Received by NCD: \$/19/2024 10:30:53 AM U.S. Department of the Interior BUREAU OF LAND MANAGEMENT		Sundry Print Report 03/19/2024
Well Name: SILVER FED COM	Well Location: T20S / R33E / SEC 16 / TR A / 32.580084 / -103.66147	County or Parish/State: LEA / NM
Well Number: 124H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM094851	Unit or CA Name:	Unit or CA Number:
US Well Number: 3002551290	Well Status:	Operator: MATADOR PRODUCTION COMPANY

Notice of Intent

Sundry ID: 2776118

Type of Submission: Notice of Intent

Date Sundry Submitted: 02/21/2024

Date proposed operation will begin: 02/21/2024

Type of Action: APD Change Time Sundry Submitted: 03:38

Procedure Description: Silver #124H API 30-025-51290 – Remediation Procedure Verbally approved by Saman Akhtarmanesh February 2nd 2024 Notice of remediation operation start sent via email on February 5th 2024 *email chain attached. Please see the attached documents including a remediation procedure, summary of actual operations, pressure test charts, final plats with hardlines, and email correspondence with BLM representatives. An expandable liner was successfully installed on February 19th, 2024 with passing 30 minute positive pressure and negative pressure tests to 2,600 psi and 0 psi respectively. The current first take point of the well is 10,712' MD.

NOI Attachments

Procedure Description

Silver__124H_NOI_Documentation_20240221153612.pdf

I	eceived by OCD: 3/19/2024 10:30:53 AM Well Name: SILVER FED COM	Well Location: T20S / R33E / SEC 16 / TR A / 32.580084 / -103.66147	County or Parish/State: LER 2 of 17 NM
	Well Number: 124H	Type of Well: OIL WELL	Allottee or Tribe Name:
	Lease Number: NMNM094851	Unit or CA Name:	Unit or CA Number:
	US Well Number: 3002551290	Well Status:	Operator: MATADOR PRODUCTION COMPANY

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: NICKY FITZGERALD

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS

State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

Field

Representative Name: Street Address: City: State: Phone: Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS BLM POC Phone: 5752342234 Disposition: Approved Signature: Chris Walls BLM POC Title: Petroleum Engineer BLM POC Email Address: cwalls@blm.gov Disposition Date: 03/18/2024

Zip:

Signed on: FEB 21, 2024 03:36 PM

Received by OCD: 3/19/2024 10:30:53 AM

<i>Ceceiveu by OCD: 3/19/2024</i>	10:50:55 AM			ruge	e 5 0j
	UNITED STATI EPARTMENT OF THE I REAU OF LAND MAN	5. Lease S	FORM APPROVED OMB No. 1004-0137 Expires: October 31, 2021 5. Lease Serial No.		
Do not use this		ORTS ON WELLS to drill or to re-enter an APD) for such proposals.	6. If Indiar	in, Allottee or Tribe Name	
SUBMIT I	NTRIPLICATE - Other instr	ructions on page 2	7. If Unit o	of CA/Agreement, Name and/or No.	
1. Type of Well					
	s Well Other		8. Well Na	ame and No.	
2. Name of Operator			9. API We	ell No.	
3a. Address		3b. Phone No. <i>(include area code)</i>	10. Field a	and Pool or Exploratory Area	
4. Location of Well (Footage, Sec., 7	.,R.,M., or Survey Description)	11. Countr	ry or Parish, State	
12. CH	IECK THE APPROPRIATE E	BOX(ES) TO INDICATE NATURE (OF NOTICE, REPO	PRT OR OTHER DATA	
TYPE OF SUBMISSION		TYPE	E OF ACTION		
Notice of Intent	Acidize	Deepen [Hydraulic Fracturing	Production (Star	urt/Resume) Water Shut-Off Well Integrity	
Subsequent Report	Casing Repair Change Plans	New Construction	Recomplete	Other	
Final Abandonment Notice	Convert to Injection	n Plug Back	Water Disposal		
the proposal is to deepen direction the Bond under which the work we completion of the involved opera	onally or recomplete horizontal will be perfonned or provide th ations. If the operation results i	lly, give subsurface locations and me ne Bond No. on file with BLM/BIA. I in a multiple completion or recomple	asured and true verti Required subsequent tion in a new interva	proposed work and approximate duration there tical depths of all pertinent markers and zones. It reports must be filed within 30 days followin al, a Form 3160-4 must be filed once testing ha ppleted and the operator has detennined that the	Attach ng as been

