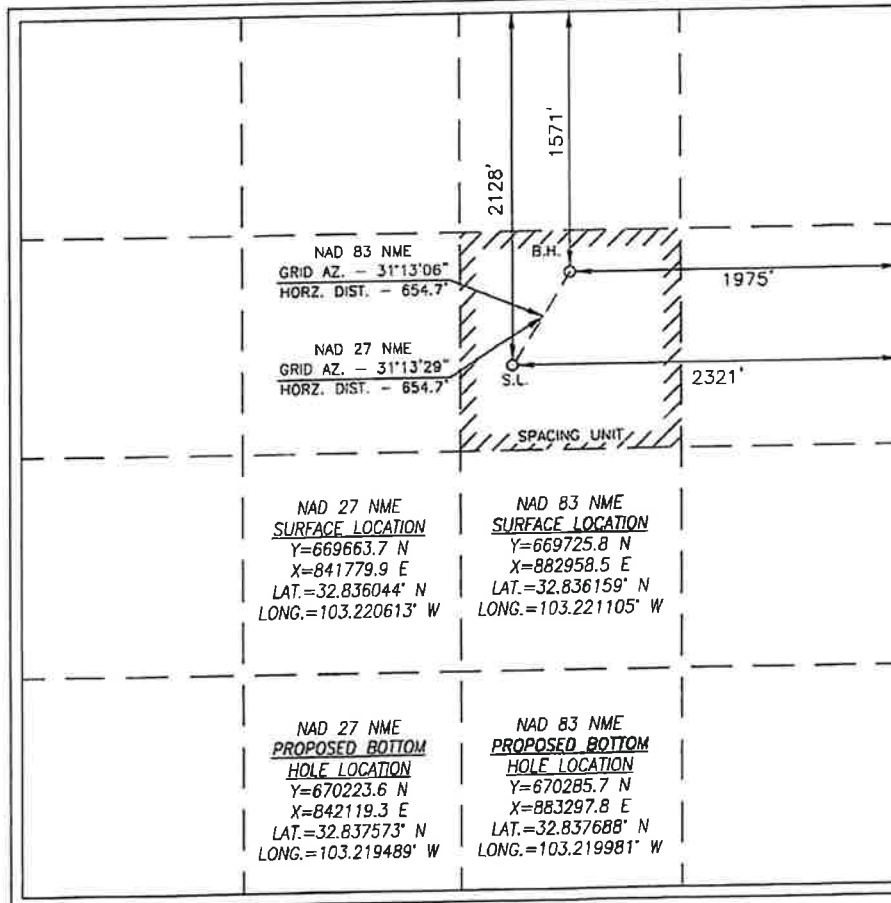
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	17-S	37-E		2128	NORTH	2321	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	17-S	37-E		1571	NORTH	1975	EAST	LEA
Dedicated Acres 40	Joint or Infill	Consolidation Code	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



OPERATOR CERTIFICATION

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

Reece Clark 1/16/24
Signature Date

Reece Clark
Printed Name

reece.clark@matadorsurveys.com
E-mail Address

SURVEYOR CERTIFICATION

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

DECEMBER 14, 2021
Date of Survey

Signature & Seal of Professional Surveyor

CHAD L. HARGROW
NEW MEXICO
17777
LICENSED PROFESSIONAL SURVEYOR

Chad Hargrow 1/11/24
Certificate No. CHAD HARGROW 17777
W.O. #24-39 DRAWN BY: WN

DISTRICT I
1825 N. FRENCH DR., SMOGGS, NM 87420
Phone: (505) 303-8101 Fax: (505) 303-0780

DISTRICT II
811 S. FIRST ST., ARTESIA, NM 88210
Phone: (505) 748-1883 Fax: (505) 748-0780

DISTRICT III
1000 RIO BRAZOS RD., AZTEC, NM 87410
Phone: (505) 334-0178 Fax: (505) 334-8170

DISTRICT IV
1820 S. ST. FRANCIS DR., SANTA FE, NM 87508
Phone: (505) 476-3480 Fax: (505) 476-3488

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-49719	Pool Code 31705	Pool Name Hobbs Channel; Bone Springs
Property Code	Property Name MONIKA 14-17S-37E	Well Number #1
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	Elevation 3738.5'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	17-S	37-E		2128	NORTH	2321	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	14	17-S	37-E		1585	NORTH	1989	EAST	LEA

