

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING SEPTEMBER 7, 2023**

CASE NO. 23749

ALYSON 3332 FED COM #124H

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 HORIZONTAL WELL SPACING
UNIT AND COMPULSORY POOLING,
EDDY COUNTY, NEW MEXICO.**

CASE NO. 23749

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

Case: 23749	APPLICANT'S RESPONSE
Date	September 7, 2023
Applicant	MRC Permian Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company (OGRID No. 228937)
Applicant's Counsel:	Holland & Hart LLP
Case Title:	APPLICATION OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.
Entries of Appearance/Intervenors:	Permian Resources, Operating, LLC and Mewbourne Oil Company
Well Family	Alsyon
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring Formation
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	WC-015 G-04 S203032P; BONE SPRING [98008]
Well Location Setback Rules:	Statewide oil rules
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	240
Building Blocks:	40 acres
Orientation:	East-West
Description: TRS/County	S/2 S/2 of Section 33 and the S/2 SE/4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico
Proximity Tracts: If yes, description	No Exhibit No. A Submitted by: MRC Permian Company
Proximity Defining Well: if yes, description	N/A Hearing Date: September 7, 2023 Case No. 23749
Applicant's Ownership in Each Tract	Exhibit C-5
Well(s)	

Name & APN (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1	Alyson 3332 Fed Com #124H well SHL: 884' FSL, 1,048' FEL (Unit P) of Section 33 BHL: 660' FSL, 2,533' FEL (Unit O) of Section 32 Target: Bone Spring Orientation: East-West Completion: Standard Location
Horizontal Well First and Last Take Points	Exhibit C-3
Completion Target (Formation, TVD and MD)	Exhibit C-6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-4
Tract List (including lease numbers and owners)	Exhibit C-4
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-5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-5
Chronology of Contact with Non-Joined Working Interests	Exhibit C-7
Overhead Rates In Proposal Letter	Exhibit C-6
Cost Estimate to Drill and Complete	Exhibit C-6
Cost Estimate to Equip Well	Exhibit C-6
Cost Estimate for Production Facilities	Exhibit C-6
Geology	

Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	N/A
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-3
Tracts	Exhibit C-4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-5
General Location Map (including basin)	Exhibit D-1
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-3
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Paula M. Vance
Signed Name (Attorney or Party Representative):	
Date:	9/5/2023

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

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

CASE NO. 23749

APPLICATION

MRC Permian Company (“MRC” or “Applicant”), through undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order (a) approving a standard 240-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation underlying the S2S2 of Section 33 and the S2SE4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. In support of its application, MRC states:

1. Applicant is a working interest owner in the proposed horizontal well spacing unit and has the right to drill thereon.
2. Applicant seeks to designate Matador Production Company (OGRID No. 228937) as the operator of the proposed horizontal spacing unit.
3. Applicant seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Alyson 3332 Fed Com 124H** well to be horizontally drilled from a surface hole location in the SE4SE4 (Unit P) of Section 33, with first take point in the SE4SE4 (Unit P) of Section 33 and a last take point SW4SE4 (Unit O) of Section 32.

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Santa Fe, New Mexico
Exhibit No. B
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case No. 23749**

4. This proposed horizontal well spacing unit will overlap a 40-acre spacing unit comprised of the SE4SE4 (Unit P) of Section 32 that is currently dedicated to the Eddy BD State #1 (30-015-20200), a vertical well completed in the Bone Spring formation.

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

6. Approval of this overlapping horizontal well spacing unit the pooling of interests will allow Applicant to obtain a just and fair share of the oil and gas underlying the subject lands, avoid the drilling of unnecessary wells, will prevent waste, and will protect correlative rights.

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on September 7, 2023, and, after notice and hearing as required by law, the Division enter an order:

- A. Approving this overlapping horizontal well spacing unit and pooling all uncommitted interests therein;
- B. Designating Matador Production Company as operator of this horizontal well spacing unit and the wells to be drilled thereon;
- C. Authorizing Applicant to recover its costs of drilling, completing, and equipping the well;
- D. Approving the actual operating charges and costs of supervision while drilling and after completion, together with a provision adjusting the rates pursuant to the COPAS accounting procedures; and
- E. Imposing a 200% penalty for the risk assumed by Applicant in drilling and completing the well against any working interest owner who does not voluntarily participate in the drilling of the well.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Michael H. Feldewert
Adam G. Rankin
Julia Broggi
Paula M. Vance
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
mfeldewert@hollandhart.com
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ATTORNEYS FOR MRC PERMIAN COMPANY

CASE _____:

Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving an overlapping 240-acre standard horizontal well spacing unit in the Bone Spring formation underlying the S2S2 of Section 33 and the S2SE4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed **Alyson 3332 Fed Com 124H** well to be horizontally drilled from a surface hole location in the SE4SE4 (Unit P) of Section 33, with first take point in the SE4SE4 (Unit P) of Section 33 and a last take point SW4SE4 (Unit O) of Section 32. This proposed horizontal well spacing unit will overlap a 40-acre spacing unit comprised of the SE4SE4 (Unit P) of Section 32 that is currently dedicated to the Eddy BD State #1 (30-015-20200), a vertical well completed in the Bone Spring formation. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles northeast of Carlsbad, New Mexico.

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
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**APPLICATION OF MRC PERMIAN COMPANY FOR
APPROVAL OF AN OVERLAPPING HORIZONTAL
WELL SPACING UNIT AND COMPULSORY
POOLING, EDDY COUNTY, NEW MEXICO.**

CASE NO. 23749

SELF-AFFIRMED STATEMENT OF HAWKS HOLDER

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

1. My name is Hawks Holder. I work for MRC Energy Company, an affiliate of Matador Production Company (“Matador”), 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 Matador in this case, and I am familiar with the status of the lands in the subject area.
4. In this case, Matador is seeking an order pooling all uncommitted interests in the Bone Spring formation in the standard 240-acre, more or less, horizontal well spacing unit comprised of the S/2 S/2 of Section 33 and the S/2 SE/4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico. MRC seeks to initially dedicate the above-referenced horizontal well spacing unit to the proposed **Alyson 3332 Fed Com 124H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 33, with first take point in the SE/4 SE/4 (Unit P) of Section 33 and a last take point SW/4 SE/4 (Unit O) of Section 32.

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5. Matador understands this well will be placed in the WC-015 G-04 S203032P; BONE SPRING (98008) pool.

6. This 240-acre horizontal well spacing unit will overlap the following existing vertical well spacing units covering portions of the subject acreage:

- a. the 40-acre spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 32 that is currently dedicated to the Eddy BD State #1 (30-015-20200), a vertical well completed in the Bone Spring formation.

7. A map showing each of the above-referenced overlapping spacing units is attached as **Matador Exhibit C-1**.

8. **Matador Exhibit C-2** contains a copy of the notice that Matador sent to the working interest owners in the existing spacing unit Eddy BD State #1 (30-015-20200), the working interest owners the proposed spacing unit in Matador's current application, as well as the New Mexico State Land Office. Matador has not received written notice of any objection to the notice of overlapping spacing unit.

9. **Matador Exhibit C-3** contains the Form C-102 for the proposed well.

10. The completed intervals for the proposed well will remain within the standard setbacks required by the statewide rules set forth in 19.15.16.15 NMAC.

11. **Matador Exhibit C-4** identifies the tracts of land comprising the proposed horizontal spacing units. The land in the proposed spacing unit is comprised of federal and state lands.

12. **Matador Exhibit C-5** identifies for the working interest owners that Matador is seeking to pool along with their respective ownership interest in the proposed horizontal spacing

unit. **Matador Exhibit C-5** also identifies the overriding royalty interest owners and record title owners that Matador seeks to pool in this case.

13. There are no depth severances within the Bone Spring formation for this acreage.

14. While Matador was working to put this unit together, Matador proposed the above well to each of the working interest parties it seeks to pool. **Matador Exhibit C-6** contains a sample well proposal letter that was sent to those parties, along with the AFE sent to working interest owners for each well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

15. In addition to sending well proposal letters and AFEs, I have called or emailed each of the working interest owners Matador seeks to pool. As indicated in **Matador Exhibit C-7**, we have been able to contact and have discussions with all of the working interest owners we seek to pool.

