

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. 26100

NOTICE OF REVISED EXHIBITS

MRC Permian Company, (“MRC” or “Applicant”), applicant in above-referenced case, gives notice that it is filing the attached revised exhibit for acceptance into the record.

Revised Exhibit D-2 is an updated subsea structure map.

Revised Exhibit E is an updated notice tracking report including all of the pages that were inadvertently omitted, and specifically includes notice sent to Colburn Oil, LP and Flo-Tex Oil Co., LLC.

Respectfully submitted,

HOLLAND & HART LLP

By: 

Adam G. Rankin
Paula M. Vance
A. Raylee Starnes
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ATTORNEYS FOR MRC PERMIAN COMPANY

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

CASE No. 26100

PHELPS FED COM 212H 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. 26100

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 - 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
 - *Revised* MRC Exhibit D-2: Subsea Structure Map
 - MRC Exhibit D-3: Stratigraphic Cross-Section
- ***Revised* 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: 26100	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: BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Exhibit No. A Submitted by: Matador Production Company Hearing Date: May 7, 2026 Case No. 26100	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 W/2 of Section 33, Township 24 South, Range 36 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4 and the E/2 W/2 of Section 9, Township 25 South, Range 36 East, NMPPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes
Other Situations	
Depth Severance: Y/N. If yes, description	No
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 212H (API No. PENDING) SHL: 497' FSL & 1,576' FWL (Unit N) of Section 28, T24S-R36E BHL: 110' FSL & 1,969' FWL (Unit N) 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
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. 26100

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 W/2 of Section 33, Township 24 South, Range 36 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4 and the E/2 W/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 212H** well, to be horizontally drilled from a surface location in the S/2 SW/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NW/4 (Unit C) of Section 33, T24S-R36E, and a last take point in the SE/4 SW/4 (Unit N) of Section 9, T25S-R36E.

**BEFORE THE OIL CONSERVATION DIVISION
Santa Fe, New Mexico
Exhibit No. B
Submitted by: Matador Production Company
Hearing Date: May 7, 2026
Case No. 26100**

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.


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: 

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Paula M. Vance
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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 W/2 of Section 33, Township 24 South, Range 36 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4 and the E/2 W/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 212H** well, to be horizontally drilled from a surface location in the S/2 SW/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NW/4 (Unit C) of Section 33, T24S-R36E, and a last take point in the SE/4 SW/4 (Unit N) 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
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 26100

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 W/2 of Section 33, Township 24 South, Range 36 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4 and the E/2 W/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 212H well**, to be horizontally drilled from a surface location in the S/2 SW/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NW/4 (Unit C) of Section 33, T24S-R36E, and a last take point in the SE/4 SW/4 (Unit N) of Section 9, T25SR36E.

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

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.

D. W. J.

David Johns

04/24/26

Date

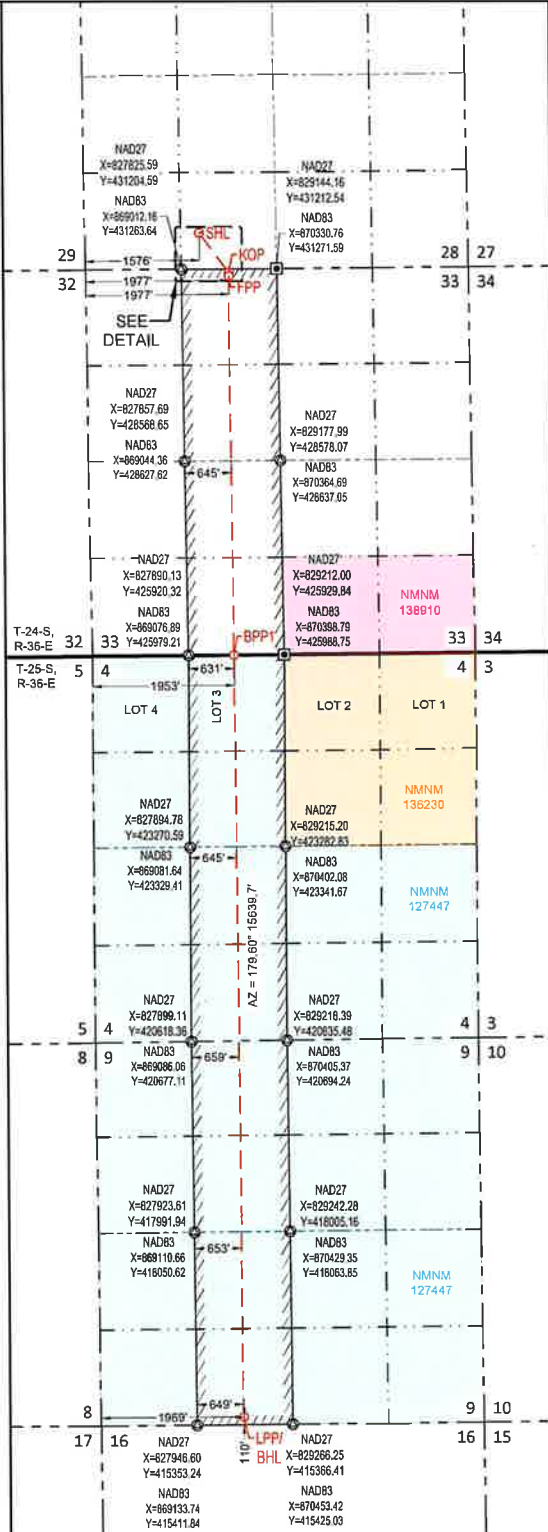
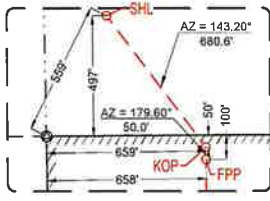
C-1

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 Substantial <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
Property Name and Well Number <p style="text-align: center;">PHELPS 3309 FED COM 212H</p>			

SURFACE LOCATION (SHL)
 NEW MEXICO EAST
 NAD 1983
 X=869264 Y=431763
 LAT.: N 32.1825515
 LONG.: W 103.2733871
 NAD 1927
 X=828077 Y=431704
 LAT.: N 32.1824246
 LONG.: W 103.2729223
 497' FSL 1576' FWL

