

**BEFORE THE OIL CONSERVATION DIVISION
EXAMINER HEARING MAY 7, 2026**

CASE No. 26102

PHELPS FED COM 214H WELL

LEA COUNTY, NEW MEXICO



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

**APPLICATION OF MRC PERMIAN
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26102

TABLE OF CONTENTS


- **MRC Exhibit A:** Compulsory Pooling Application Checklist
- **MRC Exhibit B:** Application of MRC Permian Company for Compulsory Pooling
- **MRC Exhibit C:** Self-Affirmed Statement of David Johns, Landman
 - MRC Exhibit C-1: C-102s
 - MRC Exhibit C-2: Land Tract Map & Ownership Breakdown
 - MRC Exhibit C-3: Ownership Breakdown
 - MRC Exhibit C-4: Sample Well Proposal Letters with AFE
 - MRC Exhibit C-5: Chronology of Contacts
 - MRC Exhibit C-6: Evidentiary Notice Exhibit
- **MRC Exhibit D:** Self-Affirmed Statement of Andrew Parker, Geologist
 - MRC Exhibit D-1: Locator Map
 - MRC Exhibit D-2: Subsea Structure Map
 - MRC Exhibit D-3: Stratigraphic Cross-Section
- **MRC Exhibit E:** Self-Affirmed Statement of Notice
- **MRC Exhibit F:** Affidavit of Publication

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 26102	APPLICANT'S RESPONSE
Date	May 7, 2026
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 COMPULSORY POOLING, LEA COUNTY, NEW MEXICO
Entries of Appearance/Intervenors:	
Well Family	Phelps Federal Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code (Only if NSP is requested):	
Well Location Setback Rules (Only if NSP is Requested):	
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480 acres, more or less
Building Blocks:	40 acres
Orientation:	Standup
Description: TRS/County	E/2 E/2 of Section 33, Township 24 South, Range 36 East, and Lot 1, the SE/4 NE/4, and the E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 4 and the E/2 E/2 of Section 9, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico
	<p style="text-align: center;">BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A</p> <p style="text-align: center;">Submitted by: Matador Production Company Hearing Date: May 7, 2026 Case No. 26102</p>
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
Proximity Tracts: If yes, description	No
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit C-3

Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	Phelps Federal Com 214H (API No. PENDING) SHL: 464' FSL & 1,853' FEL (Unit O) of Section 28, T24S-R36E BHL: 110' FSL & 672' FEL (Unit P) of Section 9, T25S-R36E Completion Target: Bone Spring formation Well Orientation: Standup Completion Location expected to be: Standard
Horizontal Well First and Last Take Points	Exhibit C-1
Completion Target (Formation, TVD and MD)	Exhibit C-4
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$10,000
Production Supervision/Month \$	\$1,000
Justification for Supervision Costs	Exhibit C
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit B
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit E
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit F
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit C-2 & C-3
Tract List (including lease numbers and owners)	Exhibit C-2
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit C-3
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit C-4
List of Interest Owners (ie Exhibit A of JOA)	Exhibit C-3
Chronology of Contact with Non-Joined Working Interests	Exhibit C-5
Overhead Rates In Proposal Letter	Exhibit C-4
Released to Imaging: 4/30/2026 11:27:06 AM Cost Estimate to Drill and Complete	Exhibit C-4

Cost Estimate to Equip Well	Exhibit C-4
Cost Estimate for Production Facilities	Exhibit C-4
Geology	
Summary (including special considerations)	Exhibit D
Spacing Unit Schematic	Exhibit D-1
Gunbarrel/Lateral Trajectory Schematic	Exhibit D-2
Well Orientation (with rationale)	Exhibit D
Target Formation	Exhibit D, D-3
HSU Cross Section	Exhibit D-3
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit C-1
Tracts	Exhibit C-2
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit C-2 & C-3
General Location Map (including basin)	Exhibit D
Well Bore Location Map	Exhibit D-1
Structure Contour Map - Subsea Depth	Exhibit D-2
Cross Section Location Map (including wells)	Exhibit D-2
Cross Section (including Landing Zone)	Exhibit D-3
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	A. Raylee Starnes
Signed Name (Attorney or Party Representative):	
Date:	4/30/2026

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

**APPLICATION OF MRC PERMIAN
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26102

APPLICATION

MRC Permian Company (“MRC” or “Applicant”), through its undersigned attorneys, files this application with the Oil Conservation Division pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling the uncommitted interest owners in a standard 480-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Section 33, Township 24 South, Range 36 East, and Lot 1, the SE/4 NE/4, and the E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 4 and the E/2 E/2 of Section 9, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. 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 well spacing unit.
3. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Phelps Fed Com 214H** well, to be horizontally drilled from a surface location in the S/2 SE/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NE/4 (Unit A) of Section 33, T24S-R36E, and a last take point in the SE/4 SE/4 (Unit P) of Section 9, T25S-R36E.
4. 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.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: May 7, 2026
Case No. 26102**


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

WHEREFORE, Applicant requests that this application be set for hearing before an Examiner of the Oil Conservation Division on the May 7, 2026, hearing docket and after notice and hearing as required by law, the Division enter an order:

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

Respectfully submitted,

HOLLAND & HART LLP

By: 

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
Post Office Box 2208
Santa Fe, NM 87504
505-988-4421
505-983-6043 Facsimile
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arstarnes@hollandhart.com

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

CASE _____ : **Application of MRC Permian Company for Compulsory Pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling the uncommitted interest owners in a standard 480-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Section 33, Township 24 South, Range 36 East, and Lot 1, the SE/4 NE/4, and the E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 4 and the E/2 E/2 of Section 9, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Phelps Fed Com 214H** well, to be horizontally drilled from a surface location in the S/2 SE/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NE/4 (Unit A) of Section 33, T24S-R36E, and a last take point in the SE/4 SE/4 (Unit P) of Section 9, T25S-R36E. Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 6 miles northwest of Jal, New Mexico.

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

APPLICATION OF MRC PERMIAN COMPANY
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 26102

SELF-AFFIRMED STATEMENT OF DAVID JOHNS

1. My name is David Johns. I work for MRC Energy Company, an affiliate of MRC Permian Company (“MRC”), as a Vice President - Land.

2. I have previously testified before the New Mexico Oil Conservation Division as an expert witness in petroleum land matters. My credentials as a petroleum landman have been accepted by the Division and made a matter of public record.

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

4. In this case, MRC is seeking an order pooling the uncommitted interest owners in a standard 480-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Section 33, Township 24 South, Range 36 East, and Lot 1, the SE/4 NE/4, and the E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 4 and the E/2 E/2 of Section 9, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico, and initially dedicate this spacing unit to the proposed **Phelps Fed Com 214H well**, to be horizontally drilled from a surface location in the S/2 SE/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NE/4 (Unit A) of Section 33, T24S-R36E, and a last take point in the SE/4 SE/4 (Unit P) of Section 9, T25S-R36E.

5. **MRC Exhibit C-1** contains a draft Form C-102 for the proposed initial well.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. C

Submitted by: Matador Production Company

Hearing Date: May 7, 2026

Case No. 26102

6. MRC understands this well is in a wildcat pool, to be assigned by the Division.

7. 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.

8. **MRC Exhibit C-2** identifies the tracts of land comprising the proposed horizontal spacing unit. The land in the proposed spacing unit is comprised of fee and federal lands.

9. **MRC Exhibit C-3** identifies the working interest owners, unleased mineral owners, and overriding royalty owners that MRC is seeking to pool. The first pages of Exhibit C-3 show the parties MRC is seeking to pool on a unit basis. Behind the unit analysis, there are additional pages showing the parties that MRC seeks to pool, on a tract-by-tract basis, along with their ownership interest in each of the tracts in the proposed horizontal spacing unit. The parties that MRC is seeking to pool are highlighted yellow.

10. While MRC was working to put this unit together, MRC proposed the above well to the working interest parties it seeks to pool. **MRC Exhibit C-4** contains a representative copy of the forms of well proposal letters that were sent to the working interest owners, along with the AFE that was sent for the well. The costs reflected in the AFE are consistent with what other operators have incurred for drilling similar horizontal wells in the area.