16. **Matador Exhibit C-7** contains a summary chronology of Matador's contacts and attempted contacts with the uncommitted working interest owners. In my opinion, Matador has undertaken good faith efforts to reach an agreement with the uncommitted mineral owners that Matador seeks to pool in this case.

17. Matador has made an estimate of overhead and administrative costs for drilling and producing the proposed well. It is \$8,000/month while drilling, and \$800/month while producing. These costs are consistent with what other operators are charging in this area for these types of wells. Matador respectfully requests that these administrative and overhead costs be incorporated into any order entered by the Division in this case.

18. I provided Matador's outside counsel, Holland & Hart, a list of names and addresses for the parties that Matador is seeking to pool. In compiling this notice list, Matador conducted a

diligent search of all public records in the county where the proposed wells are located and of phone directories, including computer searches.

19. **Matador Exhibits C-1 through C-7** were either prepared by me or compiled under my direction and supervision.

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

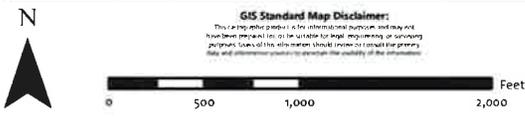
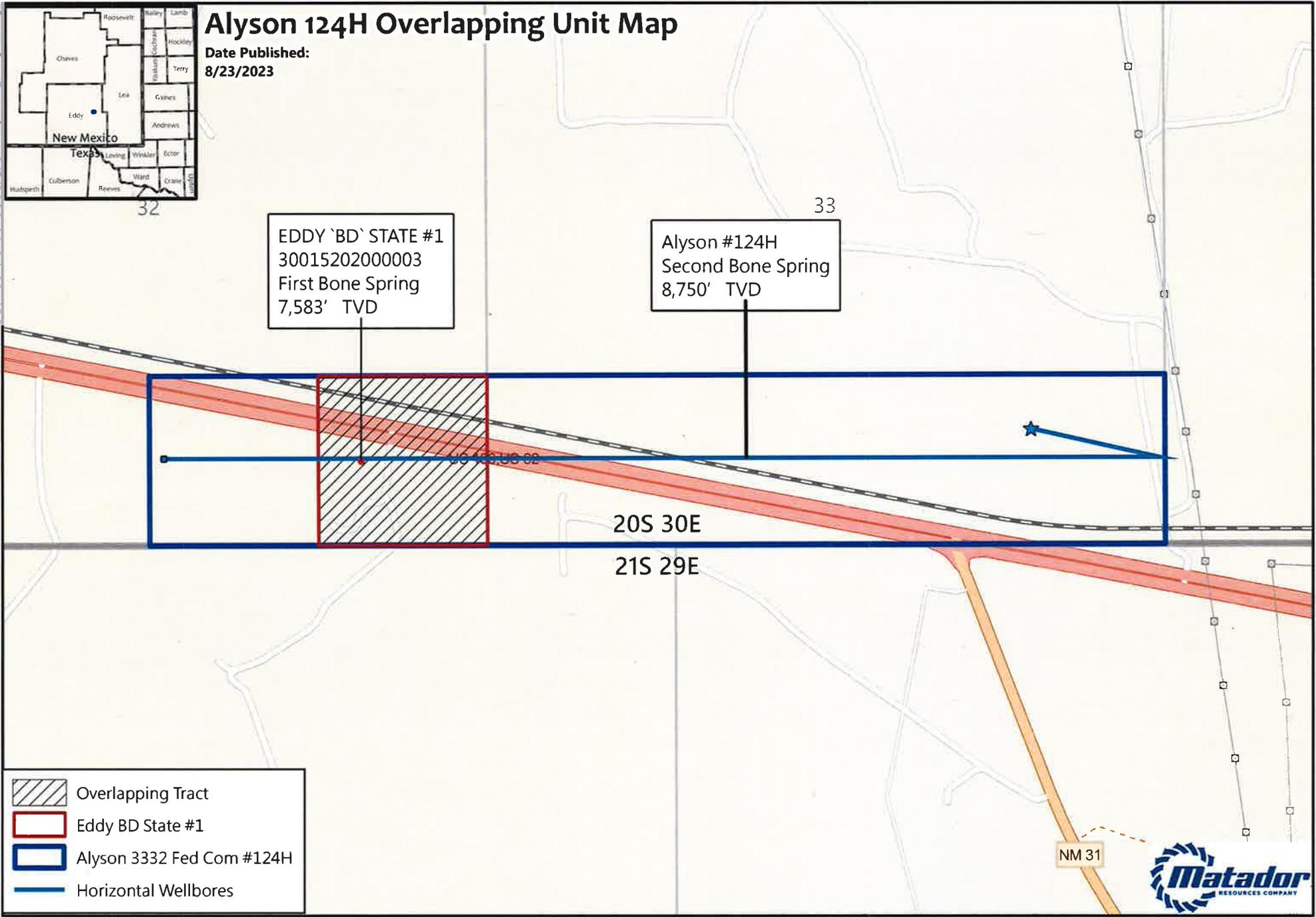


Hawks Holder

8/31/2023

Date

Exhibit C-1



GIS Standard Map Disclaimer:
 This is a map made for informational purposes only and should not be used for legal, engineering, or planning purposes. Users of this information should consult the primary data and professional standards to determine the quality of the information.

1:12,000
 1 inch equals 1,000 feet

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-1
 Submitted by: MRC Permian Company
 Hearing Date: September 7, 2023
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Map Prepared by: americo.gamarra
 Date: August 23, 2023
 Spatial Reference: NAD 1983 StatePlane New Mexico East FIPS 3001 Feet
 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-2

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

**TO ALL WORKING INTEREST OWNERS IN THE AGREAGE AFFECTED BY PROPOSED
OVERLAPPING SPACING UNIT**

August 15, 2023

Re: Notice of Overlapping Spacing Unit
Matador's Alyson 3332 Fed Com #124H

To Whom It May Concern:

Matador Production Company has proposed the above-referenced wells for the development of the Bone Spring formation under the S/2 S/2 of Section 33 and the S/2 SE/4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico.

This letter is to advise you that this proposed development plan will require the formation of the 240 acre, more or less, spacing unit comprised of the S/2 S/2 of Section 33 and the S/2 SE/4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, which will initially be dedicated to:

- (i) Matador's **Alyson 3332 Fed Com 124H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 33-T20S-R30E, with a first take point in the SE/4 SE/4 (Unit P) of Section 33 and a last take point in the SW/4 SE/4 (Unit O) of Section 32-T20S-R30E. This well is targeting the Second Bone Spring of the Bone Spring formation, with an approximate TVD of 8,750'.

Matador's proposed 240-acre spacing unit will overlap the following existing 40-acre spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 32-T20S-R30E, which is currently dedicated to the following well:

- (i) Matador Production Company's Eddy BD State #1 (30-015-20200), which is a vertical well with the surface hole location and bottom hole location located in the SE/4 SE/4 (Unit P) of Section 32-T20S-R30E. This well is targeting the First Bone Spring of the Bone Spring formation, with an approximate TVD of 7,583'; and

Pursuant to NMAC 19.15.16.15.B(9) and 19.15.15.12.B, you have a right to object the overlapping spacing unit by delivering a written statement of objection to our office within twenty (20) days of the mailing of this notice. If no objection is received within this 20-day period, we will proceed with obtaining any remaining regulatory approvals for the proposed spacing unit.

If you have any questions about this matter, please contact me at your convenience.

Sincerely,

Hawks Holder
Landman for Matador Production Company
972-619-4336
hawks.holder@matadorresources.com

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-2
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case No. 23749

Exhibit C-3

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 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 Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Submitted by: MRC Permian Company

FORM C-102

Hearing Date: September 7, 2023 Revised August 1, 2011

Case No. 23749

Submit one copy to appropriate

District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code		³ Pool Name	
		98008		WK-015 G-04 S203032P; Bone Spring	
⁴ Property Code		⁵ Property Name		⁶ Well Number	
		ALYSON 3332 FED COM		124H	
⁷ OGRID No.		⁸ Operator Name		⁹ Elevation	
228937		MATADOR PRODUCTION COMPANY		3393'	

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	33	20-S	30-E	-	884'	SOUTH	1048'	EAST	EDDY

¹¹Bottom 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
0	32	20-S	30-E	-	660'	SOUTH	2533'	EAST	EDDY

¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
240			

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.