KICK OFF POINT (KOP)
 NEW MEXICO EAST
 NAD 1983
 X=869671 Y=431218
 LAT.: N 32.1810427
 LONG.: W 103.2720868
 NAD 1927
 X=828485 Y=431159
 LAT.: N 32.1809155
 LONG.: W 103.2716232
 50' FNL 1977' FWL

FIRST PERF. POINT (FPP)
 NEW MEXICO EAST
 NAD 1983
 X=869672 Y=431168
 LAT.: N 32.1809052
 LONG.: W 103.2720872
 NAD 1927
 X=828485 Y=431109
 LAT.: N 32.1807780
 LONG.: W 103.2716236
 100' FNL 1977' FWL



BLM PERF. POINT (BPP1)
 NEW MEXICO EAST
 NAD 1983
 X=869708 Y=425984
 LAT.: N 32.1666567
 LONG.: W 103.2721348
 NAD 1927
 X=828521 Y=425925
 LAT.: N 32.1665294
 LONG.: W 103.2716718
 0' FSL 1953' FWL

LAST PERF. POINT (LPP)
BOTTOM HOLE LOCATION (BHL)
 NEW MEXICO EAST
 NAD 1983
 X=869782 Y=415528
 LAT.: N 32.1379183
 LONG.: W 103.2722303
 NAD 1927
 X=828595 Y=415470
 LAT.: N 32.1377909
 LONG.: W 103.2717687
 110' FSL 1969' FWL

SURVEYORS CERTIFICATION
 I hereby certify that the well location shown on this plan 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.
 03/18/2026
 Date of Survey
 Signature and Seal of Professional Surveyor:

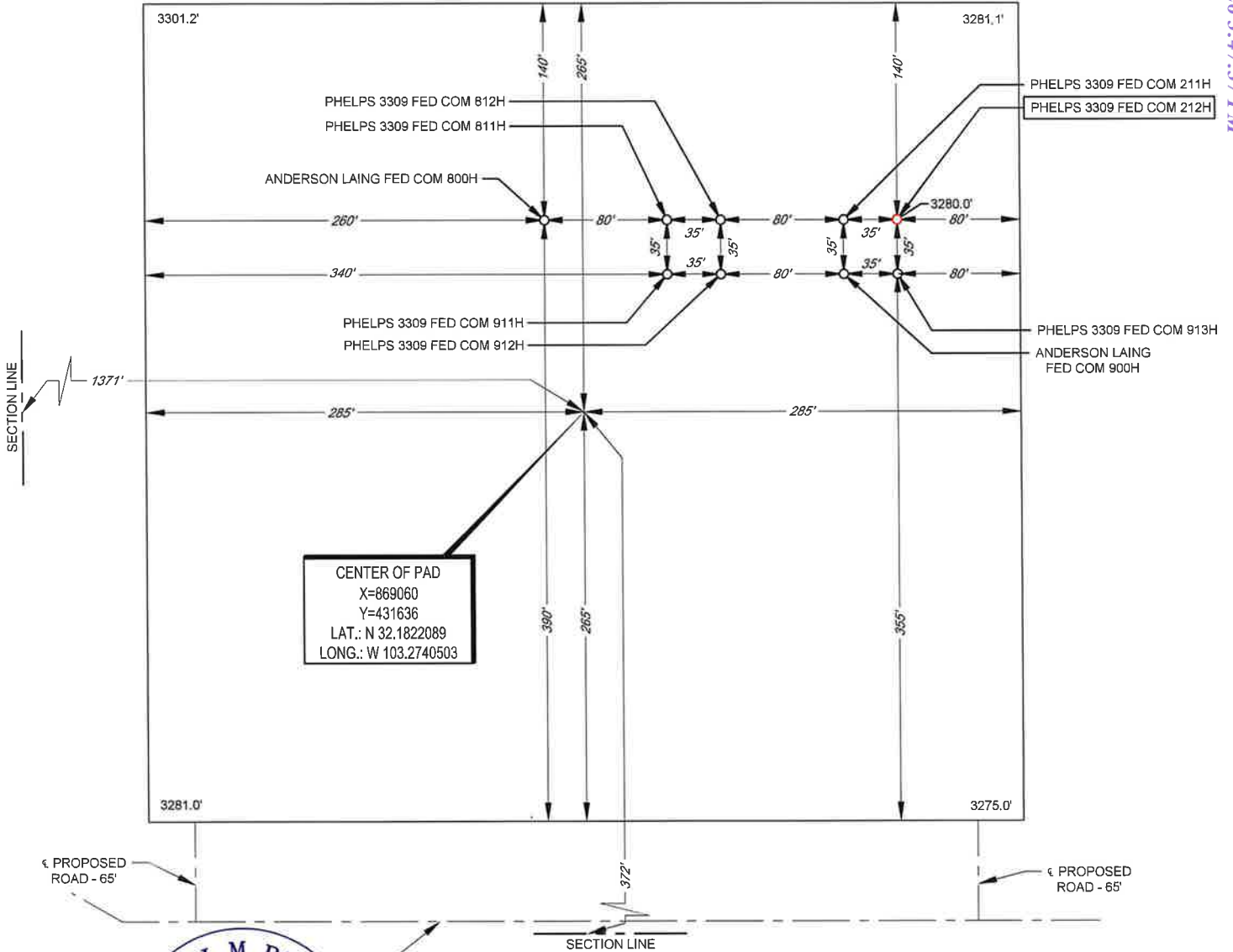




LEGEND

- SECTION LINE
- PROPOSED ROAD

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



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

LEASE NAME & WELL NO.: PHELPS 3309 FED COM 212H
 212H LATITUDE N 32.1825515 212H LONGITUDE W 103.2733871

CENTER OF PAD IS 372' FSL & 1371' FWL



SCALE: 1" = 100'
0' 50' 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.

