

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Well Name: PHILLIPS	Well Location: T28N / R8W / SEC 32 / SWSE / 36.612314 / -107.700701	County or Parish/State: SAN JUAN / NM
Well Number: 3F	Type of Well: CONVENTIONAL GAS WELL	Allottee or Tribe Name:
Lease Number: NMNM013363	Unit or CA Name:	Unit or CA Number:
US Well Number: 300453466600S1	Operator: MORNINGSTAR OPERATING LLC	

Notice of Intent

Sundry ID: 2901355

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 03/19/2026

Time Sundry Submitted: 08:24

Date proposed operation will begin: 10/01/2026

Procedure Description: MSO request approval of the attached P&A procedure. Also attached is the Current & Proposed WBD

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Phillips_3F_WBD_Proposed_PA_03.18.2026_20260319082148.pdf

Phillips_3F_Current_WBD_and_Liner_Packer_System_20260319082140.pdf

Phillips_3F_Proposed_PA_procedure_03.18.2026_20260319082130.pdf

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Well Number: 3F

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM013363

Unit or CA Name:

Unit or CA Number:

US Well Number: 300453466600S1

Operator: MORNINGSTAR OPERATING LLC

Conditions of Approval

Additional

General_Requirement_PxA_20260331151135.pdf

2901355_3F_3004534666_NOIA_KR_03312026_20260331151117.pdf

Phillips_3F_Geo_Rpt_20260330132221.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: AMY BYARS

Signed on: MAR 19, 2026 08:23 AM

Name: MORNINGSTAR OPERATING LLC

Title: Supervisor Regulatory Compliance

Street Address: 400 W 7TH ST

City: FORT WORTH

State: TX

Phone: (817) 334-8096

Email address: ABYARS@TXOPARTNERS.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742

BLM POC Email Address: krennick@blm.gov

Disposition: Approved

Disposition Date: 03/31/2026

Signature: Kenneth Rennick

BLM - FFO - Geologic Report

Date Completed 3/30/2026

Well No. Phillips 3F	Surf. Loc. 425	FSL 1640	FEL
Lease No. NMNM013363	Sec 32	T28N	R8W
Operator Moringstar Operating LLC	County San Juan	State	New Mexico
US Well No: 3004534666			
TVD 7031	MD 9830	Formations: Blanco Mesa Verde/Basin Dakota	
Elevation GL 6379	Elevation Est. KB 6393		

Geologic Formations	Est. tops	Elevation	MD	Remarks
San Jose Fm.	Surface	6393		
Nacimiento Fm.	BSC	6095		Surface /fresh water sands
Surface Casing	298	6095		
Ojo Alamo Ss	1562	4831		Fresh water aquifer
Kirtland Fm.	1816	4577		
Intermediate Casing	2004	4389		
Fruitland Fm.	2171	4222		Coal/gas/possible water
Pictured Cliffs	2636	3867		Possible gas/water
Lewis Shale (Main)	2686	3707		Source rock
Chacra (Lower)	3546	2847		Possible gas/water
Cliff House Ss	4276	2117	4301	Possible gas/water
Menefee Fm.	4296	2097	4322	Coal/water/possible gas
Point Lookout Fm.	4876	1517	4990	Possible gas/water
Mancos Shale	5251	1142	5406	Source rock
Stage Tool	5256	1272	5121	
Gallup	6035	358	6302	Oil & gas
Stage Tool	6163	-230	6450	
Liner Top	6638	-245	7094	
Brdge Crk/Grnhrn	6801	-408	7412	
Graneros Shale	6865	-472	7538	
7" Int Shoe	7006	-613	7958	
Dakota Ss	7021	-628	8077	

Remarks:

-Vertical wellbore, all formation depths are TVD from KB at the wellhead.
 -BSC: Behind Surface Casing
 -Modify Plug 8. Make the TOC 1462' MD to cover the BLM geologist's pick for the Ojo Alamo.