¹⁷OPERATOR CERTIFICATION

I hereby certify that the information contained 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 a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature _____ Date _____

Printed Name _____

E-mail Address _____

¹⁸SURVEYOR 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 to the best of my belief.

06/15/2023

Date of Survey _____
Signature and Seal of Professional Surveyor

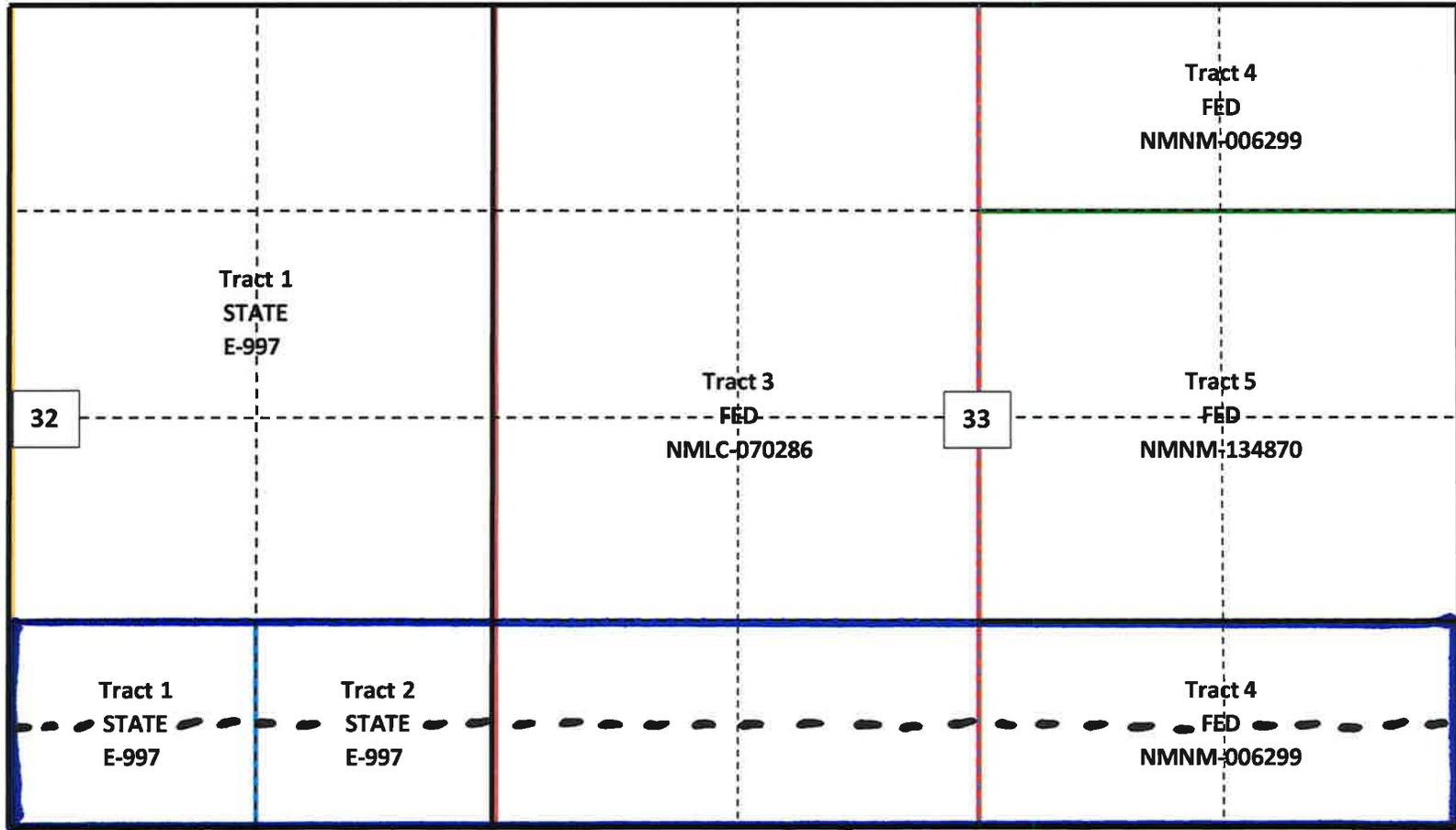
Certificate Number _____

NEW MEXICO EAST
NAD 1927

SURFACE LOCATION (SHL) 884' FSL - SEC. 33 1048' FEL - SEC. 33 X=652713 Y=554907 LAT.: N 32.5249798 LONG.: W 103.9719718	KICK OFF POINT (KOP) 660' FSL - SEC. 33 50' FEL - SEC. 33 X=653711 Y=554685 LAT.: N 32.5243606 LONG.: W 103.9687352	FIRST PERF. POINT (FPP) 660' FSL - SEC. 33 100' FEL - SEC. 33 X=653661 Y=554685 LAT.: N 32.5243608 LONG.: W 103.9688974
BLM PERF. POINT (BPP1) 660' FSL - SEC. 33 2644' FEL - SEC. 33 X=651117 Y=554680 LAT.: N 32.5243708 LONG.: W 103.9771524	BLM PERF. POINT (BPP2) 660' FSL - SEC. 33 0' FWL - SEC. 33 X=648468 Y=554675 LAT.: N 32.5243806 LONG.: W 103.9857444	LAST PERF. POINT (LPP) BOTTOM HOLE LOCATION (BHL) 660' FSL - SEC. 32 2533' FEL - SEC. 32 X=645936 Y=554670 LAT.: N 32.5243894 LONG.: W 103.9939616
FIRST PERF. POINT (FPP) X=612460 Y=554624 LAT.: N 32.5242407 LONG.: W 103.9653976	BLM PERF. POINT (BPP1) X=609936 Y=554610 LAT.: N 32.5242507 LONG.: W 103.9652523	LAST PERF. POINT (LPP) BOTTOM HOLE LOCATION (BHL) X=604755 Y=554609 LAT.: N 32.5242684 LONG.: W 103.9648112

Exhibit C-4

Alyson 3332 Fed Com Tract Map



*Alyson 3332
Fed Com
#124H*

Exhibit C-5

Alyson 3332 Fed Com #124H Summary of Interests

MRC Permian	76.180846%
Voluntary Joinder	3.999022%
Compulsory Pool	19.820132%

Compulsory Pool Interest Owner:	Description:	Tract:	Interest:
Yates Energy Corporation	WI	4	3.153465%
Colgate Production, LLC	WI	4	16.666667%
Merrion Oil & Gas Corporation	ORRI		
Lynx Petroleum Consultants, Inc.	ORRI		
Alexander Oil and Gas, LLC	ORRI		
Hal Brunson	ORRI		
Cope Properties, LLC	ORRI		
DASCO Energy Corporation	ORRI		
Fonay Oil & Gas, LLC	ORRI		
Powder Horn Investments, LLC	ORRI		
RR Resources Ltd. Co.	ORRI		
Teaco Energy	ORRI		
Underwood, LLC	ORRI		
W&C Oil Properties, LLC	ORRI		
Watson Oil and Gas, LLC	ORRI		
Francis Hill Hudson, Trustee of Lindy's Living Trust u/t/a dated July 8, 1994	ORRI		
Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002	ORRI		
Moore & Shelton Company, Ltd.	ORRI		
Zorro Partners, Ltd.	ORRI		
Javelina Partners	ORRI		
Ard Oil, Ltd.	ORRI		
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell	ORRI		
Compound Properties	ORRI		
Pat Guthrie, Trustee of the Guthrie Family Trust dated July 12, 1993	ORRI		
B&G Royalties	ORRI		
Penasco Petroleum, LLC	ORRI		
Rolla R. Hinkle, III	ORRI		
Barbe Development, LLC	ORRI		
Chad Barbe	ORRI		
The Toles Company	ORRI		
Mark McClellan and Paula McClellan	ORRI		
Pegasus Resources, LLC	ORRI		
West Bend Energy Partners, LLC	ORRI		
SMP Sidecar Titan Mineral Holdings, LP	ORRI		
SMP Titan Mineral Holdings, LP	ORRI		

NOTE: All parties listed under "Compulsory Pool Interest Owner" are being pooled.