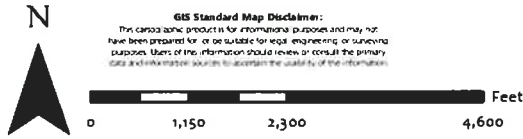
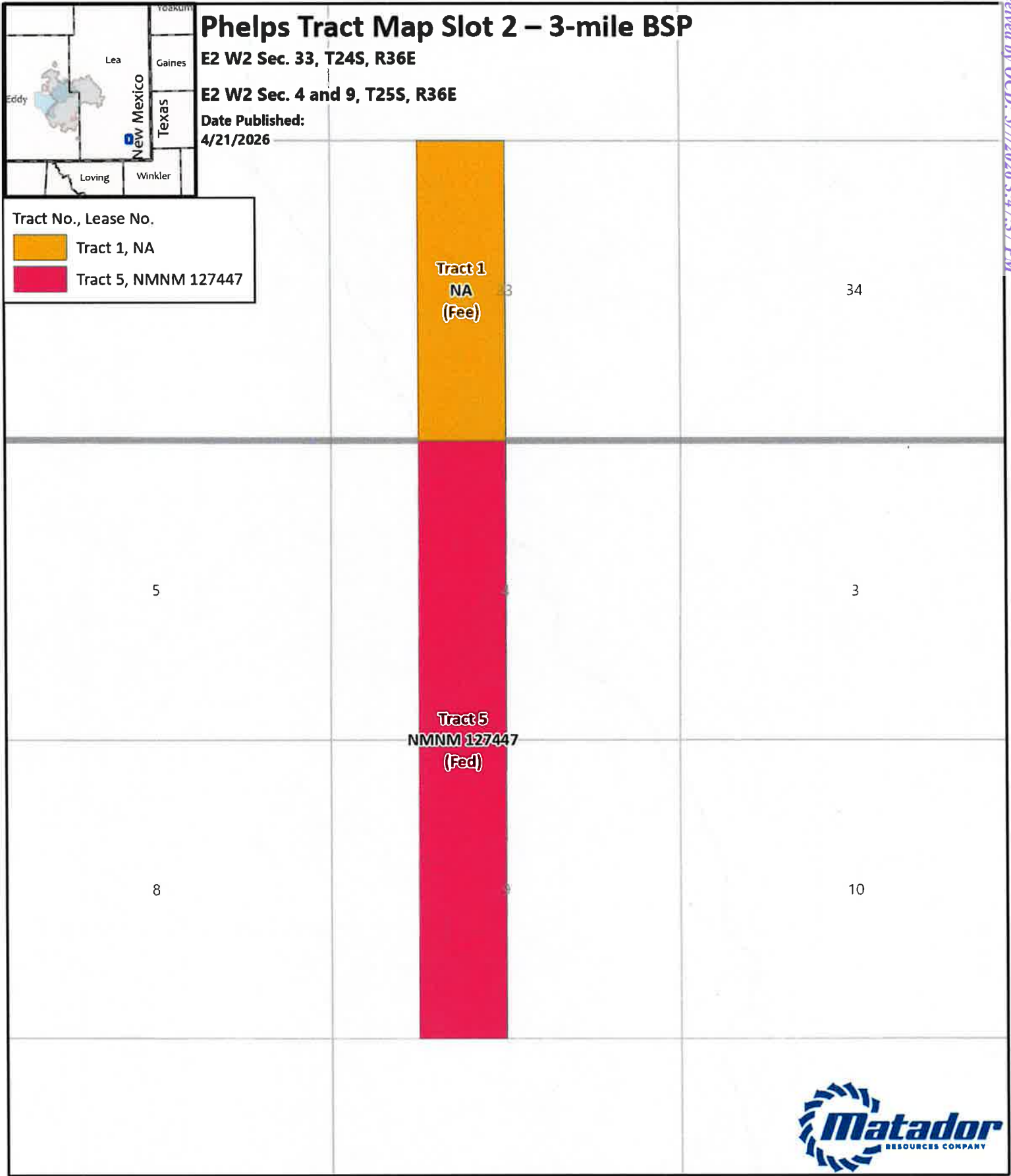
THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY MATADOR PRODUCTION COMPANY. ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO, ALL OTHER INFORMATION WAS INTENTIONALLY 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

Map Prepared by: isabella.rader
 Date: April 21, 2026
 Project: <LINK>\\GIS\UserData\erader\~projects\Tract Maps\Tract Maps.aprx</LINK>
 Spatial Reference: GCS WGS 1983
 Sources: IHS; ESRI; US DOI BLM Carlsbad, NM Field Office, GIS Department
 Texas Cooperative Wildlife Collection, Texas A&M University
 United States Census Bureau [TIGER]

C-3

Phelps Project - Slot 2 - #212H - Bone Spring			
Summary of Interests			
Matador Working Interest		83.6414%	
Voluntary Joinder		0.000%	
Compulsory Pool Interest		16.3586%	
Interest Owners:	Description:	Tract:	Interest:
Big Cedar Resources, LLC	Uncommitted WI Owner	1	0.2792%
Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust dated effective July 9, 2021.	Uncommitted MI Owner	1	0.0044%
Bandera Minerals, L.L.C.	Uncommitted MI Owner	1	0.7117%
Bank of America, N.A., as Trustee of the Annie LaDonia Runyon Family Trust	Uncommitted MI Owner	1	0.0087%
Bank of America, N.A., as Trustee of the Thomas L. Free Family Trust	Uncommitted MI Owner	1	0.0434%
Bar H Oil & Gas, LLC	Uncommitted MI Owner	1	0.2279%
Beverly B. Strohl	Uncommitted MI Owner	1	0.2083%
Chieftain Royalty Company	Uncommitted MI Owner	1	0.6944%
Darbe Daniels Nokes, as her separate property	Uncommitted MI Owner	1	1.5625%
Devises Under the Will of Loy Acuff	Uncommitted MI Owner	1	1.0417%
Doris Burress, as Trustee of the Doris Burress Living Trust UTA dated June 5, 2002	Uncommitted MI Owner	1	0.1953%
Eagle's Nest Resources, LLC	Uncommitted WI Owner	1	0.3472%
Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust dated effective December 31, 2020	Uncommitted MI Owner	1	0.0044%
Flying H Family Ranch, LLC	Uncommitted MI Owner	1	0.0750%
FMH Foundation	Uncommitted MI Owner	1	2.0833%
Hall-Free Energy Investments, LLC	Uncommitted MI Owner	1	1.0241%
Heirs or devisees of Delma Jo Helton	Uncommitted MI Owner	1	0.2604%
Heirs or devisees of Helen Frances Hayden Acuff	Uncommitted MI Owner	1	0.7813%
Howard Payne College for benefit of McArthur Academy of Freedom	Uncommitted MI Owner	1	0.4041%

