Sundry Print Report

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

Well Name: EL PASO Well Location: T29N / R9W / SEC 20 / County or Parish/State: SAN

Well Number: 3 Type of Well: CONVENTIONAL GAS Allottee or Tribe Name:

WELL

Lease Number: NMNM0560422 Unit or CA Name: Unit or CA Number:

OPERATING LLC

Notice of Intent

Sundry ID: 2846513

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 04/10/2025 Time Sundry Submitted: 10:04

Date proposed operation will begin: 07/01/2025

Procedure Description: MorningStar Operating requests approval of the attached P&A procedure for the El Paso #3.

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Procedure Description

El_Paso_3_WBD_Proposed_PA_04.09.2025_20250410100349.pdf

EI_Paso_3_WBD_current_04.09.2025_20250410100335.pdf

EI_Paso_3_Proposed_PA_Procedure_04.09.2025_20250410100320.pdf

Page 1 of 2

Well Location: T29N / R9W / SEC 20 /

SWNW / 36.712036 / -107.807831

County or Parish/State: SAN 2 of

JUAN / NM

Well Number: 3

Type of Well: CONVENTIONAL GAS

Allottee or Tribe Name:

Lease Number: NMNM0560422

Unit or CA Name:

Unit or CA Number:

US Well Number: 300452152800S1

Operator: MORNINGSTAR

OPERATING LLC

Conditions of Approval

Additional

El_Paso_No__3_Geo_Rpt_20250421113258.pdf

Authorized

General_Requirement_PxA_20250422112128.pdf

2846513_3_3004521528_NOI_ABD_KR_04222025_20250422112050.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: CONNIE BLAYLOCK Signed on: APR 10, 2025 10:04 AM

Name: MORNINGSTAR OPERATING LLC

Title: Regulatory Technician Street Address: 400 W 7th St.

City: Forth Worth State: TX

Phone: (817) 334-7882

Email address: CBLAYLOCK@MSPARTNERS.COM

Field

Representative Name: Amy Byars

Street Address:

City: State:

Phone:

Email address: abyars@txopartners.com

BLM Point of Contact

BLM POC Name: KENNETH G RENNICK BLM POC Title: Petroleum Engineer

BLM POC Phone: 5055647742 BLM POC Email Address: krennick@blm.gov

Disposition: Approved Disposition Date: 04/22/2025

Signature: Kenneth Rennick

Page 2 of 2

Zip:



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Farmington District Office 6251 College Boulevard, Suite A Farmington, New Mexico 87402 http://www.blm.gov/nm



CONDITIONS OF APPROVAL

April 22, 2025

Notice of Intent - Plug and Abandonment

Operator: Morningstar Operating LLC

Lease: NMNM0560422

Well(s): El Paso 3, US Well 30-045-21528

Location: SWNW Sec 20 T29N R9W (San Juan County, NM)

Sundry Notice ID #: 2846513

The Notice of Intent to Plug and Abandon is accepted with the following Conditions of Approval (COA):

- 1. Plugging operations authorized are subject to the attached "General Requirements for Permanent Abandonment of Wells on Federal and Indian Lease."
- 2. The following modification to your plugging program is to be made:
 - a. Modify the Plug 2 TOC to 670' to account for the BLM geologist's pick for the Ojo Alamo at 770'.
- 3. <u>Notification:</u> Farmington Office is to be notified at least 24 hours before the plugging operations commence at (505) 564 7750.

You are also required to place cement excesses per 4.2 and 4.4 of the attached General Requirements.

Office Hours: 7:45 a.m. to 4:30 p.m.