14. I hereby certify that the foregoing is true and correct. Name (<i>Printed/Typed</i>)			
Т	itle		
Signature D	ate		
THE SPACE FOR FEDER	AL OR STATE C	FICE 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.			
Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any pany false, fictitious or fraudulent statements or representations as to any matter within it		rillfully to make to any department or ager	ncy of the United States

(Instructions on page 2)

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This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

SPECIFIC INSTRUCTIONS

Item 4 - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

Item 13: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c)and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: TR A / 115 FNL / 548 FEL / TWSP: 20S / RANGE: 33E / SECTION: 16 / LAT: 32.580084 / LONG: -103.66147 (TVD: 0 feet, MD: 0 feet) PPP: TR P / 0 FNL / 417 FEL / TWSP: 20S / RANGE: 33E / SECTION: 4 / LAT: 32.594899 / LONG: -103.661129 (TVD: 10100 feet, MD: 15090 feet) PPP: TR I / 1323 FSL / 425 FEL / TWSP: 20S / RANGE: 33E / SECTION: 4 / LAT: 32.598536 / LONG: -103.661123 (TVD: 10100 feet, MD: 16414 feet) PPP: TR H / 2653 FNL / 434 FEL / TWSP: 20S / RANGE: 33E / SECTION: 4 / LAT: 32.602173 / LONG: -103.661117 (TVD: 10100 feet, MD: 17737 feet) PPP: TR H / 2639 FSL / 435 FEL / TWSP: 20S / RANGE: 33E / SECTION: 4 / LAT: 32.587653 / LONG: -103.661114 (TVD: 10100 feet, MD: 12454 feet) PPP: TR H / 2639 FSL / 445 FEL / TWSP: 20S / RANGE: 33E / SECTION: 9 / LAT: 32.584027 / LONG: -103.661146 (TVD: 10100 feet, MD: 11135 feet) PPP: TR I / 1320 FSL / 448 FEL / TWSP: 20S / RANGE: 33E / SECTION: 9 / LAT: 32.584027 / LONG: -103.661146 (TVD: 10100 feet, MD: 11135 feet) BHL: TR A / 100 FNL / 450 FEL / TWSP: 20S / RANGE: 33E / SECTION: 4 / LAT: 32.609189 / LONG: -103.661106 (TVD: 10100 feet, MD: 20289 feet)

Silver #124H API 30-025-51290 – Remediation Procedure

Verbally approved by Saman Akhtarmanesh February 2nd 2024

Notice of remediation operation start sent via email on February 5th 2024 *email chain attached

Heel Hardline: 10,491' MD

Lease Line Intersection: 10,389' MD

Current First Take Point: Perforation at 10,214' MD

- 1. MIRU workover rig and all auxiliary equipment. Kill well and ensure WHP = 0 psi before proceeding.
- 2. Cleanout well to ~10,792' MD or approximately 100' past planned expandable liner set depth.
- 3. Set correlation bridge plug (BP) at ~10,702' MD or approximately 10' past planned expandable liner set depth.
- 4. Set expandable liner from ~10,692' (10' above BP) to ~9,800' MD (approximately 30 degrees in the curve).
- 5. Perform positive pressure test on wellbore and liner from correlation BP to surface at 2,500 psi for 30 minutes.
- 6. Perform negative pressure test on wellbore and liner from correlation BP to surface for 30 mins.
- 7. Mill correlation bridge plug.