Dedicated Acres 40	Joint or Infill	Consolidation Code	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

		<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Reece Clark</i> 10/30/23 Signature Date</p> <p>Reece Clark Printed Name</p> <p>reece.clarke@matadorservices.com E-mail Address</p>
<p>NAD 27 NME SURFACE LOCATION Y=669663.7 N X=841779.9 E LAT.=32.836044° N LONG.=103.220613° W</p>	<p>NAD 83 NME SURFACE LOCATION Y=669725.8 N X=882958.5 E LAT.=32.836159° N LONG.=103.221105° W</p>	<p>SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>DECEMBER 14, 2021 Date of Survey</p> <p>Signature & Seal of Professional Surveyor</p> <p><i>Chad Hargrow</i> 10/30/23 Certificate No. CHAD HARGROW 17777 W.O. # 23-828 DRAWN BY: WN</p>
<p>NAD 27 NME BOTTOM HOLE LOCATION Y=670209.0 N X=842105.3 E LAT.=32.837533° N LONG.=103.219535° W</p>	<p>NAD 83 NME BOTTOM HOLE LOCATION Y=670271.0 N X=883283.8 E LAT.=32.837648° N LONG.=103.220027° W</p>	

EXHIBIT C-2

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-2
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480**

Monika Recomplete - Applicable to Both Wolfcamp and Bone Spring			
Summary of Interests			
Matador Working Interest		69.1159%	
Voluntary Joinder		10.7799%	
Anticipated Voluntary Joinder		0.0000%	
Compulsory Pool Interest		20.1042%	
Interest Owners:	Description:	Tract:	Interest:
Estate of Alice B. Whitehill*	Unleased Mineral Interest Owner	1	0.5208%
Angela Corr, f/k/a Angela E. Kastman, as her separate property*	Unleased Mineral Interest Owner	1	1.2500%
Anna F. Kastman Jenkins, as her separate property*	Unleased Mineral Interest Owner	1	1.2500%
Benton A. Kastman, whose marital status is unknown*	Unleased Mineral Interest Owner	1	1.2500%
Brandon A. Kastman whose marital status is unknown*	Unleased Mineral Interest Owner	1	1.2500%
Melonie F. Kastman, as her separate property*	Unleased Mineral Interest Owner	1	1.2500%
Norma J. Chanley, f/k/a Norma J. Barton, as her separate property*	Unleased Mineral Interest Owner	1	8.3333%
South Fifth Energy, LLC*	Unleased Mineral Interest Owner	1	5.0000%

*These are the uncommitted working interest owners that we are seeking to force pool.

EXHIBIT C-3

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480**

Greyhound Resources, LLC

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Voice 972.619.1259 • Fax 972.629.2168
djohns@matadorresources.com

David Johns
Area Land Manager- Rustler Breaks & Antelope Ridge

April 8, 2024

VIA CERTIFIED MAIL

Angela Corr, f/k/a Angela E. Kastman, as her separate property
P.O. Box 5930
Lubbock, Tx 79408

**Re: Monika 14 17S 37E State #001 (API 30-025-49719) (the "Well")
Recompletion Proposal
Section 14, Township 17 South, Range 37 East, N.M.P.M.
Lea County, New Mexico**

Ladies and Gentleman:

Greyhound Resources Company, LLC and its operating affiliate Matador Production Company (collectively "MRC") hereby propose to recomplete the Well located in Section 14, Township 17 South, Range 37 East, Lea County, New Mexico in the Wolfcamp formation.

The Well was previously drilled and completed in the Strawn formation. As part of the recompletion into the Wolfcamp formation, MRC plans to plug back the Strawn formation. After evaluating the results from the Wolfcamp recompletion, MRC may recomplete the Well further up hole into the Bone Spring formation, if needed, in which event we will provide further updates and a separate proposal for such potential Bone Spring operation.