K. Rennick 4/22/2025

BLM - FFO - Geologic Report

Date Completed	4/21/2025
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 Well No. El Paso No. 3
 Surf. Loc. 2210
 FNL 620
 FWL

 Lease No. NMSF0560422
 Sec 20
 T29N
 R9W

Operator Morningstar Operating LLC County San Juan State New Mexico

TVD 2164 PBTD 2154 Formation: Aztec Pictured Cliffs Elevation GL 5643 Elevation Est. KB 5655

Geologic Formations	Est. tops Su	ıbsea Elev.	Remarks
Nacimiento Fm.	Surface		Surface /fresh water sands
Ojo Alamo Ss	770	4885	Fresh water aquifer
Kirtland Fm.	1032	4623	
Fruitland Fm.	1527	4128	Coal/gas/possible water
Pictured Cliffs	2046	3609	Possible gas/water

Remarks: Reference Well:

-Vertical wellbore, all formation depths are TVD from KB at the wellhead.

-Modify the Plug 2 TOC to 670' to account for the BLM geologist's pick for the Ojo Alamo.

Morningstar Operating LLC

Same

Prepared by: Walter Gage

GENERAL REQUIREMENTS FOR PERMANENT ABANDONMENT OF WELLS ON FEDERAL AND INDIAN LEASES FARMINGTON FIELD OFFICE

- 1.0 The approved plugging plans may contain variances from the following <u>minimum general</u> requirements.
 - 1.1 Modification of the approved plugging procedure is allowed only with the prior approval of the Authorized Officer, Farmington Field Office.
 - 1.2 Requirements may be added to address specific well conditions.
- 2.0 Materials used must be accurately measured. (densometer/scales)
- 3.0 A tank or lined pit must be used for containment of any fluids from the wellbore during plugging operations and all pits are to be fenced with woven wire. These pits will be fenced on three sides and once the rig leaves location, the fourth side will be fenced.
 - 3.1 Pits are not to be used for disposal of any hydrocarbons. If hydrocarbons are present in the pit, the fluids must be removed prior to filling in.
- 4.0 All cement plugs are to be placed through a work string. Cement may be bull-headed down the casing with prior approval. Cement caps on top of bridge plugs or cement retainers may be placed by dump bailer.
 - 4.1 The cement shall be as specified in the approved plugging plan.
 - 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.3 Surface plugs may be no less than 50' in length.
 - 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
 - 4.5 All cement plugs placed to fill an open hole shall be of sufficient volume to fill a minimum of 100' of hole, as calculated from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug. In the absence of a caliper log, an excess of 100% shall be required.
 - 4.6 A cement bond log or other accepted cement evaluation tool is required to be run if one had not been previously ran or cement did not circulate to surface during the original casing cementing job or subsequent cementing jobs.

2

- 5.1 The top of any cement plug verified by tagging must be at or above the depth specified in the approved plan, without regard to any excess.
- 5.2 Testing will not be required for any cement plug that is mechanically contained by use of a bridge plug and/or cement retainer, if casing integrity has been established.
- 5.3 Any cement plug which is the only isolating medium, for a fresh water interval or a zone containing a prospectively valuable deposit of minerals, shall be tested by tagging.
- 5.4 If perforations are required below the surface casing shoe, a 30 minute minimum wait time will be required to determine if gas and/or water flows are present. If flow is present, the well will be shut-in for a minimum of one hour and the pressure recorded. Short or long term venting may be necessary to evacuate trapped gas. If only a water flow occurs with no associated gas, shut well in and record the pressures. Contact the Engineer as it may be necessary to change the cement weight and additives.
- 6.0 Before setting any cement plugs the hole needs to be rolled. All wells are to be controlled by means of a fluid that is to be of a weight and consistency necessary to stabilize the wellbore. This fluid shall be left in place as filler between all plugs.
 - 6.1 Drilling mud may be used as the wellbore fluid in open hole plugging operations.
 - 6.2 The wellbore fluid used in cased holes shall be of sufficient weight to balance known pore pressures in all exposed formations.
- 7.0 A blowout preventer and related equipment (BOPE) shall be installed and tested prior to working in a wellbore with any exposed zone(s); (1) that are over pressured, (2) where the pressures are unknown, or (3) known to contain H_2S .
- 8.0 Within 30 days after plugging work is completed, file a Sundry Notice, Subsequent Report of Abandonment (Form 3160-5), through the Automated Fluid Minerals Support System (AFMSS) with the Field Manager, Bureau of Land Management, 6251 College Blvd., Suite A, Farmington, NM 87402. The report should show the manner in which the plugging work was carried out, the extent, by depth(s), of cement plugs placed, and the size and location, by depth(s), of casing left in the well. Show date well was plugged.
- 9.0 All permanently abandoned wells are to be marked with a permanent monument as specified in 43 CFR 3162.6(d). Unless otherwise approved.
- 10.0 If this well is located in a Specially Designated Area (SDA), compliance with the appropriate seasonal closure requirements will be necessary.

