

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

**APPLICATION OF MRC PERMIAN
COMPANY FOR APPROVAL OF AN
OVERLAPPING NON-STANDARD
SPACING UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO**

CASE NO. 26294

NOTICE OF SECOND REVISED EXHIBITS

MRC Permian Company ("MRC" or "Applicant"), the applicant in the above-referenced matter, gives notice that it is filing the attached revised exhibit packet for acceptance into the record with the following revisions summarized below.

MRC Revised Exhibit A is an updated Compulsory Pooling Checklist that has been revised to reflect gas product.

Respectfully submitted,

HOLLAND & HART LLP



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**ATTORNEYS FOR MRC PERMIAN COMPANY
AND MATADOR PRODUCTION COMPANY**

CERTIFICATE OF SERVICE

I hereby certify that on August 6, 2026, I served a copy of the foregoing document to the following counsel of record via Electronic Mail to:

Elizabeth Ryan
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Attorneys for ConocoPhillips Company



Paula M. Vance

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING AUGUST 6, 2026**

CASE No. 26294

BETTY JONES FED COM 203H WC WELL

EDDY COUNTY, 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
NON-STANDARD HORIZONTAL WELL
SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO**

CASE NO. 26294

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- **MRC Exhibit F:** Affidavit of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 26294	APPLICANT'S RESPONSE
Date	August 6, 2026
Applicant	MRC Permian Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company [OGRID 228937]
Applicant's Counsel:	Holland & Hart LLP
Case Title: BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Revised Exhibit No. A Submitted by: Matador Production Company Hearing Date: August 6, 2026 Case No. 26294	APPLICATION OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING NON-STANDARD SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	Marathon Oil Permian, LLC
Well Family	Betty Jones Federal Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Gas
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code (Only if NSP is requested):	Purple Sage; Wolfcamp [98220]
Well Location Setback Rules (Only if NSP is Requested):	Special Pool Rules under Order R-14262
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	478.08 acres, more or less
Building Blocks:	320 acres
Orientation:	Laydown
Description: TRS/County	N/2 S/2 of Section 36, Township 22 South, Range 27 East, and Lots 3 and 4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 31, Township 22 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?	No, non-standard configuration avoids producing well in S/2 S/2 of Section 36 in the Wolfcamp formation. NSP requested.
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-4
Well(s)	

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Betty Jones Federal Com 203H (API No. PENDING) SHL: Unit M of Section 36 BHL: 730' FSL & 340' FWL (Unit O) of Section 31 Completion Target: Wolfcamp formation Well Orientation: Laydown Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-2
Completion Target (Formation, TVD and MD)	Exhibit C-5
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
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-3 & C-4
Tract List (including lease numbers and owners)	Exhibit 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-4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-5
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-4
Chronology of Contact with Non-Joined Working Interests	Exhibit C-6
Overhead Rates In Proposal Letter	Exhibit C-5
Cost Estimate to Drill and Complete	Exhibit C-5
Cost Estimate to Equip Well	Exhibit C-5
Cost Estimate for Production Facilities	Exhibit C-5

Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
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-2
Tracts	Exhibit C-3
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-3 & C-4
General Location Map (including basin)	Exhibit D
Well Bore Location Map	Exhibit D-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):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	8/6/2026

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

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

CASE NO. 26294

APPLICATION

MRC Permian Company ("MRC" or "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 (a) approving a non-standard 478.08-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation underlying the N/2 S/2 of Section 36, Township 22 South, Range 27 East, and Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 31, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal well spacing unit and has the right to drill thereon.
2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed non-standard horizontal well spacing unit.
3. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Betty Jones Federal Com 203H** well, to be horizontally drilled from a surface location in the W/2 W/2 of Section 36, T22S-R-27E, with a first take point in the NW/4 SW/4 (Unit L) of Section 36, T22S-R-27E, and a last take point in the SW/4 SW/4 (Unit M) of irregular Section 31, T22S-R28E.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: August 6, 2026
Case No. 26294**

4. This proposed non-standard horizontal well spacing unit will overlap the following existing spacing unit in the Wolfcamp formation (Purple Sage, Wolfcamp [98220]):

- An existing 320-acre, more or less, spacing unit comprised of the S/2 of Section 36, Township 22 South, Range 27 East, dedicated to the Scott Walker State 36 22S 27E RB 204H well (API No. 30-015-43162), operated by Matador Production Company (OGRID 228937).

5. MRC seeks administrative approval of a non-standard spacing unit to conform with its proposed “candy-cane” lateral configuration, which is necessary to prevent waste and protect correlative rights because the existing well indicated above is drilled (and producing) from the S/2 S/2 of Section 36 in the Wolfcamp formation and MRC’s proposed Betty Jones Federal Com 203H will ensure recovery of hydrocarbons in the N/2 S/2 of Section 36.

6. 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.

7. The pooling of the uncommitted interest owners 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 the July 9, 2026, hearing docket and after notice and hearing as required by law, the Division enter an order:

- A. Approving the overlapping non-standard horizontal well spacing unit and pooling all uncommitted interest owners in the horizontal spacing unit;
- B. Designating Matador Production Company as operator of this non-standard horizontal spacing unit and the horizontal well 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% charge for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

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**ATTORNEYS FOR MRC PERMIAN COMPANY AND
MATADOR PRODUCTION COMPANY**

CASE _____: **Application of MRC Permian Company for Approval of an Overlapping Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (a) approving a non-standard 478.08-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation underlying the N/2 S/2 of Section 36, Township 22 South, Range 27 East, and Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 31, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Betty Jones Federal Com 203H** well, to be horizontally drilled from a surface location in the W/2 W/2 of Section 36, T22S-R-27E, with a first take point in the NW/4 SW/4 (Unit L) of Section 36, T22S-R-27E, and a last take point in the SW/4 SW/4 (Unit M) of irregular Section 31, T22S-R28E. This proposed non-standard horizontal well spacing unit will overlap the following existing or proposed horizontal well spacing units in the Wolfcamp formation:

- An existing 320-acre, more or less, spacing unit comprised of the S/2 of Section 36, Township 22 South, Range 27 East, dedicated to the Scott Walker State 36 22S 27E RB 204H well (API No. 30-015-43162), operated by Matador Production Company.

Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs 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 proposed well. The subject area is located approximately 4.5 miles northwest of Loving, New Mexico.

**STATE OF NEW MEXICO
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SPACING UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 26294

SELF-AFFIRMED STATEMENT OF ADDISON COSTLEY

Addison Costley, of lawful age and being first duly sworn, declares as follows:

1. My name is Addison Costley. I work for MRC Energy Company, an affiliate of MRC Permian Company ("MRC"), as a Landman.
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 application filed by MRC in this case, and I am familiar with the status of the lands in the subject area.
4. In this case, MRC is seeking an order (a) approving a non-standard 478.08-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation underlying the N/2 S/2 of Section 36, Township 22 South, Range 27 East, and Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 31, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage, which will be dedicated to the proposed **Betty Jones Federal Com 203H** well, to be horizontally drilled from a surface location in the W/2 W/2 of Section 36, T22S-R-27E, with a first take point in the NW/4 SW/4 (Unit L) of Section 36, T22S-R-27E, and a last take point in the SW/4 SW/4 (Unit M) of irregular Section 31, T22S-R28E.

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Santa Fe, New Mexico
Exhibit No. C
Submitted by: Matador Production Company
Hearing Date: August 6, 2026
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5. Attached as **MRC Exhibit C-1** is a map showing the proposed spacing unit under this application and the existing spacing unit that it overlaps.

6. **MRC Exhibit C-2** contains a draft Form C-102 for the proposed initial well.

7. MRC understands that the well will be placed in the PURPLE SAGE;WOLFCAMP (GAS) [98220] pool.

8. The completed intervals for the proposed well will remain within the standard setbacks required by the applicable statewide rules and special pool rules for the PURPLE SAGE;WOLFCAMP (GAS) [98220] pool.

9. **MRC Exhibit C-3** identifies the tracts of land comprising the proposed horizontal spacing unit. The land in the proposed spacing unit is comprised entirely of leased state and federal acreage.

10. **MRC Exhibit C-4** identifies the working interest owners that MRC is seeking to pool, as well as the overriding royalty owners that MRC seeks to pool. The first pages of Exhibit C-4 shows the parties MRC is seeking to pool on a unit basis. Behind the unit analysis, there are additional pages showing the working interest owners that MRC seeks to pool, on a tract by tract basis, along with their ownership interest in each of the tracts in the proposed horizontal spacing unit. The parties that MRC is seeking to pool are highlighted yellow.

11. There are no depth severances within the Wolfcamp formation in this proposed spacing unit.

12. While MRC was working to put this unit together, MRC proposed the above well to the working interest party it seeks to pool. **MRC Exhibit C-5** contains a copy of the well proposal letter that was sent to the working interest partner, along with the AFE that was sent for

the well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

13. **MRC Exhibit C-6** contains a summary of MRC's contacts with the uncommitted working interest owners we seek to pool in this case. As indicated on MRC Exhibit C-6, MRC has been able to contact and have discussions with the working interest owners we seek to pool in this case. In my opinion, MRC has undertaken good faith efforts to reach an agreement with the uncommitted working interest owners that MRC seeks to pool in this case.

