U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

06/09/2025

Well Name: LAGUNA DEEP

Well Location: T19S / R33E / SEC 35 / NWSE / 32.6148239 / -103.6317885

County or Parish/State: LEA / NM

Well Number: 09

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM27572

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002537686

Operator: SHACKELFORD OIL COMPANY

Notice of Intent

Sundry ID: 2854387

Type of Submission: Notice of Intent

Type of Action: Recompletion

Date Sundry Submitted: 05/23/2025

Time Sundry Submitted: 09:11

Date proposed operation will begin: 07/07/2025

Procedure Description: RIH SET CIBP AT 11156 - PUMP 25 SXS CEMENT PLUG - WOC / TAG CEMENT - PRESSURE TEST CASING RIG UP WIRELINE AND PERFORATE FOLLOWING INTERVALS 9342-9350 9361-9384 9390-9400 RIH W/ TUBING AND PACKER - ACIDIZE - SWAB TEST EVALUATE TO POSSIBLY FRAC

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Laguna9.wellboreschematic.proposed_20250522141952.pdf

Laguna9.wellboreschematic.current_20250522141937.pdf

Well Name: LAGUNA DEEP

Well Location: T19S / R33E / SEC 35 / NWSE / 32.6148239 / -103.6317885

County or Parish/State: LEA / NM

Well Number: 09

Type of Well: CONVENTIONAL GAS WELL

Allottee or Tribe Name:

Lease Number: NMNM27572

Unit or CA Name:

Unit or CA Number:

US Well Number: 3002537686

Operator: SHACKELFORD OIL COMPANY

Conditions of Approval

Specialist Review

Laguna_Deep_09_Sundry_ID_2854387_20250605103555.pdf

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: BRADY SHACKELFORD

Signed on: MAY 22, 2025 02:10 PM

Name: SHACKELFORD OIL COMPANY

Title: Controller

Street Address: 11417 W COUNTY RD 33

City: MIDLAND **State:** TX

Phone: (432) 682-9784

Email address: BRADY@CHOCTAWSERVICES.COM

Field

Representative Name: ART MARQUEZ

Street Address: 3212 N ENTERPRISE DR

City: HOBBS **State:** NM **Zip:** 88240

Phone: (575)405-1334

Email address: amarquez201953@gamil.com

BLM Point of Contact

BLM POC Name: LONG VO

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5759885402

BLM POC Email Address: LVO@BLM.GOV

Disposition: Approved

Disposition Date: 06/05/2025

Signature: Long Vo

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

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.

SUBMIT IN TRIPLICATE *- Other instructions on page 2*

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.

2. Name of Operator

9. API Well No.

3a. Address

3b. Phone No. *(include area code)*

10. Field and Pool or Exploratory Area

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

11. Country or Parish, State

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ 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 perfonned 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 detennined that the site is ready for final inspection.)

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

Title

Signature

Date

THE SPACE FOR FEDERAL OR STATE OFICE 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 of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

GENERAL INSTRUCTIONS

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.

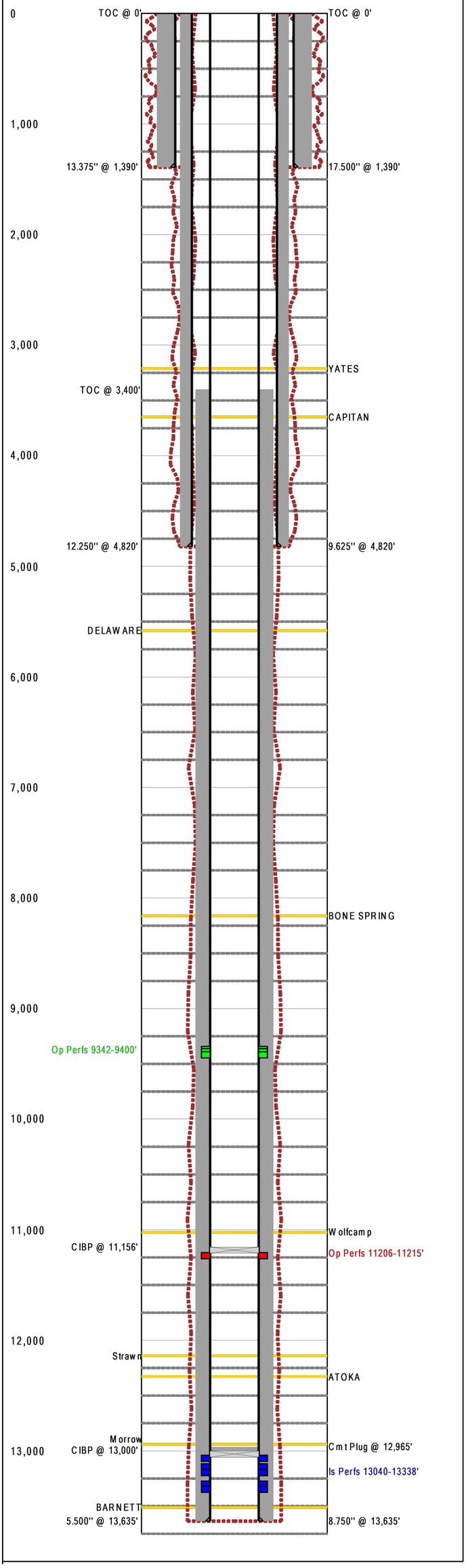
BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect ofthis form to U.S. Department ofthe Interior, Bureau ofLand 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: NWSE / 1980 FSL / 1980 FEL / TWSP: 19S / RANGE: 33E / SECTION: 35 / LAT: 32.6148239 / LONG: -103.6317885 (TVD: 0 feet, MD: 0 feet)

BHL: NWSE / 1980 FSL / 1980 FEL / TWSP: 19S / SECTION: / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)



Last Updated: 5/12/2025 11:52 AM

Field Name	Lease Name	Well No.
Tonto, Wolfcamp	Laguna Deep Unit	009

County	State	API No.
Lea	New Mexico	30025376860000

Version	Version Tag
2	PROPOSED

GL (ft)	KB (ft)	Section	Township/Block	Range/Survey
		35	19S	33E

Operator	Well Status	Latitude	Longitude
Shackelford Oil Company	Producer		

Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
1980	FSL	1980	FEL	

Prop Num	Spud Date	Comp. Date
	8/1/2006	12/6/2006

Additional Information

Shackelford acquired from Cimarex/Coterra Energy effective 3/1/2025
Change of Operator approved 5/9/2025 (BLM & OCD)

Other 1	Other 2	Other 3	Other 4

Prepared By	Updated By	Last Updated
Shackelford	Shackelford	5/12/2025 11:52 AM

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	17.500	0	1,390	
8/12/2006	12.250	0	4,820	
9/12/2006	8.750	0	13,635	

Tubular Summary

Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
8/3/2006	Surface Casing	13.375	48.00	H-40	0	1,390
8/12/2006	Intermediate Casing	9.625	40.00	N-80	0	4,820
9/14/2006	Production Casing	5.500	17.00	P-110	0	13,635

Casing Cement Summary

C	Date	No. Sx	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	8/3/2006	1,040	13.375	0	1,390	
	8/12/2006	1,460	9.625	0	4,820	1460 sx, circ 612 sx
	9/14/2006	2,050	5.500	3,400	13,635	TOC 3400' by CBL

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
	CIBP	5.500	0.000	11,156	0
	CIBP	5.500	0.000	13,000	0

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
		Open		9,342	9,400	
		Open	Wolfcamp	11,206	11,215	54
		Isolated	Morrow	13,040	13,338	354

Formation Tops Summary

Formation	Top (TVD ft)	Comments
YATES	3,210	
CAPITAN	3,650	
DELAWARE	5,580	
BONE SPRING	8,160	
Wolfcamp	11,025	
Strawn	12,140	
ATOKA	12,328	
Morrow	12,940	
BARNETT	13,512	

Last Updated: 5/12/2025 11:52 AM

Field Name	Lease Name	Well No.	County	State	API No.
Tonto, Wolfcamp	Laguna Deep Unit	009	Lea	New Mexico	30025376860000

Version	Version Tag	Spud Date	Comp. Date	GL (ft)	KB (ft)
2	PROPOSED	8/1/2006	12/6/2006		

Section	Township/Block	Range/Survey	Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
35	19S	33E	1,980	FSL	1,980	FEL	

Operator	Well Status	Latitude	Longitude	Prop Num
Shackelford Oil Company	Producer			

Other 1	Other 2	Other 3	Other 4

Last Updated	Prepared By	Updated By
05/12/2025 11:52 AM	Shackelford	Shackelford

Additional Information

Shackelford acquired from Cimarex/Coterra Energy effective 3/1/2025
Change of Operator approved 5/9/2025 (BLM & OCD)