All of the above are minimum requirements. Failure to comply with the above conditions of approval may result in an assessment for noncompliance and/or a Shut-in Order being issued pursuant to 43 CFR 3163.1. You are further advised that any instructions, orders or decisions issued by the Bureau of Land Management are subject to administrative review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4 and 43 CFR 4.700.

Proposed P&A Procedure

El Paso 3 - 3004521528

Notify Farmington BLM Office at least 24hrs in advance to plugging operations 505 564-7750

All Cement Class G 15.8 ppg 1.15 cuft/sk yield

- 1. MIRU P&A services and slimhole workstring.
- 2. POOH tubing LD tubing and packer. Send all tubing to salvage.
- 3. Run gauge ring to ~2020'.
- 4. Set CIBP/CICR ~2008'.
- 5. Circulate hole with BLM/NMOCD approved P&A fluid.
- 6. Run CBL from plug/retainer to surface. Send CBL to BLM/NMOCD and MSO Engineering.
 - Make necessary revisions to plugging plan if required by BLM/NMOCD and notify MSO
 Engineering. Ensure proper written notifications/revisions sent/received.
- 7. Plug 1 (PC Perfs/FC)
 - a. Spot 17sx cement on top of CIBP.
 - i. From 2008'-1427'
- 8. Plug 2 (Kirtland/Ojo Alamo)
 - a. Pump balanced plug 12sx cement.
 - i. From 1082-670'
- 9. Plug 3 (Surface shoe)
 - a. Perf ~177'
 - b. Attempt to establish circulation
 - If circulation established, pump 63sx cement to fill 2.875" casing and hole annulus, and 6sx cement inside 2.875" casing.
 - ii. If no circulation established, pump 6sx cement inside 2.875" casing.
 - c. From 177' to surface
 - d. Ensure cement at surface on all strings of casing, top off as needed.
- 10. Cut off wellhead below surface casing flange at depth as required by regulatory guidance.
- 11. Install P&A Marker.

Estimated 98 sx cement total.

04.23.2025

Please make sure all excess volumes are as follows:

- 4.2 All cement plugs placed inside casing shall have sufficient volume to fill a minimum of 100' of the casing, or annular void(s) between casings, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.
- 4.4 All cement plugs placed to fill annular void(s) between casing and the formation shall be of sufficient volume to fill a minimum of 100' of the annular space plus 100% excess, calculated using the bit size, or 100' of annular capacity, determined from a caliper log, plus an excess volume sufficient to provide for 50 linear feet of fill above the plug.

TD - 2164' MD

12-1/4" hole

Surface Csg: 3 jts 8-5/8" 24# J-55 and K-55

Setting Depth: 127'

Cement:

112 cuft cement Circulated cmt to surface

6.75" hole to 2164'

Prod Csg: 71 jts 2 7/8" 6.4# J-55

Setting Depth: 2164 ft

Cement:

378 cuft cmt

TOC from completions report 1025'

Perfs (PC):

2058', 2068', 2086', 2098' 1 shot per zone

Frac: 50,000# 20/40 sand and 51,000 gals treated water

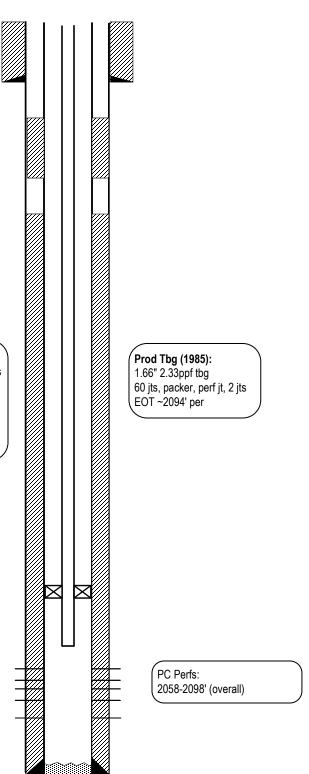
Csg Squeeze (08/1985):