Prepared by: Walter Gage

Reference Wells:

Simcoe LLC-Riddle F LS 5A
 3004526580,
 300' - 5260' (TVD)
 690' FSL, 1000' FEL,
 GL= 6335, KB= 6347'
 S32P-T28N-R8W

Morningstar Operating LLC
 Phillips 3E, 3004526485
 4500'- 7202' (TVD)
 800' FSL, 1570' FWL,
 GL = 6398, KB= 6412'



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>



CONDITIONS OF APPROVAL

March 31, 2026

Notice of Intent – Plug and Abandonment

Operator: MorningStar Operating LLC
Lease: NMNM 013363
Well(s): Phillips 3F, US Well # 30-045-34666
Sundry Notice ID #: 2901355

The Notice of Intent to Plug and Abandon is accepted with the following Conditions of Approval (COA):

1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
2. The following modifications to your plugging program are to be made:
 - a. **Modify Plug 8. Make the TOC 1462' MD to cover the BLM geologist's pick for the Ojo Alamo at 1562'.**
3. **Notification:** Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564 7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

K. Rennick 03/31/2026

**GENERAL REQUIREMENTS FOR
PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES
FARMINGTON FIELD OFFICE**

- 1.0 The approved plugging plans may contain variances from the following minimum general requirements.
- 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
- 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
- 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 **A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.**

5.0 All cement plugs spotted across, or above, any exposed zone(s), when; the wellbore is not full of fluid or the fluid level will not remain static, and in the case of lost circulation or partial returns during cement placement, shall be tested by tagging with the work string.

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. **If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.**

6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.

- 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
- 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.

7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H₂S.

8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), through the Automated Fluid Minerals Support System (AFMSS) with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.

9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.

10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

MorningStar Operating, LLC

Phillips 3F San Juan County, NM

TD – 9830' MD; 7031' TVD

17 1/2" to 302'.

Surface Csg: 6jts 13.375" 48 lb/ft H-40
Setting Depth: 298' kb

Cement
400sx Type V (472 ft³)
Circ. 30 bbls to surface

12 1/4" hole to 2010'
Intermediate Csg: 44 jts – 9.625" 32.3#/ft H-40
Setting Depth: 2004'

Cement
Lead: 450sx Halco Light 65/35 poz.
Tail: 350sx Class G
Total cmt (1249 ft³). Circ. 60 bbls to surface.

8 3/4" hole to 7960'
Intermediate Csg: 203 jts – 7" 23#/ft K-55
Setting Depth: 7958'
Stage tools: ~6450', ~5256'