The total estimated cost for the Wolfcamp recompletion is approximately \$3,322,162, based on the following estimated cost components.

Drilling Costs	\$2,332,162
Wolfcamp Completion Costs	\$750,000
Production Facility	\$240,000
TOTAL	\$3,322,162

Please note that these estimated costs represent only the estimated costs of drilling, completing and equipping the Wolfcamp formation, based on the applicable actual costs incurred when drilling into the Strawn formation and the estimated costs of the Wolfcamp completion. These estimated costs do not include any of the estimated costs associated with drilling deeper than the Wolfcamp formation or for plugging back the Strawn formation.

MRC is proposing to recomple the Well in the Wolfcamp formation under the terms of a modified 1989 AAPL form of Operating Agreement, which is available upon request and has the following general provisions:

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

Angela Corr, f/k/a Angela E. Kastman, as her separate property owns approximately 0.01250000 working interest in the Well, subject to title verification.

Matador requests that you indicate your election to participate in the recompletions of the Well in the space provided below, sign and return (1) copy of this letter and both AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFE is only an estimate of costs to be incurred and by electing to participate, each working interest owner shall be responsible for its proportionate share of all costs incurred.

Please contact me if you have any questions.

Respectfully,



David Johns

Please elect one of the following and return to sender.

_____ Party hereby elects to participate in the proposed Bone Spring recompletion of Matador Production Company's **Monika 14 17S 37E State #001** well located in **Section 14, Township 17 South, Range 37 East, Lea Co., NM.**

_____ Party hereby elects **NOT** to participate in the proposed Bone Spring recompletion of the **Monika 14 17S 37E State #001** well located in **Section 14, Township 17 South, Range 37 East, Lea Co., NM.**

Angela Corr, f/k/a Angela E. Kastman, as her separate property

By: _____

Title: _____

Date: _____

Contact Name: _____

Email Address: _____

EXHIBIT C-4

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480**

Summary of Communications Monika Recomplete

Uncommitted Working Interest Owner

1. Estate of Alice B. Whitehill

In addition to attempting to sending proposals, Matador has had discussions with the **Estate of Alice B. Whitehill** regarding their interest and we are continuing to discuss voluntary joinder.

2. Angela Corr, f/k/a Angela E. Kastman, as her separate property

Matador's well proposal to **Angela Corr, f/k/a Angela E. Kastman** was apparently not delivered. We are continuing to research various ways to contact this owner to discuss voluntary joinder and are working to research other addresses to send proposals.

3. Anna F. Kastman Jenkins, as her separate property

Matador's well proposal to **Anna F. Kastman Jenkins** was apparently not delivered. We are continuing to research various ways to contact this owner to discuss voluntary joinder are working to research other addresses to send proposals.

4. Benton A. Kastman, whose marital status is unknown

Matador well proposal to **Benton A. Kastman** 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.

5. Brandon A. Kastman, whose marital status is unknown

In addition to sending well proposals, Matador has had discussions with **Brandon A. Kastman, whose marital status is unknown** regarding their interest and we are continuing to discuss voluntary joinder.

6. Melonie F. Kastman, whose marital status is unknown

Matador well proposal to **Melonie F. Kastman** 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.

7. Norma J. Chanley, f/k/a Norma J. Barton, as her separate property

In addition to sending well proposals, Matador has had discussions with **Norma J. Chanley, f/k/a Norma J. Barton, as her separate property** regarding their interest and we are continuing to discuss voluntary joinder.

8. South Fifth Energy, LLC

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

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

**APPLICATION OF GREYHOUND RESOURCES
COMPANY, LLC, FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24480

SELB-AFFIRMED STATEMENT OF ANDREW PARKER

1. My name is Andrew Parker, and I am employed by MRC Energy Company, an affiliate of Greyhound Resources Company, 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 application filed in this matter and have conducted a geologic analysis of the subject area.

3. **Greyhound Exhibit D-1** is a locator map identifying the location of the proposed spacing unit within Section 14, Township 17 South, Range 37 East, Lea County, New Mexico. A red box identifies the general area where the spacing unit, which is depicted by a yellow rectangle, is located.