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	17.500	0	1,390	
8/12/2006	12.250	0	4,820	
9/12/2006	8.750	0	13,635	

Tubular Summary

Date	Description	No. Jts	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	Surface Casing		13.375	48.00	H-40	0	1,390	
8/12/2006	Intermediate Casing		9.625	40.00	N-80	0	4,820	
9/14/2006	Production Casing		5.500	17.00	P-110	0	13,635	

Casing Cement Summary

C	Date	No. Sx	Yield (ft3/sk)	Vol. (ft3)	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	8/3/2006	1,040	1.00	1,040	13.375	0	1,390		
	8/12/2006	1,460	1.00	1,460	9.625	0	4,820		1460 sx, circ 612 sx
	9/14/2006	2,050	1.00	2,050	5.500	3,400	13,635		TOC 3400' by CBL

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	Cast Iron Bridge Plug	5.500	0.000	11,156	0		
	Cast Iron Bridge Plug	5.500	0.000	13,000	0		

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	Comments
		Open	Wolfcamp	

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
11,206	11,215	6	54		5000 gal 28% NeFe Acid, flushed w/ 2% KCL water

C	Date	Perf. Status	Formation	Comments
		Isolated	Morrow	

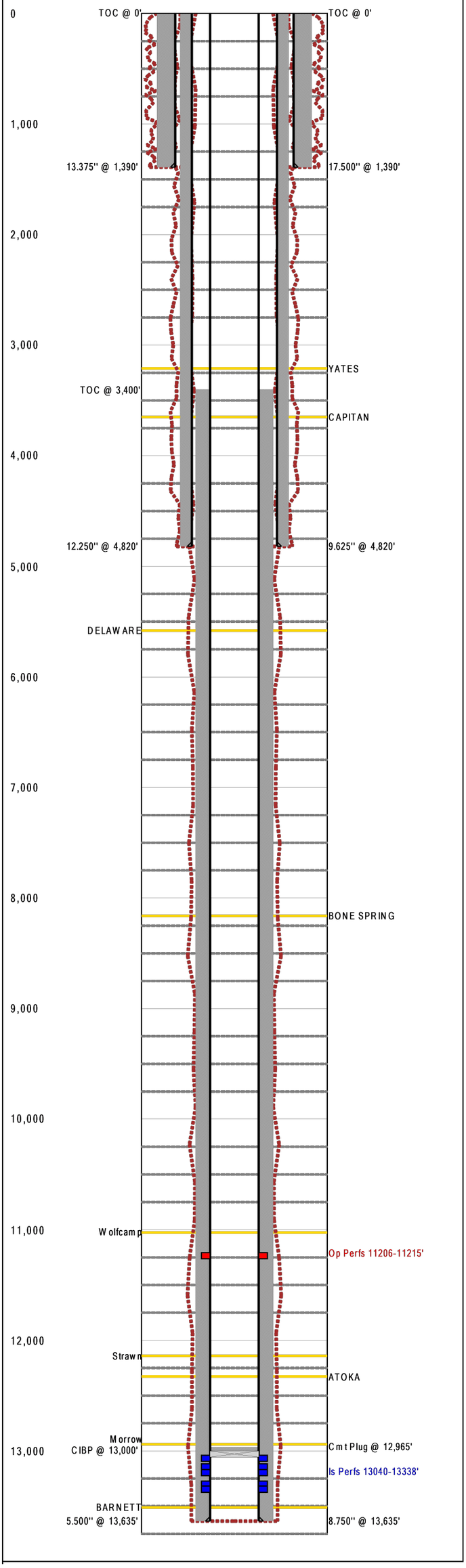
Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
13,040	13,050	6	60		1500 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,117	13,122	6	30		750 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,169	13,196	6	102		
13,273	13,280	6	42		1000 gal 7-1/2% Gas Well Acid, Flushed w/ 78 bbl 7% KCL water
13,318	13,338	6	120		2000 gal 7-1/2% Alcoholic Acid, Flushed w/ 78.5 bbl 7% KCL water

C	Date	Perf. Status	Formation	Comments
		Open		

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
9,342	9,350				PROPOSED
9,361	9,384				PROPOSED
9,390	9,400				PROPOSED

Formation Top Summary

Formation Name	Top(TVD ft)	Comments
YATES	3,210	
CAPITAN	3,650	
DELAWARE	5,580	
BONE SPRING	8,160	
Wolfcamp	11,025	
Strawn	12,140	
ATOKA	12,328	
Morrow	12,940	
BARNETT	13,512	



Last Updated: 5/12/2025 11:47 AM

Field Name	Lease Name	Well No.
Tonto, Wolfcamp	Laguna Deep Unit	009

County	State	API No.
Lea	New Mexico	30025376860000

Version	Version Tag
1	Current

GL (ft)	KB (ft)	Section	Township/Block	Range/Survey
		35	19S	33E

Operator	Well Status	Latitude	Longitude
Shackelford Oil Company	Producer		

Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
1980	FSL	1980	FEL	

Prop Num	Spud Date	Comp. Date
	8/1/2006	12/6/2006

Additional Information

Shackelford acquired from Cimarex/Coterra Energy effective 3/1/2025
Change of Operator approved 5/9/2025 (BLM & OCD)

Other 1	Other 2	Other 3	Other 4

Prepared By	Updated By	Last Updated
Shackelford	Shackelford	5/12/2025 11:47 AM

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	17.500	0	1,390	
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Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
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Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
	CIBP	5.500	0.000	13,000	0

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
		Open	Wolfcamp	11,206	11,215	54
		Isolated	Morrow	13,040	13,338	354

Formation Tops Summary

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Strawn	12,140	
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1	Current	8/1/2006	12/6/2006		

Section	Township/Block	Range/Survey	Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
35	19S	33E	1,980	FSL	1,980	FEL	

Operator	Well Status	Latitude	Longitude	Prop Num
Shackelford Oil Company	Producer			

Other 1	Other 2	Other 3	Other 4

Last Updated	Prepared By	Updated By
05/12/2025 11:47 AM	Shackelford	Shackelford

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	8/12/2006	1,460	1.00	1,460	9.625	0	4,820		1460 sx, circ 612 sx
	9/14/2006	2,050	1.00	2,050	5.500	3,400	13,635		TOC 3400' by CBL

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	Cast Iron Bridge Plug	5.500	0.000	13,000	0		

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	Comments
		Isolated	Morrow	

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
13,040	13,050	6	60		1500 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,117	13,122	6	30		750 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,169	13,196	6	102		
13,273	13,280	6	42		1000 gal 7-1/2% Gas Well Acid, Flushed w/ 78 bbl 7% KCL water
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		Open	Wolfcamp	

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
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Formation Name	Top(TVD ft)	Comments
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CAPITAN	3,650	
DELAWARE	5,580	
BONE SPRING	8,160	
Wolfcamp	11,025	
Strawn	12,140	
ATOKA	12,328	
Morrow	12,940	
BARNETT	13,512	

U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Sundry Print Report

06/05/2025

Well Name: LAGUNA DEEP	**Well Location:** T19S / R33E / SEC 35 / NWSE / 32.6148239 / -103.6317885	**County or Parish/State:** LEA / NM
Well Number: 09	**Type of Well:** CONVENTIONAL GAS WELL	**Allottee or Tribe Name:**
Lease Number: NMNM27572	**Unit or CA Name:**	**Unit or CA Number:**
US Well Number: 3002537686	**Operator:** SHACKELFORD OIL COMPANY	

Notice of Intent

Sundry ID: 2854387

Type of Submission: Notice of Intent

Type of Action: Recompletion

Date Sundry Submitted: 05/23/2025

Time Sundry Submitted: 09:11

Date proposed operation will begin: 07/07/2025

Procedure Description: RIH SET CIBP AT 11156 - PUMP 42 SXS Class H CEMENT PLUG - WOC / TAG CEMENT @ 10815' -PRESSURE TEST CASING RIG UP WIRELINE AND PERFORATE FOLLOWING INTERVALS 9342-9350 9361-9384 9390-9400 RIH W/ TUBING AND PACKER - ACIDIZE - SWAB TEST EVALUATE TO POSSIBLY FRAC

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

Laguna9.wellboreschematic.proposed_20250522141952.pdf

Laguna9.wellboreschematic.current_20250522141937.pdf

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

Well Name: LAGUNA DEEP	**Well Location:** T19S / R33E / SEC 35 / NWSE / 32.6148239 / -103.6317885	**County or Parish/State:** LEA / NM
Well Number: 09	**Type of Well:** CONVENTIONAL GAS WELL	**Allottee or Tribe Name:**
Lease Number: NMNM27572	**Unit or CA Name:**	**Unit or CA Number:**
US Well Number: 3002537686	**Operator:** SHACKELFORD OIL 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: BRADY SHACKELFORD

Signed on: MAY 22, 2025 02:10 PM

Name: SHACKELFORD OIL COMPANY

Title: Controller

Street Address: 11417 W COUNTY RD 33

City: MIDLAND **State:** TX

Phone: (432) 682-9784

Email address: BRADY@CHOCTAWSERVICES.COM

Field

Representative Name: ART MARQUEZ

Street Address: 3212 N ENTERPRISE DR

City: HOBBS **State:** NM **Zip:** 88240

Phone: (575)405-1334

Email address: amarquez201953@gamil.com

APPROVED by Long Vo
Petroleum Engineer
Carlsbad Field Office
575-988-50402
LVO@BLM.GOV

Form 3160-5
(June 2019)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2021

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.

