

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

Ken McQueen
Cabinet Secretary

Matthias Sauer
Matthias Sayer
Deputy Cabinet Secretary

Heather Riley, Division Director
Oil Conservation Division



January 03, 2019

MATADOR PRODUCTION COMPANY

Ava Monroe
One Lincoln Centre
5400 LBJ Freeway, Ste 1500
Dallas, TX 75240

RE: NOTIFICATION OF UIC TESTING FOR 2019

**TESTING TO BE PERFORMED BEFORE AUGUST 31 2019. REPORTS TO BE
SUBMITTED TO THE HOBBS OCD OFFICE WITHIN 30 DAYS OF TEST.**

Operator:

Under the provisions of NMOCD Rule 19.15.26.10. (A), an operator of an INJECTION or SWD well or producing well in a specially designated area, must maintain and periodically test these wells for mechanical integrity.

Your company currently has wells (listed in attachment) which are due for testing during the 2019 calendar year.

NMOCD District 1 requires you must verbally communicate with District personnel to schedule all well testing in order for the test to be witnessed. The contact for District 1 is Maxey Brown 575-3936161. Ext-102 or George Bower at Ext. 107.

The attachment indicates the type of test to be performed, Bradenhead or Pressure test. Also attached are instructions for performing a Bradenhead Test and a Pressure test. Please call for assistance or an explanation of how these tests need to be performed, if needed.

Please forward these forms and instructions to all field personnel performing these tests before testing will be scheduled.

In the event a well falling under the provisions of the Underground Injection Control program, is not listed on the attached list, please bring this to our attention.

State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst Gabriel Wade, Acting Director Cabinet Secretary Designate Oil
Conservation Division



**OIL CONSERVATION DIVISION
NOTICE TO OTL AND GAS OPERATORS**

**PROHIBITION OF CERTAIN ANNULAR ADDITIVES FOR USE IN
RESTORING THE MECHANICAL INTEGRITY OF UIC WELLS**

On April 5, 2010, the United States Environmental Protection Agency (EPA) Region 6 issued a formal correspondence re-stating guidance on the use of additives to the annulus of Underground Injection Control (UIC) wells to seal leaking well components. The EPA provided this guidance in accordance with the Safe Drinking Water Act (SDWA) and based on the recommendations of the National UIC Technical Workgroup Final Work Product Use of Additives to Address Leaks in Deep Injection Wells. It was developed to ensure protection of underground sources of drinking water (USDWs) from potential endangerment posed by the use of the annulus additives in injection wells to successfully comply with the mechanical integrity (MI) requirements of the UIC program. This correspondence stated:

Based on a recent internal review of Class II injection wells that contain a 300PSI annulus additive in the Osage Mineral Reserve, Osage County, Oklahoma, EPA Region 6 will no longer allow the 300PSI annulus additive for the purpose of demonstrating mechanical integrity of injection wells under its underground injection control (UIC) direct replenishment programs. This decision is effective immediately and is based on the fact that a significant percentage of wells containing a 300PSI product either failed the initial or a subsequent pressure test due to insufficient fluid flowback at the conclusion of the required test. Insufficient fluid flowback volume indicates that the test pressure as measured at the wellhead

~~may not have been applied to the entire casing-tubing annular space. Through this~~

letter, we also notify all State UIC Primacy programs in Region 6 of our determination.
[300PSI SEAL & LOCKER Casing Repair System]

Following York Product annular additives must be individually tested and demonstrate their effectiveness. An operator applying for approval of the use of any additive for restoring MI must

provide documentation of tests that demonstrate the ability of the product to prevent annulus liquids

from flowing through simulated leaks. Any additive used to restore MI must be marketed by its manufacturer for the purpose of stopping leaks for the long term. The manufacturer must stand behind

the product and be willing to work with injection well operators and the EPA to develop a testing and use history which will provide assurance that the product is effective. At this time, there are no annular additives that satisfy these requirements and are approved by Division for use in sealing leaking wells.

This notice is to serve as reminder for the operators of injection wells that will require tests as the new calendar year begins. Please contact IVfr. Daniel Sanchez, UIC Program Director, (claniel.sanchez@state.nm.us; 505.476.3493) with any questions regarding this UIC guidance.