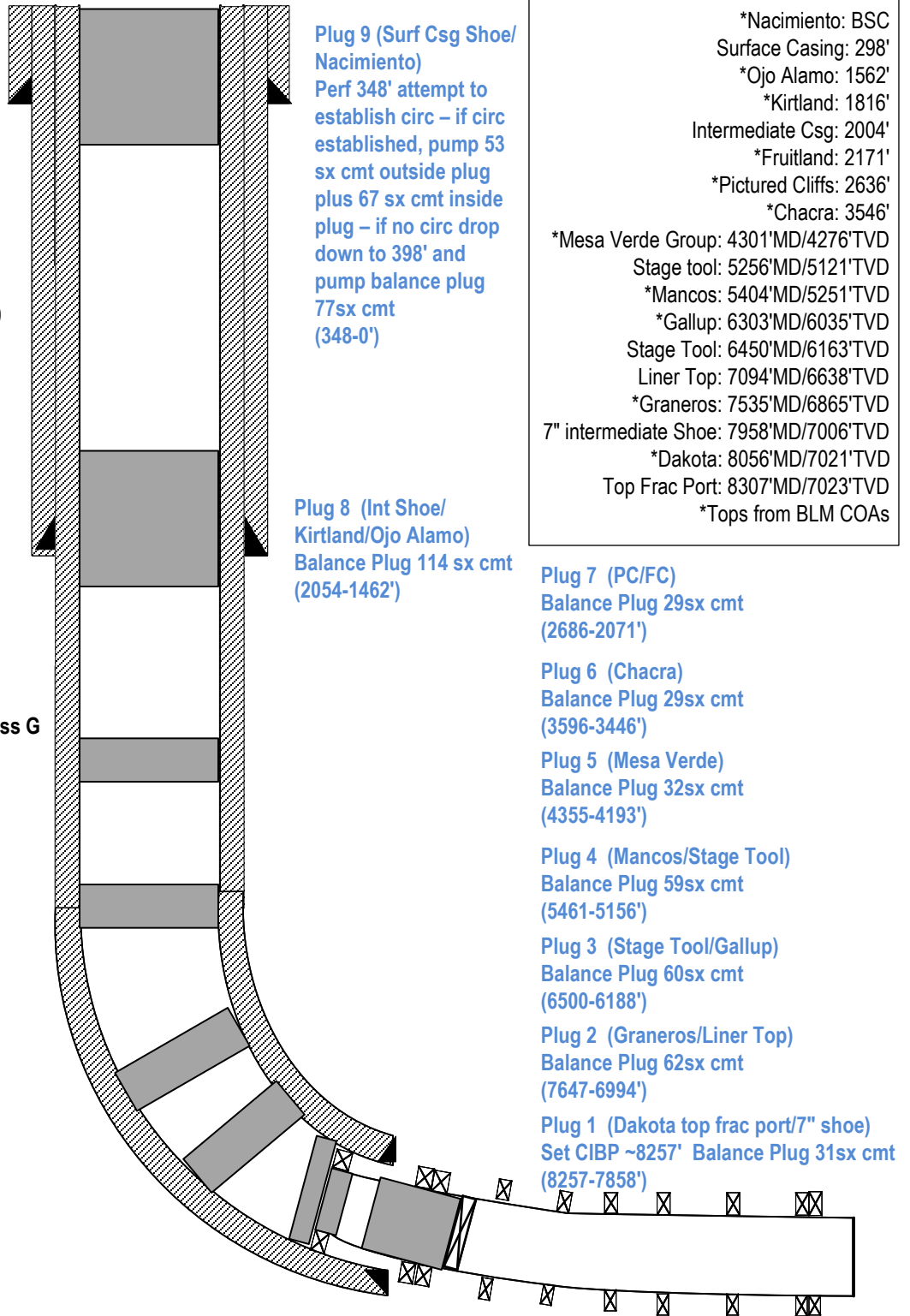
Cement
1st Stage: 270sx Class G 50/50 poz(351 ft³).
2nd Stage: 695 sx 65/35 poz tailed by 50sx Class G
(1422 ft³)
Circulated 110bbls to surface
TOC at surface per reports
CBL run 6950-1950' 08/26/2008

6 1/4" hole to 9830 ft MD
Prod Liner: 56 jts – 4.5" 11.6 lb/ft P-110
Setting Depth: 9802' MD
Liner Top Packer: 7094' MD

4.5" Liner Top w/Packer
7094' MD; 6638' TVD

Frac Ports (MD) –
8307', 8608', 8819, 9162', 9555', 9783'

OH Packers (MD) –
7988', 8002', 8109', 8503', 8712',
8965', 9403', 9706', 9721'



Plug 9 (Surf Csg Shoe/
Nacimiento)
Perf 348' attempt to
establish circ – if circ
established, pump 53
sx cmt outside plug
plus 67 sx cmt inside
plug – if no circ drop
down to 398' and
pump balance plug
77sx cmt
(348-0')

Plug 8 (Int Shoe/
Kirtland/Ojo Alamo)
Balance Plug 114 sx cmt
(2054-1462')

Plug 7 (PC/FC)
Balance Plug 29sx cmt
(2686-2071')

Plug 6 (Chacra)
Balance Plug 29sx cmt
(3596-3446')

Plug 5 (Mesa Verde)
Balance Plug 32sx cmt
(4355-4193')

Plug 4 (Mancos/Stage Tool)
Balance Plug 59sx cmt
(5461-5156')

Plug 3 (Stage Tool/Gallup)
Balance Plug 60sx cmt
(6500-6188')

