

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

Well Name: PENNZOIL FED	Well Location: T22S / R27E / SEC 10 / NWNE /	County or Parish/State: EDDY / NM
Well Number: 2	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM0473303A	Unit or CA Name:	Unit or CA Number:
US Well Number: 300152268000S1	Well Status: Producing Oil Well	Operator: MATADOR PRODUCTION COMPANY

Accepted for record – NMOCD gc2/23/2023

Notice of Intent

Sundry ID: 2713611

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 02/01/2023

Time Sundry Submitted: 12:56

Date proposed operation will begin: 04/30/2023

Procedure Description: Matador respectfully requests a 90 day P&A extension. For planned P&A estimated around 4.26.23.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Conditions of Approval

Specialist Review

Combined_COA__Plugging__Abandonment_and_Reclamation__20230202124528.pdf

Well Name: PENNZOIL FED

Well Location: T22S / R27E / SEC 10 / NWNE /

County or Parish/State: EDDY / NM

Well Number: 2

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM0473303A

Unit or CA Name:

Unit or CA Number:

US Well Number: 300152268000S1

Well Status: Producing Oil Well

Operator: MATADOR PRODUCTION COMPANY

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: BRETT JENNINGS

Signed on: FEB 01, 2023 12:53 PM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Analyst

Street Address: 5400 LBJ FREEWAY, STE 1500

City: DALLAS

State: TX

Phone: (972) 629-2160

Email address: BRETT.JENNINGS@MATADORRESOURCES.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: LONG VO

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752345972

BLM POC Email Address: LVO@BLM.GOV

Disposition: Approved

Disposition Date: 02/02/2023

Signature: Long Vo

Well Name: PENNZOIL FED	Well Location: T22S / R27E / SEC 10 / NWNE /	County or Parish/State: EDDY / NM
Well Number: 2	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM0473303A	Unit or CA Name:	Unit or CA Number:
US Well Number: 3001522680	Well Status: Producing Oil Well	Operator: MATADOR PRODUCTION COMPANY

Notice of Intent

Sundry ID: 2689969

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 08/31/2022

Time Sundry Submitted: 12:32

Date proposed operation will begin: 09/15/2022

Procedure Description: Matador is requesting to plug and abandon the Pennzoil Federal #2, per the required COA, following the procedure below: • Notify BLM 24 hrs before MIRU. • Safety mtg, MIRU, check pressures, ND wellhead, NU BOPs & POOH w/ rods and tbg. • Set CIBP @ 3,380'. Spot 25 sks CI C cmt on top of CIBP. Pressure test csg. Circ and displace hole w/ MLF. • RIH and spot 25 sks CI C cmt from 2,450' – 2,550'. (TOC outside csg) • Perf @ 1924' & sqz 40 sx CI C cmt from 1924-1773'. (Top of Delaware) • Perf @ 508' & sqz CI C cmt to surface. (Surface Shoe) • Cut off wellhead and ensure cmt to surface on all csg strings. • Install dry hole marker per BLM/NMOCD specifications. *Current and proposed wellbore diagrams attached **Mud laden fluid (MLF) mixed at 25sx/100 bbls water will be spotted between each plug.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Approval Subject to
General Requirements and
Special Stipulations
Attached

NOI Attachments

Procedure Description

Pennzoil_Federal_2_Current_and_Proposed_WBD__20220831123242.pdf

Well Name: PENNZOIL FED

Well Location: T22S / R27E / SEC 10 / NWNE /

County or Parish/State: EDDY / NM

Well Number: 2

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM0473303A

Unit or CA Name:

Unit or CA Number:

US Well Number: 3001522680

Well Status: Producing Oil Well

Operator: MATADOR PRODUCTION COMPANY

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: BRETT JENNINGS

Signed on: AUG 31, 2022 12:32 PM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Analyst

Street Address: 5400 LBJ FREEWAY, STE 1500

City: DALLAS

State: TX

Phone: (972) 629-2160

Email address: BRETT.JENNINGS@MATADORRESOURCES.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