14. MRC has made an estimate of overhead and administrative costs for drilling and producing the proposed well. It is \$10,000/month while drilling, and \$1,000/month while producing. These costs are consistent with what other operators are charging in this area for these types of wells. MRC respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

15. **MRC Exhibit C-7** contains a chart showing the owners in the proposed spacing unit and whether their interest is already committed to the unit or not.

16. In this application, MRC is also seeking approval of a non-standing spacing unit. **MRC Exhibit C-8** is a map showing MRC's proposed spacing unit in blue. MRC's proposed spacing unit is non-standard because it excludes the S/2 S/2 of Section 36 from the spacing unit, which is shown as red on Exhibit C-8. There is an existing well located in the S/2 S/2 of Section 36 already producing from the Upper Wolfcamp; accordingly, MRC's proposed j-turn spacing unit excludes that acreage in the S/2 S/2 of Section 36 and therefore protects correlative rights, while at the same time developing the N/2 S/2 of Section 36 and preventing waste. The S/2 S/2 of Section 36 is one state lease in which MRC owns 100% of working interest.

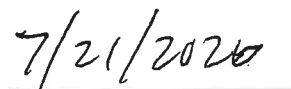
17. MRC provided its outside counsel, Holland and Hart, a list of names and addresses for the parties that MRC is seeking to pool, as well as the parties receiving notice relating to the overlapping spacing unit and request for a nonstandard spacing unit. In compiling this notice list, MRC conducted a diligent search of all public records in the county where the proposed wells are located, including computer searches.

18. **MRC Exhibits C-1 through C-8** were either prepared by me or compiled under my direction and supervision.

19. 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.

A handwritten signature in black ink, appearing to read 'Addison Costley', written over a horizontal line.

Addison Costley

A handwritten date '7/21/2020' in black ink, written over a horizontal line.

Date

Exhibit C-1

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-1
Submitted by: Matador Production Company
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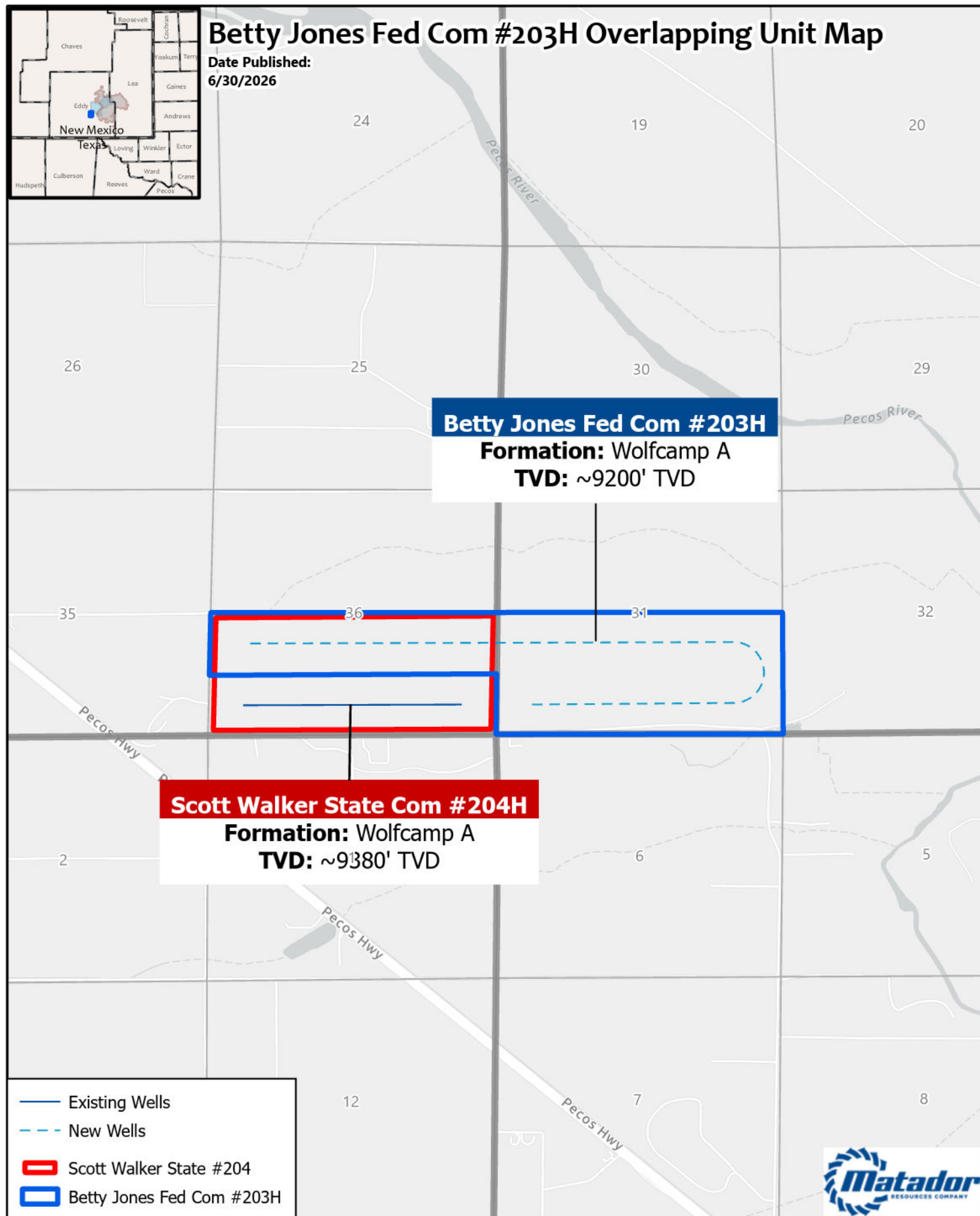


Exhibit C-2

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-2
Submitted by: Matador Production Company
Hearing Date: August 6, 2026
Case No. 26294

Santa Fe Main Office Phone: (505) 476-3441 Fax: (55) 476-3462 General Information Phone: (505) 629-6116 Online Phone Directory Visit: https://www.emnrd.nm.gov/ocd/contact-us/	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting
	Submittal Type:	☐ Initial Submittal ☐ Amended Report ☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code 98220	Pool Name PURPLE SAGE; WOLFCAMP
Property Code	Property Name BETTY JONES FED COM	Well Number 203H
OGRID No. 228037	Operator Name MATADOR PRODUCTION COMPANY	Ground Level Elevation
Surface Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☐ Federal

Surface Location

UL M	Section 36	Township T-22	Range R-27	Lot -	Ft. from N/S -	Ft. from E/W -	Latitude -	Longitude -	County EDDY
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Bottom Hole Location

UL O	Section 31	Township T-22	Range R-28	Lot 4	Ft. from N/S 730' S	Ft. from E/W 4940' E	Latitude -	Longitude -	County EDDY
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Dedicated Acres 478.08	Infill or Defining Well -	Defining Well API -	Overlapping Spacing Unit (Y/N) -	Consolidation Code -
Order Numbers. -			Well setbacks are under Common Ownership: ☐ Yes ☐ No	

Kick Off Point (KOP)

UL L	Section 36	Township T-22	Range R-27	Lot -	Ft. from N/S 2050' S	Ft. from E/W 50' W	Latitude -	Longitude -	County EDDY
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First Take Point (FTP)

UL L	Section 36	Township T-22	Range R-27	Lot -	Ft. from N/S 2050' S	Ft. from E/W 330' W	Latitude -	Longitude -	County EDDY
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Last Take Point (LTP)

UL O	Section 31	Township T-22	Range R-28	Lot 4	Ft. from N/S 730' S	Ft. from E/W 4940' E	Latitude -	Longitude -	County EDDY
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Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:
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OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

Signature

Date

Printed Name

Email Address

SURVEYOR CERTIFICATIONS

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.

Signature and Seal of Professional Surveyor

Certificate Number

Date of Survey

Note: 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.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.