11. **MRC Exhibit C-5** contains a summary of MRC's contacts with the uncommitted working interest owners we seek to pool in this case. As indicated on MRC Exhibit C-5, MRC has been able to locate almost all of the owners we seek to pool. In addition, MRC has attempted to call or email every owner for whom we were able to find contact information. In my opinion, MRC has undertaken good faith efforts to reach an agreement with the uncommitted working interest owners that MRC seeks to pool in this case.


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

13. I provided MRC's outside counsel, Holland & Hart, a list of names and addresses for the parties that MRC is seeking to pool for whom MRC was able to locate an address or potential address. In compiling this notice list, MRC conducted a diligent search of all public records in the county where the proposed wells are located, including computer searches.

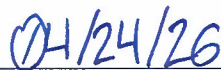
14. **MRC Exhibit C-6** contains a chart showing the owners in the spacing unit and whether those owners are already committed to the unit or not and, if so, the type of commitment.

15. **MRC Exhibits C-1 through C-6** were either prepared by me or compiled under my direction and supervision.

16. 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.



David Johns



Date

C-1

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name Wildcat
Property Code	Property Name PHELPS 3309 FED COM	
		Well Number 214H
OGRID No. 228937	Operator Name MATADOR PRODUCTION COMPANY	
		Ground Level Elevation 3304'
Surface Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
O	28	24-S	36-E	-	464' S	1853' E	N 32.1824459	W 103.2674176	LEA

Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
P	9	25-S	36-E	-	110' S	672' E	N 32.1379190	W 103.2637061	LEA

Dedicated Acres 480.32	Infill or Defining Well ----	Defining Well API ----	Overlapping Spacing Unit (Y/N) ----	Consolidated Code ----
Order Numbers -----			Well Setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
A	33	24-S	36-E	-	50' N	660' E	N 32.1810323	W 103.2635582	LEA

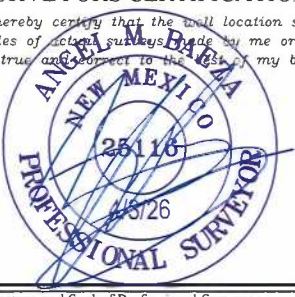
First Take Point (FTP)

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
A	33	24-S	36-E	-	100' N	660' E	N 32.1808949	W 103.2635587	LEA

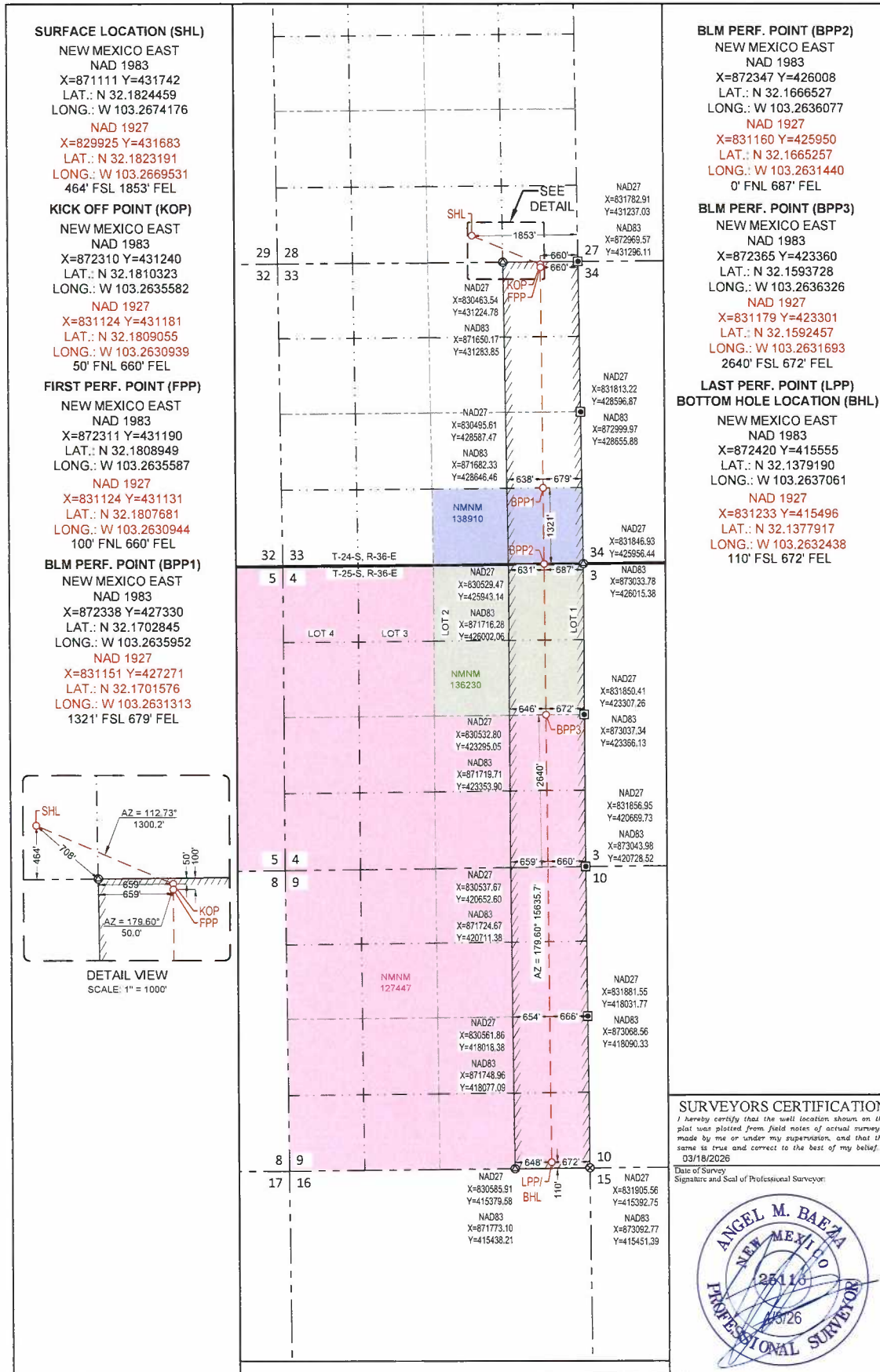
Last Take Point (LTP)

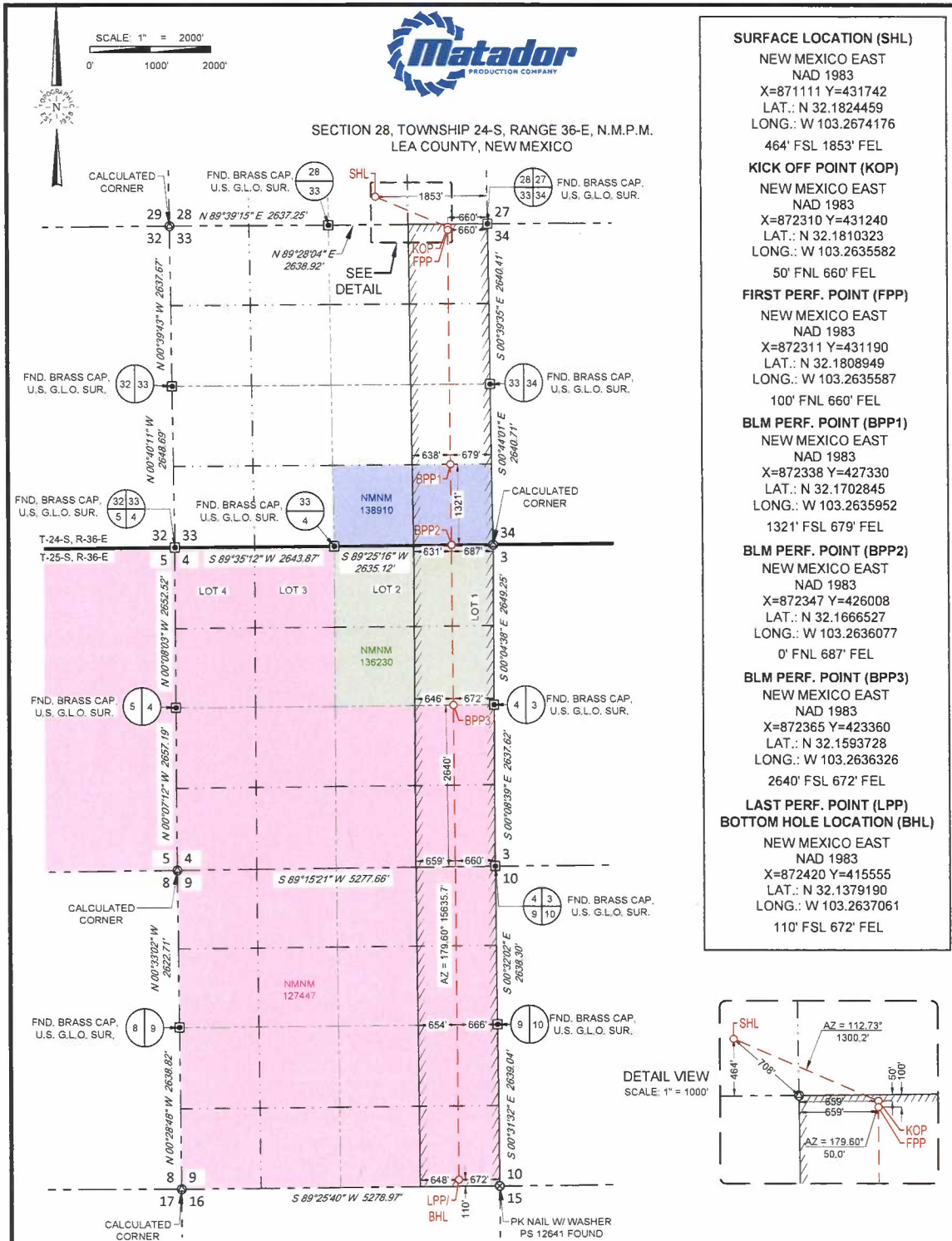
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the N/S	Feet from the E/W	Latitude	Longitude	County
P	9	25-S	36-E	-	110' S	672' E	N 32.1379190	W 103.2637061	LEA