SUBMIT IN TRIPLICATE *- Other instructions on page 2*

5. Lease Serial No. NMNM27572

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
LAGUNA DEEP/09

2. Name of Operator SHACKELFORD OIL COMPANY

9. API Well No. 3002537686

3a. Address 11417 W COUNTY ROAD 33, MIDLAND, TX 797

3b. Phone No. *(include area code)* (432) 682-9784

10. Field and Pool or Exploratory Area
WILDCAT;WOLFCAMP/WILDCAT;WOLFCAMP

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
SEC 35/T19S/R33E/NMP

11. Country or Parish, State
LEA/NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☑ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ 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 perfonned 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 detennined that the site is ready for final inspection.)

RIH SET CIBP AT 11156 - PUMP ~~25~~ SXS CEMENT PLUG - WOC / TAG CEMENT - PRESSURE TEST CASING Tag at 10815', 42 sxs Class H
RIG UP WIRELINE AND PERFORATE FOLLOWING INTERVALS
9342-9350
9361-9384
9390-9400
RIH W/ TUBING AND PACKER - ACIDIZE - SWAB TEST
EVALUATE TO POSSIBLY FRAC

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
BRADY SHACKELFORD / Ph: (432) 682-9784

Title Controller

Signature (Electronic Submission)

Date 05/22/2025

THE SPACE FOR FEDERAL OR STATE OFICE USE

Approved by Long Vo

Title Petroleum Engineer

Date 6-5-2025

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 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)

GENERAL INSTRUCTIONS

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.

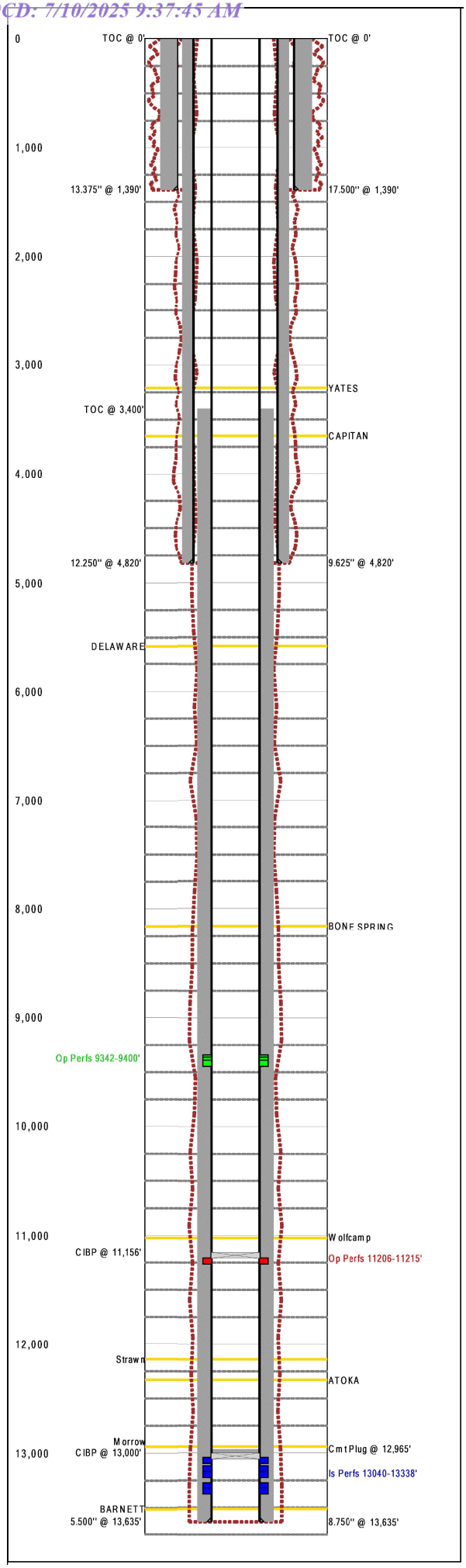
BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect ofthis form to U.S. Department ofthe Interior, Bureau ofLand 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: NWSE / 1980 FSL / 1980 FEL / TWSP: 19S / RANGE: 33E / SECTION: 35 / LAT: 32.6148239 / LONG: -103.6317885 (TVD: 0 feet, MD: 0 feet)

BHL: NWSE / 1980 FSL / 1980 FEL / TWSP: 19S / SECTION: / LAT: 0.0 / LONG: 0.0 (TVD: 0 feet, MD: 0 feet)



Last Updated: 5/12/2025 11:52 AM

Field Name	Lease Name	Well No.
Tonto, Wolfcamp	Laguna Deep Unit	009

County	State	API No.
Lea	New Mexico	30025376860000

Version	Version Tag
2	PROPOSED

GL (ft)	KB (ft)	Section	Township/Block	Range/Survey
		35	19S	33E

Operator	Well Status	Latitude	Longitude
Shackelford Oil Company	Producer		

Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
1980	FSL	1980	FEL	

Prop Num	Spud Date	Comp. Date
	8/1/2006	12/6/2006

Additional Information

Shackelford acquired from Cimarex/Coterra Energy effective 3/1/2025
Change of Operator approved 5/9/2025 (BLM & OCD)

Other 1	Other 2	Other 3	Other 4

Prepared By	Updated By	Last Updated
Shackelford	Shackelford	5/12/2025 11:52 AM

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	17.500	0	1,390	
8/12/2006	12.250	0	4,820	
9/12/2006	8.750	0	13,635	

Tubular Summary

Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
8/3/2006	Surface Casing	13.375	48.00	H-40	0	1,390
8/12/2006	Intermediate Casing	9.625	40.00	N-80	0	4,820
9/14/2006	Production Casing	5.500	17.00	P-110	0	13,635

Casing Cement Summary

C	Date	No. Sx	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	8/3/2006	1,040	13.375	0	1,390	
	8/12/2006	1,460	9.625	0	4,820	1460 sx, circ 612 sx
	9/14/2006	2,050	5.500	3,400	13,635	TOC 3400' by CBL

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
	CIBP	5.500	0.000	11,156	0
	CIBP	5.500	0.000	13,000	0

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
		Open		9,342	9,400	
		Open	Wolfcamp	11,206	11,215	54
		Isolated	Morrow	13,040	13,338	354

Formation Tops Summary

Formation	Top (TVD ft)	Comments
YATES	3,210	
CAPITAN	3,650	
DELAWARE	5,580	
BONE SPRING	8,160	
Wolfcamp	11,025	
Strawn	12,140	
ATOKA	12,328	
Morrow	12,940	
BARNETT	13,512	

Last Updated: 5/12/2025 11:52 AM

Field Name	Lease Name	Well No.	County	State	API No.
Tonto, Wolfcamp	Laguna Deep Unit	009	Lea	New Mexico	30025376860000

Version	Version Tag	Spud Date	Comp. Date	GL (ft)	KB (ft)
2	PROPOSED	8/1/2006	12/6/2006		

Section	Township/Block	Range/Survey	Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
35	19S	33E	1,980	FSL	1,980	FEL	

Operator	Well Status	Latitude	Longitude	Prop Num
Shackelford Oil Company	Producer			

Other 1	Other 2	Other 3	Other 4

Last Updated	Prepared By	Updated By
05/12/2025 11:52 AM	Shackelford	Shackelford

Additional Information

Shackelford acquired from Cimarex/Coterra Energy effective 3/1/2025
Change of Operator approved 5/9/2025 (BLM & OCD)

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	17.500	0	1,390	
8/12/2006	12.250	0	4,820	
9/12/2006	8.750	0	13,635	

Tubular Summary

Date	Description	No. Jts	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	Surface Casing		13.375	48.00	H-40	0	1,390	
8/12/2006	Intermediate Casing		9.625	40.00	N-80	0	4,820	
9/14/2006	Production Casing		5.500	17.00	P-110	0	13,635	