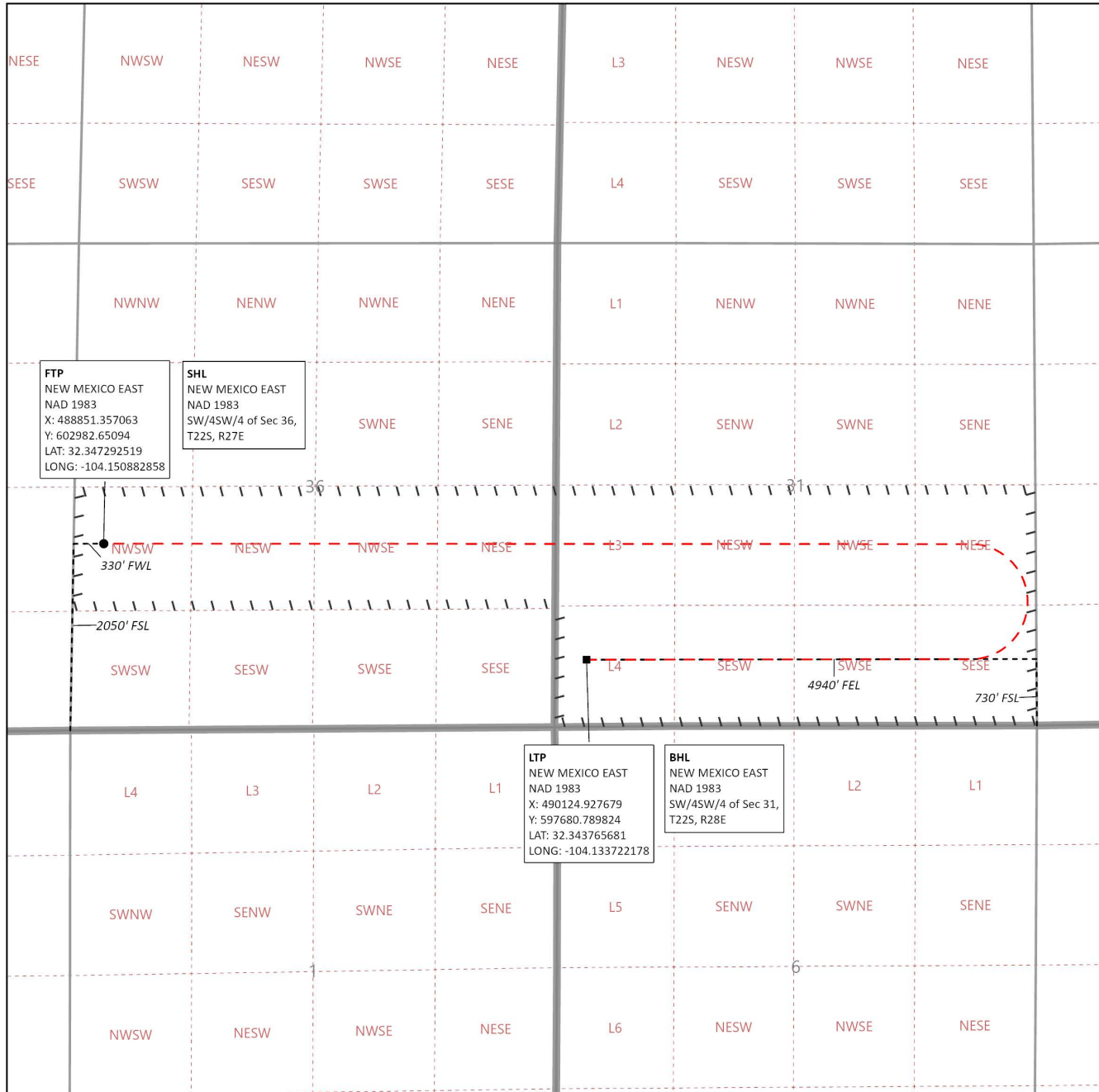
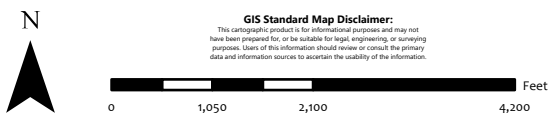
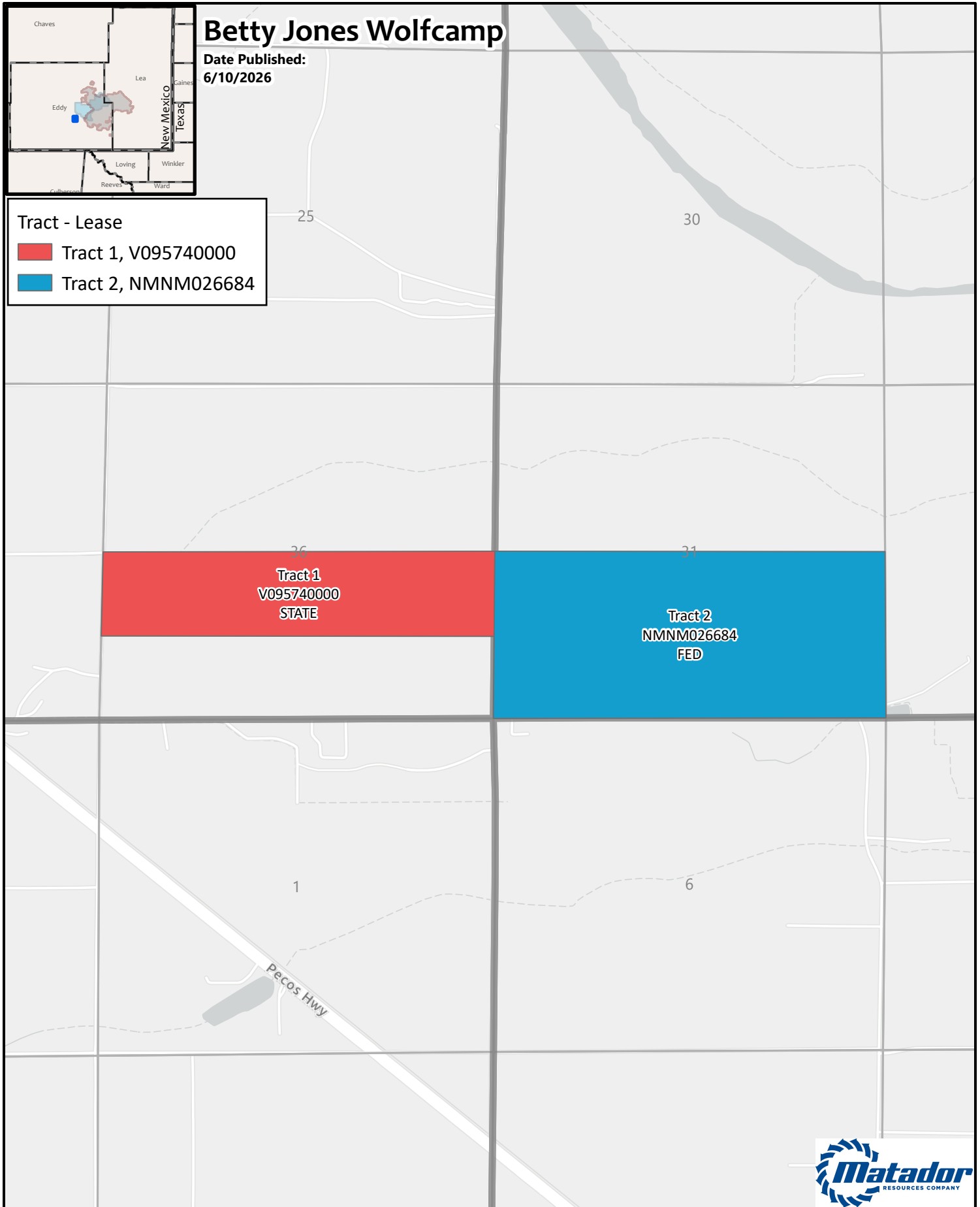


Exhibit C-3

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-3
Submitted by: Matador Production Company
Hearing Date: August 6, 2026
Case No. 26294



Map Prepared by: libby.signor
Date: June 10, 2026
Project: <LINK> \\gis\UserData\intern\2026_Isignor\~projects\Tract Maps\Tract Maps.aprx</LINK>
Spatial Reference: GCS WGS 1984
Sources: IHS; ESRI; US DOI BLM Carlsbad, NM Field Office, GIS Department;
Texas Cooperative Wildlife Collection, Texas A&M University;
United States Census Bureau (TIGER);

Exhibit C-4

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-4

Submitted by: Matador Production Company
Hearing Date: August 6, 2026
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Betty Jones 203H (J Hook-WCMP)			
Summary of Interests			
Matador Working Interest		33.467202%	
Compulsory Pool Interest		66.532798%	
Interest Owners:	Description:	Tract:	Interest:
OXY USA WTP, LP	Uncommitted Working Interest & Record Title	2	66.53280%
Charles R. Wiggins	Over Riding Royalty Interest	2	0%
Richardson Mineral & Royalty, LLC	Over Riding Royalty Interest	2	0%
Blix Ann Masterson	Over Riding Royalty Interest	2	0%
Williams WTX, LP	Over Riding Royalty Interest	2	0%
The Eastland Oil Company	Over Riding Royalty Interest	2	0%
L. S. Henry, LLC	Over Riding Royalty Interest	2	0%
Bantam Royalties, LLC	Over Riding Royalty Interest	2	0%
Tim Cavanaugh	Over Riding Royalty Interest	2	0%
Colleen Blackman	Over Riding Royalty Interest	2	0%
Cathy Jones	Over Riding Royalty Interest	2	0%
J. M. C. Ritchie, Jr.	Over Riding Royalty Interest	2	0%
Richard Donnelly	Over Riding Royalty Interest	2	0%
TLM4, Ltd.	Over Riding Royalty Interest	2	0%
Spinnaker Oil & Gas, LP	Over Riding Royalty Interest	2	0%
David Preston Donnelly Trust	Over Riding Royalty Interest	2	0%
Richard Donnelly, Jr. Trust	Over Riding Royalty Interest	2	0%
Martha Brittain Donnelly Trust	Over Riding Royalty Interest	2	0%
Hooker Energy, LLC	Over Riding Royalty Interest	2	0%
MAP 2006-OK	Over Riding Royalty Interest	2	0%
Kathy Schmidt	Over Riding Royalty Interest	2	0%
Debbie Neujahr	Over Riding Royalty Interest	2	0%
Lana Russell	Over Riding Royalty Interest	2	0%
RL & JJ Stevens FP, LP	Over Riding Royalty Interest	2	0%
Rendova Oil Company	Over Riding Royalty Interest	2	0%
TAS Royalty Company	Over Riding Royalty Interest	2	0%
Robert H. Marshall	Over Riding Royalty Interest	2	0%
Mike Stewart	Over Riding Royalty Interest	2	0%
Polofive 25, LLC	Over Riding Royalty Interest	2	0%
Serenity Resources, LLC	Over Riding Royalty Interest	2	0%
David Farmer	Over Riding Royalty Interest	2	0%