Unitized Area or Area of Uniform Interest ----	Spacing Unity Type <input type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation 1
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<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief; and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received The consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p>	<p>SURVEYORS CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <div style="text-align: center;">  </div>
Signature _____ Date _____	Signature and Seal of Professional Surveyor _____ Date _____
Print Name _____	Certificate Number _____ Date of Survey 03/18/2026
E-mail Address _____	

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	Revised July 9, 2024
	Property Name and Well Number <p align="center">PHELPS 3309 FED COM 214H</p>	Submittal Type: <input type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled





SURFACE LOCATION (SHL)
 NEW MEXICO EAST
 NAD 1983
 X=871111 Y=431742
 LAT.: N 32.1824459
 LONG.: W 103.2674176
 464' FSL 1853' FEL

KICK OFF POINT (KOP)
 NEW MEXICO EAST
 NAD 1983
 X=872310 Y=431240
 LAT.: N 32.1810323
 LONG.: W 103.2635582
 50' FNL 660' FEL

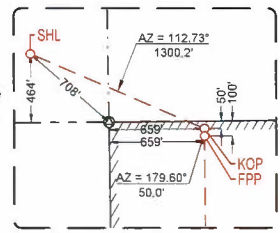
FIRST PERF. POINT (FPP)
 NEW MEXICO EAST
 NAD 1983
 X=872311 Y=431190
 LAT.: N 32.1808949
 LONG.: W 103.2635587
 100' FNL 660' FEL

BLM PERF. POINT (BPP1)
 NEW MEXICO EAST
 NAD 1983
 X=872338 Y=427330
 LAT.: N 32.1702845
 LONG.: W 103.2635952
 1321' FSL 679' FEL

BLM PERF. POINT (BPP2)
 NEW MEXICO EAST
 NAD 1983
 X=872347 Y=426008
 LAT.: N 32.1666527
 LONG.: W 103.2636077
 0' FNL 687' FEL

BLM PERF. POINT (BPP3)
 NEW MEXICO EAST
 NAD 1983
 X=872365 Y=423360
 LAT.: N 32.1593728
 LONG.: W 103.2636326
 2640' FSL 672' FEL

LAST PERF. POINT (LPP)
BOTTOM HOLE LOCATION (BHL)
 NEW MEXICO EAST
 NAD 1983
 X=872420 Y=415555
 LAT.: N 32.1379190
 LONG.: W 103.2637061
 110' FSL 672' FEL



LEASE NAME & WELL NO.: _____ PHELPS 3309 FED COM 214H

SECTION 28 TWP 24-S RGE 36-E SURVEY N.M.P.M.
 COUNTY LEA STATE NM
 DESCRIPTION 464' FSL & 1853' FEL

DISTANCE & DIRECTION
 FROM INT. OF NM-128 W. & NM-18 N. GO WEST ON NM-128 W +5.5 MILES,
 THENCE NORTH (RIGHT) ON A LEASE RD. +1.9 MILES. THENCE
 CONTINUING STRAIGHT ON A PROPOSED RD. +1.8 MILES TO A POINT
 ±378 FEET SOUTHEAST OF THE LOCATION.



Angel M. Baeza, P.S. No. 25116

TOPOGRAPHIC
 LOYALTY INNOVATION LEGACY
 481 WINSBROTT ROAD, Ste. 200 - BENBROOK, TEXAS 75126
 TELEPHONE: (817) 744-7512 - FAX: (817) 744-7514
 838 WEST INDIANA - MIDLAND, TEXAS 79701
 TELEPHONE: (432) 682-1553 OR (800) 767-1553 - FAX: (432) 682-1743
 WWW.TOPOGRAPHIC.COM

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET
 THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY, THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.
 AS OF THE DATE OF SURVEY, ALL ABOVE GROUND APPURTENANCES WITHIN 300' OF THE STAKED LOCATION ARE SHOWN HEREON.

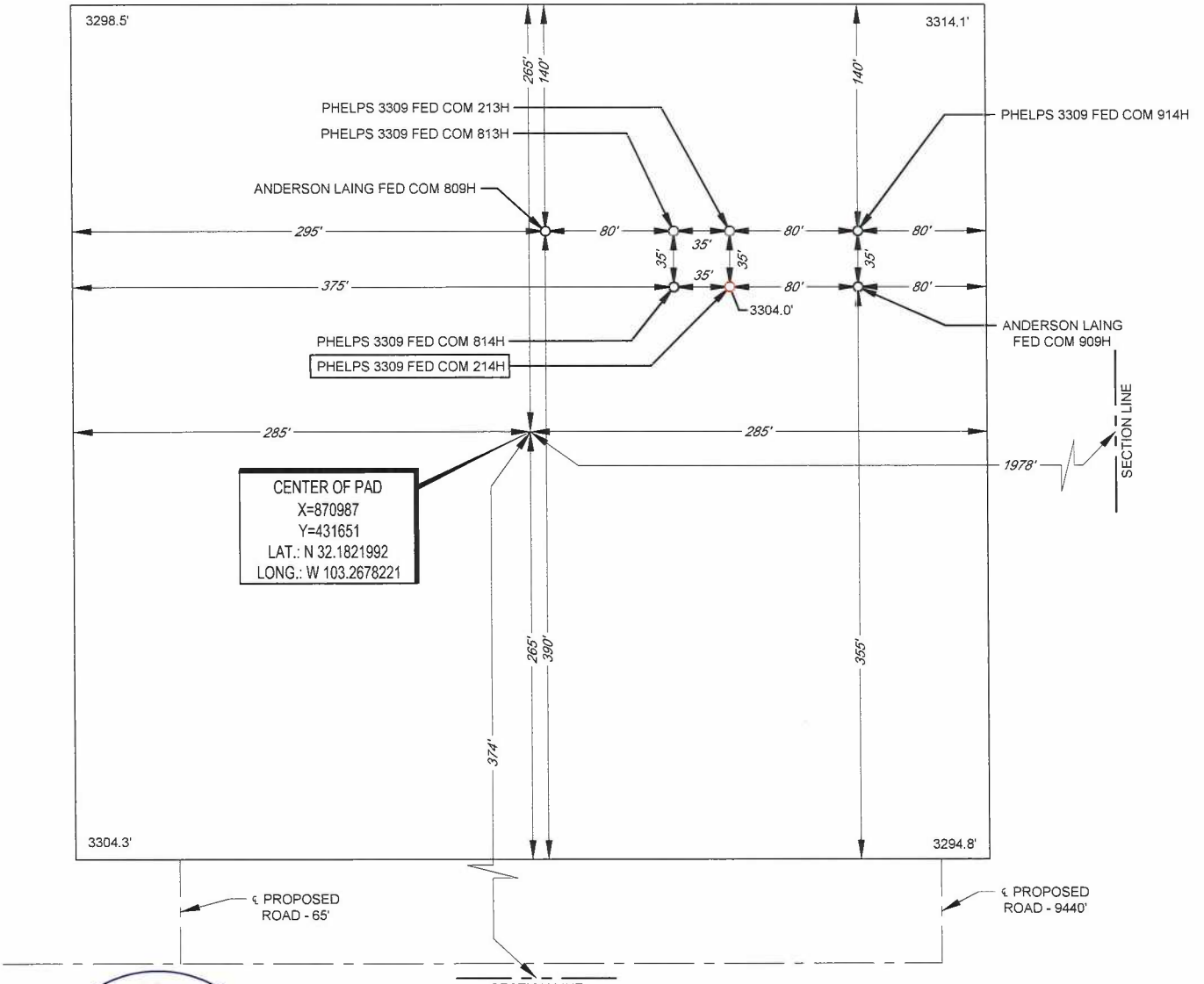


LEGEND

- SECTION LINE
- PROPOSED ROAD

SECTION 28, TOWNSHIP 24-S, RANGE 36-E, N.M.P.M.
LEA COUNTY, NEW MEXICO

DETAIL VIEW
SCALE: 1" = 100'