Squeeze cement casing failure 513-771' w/175 sx Class B cmt w/2% CaCl2 and 1% TIC (190 cuft) - drill out and did not hold – isolate leak btwn 578-643' – squeeze 75 sx Class B cmt w/2% CaCl2 and 1% TIC (88 cuft) - drill out and P test 600 psi - good test

Clean out to bottom, set tubing and packer

Slimhole 27/8"

PBTD: 2154' MD



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Prepared by: BBerry Date: 02.19.2025 Updated: 04.09.2025 04.23.2025

KB = ft GL = 5635 ftAPI# 30-045-21528

Spud Date: 01/06/1978

Nacimiento: Surface **Ojo Alamo: 770' *Kirtland: 1032' *Fruitland: 1527' *Pictured Cliffs: 2046' *Tops from Prelim Review by BLM **Tops from BLM COA

MorningStar Operating, LLC

El Paso 3 San Juan County, NM **Unit E S20 T29N R09W**

TD - 2164' MD

12-1/4" hole

Surface Csg: 3 jts 8-5/8" 24# J-55 and K-55

Setting Depth: 127'

Cement:

112 cuft cement Circulated cmt to surface

6.75" hole to 2164' Prod Csg: 71 jts 2 7/8" 6.4# J-55 Setting Depth: 2164 ft

Cement:

378 cuft cmt

TOC from completions report 1025'

Perfs (PC):

2058', 2068', 2086', 2098' 1 shot per zone

Frac: 50,000# 20/40 sand and 51,000 gals treated water

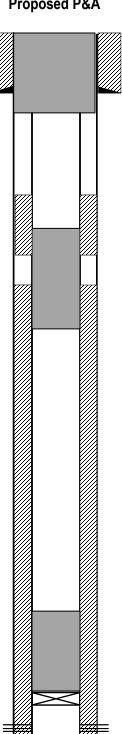
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Clean out to bottom, set tubing and packer

PC Perfs: 2058-2098' (overall)

Proposed P&A



PBTD: 2154' MD

Plug 3 (Surf Shoe) - Perf 177' attempt to circulate - if circ achieved pump 63 sx cmt for pipe/hole section and 6 sx cmt to surface - if no circ, spot Plug 6 sx cmt 177' to surface

Plug 2 (Kirtland/Ojo) - Balance Plug 6 sx cmt (1082-670')

Plug 1 (PC perfs/FC) -Set CIBP Spot 16 sx cmt (2008'-1427')

Page 10 of 11
Prepared by: BBerry Date: 02.19.2025

Updated: 04.09.2025 04.23.2025 from BLM COA

> KB = ftGL = 5635 ft API# 30-045-21528

Spud Date: 01/06/1978

Nacimiento: Surface **Ojo Alamo: 770' *Kirtland: 1032' *Fruitland: 1527' *Pictured Cliffs: 2046' *Tops from Prelim Review by BLM **Tops from BLM COA Sante Fe Main Office Phone: (505) 476-3441

General Information Phone: (505) 629-6116

Online Phone Directory https://www.emnrd.nm.gov/ocd/contact-us

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

CONDITIONS

Action 455477

CONDITIONS

Operator:	OGRID:
MorningStar Operating LLC	330132
400 W 7th St	Action Number:
Fort Worth, TX 76102	455477
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By		Condition Date
mkuehling	Extend plug 1 to cover PC top at 2046 50 feet below top - Notify NMOCD 24 hours prior to moving on - monitor string pressures daily report on subsequent - submit all logs prior to subsequent.	4/30/2025