4. **Greyhound Exhibit D-2** contains a subsea structure map that I prepared off the top of the Wolfcamp formation, which is representative of both the Wolfcamp and the overlying Bone Spring formations. The contour interval is 50 feet. The proposed spacing unit is depicted with a yellow box with a black outline, and the proposed bottom-hole location for the Monika 14-17S-37E #001 well is identified with a red dot. The structure map shows that the Wolfcamp and Bone Spring formations are relatively flat in this area but on a regional scale both gently dip to the south. The structure appears

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480

consistent across the proposed 40-acre spacing unit and I do not observe any faulting, pinchouts, or other geologic impediments to recompleting the existing Monika well in either the Wolfcamp or the Bone Spring formations.

5. **Greyhound Exhibit D-3** is a structural cross-section that I prepared displaying open-hole logs run over the Wolfcamp and Bone Spring formations from the five representative wells denoted from A to A' on Exhibit D-2. The middle well log is from the existing Monika well in Section 14. The wells in the cross-section contain gamma ray, caliper, porosity, and resistivity logs. Highlighted in red is the proposed target interval within the Wolfcamp formation. Depending on the results of this initial completion in the Wolfcamp formation, Greyhound may determine to continue moving up-hole and complete the well in the Third Bone Spring of the Bone Spring formation, which is highlighted in blue on Exhibit D-3.

6. The proposed recompletion perforation intervals for the Monika well are located where Greyhound believes it can most effectively and efficiently drain the proposed 40-acre spacing unit.


7. In my opinion, approval of this application will extend the life of this existing wellbore, and is in the best interest of conservation, the prevention of waste, and protection of correlative rights.

8. **Greyhound Exhibits D-1 through D-3** were either prepared by me or compiled under my direction and supervision.

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.