Plug 2 (Graneros/Liner Top)
Balance Plug 62sx cmt
(7647-6994')

Plug 1 (Dakota top frac port/7" shoe)
Set CIBP ~8257' Balance Plug 31sx cmt
(8257-7858')

Updated: Bberry
Date: 02.23.2026
Updated: 04.01.2026

KB = 6393'
GL = 6379'
API# 30-045-34666

Spud Date: 06/29/2008
Well First Delivered: 02/17/2009

*Nacimiento: BSC
Surface Casing: 298'
*Ojo Alamo: 1562'
*Kirtland: 1816'
Intermediate Csg: 2004'
*Fruitland: 2171'
*Pictured Cliffs: 2636'
*Chacra: 3546'
*Mesa Verde Group: 4301'MD/4276'TVD
Stage tool: 5256'MD/5121'TVD
*Mancos: 5404'MD/5251'TVD
*Gallup: 6303'MD/6035'TVD
Stage Tool: 6450'MD/6163'TVD
Liner Top: 7094'MD/6638'TVD
*Graneros: 7535'MD/6865'TVD
7" intermediate Shoe: 7958'MD/7006'TVD
*Dakota: 8056'MD/7021'TVD
Top Frac Port: 8307'MD/7023'TVD
*Tops from BLM COAs

Note that each packer has 3.75"
ID versus 4.00" ID of liner

TD – 9,802' MD; 7,033' TVD

MorningStar Operating, LLC

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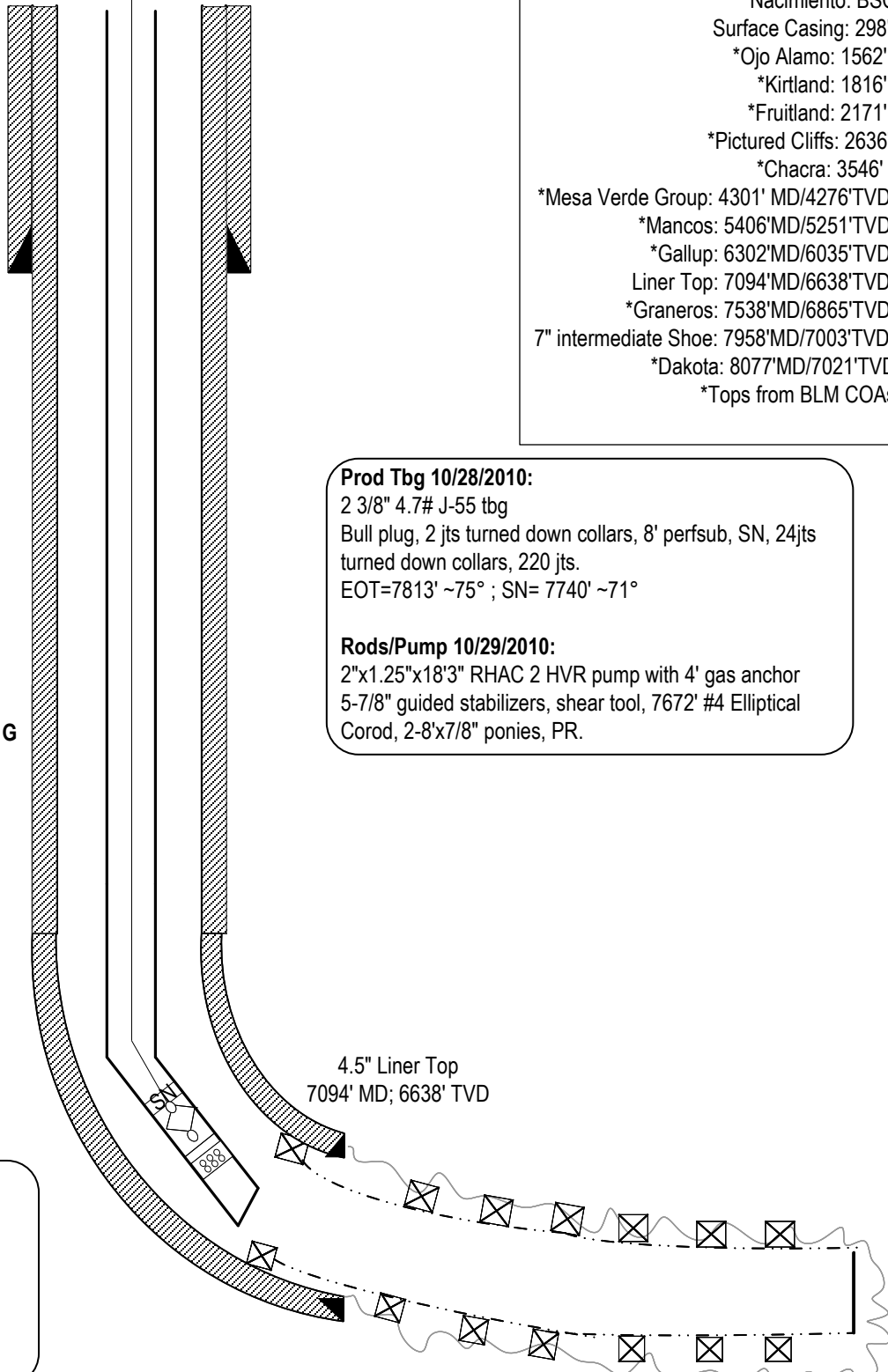
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CBL run 6950-1950' 08/26/2008