Proposed First Take Point: 10,712' (221' MD inside Heel Hardline and 323' MD inside Lease Line)

•

Silver #124H API 30-025-51290: Remediation – Actual Results

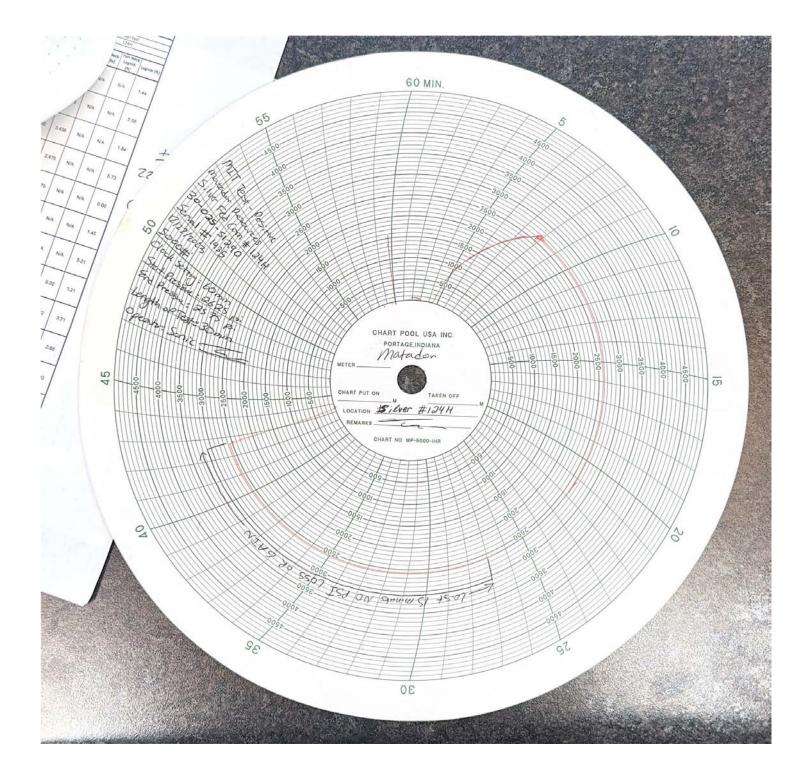
Heel Hardline: 10,491' MD

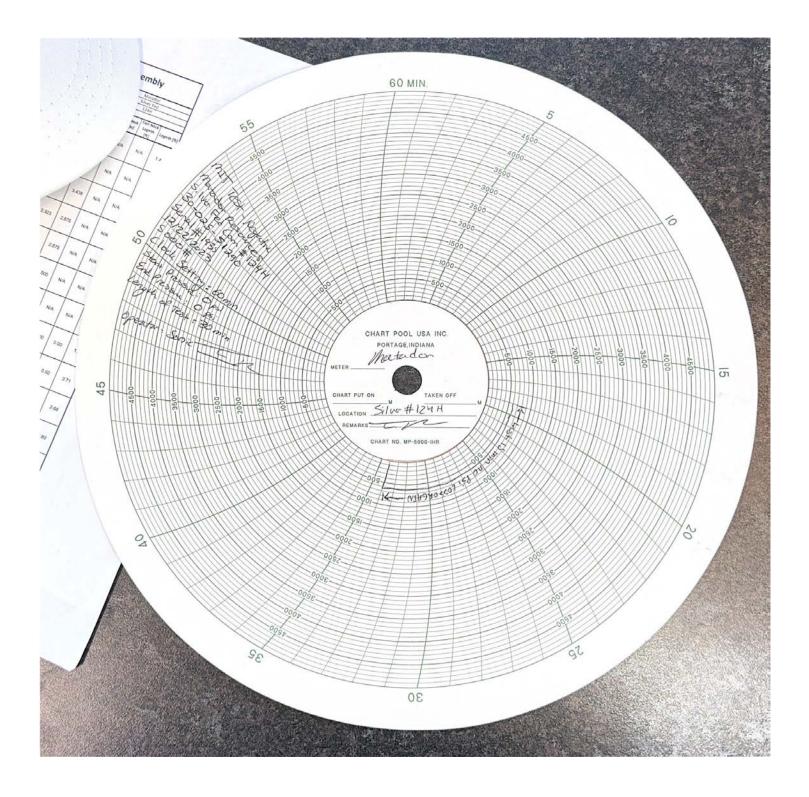
Lease Line Intersection: 10,389' MD

New First Take Point: 10,712' MD

- 1. MIRU workover rig and all auxiliary equipment. Kill well and ensure WHP = 0 psi before proceeding.
- 2. Cleanout well with Coretrax string mill BHA to ~10,792' MD.
- 3. Set correlation bridge plug (BP) at 10,705' MD.
- 4. Cleanout well with Coretrax string mill BHA #2 to ~10,700' MD.
- 5. Set expandable liner from 10,690' MD to 9,769' MD.