Casing Cement Summary

C	Date	No. Sx	Yield (ft3/sk)	Vol. (ft3)	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	8/3/2006	1,040	1.00	1,040	13.375	0	1,390		
	8/12/2006	1,460	1.00	1,460	9.625	0	4,820		1460 sx, circ 612 sx
	9/14/2006	2,050	1.00	2,050	5.500	3,400	13,635		TOC 3400' by CBL

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	Cast Iron Bridge Plug	5.500	0.000	11,156	0		
	Cast Iron Bridge Plug	5.500	0.000	13,000	0		

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	Comments
		Open	Wolfcamp	

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
11,206	11,215	6	54		5000 gal 28% NeFe Acid, flushed w/ 2% KCL water

C	Date	Perf. Status	Formation	Comments
		Isolated	Morrow	

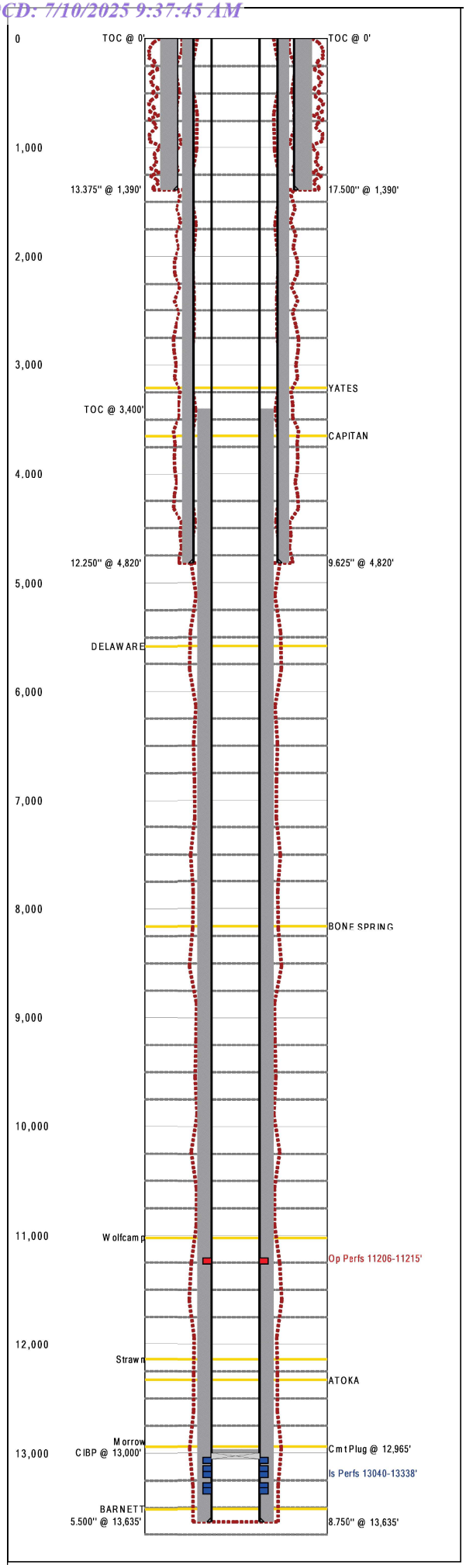
Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
13,040	13,050	6	60		1500 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,117	13,122	6	30		750 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,169	13,196	6	102		
13,273	13,280	6	42		1000 gal 7-1/2% Gas Well Acid, Flushed w/ 78 bbl 7% KCL water
13,318	13,338	6	120		2000 gal 7-1/2% Alcoholic Acid, Flushed w/ 78.5 bbl 7% KCL water

C	Date	Perf. Status	Formation	Comments
		Open		

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
9,342	9,350				PROPOSED
9,361	9,384				PROPOSED
9,390	9,400				PROPOSED

Formation Top Summary

Formation Name	Top(TVD ft)	Comments
YATES	3,210	
CAPITAN	3,650	
DELAWARE	5,580	
BONE SPRING	8,160	
Wolfcamp	11,025	
Strawn	12,140	
ATOKA	12,328	
Morrow	12,940	
BARNETT	13,512	



Last Updated: 5/12/2025 11:47 AM

Field Name	Lease Name	Well No.
Tonto, Wolfcamp	Laguna Deep Unit	009

County	State	API No.
Lea	New Mexico	30025376860000

Version	Version Tag
1	Current

GL (ft)	KB (ft)	Section	Township/Block	Range/Survey
		35	19S	33E

Operator	Well Status	Latitude	Longitude
Shackelford Oil Company	Producer		

Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
1980	FSL	1980	FEL	

Prop Num	Spud Date	Comp. Date
	8/1/2006	12/6/2006

Additional Information

Shackelford acquired from Cimarex/Coterra Energy effective 3/1/2025
Change of Operator approved 5/9/2025 (BLM & OCD)

Other 1	Other 2	Other 3	Other 4

Prepared By	Updated By	Last Updated
Shackelford	Shackelford	5/12/2025 11:47 AM

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
8/3/2006	17.500	0	1,390	
8/12/2006	12.250	0	4,820	
9/12/2006	8.750	0	13,635	

Tubular Summary

Date	Description	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)
8/3/2006	Surface Casing	13.375	48.00	H-40	0	1,390
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9/14/2006	Production Casing	5.500	17.00	P-110	0	13,635

Casing Cement Summary

C	Date	No. Sx	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
	8/3/2006	1,040	13.375	0	1,390	
	8/12/2006	1,460	9.625	0	4,820	1460 sx, circ 612 sx
	9/14/2006	2,050	5.500	3,400	13,635	TOC 3400' by CBL

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)
	CIBP	5.500	0.000	13,000	0

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5,500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	OA Top (MD ft)	OA Bottom (MD ft)	Shots
		Open	Wolfcamp	11,206	11,215	54
		Isolated	Morrow	13,040	13,338	354

Formation Tops Summary

Formation	Top (TVD ft)	Comments
YATES	3,210	
CAPITAN	3,650	
DELAWARE	5,580	
BONE SPRING	8,160	
Wolfcamp	11,025	
Strawn	12,140	
ATOKA	12,328	
Morrow	12,940	
BARNETT	13,512	

Last Updated: 5/12/2025 11:47 AM

Field Name	Lease Name	Well No.	County	State	API No.
Tonto, Wolfcamp	Laguna Deep Unit	009	Lea	New Mexico	30025376860000

Version	Version Tag	Spud Date	Comp. Date	GL (ft)	KB (ft)
1	Current	8/1/2006	12/6/2006		

Section	Township/Block	Range/Survey	Dist. N/S (ft)	N/S Line	Dist. E/W (ft)	E/W Line	Footage From
35	19S	33E	1,980	FSL	1,980	FEL	

Operator	Well Status	Latitude	Longitude	Prop Num
Shackelford Oil Company	Producer			

Other 1	Other 2	Other 3	Other 4

Last Updated	Prepared By	Updated By
05/12/2025 11:47 AM	Shackelford	Shackelford

Additional Information

Shackelford acquired from Cimarex/Coterra Energy effective 3/1/2025
Change of Operator approved 5/9/2025 (BLM & OCD)

Hole Summary

Date	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
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Date	Description	No. Jts	O.D. (in)	Wt (lb/ft)	Grade	Top (MD ft)	Bottom (MD ft)	Comments
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Casing Cement Summary

C	Date	No. Sx	Yield (ft3/sk)	Vol. (ft3)	Csg. O.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	8/3/2006	1,040	1.00	1,040	13.375	0	1,390		
	8/12/2006	1,460	1.00	1,460	9.625	0	4,820		1460 sx, circ 612 sx
	9/14/2006	2,050	1.00	2,050	5.500	3,400	13,635		TOC 3400' by CBL

Tools/Problems Summary

Date	Tool Type	O.D. (in)	I.D. (in)	Top (MD ft)	Bottom (MD ft)	Description	Comments
	Cast Iron Bridge Plug	5.500	0.000	13,000	0		

Cement Plug Summary

Date	No. Sx	O.D. (in)	Top (MD ft)	Bottom (MD ft)	Comments
		5.500	12,965	13,000	

Perforation Summary

C	Date	Perf. Status	Formation	Comments
		Isolated	Morrow	

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
13,040	13,050	6	60		1500 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,117	13,122	6	30		750 gal 7-1/2% Gas Well Acid, Flushed w/ 7% KCL water
13,169	13,196	6	102		
13,273	13,280	6	42		1000 gal 7-1/2% Gas Well Acid, Flushed w/ 78 bbl 7% KCL water
13,318	13,338	6	120		2000 gal 7-1/2% Alcoholic Acid, Flushed w/ 78.5 bbl 7% KCL water

C	Date	Perf. Status	Formation	Comments
		Open	Wolfcamp	

Top (MD ft)	Bottom (MD ft)	SPF	Shots	Phasing (deg)	Interval Comments
11,206	11,215	6	54		5000 gal 28% NeFe Acid, flushed w/ 2% KCL water

Formation Top Summary

Formation Name	Top(TVD ft)	Comments
YATES	3,210	
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Wolfcamp	11,025	
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ATOKA	12,328	
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BARNETT	13,512	

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

Conditions of Approval for Permanent Abandonment of a Production Zone

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. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Plug Back.