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Setting Depth: 9802' MD
Liner Top: 7094' MD
Packers Plus Liner system



*Nacimiento: BSC
Surface Casing: 298'
*Ojo Alamo: 1562'
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*Fruitland: 2171'
*Pictured Cliffs: 2636'
*Chacra: 3546'
*Mesa Verde Group: 4301' MD/4276'TVD
*Mancos: 5406'MD/5251'TVD
*Gallup: 6302'MD/6035'TVD
Liner Top: 7094'MD/6638'TVD
*Graneros: 7538'MD/6865'TVD
7" intermediate Shoe: 7958'MD/7003'TVD
*Dakota: 8077'MD/7021'TVD
*Tops from BLM COAs

Prod Tbg 10/28/2010:
2 3/8" 4.7# J-55 tbg
Bull plug, 2 jts turned down collars, 8' perfs sub, SN, 24jts turned down collars, 220 jts.
EOT=7813' ~75° ; SN= 7740' ~71°

Rods/Pump 10/29/2010:
2"x1.25"x18'3" RHAC 2 HVR pump with 4' gas anchor
5-7/8" guided stabilizers, shear tool, 7672' #4 Elliptical Corod, 2-8"x7/8" ponies, PR.

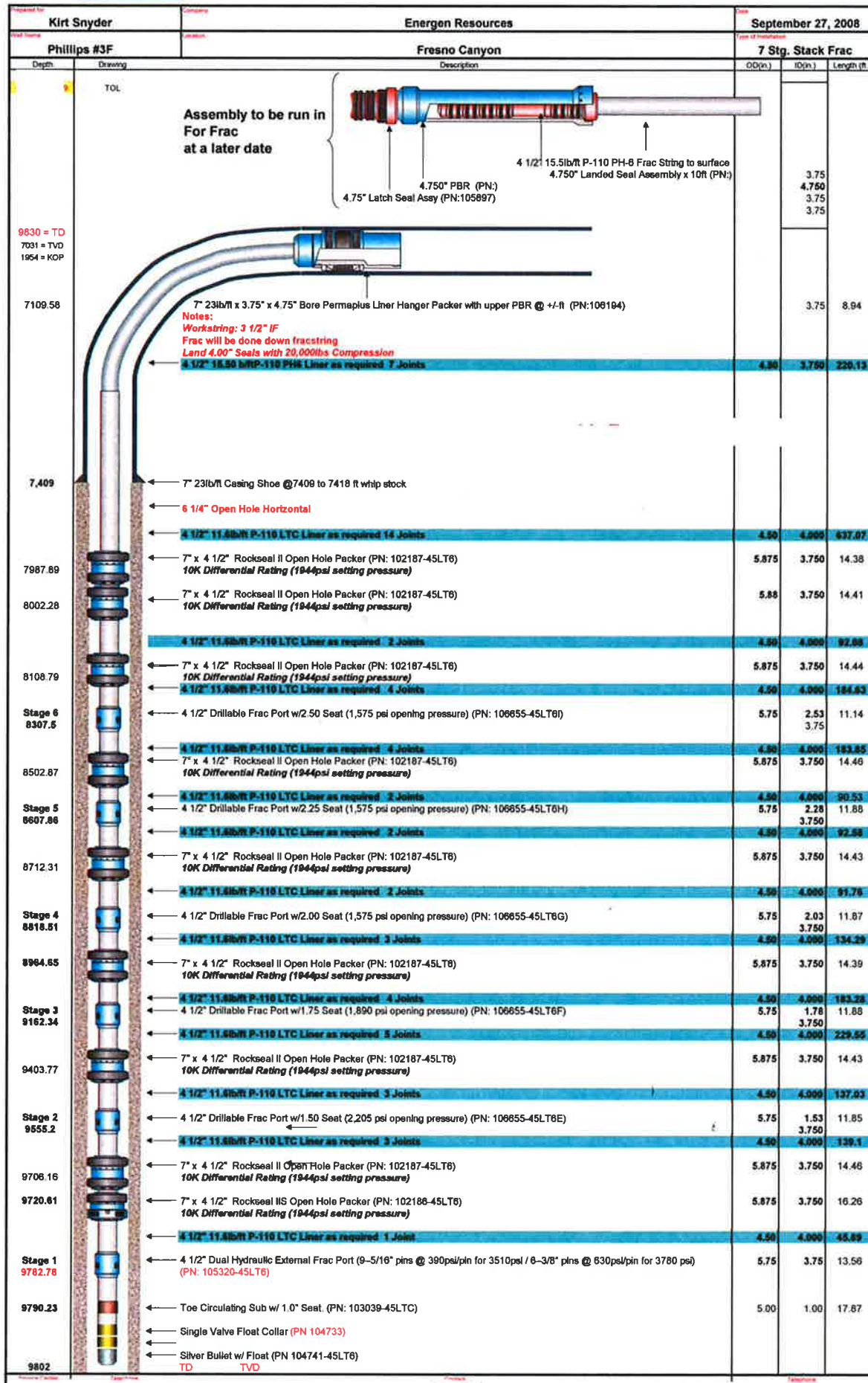
4.5" Liner Top
7094' MD; 6638' TVD

Frac DK through 6 frac ports:
Ports: 8307', 8607', 8819', 9162', 9555', 9782'.

Total Frac:
339,176gal Delta 200
302,986lbs 20/40 Ottawa and 17,398lbs 100mesh
MaxTP=3526 psi FFG=0.65 psi/ft ATR=35 bpm

TD – 9,802' MD; 7,033' TVD

Final Completion Drawing



Proposed P&A Procedure_04.01.2026

Proposed P&A Procedure

Phillips 3F API 3004534666

Notify Farmington BLM Office at least 24hrs in advance to plugging operations 505 564-7750

Notify NMOCD at least 24hrs in advance to plugging operations via email at

loren.diede@emnrd.nm.gov and monica.kuehling@emnrd.nm.gov

- All Cement Class G 15.8 ppg 1.15 cuft/sk yield
- Tbg, Csg, Intermediate, and Bradenhead pressures to be recorded and reported on each daily report
- CaCl₂ will be used for plugs requiring WOC
- Follow casing pressure testing as required by BLM/NMOCD
- WOC time is required for ANY plug that has been placed above a CIBP/CR or above any perforations, regardless if the casing has passed a pressure test or not
- WOC time is NOT required if the casing passed a pressure test AND that the plug is not above a CIBP/CR or perforations.