- Perform positive pressure test on wellbore and liner from correlation BP to surface at 2,600 psi for 30 minutes, good test *chart attached.
- 7. Perform negative pressure test on wellbore and liner from correlation BP to surface for 30 mins, good test *chart attached.
- 8. Mill correlation bridge plug.

New First Take Point: 10,712' (221' MD inside Heel Hardline and 323' MD inside Lease Line)





Received by OCD: 3/19/2024 10:30:53 AM

 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 Road, Aztec, NM 87410

 Phone: (505) 334-6178 Fax: (505) 334-6170

 District IV

 1220 S. St. Francis Dr., Santa Fe, NM 87505

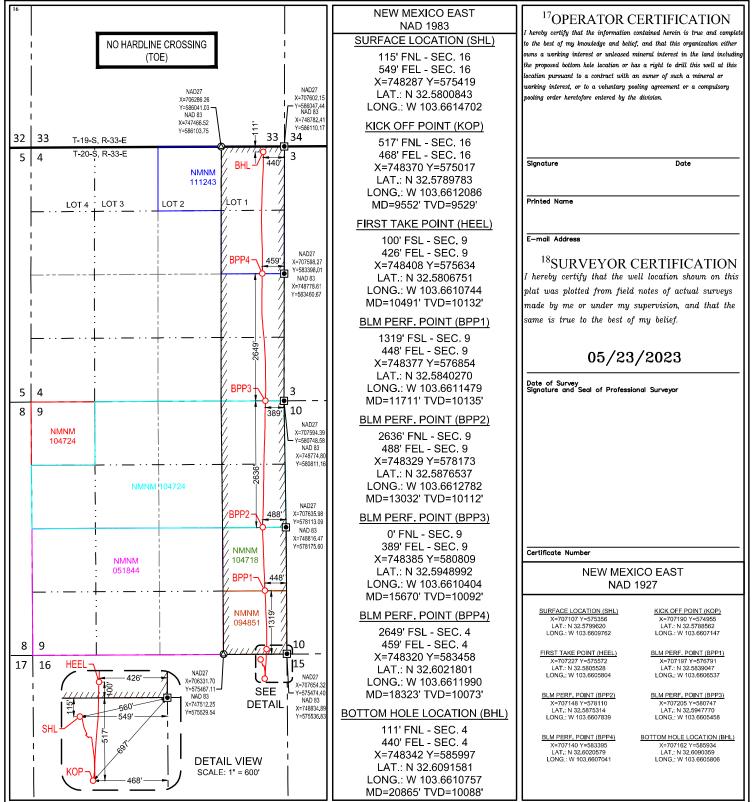
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505 FORM C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT

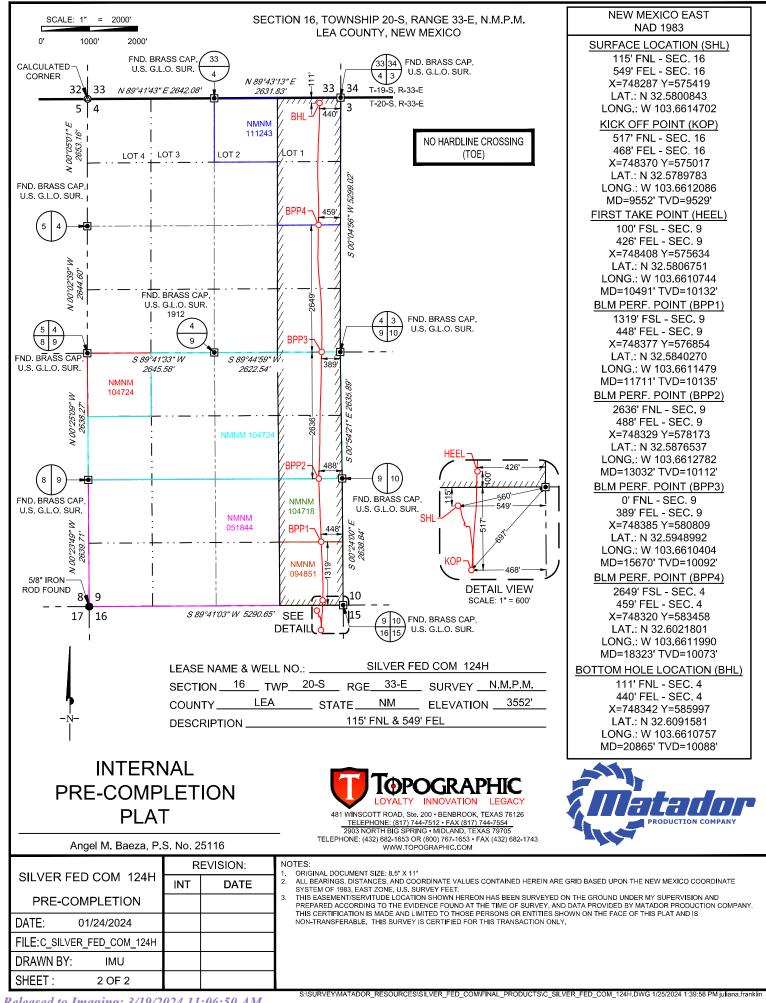
				A	AS-COMPLE	TED PLAT			
¹ API Number ² Pool Code ³ Pool Name							ime		
⁴ Property C	Code				⁵ Property I			٥٧	Well Number
					SILVER FE	D COM			124H
⁷ OGRID N	No.				⁸ Operator 1	Name			⁹ Elevation
				MATADO	R PRODUC	TION COMPA	NY		3552'
	¹⁰ Surface Location								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	16	20-S	33-E	-	115'	NORTH	549'	EAST	LEA
			11	Bottom Ho	le Location If I	Different From Su	rface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	4	20-S	33-E	-	111'	NORTH	440'	EAST	LEA
¹² Dedicated Acres 320.21	¹³ Joint or 1	Infill ¹⁴ C	onsolidation Co	de ¹⁵ Ord	ler No.				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



Released to Imaging: 3/19/2024 11:06:50 AM

S:\SURVEY\MATADOR_RESOURCES\SILVER_FED_COM\FINAL_PRODUCTS\C_SILVER_FED_COM_124H.DWG 1/25/2024 1:39:56 PM juliana.franklin



Released to Imaging: 3/19/2024 11:06:50 AM

Garrett Hunt

From:	Blake Hermes
Sent:	Monday, February 05, 2024 7:26 AM
То:	Cliff Humphreys; Immatty, Keith P; Akhtarmanesh, Saman; Vo, Long T
Cc:	Jackson Driggs; Waylon Wolf; Garrett Hunt
Subject:	RE: [EXTERNAL] RE: Silver Fed Com, Well Number 114H, 124H
Attachments:	Silver Fed Com 114H_Final Survey_with Annotations.xlsx; Silver Fed Com 124H_Final Survey_with Annotations.xlsx; C_SILVER_FED_COM_114H.pdf; C_SILVER_FED_COM_ 124H.pdf; Silver #114H #124H Perforation Isolation Procedure_v5.docx

Saman,

As per our conversation, attached are final surveys with annotations of the lease line, hardline, current top perforation and updated top perforations (both wells will be back inside of the heel hardline) after the liner is set. I have also attached the as drilled plats and updated procedures that include both negative and positive pressure test.