If you are unable to plug 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 completed interval to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Lea County, call 575-689-5981. Eddy County, please email notifications to: BLM_NM_CFO_PluggingNotifications@BLM.GOV. The Eddy County inspector on call phone, 575-361-2822, will remain active as a secondary contact.

2. 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 9,100 feet, a 3M system for a well not deeper than 13,600 feet, or a 5M system for a well not deeper than 22,700 feet (all depths are for measured well depth).

3. 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 fresh water. Minimum nine (9) pounds per gallon.

4. 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 for Class C or accelerated cement (calcium chloride) and 6 hours for Class H. Tagging the plug means running in the hole with a string of tubing or drill pipe and placing sufficient weight on the plug to ensure its integrity. Other methods of tagging the plug may be approved by the BLM authorized officer or BLM field representative.

   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 a minimum of 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing 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.

5. Casing Integrity Test: The casing shall be filled with corrosion inhibited fluid above the CIBP and pressure tested to 1000 psi surface pressure with a pressure drop not more than 10 percent over 15-minute period. If the well does not pass the casing integrity test, then the operator shall either repair the casing and re-test or within 30 days submit a procedure to plug and abandon the well.

7. Subsequent Plug back Reporting: Within 30 days after plug back work is completed, file a Subsequent Report (Form 3160-5) or via the AFMSS 2 WISx Module 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 zone was plugged. After plugging back to a new zone submit a Completion Report (Form 3160-4) or via the AFMSS 2 WISx Module with the Subsequent Report. The plugged zone shall be in plug back status.

   Include the following information:

   a. A well bore diagram with all perforations, CIBP's, and tops of cement on CIBP's.

   b. A description of the plug back procedure.

   c. A clear copy or the original of the pressure test chart.

   d. A copy of any logs ran.

8. 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.

9. If well location is within the Timing Limitation Stipulation Area for Lesser Prairie-Chicken: From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted.

Santa Fe Main Office Phone: (505) 476-3441 General Information Phone: (505) 629-6116 Online Phone Directory Visit:	State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION	C-102 Revised July 9, 2024 Submit Electronically via OCD Permitting
		Submittal Type: ☐ Initial Submittal ☐ Amended Report ☐ As Drilled

WELL LOCATION INFORMATION

API Number	Pool Code	Pool Name	
30-025-37686	58960	Teas, Bone Spring	
Property Code	**Property Name**		**Well Number**
337239	Laguna Deep Unit		9
OGRID No.	**Operator Name**		**Ground Level Elevation**
20595	Shackelford Oil Co		3593'
Surface Owner: ☐ State ☒ Fee ☐ Tribal ☒ Federal		Mineral Owner: ☐ State ☐ Fee ☐ Tribal ☒ Federal	

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	35	19S	33E		1980 FSL	1980 FEL	32.614861	-103.631851	Lea

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County
J	35	19S	33E		1980 FSL	1980 FEL	32.614861	-103.631851	Lea

Dedicated Acres	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N)	Consolidation Code
40				
Order Numbers.			Well setbacks are under Common Ownership: ☐Yes ☐No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude	Longitude	County

Unitized Area or Area of Uniform Interest	Spacing Unit Type ☐ Horizontal ☐ Vertical	Ground Floor Elevation:

OPERATOR CERTIFICATIONS

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.

7/11/2025

Signature Date

Brady Shackelford

Printed Name

brady@shackoil.com

Email Address

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervison, and that the same is true and correct to the best of my belief.

NOVEMBER 10, 2005

Date Surveyed JR

Signature & Seal of Professional Surveyor

11/16/05

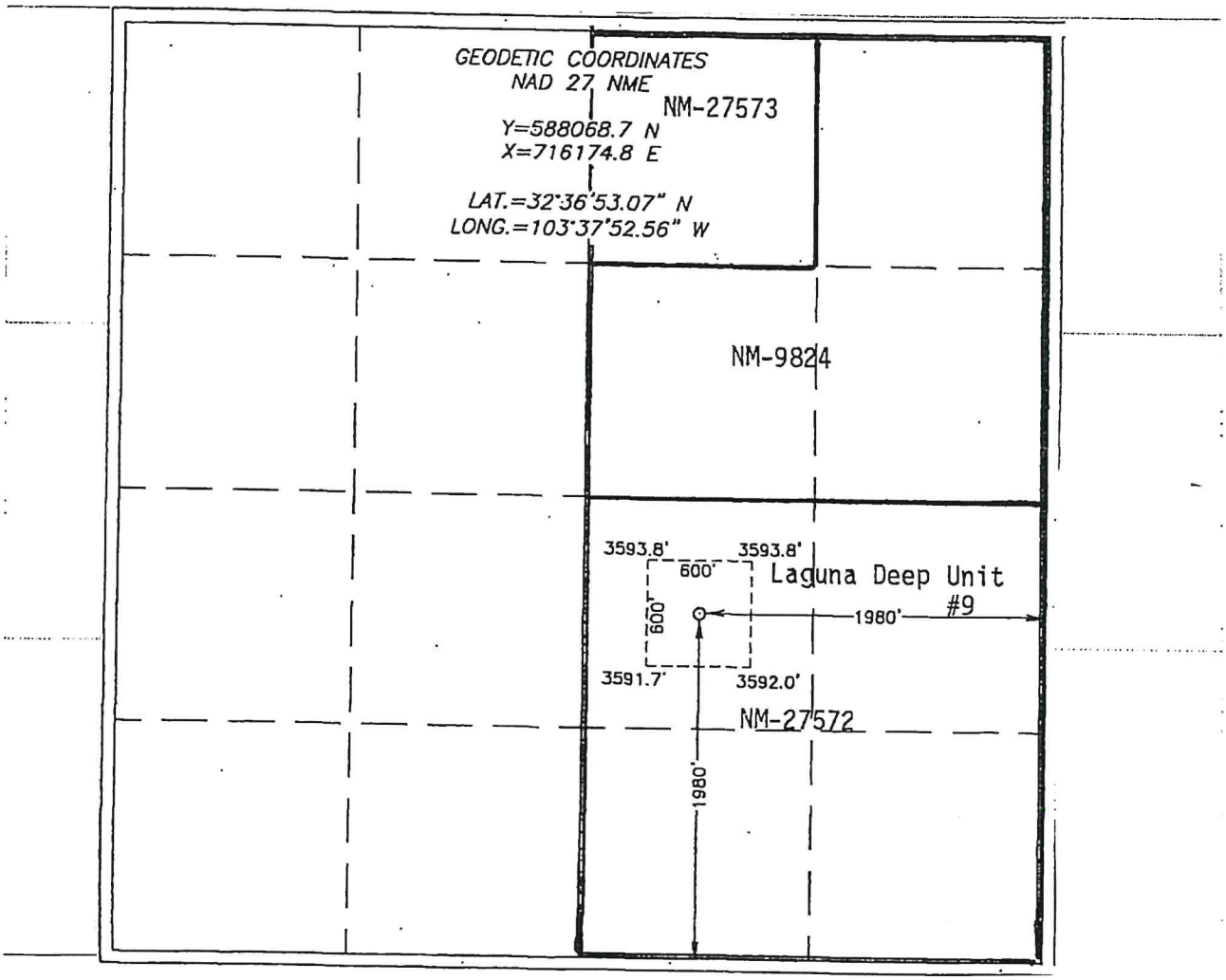
05.11.1751

Certificate No. GARY EIDSON 12641
RONALD J. EIDSON 3239

Note: No allowable will be assigned to this completion until all interest. approved by the division.

This grid represents a standard section. You may superimpose a non-standard section, or larger area, over this grid. Operators must outline the dedicated acreage in a red box, clearly show the well surface location and bottom hole location, if it is directionally drilled, with the dimensions from the section lines in the cardinal directions. If this is a horizontal wellbore show on this plat the location of the First Take Point and Last Take Point, and the point within the Completed interval (other than the First Take Point or Last Take Point) that is closest to any outer boundary of the tract.

