

**BEFORE THE OIL CONSERVATION DIVISION  
EXAMINER HEARING OCTOBER 9, 2025**

**CASE No. 25645**

*ART SMITH 122H BS EXTENSION ORDER R-23479*

**LEA COUNTY, NEW MEXICO**



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

**APPLICATION OF MRC PERMIAN COMPANY  
TO EXTEND THE DRILLING DEADLINE UNDER  
ORDER R-23479, LEA COUNTY, NEW MEXICO.**

**CASE NO. 25645  
ORDER R-23479**

**TABLE OF CONTENTS**

- **MRC Exhibit A:** Application of MRC Permian Company for an Extension
- **MRC Exhibit B:** Original Pooling Order
- **MRC Exhibit C:** Affidavit of Isaac Evans, Landman
- **MRC Exhibit D:** Self-Affirmed Statement of Notice
- **MRC Exhibit E:** Affidavit of Publication for the Case

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

**APPLICATION OF MRC PERMIAN  
COMPANY TO EXTEND THE DRILLING  
DEADLINE UNDER ORDER NO. R-23479,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25645  
ORDER NO. R-23479**

**APPLICATION**

MRC Permian Company (“MRC” or “Applicant”), through its undersigned attorneys, hereby files this application with the Oil Conservation Division to extend the drilling deadline under compulsory pooling Order No. R-23479 (“Order”). In support of its application, MRC states:

1. On October 23, 2024, the Division entered Order No. R-23479 in Case No. 24288, which approved a standard 324.28-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 W/2 of Section 34, Township 18 South, Range 34 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico (the “Unit”) and pooled the uncommitted mineral interests therein. Matador Production Company (OGRID No. 228937) is the operator under the Pooling Order and the pooled spacing unit is initially dedicated to the proposed **Art Smith State Com 122H** well.

2. Good cause exists to extend the deadline to commence drilling the initial well under the Pooling Order.


3. Under the Order, Applicant would be required to commence drilling the well by October 24, 2025, and therefore, asks for the deadline to commence drilling the well be extended for a year, to October 24, 2026.

**BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. A  
Submitted by: Matador Production Company  
Hearing Date: October 9, 2025  
Case No. 25645**

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on October 9, 2025, and, after notice and hearing as required by law, the Division enter an order extending the time for MRC to commence drilling the proposed initial well under the Order.

Respectfully submitted,

HOLLAND & HART LLP

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

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

CASE \_\_\_\_\_: **Application of MRC Permian Company to Extend the Drilling Deadline Under Order R-23479, Lea County, New Mexico.** Applicant in the above-styled cause seeks a year extension of time for drilling the initial well under Order No. R-23479. The Unit is comprised of a standard 324.28-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 W/2 of Section 34, Township 18 South, Range 34 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. Order No. R-23479 approved the overlapping spacing unit and pooled the uncommitted mineral interests in the Bone Spring formation and dedicated the Unit to the proposed initial **Art Smith State Com 122H** well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 34, with a first take point in the NE/4 NW/4 (Unit C) of Section 34 and a last take point in the SE/4 SW/4 (Unit N) of irregular Section 3. The subject area is located approximately 22 miles west of Hobbs, New Mexico.

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

IN THE MATTER OF APPLICATION FOR  
COMPULSORY POOLING SUBMITTED BY  
MATADOR PRODUCTION COMPANY

CASE NO. 24288  
ORDER NO. R-23479

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having heard this matter through a Hearing Examiner on August 22, 2024, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

**FINDINGS OF FACT**

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

**CONCLUSIONS OF LAW**

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

depth(s) and location(s) in the Unit described in Exhibit A.

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

### **ORDER**

15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
17. Operator is designated as operator of the Unit and the Well(s).
18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
19. If the Unit is a non-standard horizontal spacing unit which has not been approved under this Order, Operator shall obtain the OCD's approval for a non-standard horizontal spacing unit in accordance with 19.15.16.15(B)(5) NMAC.
20. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
21. This Order shall terminate automatically if the Operator fails to comply with the preceding paragraph unless the Operator requests an extension by notifying the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the extension is automatically granted up to one year. If a protest is received the extension is not granted and the Operator must set the case for a hearing.
22. Operator may propose reasonable deviations from the development plan via notice to the OCD and all parties that required notice of the original compulsory pooling application in accordance with 19.15.4.12.B and 19.15.4.12.C NMAC. Upon no objection after twenty (20) days the deviation is automatically granted. If a protest is received the deviation is not granted and the Operator must set the case for a hearing.

