Form 3160-5 (June 2015) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.	FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018 5. Lease Serial No. NMNM138865 6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE - Other instructions on page 2	7. If Unit or CA/Agreement, Name and/or No.
1. Type of Well ☐ Gas Well ☐ Other	8. Well Name and No. BOROS FEDERAL 113H
2. Name of Operator Contact: NICKY FITZGERALD MATADOR PRODUCTION COMPANYE-Mail: nicky.fitzgerald@matadorresources.com	9. API Well No. 30-015-46866-00-X1
3a. Address ONE LINCOLN CENTER 5400 LBJ FREEWAY SUITE DALLAS, TX 75240 3b. Phone No. (include area code) 1500 972-371-5448	10. Field and Pool or Exploratory Area JENNINGS
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)	11. County or Parish, State
Sec 15 T26S R31E NWNE 430FNL 2323FEL 32.048954 N Lat, 103.764923 W Lon	EDDY COUNTY, NM
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICI	E, REPORT, OR OTHER DATA

NMOCD Rec'd: 10/14/2020

TYPE OF SUBMISSION	TYPE OF ACTION							
Notice of Intent	□ Acidize	Deepen	Production (Start/Resume)	□ Water Shut-Off				
_	□ Alter Casing	Hydraulic Fracturing	Reclamation	U Well Integrity				
Subsequent Report	Casing Repair	New Construction	Recomplete	Other Other				
Final Abandonment Notice	Change Plans	Plug and Abandon	Temporarily Abandon	Change to Original A PD				
	Convert to Injection	Plug Back	Water Disposal					

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

BLM Bond No. NMB001079 Surety Bond No. RLB0015172

Matador respectfully requests the option to amend the casing, cementing and mud program.

Please find supporting documentation attached and cont	tact Blake Hermes at 972-371-5485 or	
BHermes@matadorresources.com for any questions.	Sanface good same 10-9-20 Sh	COA'S

APPROVED BY RACHEL IJABIFEN. REVIEW ADDITIONAL ENGINEERING COA.

14. I hereby certify that t	ne foregoing is true and correct. Electronic Submission #526552 verifie For MATADOR PRODUCTION C Committed to AFMSS for processing by PRI	OMPAN	IY, sent to the Carlsbad
Name (Printed/Typed)	NICKY FITZGERALD	Title	REGULATORY ANALYST
Signature	(Electronic Submission)	Date	08/20/2020
	THIS SPACE FOR FEDERA	AL OR	STATE OFFICE USE
Approved By	est tat	Title	AFM-LEM 1009/20
certify that the applicant ho	ny are attached. Approval of this notice does not warrant or ds legal or equivable title to those rights in the subject lease licant to conduct operations thereon.	Office	(FO)
	1 and Title 43 U.S.C. Section 1212, make it a crime for any per- or fraudulent statements or representations as to any matter w		wingly and willfully to make to any department or agency of the United urisdiction.
(Instructions on page 2) **	BLM REVISED ** BLM REVISED ** BLM RI	EVISE	D ** BLM REVISED ** BLM REVISED **
Surface casing must be	e set 25' below top of Rustler Anhydrite	KP 1	0/27/2020 GEO Review

Revisions to Operator-Submitted EC Data for Sundry Notice #526552

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	APDCH NOI	APDCH NOI
Lease:	NMNM138865	NMNM138865
Agreement:		
Operator:	MATADOR PRODUCTION COMPANY 5400 LBJ FREEWAY, SUITE 1500 DALLAS, TX 75240 Ph: 972-371-5448	MATADOR PRODUCTION COMPANY ONE LINCOLN CENTER 5400 LBJ FREEWAY SUITE 1500 DALLAS, TX 75240 Ph: 972.371.5200
Admin Contact:	NICKY FITZGERALD REGULATORY ANALYST E-Mail: nicky.fitzgerald@matadorresources.com	NICKY FITZGERALD REGULATORY ANALYST E-Mail: nicky.fitzgerald@matadorresources.com
	Ph: 972-371-5448	Ph: 972-371-5448
Tech Contact:	NICKY FITZGERALD REGULATORY ANALYST E-Mail: nicky.fitzgerald@matadorresources.com	NICKY FITZGERALD REGULATORY ANALYST E-Mail: nicky.fitzgerald@matadorresources.com
	Ph: 972-371-5448	Ph: 972-371-5448
Location: State: County:	NM EDDY	NM EDDY
Field/Pool:	JENNINGS;BONE SPRING,WEST	JENNINGS
Well/Facility:	BOROS FEDERAL 113H Sec 15 T26S R31E 430FNL 2323FEL	BOROS FEDERAL 113H Sec 15 T26S R31E NWNE 430FNL 2323FEL 32.048954 N Lat, 103.764923 W Lon