* MRC Permian is seeking to force pool the parties highlighted in yellow

Betty Jones 203H (J Hook-WCMP)			
Summary of Interests			
Tract 1			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian	Committed Working Interest	160.0000	100.000000%
Tract 2			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
OXY USA WTP, LP	Uncommitted Working Interest	318.08000	100.000000%

* MRC Permian is seeking to force pool the parties highlighted in yellow

Exhibit C-5

BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. C-5

Submitted by: Matador Production Company

Hearing Date: August 6, 2026

Case No. 26294

MRC Permian Company

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

Voice 972.371.5474

addison.costley@matadorresources.com

Addison Costley
Landman

April 1, 2026

VIA CERTIFIED RETURN RECEIPT MAIL

OXY USA WTP, LP
5 Greenway Plaza, Suite 110
Houston, TX 77046

Re: Betty Jones Fed Com #111H, #112H, #113H, #114H, #121H, #122H, #123H, #124H, #201H, #202H & #203H (the "Wells")
Participation Proposal
Section 36 Township 22 South, Range 27 East
Section 31 Township 22 South, Range 28 East
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's wells, located in Section 36 Township 22 South, Range 27 East & Section 31 Township 22 South, Range 28 East, Eddy County, New Mexico:

Well Name	SHL	FTP	LTP	TVD	TMD	Formation
Betty Jones Fed Com #111H	W2W2 Sec. 36: T22S-R27E	330' FNL & 100' FWL of Sec. 36- 22S-27E	330' FNL & 110' FEL of Sec. 31-22S-28E	6,950'	16,750'	Bone Spring
Betty Jones Fed Com #112H	W2W2 Sec. 36: T22S-R27E	1650' FNL & 100' FWL of Sec. 36- 22S-27E	1650' FNL & 110' FEL of Sec. 31-22S-28E	6,950'	16,750'	Bone Spring
Betty Jones Fed Com #113H	W2W2 Sec. 36: T22S-R27E	2310' FSL & 100' FWL of Sec. 36- 22S-27E	2310' FSL & 110' FEL of Sec. 31-22S-28E	6,950'	16,750'	Bone Spring
Betty Jones Fed Com #114H	W2W2 Sec. 36: T22S-R27E	990' FSL & 100' FWL of Sec. 36- 22S-27E	990' FSL & 110' FEL of Sec. 31-22S-28E	6,950'	16,750'	Bone Spring
Betty Jones Fed Com #121H	W2W2 Sec. 36: T22S-R27E	990' FNL & 100' FWL of Sec. 36- 22S-27E	990' FNL & 110' FEL of Sec. 31-22S-28E	7,600'	17,400'	Bone Spring
Betty Jones Fed Com #122H	W2W2 Sec. 36: T22S-R27E	2310' FNL & 100' FWL of Sec. 36- 22S-27E	2310' FNL & 110' FEL of Sec. 31-22S-28E	7,600'	17,400'	Bone Spring
Betty Jones Fed Com #123H	W2W2 Sec. 36: T22S-R27E	1650' FSL & 100' FWL of Sec. 36- 22S-27E	1650' FSL & 110' FEL of Sec. 31-22S-28E	7,600'	17,400'	Bone Spring
Betty Jones Fed Com #124H	W2W2 Sec. 36: T22S-R27E	330' FSL & 100' FWL of Sec. 36- 22S-27E	330' FSL & 110' FEL of Sec. 31-22S-28E	7,600'	17,400'	Bone Spring

Betty Jones Fed Com #201H	W2W2 Sec. 36: T22S-R27E	660' FNL & 330' FWL of Sec. 36- 22S-27E	660' FNL & 340' FEL of Sec. 31-22S-28E	9,200'	19,000'	Wolfcamp
Betty Jones Fed Com #202H	W2W2 Sec. 36: T22S-R27E	1980' FNL & 330' FWL of Sec. 36- 22S-27E	1980' FNL & 340' FEL of Sec. 31-22S-28E	9,200'	19,000'	Wolfcamp
Betty Jones Fed Com #203H	W2W2 Sec. 36: T22S-R27E	2050' FSL & 330' FWL of Sec. 36- 22S-27E	730' FSL & 4940' FEL of Sec. 31-22S-28E	9,200'	24,200'	Wolfcamp

MRC is proposing to drill the Wells under the terms of the modified 1989 AAPL form of Operating Agreement, which will be provided upon request and has the following general provisions:

- 100/300/300 Non-consenting penalty
- \$10,000/\$1,000 Drilling and Producing rate
- Matador Production Company named as Operator

In connection with the above, please note the estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the eleven (11) enclosed Authority for Expenditures ("AFE") dated March 23, 2026.

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 or its designated Operator will advise you of any such modifications.

MRC requests that you indicate your election to participate, or not participate, in the drilling and completion of the proposed Wells in the space provided below. Accordingly, please sign and return one (1) copy of this letter to the undersigned.

If your election is to participate in the drilling and completion of the Well(s), 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 Well(s), each working interest owner shall be responsible for its proportionate share of all costs incurred. **Additionally, if you elect to participate in the Well(s), you must remit full payment for your proportionate share of the AFEs costs to Operator on or before thirty (30) days after receipt of a cash call for your proportionate share of such costs. If such payment is not timely received by Operator as described above, you may be deemed to be in default pursuant to the applicable provisions of the JOA.**

Thank you for your consideration of this proposal. Please contact me if you have any questions.

Sincerely,

MRC PERMIAN COMPANY



Addison Costley

OXY USA WTP, LP hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Betty Jones Fed Com #111H** well.

_____ Not to participate in the **Betty Jones Fed Com #111H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Betty Jones Fed Com #112H** well.

_____ Not to participate in the **Betty Jones Fed Com #112H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Betty Jones Fed Com #113H** well.

_____ Not to participate in the **Betty Jones Fed Com #113H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Betty Jones Fed Com #114H** well.

_____ Not to participate in the **Betty Jones Fed Com #114H**.

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

_____ Not to participate in the **Betty Jones Fed Com #121H**.

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

_____ Not to participate in the **Betty Jones Fed Com #122H**.

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

_____ Not to participate in the **Betty Jones Fed Com #123H**.

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

_____ Not to participate in the **Betty Jones Fed Com #124H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Betty Jones Fed Com #201H** well.

_____ Not to participate in the **Betty Jones Fed Com #201H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Betty Jones Fed Com #202H** well.

_____ Not to participate in the **Betty Jones Fed Com #202H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Betty Jones Fed Com #203H** well.

_____ Not to participate in the **Betty Jones Fed Com #203H**.

OXY USA WTP, LP

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 AUTHORIZATION FOR EXPENDITURE

DATE:	March 23, 2026	AFE NO.:	
WELL NAME:	Betty Jones Fed Com #203H	FIELD:	Purple Sage
LOCATION:	Section 36 22S-27E, Section 31 22S-28E	MD/TVD:	24200'/9200'
COUNTY/STATE:	Eddy	LATERAL LENGTH:	15,000
MRC WI:			
GEOLOGIC TARGET:	Wolfcamp AXY		
REMARKS:			

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 58,000	\$	\$ 10,000	\$ 10,000	\$ 78,000
Location, Surveys & Damages	187,500	13,000	16,500	12,500	229,500
Drilling	905,475				905,475
Cementing & Float Equip	287,000				287,000
Logging / Formation Evaluation	-	3,750	3,000		6,750
Flowback - Labor			43,350		43,350
Flowback - Surface Rentals			223,550		223,550
Flowback - Rental Living Quarters			16,500		16,500
Mud Logging	22,475				22,475
Mud Circulation System	113,000				113,000
Mud & Chemicals	268,125	42,000	31,000		341,125
Mud / Wastewater Disposal	116,250	-	3,000	1,000	120,250
Freight / Transportation	15,300	37,875	7,000	-	60,175
Rig Supervision / Engineering	115,275	78,400	4,200	1,800	199,675
Drill Bits	94,000				94,000
Fuel & Power	124,875	347,368	6,500	-	478,743
Water	93,500	667,263	1,500	1,000	763,263
Drlg & Completion Overhead	13,250			-	13,250
Plugging & Abandonment	-				-
Directional Drilling, Surveys	805,733				805,733
Completion Unit, Swab, CTU	-	155,000	7,600		162,600
Perforating, Wireline, Slickline	-	232,044	-		232,044
High Pressure Pump Truck	-	83,700	5,000	-	88,700
Stimulation	-	2,464,339			2,464,339
Stimulation Flowback & Disp	-	15,500	7,500		23,000
Insurance	45,463				45,463
Labor	153,000	55,500	12,500	5,000	226,000
Rental - Surface Equipment	83,735	327,427	10,000	5,000	426,162
Rental - Downhole Equipment	244,250	69,000	-	-	313,250
Rental - Living Quarters	44,145	28,238	-	5,000	77,383
Contingency	114,261	215,606	39,220	4,130	373,218
Operations Center	18,354				18,354
TOTAL INTANGIBLES >	3,922,965	4,836,010	447,920	45,430	9,252,325