Surveyors shall use the latest United States government survey or dependent resurvey. Well locations will be in reference to the New Mexico Principal Meridian. If the land is not surveyed, contact the OCD Engineering Bureau. Independent subdivision surveys will not be acceptable.



State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description

Effective May 25, 2021

I. Operator: Shackelford Oil Co **OGRID:** 20595 **Date:** 06 / 05 / 2025

II. Type: ☑ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Laguna Deep Unit #009	30-025-37686	35-19S-33E	1980 FSL & 1980 FEL	100	100	10

IV. Central Delivery Point Name: DCP/Philips 66 Meter #722146-00 [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
Laguna Deep Unit #009	30-025-37686	08/01/2006	09/11/2006	12/01/2006	12/06/2006	12/06/2006

VI. Separation Equipment: ☑ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☑ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☑ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan
EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☑ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☑ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. ***If Operator checks this box, Operator will select one of the following:***

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- **(a)** power generation on lease;
- **(b)** power generation for grid;
- **(c)** compression on lease;
- **(d)** liquids removal on lease;
- **(e)** reinjection for underground storage;
- **(f)** reinjection for temporary storage;
- **(g)** reinjection for enhanced oil recovery;
- **(h)** fuel cell production; and
- **(i)** other alternative beneficial uses approved by the division.

Section 4 - Notices

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature:	
Printed Name:	Brady Shackelford
Title:	controller
E-mail Address:	brady@shackoil.com
Date:	6/6/2025
Phone:	(432) 682-9784

OIL CONSERVATION DIVISION **(Only applicable when submitted as a standalone form)**
Approved By:
Title:
Approval Date:
Conditions of Approval:

Shackelford Oil Company (Shackelford)
Natural Gas Management Plan
Section VI, VII and VIII

VI. Separation Equipment

Separation equipment at the Laguna Deep Unit #009 facility is appropriately sized and configured to support the anticipated production volumes of oil, gas, and water. Equipment selection was based on expected reservoir performance, prior production behavior, and historical facility design parameters originally installed by the prior operator. No new vessels were added or modified for the current recompletion, and the facility remains within safe operating thresholds. The current separation system includes a vertical heater treater constructed of welded steel, with an estimated nominal capacity of 45 barrels (1,880 gallons). The vessel measures approximately 4 feet in diameter and 20 feet in height, consistent with a 4x20 standard heater treater. The vessel performs three-phase separation and supports adequate retention time to ensure efficient gas-liquid separation under typical flow conditions for this site.

The operator ensures that the existing equipment remains compliant with all performance and environmental requirements. These regulations require that facilities evaluate failure scenarios, discharge rates, and volume predictions, and implement preventive design strategies to minimize environmental risk. The facility's separation system was installed with conservative engineering assumptions and continues to operate under safe throughput limits.

Shackelford Oil Co. will monitor the performance of this separation equipment on a routine basis and will reassess capacity if future production behavior deviates significantly. No modifications are currently required, and the vessel remains within original design specifications. Following the recompletion, the equipment, well, and associated surface facility will be subject to regular inspections using both Optical Gas Imaging (OGI) and Audio-Visual-Olfactory (AVO) methods to ensure proper operational control, leak detection, and compliance with 19.15.27.8 NMAC.

Table 1. Separator Specifications

Use of vessel	Heater Treater 4 x 20
Nominal Capacity (bbl.)	45
Nominal Capacity (gal)	1880
Direction of Flow	South
Nominal Diameter (Ft.)	4
Nominal Height (ft.)	20
Type of Vessel	Welded
Material	Steel
Top	Closed
Foundation	Earthen Materials

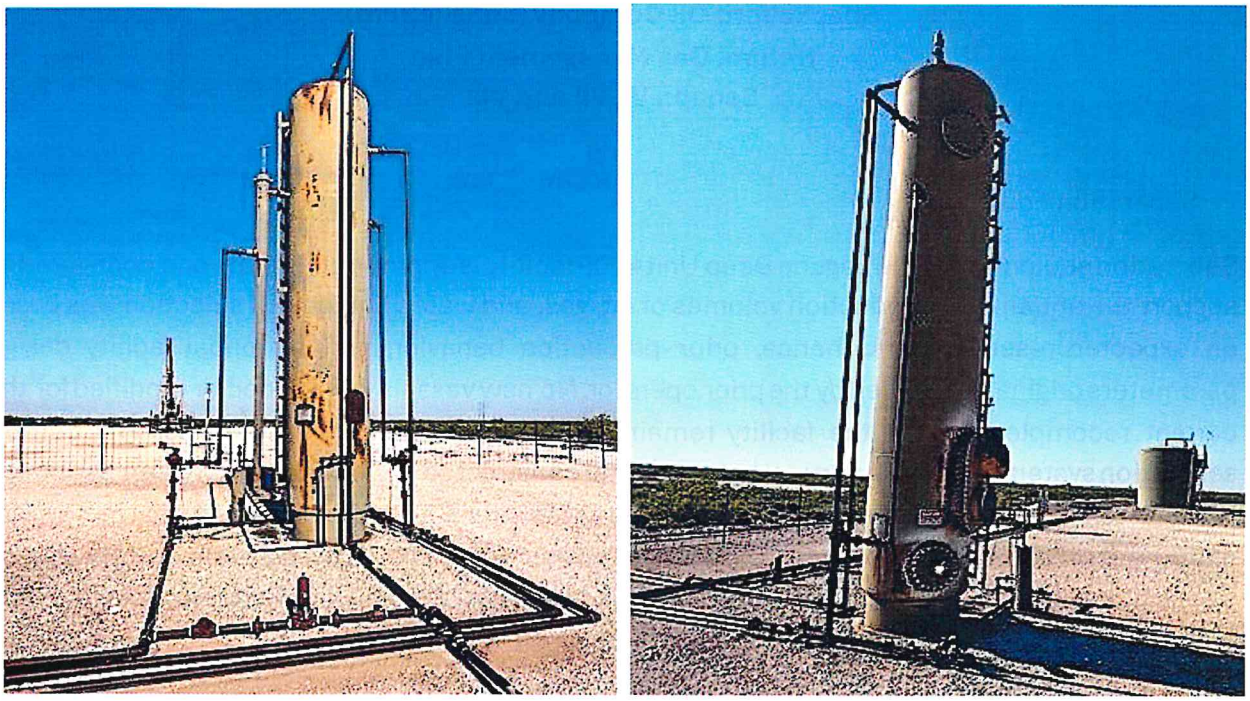


Figure 1. Vertical Heater Treater

VII. Operational Practices

Below is a description of the standard practices Shackelford takes to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

A. Shackelford recognizes that venting and flaring constitute waste and is committed to maximizing natural gas recovery and minimizing atmospheric release, as required by 19.15.27.8(A) NMAC. The facility does not engage in routine venting or flaring and operates in accordance with the exceptions outlined in Subsections B, C, and D of 19.15.27.8 NMAC.
   a. Rule Excerpt: Venting and flaring during drilling, completion, or production operations constitute waste and is prohibited except as authorized in Subsections B, C, and D of 19.15.27.8 NMAC. During these operations, the operator will flare natural gas rather than vent it unless flaring is technically infeasible or poses a greater risk to safe operations or personnel safety, in which case venting is allowed as a safer alternative.

B. Shackelford has a general practice to capture or combust natural gas during drilling operations if technically feasible, using best industry practices and control technologies. Shackelford is currently not conducting any drilling operations.
   a. Rule Excerpt: A flare stack must be located at least 100 feet from the nearest surface hole location, must be enclosed, and must be equipped with an automatic ignition system or continuous pilot. In the event of an emergency or malfunction, the operator may vent natural gas only to avoid the risk of an immediate and substantial adverse impact on safety, public health, or the environment, and must report any natural gas

vented or flared during such events in accordance with Paragraph (1) of Subsection G of 19.15.27.8 NMAC.

C. Shackelford will manage produced natural gas during completion and recompletion operations to minimize emissions. A recompletion of the well Laguna Deep Unit #009 is expected, and the operator will flow back fluids and gas into the existing tank battery and sales line.
   a. Rule Excerpt: During initial flowback, the operator shall route flowback fluids into a completion or storage tank and commence separator operation as soon as technically feasible. During separation flowback, the operator shall capture and route natural gas to a gas flowline, collection system, reinject it into the well, or use it on-site as a fuel or raw material substitute; if these options pose a risk to safe operations or personnel safety, natural gas may be flared with a flare stack equipped with an automatic igniter or continuous pilot. If nitrogen (N_2) or hydrogen sulfide (H_2S) concentrations exceed gathering pipeline specifications, the operator may flare natural gas for up to 60 days or until pipeline specifications are met, provided the flare stack is equipped with an automatic igniter or continuous pilot, gas samples are analyzed twice per week, natural gas is routed to a pipeline as soon as specifications are achieved, and all analyses and specifications are available upon request.

