

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.

OCD Hobbs

5. Lease Serial No.
NMNM53380

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
CAVINESS 10 FEDERAL 39. API Well No.
30-025-2998110. Field and Pool or Exploratory Area
MESCALERO ESCAR BS11. County or Parish, State
LEA COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2****HOBBS OCD**

NOV 06 2017

RECEIVED

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

MATADOR PRODUCTION COMPANY

Contact: TAMMY R LINK

Email: tlink@matadorresources.com

3a. Address

5400 LBJ FREEWAY, SUITE 1500
DALLAS, TX 75240

3b. Phone No. (include area code)

Ph: 575-627-2465

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 10 T18S R33E Mer NMP SENW 2310FNL 330FEL

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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: NMB0001079

Surety Bond: RLB0015172

See Attached Process and Wellbore Schematic

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #384889 verified by the BLM Well Information System
For MATADOR PRODUCTION COMPANY, sent to the Hobbs
Committed to AFMSS for processing by MUSTAFA HAQUE on 10/24/2017 ()

Name (Printed/Typed) TAMMY R LINK

Title PRODUCTION ANALYST

Signature (Electronic Submission)

Date 08/16/2017

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Mustafa Haque

Title

PETROLEUM ENGINEER

Date 10-30-2017

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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.

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

K2

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

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.

5 Lease Serial No **NMNM53380**

6 If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator **Matador Production Company**

3a Address **5400 LBJ Freeway, Suite 1500
Dallas, TX 75240**

3b Phone No (include area code)
(575) 623-6601

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 10 SENW, T18S, R33E; 2310' FNL & 330' FEL

7 If Unit of CA/Agreement, Name and/or No

8 Well Name and No. **Caviness 10 Federal #3**

9 API Well No **30-025-29981**

10 Field and Pool or Exploratory Area
Mescalero Escar Bone Spring

11 Country or Parish, State
Lea County, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 recompleate 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 recompleation 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.)

- o R/U Workover rig and pull rods and tubing currently in hole
- o RIH with WL and log with pulsed neutron tool from TD to top of cement
- o RIH with 2 7/8" work string and set cement retainer at 8473'.
 - Squeeze existing perforations at 8573'-8646' with 30bbbls of Class H cement, performing hesitations at 2-5 min intervals.
- o Drill out cement retainer and cement. Pressure test to 500 psig for 30 min.
- o RIH with WL and perforate from 9240'-9260', 42 shots total.
- o RIH with 2 7/8" work string and retrievable packer and stimulate perforation with 528k lbs proppant and 8480 bbls of fluid.
- o RIH with 2 3/8" tubing and produce up tubing string

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Chris Villarreal

Operations Engineer

Title

Signature

Date

08/17/2017

THE SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

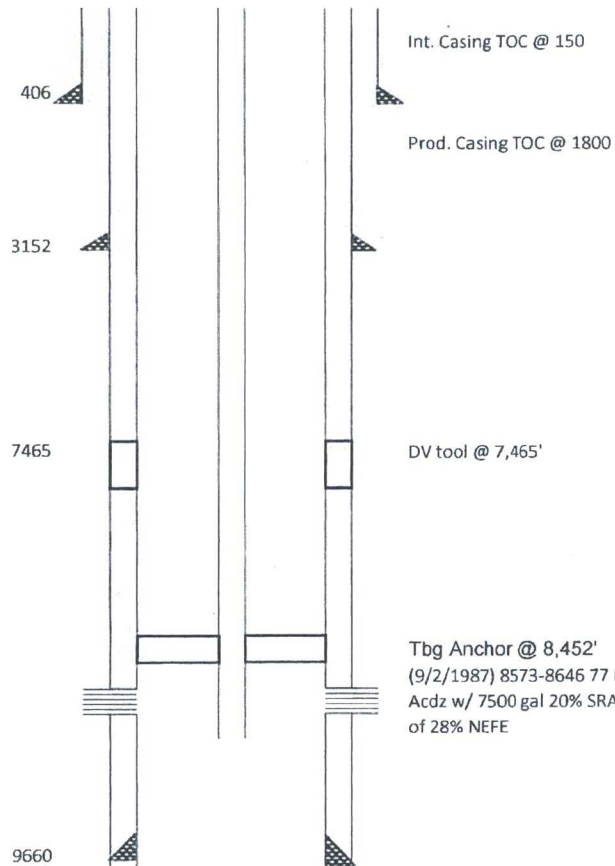
Office

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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

the United States

(Instructions on page 2)

Caviness 10 Federal #3
 2310' FNL & 330' FEL Sec 10 - 185 - 33E
 Lea County, NM
 API: 30-025-29981
 CURRENT WELLBORE SCHEMATIC
 Spudded: 8/5/1987