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 28,380	\$	\$	\$	\$ 28,380
Intermediate Casing	329,963				329,963
Drilling Liner	-				-
Production Casing	774,425				774,425
Production Liner	-				-
Tubing	-		135,000		135,000
Wellhead	120,000		32,000		152,000
Packers, Liner Hangers	-	71,432	-		71,432
Tanks	-			45,000	45,000
Production Vessels	-			155,000	155,000
Flow Lines	-			125,000	125,000
Rod string	-				-
Artificial Lift Equipment	-		20,000		20,000
Compressor	-			37,000	37,000
Installation Costs	-		-	150,000	150,000
Surface Pumps	-		5,000	22,000	27,000
Non-controllable Surface	-		-	2,000	2,000
Non-controllable Downhole	-		-		-
Downhole Pumps	-		-		-
Measurement & Meter Installation	-		20,000	32,000	52,000
Gas Conditioning / Dehydration				-	-
Interconnecting Facility Piping			1,500	130,000	131,500
Gathering / Bulk Lines			-	-	-
Valves, Dumps, Controllers			-	-	-
Tank / Facility Containment			-	8,750	8,750
Flare Stack			-	20,625	20,625
Electrical / Grounding			2,500	71,000	73,500
Communications / SCADA			2,000	5,000	7,000
Instrumentation / Safety				72,000	72,000
TOTAL TANGIBLES >	1,252,768	71,432	218,000	875,375	2,417,575
TOTAL COSTS >	5,175,733	4,907,442	665,920	920,805	11,669,900

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Matt Reddy	Team Lead - WTX/NM	
Completions Engineer:	Trace Saha	JME	
Production Engineer:	Chris Cavern		

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, COO/CFO	TE	SVP Geoscience	NLF	COO- Drilling, Completion and Production	CC
Executive VP, Legal	CA				
President	BG				

NON OPERATING PARTNER APPROVAL:

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

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

Exhibit C-6

Summary of Communications Betty Jones 203H

Uncommitted Working Interest Owner

1. OXY USA WTP, LP

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

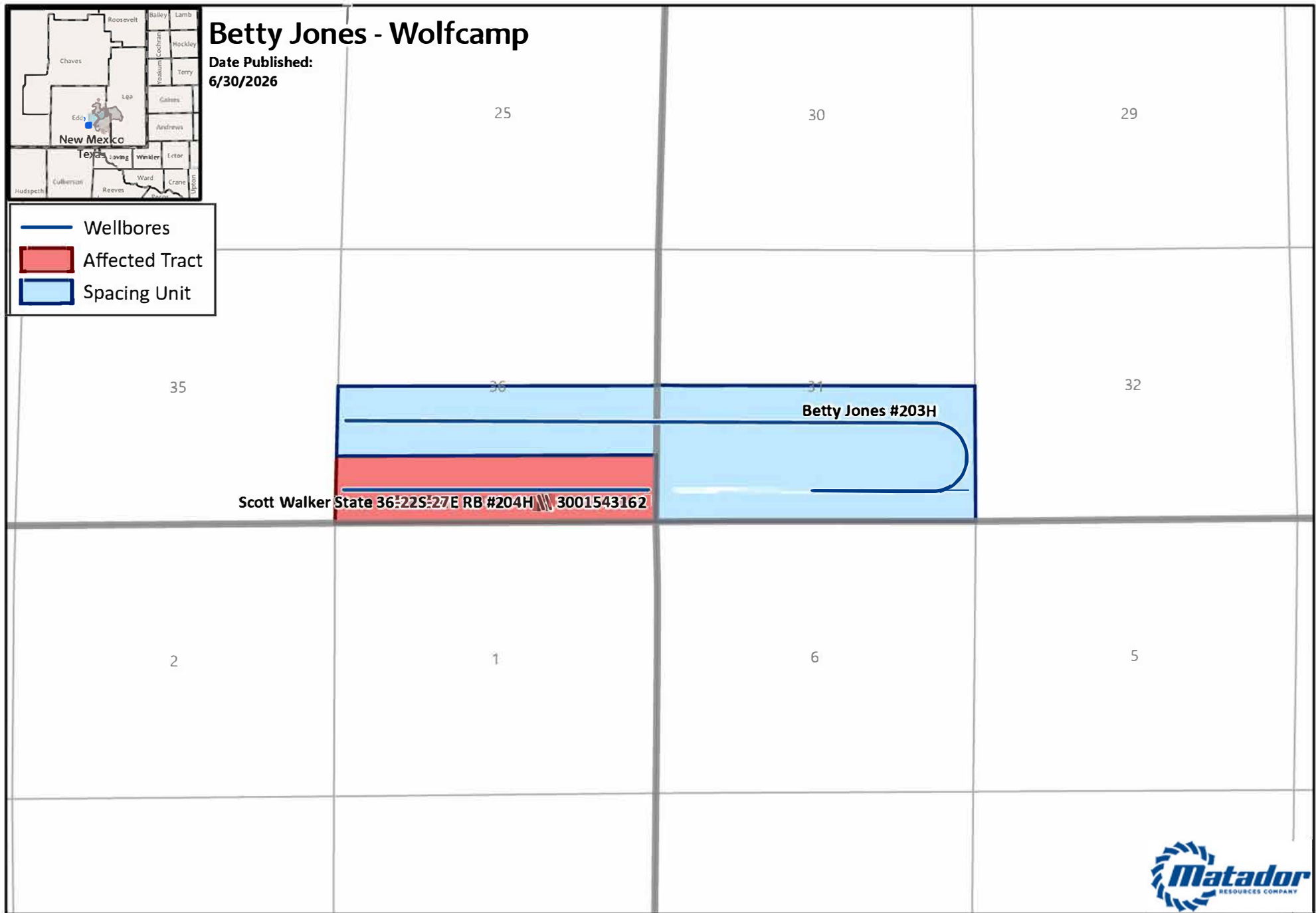
- Proposal sent April 1, 2026
- Proposal received April 4, 2026
- Email April 20, 2026
- Phone Call April 21, 2026
- Email June 8, 2026
- Voicemail June 10, 2026
- Email June 11, 2026
- Email June 17, 2026
- Phone Call June 24, 2026

Exhibit C-7

Betty Jones 203H WCMP		
Interest Owners:	Ownership Type	Commitment Type
Oxy USA WTP, LP	WI	Uncommitted
Charles R. Wiggins	ORRI	Uncommitted
Richardson Mineral & Royalty, LLC	ORRI	Uncommitted
Blix Ann Masterson	ORRI	Uncommitted
Williams WTX, LP	ORRI	Uncommitted
The Eastland Oil Company	ORRI	Uncommitted
L. S. Henry, LLC	ORRI	Uncommitted
Bantam Royalties, LLC	ORRI	Uncommitted
Tim Cavanaugh	ORRI	Uncommitted
Colleen Blackman	ORRI	Uncommitted
Cathy Jones	ORRI	Uncommitted
J. M. C. Ritchie, Jr.	ORRI	Uncommitted
Richard Donnelly	ORRI	Uncommitted
TLM4, Ltd.	ORRI	Uncommitted
Spinnaker Oil & Gas, LP	ORRI	Uncommitted
David Preston Donnelly Trust	ORRI	Uncommitted
Richard Donnelly, Jr. Trust	ORRI	Uncommitted
Martha Brittain Donnelly Trust	ORRI	Uncommitted
Hooker Energy, LLC	ORRI	Uncommitted
MAP 2006-OK	ORRI	Uncommitted
Kathy Schmidt	ORRI	Uncommitted
Debbie Neujahr	ORRI	Uncommitted
Lana Russell	ORRI	Uncommitted
RL & JJ Stevens FP, LP	ORRI	Uncommitted
Rendova Oil Company	ORRI	Uncommitted
TAS Royalty Company	ORRI	Uncommitted
Robert H. Marshall	ORRI	Uncommitted
Mike Stewart	ORRI	Uncommitted
Polofive 25, LLC	ORRI	Uncommitted
Serenity Resources, LLC	ORRI	Uncommitted
David Farmer	ORRI	Uncommitted
Oxy USA WTP, LP	RT	Uncommitted

Key
WI: Working Interest
ORRI: Overriding Royalty Interest
RT: Record Title
MI: Mineral Interest

Exhibit C-8



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

**APPLICATION OF MRC PERMIAN COMPANY
FOR APPROVAL OF A NONSTANDARD OVERLAPPING
SPACING UNIT AND FOR COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 26294

SELF-AFFIRMED STATEMENT OF BRADEN HRENCHER

1. My name is Braden Hrencher. I work for MRC Energy Company, an affiliate of MRC Permian Company ("MRC"), as a Staff Geologist & MaxCom Coordinator.