Angel M. Baeza, P.S. No. 25116

LEASE NAME & WELL NO.: PHELPS 3309 FED COM 214H
 214H LATITUDE N 32.1824459 214H LONGITUDE W 103.2674176

CENTER OF PAD IS 374' FSL & 1978' FEL



SCALE: 1" = 100'

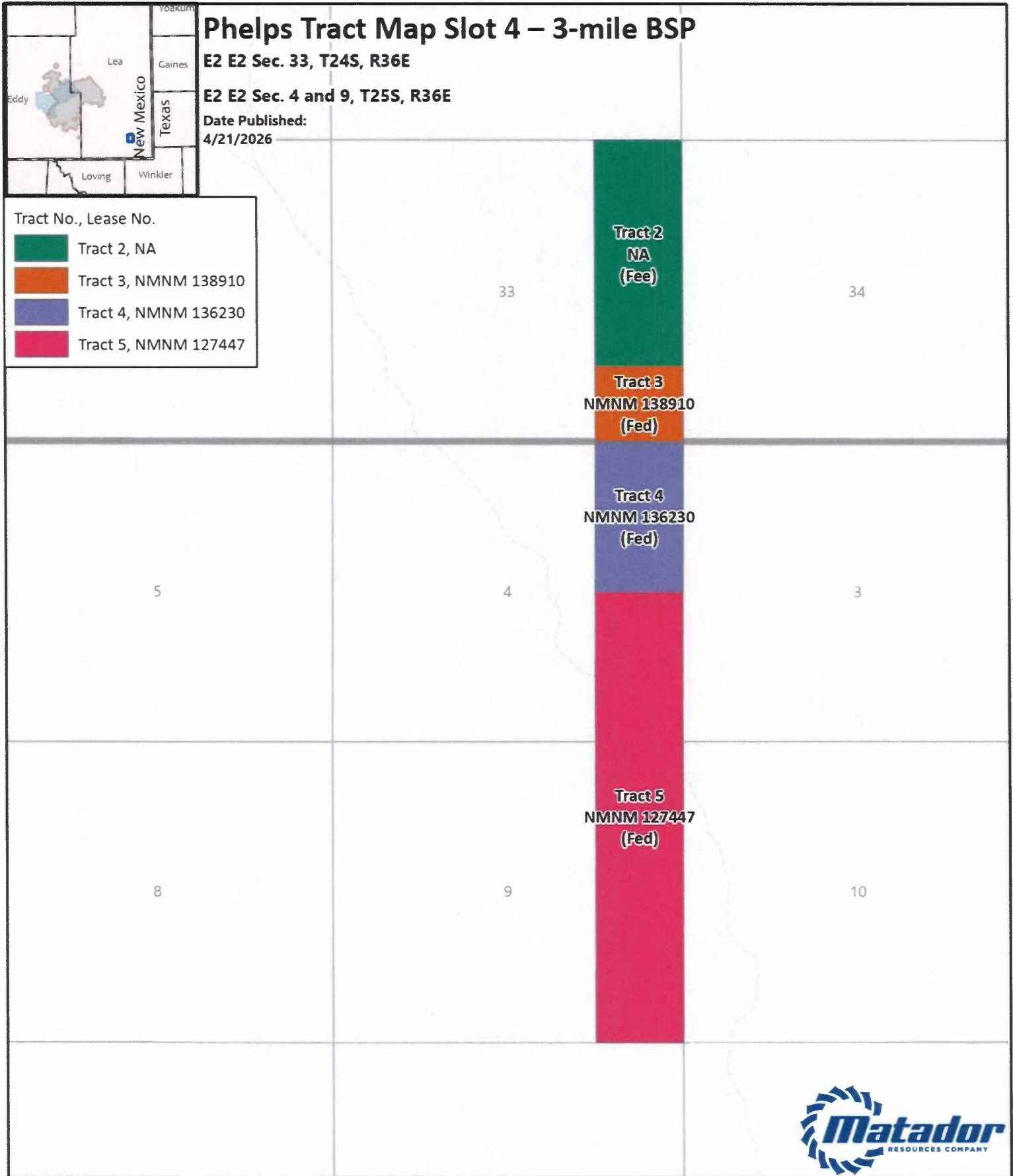
ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO, ALL OTHER INFORMATION WAS INTENTIONALLY OMITTED. THIS PLAT IS ONLY INTENDED TO BE USED FOR A PERMIT AND IS NOT A BOUNDARY SURVEY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

TOPOGRAPHIC
 LOYALTY INNOVATION LEGACY
 481 WINSKOTT ROAD, Ste. 200 • BENBROOK, TEXAS 76126
 TELEPHONE: (817) 744-7512 • FAX: (817) 744-7554
 808 WEST INDIANA • MIDLAND, TEXAS 79701
 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX: (432) 682-1743
 WWW.TOPOGRAPHIC.COM

ORIGINAL DOCUMENT SIZE: 8.5" X 11"

C-2



1:27,000
1 inch equals 2,250 feet

C-3

Phelps Project - Slot 4 - #214H - Bone Spring			
Summary of Interests			
Matador Working Interest		87.8646%	
Voluntary Joinder		0.000%	
Compulsory Pool Interest		12.1354%	
Interest Owners:	Description:	Tract:	Interest:
Chisos, Ltd.	Uncommitted WI Owner	2	1.5835%
Black Shale Minerals LLC	Uncommitted MI Owner	2	1.6076%
Darrel Wayne Cowley, as his separate property	Uncommitted MI Owner	2	0.1563%
Devises under the Will of Ralph F. Howell	Uncommitted MI Owner	2	0.7813%
Elizabeth Ann Yahr, as her separate property	Uncommitted MI Owner	2	0.2604%
First National Bank & Trust Co. of Okmulgee, Trustee of The Patricia Boyle Young Revocable Trust UTA June 28, 1989	Uncommitted MI Owner	2	2.0833%
Hilcorp Royalty and Minerals, LLC	Uncommitted MI Owner	2	3.0589%
Devises under the Will of Otis Dean Sale, III	Uncommitted MI Owner	2	1.0417%
Julie Russell, as her separate property	Uncommitted MI Owner	2	0.2604%
Linda Joyce Fritz, as her separate property	Uncommitted MI Owner	2	0.4688%
Quanah Exploration Limited Partnership	Uncommitted MI Owner	2	0.5208%
Robert Emmett Cowley, as his separate property	Uncommitted MI Owner	2	0.1563%
Unknown heirs of Rachel Cowley	Uncommitted MI Owner	2	0.1563%
Colburn Oil, LP	ORRI		
Flo-Tex Oil Co., LLC	ORRI		
Integrity Energy, LLC	ORRI		
McMullen Minerals II, LP	ORRI		
Monigold Family Land & Minerals, LLC	ORRI		
Featherstone Development Corporation	ORRI		
MO Oil, LLC	ORRI		
MRC Royalties, LLC	ORRI		