Joe Paul Allen, as his separate property	Uncommitted MI Owner	1	0.0045%
Kastleford Land Company	Uncommitted WI Owner	1	0.3472%
Lisa A. Melson, as her separate property	Uncommitted MI Owner	1	0.0011%
Marsha Sue Clifford, as Trustee of the Marsha Sue Clifford Revocable Living Trust, dated November 14, 2018	Uncommitted MI Owner	1	0.0424%
Martha Jo Morris, as her separate property	Uncommitted MI Owner	1	0.1302%
R. Linder, LLC	Uncommitted MI Owner	1	0.0424%
Rosemary Acuff Hamrick, as her separate property	Uncommitted MI Owner	1	0.3906%
Sara H. Stovall and Francis D. Stovall, III, as Trustees of the Stovall Family Trust	Uncommitted MI Owner	1	0.0455%
Spindletop Exploration Company, Inc.	Uncommitted MI Owner	1	0.2593%
Sue Ellen Stone, as her separate property	Uncommitted MI Owner	1	0.1302%
Texas Technological University	Uncommitted MI Owner	1	0.0417%
The Allar Company	Uncommitted MI Owner	1	4.1667%
Thomas S. Burress and Amy D. Burress, as joint tenants with full rights of survivorship	Uncommitted MI Owner	1	0.1953%
University of the Southwest Foundation	Uncommitted MI Owner	1	0.0417%
West Texas State University	Uncommitted MI Owner	1	0.0417%
William Marsh Rice University	Uncommitted MI Owner	1	0.5208%
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		
MRC Royalties, LLC	ORRI		

Phelps Project - Slot 2 - #212H - Bone Spring			
Summary of Interest			
Tract 1			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Permian Company	Committed WI Owner	81.478899	50.924312%
Big Cedar Resources, LLC	Uncommitted WI Owner	1.340000	0.837500%
Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust dated effective July 9, 2021.	Uncommitted MI Owner	0.020912	0.013070%
Bandera Minerals, L.L.C.	Uncommitted MI Owner	3.416181	2.135113%
Bank of America, N.A., as Trustee of the Annie LaDonia Runyon Family Trust	Uncommitted MI Owner	0.041667	0.026042%
Bank of America, N.A., as Trustee of the Thomas L. Free Family Trust	Uncommitted MI Owner	0.208333	0.130208%
Bar H Oil & Gas, LLC	Uncommitted MI Owner	1.093750	0.683594%
Beverly B. Strohl	Uncommitted MI Owner	1.000000	0.625000%
Chieftain Royalty Company	Uncommitted MI Owner	3.333333	2.083333%
Darbe Daniels Nokes, as her separate property	Uncommitted MI Owner	7.500000	4.687500%
Devises Under the Will of Loy Acuff	Uncommitted MI Owner	5.000000	3.125000%
Doris Burress, as Trustee of the Doris Burress Living Trust UTA dated June 5, 2002	Uncommitted MI Owner	0.937500	0.585938%
Eagle's Nest Resources, LLC	Uncommitted WI Owner	1.666667	1.041667%
Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust dated effective December 31, 2020	Uncommitted MI Owner	0.020912	0.013070%
Flying H Family Ranch, LLC	Uncommitted MI Owner	0.360000	0.225000%
FMH Foundation	Uncommitted MI Owner	10.000000	6.250000%
Hall-Free Energy Investments, LLC	Uncommitted MI Owner	4.915509	3.072193%
Heirs or devisees of Delma Jo Helton	Uncommitted MI Owner	1.250000	0.781250%
Heirs or devisees of Helen Frances Hayden Acuff	Uncommitted MI Owner	3.750000	2.343750%
Howard Payne College for benefit of McArthur Academy of Freedom	Uncommitted MI Owner	1.939669	1.212293%
Joe Paul Allen, as his separate property	Uncommitted MI Owner	0.021821	0.013638%
Kastleford Land Company	Uncommitted WI Owner	1.666667	1.041667%
Lisa A. Melson, as her separate property	Uncommitted MI Owner	0.005455	0.003410%
Marsha Sue Clifford, as Trustee of the Marsha Sue Clifford Revocable Living Trust, dated November 14, 2018	Uncommitted MI Owner	0.203704	0.127315%
Martha Jo Morris, as her separate property	Uncommitted MI Owner	0.625000	0.390625%
R. Linder, LLC	Uncommitted MI Owner	0.203704	0.127315%
Rosemary Acuff Hamrick, as her separate property	Uncommitted MI Owner	1.875000	1.171875%
Sara H. Stovall and Francis D. Stovall, III, as Trustees of the Stovall Family Trust	Uncommitted MI Owner	0.218213	0.136383%

Spindletop Exploration Company, Inc.	Uncommitted MI Owner	1.244606	0.777879%
Sue Ellen Stone, as her separate property	Uncommitted MI Owner	0.625000	0.390625%
Texas Technological University	Uncommitted MI Owner	0.200000	0.125000%
The Allar Company	Uncommitted MI Owner	20.000000	12.500000%
Thomas S. Burress and Amy D. Burress, as joint tenants with full rights of survivorship	Uncommitted MI Owner	0.937500	0.585938%
University of the Southwest Foundation	Uncommitted MI Owner	0.200000	0.125000%
West Texas State University	Uncommitted MI Owner	0.200000	0.125000%
William Marsh Rice University	Uncommitted MI Owner	2.500000	1.562500%
Tract 5			
Interest Owners:	Description:	Net Mineral Acres:	Working Interest in Tract:
MRC Toro, LLC	Committed WI Owner	320	100%