Andrew Parker

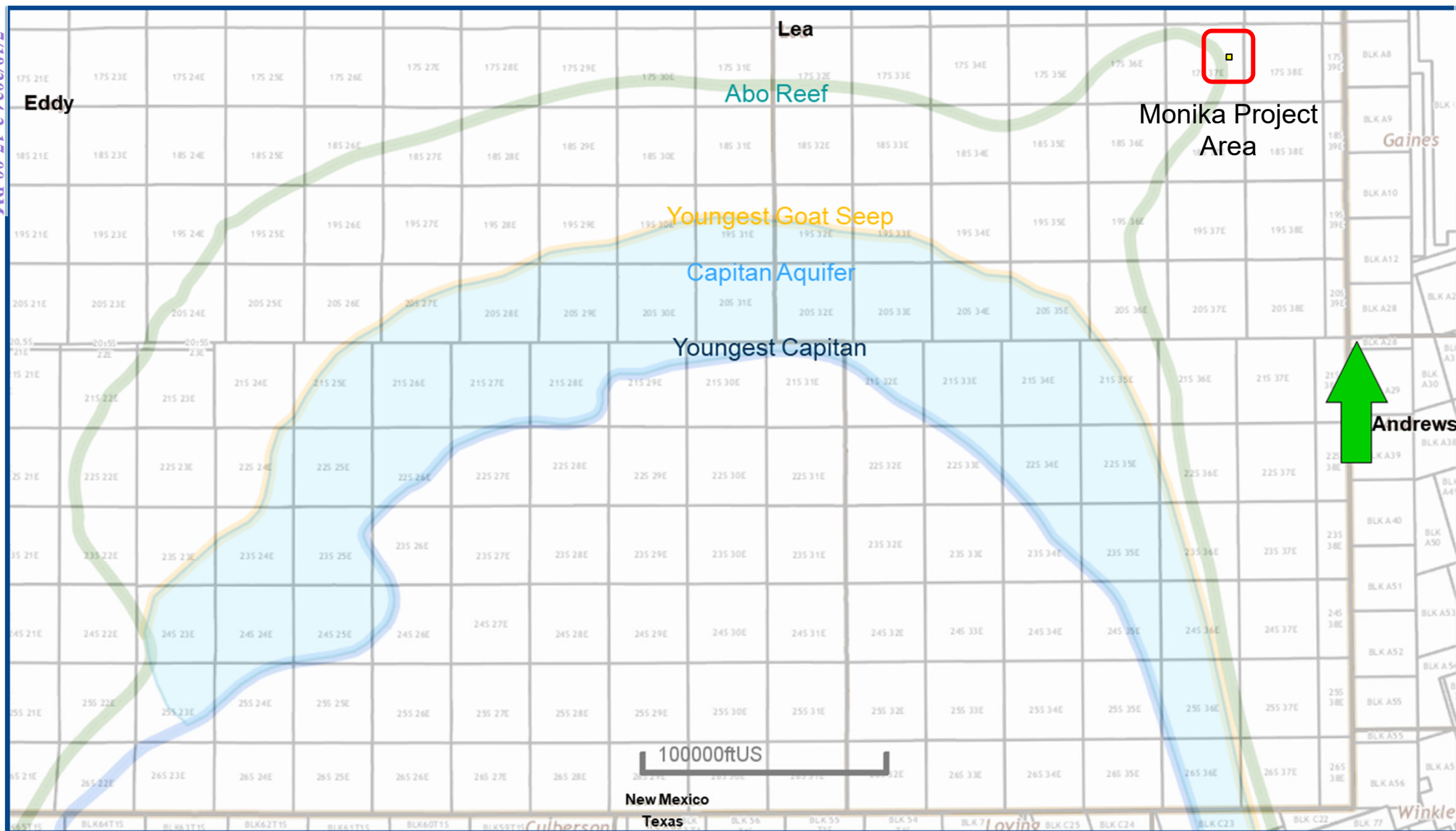

Date

Locator Map

Exhibit D-1

Released to Imaging: 7/18/2024 2:17:00 PM

Received by OCD: 7/18/2024 1:00:51 PM



Monika 14-17S-37E #001

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-1
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480