As discussed, we will be moving in a workover rig on Monday to perform operations as described and will submit an NOI sundry once completed with charted pressure test and operations summary.

We really appreciate your timeliness in handling this and will be in contact if anything changes.

Below are the updated depths: **Silver Fed Com #114H:** Heel Hardline (from plat) – 9,615' MD New First Take Point Post Liner Set – 9,673' MD New First Take Point is 58' MD inside Hardline

Silver Fed Com #124H: Heel Hardline (from plat) – 10,491' MD New First Take Point Post Liner Set – 10,712' MD

New First Take Point is 221' MD inside Hardline

Thanks,

Blake Hermes | Drilling Manager

Matador Resources Company | 5400 LBJ Fwy | Suite 1500 | Dallas, Texas 75240 Office: 972-371-5485 | Cell: 713-876-8558 bhermes@matadorresources.com



From: Cliff Humphreys <chumphreys@matadorresources.com>
Sent: Thursday, February 1, 2024 4:58 PM
To: Vo, Long T <lvo@blm.gov>; Immatty, Keith P <kimmatty@blm.gov>; Akhtarmanesh, Saman
<sakhtarmanesh@blm.gov>
Cc: Jackson Driggs <JDriggs@matadorresources.com>; Waylon Wolf <WWolf@matadorresources.com>; Garrett Hunt
<GHunt@matadorresources.com>; Blake Hermes <BHermes@matadorresources.com>
Subject: RE: [EXTERNAL] RE: Silver Fed Com, Well Number 114H, 124H

Long,

Thank you for your feedback. The collapse testing report in CX-TR-013C that you referenced is representative of a 5.5" liner that is meant to be run in 7" OD casing. The minimum yield collapse pressures are higher on the smaller OD liners that we intend to run.

I retrieved a specification sheet that is more up-to-date than the previous sheet I sent yesterday. Please direct your attention to the 5.5" 20 lb/ft and 23 lb/ft options. The pre-expansion OD of these liners is 4.25" OD, and they are meant to be run in 5.5" casing. The post expansion collapse pressures for liners that can be set in 5.5" 20 lb/ft and 23 lb/ft options. These ratings are representative of the minimum material requirements, and provide a collapse safety factor of at least 1.67 assuming a bottom hole pressure of 4,494 psi.

More importantly, I have also attached specifications for material from the *exact batch* as the liner that we intend to run in the 5.5" 23 lb/ft casing on the Silver #114H. For QC purposes, samples are taken from each Batch (Heat) during manufacturing, and individual specifications are assigned. The post-expansion collapse pressure on this material is 8,780 psi.

In the Silver Fed Com #124H well, we will be running a liner fit for 5.5" 20 lb/ft casing. We are awaiting the QC results from the specific batch number for this liner. The ratings will meet or exceed the collapse pressure ratings of 7,530 psi as listed above, or otherwise it will not be deployed.

You had also inquired yesterday about API specifications for this pipe. I was able to gather feedback regarding this subject. The expandable liner ratings use the same methods outlined by API TR 5C3. However, CoreTrax uses post-expanded material properties to account for strain hardening during the expansion process. Although the MTX-70 material grade is not directly equivalent to an API grade, it is manufactured to an equivalent and in some cases more stringent requirement than is outlined in API Specification 5CT. The MTX-70 material has a specific chemical composition that exceeds the requirements for certain API grades.