DAVID R. CATANACH, Director

December 15, 2016

1220 South St. Francis Drive Santa Fe New Mexico 87505
Phone (505) 476-3440 • Fax (505) 476-3462 • email: wwmemnrd.state.nm.us/ocd

1625N. French Drs, Hobbs, NM 88240
Phone: (575) 391-6161 Fax: (575) 393-0721)

State of New Mexico
Energy, Minerals and Natural Resources Department Oil
Conservation Division I-Iobbe District Office

BRADENHEAD TEST REPORT

Operator Name <i>Matador Production Company</i>		API Num <i>30-025-26547</i>	
Property Name <i>Antelope Ridge 24 Sudo</i>		C No. <i>#1</i>	
Surface Location			

UL - Lot	Section	Township	Range	Feet from	N/S Line	Feet from	E/W Line	County
<i>K</i>	<i>24</i>	<i>23S</i>	<i>34E</i>	<i>1980</i>	<i>S</i>	<i>1980</i>	<i>W</i>	<i>Lea</i>

Well Status

TAD WELL YES	<i>NO</i>	SHUT-IN YES	<i>NO</i>	INJ	INJECTOR <i>SWD</i>	PRODUCER OIL	GAS	DATE <i>3-25-2019</i>
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OBSERVED DATA

TBL

	(A) Surface	(B) Interval 1	(C) Interval 2	(D) Prod Casing	(E) Tubing
Pressure	<i>950 PSI</i>	<i>0 PSI</i>	<i>0 PSI</i>	<i>0 PSI</i>	
Flow Characteristics					
Pull	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	CO ₂ <input type="checkbox"/>
Steady Flow	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	WTR <input type="checkbox"/>
Surges	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	GAS <input type="checkbox"/>
Down to nothing	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	Type of fluid
Gas or Oil	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	Injected for
Water	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	<i>Y / N</i>	Water level & applied

Designate what applies to the result of opening the valves for each string:

- Blow or Puff
- Bled down to Nothing
- Steady Flow
- Oil or Gas
- Water

Yes or No
Yes or No
Yes or No
Yes or No
Yes or No

Start: Injection or SWD pump so tubing pressure can be read.

Instructions below apply to the District 1 Hobbs office since this must be reported on a form.

In case of pressure:

1. Record pressure reading on gauge.
2. Bleed and note time elapsed to bleed down.
8. Leave valve open for additional observation.
4. Note any fluids expelled.

In absence of Pressure:

- 1, Leave valve open for additional observation.
2. Note types of fluids expelled.
3. Note if fluids persist throughout test.

Note Tubing pressure on injection or SWD wells.

Test will be signed by person performing test with a contact phone number.

(enlarge — lease state casing string,) pertinent information regarding well down or continuous build up it applies.
IA

Signature: <i>Tito Aguirre</i>		OIL CONSERVATION DIVISION
Printed name: <i>Tito Aguirre</i>		Entered into RBDMS
		Re-test
E-mail Address: <i>tmaguirre63@outlook.com</i>		
Date: <i>3-25-2017</i>	Phone: <i>575 513 8040</i>	
	Witness:	

INSTRUCTIONS

BACK OF THIS FORM

FORMING BRADENHEAD TEST

General Procedure for Bradenhead Test

Identify: All valves prior to testing

Gauges: Install on each casing string to record pressure.

Assure: That all valves are in good working condition and closed at least 24 hours prior

to testing.

Open: Each valve (Bradenhead, -intermediate and casing valves) is to be opened separately.

Check Gauges: Record pressure on each gauge and casing string on BHT form:

Open valves to atmosphere and record results on BHT form.

Thank you for your cooperation and please contact us for further assistance. Please mail or deliver required test results to the Hobbs OCD Office.

Maxey Brown, District Supervisor

Office: (575) 393-6161 ex 102

Email: MaxeyG.Brown@state.nm.us

District 1 Information on reverse side of page

1625 N. French Drive Hobbs, New Mexico 88240

Phone (575) 393-6161 • Fax (575) 393-0720 • www.emnrd.state.nm.us/oed

Email Kerry.Fortner@state.nm.us

575-399-3221