Phelps Project - Slot 4 - #214H - Bone Spring			
Summary of Interest			
Tract 2			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed WI Owner	61.750000	51.458333%
Chisos, Ltd.	Uncommitted WI Owner	7.601015	6.334179%
Black Shale Minerals LLC	Uncommitted MI Owner	7.716328	6.430273%
Darrel Wayne Cowley, as his separate property	Uncommitted MI Owner	0.750000	0.625000%
Devises under the Will of Ralph F. Howell	Uncommitted MI Owner	3.750000	3.125000%
Elizabeth Ann Yahr, as her separate property	Uncommitted MI Owner	1.250000	1.041667%
First National Bank & Trust Co. of Okmulgee, Trustee of The Patricia Boyle Young Revocable Trust UTA June 28, 1989	Uncommitted MI Owner	10.000000	8.333333%
Hilcorp Royalty and Minerals, LLC	Uncommitted MI Owner	14.682660	12.235550%
Devises under the Will of Otis Dean Sale, III	Uncommitted MI Owner	5.000000	4.166667%
Julie Russell, as her separate property	Uncommitted MI Owner	1.250000	1.041667%
Linda Joyce Fritz, as her separate property	Uncommitted MI Owner	2.250000	1.875000%
Quanah Exploration Limited Partnership	Uncommitted MI Owner	2.500000	2.083333%
Robert Emmett Cowley, as his separate property	Uncommitted MI Owner	0.750000	0.625000%
Unknown heirs of Rachel Cowley	Uncommitted MI Owner	0.750000	0.625000%
Tract 3			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed WI Owner	40	100%
Tract 4			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed WI Owner	80	100%
Tract 5			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Toro, LLC	Committed WI Owner	240	100.0000%

C-4

MRC Permian Company

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

Voice 972.619.1259 • Fax 214.866.4946

djohns@matadorresources.com

David Johns
Vice President of Land

March 9, 2026

VIA CERTIFIED RETURN RECEIPT MAIL

The Allar Company
PO Box 1567
Graham, TX 76450

Re: Phelps Fed Com #211H, #212H, #213H, #214H, #812H, #912H & #913H (the "Wells")
Participation Proposal
Section 33, Township 24 South, Range 36 East; Sections 4 and 9, Township 25 South, Range 36 East
Lea County, New Mexico

Dear Sir/Madam:

MRC Permian Company ("MRC") proposes the drilling of Matador Production Company's wells, located in Section 33, Township 24 South, Range 36 East; and Sections 4 and 9, Township 25 South, Range 36 East, Lea County, New Mexico:

Well Name	SHL	FTP	LTP	TVD	TMD	Formation
Phelps Fed Com #211H	S2SW4 28-24S-36E	100' FNL & 660' FWL 33-24S-36E	110' FSL & 660' FWL 9-25S-36E	~10,900'	~26,367'	Bone Spring
Phelps Fed Com #212H	S2SW4 28-24S-36E	100' FNL & 1980' FWL 33-24S-36E	110' FSL & 1980' FWL 9-25S-36E	~10,820'	~26,287'	Bone Spring
Phelps Fed Com #213H	S2SE4 28-24S-36E	100' FNL & 1980' FEL 33-24S-36E	110' FSL & 1980' FEL 9-25S-36E	~10,780'	~26,247'	Bone Spring
Phelps Fed Com #214H	S2SE4 28-24S-36E	100' FNL & 660' FEL 33-24S-36E	110' FSL & 660' FEL 9-25S-36E	~10,680'	~26,147'	Bone Spring
Phelps Fed Com #812H	S2SW4 28-24S-36E	100' FNL & 2310' FWL 33-24S-36E	110' FSL & 2310' FWL 9-25S-36E	~14,490'	~29,934'	Barnett
Phelps Fed Com #912H	S2SW4 28-24S-36E	100' FNL & 1980' FWL 33-24S-36E	110' FSL & 1980' FWL 9-25S-36E	~15,030'	~30,474'	Woodford
Phelps Fed Com #913H	S2SE4 28-24S-36E	100' FNL & 1980' FEL 33-24S-36E	110' FSL & 1980' FEL 9-25S-36E	~14,960'	~30,404'	Woodford

MRC is proposing to drill the Well(s) under the terms of the modified 1989 AAPL form of Operating Agreement, by and between Matador Production Company, as Operator and MRC Permian Company et al as Non-Operators covering All of Section 33, Township 24 South, Range 36 East and All of Sections 4 and 9, Township 25 South, Range 36 East, Lea County, New Mexico (the "JOA"), and has the following general provisions:

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

In connection with the above, please note the estimated cost of drilling, testing, completing, and equipping of each Well is itemized on the seven (7) enclosed Authority for Expenditures ("AFE") dated February 26, 2026.

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

As an alternative to participation in the Wells, MRC is interested in leasing your mineral interest subject to title verification. MRC proposes the following lease terms:

- Bonus: \$2,500/Net Mineral Acre
- Primary Term: 3 Years
- Royalty on Oil and Gas: 1/4

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

If your election is to participate in the drilling and completion of the Well(s), please sign and return a copy of the enclosed AFEs within thirty (30) days of receipt of this notice. Please be aware that the enclosed AFEs are only an estimate of costs to be incurred and by electing to participate in the Well(s), each working interest owner shall be responsible for its proportionate share of all costs incurred. Should you elect to lease your minerals, a lease form will be provided at a later date for signature.

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

Sincerely,

MRC PERMIAN COMPANY

A handwritten signature in blue ink, appearing to read "D. W. J.", is positioned above the printed name.

David Johns

The Allar Company

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Phelps Fed Com #211H** well.
_____ Not to participate in the **Phelps Fed Com #211H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Phelps Fed Com #212H** well.
_____ Not to participate in the **Phelps Fed Com #212H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Phelps Fed Com #213H** well.
_____ Not to participate in the **Phelps Fed Com #213H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Phelps Fed Com #214H** well.
_____ Not to participate in the **Phelps Fed Com #214H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Phelps Fed Com #812H** well.
_____ Not to participate in the **Phelps Fed Com #812H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Phelps Fed Com #912H** well.
_____ Not to participate in the **Phelps Fed Com #912H**.

_____ Participate for its proportionate share of the costs detailed in the enclosed AFE associated with Matador Production Company's **Phelps Fed Com #913H** well.
_____ Not to participate in the **Phelps Fed Com #913H**.

_____ LEASE minerals for \$2,500/net mineral acre, 1/4 royalty and a 3-year primary term.

The Allar Company

By: _____

Title: _____

Date: _____

Contact Number: _____

MATADOR PRODUCTION COMPANY


ONE LINCOLN CENTRE • 5400 LBJ FREEWAY • SUITE 1500 • DALLAS, TEXAS 75240
 Phone (972) 371-5200 • Fax (972) 371-5201

ESTIMATE OF COSTS AND AUTHORIZATION FOR EXPENDITURE

DATE:	February 26, 2026	AFE NO.:	
WELL NAME:	Phelps Fed Com #214H	FIELD:	
LOCATION:	Section 33 24S 36E & Section 4 & 9 25S 36E	MO/TVD:	26147/10680'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	15,000
MRC WI:			
GEOLOGIC TARGET:	3rd Bone Spring Sand		
REMARKS:	Drill and complete a horizontal 3.0-mile mile long 3rd Bone Spring Sand target with about 71 frac stages		