Boros Federal 113H SUNDRY

13 3/8	surface	csg in a	17 1/2	inch hole.		Design	Factors			Surface	2	
Segment	#/ft	Grade		Coupling	Body	Collapse	Burst	Length	B@s	a-B	a-C	Weight
"A"	54.50	J	55	BTC	13.52	2.13	0.64	1,158	5	1.17	4.11	63,111
w/8.4#/	g mud, 30min S	fc Csg Test psig:	1,406	Tail Cmt	does not	circ to sfc.	Totals:	1,158				63,111
Comparison o	of Proposed to	Minimum R	equired Ceme	nt Volumes								
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd				Min Dis
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE				Hole-Cpl
17 1/2	0.6946	810	1308	804	63	8.80	2337	3M				1.56
lass 'C' tail cm	nt yield above	1.35.		Contraction and the second second								
Burst Frac Grad	dient(s) for Se	gment(s) A, B	=, b All > 0.	70, OK.								
1000 V 1000 V 1000 V	1000 N 1000 N 1000 N		- 1000 - 1100 - 11 1000 - 1	1000 H 1000 H 1000 H 1000 H		n" 2000" IF ADAT & ADDIT 1	, 2000 IF ADDE AF 1000	10 mm 1 400 11 1				0 mm 1 mm 1
7 5/8	casing in	side the	13 3/8	AND IN ADDR AT ADDR AT ADDR AT	1000° 11 2000 12 1000°	Design I	Factors	10 Mar 11 Adda 10 A	-	Int 1		er 1000 Ar 2000 //
Segment	#/ft	Grade	1 STERE	Coupling	Body	Collapse	Burst	Length	B@s	a-B	a-C	Weight
"A"	29.70	P	110	BTC	3.63	1.26	2.07	8,709	2	3.77	2.29	258,65
"B"		S. Losse State		And the second				0				0
w/8.4#/	g mud, 30min Si	fc Csg Test psig:					Totals:	8,709				258,65
				achieve a top of	0	ft from su	rface or a	1158	ENGINE.	LTPL DE L		overlap.
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Reg'd				Min Dis
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE				Hole-Cpl
9 7/8	0.2148	1080	3086	2260	37	9.40	2509	3M				0.69
Class 'H' tail cm	nt yld > 1.20			Party Design of Statements								
							, mar 11 mar 11 mar					
Tail cmt							, mar n mar r raa	10 1000 10 1000 10 1				o anne se mare se
5 1/2	casing in		7 5/8			Design Fa				Prod 1		
Segment	#/ft	Grade		Coupling	Body	Collapse	Burst	Length	B@s	a-B	a-C	Weight
"A"	20.00		110	TLW	2.76	2.53	3.14	19,654	3	5.72	5.18	
w/8.4#/	g mud, 30min Si						Totals:	19,654	Local and the			393,080
				achieve a top of	8509	ft from su		200				overlap.
Hole	Annular	1 Stage	1 Stage	Min	1 Stage	Drilling	Calc	Req'd				Min Dis
Size	Volume	Cmt Sx	CuFt Cmt	Cu Ft	% Excess	Mud Wt	MASP	BOPE				Hole-Cpl
8 3/4	0.2526	2250	3061	2783	10	9.40						1.44
lass 'C' tail cm	t yld > 1.35											
				Excess Cement ma	y be needed							

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	MATADOR PRODUCTION COMPANY
LEASE NO.:	NMNM138865
WELL NAME & NO.:	BOROS FEDERAL 113H
SURFACE HOLE FOOTAGE:	430'/N & 2323'/E
BOTTOM HOLE FOOTAGE	100'/S & 2310'/E
LOCATION:	Section 15, T.26 S., R.31 E., NMPM
COUNTY:	Eddy County, New Mexico

COA

H2S	C Yes	• No	
Potash	None	⊂ Secretary	C R-111-P
Cave/Karst Potential	C Low	Medium	← High
Cave/Karst Potential	C Critical		
Variance	⊂ None	Flex Hose	C Other
Wellhead	C Conventional	Multibowl	⊂ Both
Other	□4 String Area	Capitan Reef	[]WIPP
Other	□Fluid Filled	Cement Squeeze	🗆 Pilot Hole
Special Requirements	□ Water Disposal	□ COM	□ Unit

ALL PREVIOUS COAs still apply.

A. CASING

- 1. The **13-3/8** inch surface casing shall be set at apphroximately **1158 feet** (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of <u>8</u> <u>hours</u> or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that

string.