D. Shackelford's well operating practices and equipment are operated to minimize venting or flaring of natural gas, unless authorized.
   a. The facility is operating well within the design limits. While the recent recompletion added minimal flash gas from the tanks, overall well production may exceed 60,000 standard cubic feet of gas per day, with all produced gas routed to the sales line. This ensures that the facility meets capture and compliance targets without the need for flaring.
   b. Automatic Tank Gauging (ATG) is installed and operating. The ATG is continuously monitored and alarmed if elevated fluid levels are detected.
   c. The lease operator ensures well unloading and other authorized activities (listed below) are conducted to minimize venting and flaring.
   d. Flare stacks will be properly sized, designed, and operated for maximum combustion efficiency; flare stacks will be equipped with automatic ignitors or continuous pilots if required. Shackelford does not currently operate a flare at this facility. However, if operational changes require the installation of a flare in the future, all flare volumes will be measured and reported in accordance with regulatory requirements. Reporting will utilize form C-129.
      According to 19.15.27.8 NMAC, flaring is only permitted in specific circumstances, such as emergencies, startup conditions, or when routing gas is infeasible for safety reasons. None of these conditions apply to Shackelford's operations. Furthermore, 19.15.27.8(A) NMAC states that operators must flare rather than vent natural gas,

except when flaring is technically infeasible or poses a risk to safe operations or personnel safety. Shackelford's facilities do not vent gas under normal or routine operations, meaning there is no uncombusted gas present that would require routing to a flare. Given the current conditions, a flare system would not provide additional environmental benefit and is not required under the applicable exemptions.

Given the facility's low-pressure design and minimal flash gas generation, installing a flare would not align with the company's commitment to environmental responsibility. Shackelford remains focused on maximizing gas capture and minimizing waste, ensuring full compliance with state regulations while avoiding infrastructure that does not contribute to improved environmental outcomes.

e. Shackelford does not perform routine venting during production operations. If venting were to occur due to emergency conditions, unscheduled maintenance, or permissible scenarios outlined under 19.15.27.8(D) NMAC, the event would be fully documented and reported using the appropriate New Mexico Oil Conservation Division (OCD) forms.

   The operator shall not vent or flare natural gas except during the following activities unless prohibited by applicable state or federal law, rule, or regulation for the emission of hydrocarbons and volatile organic compounds: "(e) normal operation of a storage tank or other low-pressure production vessel, but not including venting from a thief hatch that is not fully and timely closed or from a seal that is not maintained on an established schedule".

f. To prevent fugitive emissions from tank systems and associated equipment, Shackelford performs weekly AVO inspections (audio, visual, and olfactory), as required under 19.15.27.8(E)(5)(b) NMAC. This applies to all sites producing more than 10 barrels of oil or 60 MCF of gas per day. Inspections include thief hatches, valves, closed vent systems, compressors, pressure relief devices, and associated piping, ensuring ongoing integrity of equipment and containment.

   19.15.27.8(E)(5)(b) NMAC: "The operator shall conduct an AVO (audio/visual/olfactory) inspection weekly: (i) during the first year of production; and (ii) on a well or facility with an average daily production greater than 60,000 cubic feet of natural gas".

g. Rule Excerpt: The operator has a general duty during production operations to not vent or flare natural gas except as authorized. Venting or flaring is permitted if authorized by a valid federally enforceable air quality permit issued by the New Mexico Environment Department, or during emergencies or malfunctions to avoid an immediate and substantial adverse impact on safety, public health, or the environment, with notification requirements per Paragraph (1) of Subsection G. Venting is also allowed for unloading or cleaning up liquid holdup to atmospheric pressure under strict conditions: no venting after achieving stabilized rate and pressure, on-site presence during manual purging, system optimization for plunger lift or automated systems, and minimal venting during downhole maintenance using specialty equipment.

h. Rule Excerpt: Operators may vent or flare during the first 12 months of production from a delineation well if the division approves the well, statewide gas capture requirements are met, and updated plans are submitted. Additionally, limited venting and flaring are allowed for specific activities such as tank gauging, liquid loading, scheduled repair and maintenance, pneumatic device operation, normal vessel operation (excluding improper thief hatch or seal maintenance), bradenhead and packer leakage tests, short production tests, and when N_2 or H_2S concentrations exceed pipeline specifications with twice-weekly sampling and prompt routing to pipeline upon compliance.

i. Rule Excerpt: The operator has a general duty to design and operate separation, storage tank, and flare equipment to maximize hydrocarbon recovery and minimize natural gas losses. Completion and production separation equipment and storage tanks must be designed for maximum throughput and pressure to reduce flashing and vapor accumulation. Permanent storage tanks installed after the rule's effective date must be equipped with automatic gauging systems to minimize venting. Flare stacks must be properly sized, designed, and operated for maximum combustion efficiency; flare stacks installed or replaced after May 31, 2021, must have automatic ignitors or continuous pilots, and older flare stacks must be retrofitted within 18 months. Flare stacks at wells with less than 10 barrels of oil or 60,000 cubic feet of natural gas per day must also meet ignition requirements if replaced after the rule's effective date. New flare stacks must be securely anchored and located at least 100 feet from wells and tanks.

j. Rule Excerpt: The operator must perform Audio, Visual, and Olfactory (AVO) inspections to detect leaks and releases: weekly during the first year of production or for higher-producing wells, and at least monthly for lower-producing or inactive wells. Inspection records must be kept for at least five years and made available upon request. Subject to prior approval, remote or automated leak detection technology may be used in lieu of AVO inspections.

E. Shackelford measures and reports the volume of natural gas that is vented, flared, or beneficially used. The well that produces this tank battery currently produces greater than 10 bbl. of oil and it is only well producing to the battery. The well name and API# is.

- Laguna Deep Unit # 009 -API 30-025-37686

a. Rule Excerpt: The operator has a general duty to measure the volume of natural gas that is vented, flared, or beneficially used during drilling, completion, and production operations, regardless of the reason. For wells authorized by an APD issued after May 31, 2021, with average daily production greater than 10 barrels of oil or 60,000 cubic feet of gas, operators must install measuring equipment, such as an orifice meter, thermal mass meter, or ultrasonic flow meter, approved by the division and compliant with recognized standards. Measuring equipment must not include a manifold allowing gas diversion around the meter except for inspection or servicing. When metering is impracticable, operators may estimate vented or flared volumes. Wells not required to

install meters must estimate volumes based on annual gas-to-oil ratio (GOR) tests reported on Form C-116. Additional measuring equipment must be installed if the division determines existing methods are insufficient.

