

Well Name: ARCO 8 FEDERAL	Well Location: T18S / R31E / SEC 8 / NWSW / 32.7601449 / -103.8981778	County or Parish/State: EDDY / NM
Well Number: 5	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMLC029393A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001527213	Well Status: Producing Oil Well	Operator: MATADOR PRODUCTION COMPANY

Accepted for record –NMOCD gc9/14/2023

Notice of Intent

Sundry ID: 2745161

Type of Submission: Notice of Intent	Type of Action: Plug and Abandonment
Date Sundry Submitted: 08/08/2023	Time Sundry Submitted: 03:08
Date proposed operation will begin: 09/01/2023	

Procedure Description: Matador requests PA extension due to extended OCD approval time and possible divestiture, therefore did not execute P&A. Matador is requesting to plug and abandon the Arco 8 Federal #005, per the required BLM COAs, following the procedure below: • Notify BLM 24 hrs before MIRU. • Safety mtg, MIRU, check pressures, ND wellhead, NU BOPs & POOH w/ rods & tbg. • RIH & Set CIBP at 7,600'; Pressure test csg to 500 psi; Circulate and displace hole w/ MLF. • Spot 100 sks CI H cmt on CIBP; WOC & Tag. (Isolate open perforations & DV tool) • Spot 80 sk balanced plug CI C cmt at 5,100' (Bone Spring) • Perf @ 2,165' & Sqz 95 sks CI C cmt. WOC & Tag. (Intermediate Shoe & Yates) • Spot 25 sk balanced plug CI C cmt at 1,525'. (Production casing TOC) • Perf @ 425' & Sqz CI C cmt to surface on all strings. (Surface Shoe) • Cut off wellhead and ensure cmt to surface on all csg strings. • Install dry hole marker per BLM/NMOCD specifications. *Current and proposed wellbore diagrams attached **Mud laden fluid (MLF) mixed at 25sx/100 bbls water will be spotted between each plug.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

- Arco_8_Federal_005_Planned_P_A_WBD_20230808150541.pdf
- Arco_8_Federal_005_Current_WBD_20230808150529.pdf
- BLM_Approved_NOI_PA_Arco_8_Fed_5_03.29.23_20230808150516.pdf

Received by OCD: 8/31/2023 1:06:32 PM

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Lease Number: NMLC029393A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001527213	Well Status: Producing Oil Well	Operator: MATADOR PRODUCTION COMPANY

Conditions of Approval

Specialist Review

ARCO_8_FEDERAL_5__2718139__COA_AND_PROCEDURE_20230809091139.pdf

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: BRETT JENNINGS
Signed on: AUG 08, 2023 03:07 PM
Name: MATADOR PRODUCTION COMPANY
Title: Regulatory Analyst
Street Address: 5400 LBJ FREEWAY, STE 1500
City: DALLAS State: TX
Phone: (972) 629-2160
Email address: BRETT.JENNINGS@MATADORRESOURCES.COM

Field

Representative Name:
Street Address:
City: State: Zip:
Phone:
Email address:

BLM Point of Contact

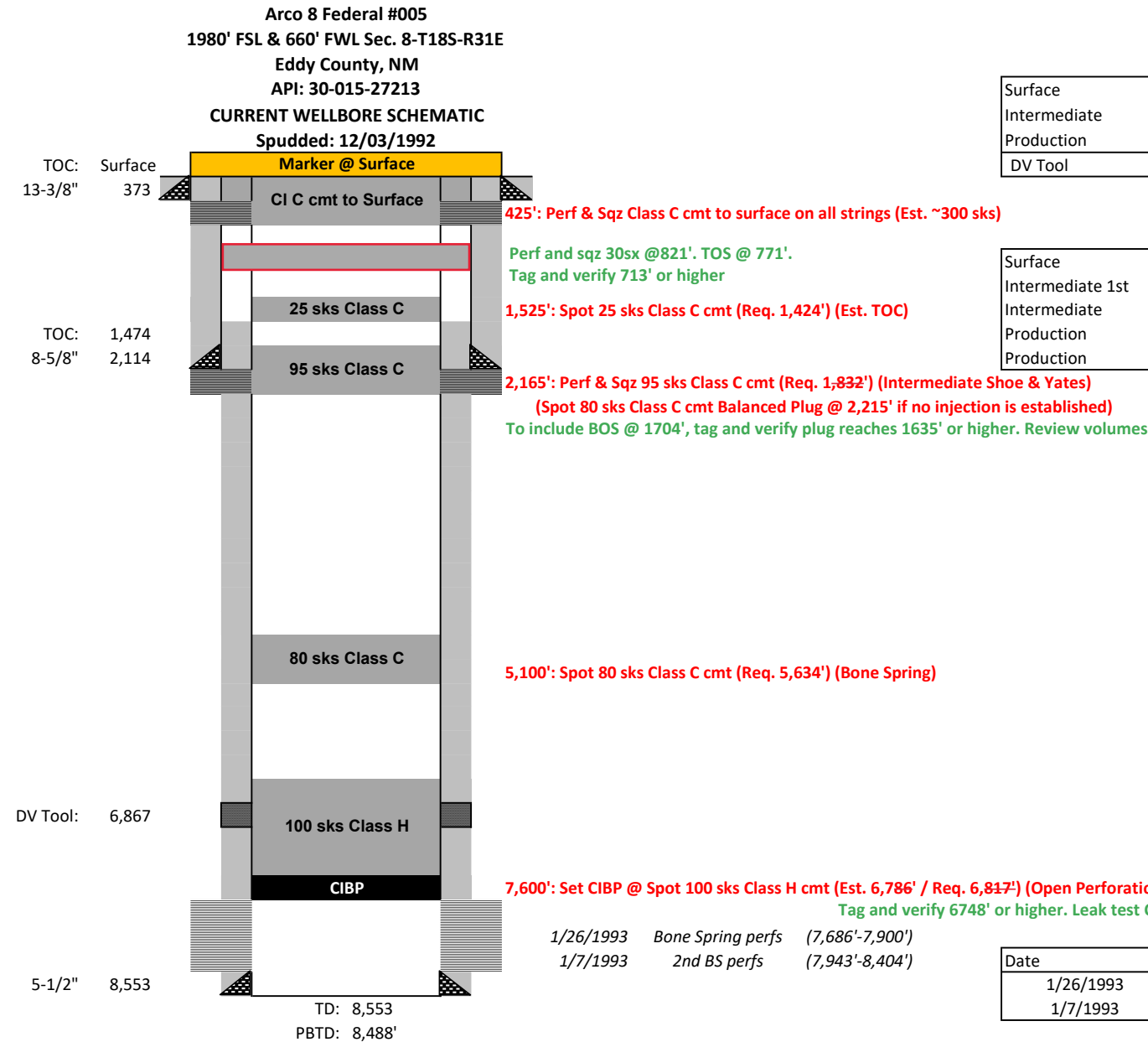
BLM POC Name: KEITH P IMMATTY
BLM POC Title: ENGINEER
BLM POC Phone: 5759884722
BLM POC Email Address: KIMMATTY@BLM.GOV
Disposition: Approved
Disposition Date: 08/09/2023
Signature: Keith Immatty

Matador is requesting to plug and abandon the Arco 8 Federal #005, per the required BLM COAs, following the procedure below:

- Notify BLM 24 hrs before MIRU.
- Safety mtg, MIRU, check pressures, ND wellhead, NU BOPs & POOH w/ rods & tbg.
- RIH & Set CIBP at 7,600'; Pressure test csg to 500 psi, **30mins**; Circulate and displace hole w/ MLF.
- Spot 100 sks CI H cmt on CIBP; WOC & Tag **6748' or higher**. (Isolate open perforations & DV tool)
- Spot 80 sk balanced plug CI C cmt at 5,100' (Bone Spring)
- Perf @ 2,165' & Sqz 95 sks CI C cmt. WOC & Tag. (Intermediate Shoe & Yates, **BOS**). **Spot OK, review volumes, tag verify at 1635' or higher**
- Spot 25 sk balanced plug CI C cmt at 1,525'. (Production casing TOC)
 - **TOS @ 771'. Perf and sqz 30sx at 821'. Tag and verify 713' or higher**
- Perf @ 425' & Sqz CI C cmt to surface on all strings. (Surface Shoe)
- Cut off wellhead and ensure cmt to surface on all csg strings.
- Install dry hole marker per BLM/NMOCD specifications.