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. C-5
 Submitted by: MRC Permian Company
 Hearing Date: September 7, 2023
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MSH Family Real Estate Partnership II, LLC	ORRI
SMP Titan Flex, LP	ORRI
XTO Delaware Basin, LLC	ORRI
CTV-SRB II BPEOR NM, LLC	ORRI
CTV-SRB I BPEOR NM, LLC	ORRI
CTV-CTAM BPEOR NM, LLC	ORRI
CTV-LMB II BPEOR NM, LLC	ORRI
CTV-LMB I BPEOR NM, LLC	ORRI
Francis Hill Hudson, Trustee of Lindy's Living Trust u/t/a dated July 8, 1994	Record Title
Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002	Record Title
Moore & Shelton Company, Ltd.	Record Title
Zorro Partners, Ltd.	Record Title
Javelina Partners	Record Title
Ard Oil, Ltd.	Record Title
Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell	Record Title
Trigg Oil & Gas Limited Partnership	Record Title

Exhibit C-6

Matador Production Company

One Lincoln Centre • 5400 LBJ Freeway • Suite 1500 • Dallas, Texas 75240
Cell 806.282.6846 • Office 972.619.4336 • Fax 972-371-5201
hawks.holder@matadorresources.com

Hawks Holder
Landman

July 25, 2023

VIA CERTIFIED RETURN RECEIPT MAIL

Colgate Production, LLC
300 N. Marienfeld St., Suite 1000
Midland, TX 79701

Re: Alyson 3332 Fed Com #121H, #122H, #123H, #124H, #201H, #202H, #203H & #204H (the "Wells")
Participation Proposal
Sections 33 & 32, Township 20 South, Range 30 East
Eddy County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's Alyson 3332 Fed Com #121H, Alyson 3332 Fed Com #122H, Alyson 3332 Fed Com #123H, Alyson 3332 Fed Com #124H, Alyson 3332 Fed Com #201H, Alyson 3332 Fed Com #202H, Alyson 3332 Fed Com #203H & Alyson 3332 Fed Com #204H wells, located in Sections 33 & 32, Township 20 South, Range 30 East, Eddy County, New Mexico.

In connection with the above, please note the following:

- The estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the eight (8) enclosed Authority for Expenditures ("AFE") dated May 31, 2023.
- **Alyson 3332 Fed Com #121H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.
- **Alyson 3332 Fed Com #122H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.
- **Alyson 3332 Fed Com #123H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. C-6
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case No. 23749

- **Alyson 3332 Fed Com #124H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FSL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Bone Spring formation and will be drilled horizontally in the Bone Spring (~8,740' TVD) to a Measured Depth of approximately 16,164'.
- **Alyson 3332 Fed Com #201H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.
- **Alyson 3332 Fed Com #202H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FNL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.
- **Alyson 3332 Fed Com #203H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 1,980' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 1,980' FNL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.
- **Alyson 3332 Fed Com #204H:** to be drilled from a legal location with a proposed surface hole location located in the NE/4NE/4 of Section 33-20S-30E, a proposed first take point located at 660' FSL and 100' FEL of Section 33-20S-30E, and a proposed last take point located at 660' FSL and 2,638' FEL of Section 32-20S-30E. The Well will have a targeted interval within the Wolfcamp formation and will be drilled horizontally in the Wolfcamp (~10,070' TVD) to a Measured Depth of approximately 17,512'.

MRC reserves the right to modify the locations and drilling plans described above in order to address topography, cultural or environmental concerns, among other reasons. MRC will advise you of any such modifications.

MRC requests that you indicate your election to participate in the drilling and completion of the Wells in the space provided below, sign and return one (1) copy of this letter to the undersigned.

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

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

If your election is to participate in the drilling and completion of the Wells, please sign and return a copy of the enclosed AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred and by electing to participate in the Wells, each working interest owner shall be responsible for its proportionate share of all costs incurred.

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

Sincerely,

MRC PERMIAN COMPANY



Hawks Holder

Colgate Production, LLC hereby elects to:

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #121H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #121H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #122H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #122H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #123H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #123H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #124H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #124H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #201H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #201H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #202H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #202H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #203H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #203H**

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Alyson 3332 Fed Com #204H** well.
_____ Not to participate in the **Alyson 3332 Fed Com #204H**

Colgate Production, LLC

By: _____

Title: _____

Date: _____

Contact Number: _____

MATADOR PRODUCTION COMPANY

ONE LINCOLN CENTRE • 6400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240
 Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	May 31, 2023	AFE NO.:	
WELL NAME:	Alyson 3332 Fed Com 124H	FIELD:	
LOCATION:	Sections 33 & 32, T20S-R30E	MD/TVD:	16,164'8,740'
COUNTY/STATE:	Eddy County, New Mexico	LATERAL LENGTH:	7,240'
MRC W#:			
GEOLOGIC TARGET:	2nd Bone Spring		
REMARKS:	Drill, complete and equip a horizontal 2nd Bone Spring well		

INTANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Land / Legal / Regulatory	\$ 25,000	\$ -	\$ -	\$ 10,000	\$ 35,000
Location, Surveys & Damages	130,000	13,000	15,000	20,000	178,000
Drilling	753,688	-	-	-	753,688
Cementing & Float Equip	335,000	-	-	-	335,000
Logging / Formation Evaluation	-	3,780	3,000	-	6,780
Flowback - Labor	-	-	19,180	-	19,180
Flowback - Surface Rentals	-	-	130,100	-	130,100
Flowback - Rental Living Quarters	-	-	-	-	-
Mud Logging	15,500	-	-	-	15,500
Mud Circulation System	81,125	-	-	-	81,125
Mud & Chemicals	253,038	53,900	21,500	-	328,438
Mud / Wastewater Disposal	150,000	-	-	1,000	151,000
Freight / Transportation	25,000	37,675	-	-	62,675
Rig Supervision / Engineering	103,400	83,820	10,000	3,600	200,820
Drill Bits	102,000	-	-	-	102,000
Drill Bit Purchase	-	-	-	-	-
Fuel & Power	138,195	245,743	-	-	383,938
Water	37,600	590,625	3,000	1,000	632,125
Drig & Completion Overhead	11,050	-	-	-	11,000
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	251,296	-	-	-	251,296
Completion Unit, Swab, CTU	-	154,000	9,000	-	163,000
Perforating, Wireline, Slickline	-	125,861	-	-	125,861
High Pressure Pump Truck	-	92,400	6,000	-	98,400
Stimulation	-	1,618,961	-	-	1,618,961
Stimulation Flowback & Disp	-	17,050	112,500	-	129,550
Insurance	6,821	-	-	-	6,821
Labor	157,500	63,800	15,000	5,000	241,300
Rental - Surface Equipment	82,160	273,389	10,000	5,000	370,549
Rental - Downhole Equipment	149,375	84,600	-	-	233,975
Rental - Living Quarters	43,040	37,164	-	5,000	85,204
Contingency	85,519	194,755	35,426	5,060	320,760
Operations Center	19,000	-	-	-	19,000
TOTAL INTANGIBLES >	2,955,166	3,698,523	388,686	65,660	7,099,028