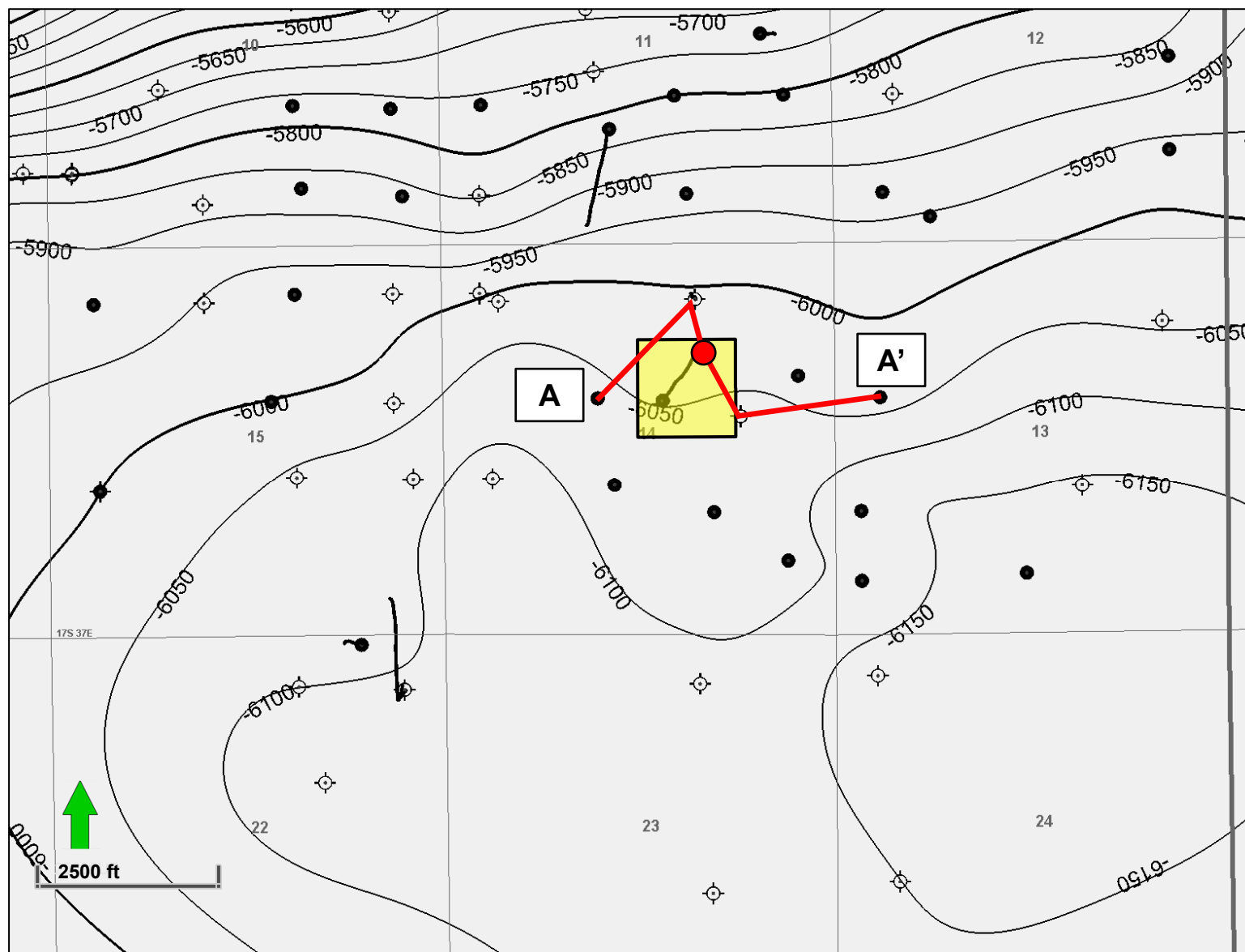


D-1

Page 27 of 35

Structure Map (Top Wolfcamp Subsea) A – A' Reference Line

Exhibit D-2



Map Legend

Monika #001



Project Area



C. I. = 50'

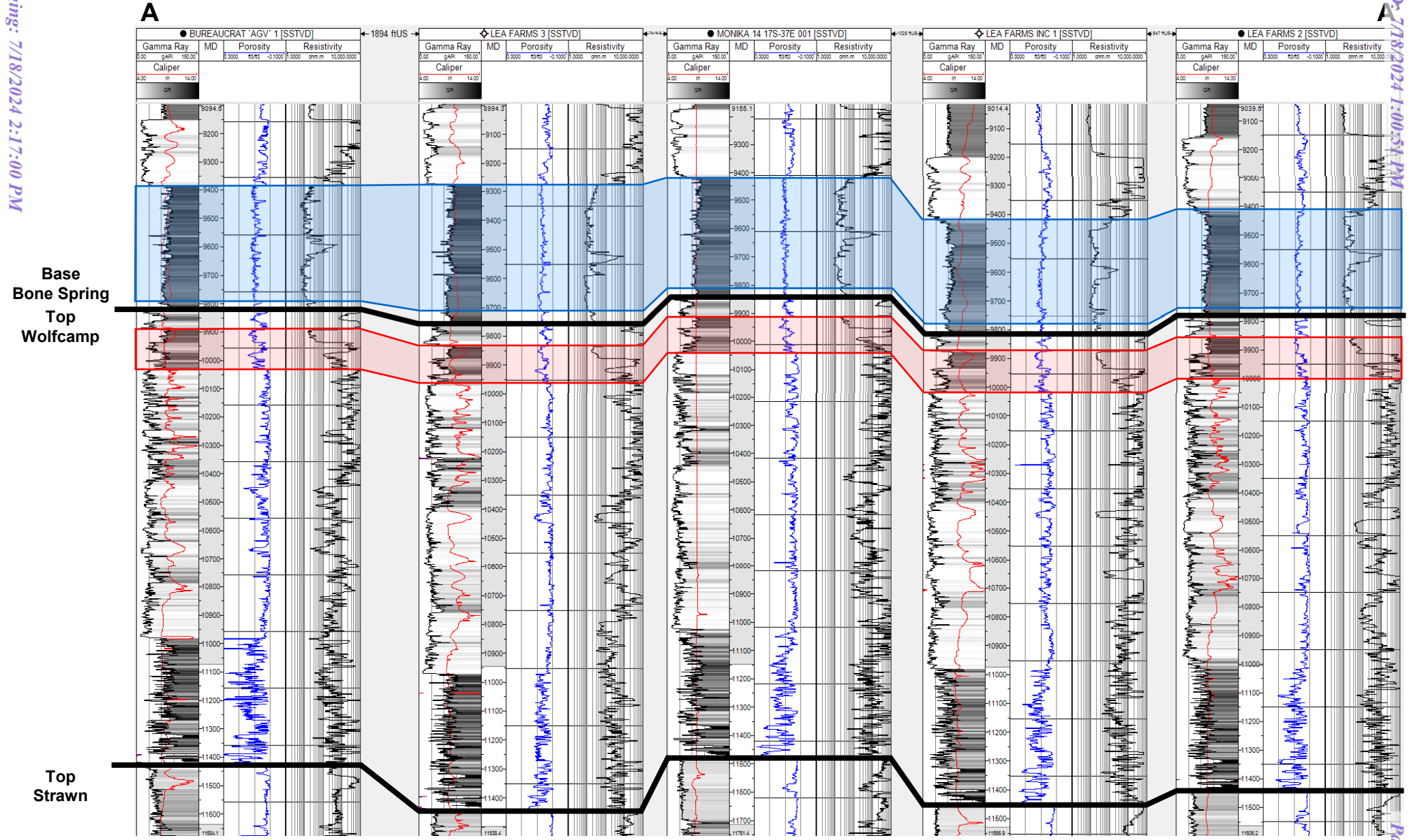
BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-2
 Submitted by: Matador Production Company
 Hearing Date: July 25, 2024
 Case No. 24480

