

Submit Copy To Appropriate District

Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO.	30-039-24406
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	CARRACAS 30B
8. Well Number	016
9. OGRID Number	330132
10. Pool name or Wildcat	BASIN FRUITLAND COAL

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
MORNINGSTAR OPERATING LLC

3. Address of Operator
400 W 7TH ST, FORT WORTH, TX 76102

4. Well Location
 Unit Letter P 1 100 feet from the S line and 790 feet from the E line
 Section 30 Township 32N Range 04W NMPM County RIO ARRIBA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
7240' GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: MIT, TA Extension <input checked="" type="checkbox"/>

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

MorningStar Operating submits the attached 5 YR MIT and requests TA Status Extension. BLM approved TA Status sundry attached.
 MIT: Start 575 psi, End 570 psi.
 BHT has been submitted separately.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Connie Blaylock TITLE Regulatory Analyst DATE 07/31/2025

Type or print name Connie Blaylock E-mail address: cblaylock@txoenergy.com PHONE: 817-334-7882

For State Use Only

APPROVED BY: _____ TITLE _____ DATE _____

Conditions of Approval (if any):

Well Name: CARRACAS 30B	Well Location: T32N / R4W / SEC 30 / SESE / 36.953384 / -107.289139	County or Parish/State: RIO ARRIBA / NM
Well Number: 16	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM30015	Unit or CA Name:	Unit or CA Number:
US Well Number: 300392440600S1	Operator: MORNINGSTAR OPERATING LLC	

Notice of Intent

Sundry ID: 2865952

Type of Submission: Notice of Intent	Type of Action: Temporary Abandonment
Date Sundry Submitted: 07/29/2025	Time Sundry Submitted: 02:25
Date proposed operation will begin: 08/13/2025	

Procedure Description: MorningStar Operating requests approval for TA status extension with an effective date of 8/13/2025 and expiration date of 8/13/2026. TA status extension will allow the well to be evaluated for reactivation based on further results of 80-acre offset well performance. The offset well, Carracas 18B 15, was an originally TA'd well that was RTP as a flowing well until it had a downhole failure last year. The well has been converted from a flowing well to rod lift as of 06/19/2025. The intention of the conversion to rod lift is to better evaluate how the well responds to more effective drawdown of the reservoir. The offset well will be on production thru 06/2026 and the production will be evaluated to inform the potential success of RTP for the Carracas 30B 16. The Carracas 30B 16, as well as additional area POW and TA wells, will likely need artificial lift, which equates to a higher capital spend project more suitable for a higher gas price environment. Historically low gas prices along with the unknown nature of response to RTP has delayed the RTP of the remaining POW and TA wells. Currently, there are multiple producing wells on this lease. A passing 5-year MIT has been submitted in Well Test.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Received by OCD: 7/31/2025 10:49:51 AM

Well Name: CARRACAS 30B

Well Location: T32N / R4W / SEC 30 / SESE / 36.953384 / -107.289139

County or Parish/State: RIO ARRIBA / NM

Well Number: 16

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM30015

Unit or CA Name:

Unit or CA Number:

US Well Number: 300392440600S1

Operator: MORNINGSTAR OPERATING LLC

Conditions of Approval

Specialist Review

Carracas_30B_16_ID_2865952_TA_COAs_MHK_07.29.2025_20250729154645.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: CONNIE BLAYLOCK

Signed on: JUL 29, 2025 02:24 PM

Name: MORNINGSTAR OPERATING LLC

Title: Regulatory Technician

Street Address: 400 W 7th St.

City: Forth Worth

State: TX

Phone: (817) 334-7882

Email address: CBLAYLOCK@MSPARTNERS.COM

Field

Representative Name: Amy Byars

Street Address:

City:

State:

Zip:

Phone:

Email address: abyars@mspartners.com

BLM Point of Contact

BLM POC Name: MATTHEW H KADE

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647736

BLM POC Email Address: MKADE@BLM.GOV

Disposition: Approved

Disposition Date: 07/29/2025

Signature: Matthew Kade



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Farmington District Office
6251 College Boulevard, Suite A
Farmington, New Mexico 87402
<http://www.blm.gov/nm>



July 29, 2025

CONDITIONS OF APPROVAL

Sundry Notice of Intent ID # 2865952 Request to Extend Temporary Abandonment/Pressure Observation Well Status

Operator: Morningstar Operating LLC
Lease: NMNM 30015
Well(s): Carracas 30B 16, API # 30-039-24406
Location: SESE Sec 30 T32N R4W (Rio Arriba County, NM)

The request to extend the temporary abandonment (TA) status is approved with the following conditions:

1. No well shall be TA without prior approval from the authorized officer or representative.
2. This approval is granted for a 12-month period until August 13, 2026. **Before this approval expires** one of the following shall be submitted:
 - a. A sundry notice (Notice of Intent – Temporary Abandonment) to keep the well in TA status with engineering and/or economic justification for another 12-month period. Continue to provide information on the 80-acre infill if that will still be the proposed plan going forward. Provide the gas price necessary to move forward with returning the well to production. Provide a timeline to notate what progress has been made over the past year and what will happen over the next several years.
 - b. A sundry notice (Notification – Resume Production) with resumption of production reported within 5 business days after the well is returned to production.
 - c. A sundry notice (Notice of Intent – Plug and Abandonment) to plug and abandon (P&A) the well. While not necessary to P&A before August 13, 2026, a sundry notice must be submitted prior to that date. Plugging will have to occur within one year of approval.
3. This agency reserves the right to modify or rescind approval. A plug or produce order may still be issued at the discretion of the authorized officer.
4. The lease is currently held by allocated production from other wells. Should production from the lease cease, the BLM will require this well be returned to production or P&A, regardless of the amount of time the TA status is still approved for.