*Current and proposed wellbore diagrams attached

**Mud laden fluid (MLF) mixed at 25sx/100 bbls water will be spotted between each plug.



Casing Information						
	Hole Size	Casing Size	Type	Weight (lb/ft)	Joints	Depth Set
Surface	17-1/2"	13-3/8"	J-55	54.5#	9	373
Intermediate	12-1/4"	8-5/8"	J-55	32#	49	2,114
Production	7-7/8"	5-1/2"	J-55	17#	191	8,553
DV Tool						6,867

Cementing Record				Geologic Markers	
	Type	TOC	Date Run	Rustler	467
Surface	375 sks CI C	Surface	12/3/1992	Yates	1,882
Intermediate 1st	100 sks x 1200 sks CI C	600	12/6/1992	7 Rivers	2,312
Intermediate	1 inch Casing (250 sks CI C)	Surface	12/8/1992	Queen	3,025
Production	375 sks x 100 sks CI H	DV Tool	12/23/1992	Grayburg	3,560
Production	950 sks x 100 sks CI H	1474	12/24/1992	San Andres	4,020
				Bone Spring	5,050

Perforation Information		
Date	Formation	Depth
1/26/1993	Bone Spring perms	(7,686'-7,900')
1/7/1993	2nd BS perms	(7,943'-8,404')

Sundry ID		2718139				
Plug Type	Top	Bottom	Length	Tag	Sacks	Notes
Surface Plug	0.00	425.00	425.00	Verify circulated to surface	300.00	Operator bringing shoe to surface. Perf and sqz
Shoe Plug	319.27	423.00	103.73	WOC and Tag	300.00	Operator bringing shoe to surface. Perf and sqz
Top of Salt @ 771	713.29	821.00	107.71	WOC and Tag	30.00	Perf and sqz
TOC 1474'. PERF AND SQZ ABOVE PLUGS						
Base of Salt @ 1704	1636.96	1754.00	117.04	WOC and Tag	80.00	Yates + Shoe + BOS. Spot OK
Yates @ 1882	1813.18	1932.00	118.82	WOC and Tag	80.00	Yates + Shoe + BOS. Spot OK
Shoe Plug	2042.86	2164.00	121.14	WOC and Tag	80.00	Yates + Shoe + BOS. Spot OK
Bonesprings @ 5050	4949.50	5100.00	150.50		80.00	
DV tool plug	6748.33	6917.00	168.67	WOC and Tag	100.00	Covered by below plug
CIBP Plug	7565.00	7600.00	35.00	Verify CIBP depth	100.00	Leak test 500psi, 30mins

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.

Class H >7500'

Class C <7500'

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

Critical, High Cave Karst: Cave Karst depth to surface

R111P: Solid plug in all annuli - 50' from bottom of salt to surface.

Class C: 1.32 ft³/sx

Class H: 1.06 ft³/sx

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected."

Cave Karst/Potash Cement	Low	500.00
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Shoe @ 373.00

Shoe @ 2114.00

Shoe @ 8553.00

Perforatons Top @	7686.00	Perforations	8404.00
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DV Tool @	6867.00	CIBP @	7600.00
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**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Permanent Abandonment of Federal Wells
Conditions of Approval (LPC Habitat)**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-689-5981.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any/all contaminants, scrap/trash, equipment, pipelines and powerlines **(Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure)**. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip (across the slope and seed as specified in the original APD COA. **This will apply to well pads, facilities, and access roads.** Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you

have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Petroleum Engineering Tech/Environmental Protection Specialist
575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