	DRILLING COSTS	COMPLETION COSTS	PRODUCTION COSTS	FACILITY COSTS	TOTAL COSTS
INTANGIBLE COSTS					
Land / Legal / Regulatory	\$ 55,500	\$ -	\$ 15,000	\$ 10,000	\$ 80,500
Location, Surveys & Damages	138,000	13,000	25,000	-	176,000
Drilling	1,066,603	-	-	-	1,066,603
Cementing & Float Equip	530,750	-	-	-	530,750
Logging / Formation Evaluation	-	3,750	3,000	-	6,750
Flowback - Labor	-	-	67,350	-	67,350
Flowback - Surface Rentals	-	-	49,600	-	49,600
Flowback - Rental Living Quarters	-	-	12,000	-	12,000
Mud Logging	31,500	-	-	-	31,500
Mud Circulation System	174,488	-	-	-	174,488
Mud & Chemicals	465,000	41,000	76,000	-	582,000
Mud / Wastewater Disposal	245,000	-	2,500	-	247,500
Freight / Transportation	35,000	34,500	10,000	-	79,500
Rig Supervision / Engineering	150,875	81,067	10,500	72,000	314,442
Drill Bits	134,800	-	-	-	134,800
Fuel & Power	141,823	756,000	2,500	-	900,323
Water	90,000	945,000	5,000	-	1,040,000
Drig & Completion Overhead	17,750	-	-	-	17,750
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	790,933	-	-	-	790,933
Completion Unit, Swab, CTU	-	115,000	10,000	-	125,000
Perforating, Wireline, Slickline	-	224,200	10,000	-	234,200
High Pressure Pump Truck	-	75,333	6,000	-	81,333
Stimulation	-	2,789,775	-	-	2,789,775
Stimulation Flowback & Disp	-	15,500	375,000	-	390,500
Insurance	16,473	-	-	-	16,473
Labor	391,000	56,083	25,000	-	472,083
Rental - Surface Equipment	170,185	280,773	28,000	12,000	490,958
Rental - Downhole Equipment	293,450	89,000	-	-	382,450
Rental - Living Quarters	53,200	30,087	4,000	2,480	89,767
Contingency	100,436	274,029	73,595	-	457,708
Operations Center	29,463	-	-	-	29,463
TOTAL INTANGIBLES >	5,122,227	5,804,098	809,545	106,128	11,841,997
TANGIBLE COSTS					
Surface Casing	\$ 66,375	\$ -	\$ -	\$ -	\$ 66,375
Intermediate Casing	343,552	-	-	-	343,552
Drilling Liner	378,430	-	-	-	378,430
Production Casing	952,211	-	-	-	952,211
Production Liner	-	-	-	-	-
Tubing	-	-	147,000	-	147,000
Wellhead	118,000	-	90,000	-	208,000
Packers, Liner Hangers	-	78,600	-	-	78,600
Tanks	-	-	-	-	-
Production Vessels	-	-	-	106,500	106,500
Flow Lines	-	-	-	703,303	703,303
Rod string	-	-	-	-	-
Artificial Lift Equipment	-	-	27,000	-	27,000
Compressor	-	-	-	1,500	1,500
Installation Costs	-	-	-	129,000	129,000
Surface Pumps	-	-	5,000	-	5,000
Non-controllable Surface	-	-	-	-	-
Non-controllable Downhole	-	-	-	-	-
Downhole Pumps	-	-	-	-	-
Measurement & Meter Installation	-	-	10,000	24,000	34,000
Gas Conditioning / Dehydration	-	-	-	-	-
Interconnecting Facility Piping	-	-	-	58,050	58,050
Gathering / Bulk Lines	-	-	-	-	-
Valves, Dumps, Controllers	-	-	1,000	-	1,000
Tank / Facility Containment	-	-	-	-	-
Flare Stack	-	-	-	-	-
Electrical / Grounding	-	-	10,000	32,700	42,700
Communications / SCADA	-	-	45,500	55,293	100,793
Instrumentation / Safety	-	-	-	40,000	40,000
TOTAL TANGIBLES >	1,858,568	78,500	335,500	1,150,347	3,423,014
TOTAL COSTS >	6,980,795	5,882,698	1,145,045	1,256,475	15,265,012

PREPARED BY MATADOR PRODUCTION COMPANY:

Drilling Engineer:	Peny Hawks	Team Lead - WTX/NM	
Completions Engineer:	Christian Grimes	LMW	
Production Engineer:	Eddy Mercedes		

MATADOR RESOURCES COMPANY APPROVAL:

EVP, Co-COO	CPC	Executive VP, CFO	RTM	EVP Reservoir	WTE
President Land	VHS	EVP Geoscience	AP	EVP Production	GS
EVP, CAO	RTM	EVP, General Counsel	BAE		

NON OPERATING PARTNER APPROVAL:

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

This costs on this AFE are estimates only and may not be obtained in drilling or any specific cost to the total cost of the project. Taking installation approved under the AFE may be encroached in 1 year after the well has been completed. In executing this AFE, the Participant agrees to pay all pro rata share of actual costs incurred, including legal, drilling, regulatory, completion 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 agreed to pay and defend pro rata share of all costs and general liability insurance unless participant provides, Operator a certificate evidencing its own insurance as an amount acceptable to the Operator by the date of bid.

C-5

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. C-5

Submitted by: Matador Production Company

Hearing Date: May 7, 2026

Case No. 26102

Owner Name	First Address Delivered	Unabale to Deliver to First Address	Attempt Made to Second Address	Contact via Phone or Email
Chisos, Ltd.	Y			Email
Black Shale Minerals LLC	Y			Met in person and email
Darrel Wayne Cowley, as his separate property	Y			Spoken over phone and email
Devises under the Will of Otis Dean Sale, III	Y			Left Voicemail
Devises under the Will of Ralph F. Howell	Y			Left Voicemail
Elizabeth Ann Yahr, as her separate property	Y			Called multiple numbers that were disconnected; Left voicemail for her son
First National Bank & Trust Co. of Okmulgee, Trustee of The Patricia Boyle Young Revocable Trust UTA June 28, 1989	Y			Left Voicemail
Hilcorp Royalty and Minerals, LLC	Y			Spoke via Phone & Email
Julie Russell, as her separate property	Y			Called
Linda Joyce Fritz, as her separate property	Y			Spoke on Phone
Quanah Exploration Limited Partnership2		Y	Y	Spoke over the phone and email
Robert Emmett Cowley, as his separate property	Y			Spoken over phone and email
Unknown heirs of Rachel Cowley	Y			Spoken over phone and email

C-6

Phelps Project - Slot 4 - Bone Spring - Phelps Fed Com #214H		
Interest Owners	Ownership Type	Commitment Type
Chisos, Ltd.	WI	Uncommitted
Black Shale Minerals LLC	MI	Uncommitted
Darrel Wayne Cowley, as his separate property	MI	Uncommitted
Devises under the Will of Ralph F. Howell	MI	Uncommitted
Elizabeth Ann Yahr, as her separate property	MI	Uncommitted
First National Bank & Trust Co. of Okmulgee, Trustee of The Patricia Boyle Young Revocable Trust UTA June 28, 1989	MI	Uncommitted
Hilcorp Royalty and Minerals, LLC	MI	Uncommitted
Devises under the Will of Otis Dean Sale, III	MI	Uncommitted
Julie Russell, as her separate property	MI	Uncommitted
Linda Joyce Fritz, as her separate property	MI	Uncommitted
Quanah Exploration Limited Partnership	MI	Uncommitted
Robert Emmett Cowley, as his separate property	MI	Uncommitted
Unknown heirs of Rachel Cowley	MI	Uncommitted
Colburn Oil, LP	ORRI	Uncommitted
Flo-Tex Oil Co., LLC	ORRI	Uncommitted
Integrity Energy, LLC	ORRI	Uncommitted
McMullen Minerals II, LP	ORRI	Uncommitted
Monigold Family Land & Minerals, LLC	ORRI	Uncommitted
Featherstone Development Corporation	ORRI	Uncommitted
MO Oil, LLC	ORRI	Uncommitted
MRC Royalties, LLC	ORRI	Uncommitted

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

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

**APPLICATION OF MRC PERMIAN COMPANY
COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26102

SELF-AFFIRMED STATEMENT OF ANDREW PARKER

1. My name is Andrew Parker. I work for MRC Energy Company, an affiliate of MRC Permian Company ("MRC"), as an Executive Vice President of Geosciences.
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 application filed by MRC in this case, and I have conducted a geologic study of the lands in the subject area.
4. **MRC Exhibit D-1** is a locator map outlining the horizontal spacing unit with a black box shaded in yellow, with the larger area identified in a red box.
5. In this case, MRC intends to develop the Third Bone Spring within the Bone Spring formation.
6. **MRC 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 formation gently dipping to the west. The structure appears consistent across the proposed wellbore path. I do not observe any faulting, pinchouts, or other geologic impediments to horizontal drilling.
7. Also included on MRC Exhibit D-2 is a line of cross section from A to A'.

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D
Submitted by: Matador Production Company
Hearing Date: May 7, 2026
Case No. 26102

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

9. In my opinion, the standup orientation is the preferred orientation for development in this area for Bone Spring wells based on the maximum horizontal stress 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 unit proposed in this case.

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

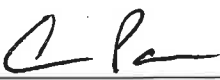
12. In my opinion, horizontal drilling will be the most efficient method to develop this acreage, to prevent the drilling of unnecessary wells, and to result in the greatest ultimate recovery.

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

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

15. I affirm under penalty of perjury under the laws of the State of New Mexico that the foregoing statements are true and correct. I understand that this self-affirmed statement will be

used as written testimony in this case. This statement is made on the date next to my signature below.