CASE NO. 24288  
ORDER NO. R-23479

Page 2 of 8

23. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
24. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
25. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."
26. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
27. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
28. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
29. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include



the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.

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

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**GERASIMOS RAZATOS  
DIRECTOR (Acting)**

GR/jag

**Date:** 10/23/24

CASE NO. 24288  
ORDER NO. R-23479

Page 5 of 8

## Exhibit A

Received by OCD: 8/15/2024 3:16:30 PM

Page 3 of 42

<b>COMPULSORY POOLING APPLICATION CHECKLIST</b>	
<b>ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS</b>	
<b>Case: 24288</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: August 22, 2024</b>	
Applicant	MRC Permian Company
Designated Operator & OGRID (affiliation if applicable)	Matador Production Company [OGRID 228937]
Applicant's Counsel:	Holland & Hart LLP
Case Title:	Application of MRC Permian Company for Approval of Overlapping Horizontal Well Spacing Unit and Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	PBEX, LLC; E.G.L. Resources, Inc.
Well Family	Art Smith
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	N/A
Pool Name and Pool Code:	Airstrip; Bone Spring [960] for Section 34 acreage and Scharb; Bone Spring [55610] for Section 3 acreage
Well Location Setback Rules:	Statewide Rules
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	324.28 acres
Building Blocks:	Quarter-Quarter sections
Orientation:	North-South
Description: TRS/County	E2W2 of Section 34, T18S, R34E and E2W2 of Section 3, T19S, R34E, NMPPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in the application?	Yes
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	No
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	

Released to Imaging: 8/15/2024 4:16:34 PM

CASE NO. 24288  
ORDER NO. R-23479

Page 6 of 8

Received by OCD: 8/15/2024 3:16:30 PM

Page 4 of 42

Well #1	<b>Art Smith State Com 122H</b> (API No. pending) SHL: 310' FNL & 1460' FWL (Unit C) of Sec. 34, T18S, R34E BHL: 110' FSL & 1980' FWL (Unit N) of Sec. 3, T19S, R34E Completion Target: Bone Spring formation Well Orientation: North-South Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit A-1
Completion Target (Formation, TVD and MD)	Exhibit A-4
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$8,000
Production Supervision/Month \$	\$800
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	See Application
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit C
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-2
Tract List (including lease numbers and owners)	Exhibits A-2 and A-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 A-3
Unlocatable Parties to be Pooled	Exhibit A-5
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-3
Chronology of Contact with Non-Joined Working Interests	Exhibit A-5
Overhead Rates In Proposal Letter	Exhibit A-4
Cost Estimate to Drill and Complete	Exhibit A-4
Cost Estimate to Equip Well	Exhibit A-4
Cost Estimate for Production Facilities	Exhibit A-4
<b>Geology</b>	
Summary (including special considerations)	Exhibit B
Spacing Unit Schematic	Exhibit B-2
Gunbarrel/Lateral Trajectory Schematic	Exhibit B-2

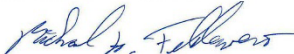
Released to Imaging: 8/15/2024 4:16:34 PM

CASE NO. 24288  
ORDER NO. R-23479

Page 7 of 8

Received by OCD: 8/15/2024 3:16:30 PM

Page 5 of 42

Well Orientation (with rationale)	Exhibit B
Target Formation	Exhibit B
HSU Cross Section	Exhibit B-3
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
A-102	Exhibit A-1
Tracts	Exhibit A-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-3
General Location Map (including basin)	Exhibit B-1
Well Bore Location Map	Exhibits A-1, B-2
Structure Contour Map - Subsea Depth	Exhibit B-2
Cross Section Location Map (including wells)	Exhibit B-2
Cross Section (including Landing Zone)	Exhibit B-3
<b>Additional Information</b>	
Special Provisions/Stipulations	Applicant has dismissed the request for approval of overlapping spacing units
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Michael H. Feldewert
<b>Signed Name</b> (Attorney or Party Representative):	
<b>Date:</b>	15-Aug-24