PLUG AND ABANDONMENT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Matador Production Company
LEASE NO.:	NMNM0473303A
WELL NAME & NO.:	Pennzoil Fed 2
US Well Number:	3001522680
LOCATION:	Section 10, T.22 S., R.27 E., NMPM
COUNTY:	Eddy County, New Mexico
Sundry ID:	2689969
Karst:	<input type="checkbox"/> Low <input checked="" type="checkbox"/> Medium <input type="checkbox"/> High <input type="checkbox"/> Critical
Potash:	<input type="checkbox"/> Secretary <input type="checkbox"/> R111P
Special Area:	<input type="checkbox"/> Prairie Chicken <input type="checkbox"/> Capitan Reef

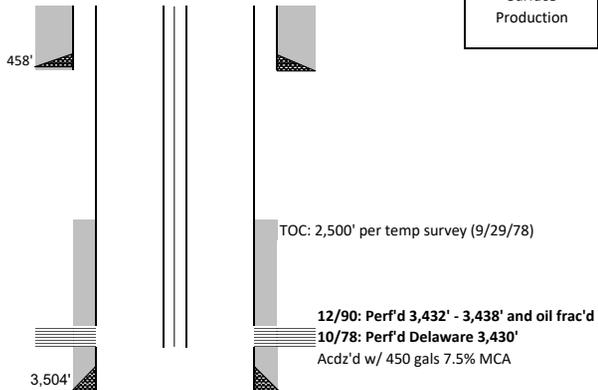
Matador is requesting to plug and abandon the Pennzoil Federal #2, per the required COA, following the procedure below:

- Notify BLM 24 hrs before MIRU.
 - Safety mtg, MIRU, check pressures, ND wellhead, NU BOPs & POOH w/ rods and tbg.
 - Set CIBP @ 3,380'. Spot 25 sks Cl C cmt on top of CIBP. Pressure test csg. Circ and displace hole w/ MLF.
 - RIH and spot 25 sks Cl C cmt from 2,450' – 2,550'. (TOC outside csg)
 - Perf @ 1924' & sqz ~~12340~~ sx Cl C cmt from 1924-~~1415'~~~~1773'~~. (Top of Delaware) (In/Out) WOC and Tag.
 - Perf @ ~~520'~~~~598'~~ & sqz Cl C cmt to surface. (Surface Shoe) 133 sxs. (In/Out)
 - Cut off wellhead and ensure cmt to surface on all csg strings.
 - Install dry hole marker per BLM/NMOCD specifications.
- *Current and proposed wellbore diagrams attached
- **Mud laden fluid (MLF) mixed at 25sx/100 bbls water will be spotted between each plug.

Approval Subject to General Requirements and Special Stipulations Attached

- **No more than 3000 feet between cement plugs in cased hole.**
- **Wait on Cement and Tag Top of Cement Requirement:**
 - 1. Shoe, Top of Salt, Base of Salt, DV tool, Perforate and Squeeze, Open Perforation.**
 - 2. Formation plug is optional if a solid base is established and confirmed.**

Pennzoil Federal #2
 660' FNL 2310' FEL Sec. 10-T-22S-R27E
 Eddy County, NM
 API: 30-015-22680
CURRENT WELLBORE SCHEMATIC
 Spudded: 9/21/78

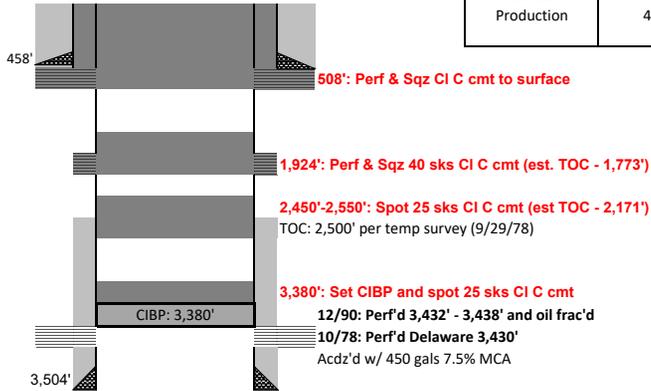


Casing Information					
Casing String	Casing Size	Weight lb/ft	Depth Set	Hole Size	Cementing Record
Surface	8 5/8"	24# K-55	458'	12 1/4"	400 sx, circulated to surface
Production	4 1/2"	10.5-11.6# K-55	3,504'	7 7/8"	200 sx, TOC: 2,500'

