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|------------------------------------|--|--------------------------------------|
| Well Name: UNCLE CHES 2116 FED COM | Well Location: T20S / R35E / SEC 21 / SESW / 32.5521085 / -103.4650448 | County or Parish/State: LEA / NM |
| Well Number: 125Y | Type of Well: OIL WELL | Allottee or Tribe Name: |
| Lease Number: NMNM132079 | Unit or CA Name: | Unit or CA Number: |
| US Well Number: 3002547338 | Well Status: Temporarily Abandoned | Operator: MATADOR PRODUCTION COMPANY |

Notice of Intent

Sundry ID: 2634618

Type of Submission: Notice of Intent Type of Action: Temporary Abandonment

Date Sundry Submitted: 09/16/2021 Time Sundry Submitted: 01:06

Date proposed operation will begin: 09/17/2021

Procedure Description: BLM Bond No. NMB001079 Surety Bond No. RLB0015172 Matador Production Company is requesting to Temporary Abandon the Uncle Ches 2116 Federal Com #125H (API 30-025-47338). During normal drilling operations the well became stuck. Sundry ID 2633265 requests approval to drill a replacement well which also changes the original well name to the #125Y. On this original well, two retrievable bridge plugs will be set inside 9-5/8" casing at a depth of 2050 feet and 525 feet. The well will also be left with a full column of 8.7 ppg water based mud fluid. A wellhead TA cap will be installed with a pressure gauge. After drilling operations are completed on this pad, Matador will evaluate options for remedial operations on this well.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Accepted for Record Only

SUBJECT TO LIKE
APPROVAL BY BLM

K7

NMOCD 10/8/21

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Page 2 of 6

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Conditions of Approval

Specialist Review
Uncle_Chess_2116_Fed_Com_125Y_TA_COA_20210920080142.pdf

Operator Certification

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 submission of Form 3160-5 or a Sundry Notice.

| | |
|--|----------------------------------|
| Operator Electronic Signature: NICKY FITZGERALD | Signed on: SEP 16, 2021 09:23 AM |
| Name: MATADOR PRODUCTION COMPANY | |
| Title: Regulatory | |
| Street Address: 5400 LBJ FREEWAY STE 1500 | |
| City: DALLAS | State: TX |
| Phone: (972) 371-5448 | |
| Email address: nicky.fitzgerald@matadorresources.com | |

Field Representative

| | | |
|----------------------|--------|------|
| Representative Name: | | |
| Street Address: | | |
| City: | State: | Zip: |
| Phone: | | |
| Email address: | | |

BLM Point of Contact

| | |
|------------------------------|---|
| BLM POC Name: ZOTA M STEVENS | BLM POC Title: Petroleum Engineer |
| BLM POC Phone: 5752345998 | BLM POC Email Address: ZSTEVENS@BLM.GOV |
| Disposition: Approved | Disposition Date: 09/20/2021 |
| Signature: Zota Stevens | |

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

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, **placed with tubing**.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...**

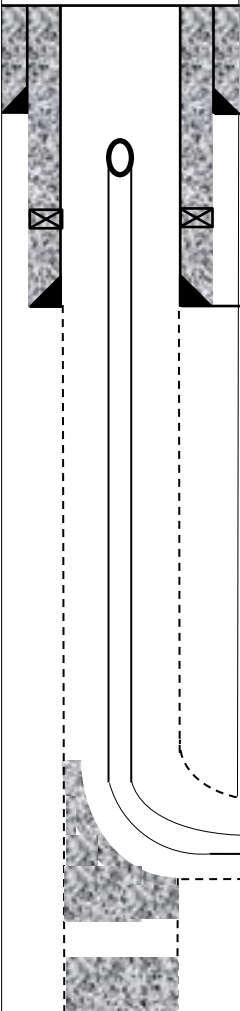
Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's.**
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. **Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.**

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

Well Name: UNCLE CHES 2116 FED COM 125Y. Submit Subsequent Report and well bore diagram with all Perforations and CIBP with tops of cement. Well may be approved to be TA for a period of 6 months or until 03/31/2022 after successful MIT and subsequent report is submitted. If well is not brought into production by 03/31/2022, operator shall P&A the well.

| WELL: Uncle Ches 2116 Fed Com #125H | | PROSPECT: 2 nd Bone Spring Sand | | API No: 30-025-47338 | |
|---|---|---|--------|--|--|
| GL Elevation: 3717' | | Surface Hole Location: 260' FSL & 1797' FWL | | Proposed Bottom Hole 60' FNL & 330' FWL | |
| RKB Elevation: 3745.5' | | Sec 21, TWP 20S, RGE 35E Lea County, NM | | Location: Sec 16, TWP 20S, RGE 35E Lea County, NM | |
| Well Details | CASING DIAGRAM | Depth | Hole | Casing & Cement Details 24" 94# H40 Conductor @ ± 148' KB | |
| RBP @ 520'-529' MD, 500 psi test |  | 2028' | 20" | Surf. Csg Cmt: Lead: 517 bbls 13.5 ppg Class C Tail: 136 bbls 14.8 ppg Class C Circulate 167 bbls to surface 13-3/8", 54.5#, J-55, BTC @ 2050' | |
| RBP @ 2042'-2051' MD, 500 psi test Casing Obstruction @ 2556' MD Top of Fish @ 2661.5' MD | | 6044' | 12.25" | Int. Csg Cmt: 1 st Stage Lead: 235 bbls 10.4 ppg CPT-Trident LWC 1 st Stage Tail: 200 bbls 13.5 ppg Class C DV/PKR Tool @ 2370' MD 2 nd Stage: 312 bbls 13.5 ppg Class C Circulate 102 bbls to surface 9-5/8", 40#, J-55, BTC @ 0-3803' 9-5/8", 40#, L-80, BTC @ 3803-6044' | |
| Open Hole filled with 8.7 ppg WBM | | | | | |

Page 5 of 6

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District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 50527

CONDITIONS

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|---|--|
| Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240 | OGRID: 228937 |
| | Action Number: 50527 |
| | Action Type: [C-103] NOI Temporary Abandonment (C-103I) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-----------------------|----------------|
| kfortner | BLM approval required | 10/8/2021 |