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



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 #212H	FIELD:	
LOCATION:	Section 33 24S 36E & Section 4 & 9 25S 3E	MD/TVD:	26287/10820'
COUNTY/STATE:	Lea, NM	LATERAL LENGTH:	15,000
MRC Well:			
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	533,340	-	-	-	533,340
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	455,000	42,000	76,000	-	573,000
Mud / Wastewater Disposal	245,000	-	2,000	-	247,000
Freight / Transportation	35,000	36,500	10,000	-	81,500
Rig Supervision / Engineering	150,875	81,067	10,500	72,000	314,442
Drill Bits	134,800	-	-	-	134,800
Fuel & Power	141,623	543,569	2,500	-	687,691
Water	90,000	990,933	5,000	-	1,085,933
Drig & Completion Overhead	17,750	-	-	-	17,750
Plugging & Abandonment	-	-	-	-	-
Directional Drilling, Surveys	792,753	-	-	-	792,753
Completion Unit, Swab, CTU	-	155,000	10,000	-	165,000
Perforating, Wireline, Silckline	-	227,750	10,000	-	237,750
High Pressure Pump Truck	-	86,700	6,000	-	92,700
Stimulation	-	2,849,775	-	-	2,849,775
Stimulation Flowback & Disp	-	15,500	375,000	-	390,500
Insurance	16,561	-	-	-	16,561
Labor	391,000	56,083	25,000	-	472,083
Rental - Surface Equipment	170,185	310,439	28,000	12,000	520,624
Rental - Downhole Equipment	293,450	69,000	-	-	362,450
Rental - Living Quarters	53,200	30,087	4,000	2,480	89,767
Contingency	100,526	266,336	73,595	9,648	450,107
Operations Center	29,463	-	-	-	29,463
TOTAL INTANGIBLES >	5,126,815	5,779,491	809,545	106,128	11,821,978
TANGIBLE COSTS					
Surface Casing	\$ 66,375	\$ -	\$ -	\$ -	\$ 66,375
Intermediate Casing	343,552	-	-	-	343,552
Drilling Liner	383,216	-	-	-	383,216
Production Casing	956,967	-	-	-	956,967
Production Liner	-	-	-	-	-
Tubing	-	-	147,000	-	147,000
Wellhead	118,000	-	90,000	-	208,000
Packers, Liner Hangers	-	70,350	-	-	70,350
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 >	1,868,110	70,350	335,500	1,150,347	3,424,306
TOTAL COSTS >	6,994,925	5,849,841	1,145,045	1,256,475	15,246,285

PREPARED BY MATADOR PRODUCTION COMPANY:

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

MATADOR RESOURCES COMPANY APPROVAL:

EVP, Co-CEO	CPC	Executive VP, CFO	BW	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)		

The costs on this AFE are estimates only and may not be identical to the actual costs of the project. Taking installation approval under the AFE may be obtained up to a year after the well has been completed. In executing this AFE, the Participant agrees to add its proportionate share of actual costs incurred, including legal, contract, regulatory, leasehold and well costs under the terms of the applicable permit, operating agreement, regulatory order or other agreement governing the well. Participants will be limited by the total amount of the Operator's well completion and general liability insurance unless participants agrees to purchase additional insurance in an amount acceptable to the Operator by the date of sign-off.

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Owner Name	First Address Delivered	Unable to Deliver to First Address	Attempt Made to Second Address	Contact via Phone or Email
Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust dated effective July 9, 2021	Y			Spoke with via Phone & Email several times
Bandera Minerals, L.L.C.		Y	Y	Called
Bank of America, N.A., as Trustee of the Annie LaDonia Runyon Family Trust	Y			Spoke with via Email
Bank of America, N.A., as Trustee of the Thomas L. Free Family Trust	Y			Spoke with via Phone & Email several times
Bar H Oil & Gas, LLC	Y			Spoke with via Phone & Email several times
Eagle's Nest Resources, LLC	Y			Email
Kastleford Land Company	Y			Email
Beverly B. Strohl		Y	Y	Emailed
Big Cedar Resources, LLC	Y			Emailed
Chieftain Royalty Company	Y			Spoke with via Email
Darbe Daniels Nokes, as her separate property		Y	Y	Called
Devises Under the Will of Loy Acuff		Y	Y	Left Voicemail
Doris Burress, as Trustee of the Doris Burress Living Trust UTA dated June 5, 2002	Y			Left Voicemail
Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust dated effective December 31, 2020	Y			Spoke with via Phone & Email several times
Flying H Family Ranch, LLC	Y			Called
FMH Foundation	Y			Spoke with via Email
Hail-Free Energy Investments, LLC	Y			Spoke with via Email
Heirs or devisees of Deima Jo Helton		Y	Y	Emailed two different Heirs
Heirs or devisees of Helen Frances Hayden Acuff	Y			Called and left Voicemail
Howard Payne College for benefit of McArthur Academy of Freedom	Y			Left Voicemail
Joe Paul Allen, as his separate property		Y	Y	Spoke with via phone
Lisa A. Melson, as her separate property	Y			Left Voicemail
Marsha Sue Clifford, as Trustee of the Marsha Sue Clifford Revocable Living Trust, dated November 14, 2018		Y	Y	Called and left Voicemail
Martha Jo Morris, as her separate property		Y	Y	Called and left Voicemail
R. Linder, LLC	Y			Left Voicemail
Rosemary Acuff Hamrick, as her separate property		Y	Y	Called and left Voicemail
Sara H. Stovall and Francis D. Stovall, III, as Trustees of the Stovall Family Trust	Y			Called and left Voicemail
Spindletop Exploration Company, Inc.	Y			Called and left Voicemail
Sue Ellen Stone, as her separate property		Y	Y	Left Voicemail & Mailed Lease
Texas Technological University	Y			Left voicemail
The Allar Company	Y			Emailed
Thomas S. Burress and Amy D. Burress, as joint tenants with full rights of survivorship	Y			Called
University of the Southwest Foundation	Y			Left Voicemail
West Texas State University	Y			Called
William Marsh Rice University	Y			Called and left voicemail.