2. I graduated from Fort Hays State University in 2015 with a bachelor's degree in geology. Following graduation, I attended Oklahoma State University where I earned a Masters degree in geology (geophysics) in 2018. During my graduate degree, I interned with Devon Energy during the Summer of 2017 in their Delaware Business Unit. After finishing my Masters degree, I started as a geologist with Indian Oil Company, LLC in the summer of 2018 working in South Central Kansas. I left Indian Oil Company, LLC in November 2018, then started working for Matador in December 2018 as a geologist. Since I have been at Matador, I have been working as a geologist in the Delaware Basin, including in Eddy and Lea Counties, New Mexico. As part of my employment for Matador, I am also required to complete at least 40 hours of continuing education each year. I am also a member of the Dallas Geological Society.

3. I am familiar with the application filed by MRC in this case, and I have conducted a geologic study of the lands in the subject area.

4. **MRC Exhibit D-1** is a locator map outlining the horizontal spacing unit with a black box shaded in yellow, with the larger area identified in a red box.

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

Submitted by: Matador Production Company
Hearing Date: August 6, 2026
Case No. 26294

5. In this case, MRC intends to develop the Upper Wolfcamp of the Wolfcamp formation.

6. **MRC Exhibit D-2** 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. The structure appears consistent across the proposed wellbore path. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

7. Also included on MRC Exhibit D-2 is a line of cross section from A to A'.

8. **MRC Exhibit D-3** is a structural cross-section displaying open-hole logs run over the Wolfcamp formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, caliper, resistivity, and porosity, where available. The proposed target interval for the proposed well 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 in thickness across the entirety of the proposed spacing unit.

9. In my opinion, there is not a preference for standup or laydown well orientation in the Wolfcamp formation in this area based on the horizontal stress in this area and so the proposed laydown orientation is appropriate.

10. 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 unit proposed in this case.

11. In my opinion, each quarter-quarter section traversed by the well will be productive and contribute more-or-less equally to production from the horizontal spacing unit.

12. 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.

13. In my opinion, approving MRC's application will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

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

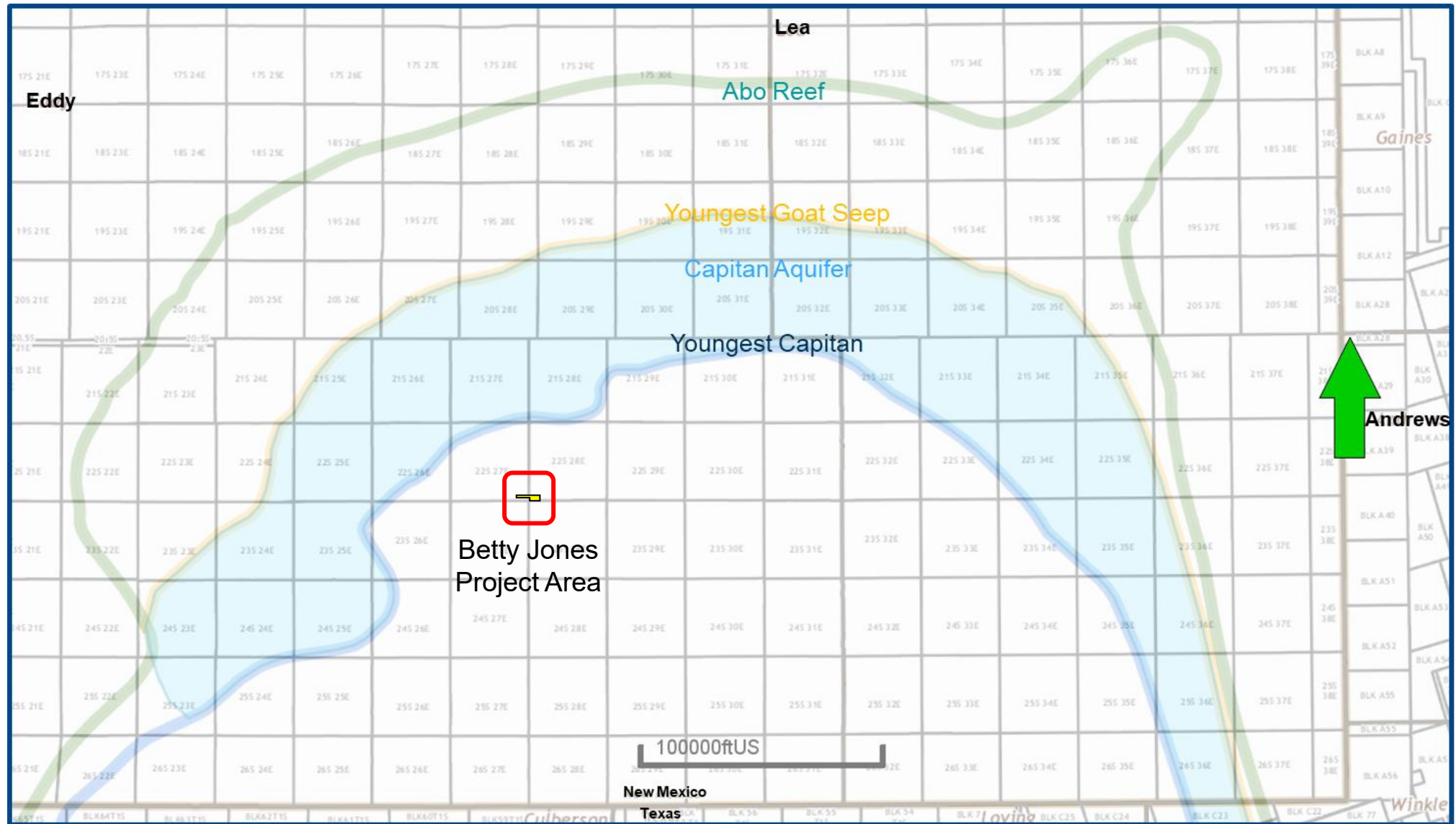
15. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be used as written testimony in this case. This statement is made on the date next to my signature below.


Braden Hrencher

6-29-26
Date

Locator Map

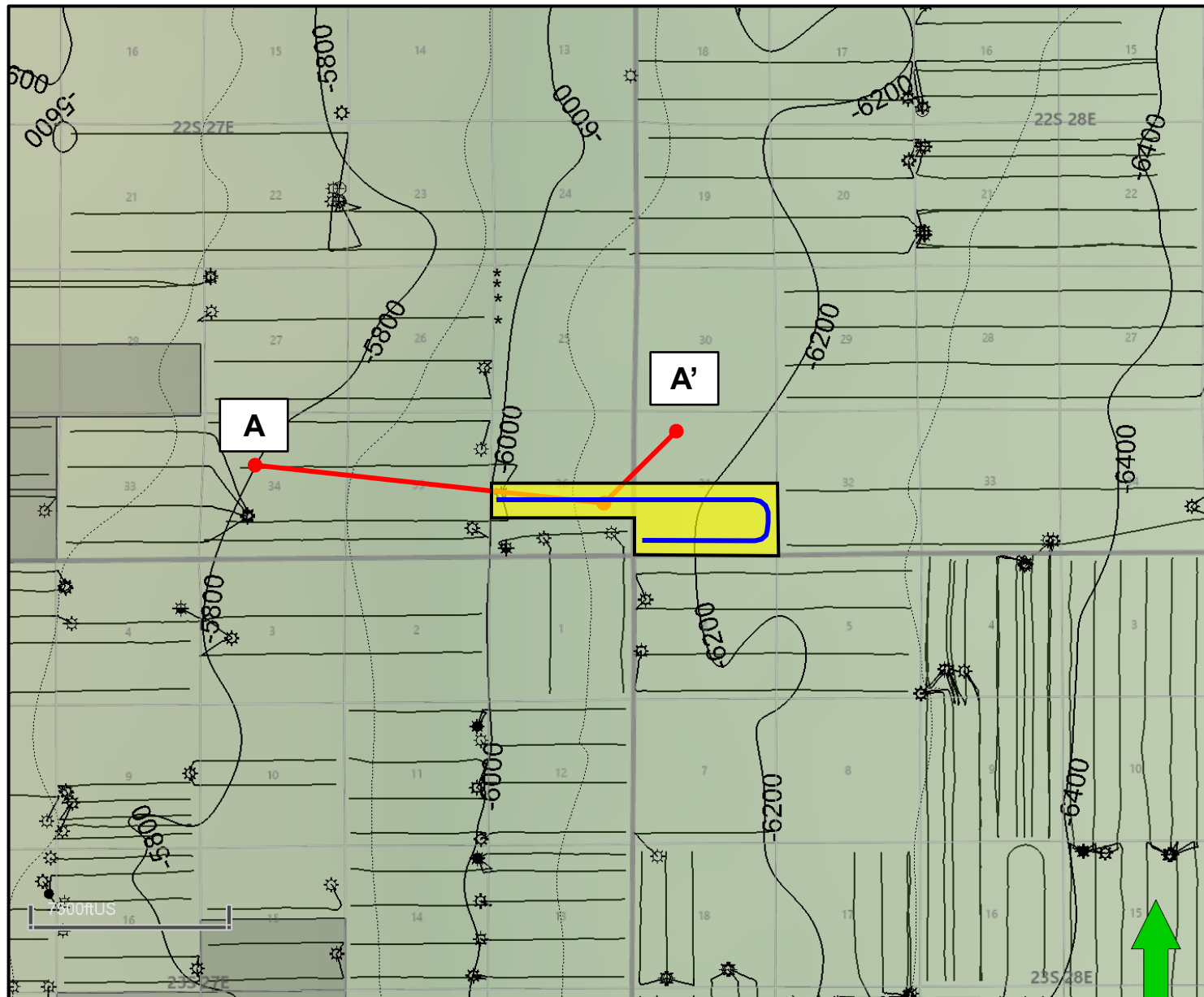
Exhibit D-1



BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-1
 Submitted by: Matador Production Company
 Hearing Date: August 6, 2026
 Case No. 26294