Geologic Markers	
Top Salt	470
Base Salt	1480
Top Delaware	1874
Top Delaware Sand	2050
Top Manzanita	2820

Pennzoil Federal #2
 660' FNL 2310' FEL Sec. 10-T-22S-R27E
 Eddy County, NM
 API: 30-015-22680

PROPOSED P&A WELLBORE SCHEMATIC



Casing Information					
Casing String	Casing Size	Weight lb/ft	Depth Set	Hole Size	Cementing Record
Surface	8 5/8"	24# K-55	458'	12 1/4"	400 sx, circulated to surface
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Approval Subject to
 General Requirements and
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 Attached

Sundry ID 2689969

Plug Type	Top	Bottom	Length	Tag	Sacks	Notes
Surface Plug	0.00	508.00	508.00	Tag/Verify		
Fresh Water @ 350	296.50	400.00	103.50	If solid		
Shoe Plug	403.42	508.00	104.58	Tag/Verify		
Top of Salt @ 470	415.30	520.00	104.70	Tag/Verify	133.00	Perf and Sqz from 520' to surface. (In/Out) Verify at surface.
Base of Salt @ 1480	1415.20	1530.00	114.80	Tag/Verify		
Delaware @ 1874	1805.26	1924.00	118.74	If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforatio	123.00	Perf and Sqz from 1924' to 1415'. (In/Out) WOC and Tag.
CIBP Plug	3345.00	3380.00	35.00	If solid base no need to Tag (CIBP present and/or Mechanical Integrity Test), If Perf & Sqz then Tag, Leak Test all CIBP if no Open Perforatio	25.00	Set CIBP at 3380'. Leak Test CIBP. Spot 25 sxs on top.
Perforations Plug (If No CIBP)	3345.70	3480.00	134.30	Tag/Verify		
Shoe Plug	3418.96	3554.00	135.04	Tag/Verify		

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.

Class H >7500'

Class C <7500'

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

Medium, Secretary: Top of salt to surface *If no salt take the deepest fresh water or Karst Depth*

High, Critical: Bottom of Karst to surface or Deepest fresh water, whichever is greater

R111P: 50 Feet from Base of Salt to surface.

Class C: 1.32 ft³/sx

Class H: 1.06 ft³/sx

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected.

Cave Karst/Potash Cement	Medium	Top of Salt to surface
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Shoe @ 458.00

Shoe @ 3504.00 TOC @ 2500.00

Perforatons Top @ 3430.00 Perforations 3430.00

CIBP @ 3380.00

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

**Permanent Abandonment of Federal Wells
Conditions of Approval**

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 Abandon.

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 well 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.

2. **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; Eddy County, call 575-361-2822; Lea County, call 575-689-5981.

3. **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 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **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 brine water. Minimum nine (9) pounds per gallon.

5. **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.

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 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.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds). A weep hole shall be left if a metal plate is welded in place.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging 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 well was plugged.**

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.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo “interim” reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo “final” reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any/all contaminants, scrap/trash, equipment, pipelines and powerlines **(Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure)**. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip (across the slope and seed as specified in the original APD COA. **This will apply to well pads, facilities, and access roads.** Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you

have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Petroleum Engineering Tech/Environmental Protection Specialist
575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

Jose Martinez-Colon
Environmental Protection Specialist
575-234-5951

Mark Mattozzi
Environmental Protection Specialist
575-234-5713

Robert Duenas
Environmental Protection Specialist
575-234-2229

Trishia Bad Bear, Hobbs Field Station
Natural Resource Specialist
575-393-3612

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone:(575) 393-6161 Fax:(575) 393-0720

District II
 811 S. First St., Artesia, NM 88210
 Phone:(575) 748-1283 Fax:(575) 748-9720

District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV
 1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS
 Action 188945

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 188945
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	2/23/2023