2. The **7-5/8** Intermediate Casing shall be set at **8709 feet**. The minimum required fill of cement behind the **7-5/8** inch intermediate casing is:

Option 1 (Single Stage):

• Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- c. Operator will perform bradenhead squeeze. Cement to surface. If cement does not circulate see B.1.a, c-d above.
- d. Operator has proposed to pump down 13-3/8" X 7-5/8" annulus.

• <u>Operator must run a CBL from TD of the 7-5/8" casing to</u> <u>surface. Submit results to BLM.</u>

In <u>Medium Cave/Karst Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface. 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.
- Excess Cement calculates to less than 25%; More cement may be needed.

RI09202020

Boros Federal 113H SHL: 430' FNL & 2323' FEL Section 15 BHL: 100' FSL & 2310' FEL Section 22 Township/Range: 26S 31E Elevation Above Sea Level: 3225

Drilling Operation Plan

Proposed Drilling Depth: 19654' MD / 9352' TVD

Type of well: Horizontal well, no pilot hole

Permitted Well Type: Oil

Geologic Name of Surface Formation: Quaternary Deposits

KOP Lat/Long (NAD83): 32.0498621 N / -103.7648730 W TD Lat/Long (NAD83): 32.0210987 N / -103.7648372 W

1. Estimated Tops

Formation	MD (ft)	TVD (ft)	Thickness (ft)	Lithology	Resource
Rustler	1,356	1,356	132	Anhydrite	Barren
Top of Salt	1,488	1,488	2,609	Salt	Barren
Base of Salt	4,097	4,097	29	Salt	Barren
Bell Canyon	4,126	4,126	1,053	Sandstone	Oil/Natural Gas
Cherry Canyon	5,179	5,179	1,206	Sandstone	Oil/Natural Gas
Brushy Canyon	6,385	6,385	1,683	Sandstone	Oil/Natural Gas
Bone Spring Lime	8,068	8,068	171	Limestone	Oil/Natural Gas
Avalon	8,239	8,239	540	Sandstone	Oil/Natural Gas
КОР	8,809	8,779	233	Sandstone	Oil/Natural Gas
1st Bone Carb	9,041	9,012	83	Carbonate	Oil/Natural Gas
1st Bone Spring Sand	9,212	9,095	257	Sandstone	Oil/Natural Gas
TD	19,654	9,352		Sandstone	Oil/Natural Gas

2. Notable Zones

2nd Bone Spring is the goal. All perforations will be within the setback requirements as prescribed or permitted by the New Mexico Oil Conservation Division. OSE estimated ground water depth at this location is 230'.

3. Pressure Control

Equipment

A 12,000' 5000-psi BOP stack consisting of 3 rams with 2 pipe rams, 1 blind ram, and one annular preventer will be utilized below surface casing to TD. See attachments for BOP and choke manifold diagrams.

An accumulator complying with Onshore Order #2 requirements for the pressure rating of the BOP stack will be present. A rotating head will also be installed as needed.

Testing Procedure

BOP will be inspected and operated as required in Onshore Order #2. Kelly cock and sub equipped with a full opening valve sized to fit the drill pipe and collars will be available on the rig floor in the open position.

A third party company will test the BOPs.

After setting surface casing, a minimum 5M BOPE system will be installed. Test pressures will be 250 psi low and 5000 psi high with the annular preventer being tested to 250 psi low and 2500 psi high before drilling below surface shoe. In the event that the rig drills multiple wells on the pad and any seal subject to test pressures are broken, a full BOP test will be performed when the rig returns and the 5M BOPE system is re-installed.

Variance Request

Matador requests a variance to have the option of running a multi-bowl wellhead assembly for setting the Intermediate 1 and Production Strings. The BOPs will not be tested again unless any flanges are separated.

Matador requests a variance to drill this well using a co-flex line between the BOP and choke manifold. Certification for proposed co-flex hose is attached. The hose is not required by the manufacturer to be anchored. If the specific hose is not available, then one of equal or higher rating will be used.

Matador requests a variance to have the option of batch drilling this well with other wells on the same pad. In the event that this well is batch drilled, the wellbore will be secured with a blind flange of like pressure. When the rig returns to this well and BOPs are installed, the operator will perform a full BOP test.

4. Casing & Cement

String	Hole Size (in)	Set MD (ft)	Set TVD (ft)	Casing Size (in)	Wt. (Ib/ft)	Grade	Joint	Collapse	Burst	Tension
Surface	17.5	0 - 1158	0 - 1158	13.375	54.5	J-55	BUTT	1.125	1.125	1.8
Intermediate 1	9.875	0 - 8709	0 - 8709	7.625	29.7	P-110	BUTT	1.125	1.125	1.8
Production	8.75	0 - 19654	0 - 9352	5.5	20	P-110	Hunting TLW	1.125	1.125	1.8

All casing will be API and new. See attached casing assumption worksheet.