TANGIBLE COSTS	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
Surface Casing	\$ 103,184	\$ -	\$ -	\$ -	\$ 103,184
Intermediate Casing	160,505	-	-	-	160,505
Drilling Liner	276,152	-	-	-	276,152
Production Casing	973,278	-	-	-	973,278
Production Liner	-	-	-	-	-
Tubing	-	-	63,750	-	63,750
Wellhead	151,000	-	45,000	-	196,000
Packers, Liner Hangers	-	54,346	-	-	54,346
Tanks	-	-	-	120,000	120,000
Production Vessels	-	-	-	189,700	189,700
Flow Lines	-	-	-	120,000	120,000
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	270,000	-	270,000
Compressor	-	-	-	20,833	20,833
Installation Costs	-	-	-	104,000	104,000
Surface Pumps	-	-	5,000	28,750	33,750
Non-controllable Surface	-	-	-	2,000	2,000
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	10,000	113,500	123,500
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	137,500	137,500
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	-	17,500	17,500
Tank / Facility Containment	-	-	-	43,750	43,750
Flare Stack	-	-	-	97,500	97,500
Electrical / Grounding	-	-	30,000	-	30,000
Communications / SCADA	-	-	10,000	16,250	26,250
Instrumentation / Safety	-	-	-	63,300	63,300
TOTAL TANGIBLES >	1,684,118	54,346	433,750	1,074,383	3,226,597
TOTAL COSTS >	4,619,274	3,752,869	823,436	1,130,043	10,325,623

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	FM	Team Lead - WTX/NM
Completions Engineer:	DM	WB
Production Engineer:	JB	

MATADOR RESOURCES COMPANY APPROVAL:

Executive VP, Reservoir/Asset	TE	EVP - Operations	CC
Executive VP, Legal	CA	SVP Geoscience	NF
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 finalized at drilling or any specified date on 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, location, regulatory, formation and well costs under the terms of the applicable joint operating agreement, regulatory order or other agreement covering this well. Participants shall be deemed to have authorized the Operator to well control any potential liability insurance within participant-provided coverage or otherwise including its own insurance to an amount available to the Operator by the date of sign.

Exhibit C-7

Summary of Communications:

Yates Energy Corporation:

- 6/30/2023: Proposals and operating agreement mailed via Certified Mail.
- 7/17-8/22/2023: Discussed YEC participating in the wells proposed. Awaiting signed elections and operating agreement.

Colgate Operating, LLC:

- 7/27/2023: Proposals sent via Certified Mail and email.
- 7/27-8/22/2023: Discussed Colgate's participation in the unit or a potential deal. Awaiting progression on the deal or signed operating agreement.

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

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

CASE NO. 23746, 23747 and 23748

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

CASE NO. 23749

SELF-AFFIRMED STATEMENT OF ANDREW PARKER

1. My name is Andrew Parker. I work for MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Senior Vice President of Geoscience.
2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum geology. My credentials as a petroleum geologist have been accepted by the Division and made a matter of record.
3. I am familiar with the applications filed by Matador in these cases, and I have conducted a geologic study of the lands in the subject area.
4. **Matador Exhibit D-1** is a locator map outlining the horizontal spacing units with a black box shaded in yellow, with the larger area identified in a red box.
5. In these cases, Matador intends to develop the Second Bone Spring of the Bone Spring formation.
6. **Matador Exhibit D-2** is a subsea structure map prepared off the top of the Bone Spring formation. The contour interval is 50 feet. The structure map shows the Bone Spring

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case Nos. 23746-23749

formation gently dipping to the southeast. The structure appears consistent across the proposed wellbore paths. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.

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

8. **Matador Exhibit D-3** is a structural cross-section prepared displaying open-hole logs run over the Bone Spring formation from the three representative wells denoted from A to A'. For each well in the cross-section, the following logs are included: gamma ray, caliper, porosity, and resistivity, where available. The proposed target intervals for each of the respective proposed wells is labeled and marked with a yellow shaded area. The logs in the cross-section demonstrate that the targeted intervals, within the Bone Spring formation, are consistent in thickness, across the entirety of the proposed spacing units.

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

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

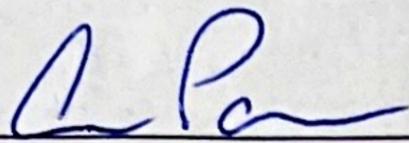
11. In my opinion, each quarter-quarter section will be productive and contribute more-or-less equally to production from each horizontal spacing unit.

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.

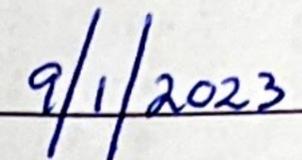
13. Approving Matador's applications will be in the best interest of conservation, the prevention of waste, and protection of correlative rights.

14. **Matador 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.