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Phelps Project - Slot 2 - Bone Spring - Phelps Fed Com #212H		
Interest Owners	Ownership Type	Commitment Type
Big Cedar Resources, LLC	WI	Uncommitted
Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust dated effective July 9, 2021.	MI	Uncommitted
Bandera Minerals, L.L.C.	MI	Uncommitted
Bank of America, N.A., as Trustee of the Annie LaDonia Runyon Family Trust	MI	Uncommitted
Bank of America, N.A., as Trustee of the Thomas L. Free Family Trust	MI	Uncommitted
Bar H Oil & Gas, LLC	MI	Uncommitted
Beverly B. Strohl	MI	Uncommitted
Chieftain Royalty Company	MI	Uncommitted
Darbe Daniels Nokes, as her separate property	MI	Uncommitted
Devises Under the Will of Loy Acuff	MI	Uncommitted
Doris Burress, as Trustee of the Doris Burress Living Trust UTA dated June 5, 2002	MI	Uncommitted
Eagle's Nest Resources, LLC	WI	Uncommitted
Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust dated effective December 31, 2020	MI	Uncommitted
Flying H Family Ranch, LLC	MI	Uncommitted
FMH Foundation	MI	Uncommitted
Hall-Free Energy Investments, LLC	MI	Uncommitted
Heirs or devisees of Delma Jo Helton	MI	Uncommitted
Heirs or devisees of Helen Frances Hayden Acuff	MI	Uncommitted
Howard Payne College for benefit of McArthur Academy of Freedom	MI	Uncommitted
Joe Paul Allen, as his separate property	MI	Uncommitted
Kastleford Land Company	WI	Uncommitted
Lisa A. Melson, as her separate property	MI	Uncommitted
Marsha Sue Clifford, as Trustee of the Marsha Sue Clifford Revocable Living Trust, dated November 14, 2018	MI	Uncommitted
Martha Jo Morris, as her separate property	MI	Uncommitted
R. Linder, LLC	MI	Uncommitted
Rosemary Acuff Hamrick, as her separate property	MI	Uncommitted
Sara H. Stovall and Francis D. Stovall, III, as Trustees of the Stovall Family Trust	MI	Uncommitted
Spindletop Exploration Company, Inc.	MI	Uncommitted
Sue Ellen Stone, as her separate property	MI	Uncommitted
Texas Technological University	MI	Uncommitted
The Allar Company	MI	Uncommitted
Thomas S. Burress and Amy D. Burress, as joint tenants with full rights of survivorship	MI	Uncommitted
University of the Southwest Foundation	MI	Uncommitted
West Texas State University	MI	Uncommitted
William Marsh Rice University	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
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
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 26100

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. 26100**

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.

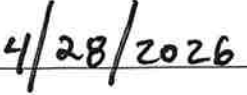
14. **MRC Exhibits D-1 through D-3** were either prepared by me or compiled under my direction and supervision.

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.