Structural Cross-Section A – A'

Exhibit D-3

Released to Imaging: 7/18/2024 2:17:00 PM

Received by OGD: 7/18/2024 1:00:51 PM



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

**APPLICATION OF GREYHOUND RESOURCES
COMPANY, LLC, FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 24480

**SELF-AFFIRMED STATEMENT OF
MICHAEL H. FELDEWERT**

1. I am attorney in fact and authorized representative of Greyhound Resources Company, LLC (“Greyhound”), the Applicant herein. I have personal knowledge of this 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 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 July 16, 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.

6. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statement 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 CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480**



Michael H. Feldewert

July 18, 2024

Date



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

May 24, 2024

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of Greyhound Resources Company, LLC, for Compulsory Pooling, Lea County, New Mexico: *Monika well*

Ladies & Gentlemen:

This letter is to advise you that Greyhound Resources Company, LLC, has filed the enclosed application with the New Mexico Oil Conservation Division. A hearing has been requested before a Division Examiner on June 13, 2024, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

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

Sincerely,

Michael H. Feldewert
ATTORNEY FOR GREYHOUND RESOURCES
COMPANY, LLC

Location
110 North Guadalupe, Suite 1
Santa Fe, NM 87501-1849

Mailing Address
P.O. Box 2208
Santa Fe, NM 87504-2208

Contact
p: 505.988.4421 | f: 505.983.6043
www.hollandhart.com

MRC Greyhound - Monika 14 17S 37E #001 - Case no. 24480
Postal Delivery Report

9414811898765462197736	Angela Corr, f/k/a Angela E. Kastman, as her separate property	PO Box 5930	Lubbock	TX	79408-5930	Your item was delivered to an individual at the address at 10:17 am on May 28, 2024 in LUBBOCK, TX 79408.
9414811898765462197774	Anna F. Kastman Jenkins, as her separate property	5668 Country View Ln	Frisco	TX	75036-4634	Your item was delivered to an individual at the address at 1:13 pm on May 29, 2024 in FRISCO, TX 75036.
9414811898765462197910	Benton A. Kastman	PO Box 997	Lubbock	TX	79408-0997	Your item was delivered to an individual at the address at 7:21 am on May 29, 2024 in LUBBOCK, TX 79408.
9414811898765462197965	Brandon A. Kastman	1950 W Bell St	Houston	TX	77019-4814	Your item was picked up at the post office at 4:13 pm on May 30, 2024 in HOUSTON, TX 77019.