Released to Imaging: 8/15/2024 4:16:34 PM

CASE NO. 24288  
ORDER NO. R-23479

Page 8 of 8

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

**APPLICATION OF MRC PERMIAN COMPANY  
TO EXTEND THE DRILLING DEADLINE UNDER ORDER R-23479,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 25645  
ORDER NO. R-23479**

**AFFIDAVIT OF ISAAC EVANS**

Isaac Evans, of lawful age and being first duly sworn, declares as follows:

1. My name is Isaac Evans. I work MRC Energy Company, an affiliate of Matador Production Company ("Matador"), as a Vice President - Land.
2. I have previously testified before the New Mexico Oil Conservation Division ("Division") as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of record.
3. I am familiar with the application filed by Matador in this case, and I am familiar with the status of the lands in the subject area.
4. On October 23, 2024, the Division entered Order No. R-23479 in Case No. 24288, which approved a standard 324.28-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 W/2 of Section 34, Township 18 South, Range 34 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico (the "Unit") and pooled the uncommitted mineral interests therein. Matador Production Company (OGRID No. 228937) is the operator under the Pooling Order and the pooled spacing unit is initially dedicated to the proposed **Art Smith State Com 122H** well.



5. Matador has not spud the initial well under Order No. R-23479 during the initial term of the Order due to drill schedule availability, which was compounded when Matador reduced its rig count during 2025. However, Matador is eager to develop this acreage and based on its current rig schedule is scheduled to spud the Art Smith State Com #122H in a few months in or around late November 2025.

6. Good cause therefore exists to extend the deadline to commence drilling under the order for a year, until October 24, 2026.

7. There have not been any changes to the summary of interests pooling exhibit from Case No. 24288.

8. None of the working interest owners that remain subject to these pooling orders have been asked at this time to make an election on the applicable well, or to pay their estimated share of the costs to drill, complete and equip the applicable well.

9. Matador has provided the law firm of Holland & Hart LLP with the names and addresses of the parties subject to the existing pooling order and instructed that they be notified of Matador's extension request. In compiling this notice list, Matador conducted a diligent search of all public records in the county where the proposed wells are located, including computer searches.

10. The granting of this application will prevent waste and protect correlative rights.

FURTHER AFFIANT SAYETH NAUGHT.

  
ISAAC EVANS

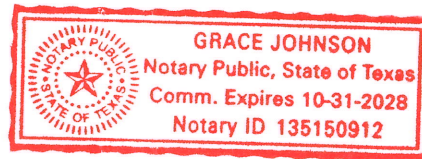
STATE OF TEXAS                    )  
  )  
COUNTY OF DALLAS            )

SUBSCRIBED and SWORN to before me this 29 day of September 2025 by Isaac  
Evans.

Grace Johnson  
NOTARY PUBLIC

My Commission Expires:

10/31/2028





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

**APPLICATION OF MRC PERMIAN COMPANY  
TO EXTEND THE DRILLING DEADLINE UNDER  
ORDER R-23479, LEA COUNTY, NEW MEXICO.**

**CASE NO. 25645  
ORDER R-23479**

**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 29, 2025.

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. D  
Submitted by: Matador Production Company  
Hearing Date: October 9, 2025  
Case No. 25645**

A handwritten signature in blue ink, appearing to read "Paula M. Vance", written over a horizontal line.

Paula M. Vance

10/01/25

Date



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

September 19, 2025

**VIA CERTIFIED MAIL**  
**CERTIFIED RECEIPT REQUESTED**

**TO: ALL INTEREST OWNERS SUBJECT TO POOLING PROCEEDINGS**

**Re: Application of MRC Permian Company to Extend the Drilling Deadline Under Order R-23479, Lea County, New Mexico: *Art Smith State Com 122H 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 October 9, 2025, and the status of the hearing can be monitored through the Division's website at <https://www.emnrd.nm.gov/ocd/>.

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

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

If you have any questions about this matter, please contact Isaac Evans at (972) 587-4628 or at [isaac.evans@matadorresources.com](mailto:isaac.evans@matadorresources.com).

Sincerely,

A handwritten signature in blue ink that reads 'Paula M. Vance'.