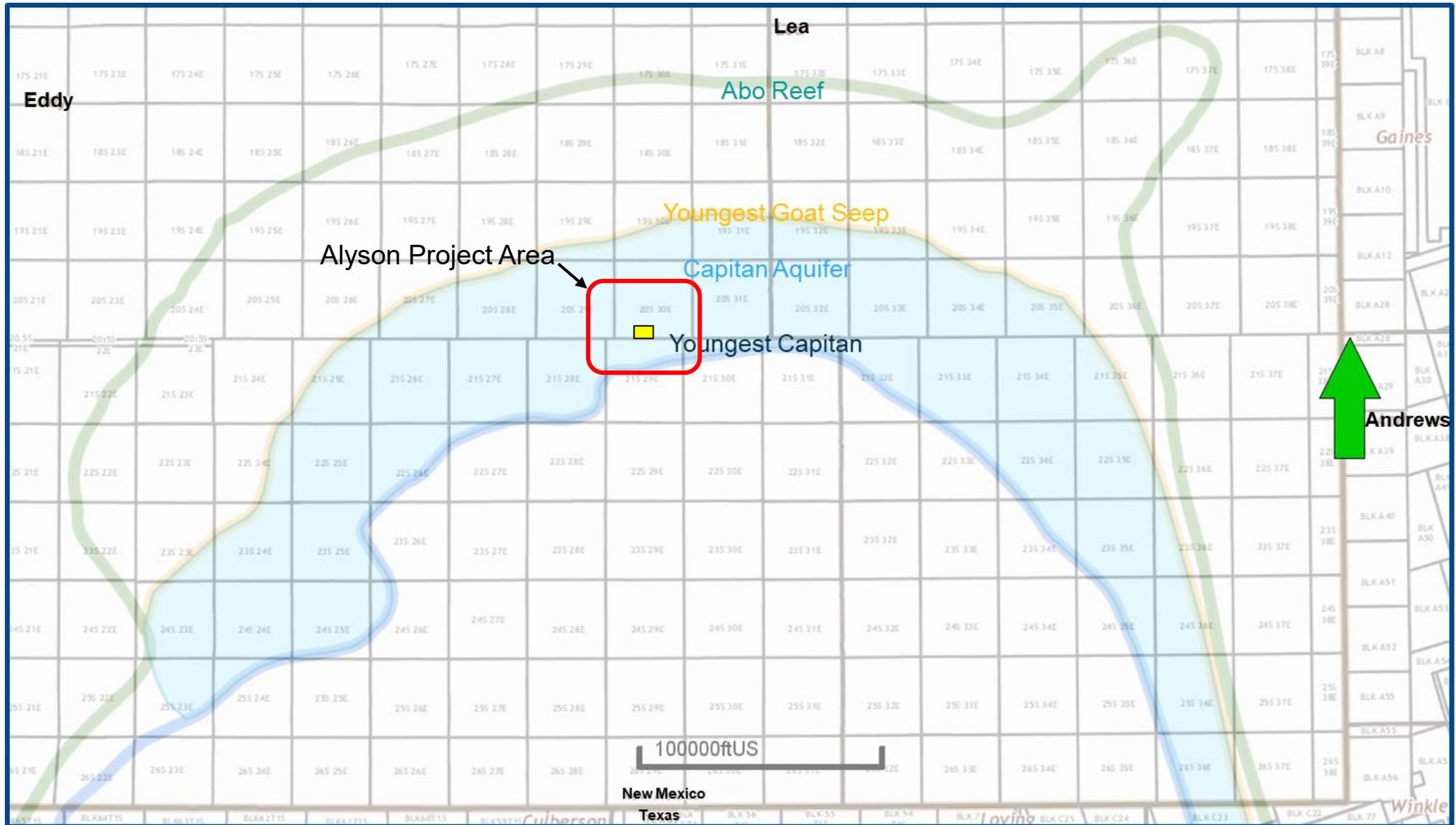


Andrew Parker

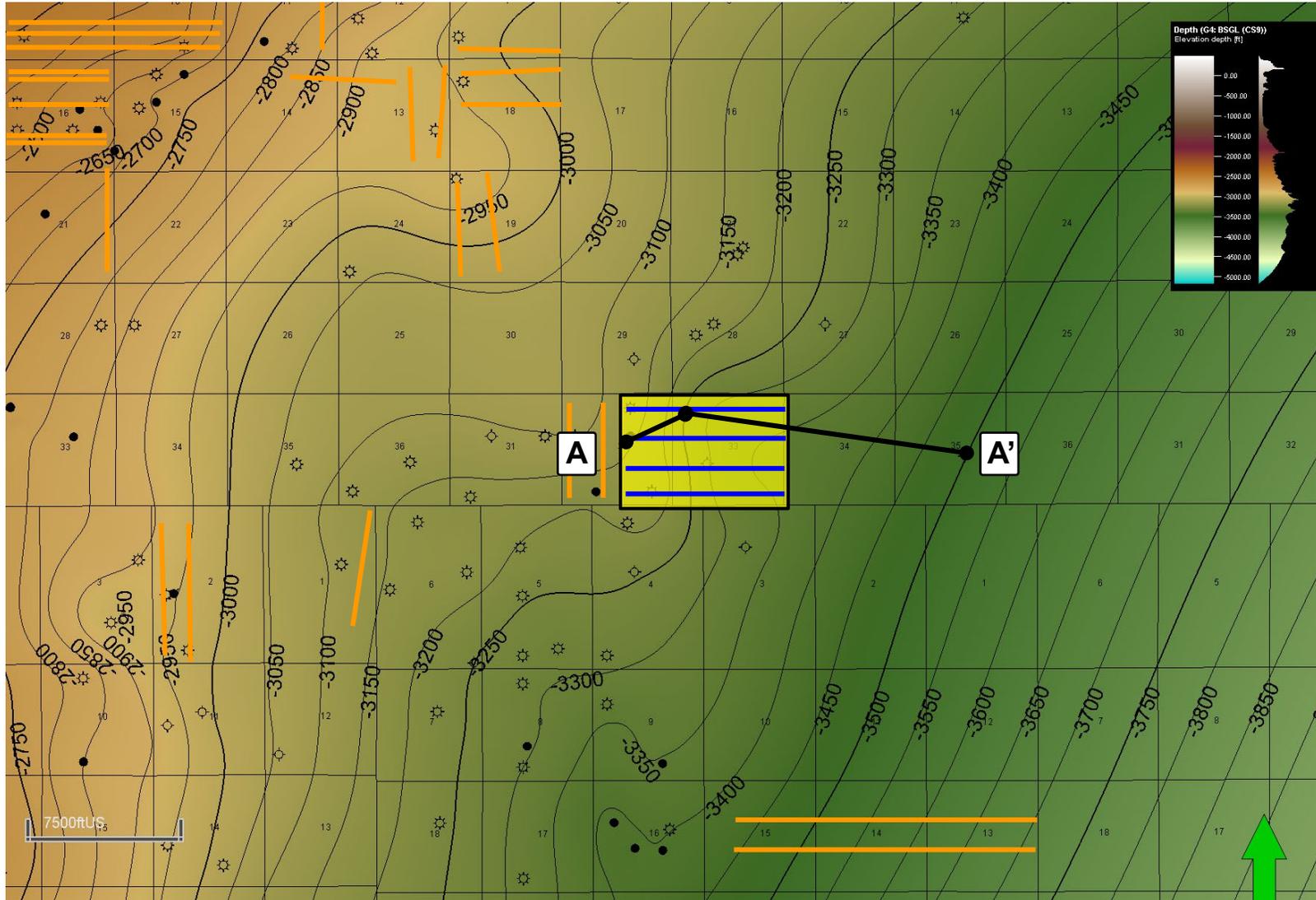


Date

Locator Map



WC-015 G-04 S203032P; BONE SPRING, (98008) Structure Map (Top Bone Spring Subsea) A – A' Reference Line



Map Legend

Alyson Wells



Bone Spring Wells



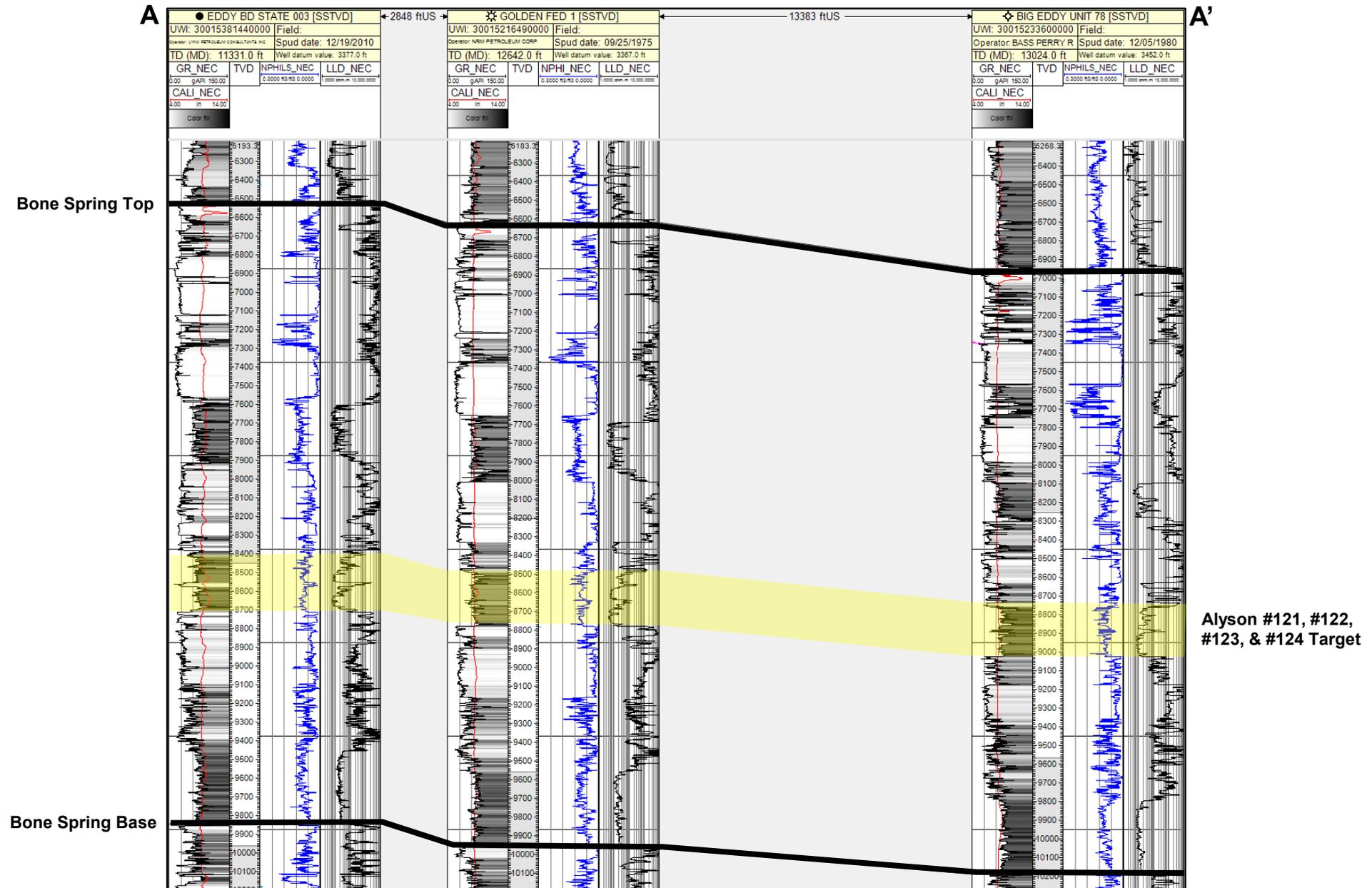
Project Area



C. I. = 50'

WC-015 G-04 S203032P; BONE SPRING, (98008) Structural Cross-Section A – A'

Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case Nos. 23746-23749



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

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

CASE NO. 23749

**SELF-AFFIRMED STATEMENT OF
PAULA M. VANCE**

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 September 1, 2023.
5. I caused a notice to be published to all parties subject to this compulsory pooling proceeding. An affidavit of publication from the publication’s legal clerk with a copy of the notice publication is attached herein.
6. I affirm under penalty of perjury under the laws of the State of New Mexico that

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: MRC Permian Company
Hearing Date: September 7, 2023
Case No. 23749**

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.