MRC Greyhound - Monika 14 17S 37E #001 - Case no. 24480
 Postal Delivery Report

9414811898765462197927	Melonie F. Kastman, as her separate property	4347 W Northwest Hwy unit 120-36	Dallas	TX	75220-3864	Your item was delivered to an individual at the address at 1:41 pm on May 29, 2024 in DALLAS, TX 75220.
9414811898765462197903	Norma J. Chanley, f/k/a Norma J. Barton, as her separate property	PO Box 728	Hobbs	NM	88241-0728	Your item was picked up at a postal facility at 3:43 pm on May 28, 2024 in HOBBS, NM 88241.
9414811898765462197996	South Fifth Energy, LLC	PO Box 130	Ruidoso	NM	88355-0130	Your item was picked up at the post office at 3:24 pm on June 5, 2024 in RUIDOSO, NM 88345.
9414811898765462197989	Estate of Alice B. Whitehill	8205 Colfax Ave NE	Albuquerque	NM	87109-4911	Your item has been delivered to the original sender at 1:03 pm on June 6, 2024 in SANTA FE, NM 87501.

Affidavit of Publication

STATE OF NEW MEXICO
COUNTY OF LEA

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

Beginning with the issue dated
May 30, 2024
and ending with the issue dated
May 30, 2024.



Publisher

Sworn and subscribed to before me this
30th day of May 2024.



Business Manager

My commission expires
January 29, 2027
(Seal)

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

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL NOTICE
May 30, 2024

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner for the below listed 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 MS Teams virtual meeting platform (sign-in information below) on Thursday, June 13, 2024, at 8:30 a.m.

To participate in the hearings, see the instructions posted below. The docket may be viewed electronically on the Division's website, <http://www.emnrd.state.nm.us/OCD/hearings.html> or obtained from the OCD law clerk, at (505) 469-5527 or freya.tschantz@emnrd.nm.gov.

Documents filed in these cases may be viewed at <http://ocdimage.emnrd.state.nm.us/imaging/CaseFileCriteria.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 the OCD law clerk using the contact information above, or at the New Mexico Relay Network, 1-800-659-1779, no later than Monday, June 3, 2024.

Persons may view and participate in the hearings through the following link:

www.microsoft.com/en-us/microsoft-teams/join-a-meeting
Meeting ID: 267 851 609 747
Passcode: zjuWpG

Dial-in by phone:
+1 505 312 4308, 130592067#

(505) 312-4308
Phone conference ID: 130 592 067#

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

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

To: All affected interest owners, including: Angela Corr, f/k/a Angela E. Kastman, as her separate property, her heirs and devisees; Anna F. Kastman Jenkins, as her separate property, her heirs and devisees; Benton A. Kastman, his heirs and devisees; Brandon A. Kastman, his heirs and devisees; Melonie F. Kastman, as her separate property, her heirs and devisees; Norma J. Chanley, f/k/a Norma J. Barton, as her separate property, her heirs and devisees; South Fifth Energy, LLC; and Estate of Alice B. Whitehill, her heirs and devisees.

Case No. 24480: Application of Greyhound Resources Company, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all uncommitted interests in standard 40-acre vertical well spacing units in the Wolfcamp and Bone Spring formations underlying the SW4NE4 of Section 14, Township 17 South, Range 37 East, NMPM, Lea County, New Mexico. Applicant proposes to dedicate the above-referenced spacing unit to the existing Monika 14 17S 37E State 001 (30-025-49710), a vertical well currently drilled in the Strawn formation from a previously approved non-standard location in the SW4NE4 (Unit G) of Section 14. Also to be considered will be the proportionate cost of drilling, recompleting and equipping said well and the allocation of these costs, the operating costs and charges for supervision, the designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in recompleting said well. Said area is located approximately 10 miles Northwest of Hobbs, New Mexico.
#00290741

67100754

00290741

HOLLAND & HART LLC
110 N GUADALUPE ST., STE. 1
SANTA FE, NM 87501

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. F
Submitted by: Matador Production Company
Hearing Date: July 25, 2024
Case No. 24480