Paula M. Vance  
**ATTORNEY FOR MRC PERMIAN COMPANY &  
MATADOR PRODUCTION 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](http://www.hollandhart.com)

Alaska  
Colorado  
Idaho

Montana  
Nevada  
New Mexico

Utah  
Washington, D.C.  
Wyoming

Art Smith 121H, 122H BS, 241H, 242H WC - Extension Orders - Case nos. 25643, 25645-25647  
Postal Delivery Report

9414811898765477237069	Baloney Feathers, Ltd.	PO Box 1586	Lubbock	TX	79408-1586	Your item has been delivered to an agent. The item was picked up at USPS at 9:28 am on September 25, 2025 in LUBBOCK, TX 79408.
9414811898765477237496	Kaleb Smith	PO Box 50820	Midland	TX	79710-0820	Your item arrived at the MIDLAND, TX 79710 post office at 9:05 am on September 26, 2025 and is ready for pickup. Your item may be picked up at CLAYDESTA, 612 VETERANS AIRPARK LN, MIDLAND, TX 797059998, M-F 0800-1700.
9414811898765477237489	LMC Energy, LLC	550 W Texas Ave Ste 945	Midland	TX	79701-4233	Your item was returned to the sender at 8:05 am on September 26, 2025 in MIDLAND, TX 79701 because the forwarding order for this address is no longer valid.
9414811898765477237434	Marathon Oil Permian, LLC	990 Town And Country Blvd	Houston	TX	77024-2217	Your package will arrive later than expected, but is still on its way. It is currently in transit to the next facility.
9414811898765477237472	MCT Energy Ltd.	550 W Texas Ave Ste 945	Midland	TX	79701-4233	Your item was returned to the sender at 8:05 am on September 26, 2025 in MIDLAND, TX 79701 because the forwarding order for this address is no longer valid.
9414811898765477237557	Mike Moylett	PO Box 50820	Midland	TX	79710-0820	Your item arrived at the MIDLAND, TX 79710 post office at 9:05 am on September 26, 2025 and is ready for pickup. Your item may be picked up at CLAYDESTA, 612 VETERANS AIRPARK LN, MIDLAND, TX 797059998, M-F 0800-1700.
9414811898765477237564	Mongoose Minerals, LLC	600 W Illinois Ave	Midland	TX	79701-4882	We were unable to deliver your package at 9:27 am on September 26, 2025 in MIDLAND, TX 79701 because the business was closed. We will redeliver on the next business day. No action needed.

Art Smith 121H, 122H BS, 241H, 242H WC - Extension Orders - Case nos. 25643, 25645-25647  
Postal Delivery Report

9414811898765477237526	Oak Valley Mineral and Land, LP	PO Box 50820	Midland	TX	79710-0820	Your item arrived at the MIDLAND, TX 79710 post office at 9:05 am on September 26, 2025 and is ready for pickup. Your item may be picked up at CLAYDESTA, 612 VETERANS AIRPARK LN, MIDLAND, TX 797059998, M-F 0800-1700.
9414811898765477237502	Post Oak Mavros II, LLC	34 S Wynden Dr Ste 210	Houston	TX	77056-2531	Your item was delivered to the front desk, reception area, or mail room at 2:17 pm on September 23, 2025 in HOUSTON, TX 77056.
9414811898765477237595	Ross Duncan Properties, LLC	PO Box 647	Artesia	NM	88211-0647	Your item was picked up at the post office at 11:12 am on September 25, 2025 in ARTESIA, NM 88210.
9414811898765477237540	Sitio Permian, LP	1401 Lawrence St Ste 1750	Denver	CO	80202-3074	Your item was delivered to an individual at the address at 4:10 pm on September 22, 2025 in DENVER, CO 80202.
9414811898765477237090	Big Three Energy Group, L.L.C.	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 12:17 pm on September 25, 2025 in ROSWELL, NM 88201.
9414811898765477237588	Sortida Resources, LLC	PO Box 50820	Midland	TX	79710-0820	Your item arrived at the MIDLAND, TX 79710 post office at 9:05 am on September 26, 2025 and is ready for pickup. Your item may be picked up at CLAYDESTA, 612 VETERANS AIRPARK LN, MIDLAND, TX 797059998, M-F 0800-1700.
9414811898765477237045	Blind Side, LLC	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 12:17 pm on September 25, 2025 in ROSWELL, NM 88201.
9414811898765477237038	Collins & Jones Investments, LLC	508 W Wall St Ste 1200	Midland	TX	79701-5076	Your item was forwarded to a different address at 8:06 am on September 26, 2025 in MIDLAND, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.