Please let me know if there are any additional questions or concerns, or if you would like to have a discussion via phone or teams.

Thank you,

CLIFF HUMPHREYS Executive Vice President of Completions Matador Resources Company Direct: <u>972-371-5288</u> Cell: <u>940-704-3268</u> Fax: 214-866-4888



From: Vo, Long T <<u>lvo@blm.gov</u>>
Sent: Thursday, February 1, 2024 10:30 AM
To: Cliff Humphreys <<u>chumphreys@matadorresources.com</u>>; Immatty, Keith P <<u>kimmatty@blm.gov</u>>; Akhtarmanesh@blm.gov>
Cc: Jackson Driggs <<u>JDriggs@matadorresources.com</u>>; Waylon Wolf <<u>WWolf@matadorresources.com</u>>; Garrett Hunt
<<u>GHunt@matadorresources.com</u>>; Blake Hermes <<u>BHermes@matadorresources.com</u>>; Subject: Re: [EXTERNAL] RE: Silver Fed Com, Well Number 114H, 124H

EXTERNAL EMAIL All,

From the Collapse testing report CX-TR-013C the test pressure of article one collapse at 4474 psi and the second at 4689 psi. I have concern that the patch will leak due to bottom hole pressure of around 4494 psi. Do you have test reports for a higher-grade material?

Regards,

Long Vo, EIT, M.Sc.

Petroleum Engineer SME Carlsbad Field Office Land and Minerals Bureau of Land Management Department of Interior 575-988-5402 Cell

From: Cliff Humphreys <<u>chumphreys@matadorresources.com</u>>
Sent: Wednesday, January 31, 2024 5:22 PM
To: Vo, Long T <<u>lvo@blm.gov</u>>; Immatty, Keith P <<u>kimmatty@blm.gov</u>>; Akhtarmanesh, Saman
<<u>sakhtarmanesh@blm.gov</u>>
Cc: Jackson Driggs <<u>JDriggs@matadorresources.com</u>>; Waylon Wolf <<u>WWolf@matadorresources.com</u>>; Garrett Hunt

<<u>GHunt@matadorresources.com</u>>; Blake Hermes <<u>BHermes@matadorresources.com</u>> Subject: [EXTERNAL] RE: Silver Fed Com, Well Number 114H, 124H

This email has been received from outside of DOI - Use caution before clicking on links, opening attachments, or responding.

Long, Keith, Saman,

Thank you all for your time earlier this afternoon. I have attached a few additional documents outlining the testing process for the proposed liner system. We also received word on the composition of the elastomer that serves as a redundant seal between each metal-to-metal seal point on the anchors. Please see below for details:

Testing Attached:

- NACE Testing for MTX-70 and MTX-60 material. In our proposal, we will be using MTX-70. For sulfide stress
 cracking on the carbon steel expandable tubular material, CoreTrax follows NACE TM0177 Method C with 100%
 H2S exposure. Test results attached.
- Internal burst pressure testing for MTX-70 material. The expanded liner reached an internal pressure of 14,297 psi before rupturing.
- Testing for different sizes of the same connections 3.875" and 5.5" OD.

The elastomer material in between each metal rib on the anchors is HNBR. It is rated to 300F.

I have attached the photograph of the anchor and its associated seals that we reviewed in our earlier discussion, accompanied with some information on the run-history of the liner. Please let us know if there is any other data we can provide.

Thanks again,

CLIFF HUMPHREYS

Executive Vice President of Completions Matador Resources Company Direct: <u>972-371-5288</u> Cell: <u>940-704-3268</u> Fax: 214-866-4888



From: Cliff Humphreys
Sent: Wednesday, January 31, 2024 2:32 PM
To: lvo@blm.gov; kimmatty@blm.gov
Cc: Jackson Driggs <<u>JDriggs@matadorresources.com</u>>; Waylon Wolf <<u>WWolf@matadorresources.com</u>>; Garrett Hunt
<<u>GHunt@matadorresources.com</u>>; Blake Hermes <<u>BHermes@matadorresources.com</u>>;
Subject: RE: Silver Fed Com, Well Number 114H, 124H

Long and Keith,

Would you all have time today for a call to discuss this plan at 3:00 PM CT (2:00 PM MT)? I can send a Microsoft Teams link in the event that you would like us to share screens for diagrams, etc.