For questions concerning this matter, please contact Matthew Kade, Petroleum Engineer at the BLM Farmington Field Office, at (505) 564-7736 or mkade@blm.gov.



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

MECHANICAL INTEGRITY TEST REPORT

(TA OR UIC)

Date of Test 7/26/25 Operator Morning Star op LLC API # 30-039-20006Property Name CARRACAS 3013 Well # 16 Location: Unit D Sec 36 Twp 32 Rge 4N

Land Type:

State _____
Federal ☒
Private _____
Indian _____

Well Type:

Water Injection _____
Salt Water Disposal _____
Gas Injection _____
Producing Oil/Gas ☒
Pressure observation _____

Temporarily Abandoned Well (Y/N): Y TA Expires: _____

Casing Pres. _____ Tbg. SI Pres. _____ Max. Inj. Pres. _____
Bradenhead Pres. _____ Tbg. Inj. Pres. _____
Tubing Pres. _____
Int. Casing Pres. _____

Pressured annulus up to 575 psi for 30 mins. Test passed/failedREMARKS: CIBP se + 03965By [Signature]
(Operator Representative)Witness [Signature]
(NMOCD)

(Position)

Revised 02-11-02

Oil Conservation Division * 1000 Rio Brazos Road * Aztec, New Mexico 87410
Phone: (505) 334-6178 * Fax: (505) 334-6170 * <http://www.enmrtd.state.nm.us>

MorningStar Operating, LLC

Carracas Unit 30 B 16
Rio Arriba County, New Mexico

TD – 4200' MD

12-1/4" hole

Surface Csg: 8 jts 9-5/8" 36#

Setting Depth: 360'

Cement

190sx Class B w/2% CaCl₂ (222 cuft)

Circ 2 bbls cmt to surface

8 3/4" hole to 4200'

Prod Csg: 104 jts 5-1/2" 15.5# K55 LTC

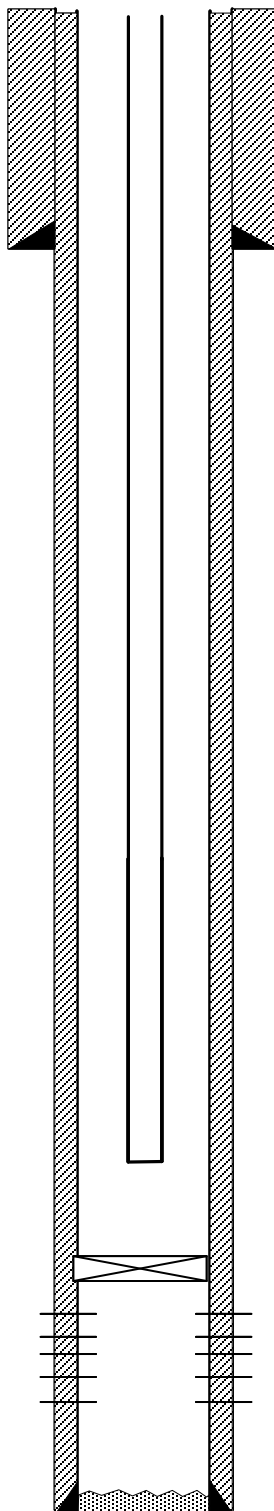
Setting Depth: 4180'

Cement

550 sx 65/35 poz 12% gel, 1/4#/sk celloflake (1441 cuft)

Tail 100 sx 50/50 poz w/2% gel and coal seal, 1/4#/sk celloflake (139 cuft)

Full returns – no cmt to surface, did see mud flush



PBTD: 4129' MD

Prepared by: BBerry
Date: 01/29/2025

KB = 7252 ft
GL = 7240 ft
API# 30-039-24406

Spud Date: 04/29/1990
Ready to Produce: 06/27/1990

*Ojo Alamo: 3348'
*Kirtland: 3495'
*Fruitland: 3767'

*Tops Based on Formation Tops Table
from NMOC website under Well Details

Tbg 07/16/2010
2 3/8" 4.7# J-55
Saw tooth collar, 1 jt tbg, 1.78 ID SN, 115 jts tbg
EOT 3814' SN ~3782'

RBP set 3920'

Fruitland Coal Perfs:
92 shots 4 spf
3971-4032' (overall)

Fruitland Coal Frac:

500 gal 15% HCl Acid, 35# YF 135 Xlink
fluid (2021 bbls) 21,650# 40/70,
209,270# 20/40 sand

07/2000 – reperf 92 holes 3971-4032' 4
sfp, re-frac 500 gal 10% formic acid,
69,662 gal 25#/20# Delta frac, 140 gel w/
sandwedge containing 1505 sx 20/40
Brady sand

Sante Fe Main Office
Phone: (505) 476-3441

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oed/contact-us>

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

CONDITIONS

Action 490854

CONDITIONS

Operator: MorningStar Operating LLC 400 W 7th St Fort Worth, TX 76102	OGRID: 330132
	Action Number: 490854
	Action Type: [C-103] Sub. Temporary Abandonment (C-103U)

CONDITIONS

Created By	Condition	Condition Date
andrew.fordyce	None	8/28/2025