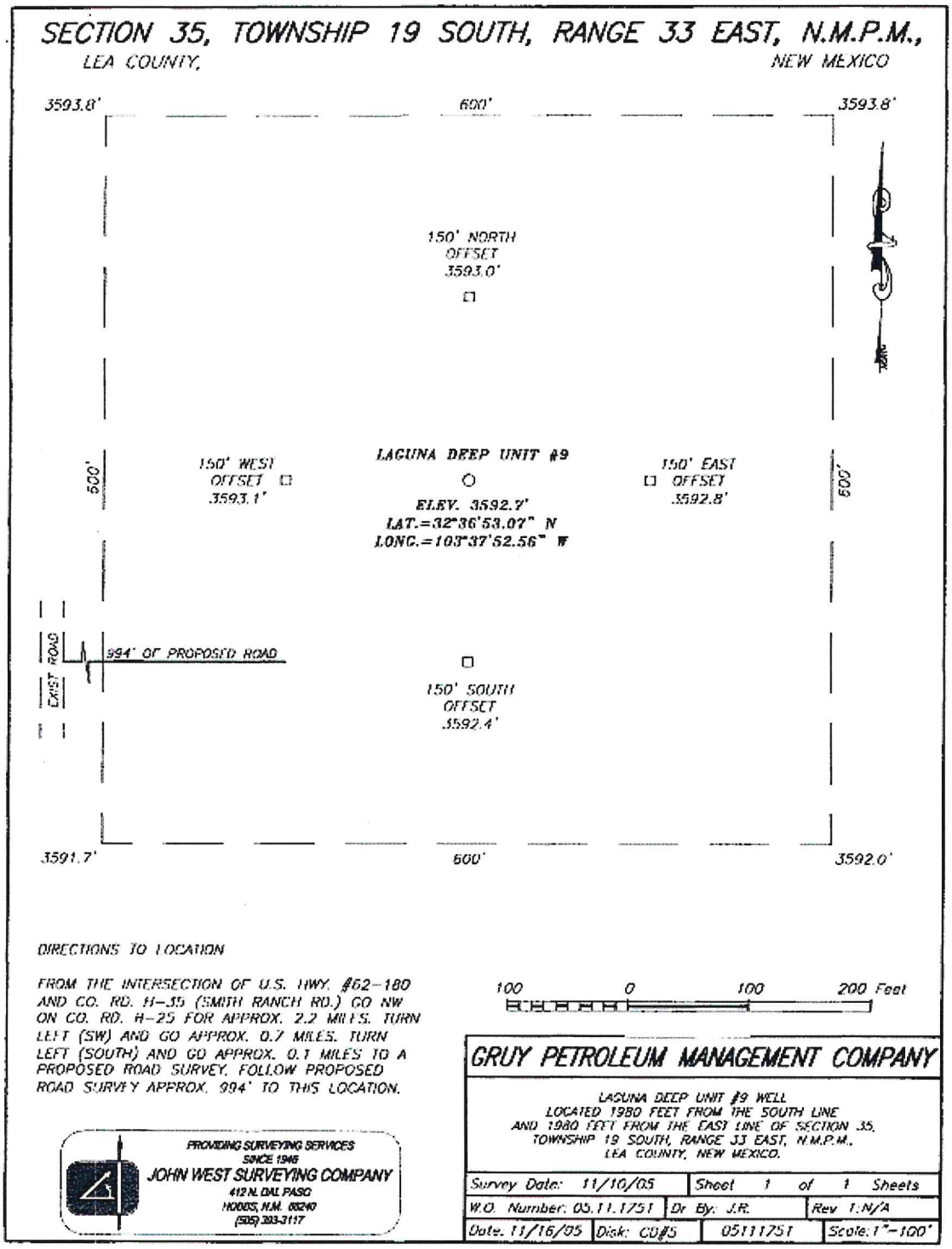


Figure 2. Location Plat of Laguna Deep Unit #9 – Section 35, T19S R33E, Lea County, NM from C-102 Form from New Mexico (Scale = 0.75 in =100')

19.15.27.8 Venting and Flaring of Natural Gas Summary

This Operational Practices Form outlines Shackelford Oil Co.'s compliance with 19.15.27.8 NMAC, specifically addressing production operations at the subject facility. A recompletion activity is scheduled, and the well is expected to exceed 10 barrels of oil or 60,000 standard cubic feet of natural gas per day—which mandates weekly AVO (Audio, Visual, and Olfactory) inspections during the first 12 months following recompletion. Venting and flaring are strictly limited and only allowed under defined exceptions, including emergencies or essential maintenance. The facility's production tanks are equipped with automated liquid-level gauging systems, significantly reducing the need to manually open hatches and thereby minimizing natural gas venting. These systems contribute to maintaining compliance with emission control and equipment performance standards.

Table 2. Venting and Flaring of Natural Gas Summary

Section	Applicability	Notes
A — General Duty	Applies	Shackelford's must maximize recovery and always minimize the release of natural gas.
B — Drilling Operations	Not applicable	Operator is **not drilling**; no action needed.
C — Completion/Recompletion Operations	Applies	A **recompletion activity is scheduled**.
D — Production Operations	Applies	Operator **is producing**. Flaring is only allowed under:
	D(2) Emergency	Venting or flaring to avoid immediate risk to safety, health, or environment.
	D(3) Maintenance (e.g., unloading liquids, workover rigs)	Allowed if following specific procedures.
	D(4) Not applicable	Operator's wells are **not delineation wells**.
	D(5) Tests	An exception is permitted during **normal operation of a storage tank** or other low pressure production vessel.
E — Performance Standards	Applies partially	
	E(1) Separator design for maximum throughput and pressure.	Must verify separator design standards.
	E(2) Tanks must have automatic gauging systems if installed after the effective date.	Shackelford's Tanks count with Automated Gauge Tanks and with the Noralta System.

	E(3) & E(4) Flare design	**Not applicable** (Operator does not flare under normal operations).
	E(5) AVO inspections weekly during first year of production if production >10 BOPD or >60 MSCFD.	Must be monitored and documented weekly. A recompletion does trigger a "first year of production" under 19.15.27.8(E)(5) for purposes of AVO inspections.
F — Measurement	Applies if venting occurs	Operator must measure or estimate volumes if venting happens, even rarely.

VIII. Best Management Practices.

Shackelford Oil Company is committed to implementing the best management practices to minimize methane emissions during operations. In alignment with industry standards, the company prioritizes minimizing venting activities, recovering gas when possible, and systematically monitoring vent sources for improvements. Venting, defined as the intentional or unintentional release of gas into the atmosphere, often arises from activities such as well completions, liquids unloading, storage tanks, and compressor equipment. Venting will only occur under the exceptions permitted by 19.15.27.8 NMAC and all venting will be reported on form C-129.

The operator will maintain a detailed inventory of all venting activities and sources. At Shackelford, Automated Tank Gauges (Noralta), tank pressure monitors, and a routine leak detection and repair (LDAR) program are already in place for all tanks. Future AVO and OGI inspections will be implemented in alignment with recommendations from the OCD's Exhibit 30: Reducing Methane Emissions – Best Practice Guide (September 2020). Preventative measures include minimizing the unnecessary opening of tank hatches. Additionally, compressor seals and starter motors will be systematically monitored and maintained as part of the LDAR program.

Shackelford reinforces its compliance with 19.15.27.8(E)(5)(b) NMAC, which requires weekly AVO (audio, visual, and olfactory) inspections at facilities producing more than 60,000 cubic feet of natural gas per day. These inspections are conducted across all applicable sites and cover thief hatches, PRVs, vent systems, valves, compressors, and associated piping. To strengthen this monitoring, Shackelford also performs quarterly Optical Gas Imaging (OGI) surveys, which complement AVO by enhancing leak detection capabilities beyond sensory methods and ensuring early identification and correction of fugitive emissions. When addressing well liquids unloading, Shackelford will avoid manual atmospheric venting whenever possible. According to the United Nations CCAC Technical Guidance Document No. 7, these mitigation technologies substantially reduce emissions compared to manual atmospheric venting.

During recompletion operations, Shackelford Oil Company will implement a comprehensive set of best management practices (BMPs) to minimize methane and VOC emissions, aligned with OCD's Exhibit 30: Reducing Methane Emissions – Best Practice Guide (2020), API RP 1184, and EPA Natural Gas STAR Program guidance. Pre-job planning will identify potential venting points and ensure the

availability of gas recovery equipment when feasible. Flowback separation equipment will be used to capture and manage gas safely during initial flow periods, with gas directed to sales or recovery systems where practical. During critical stages such as flowback, swabbing, and wellbore cleanouts, portable Optical Gas Imaging (OGI) cameras and calibrated pressure gauges will provide real-time monitoring of emissions if needed. Manual atmospheric liquids unloading will be avoided wherever possible, favoring automated unloading techniques to further reduce emissions, consistent with UN CCAC Technical Guidance Document No. 7. All recompletion-related venting will be tracked and reported per 19.15.27.8 NMAC on Form C-129. In addition, post-operation reviews will assess emission control effectiveness and identify opportunities for continuous improvement. Through systematic implementation of these practices, Shackelford Oil Company reinforces its commitment to environmental stewardship, regulatory compliance, and leadership in responsible natural gas production.

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

CONDITIONS

Operator:	OGRID:
SHACKELFORD OIL CO 11417 W County Rd 33 Midland, TX 79707	20595
	Action Number: 483624
	Action Type: [C-103] NOI Recompletion (C-103E)

CONDITIONS

Created By	Condition	Condition Date
matthew.gomez	Notify the OCD inspection supervisor via email 24 Hours Prior to beginning operations.	7/10/2025
matthew.gomez	A C-104 packet is required if, a pool is added, or perforations are added above or below existing perfs.	7/10/2025
matthew.gomez	Administrative order required for non-standard spacing unit prior to production.	7/10/2025
matthew.gomez	CBL is needed prior to operations.	7/10/2025
matthew.gomez	All conducted logs shall be submitted to the OCD.	7/10/2025
matthew.gomez	If Cement is not adequate to protect casing and isolate strata: (a) the uppermost perforation in each additional pool to at least 150 feet above that perforation; and (b) the lowermost perforation in each added pool to at least 100 feet below that perforation, the appropriate Inspection supervisor shall be consulted and remedial action conducted as directed.	7/10/2025
gcordero	Spot 25 sacks cement 12370' - 12090' - WOC & Tag - T Atoka & Strawn	7/10/2025
matthew.gomez	A C-103T completion sundry shall be submitted to the OCD reporting subsequent recompletion operations.	7/10/2025