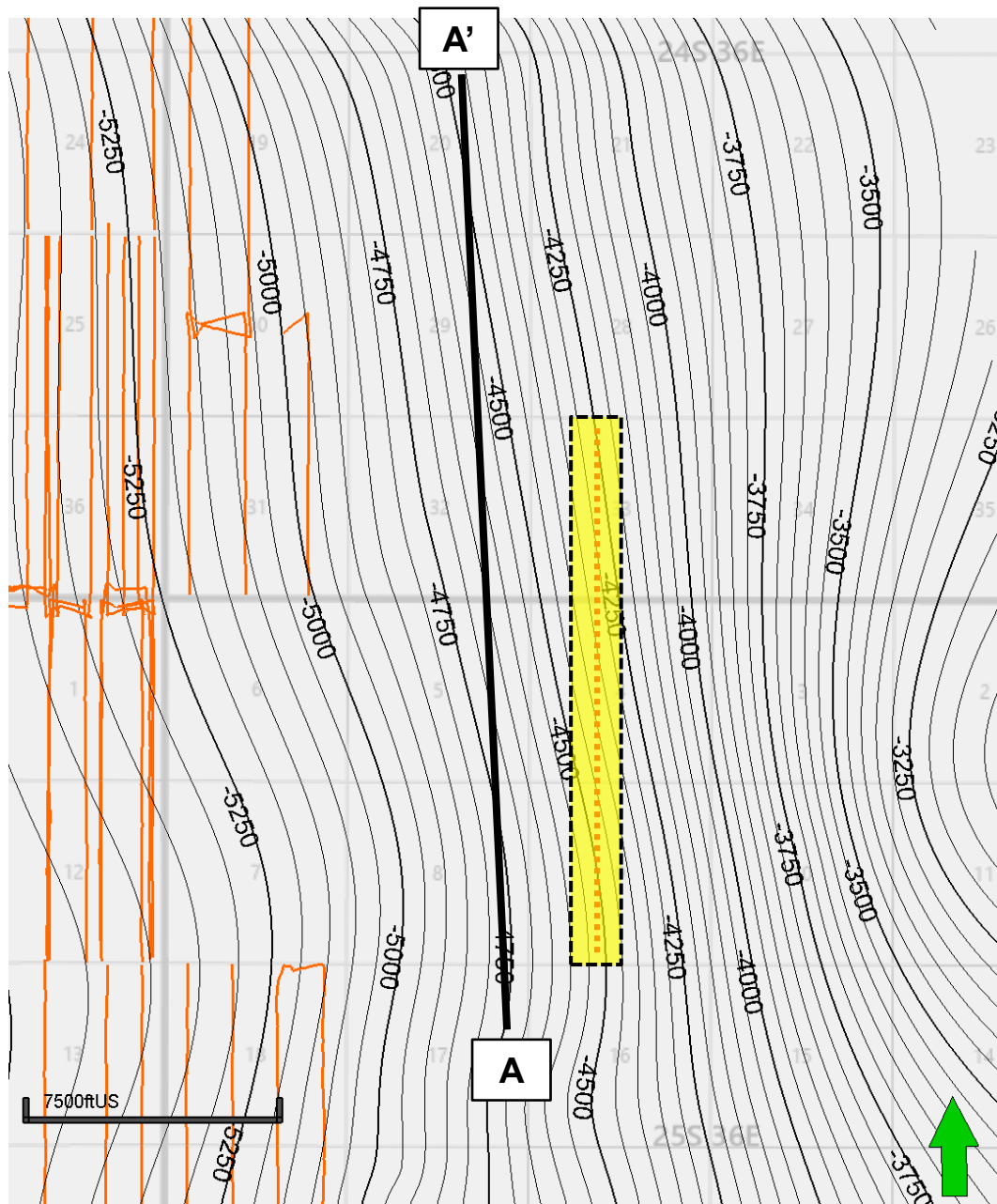
Andrew Parker



Date

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

Exhibit D-2



Map Legend

Bone Spring Wells



Phelps #212H



Project Area

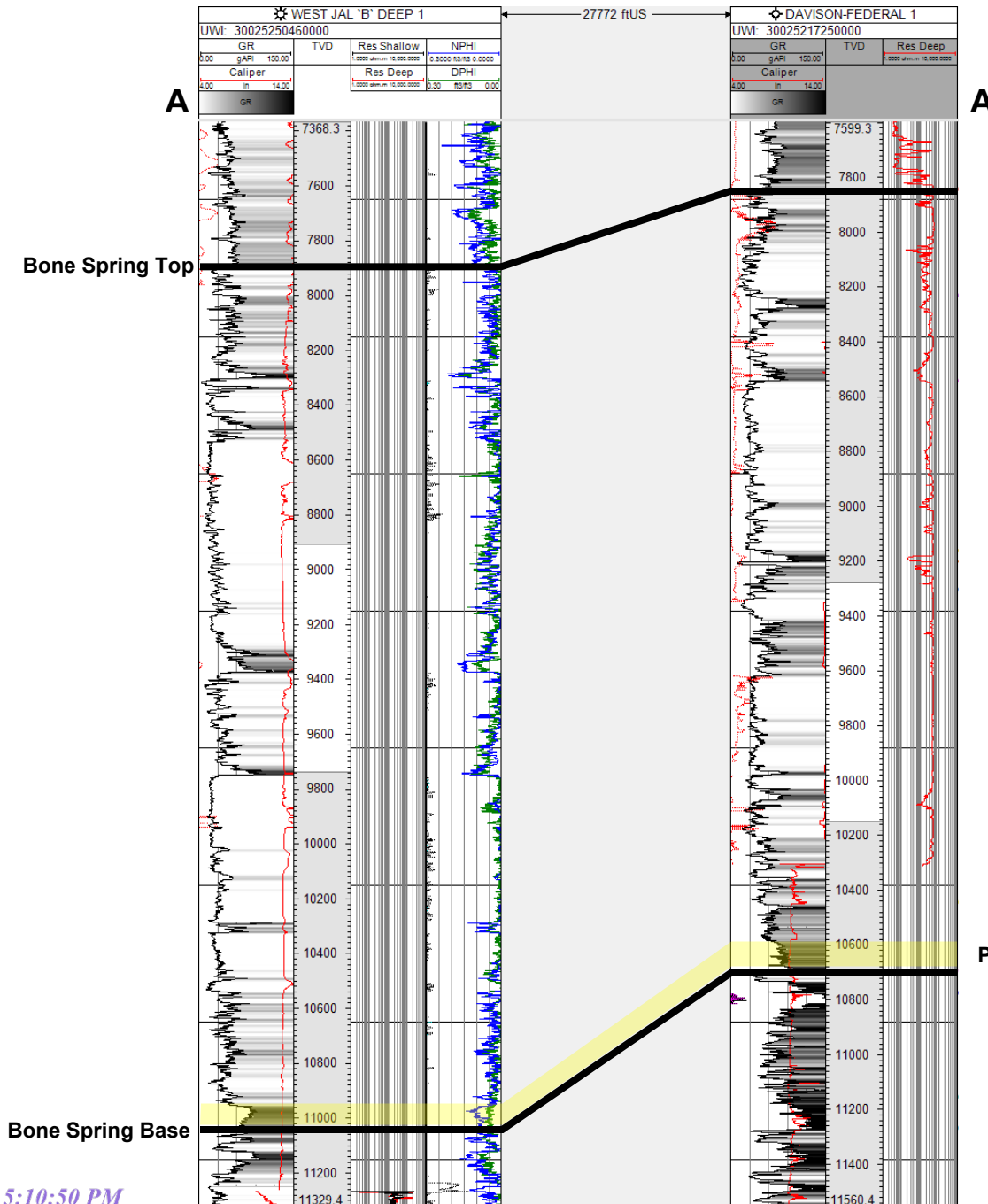


C. I. = 50'

BEFORE THE OIL CONSERVATION DIVISION
 Santa Fe, New Mexico
 Revised Exhibit No. D-2
 Submitted by: Matador Production Company
 Hearing Date: May 7, 2026
 Case No. 26100

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

Exhibit D-3



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. 26100



**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. 26100

**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 May 7, 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
Revised Exhibit No. E
Submitted by: Matador Production Company
Hearing Date: May 7, 2026
Case No. 26100**



A. Raylee Starnes

05/0726

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 212H 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**

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

MRC - Phelps Fed Com 212H well - Case no. 26100
Postal Delivery Report

9414811898765522452881	Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust dated effective July 9, 2021	236 Merrie Way Ln	Houston	TX	77024-7435	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452713	Bandera Minerals, L.L.C.	7134 S Yale Ave Ste 510	Tulsa	OK	74136-6387	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452751	Bank of America, N.A., as Trustee of the Annie LaDonia Runyon Family Trust	PO Box 830308	Dallas	TX	75283-0308	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452720	Bar H Oil & Gas, LLC c/o Frost Bank	111 W Houston St	San Antonio	TX	78205-2114	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452706	BB Free Mineral Holdings, LLC	PO Box 258	Earth	TX	79031-0258	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452799	Beverly B. Strohl	2635 Bamboo Dr	Lake Havasu City	AZ	86403-3804	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452744	Big Cedar Resources, LLC	PO Box 348	Oklahoma City	OK	73101-0348	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452782	Frost Bank., as Trustee of the Thomas L. Free Family Trust	111 W Houston St	San Antonio	TX	78205-2114	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452737	Chieftain Royalty Company	PO Box 18441	Oklahoma City	OK	73154-0441	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452959	Colburn Oil, LP	PO Box 2524	Midland	TX	79702-2524	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.

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Postal Delivery Report

9414811898765522452966	Darbe Daniels Nokes, as her separate property	28820 Grayfox St	Malibu	CA	90265-4253	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452928	Devises Under the Will of Loy Acuff	3211 Redwood Dr	Odessa	TX	79762-7854	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452904	Doris Burress, as Trustee of the Doris Burress Living Trust UTA dated June 5, 2002	1317 Estancia Ave	Grants	NM	87020-2321	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452997	Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust dated effective December 31, 2020	236 Merrie Way Ln	Houston	TX	77024-7435	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452942	Flo-Tex Oil Co., LLC	5150 Broadway PMB 405	San Antonio	TX	78209-5710	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452980	Flying H Family Ranch, LLC	PO Box 7078	Edmond	OK	73083-7078	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452973	FM Hall, LP	1807 W Avenue G	Muleshoe	TX	79347-4324	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452614	FMH Foundation	PO Box 51310	Midland	TX	79710-1310	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452652	Hall-Free Energy Investments, LLC	PO Box 830308	Dallas	TX	75283-0308	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452669	Heirs or devisees of Delma Jo Helton	203 Detroit Dr	Levelland	TX	79336-5113	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.