Proposed P&A Procedure_04.01.2026

Proposed Procedure

1. Make all advance 24 hr notifications as required.
2. Confirm WH BOP connection and existing tubing size before MIRU.
3. MIRU P&A services.
4. POOH rods and pump - Spool out elliptical corod, LD stick rods and send both to storage per area foreman – send pump to pump shop for storage.
5. Pull existing tbg standing back – check if string good to use as workstring, if not MI 2 3/8” workstring and PU - LD/haul away production tbg and send to storage per area foreman.
6. Set CIBP ~8257’MD – plug/retainer should accommodate 3.75” ID of packers and 4.00” ID of liner for setting.
7. Load/top off hole with FW in preparation for CBL.
 - a. Keep hole loaded as necessary to ensure CBL run to surface.
8. Run CBL from 2100’ to surface. Send CBL for review to krennick@blm.gov, vlucero@blm.gov, monica.kuehling@emnrd.nm.gov, loren.diede@emnrd.nm.gov, rberry@txopartners.com.
 - a. Current CBL ran from liner top to ~1950’ – need to have complete CBL for well.
 - b. Revise plugging plan if required after CBL review by BLM/NMOCD.
9. Plug 1 (DK frac port 6/7” csg shoe)
 - a. Set CIBP ~8257’
 - b. Balance plug **31sx** cement plug from 8257’MD-7858’MD.
10. Plug 2 (Graneros/4.50” Liner top)
 - a. Balance plug **62sx** cement plug from 7647’MD-6994’MD.
11. Plug 3 (Stage Tool/Gallup)
 - a. Balance plug **60sx** cement plug from 6500’MD-6188’MD.
12. Plug 4 (Mancos/Stage Tool)
 - a. Balance plug **59sx** cement plug from 5461’MD-5156’MD.
13. Plug 5 (Mesa Verde)
 - a. Balance plug **32sx** cement plug from 4355’MD-4193’MD.
14. Plug 6 (Chacra)
 - a. Balance plug **29sx** cement plug from 3596’MD-3446’MD.
15. Plug 7 (PC/FC)
 - a. Balance plug **119sx** cement plug from 2686’MD-2071’MD.
16. Plug 8 (Int Csg shoe/Kirtland/Ojo Alamo)

Proposed P&A Procedure_04.01.2026

- a. Balance plug **114sx** cement plug from 2054'MD-1462'MD.
17. Plug 9 (surface shoe/Nacimiento circulation attempt)
 - a. Perforate 348'.
 - b. Attempt to establish circulation...
 - i. If established, pump outside plug **53sx** and inside plug **67sx**.
 - ii. if none, drop down to 398' and pump balance plug to surface **77sx** cmt.
 - c. Ensure cement at surface on all strings of casing, top off as needed.
18. Cut off wellhead below surface casing flange.
19. Install P&A Marker.

Estimated 626 sx cement needed in total.

Please make sure all excess volumes are as follows:

4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

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

General Information
Phone: (505) 629-6116

Online Phone Directory
<https://www.emnrd.nm.gov/oecd/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 572042

CONDITIONS

Operator: MorningStar Operating LLC 400 W 7th St Fort Worth, TX 76102	OGRID: 330132
	Action Number: 572042
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
jagarcia	Notify the OCD inspection supervisor via email 24 hours prior to beginning Plug & Abandon (P&A) operations.	4/7/2026
jagarcia	Monitor all string pressures including Bradenhead daily and report those findings on Subsequent Report.	4/7/2026
jagarcia	A Cement Bond Log (CBL) is required for all Plug & Abandons (P&A) unless a CBL is currently on file with the OCD that can be used to properly evaluate the cement behind the casing.	4/7/2026
jagarcia	This Notice Of Intent (NOI) Plug & Abandon (P&A) approval expires one year from approval date.	4/7/2026
jagarcia	Adhere to current Plug & Abandon (P&A) Conditions Of Approvals (COA).	4/7/2026
jagarcia	A Cement Bond Log (CBL) is required to be submitted to electronic permitting.	4/7/2026