Paula M. Vance

9/4/23

Date



Michael Feldewert
Partner
Phone (505) 988-4421
Email mhfeldewert@hollandhart.com

August 18, 2023

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS

Re: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico: Alyson 3332 Fed Com 124H

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 September 7, 2023, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

Due to the remodeling of the state building where the New Mexico Oil Conservation Division is located, hearings will be conducted remotely beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the OCD Hearings website: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

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

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

Sincerely,

Michael H. Feldewert
ATTORNEY FOR MRC PERMIAN COMPANY

T 505.988.4421 F 505.983.6043
110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849
Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208
www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

MRC - Alyson 124H well - Case no. 23749
Postal Delivery Report

TrackingNo	ToName	DeliveryAddress	City	State	Zip	USPS_Status
9414811898765410125903	Jalepeno Corporation	PO Box 1608	Albuquerque	NM	87103-1608	Your item was picked up at the post office at 10:14 am on August 23, 2023 in ALBUQUERQUE, NM 87102.
9414811898765410125996	Yates Energy Corporation	PO Box 2323	Roswell	NM	88202-2323	Your item was picked up at the post office at 10:21 am on August 22, 2023 in ROSWELL, NM 88201.
9414811898765410125941	Colgate Production, LLC	300 N Marienfeld St Ste 1000	Midland	TX	79701-4688	Your item was delivered to an individual at the address at 11:49 am on August 23, 2023 in MIDLAND, TX 79701.
9414811898765410125934	Merrion Oil & Gas Corporation	610 Reilly Ave	Farmington	NM	87401-2634	Your item was delivered to the front desk, reception area, or mail room at 12:06 pm on August 22, 2023 in FARMINGTON, NM 87401.
9414811898765410125972	Lynx Petroleum Consultants, Inc.	PO Box 1708	Hobbs	NM	88241-1708	Your item was picked up at the post office at 12:32 pm on August 24, 2023 in HOBBS, NM 88240.
9414811898765410125613	Alexander Oil and Gas, LLC	2121 S Columbia Ave	Tulsa	OK	74114-3505	Your item arrived at the SANTA FE, NM 87501 post office at 10:13 am on August 30, 2023 and is ready for pickup.
9414811898765410125651	Hal Brunson	3186 Crestview Dr	Pineville	LA	71360-5803	Your item was delivered to an individual at the address at 4:00 pm on August 22, 2023 in PINEVILLE, LA 71360.
9414811898765410125668	Cope Properties, LLC	4801 E Broadway Blvd	Tucson	AZ	85711-3633	Your item arrived at the SANTA FE, NM 87501 post office at 10:13 am on August 30, 2023 and is ready for pickup.
9414811898765410125620	DASCO Energy Corporation	225 E Bender Blvd unit 150	Hobbs	NM	88240-2331	Your item was picked up at the post office at 4:03 pm on August 30, 2023 in HOBBS, NM 88240.
9414811898765410125606	Fonay Oil & Gas, LLC	5333 N Baggett St	Hobbs	NM	88242-9703	Your item arrived at the SANTA FE, NM 87501 post office at 9:46 am on August 29, 2023 and is ready for pickup.
9414811898765410125699	Powder Horn Investments, LLC	619 E Abo Dr	Hobbs	NM	88240-3405	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765410125682	RR Resources Ltd. Co.	1629 W Bender Blvd	Hobbs	NM	88240-8010	Your item was delivered to the front desk, reception area, or mail room at 9:02 am on August 22, 2023 in HOBBS, NM 88240.
9414811898765410125637	Teaco Energy	320 N Turner St	Hobbs	NM	88240-8302	Your item arrived at the SANTA FE, NM 87501 post office at 11:41 am on August 28, 2023 and is ready for pickup.
9414811898765410125675	Underwood, LLC	2 20th St N Ste A	Birmingham	AL	35203-4019	Your item was returned to the sender on August 23, 2023 at 8:36 am in BIRMINGHAM, AL 35203 because of an incomplete address.
9414811898765410125118	W&C Oil Properties, LLC	1207 W Caprock St	Hobbs	NM	88240-1123	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.

MRC - Alyson 124H well - Case no. 23749
Postal Delivery Report

9414811898765410125156	Watson Oil and Gas, LLC	PO Box 10	Hobbs	NM	88241-0010	Your item was picked up at the post office at 2:28 pm on August 24, 2023 in HOBBS, NM 88240.
9414811898765410125163	Francis Hill Hudson, Trustee of Lindys Living Trust u/t/a dated July 8, 1994	215 W Bandera Rd Ste 114-620	Boerne	TX	78006-2820	Your item was delivered to an individual at the address at 9:42 am on August 23, 2023 in BOERNE, TX 78006.
9414811898765410125125	Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002	6300 Ridglea Pl Ste 1005A	Fort Worth	TX	76116-5763	Your item arrived at the SANTA FE, NM 87501 post office at 10:13 am on August 30, 2023 and is ready for pickup.
9414811898765410125101	Moore & Shelton Company, Ltd.	PO Box 3070	Galveston	TX	77552-0070	Your item was picked up at the post office at 1:33 pm on August 23, 2023 in GALVESTON, TX 77551.
9414811898765410125194	Zorro Partners, Ltd.	616 Texas St	Fort Worth	TX	76102-4612	Your item was delivered to the front desk, reception area, or mail room at 1:28 pm on August 22, 2023 in FORT WORTH, TX 76102.
9414811898765410125149	Javelina Partners	616 Texas St	Fort Worth	TX	76102-4612	Your item was delivered to the front desk, reception area, or mail room at 1:28 pm on August 22, 2023 in FORT WORTH, TX 76102.
9414811898765410125187	Ard Oil, Ltd.	PO Box 101027	Fort Worth	TX	76185-1027	Your item was delivered at 10:32 am on August 22, 2023 in FORT WORTH, TX 76109.
9414811898765410125132	Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell	PO Box 1600	San Antonio	TX	78296-1600	Your item has been delivered and is available at a PO Box at 9:31 am on August 23, 2023 in SAN ANTONIO, TX 78205.
9414811898765410125170	Compound Properties	PO Box 2990	Ruidoso	NM	88355-2990	Your item was picked up at the post office at 11:23 am on August 22, 2023 in RUIDOSO, NM 88345.
9414811898765410125316	Pat Guthrie, Trustee of the Guthrie Family Trust dated July 12, 1993	3105 E 4th St Apt 8D	Bartlesville	OK	74006-8241	Your item was picked up at the post office at 10:20 am on August 24, 2023 in BARTLESVILLE, OK 74003.
9414811898765410125354	B&G Royalties	PO Box 376	Artesia	NM	88211-0376	Your item was picked up at the post office at 9:37 am on August 22, 2023 in ARTESIA, NM 88210.
9414811898765410125361	Penasco Petroleum, LLC	PO Box 4168	Roswell	NM	88202-4168	Your item was picked up at the post office at 2:08 pm on August 22, 2023 in ROSWELL, NM 88201.
9414811898765410125323	Rolla R. Hinkle, III	PO Box 2292	Roswell	NM	88202-2292	Your item was picked up at the post office at 11:34 am on August 22, 2023 in ROSWELL, NM 88201.
9414811898765410125309	Barbe Development, LLC	121 W 3rd St	Roswell	NM	88201-4707	Your item was picked up at the post office at 11:36 am on August 29, 2023 in ROSWELL, NM 88201.
9414811898765410125392	Chad Barbe	PO Box 2107	Roswell	NM	88202-2107	Your item was picked up at the post office at 2:11 pm on August 22, 2023 in ROSWELL, NM 88201.
9414811898765410125347	The Toles Company	PO Box 1300	Roswell	NM	88202-1300	Your item was picked up at the post office at 10:56 am on August 28, 2023 in ROSWELL, NM 88201.