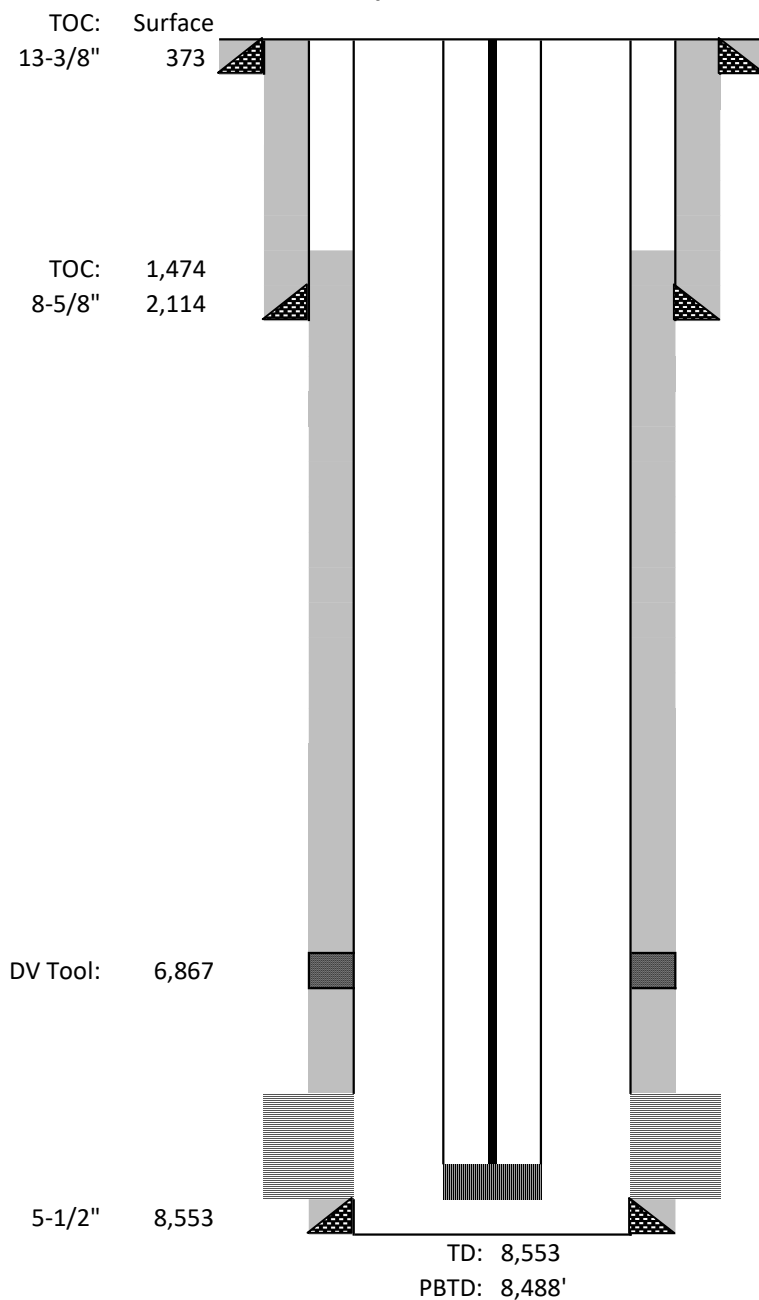
Jose Martinez-Colon
Environmental Protection Specialist
575-234-5951

Mark Mattozzi
Environmental Protection Specialist
575-234-5713

Robert Duenas
Environmental Protection Specialist
575-234-2229

Trishia Bad Bear, Hobbs Field Station
Natural Resource Specialist
575-393-3612

Arco 8 Federal #005
1980' FSL & 660' FWL Sec. 8-T18S-R31E
Eddy County, NM
API: 30-015-27213
CURRENT WELLBORE SCHEMATIC
Spudded: 12/03/1992



	Casing Information					
	Hole Size	Casing Size	Type	Weight (lb/ft)	Joints	Depth Set
Surface	17-1/2"	13-3/8"	J-55	54.5#	9	373
Intermediate	12-1/4"	8-5/8"	J-55	32#	49	2,114
Production	7-7/8"	5-1/2"	J-55	17#	191	8,553
DV Tool						6,867

	Cementing Record		
	Type	TOC	Date Run
Surface	375 sks CI C	Surface	12/3/1992
Intermediate 1st	100 sks x 1200 sks CI C	600	12/6/1992
Intermediate	1 inch Casing (250 sks CI C)	Surface	12/8/1992
Production	375 sks x 100 sks CI H	DV Tool	12/23/1992
Production	950 sks x 100 sks CI H	1474	12/24/1992

	Tubing Information	
Item	Notes	Depth
Tubing	(234) 2-3/8" tubing	
Tubing Anchor	TAC	7,518'
Tubing	(25) 2-3/8" tubing	
Seating Nipple	SN	8,369'
Sand Screen	2 3/8" SND SCRIN	
Bull Plug	2-3/8" BP	8,393'
Plug Back Total Depth	PBTD	8,488'

Geologic Markers	
Rustler	467
Yates	1,882
7 Rivers	2,312
Queen	3,025
Grayburg	3,560
San Andres	4,020
Bone Spring	5,050

	Rod String Information
Item	Notes
Pony Rod	2 x 6' + 2 x 4' Pony Rods
Rod	(106) 7/8" Rods
Rod	(205) 3/4" Rods
Rod	(21) 7/8" Rods
Pump	2" x 1.25" x 24' W/BOC

	Perforation Information	
Date	Formation	Depth
1/26/1993	Bone Spring perms	(7,686'-7,900')
1/7/1993	2nd BS perms	(7,943'-8,404')

1/26/1993	Bone Spring perfs	(7,686'-7,900')
1/7/1993	2nd BS perfs	(7,943'-8,404')

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 260916

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 260916
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	9/14/2023