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Postal Delivery Report

9414811898765522452621	Heirs or devisees ofHelen Frances Hayden Acuff	PO Box 541	Big Spring	TX	79721-0541	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452607	Howard Payne College for benefit of McArthur Academy of Freedom FBO McArthur Academy of Freedom	1000 Fisk Ave	Brownwood	TX	76801-2715	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452690	Integrity Energy, LLC	PO Box 10253	Midland	TX	79702-7253	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452683	Joe Paul Allen, as his separate property	5423 Winding Way	Merritt Island	FL	32953-7716	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452119	Lisa A. Melson, as her separate property	4823 Lomina Ave	Lakewood	CA	90713-2332	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452126	Marsha Sue Clifford, as Trustee of the Marsha Sue Clifford Revocable Living Trust, dated November 14, 2018	1402 Bonita Dr	Quitman	TX	75783-2110	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452195	Martha Jo Morris, as her separate property	1800 W 4th St	Roswell	NM	88201-1726	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452140	McMullen Minerals II, LP	PO Box 470698	Fort Worth	TX	76147-0698	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452188	Monigold Family Land & Minerals, LLC	6425 Darwood Ave	Fort Worth	TX	76116-4406	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452133	R. Linder, LLC	99 Frazier Gap Rd	Vilonia	AR	72173-9381	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.

MRC - Phelps Fed Com 212H well - Case no. 26100
Postal Delivery Report

9414811898765522452171	Rosemary Acuff Hamrick, as her separate property	42 Eidenberg Ct	Odessa	TX	79765-2265	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452317	Salado Energy Partners, LLC	218 N Main St Unit C	Midland	TX	79701-5212	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452355	Sara H. Stovall and Francis D. Stovall, III, as Trustees of the Stovall Family Trust	5103 Havenwoods Dr	Houston	TX	77066-2515	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452362	Spindletop Exploration Company, Inc.	PO Box 25163	Dallas	TX	75225-1163	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452324	Sue Ellen Stone, as her separate property	835 W 47th St N	Wichita	KS	67204-2811	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452300	Texas Technological University	427 S Boston Ave Ste 400	Tulsa	OK	74103-4122	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452348	The Allar Company	PO Box 50145	Amarillo	TX	79159-0145	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452386	Thomas S. Burress and Amy D. Burress, as joint tenants with full rights of survivorship	251 County Road 563	Brownwood	TX	76801-0427	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452331	Tilden Capital Operating II, LP	PO Box 470857	Fort Worth	TX	76147-0857	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452379	University of the Southwest Foundation	6610 N Lovington Hwy	Hobbs	NM	88240-9120	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.

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9414811898765522452010	West Texas State University	Moore/Connally Building, 6th Floor, 301 Tarrow St	College Station	TX	77840-7896	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.
9414811898765522452058	William Marsh Rice University	PO Box 2666 Mail Stop 91	Houston	TX	77252-2666	Your shipment was received at 3:22 pm on April 17, 2026 in DENVER, CO 80217. The acceptance of your package is pending.

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
April 21, 2026
and ending with the issue dated
April 21, 2026.

LEGAL LEGAL LEGAL LEGAL

LEGAL NOTICE
April 21, 2026

Case No. 26100: 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: Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust dated effective July 9, 2021; Bandera Minerals, L.L.C.; Bank of America, N.A., as Trustee of the Annie LaDonia Runyon Family Trust; Bar H Oil & Gas, LLC c/o Frost Bank; BB Free Mineral Holdings, LLC; Beverly B. Strohl; Big Cedar Resources, LLC; Frost Bank, as Trustee of the Thomas L. Free Family Trust; Chieftain Royalty Company; Colburn Oil, LP; Darbe Daniels Nokes, as her separate property; Devisees Under the Will of Loy Acuff; Doris Burress, as Trustee of the Doris Burress Living Trust UTA dated June 5, 2002; Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust dated effective December 31, 2020; Flo-Tex Oil Co., LLC; Flying H Family Ranch, LLC; FM Hall, LP; FMH Foundation; Hall-Free Energy Investments, LLC; Heirs or devisees of Delma Jo Helton; Heirs or devisees of Helen Frances Hayden Acuff; Howard Payne College for benefit of McArthur Academy of Freedom FBO: McArthur Academy of Freedom; Integrity Energy, LLC; Joe Paul Allen, as his separate property; Lisa A. Nelson, as her separate property; Marsha Sue Clifford, as Trustee of the Marsha Sue Clifford Revocable Living Trust, dated November 14, 2018; Martha Jo Morris, as her separate property; McMullen Minerals II, LP; Monigold Family Land & Minerals, LLC; R. Linder, LLC; Rosemary Acuff Hamrick, as her separate property; Salado Energy Partners, LLC; Sara H. Stovall and Francis D. Stovall, III, as Trustees of the Stovall Family Trust; Spindletop Exploration Company, Inc.; Sue Ellen Stone, as her separate property; Texas Technological University; The Allar Company; Thomas S. Burress and Amy D. Burress, as joint tenants with full rights of survivorship; Tilden Capital Operating II, LP; University of the Southwest Foundation; West Texas State University; and William Marsh Rice University. 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 W/2 of Section 33, Township 24 South, Range 36 East, and Lot 3, the SE/4 NW/4, and the E/2 SW/4 (E/2 W/2 equivalent) of irregular Section 4 and the E/2 W/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 212H** well, to be horizontally drilled from a surface location in the S/2 SW/4 of Section 28, T24S-R36E, with a first take point in the NE/4 NW/4 (Unit C) of Section 33, T24S-R36E, and a last take point in the SE/4 SW/4 (Unit N) 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.
00310314



Publisher

Sworn and subscribed to before me this
21st day of April 2026.



Business Manager

My commission expires

January 29, 2027
STATE OF NEW MEXICO
(Seal) NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087528
COMMISSION EXPIRES 01/29/2027

67100754

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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. 26100