Thank you in advance,

Cliff Humphreys

From: Cliff Humphreys Sent: Wednesday, January 31, 2024 2:07 PM To: <u>lvo@blm.gov</u>; <u>kimmatty@blm.gov</u> Cc: Jackson Driggs <<u>JDriggs@matadorresources.com</u>>; Waylon Wolf <<u>WWolf@matadorresources.com</u>>; Garrett Hunt <<u>GHunt@matadorresources.com</u>>; Blake Hermes <<u>BHermes@matadorresources.com</u>>; Subject: Silver Fed Com, Well Number 114H, 124H

Long,

Thank you for your time yesterday. As discussed, Matador would like to provide you with our plan for remediation on two wells for which the existing first take points are outside of the intended lease boundary and hardlines. Matador has not produced from any take points in either of these wells to date, and does not intend to do so until the wells are remediated as follows. Would you have a moment this afternoon to discuss these procedures in more detail over a phone call?

Well Information:

Silver Federal Com #114H

- o API 30-025-51289
- Heel Hardline: 9,615' MD
- Lease Line Intersection: 9,514' MD
- Current First Take Point: Perforation at 9,426' MD

• Silver Federal Com #124H

- o API 30-025-51290
- Heel Hardline: 10,491' MD
- Lease Line Intersection: 10,389' MD
- Current First Take Point: Perforation at 10,214' MD

Remediation Plan:

- Isolate existing perforations that are shallower than the heel hardline depth from the remainder of the wellbore utilizing CoreTrax Re-Line MNS expandable liner.
- New first take points will be deeper than the heel hardlines for each well.
- Perform a negative test for 30 minutes.
- Perform a positive pressure test on the expandable liner to 2,500 psi for 30 minutes against a bridge plug set deeper than the liner, but shallower than the proposed first take point.
- Remove the bridge plug and produce from the perforations deeper than the liner.
- Anticipated maximum pressure across the liner < 1,000 psi during initial production and will decrease throughout the well's productive life.

With consideration to the following characteristics and run history of the CoreTrax Re-Line MNS system, we believe that this tool is the optimal solution for providing permanent isolation for these perforations from the remainder of the wellbore.

System Information:

- Specification Sheet attached proposed system is MTX-70 material grade and is highlighted in the attachment.
 - Metal Anchors at the top and bottom of the casing patch provide multiple redundant metal-to-metal seal points with elastomer backup seals in between each point of contact.
 - Each liner connection applies a separate metal-to-metal seal with the casing, providing an additional seal every ~37 ft.

Run History:

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- 525 patches deployed dating back to 2012. 475,000 total ft.
 - The majority of these jobs being for the purpose of isolating casing leaks and isolating unwanted perforations.
- Matador has deployed this specific system in 3 separate instances to repair casing leaks. All three of these
 systems were exposed to fracturing treatment pressures of over 8,500 psi following their successful installation.
 Each of these systems held pressure throughout the stimulation, and have maintained their integrity throughout
 the well's productive life (2+ years and ongoing.)

Thanks again for your time,

CLIFF HUMPHREYS

Executive Vice President of Completions Matador Resources Company Direct: <u>972-371-5288</u> Cell: <u>940-704-3268</u> Fax: 214-866-4888



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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

Operator:	OGRID:
MATADOR PRODUCTION COMPANY	228937
One Lincoln Centre	Action Number:
Dallas, TX 75240	324634
	Action Type:
	[C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By		Condition Date
pkautz	None	3/19/2024

CONDITIONS

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Action 324634