MRC - Alyson 124H well - Case no. 23749
Postal Delivery Report

9414811898765410125385	Mark McClellan and Paula McClellan	PO Box 730	Roswell	NM	88202-0730	Your item was picked up at the post office at 10:05 am on August 22, 2023 in ROSWELL, NM 88201.
9414811898765410125330	Pegasus Resources, LLC	PO Box 733980	Dallas	TX	75373-3980	Your item was picked up at a postal facility at 6:22 pm on August 24, 2023 in DALLAS, TX 75260.
9414811898765410125378	West Bend Energy Partners, LLC	1320 S University Dr Ste 701	Fort Worth	TX	76107-8061	Your item was delivered to the front desk, reception area, or mail room at 2:17 pm on August 23, 2023 in FORT WORTH, TX 76107.
9414811898765410125057	SMP Sidecar Titan Mineral Holdings, LP	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your item was delivered to an individual at the address at 10:03 am on August 24, 2023 in DALLAS, TX 75219.
9414811898765410125064	SMP Titan Mineral Holdings, LP	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your item was delivered to an individual at the address at 10:10 am on August 22, 2023 in DALLAS, TX 75219.
9414811898765410125026	MSH Family Real Estate Partnership II, LLC	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your item was delivered to an individual at the address at 10:26 am on August 28, 2023 in DALLAS, TX 75219.
9414811898765410125095	SMP Titan Flex, LP	4143 Maple Ave Ste 500	Dallas	TX	75219-3294	Your item was delivered to an individual at the address at 10:11 am on August 22, 2023 in DALLAS, TX 75219.
9414811898765410125040	XTO Delaware Basin, LLC	22777 Springwoods Village Pkwy	Spring	TX	77389-1425	Your item was delivered to an individual at the address at 8:17 am on August 22, 2023 in SPRING, TX 77389.
9414811898765410125088	CTV-SRB II BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102.
9414811898765410125033	CTV-SRB I BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102.
9414811898765410125415	CTV-CTAM BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102.
9414811898765410125453	CTV-LMB II BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102.
9414811898765410125460	CTV-LMB I BPEOR NM, LLC	201 Main St Ste 2300	Fort Worth	TX	76102-3137	Your item was delivered to an individual at the address at 9:55 am on August 22, 2023 in FORT WORTH, TX 76102.
9414811898765410125422	Trigg Oil & Gas Limited Partnership	PO Box 520	Roswell	NM	88202-0520	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765410125408	New Mexico State Land Office	310 Old Santa Fe Trl	Santa Fe	NM	87501-2708	Your item was picked up at a postal facility at 6:24 am on August 23, 2023 in SANTA FE, NM 87501.

Carlsbad Current Argus.

PART OF THE USA TODAY NETWORK

Affidavit of Publication

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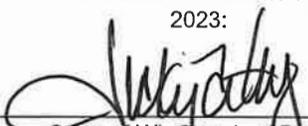
I, a legal clerk of the **Carlsbad Current Argus**, a newspaper published daily at the City of Carlsbad, in said county of Eddy, state of New Mexico and of general paid circulation in said county; that the same is a duly qualified newspaper under the laws of the State wherein legal notices and advertisements may be published; that the printed notice attached hereto was published in the regular and entire edition of said newspaper and not in supplement thereof in editions dated as follows:

08/23/2023



Legal Clerk

Subscribed and sworn before me this August 23, 2023:



State of WI, County of Brown
NOTARY PUBLIC

9.19.25

My commission expires

VICKY FELTY
Notary Public
State of Wisconsin

Ad # 0005804080

PO #: 23749

of Affidavits 1

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BEFORE THE OIL CONSERVATION DIVISION

Santa Fe, New Mexico

Exhibit No. F

Submitted by: MRC Permian Company

Hearing Date: September 7, 2023

Case No. 23749

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

The State of New Mexico, Energy Minerals and Natural Resources Department, Oil Conservation Division ("Division") hereby gives notice that the Division will hold public hearings before a hearing examiner on the following case. The hearing will be conducted remotely on Thursday, September 7, 2023, beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted below. The docket may be viewed at <https://www.emnrd.nm.gov/ocd/hearinginfo/> or obtained from Marlene Salvidrez, at Marlene.Salvidrez@emnrd.nm.gov. Documents filed in the case may be viewed at <https://ocdimage.emnrd.nm.gov/Imaging/Default.aspx>. If you are an individual with a disability who needs a reader, amplifier, qualified sign language interpreter, or other form of auxiliary aid or service to attend or participate in a hearing, contact Marlene Salvidrez at Marlene.Salvidrez@emnrd.nm.gov, or the New Mexico Relay Network at 1-800-6591779, no later than August 27, 2023.

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

<https://nmemnrd.webex.com/nmemnrd/j.php?MTID=m83c3ecf5b757a93f26a029c5b871606d> Webinar number: 2484 767 1008

Join by video system: 24847671008@nmemnrd.webex.com

You can also dial 173.243.2.68 and enter your webinar number

Join by phone: 1-844-992-4726 United States Toll Free +1-408-418-9388 United States Toll Access code: 2484 767 1008

Panelist password: edC57GzhwV8 (33257494 from phones and video sys-

tems)

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: Jalepeno Corporation; Yates Energy Corporation; Colgate Production, LLC; Merrion Oil & Gas Corporation; Lynx Petroleum Consultants, Inc.; Alexander Oil and Gas, LLC; Hal Brunson, his heirs and devisees; Cope Properties, LLC; DASC0 Energy Corporation; Fonay Oil & Gas, LLC; Powder Horn Investments, LLC; RR Resources Ltd. Co.; Teaco Energy; Underwood, LLC; W&C Oil Properties, LLC; Watson Oil and Gas, LLC; Francis Hill Hudson, Trustee of Lindy's Living Trust u/t/a dated July 8, 1994; Delmar Hudson Lewis, Trustee of the Delmar Hudson Lewis Living Trust u/t/a dated September 9, 2002; Moore & Shelton Company, Ltd.; Zorro Partners, Ltd.; Javelina Partners; Ard Oil, Ltd.; Frost Bank, Trustee of the Josephine T. Hudson Testamentary Trust f/b/o J. Terrell; Compound Properties; Pat Guthrie, Trustee of the Guthrie Family Trust dated July 12, 1993; B&G Royalties; Penasco Petroleum, LLC; Rolla R. Hinkle, III, his or her heirs and devisees; Barbe Development, LLC; Chad Barbe, his heirs and devisees; The Toles Company; Mark McClellan and Paula McClellan, their heirs and devisees; Pegasus Resources, LLC; West Bend Energy Partners, LLC; SMP Sidecar Titan Mineral Holdings, LP; SMP Titan Mineral Holdings, LP; MSH Family Real Estate Partnership II, LLC; SMP Titan Flex, LP; XTO Delaware Basin, LLC; CTV-SRB II BPEOR NM, LLC; CTV-SRB I BPEOR NM, LLC; CTV-CTAM BPEOR NM, LLC; CTV-LMB II BPEOR NM, LLC; CTV-LMB I BPEOR NM, LLC; Trigg Oil & Gas Limited Partnership; and

New Mexico State Land Office.

Case No. 23749: Application of MRC Permian Company for Approval of an Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (a) approving an overlapping 240-acre standard horizontal well spacing unit in the Bone Spring formation underlying the S2S2 of Section 33 and the S2SE4 of Section 32, Township 20 South, Range 30 East, NMPM, Eddy County, New Mexico, and (b) pooling all uncommitted mineral interests in this overlapping horizontal well spacing unit. Said unit will be initially dedicated to the proposed Alyson 3332 Fed Com 124H well to be horizontally drilled from a surface hole location in the SE4SE4 (Unit P) of Section 33, with first take point in the SE4SE4 (Unit P) of Section 33 and a last take point SW4SE4 (Unit O) of Section 32. This proposed horizontal well spacing unit will overlap a 40-acre spacing unit comprised of the SE4SE4 (Unit P) of Section 32 that is currently dedicated to the Eddy BD State #1 (30-015-20200), a vertical well completed in the Bone Spring formation. Also, to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 16 miles northeast of Carlsbad, New Mexico.
#5804080, Current Argus,
August 23, 2023