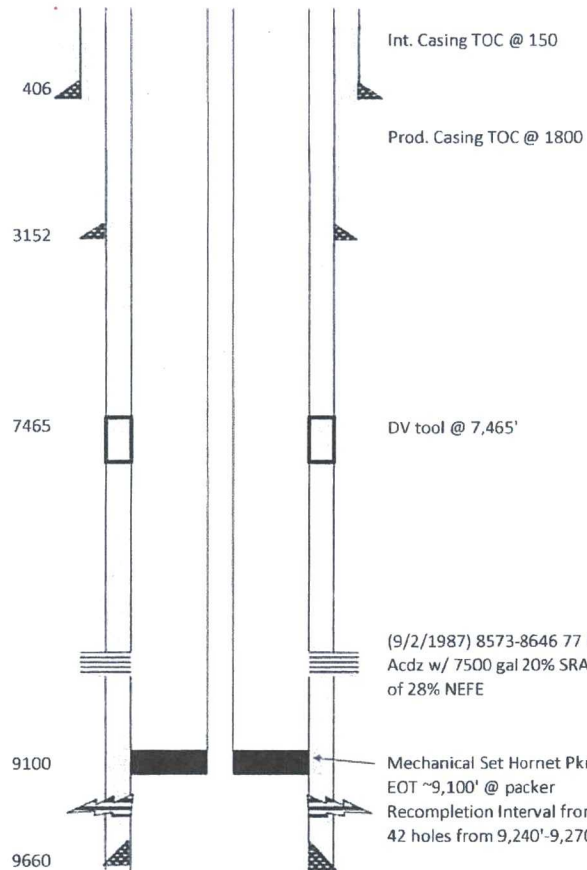
Casing Information						
	Hole Size	Casing Size	Type	Weight lb/ft	Joints	Depth Set
Surface	17 1/2	13 3/8		48	10	406
Intermediate	11	8 5/8	J-55	24, 32	75	3152
Production	7 7/8	5 1/2	J-55	17	233	9,660
	DV Tool Marker It. Float Collar	7465				

Cementing Record	
Surface	400 sks CI "C" (Circulated)
Intermediate	(1)300 sks DLW II & 200 sks CI "C" & (2)430 sks DLW III & 100 sks "C" (TOC @ 150')
Production	(1)125 sks DLW III & 445 sks "H" (2)1340 sks DLW III & 100 sks "H" Neat (TOC @ 1800')

Tubing		Rods		Geologic Markers	
Joints	267	Total	348	Rustler	1586
Diam.	2 3/8	7/8"	99	Cowden	
PBTD	9600	3/4"	228	Yates	3051
TA	8452	7/8"	21	Yates "A"	
SN	8736	1"		7 Rivers	3482
		Pony	4'	Bowers	3968
		Pump		Queen	
		2 x 1 1/4 x 24'		Penrose	4483
				Grayburg	
				San Andres	
				Delaware	5852
				Bone Spring	6508

Caviness 10 Federal #3
 2310' FNL & 330' FEL Sec 10 - 18S - 33E
 Lea County, NM
 API: 30-025-29981

PROPOSED WELLBORE SCHEMATIC
 Spudded: 8/5/1987



Casing Information						
	Hole Size	Casing Size	Type	Weight lb/ft	Joints	Depth Set
Surface	17 1/2	13 3/8		48	10	406
Intermediate	11	8 5/8	J-55	24, 32	75	3152
Production	7 7/8	5 1/2	J-55	17	233	9,660
Tubing		2 7/8	P-110			9,100
	DV Tool	7465				
	Marker Jt.					
	Float Collar					

Cementing Record	
Surface	400 sks CI "C" (Circulated)
Intermediate	(1)300 sks DLW II & 200 sks CI "C" & (2)430 sks DLW III & 100 sks "C" (TOC @ 150')
Production	(1)125 sks DLW III & 445 sks "H" (2)1340 sks DLW III & 100 sks "H" Neat (TOC @ 1800')

Production Csg						
OD	ID	bbls/ft	Type	Weight lb/ft	100% Burst	100% Collapse
5.5	4.892	0.0232	J-55	17	5,320	4,910

Tubing							
OD	ID	bbls/ft	Type	Weight lb/ft	Conn	100% Burst	100% Collapse
2.875	2.323	0.00524	P-110	7.8	PH-6	18,480	19,090

(9/2/1987) 8573-8646 77 Holes
 Acdz w/ 7500 gal 20% SRA & 10000 gal
 of 28% NEFE

Mechanical Set Hornet Pkr
 EOT ~9,100' @ packer
 Recompletion Interval from 9,185'-9,299'
 42 holes from 9,240'-9,270'

Caviness 10 Fed 3
30-025-29981
Matador Production Company
Conditions of Approval

Notify BLM at 575-361-2822 (Eddy County) or 575-393-3612 (Lea County) a minimum of 24 hours prior to commencing work.

Work to be completed by January 30, 2018.

1. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.
2. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
3. Surface disturbance beyond the originally approved pad must have prior approval.
4. Closed loop system required.
5. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
6. Operator to have H2S monitoring equipment on location.
7. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
8. **Subsequent sundry required detailing work done, a C-102 form, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.**

9. See attached for General Plugback Guidelines

MHH 10302017

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Production Zone Conditions of Approval

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. Plug back operations shall commence within ninety (90) days from this approval. **If you are unable to plug back 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 back. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

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.

Before pumping 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. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back 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 work was completed.** If plugging back to a new zone submit a Completion Report, form 3160-4 with the Subsequent Report.

7. **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.