- All casing strings will be tested in accordance with Onshore Order #2 - III.B.1.h

- Rustler top will be validated via drilling parameters (i.e. reduction in ROP) and surface casing setting depth revised accordingly if needed

- All non-API joint connections will be of like or greater quality and as run specification sheets will be on location for review

- Request open to deepen Intermediate 1 set depth into curve, no changes in pipe weight or grade is neccesary.

Variance Request

Matador request a variance to wave the centralizer requirement for the 7-5/8" casing and the 5-1/2" SF/Flush casing in the 6-3/4" hole.

If a DV tool is used, depth(s) will be adjusted based on hole conditions and cement volumes will be adjusted proportionally. DV tool will be set a minimum of 50 feet below previous casing and a minimum of 200 feet above the current shoe. Lab reports with the 500 psi compressive strength time for the cement will be onsite for review.

Matador request option to perform a bradenhead cement squeeze on Intermediate 1 string.

Matador request a variance to utilize a surface setting rig. If this is used, Matador request the option to drill either 17.5" or 20" surface hole.

String	Туре	Sacks	Yield	Cu. Ft.	Weight	Percent Excess	Top of Cement	Class	Blend
Surface	Lead	560	1.72	966	12.5	50%	0	С	5% NaCI + LCM
Sunace	Tail	250	1.38	347	14.8	50%	858	С	5% NaCl + LCM
Intermediate 1	Lead	700	3.66	2546	10.3	35%	0	A/C	Bentonite + 1% CaCL2 + 8% NaCl + LCM
	Tail	380	1.38	526	13.2	35%	6967	A/C	5% NaCl + LCM
Production	Lead	10	3.66	53	10.3	35%	8509	A/C	Fluid Loss + Dispersant + Retarder + LCM
FIGULCION	Tail	2240	1.35	3024	13.2	10%	8809	A/C	Fluid Loss + Dispersant + Retarder + LCM

5. Mud Program

An electronic Pason mud monitoring system complying with Onshore Order 2 will be used. All necessary mud products (barite, bentonite, LCM) for weight addition and fluid loss control will be on location at all times. Mud program is subject to change due to hole conditions.

Hole Section	Hole Size (in)	Mud Type	Interval MD (ft)	Density (lb/gal)	Viscosity	Fluid Loss
Surface	17.5	Spud Mud	0 - 1158	8.4 - 8.8	28-30	NC
Intermediate 1	9.875	Diesel Bine Emulsion	1158 - 8709	8.7 - 9.4	28-30	NC
Production	8.75	Cut Brine/OBM	8709 - 19654	8.6 - 9.4	28-30	NC

6. Cores, Test, & Logs

No core or drill stem test is planned.

No electric logs are planned at this time. GR will be collected through the MWD tools from Intermediate casing to TD. CBL with CCL will be run as far as gravity will let it fall to top of curve.

7. Down Hole Conditions

No abnormal pressure or temperature is expected. Maximum anticipated surface pressure is 2514 psi. Expected bottom hole temperature is 164 F.

In accordance with Onshore Order 6, Matador does not anticipate that there will be enough H2S from the surface to the Bone Spring formations to meet the BLM's minimum requirements for the submission of a "H2S Drilling Operation Plan" or "Public Protection Plan" for the drilling and completion of this well. Since we have a H2S safety package on all wells, attached is a "H2S Drilling Operations Plan." Adequate flare lines will be installed off the mud/gas separator where gas may be flared safely. All personnel will be familiar with all aspects of safe operation of the equipment being used.

Casing Table Specification Sheet

Boros Federal 113H SHL: 430' FNL & 2323' FEL Section 15 BHL: 100' FSL & 2310' FEL Section 22 Township/Range: 26S 31E Elevation Above Sea Level: 3225

String	Hole Size (in)	Set MD (ft)	Set TVD (ft)	Casing Size (in)	Wt. (Ib/ft)	Grade	Joint	Collapse	Burst	Tension
Surface	17.5	0 - 1158	0 - 1158	13.375 54.5	54.5	J-55	BUTT	1.125	1.125	1.8
Intermediate 1	9.875	0 - 8709	0 - 8709	7.625	29.7	29.7 P-110	BUTT	1.125	1.125	1.8
Production	8.75	0 - 19654	0 - 9352	5.5	20	P-110	Hunting TLW	1.125	1.125	1.8