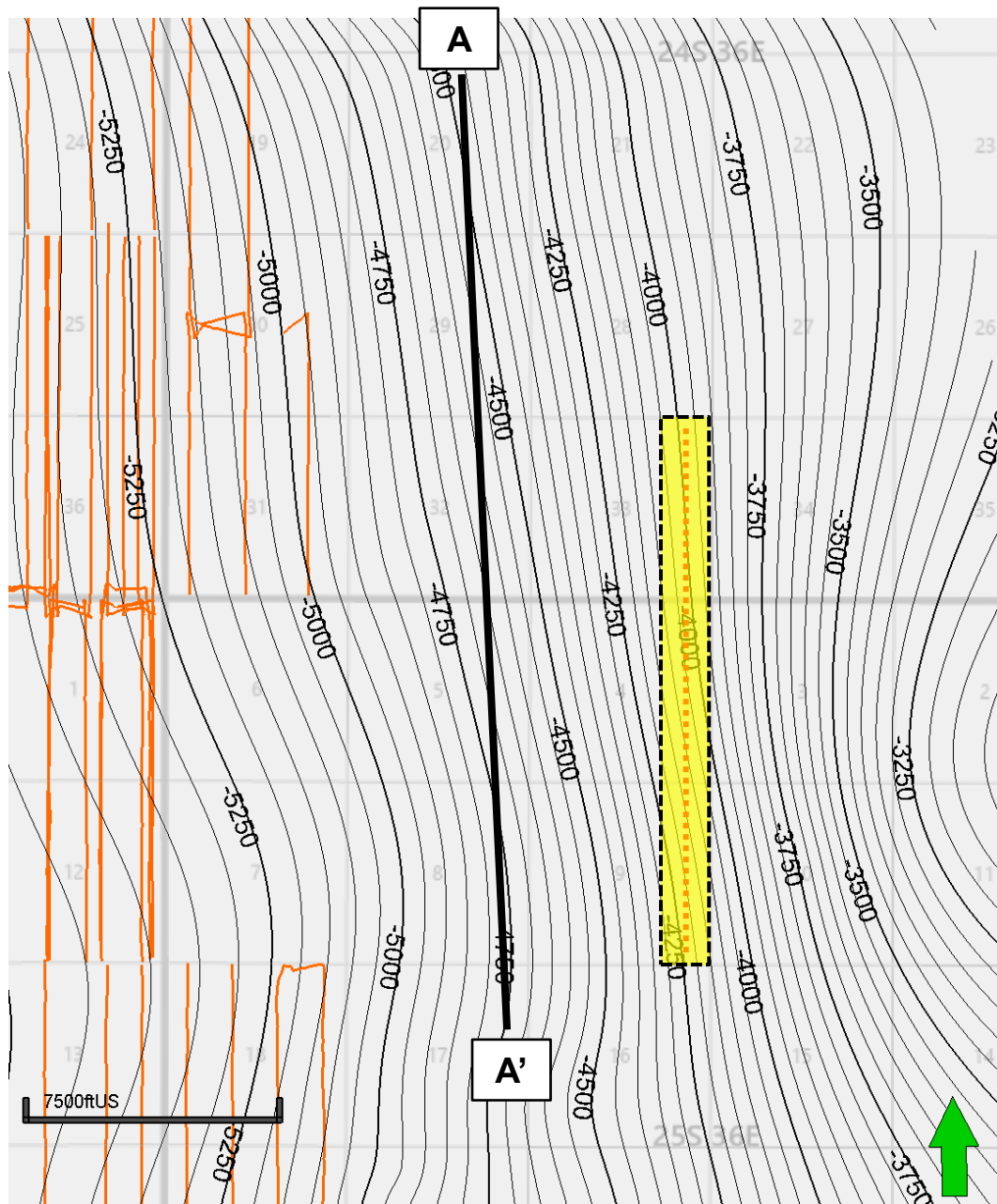
Andrew Parker

4/28/2026

Date

WILDCAT – TO BE ASSIGNED Structure Map (Top Bone Spring Subsea) A – A' Reference Line

Exhibit D-2



Map Legend

Bone Spring Wells



Phelps #214H



Project Area



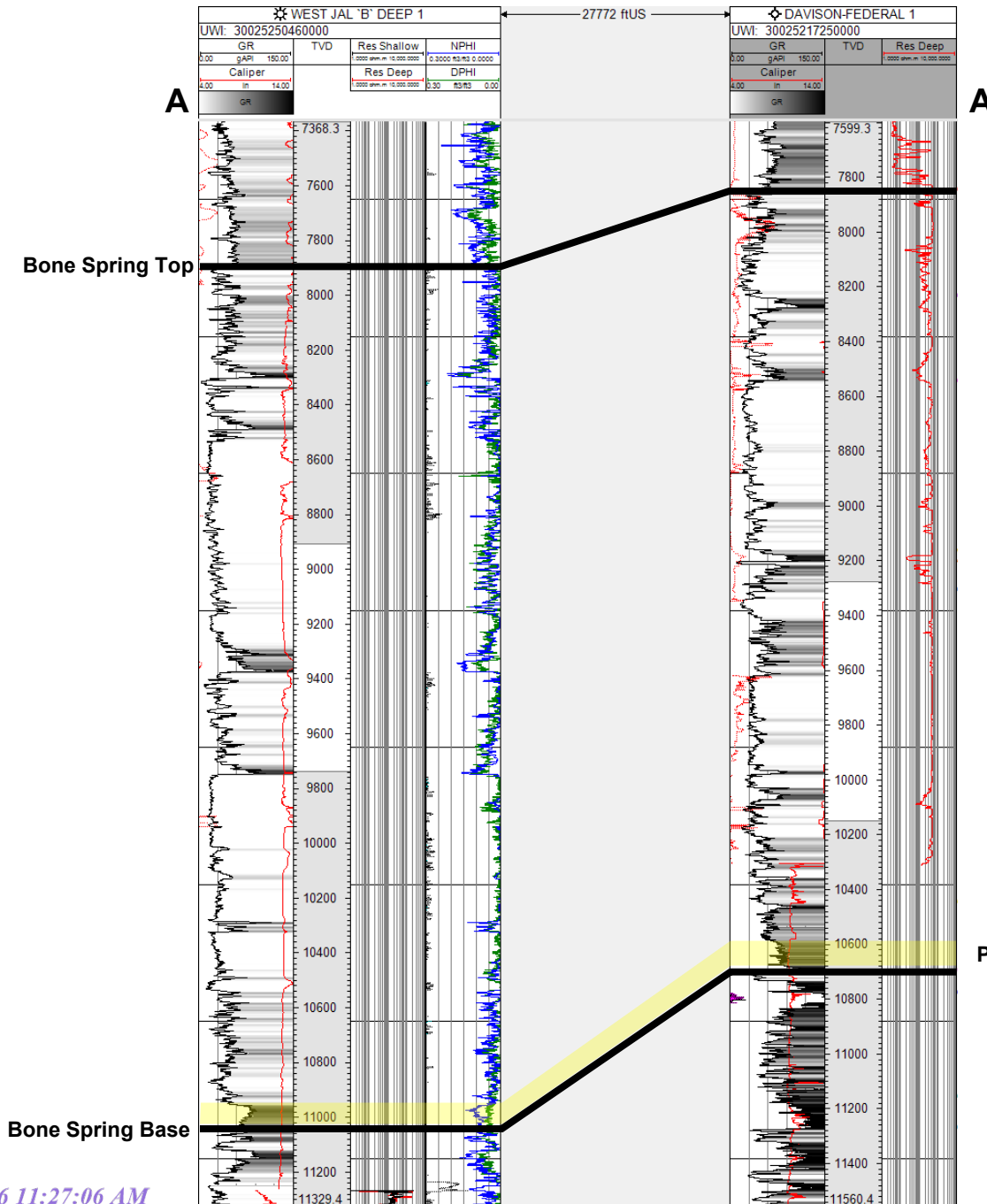
C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Exhibit No. D-2
 Submitted by: Matador Production Company
 Hearing Date: May 7, 2026
 Case No. 26102



WILDCAT – TO BE ASSIGNED Structural Cross-Section A – A'

Exhibit D-3



Phelps #214H Target

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. D-3
Submitted by: Matador Production Company
Hearing Date: May 7, 2026
Case No. 26102



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

**APPLICATION OF MRC PERMIAN
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26102

**SELF-AFFIRMED STATEMENT OF
A. RAYLEE STARNES**

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 April 27, 2026.