Art Smith 121H, 122H BS, 241H, 242H WC - Extension Orders - Case nos. 25643, 25645-25647  
Postal Delivery Report

9414811898765477237076	Crown Oil Partners, LP	PO Box 50820	Midland	TX	79710-0820	Your item arrived at the MIDLAND, TX 79710 post office at 9:06 am on September 26, 2025 and is ready for pickup. Your item may be picked up at CLAYDESTA, 612 VETERANS AIRPARK LN, MIDLAND, TX 797059998, M-F 0800-1700.
9414811898765477237410	David W. Cromwell	2008 Country Club Dr	Midland	TX	79701-5719	Your item was delivered to an individual at the address at 5:14 pm on September 26, 2025 in MIDLAND, TX 79701.
9414811898765477237465	Deane Durham	PO Box 50820	Midland	TX	79710-0820	Your item arrived at the MIDLAND, TX 79710 post office at 9:06 am on September 26, 2025 and is ready for pickup. Your item may be picked up at CLAYDESTA, 612 VETERANS AIRPARK LN, MIDLAND, TX 797059998, M-F 0800-1700.
9414811898765477237427	Featherstone Development Corporation	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 12:17 pm on September 25, 2025 in ROSWELL, NM 88201.
9414811898765477237403	H. Jason Wacker	5601 Hillcrest	Midland	TX	79707-9113	Your item was forwarded to a different address at 9:35 am on September 26, 2025 in MIDLAND, TX. This was because of forwarding instructions or because the address or ZIP Code on the label was incorrect.

# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

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

Beginning with the issue dated  
September 26, 2025  
and ending with the issue dated  
September 26, 2025.



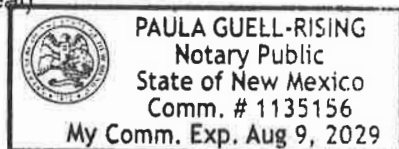
Publisher

Sworn and subscribed to before me this  
26th day of September 2025.



Notary

My commission expires  
August 09, 2029  
(Seal)



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

LEGAL	LEGAL
<p align="center"><b>LEGAL NOTICE</b> September 26, 2025</p> <p><b>Case No. 25645: Application of MRC Permian Company to Extend the Drilling Deadline Under Order R-23479, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Baloney Feathers, Ltd.; Big Three Energy Group, L.L.C.; Blind Side, LLC; Collins &amp; Jones Investments, LLC; Crown Oil Partners, LP; David W. Cromwell; Deane Durham; Featherstone Development Corporation; H. Jason Wacker; Kaleb Smith; LMC Energy, LLC; Marathon Oil Permian, LLC; MCT Energy Ltd.; Mike Moylett; Mongoose Minerals, LLC; Oak Valley Mineral and Land, LP; Post Oak Mavros II, LLC; Ross Duncan Properties, LLC; Sitlo Permian, LP; and Sortida Resources, LLC. 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 October 9, 2025, 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: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/">https://www.emnrd.nm.gov/ocd/hearing-info/</a> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks a year extension of time for drilling the initial well under Order No. R-23479. The Unit is comprised of a standard 324.28-acre, more or less, overlapping horizontal well spacing unit in the Bone Spring formation comprised of the E/2 W/2 of Section 34, Township 18 South, Range 34 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 3, Township 19 South, Range 34 East, NMPM, Lea County, New Mexico. Order No. R-23479 approved the overlapping spacing unit and pooled the uncommitted mineral interests in the Bone Spring formation and dedicated the Unit to the proposed initial <b>Art Smith State Com 122H</b> well, to be horizontally drilled from a surface location in the NE/4 NW/4 (Unit C) of Section 34, with a first take point in the NE/4 NW/4 (Unit C) of Section 34 and a last take point in the SE/4 SW/4 (Unit N) of irregular Section 3. The subject area is located approximately 22 miles west of Hobbs, New Mexico.</b> <b>#00304557</b></p>	

67100754

00304557

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

BEFORE THE OIL CONSERVATION DIVISION  
Santa Fe, New Mexico  
Exhibit No. E  
Submitted by: Matador Production Company  
Hearing Date: October 9, 2025  
Case No. 25645