D-1

[98220] PURPLE SAGE; WOLFCAMP (GAS)**Exhibit D-2****Structure Map (Top Wolfcamp Subsea) A – A' Reference Line****Map Legend****Betty Jones 203H****Wolfcamp Wells****Project Area****C. I. = 100'**

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-2
 Submitted by: Matador Production Company
 Hearing Date: August 6, 2026
 Case No. 26294

**D-2**

[98220] PURPLE SAGE; WOLFCAMP (GAS)

Santa Fe, New Mexico

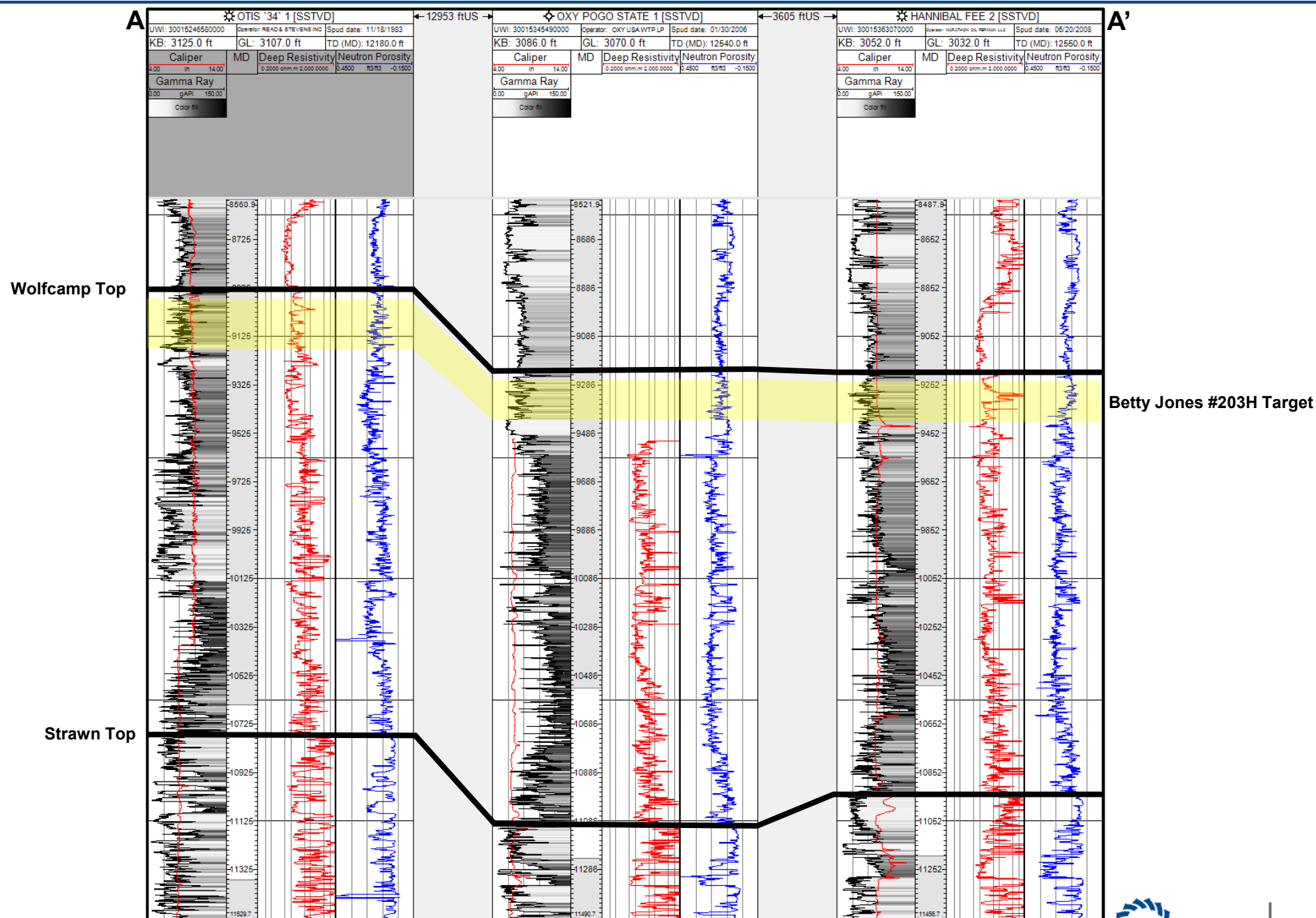
Exhibit No. D-3

Exhibit D-3**Structural Cross-Section A – A'**

Submitted by: Matador Production Company

Hearing Date: August 6, 2026

Case No. 26294



Betty Jones Fed Com #203H

Released to Imaging: 8/7/2026 10:04:59 AM

**D-3**

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

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

CASE NO. 26294

**SELF-AFFIRMED STATEMENT OF
ADAM G. RANKIN**

1. I am attorney in fact and authorized representative of MRC Permian Company (“MRC”), 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 July 24, 2026.

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 of 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 CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Matador Production Company
Hearing Date: August 6, 2026
Case No. 26294**



Adam G. Rankin

07/28/26

Date



A. Raylee Starnes
Associate
Phone (505) 954-3669
Email astarnes@hollandhart.com

June 18, 2026

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

Re: Application of MRC Permian Company for Approval of an Overlapping Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico: Betty Jones Federal Com 203H 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 July 9, 2026, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/oed/>.

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/oed/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 Addison Costley at (972) 371-5474 or at addison.costley@matadorresources.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Raylee Starnes".

A. Raylee Starnes
**ATTORNEY FOR MRC PERMIAN COMPANY AND
MATADOR PRODUCTION COMPANY**

T 505.954.3669 F 505.983.6043
215 Lincoln Avenue, Suite 100, Santa Fe, NM 87501
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska
Colorado
Idaho