5. I caused a notice to be published to all parties subject to these proceedings. An affidavit of publication from the publication’s legal clerk with a copy of the notice of publication is attached herein.

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

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. E
Submitted by: Matador Production Company
Hearing Date: May 7, 2026
Case No. 26102**



A. Raylee Starnes

04/29/26

Date



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

April 17, 2026

VIA CERTIFIED MAIL
CERTIFIED RECEIPT REQUESTED

TO: ALL AFFECTED INTEREST OWNERS

**Re: Application of MRC Permian Company for Compulsory Pooling, Lea County,
New Mexico: Phelps Fed Com 214H 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 May 7, 2026, and the status of the hearing can be monitored through the Division’s website at <https://www.emnrd.nm.gov/ocd/>.

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

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

If you have any questions about this matter, please contact David Johns at (972) 619-1259 or at djohns@matadorresources.com.

Sincerely,

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

T 505.954.3669 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 - Phelps 213H, 214H, 913H wells - Case nos. 26101, 26102, 26105
Postal Delivery Report

9414811898765522193180	Black Shale Minerals LLC	PO Box 2243	Longview	TX	75606-2243	Your item has been delivered and is available at a PO Box at 10:31 am on April 20, 2026 in LONGVIEW, TX 75601.
9414811898765522193173	Colburn Oil, LP	PO Box 2524	Midland	TX	79702-2524	Your item was picked up at the post office at 11:49 am on April 24, 2026 in MIDLAND, TX 79701.
9414811898765522193319	Darrel Wayne Cowley, as his separate property	98 County Road 307	Floresville	TX	78114-3259	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765522193357	Devises under the Will of Otis Dean Sale, III	1821 McAlpin Rd	Midlothian	TX	76065-6311	Your item was delivered to an individual at the address at 1:59 pm on April 23, 2026 in MIDLOTHIAN, TX 76065.
9414811898765522193364	Devises under the Will of Ralph F. Howell	12089 Fm 344 W	Bullard	TX	75757-8237	Your item was picked up at the post office at 2:18 pm on April 22, 2026 in BULLARD, TX 75757.
9414811898765522193302	Elizabeth Ann Yahr, as her separate property	1816 Longmeadow Dr	West Bend	WI	53095-5012	Your item was delivered to an individual at the address at 12:30 pm on April 23, 2026 in WEST BEND, WI 53095.
9414811898765522193395	Featherstone Development Corporation	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 10:27 am on April 21, 2026 in ROSWELL, NM 88201.
9414811898765522193388	First National Bank & Trust Co. of Okmulgee, Trustee of The Patricia Boyle Young Revocable Trust UTA June 28, 1989	PO Box 1037	Okmulgee	OK	74447-1037	Your item was picked up at the post office at 9:48 am on April 22, 2026 in OKMULGEE, OK 74447.
9414811898765522193371	Flo-Tex Oil Co., LLC	5150 Broadway PMB 405	San Antonio	TX	78209-5710	Your item arrived at our SAN ANTONIO TX DISTRIBUTION CENTER destination facility on April 19, 2026 at 10:39 am. The item is currently in transit to the destination.
9414811898765522193050	Hilcorp Royalty and Minerals, LLC	1111 Travis St	Houston	TX	77002-5924	Your item was delivered to the front desk, reception area, or mail room at 11:03 am on April 20, 2026 in HOUSTON, TX 77002.
9414811898765522193067	Integrity Energy, LLC	PO Box 10253	Midland	TX	79702-7253	Your item was picked up at the post office at 1:15 pm on April 21, 2026 in MIDLAND, TX 79701.
9414811898765522193043	Julie Russell, as her separate property	9754 Grenadier Dr	Houston	TX	77089-1214	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765522193418	Linda Joyce Fritz, as her separate property	10122 Mount Nebo Rd	San Angelo	TX	76901-6624	Your item was delivered to an individual at the address at 11:19 am on April 22, 2026 in SAN ANGELO, TX 76901.
9414811898765522193456	McMullen Minerals II, LP	PO Box 470698	Fort Worth	TX	76147-0698	Your item has been delivered and is available at a PO Box at 9:59 am on April 20, 2026 in FORT WORTH, TX 76147.

MRC - Phelps 213H, 214H, 913H wells - Case nos. 26101, 26102, 26105
 Postal Delivery Report

9414811898765522193425	MO Oil, LLC	PO Box 429	Roswell	NM	88202-0429	Your item was picked up at the post office at 10:27 am on April 21, 2026 in ROSWELL, NM 88201.
9414811898765522193401	Monigold Family Land & Minerals, LLC	6425 Darwood Ave	Fort Worth	TX	76116-4406	Your item was delivered to an individual at the address at 11:48 am on April 20, 2026 in FORT WORTH, TX 76116.
9414811898765522193494	Quanah Exploration Limited Partnership2	200 N Loraine St Ste 555	Midland	TX	79701-4770	Your item was returned to the sender on April 21, 2026 at 8:25 am in MIDLAND, TX 79701 because the forwarding order for this address is no longer valid.
9414811898765522193449	Robert Emmett Cowley, as his separate property	4021 Wood River Dr Apt 302	Corpus Christi	TX	78410-5648	This is a reminder to arrange for redelivery of your item or your item will be returned to sender.
9414811898765522193487	Unknown heirs of Rachel Cowley	6076 SW 51st Pl	Lake Butler	FL	32054-7395	Your item was picked up at the post office at 10:12 am on April 22, 2026 in LAKE BUTLER, FL 32054.

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).

LEGAL NOTICE
April 19, 2026

Beginning with the issue dated
April 19, 2026
and ending with the issue dated
April 19, 2026.

Case No. 26102: Application of MRC Permian Company for Compulsory Pooling, Lea County, New Mexico. Notice to all affected interest owners, including all heirs, devisees and successors of: Black Shale Minerals LLC; Colburn Oil, LP; Darrel Wayne Cowley, as his separate property; Devisees under the Will of Otis Dean Sale, III; Devisees under the Will of Ralph F. Howell; Elizabeth Ann Yahr, as her separate property; Featherstone Development Corporation; First National Bank & Trust Co. of Okmulgee, Trustee of The Patricia Boyle Young Revocable Trust UTA June 28, 1989; Flo-Tex Oil Co., LLC; Hilcorp Royalty and Minerals, LLC; Integrity Energy, LLC; Julie Russell, as her separate property; Linda Joyce Fritz, as her separate property; McMullen Minerals II, LP; MO Oil, LLC; Monigold Family Land & Minerals, LLC; Quanah Exploration Limited Partnership2; Robert Emmett Cowley, as his separate property; and Unknown heirs of Rachel Cowley. 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 May 7, 2026, to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building; Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the hearings electronically, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/> or contact Freya Tschantz, at Freya.Tschantz@emnrd.nm.gov. Applicant in the above-styled cause seeks an order pooling the uncommitted interest owners in a standard 480-acre, more or less, horizontal well spacing unit in the Bone Spring formation underlying the E/2 E/2 of Section 33, Township 24 South, Range 36 East, and Lot 1, the SE/4 NE/4, and the E/2 SE/4 (E/2 E/2 equivalent) of irregular Section 4 and the E/2 E/2 of Section 9, Township 25 South, Range 36 East, NMPM, Lea County, New Mexico. Applicant seeks to initially dedicate the above-referenced spacing unit to the proposed **Phelps Fed Com 214H** well, to be horizontally drilled from a surface location in the S/2 SE/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NE/4 (Unit A) of Section 33, T24S-R36E, and a last take point in the SE/4 SE/4 (Unit P) of Section 9, T25S-R36E. Also, to be considered will be the cost of drilling and completing the well and the allocation of the costs thereof, actual operating costs and charges for supervision, designation of Matador Production Company as operator of the proposed spacing unit, and a 200% charge for risk involved in drilling the proposed well. The subject area is located approximately 6 miles northwest of Jal, New Mexico.
#00310286



Publisher

Sworn and subscribed to before me this
19th day of April 2026.



Business Manager

My commission expires
January 29, 2027

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

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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.

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

BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico

Exhibit No. F
Submitted by: Matador Production Company
Hearing Date: May 7, 2026
Case No. 26102