Montana
Nevada
New Mexico

Utah
Washington, D.C.
Wyoming

MRC - Betty Jones Fed Com 203H WC well - Case no. 26294
Postal Delivery Report

9414811898765520420776	Bantam Royalties, LLC	PO Box 10668	Midland	TX	79702-7668	Your item was picked up at the post office at 1:00 pm on June 22, 2026 in MIDLAND, TX 79701.
9414811898765520420912	Blix Ann Masterson	3520 Rocks Mill Ln	Charlottesville	VA	22903-9321	Your item was delivered to an individual at the address at 3:58 pm on June 22, 2026 in CHARLOTTESVILLE, VA 22903.
9414811898765520420950	Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220-6292	Your item was delivered to the front desk, reception area, or mail room at 11:10 am on June 30, 2026 in CARLSBAD, NM 88220.
9414811898765520420967	Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508-1560	Your item was delivered to the front desk, reception area, or mail room at 11:52 am on June 22, 2026 in SANTA FE, NM 87508.
9414811898765520420929	Cathy Jones	1400 N Fannin St	San Benito	TX	78586-5132	Your item has been delivered to the original sender at 11:18 am on July 13, 2026 in SANTA FE, NM 87501.
9414811898765520420998	Charles R. Wiggins	PO Box 10862	Midland	TX	79702-7862	Your item has been delivered and is available at a PO Box at 8:11 am on June 24, 2026 in MIDLAND, TX 79701.
9414811898765520420943	Colleen Blackman	739 Homestead Cir	Las Cruces	NM	88011-9042	Your item has been delivered to the original sender at 11:19 am on June 26, 2026 in SANTA FE, NM 87501.
9414811898765520420936	David Farmer	PO Box 1173	Midland	TX	79702-1173	Your item has been delivered to the original sender at 11:16 am on July 16, 2026 in SANTA FE, NM 87501.
9414811898765520420974	David Preston Donnelly Trust	PO Box 3506	Midland	TX	79702-3506	Your item was picked up at the post office at 12:43 pm on June 24, 2026 in MIDLAND, TX 79701.
9414811898765520420615	Debbie Neujahr	PO Box 3753	Littleton	CO	80161-3753	Your item has been delivered and is available at a PO Box at 12:36 pm on June 22, 2026 in LITTLETON, CO 80122.
9414811898765520420653	Hooker Energy, LLC	PO Box 701	Abilene	TX	79604-0701	Your item was picked up at a postal facility at 8:19 am on June 25, 2026 in ABILENE, TX 79601.
9414811898765520420660	J. M. C. Ritchie, Jr.	1701 Bedford Dr	Midland	TX	79701-5706	Your item was delivered to an individual at the address at 2:33 pm on June 22, 2026 in MIDLAND, TX 79701.
9414811898765520420622	Kathy Schmidt	PO Box 2318	Edmond	OK	73083-2318	Your item was picked up at the post office at 12:44 pm on June 22, 2026 in EDMOND, OK 73034.
9414811898765520420691	L. S. Henry, LLC	PO Box 742735	Dallas	TX	75374-2735	Your item was delivered to an individual at the address at 11:19 am on July 13, 2026 in SANTA FE, NM 87501.
9414811898765520420646	Lana Russell	PO Box 303424	Austin	TX	78703-0058	Your item has been delivered and is available at a PO Box at 8:57 am on June 24, 2026 in AUSTIN, TX 78705.
9414811898765520420677	MAP 2006-OK	101 N Robinson Ave Ste 1000	Oklahoma City	OK	73102-5513	Your item was delivered to the front desk, reception area, or mail room at 10:28 am on June 22, 2026 in OKLAHOMA CITY, OK 73102.
9414811898765520420158	Martha Brittain Donnelly Trust	PO Box 3506	Midland	TX	79702-3506	Your item was picked up at the post office at 12:43 pm on June 24, 2026 in MIDLAND, TX 79701.
9414811898765520420165	Mike Stewart	3714 Mark Ln	Midland	TX	79707-4330	Your item was delivered to an individual at the address at 2:46 pm on June 22, 2026 in MIDLAND, TX 79707.
9414811898765520420127	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item was picked up at the post office at 10:06 am on June 23, 2026 in SANTA FE, NM 87501.
9414811898765520420103	New Mexico State Land Office	PO Box 1148	Santa Fe	NM	87504-1148	Your item was picked up at the post office at 10:35 am on June 22, 2026 in SANTA FE, NM 87501.
9414811898765520420196	Oxy USA WTP, LP	5 Greenway Plz Ste 110	Houston	TX	77046-0521	Your item was delivered to the front desk, reception area, or mail room at 10:10 am on June 24, 2026 in HOUSTON, TX 77046.
9414811898765520420141	Polofive 25, LLC	525 Sir Barton Pkwy	Midland	TX	79705-1936	Your item was picked up at a postal facility at 12:57 pm on July 3, 2026 in MIDLAND, TX 79705.
9414811898765520420189	Rendova Oil Company	PO Box 3106	Midland	TX	79702-3106	Your item has been delivered to the original sender at 11:19 am on July 14, 2026 in SANTA FE, NM 87501.

MRC - Betty Jones Fed Com 203H WC well - Case no. 26294
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9414811898765520420172	Richard Donnelly	315 Brownell Howland Rd	Santa Fe	NM	87501-8840	Your item was delivered to an individual at the address at 5:26 pm on June 22, 2026 in SANTA FE, NM 87501.
9414811898765520420363	Richard Donnelly, Jr. Trust	PO Box 3506	Midland	TX	79702-3506	Your item was picked up at the post office at 12:43 pm on June 24, 2026 in MIDLAND, TX 79701.
9414811898765520420301	Richardson Mineral & Royalty, LLC	PO Box 2423	Roswell	NM	88202-2423	Your item was picked up at the post office at 10:58 am on June 23, 2026 in ROSWELL, NM 88201.
9414811898765520420349	RL & JJ Stevens FP, LP	3714 Mark Ln	Midland	TX	79707-4330	Your item was delivered to an individual at the address at 2:46 pm on June 22, 2026 in MIDLAND, TX 79707.
9414811898765520420332	Robert H. Marshall	PO Box 1422	Midland	TX	79702-1422	Your item was picked up at the post office at 9:40 am on June 30, 2026 in MIDLAND, TX 79701.
9414811898765520420011	Serenity Resources, LLC	PO Box 5240	Midland	TX	79704-5240	Your item has been delivered to the original sender at 11:16 am on July 16, 2026 in SANTA FE, NM 87501.
9414811898765520420066	Spinnaker Oil & Gas, LP	415 W Wall St Ste 1415	Midland	TX	79701-4437	Your item was delivered to an individual at the address at 4:00 pm on June 22, 2026 in MIDLAND, TX 79701.
9414811898765520420097	TAS Royalty Company	PO Box 5249	Austin	TX	78763-5249	Your item arrived at our AUSTIN TX DISTRIBUTION CENTER destination facility on June 23, 2026 at 7:57 am. The item is currently in transit to the destination.
9414811898765520420080	The Eastland Oil Company	415 W Wall St Ste 1415	Midland	TX	79701-4437	Your item was delivered to an individual at the address at 4:00 pm on June 22, 2026 in MIDLAND, TX 79701.
9414811898765520420073	Tim Cavanaugh	7217 Hollis St NE	Albuquerque	NM	87109-6138	Your item has been delivered to the original sender at 12:36 pm on July 22, 2026 in SANTA FE, NM 87501.
9414811898765520420455	TLM4, Ltd.	808 W Wall St	Midland	TX	79701-6634	Your item was delivered to an individual at the address at 2:12 pm on June 22, 2026 in MIDLAND, TX 79701.
9414811898765520420400	Williams WTX, LP	PO Box 52290	Midland	TX	79710-2290	Your item was picked up at a postal facility at 11:19 am on June 23, 2026 in MIDLAND, TX 79705.

Affidavit of Publication

No. 111690

State of New Mexico

County of Eddy:

Adrian Hedden

being duly sworn, says that he is the

Publisher

of the Carlsbad Current Argus, a weekly newspaper of

general circulation, published in English at Carlsbad,

said county and state, and that the hereto attached

Legal Ad

was published in a regular and entire issue of the said

Carlsbad Current Argus, a weekly newspaper duly qualified

for that purpose within the meaning of Chapter 167 of

the 1937 Session Laws of the state of New Mexico for

1 Consecutive weeks/day on the same

day as follows:

First Publication

June 24, 2026

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Sixth Publication

Seventh Publication

Eighth Publication

Subscribed and sworn before me this

24th day of June 2026

LATISHA ROMINE
 Notary Public, State of New Mexico
 Commission No. 1076338
 My Commission Expires
 05-12-2027



Latisha Romine

Notary Public, Eddy County, New Mexico

Copy of Publication:**Legal Notice (Publication)**

Case No. 26294: Application of MRC Permian Company for Approval of an Overlapping Non-Standard Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Bureau of Land Management; Bantam Royalties, LLC; Blix Ann Masterson; Cathy Jones; Charles R. Wiggins; Colleen Blackman; David Farmer; David Preston Donnelly Trust; Debbie Neujahr; Hooker Energy, LLC; J. M. C. Ritchie, Jr.; Kathy Schmidt; L. S. Henry, LLC; Lana Russell; MAP 2006-OK; Martha Brittain Donnelly Trust; Mike Stewart; New Mexico State Land Office; Oxy USA WTP, LP; Polofive 25, LLC; Rendova Oil Company; Richard Donnelly; Richard Donnelly, Jr. Trust; Richardson Mineral & Royalty, LLC; RL & JJ Stevens FP, LP; Robert H. Marshall; Serenity Resources, LLC; Spinnaker Oil & Gas, LP; TAS Royalty Company; The Eastland Oil Company; Tim Cavanaugh; TLM4, Ltd.; and Williams WTX, LP. The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division (Division) hereby gives notice that the Division will hold public hearing 8:30 a.m. on July 9, 2026, to consider this application. The hearing 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. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order (a) approving a non-standard 478.08-acre, more or less, overlapping horizontal well spacing unit in the Wolfcamp formation underlying the N/2 S/2 of Section 36, Township 22 South, Range 27 East, and Lots 3-4, E/2 SW/4, and SE/4 (S/2 equivalent) of irregular Section 31, Township 22 South, Range 28 East, NMPM, Eddy County, New Mexico; and (b) pooling the uncommitted interest owners in this acreage. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Betty Jones Federal Com 203H** well, to be horizontally drilled from a surface location in the W/2 W/2 of Section 36, T22S-R-27E, with a first take point in the NW/4 SW/4 (Unit L) of Section 36, T22S-R-27E, and a last take point in the SW/4 SW/4 (Unit M) of irregular Section 31, T22S-R28E. This proposed non-standard horizontal well spacing unit will overlap the following existing or proposed horizontal well spacing units in the Wolfcamp formation:

" An existing 320-acre, more or less, spacing unit comprised of the S/2 of Section 36, Township 22 South, Range 27 East, dedicated to the Scott Walker State 36 22S 27E RB 204H well (API No. 30-015-43162), operated by Matador Production Company.

Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs 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 proposed well. The subject area is located approximately 4.5 miles northwest of Loving, New Mexico.

111690-Published in Carlsbad Current Argus June 24, 2026.

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico

Exhibit No. F

Submitted by: Matador Production Company

Hearing Date: August 6, 2026

Case No. 26294