

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

Sundry Print Reports
10/04/2023

Well Name: BIG BUCKS FED COM Well Location: T21S / R32E / SEC 12 / County or Parish/State: LEA /

NENE / 32.5010389 / -103.6214493

Well Number: 601H Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMNM92187 Unit or CA Name: Unit or CA Number:

US Well Number: 300254706500X1 **Well Status:** Approved Application for **Operator:** MATADOR

Permit to Drill PRODUCTION COMPANY

Notice of Intent

Sundry ID: 2752911

Type of Submission: Notice of Intent

Type of Action: APD Change

Date Sundry Submitted: 09/25/2023 Time Sundry Submitted: 08:59

Date proposed operation will begin: 09/25/2023

Procedure Description: BLM Bond NMB001079 Surety Bond No.: RLB0015172 Submitting formal NOI Sundry following verbal approval from Saman Akhtarmanesh on 09/20/2023. Matador respectfully requests to make the following change to the Big Bucks Fed Com #601H (API: 30-025-47065): • Change the 1st intermediate casing string set depth to approximately 3,300 feet MD.

Conditions of Approval

Additional

BIG_BUCKS_FED_COM_601H_APD_CHANGE_ENG_COA_20231003093758.pdf

Page 1 of 2

eceived by OCD: 10/4/2023 8:37:42 AM Well Name: BIG BUCKS FED COM

Well Location: T21S / R32E / SEC 12 /

NENE / 32.5010389 / -103.6214493

County or Parish/State: LEA/

NM

Well Number: 601H

Type of Well: OIL WELL

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MNM92187 Unit or CA Name:

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US Well Number: 300254706500X1

Well Status: Approved Application for

Permit to Drill

Operator: MATADOR PRODUCTION COMPANY

Operator

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

Operator Electronic Signature: NICKY FITZGERALD Signed on: SEP 25, 2023 08:07 AM

Name: MATADOR PRODUCTION COMPANY

Title: Regulatory Consultant

Street Address: 5400 LBJ FREEWAY STE 1500

City: DALLAS State: TX

Phone: (972) 371-5448

Email address: nicky.fitzgerald@matadorresources.com

Field

Representative Name:

Street Address:

Citv:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: CHRISTOPHER WALLS

BLM POC Title: Petroleum Engineer

BLM POC Phone: 5752342234 BLM POC Email Address: cwalls@blm.gov

Disposition: Approved **Disposition Date:** 10/03/2023

Signature: Chris Walls

Page 2 of 2

Form 3160-5 (June 2019)

UNITED STATES DEPARTMENT OF THE INTERIOR

| FORM APPROVE | LD. |
|----------------------|-----|
| OMB No. 1004-013 | 37 |
| Expires: October 31, | 202 |

| 5. | Lease | Serial | No |
|----|-------|--------|----|
| | | | |

| BURI | EAU OF LAND MANAGEMENT | | J. Lease Serial IVO. | |
|--|--|----------------------------|-------------------------------|--|
| Do not use this f | OTICES AND REPORTS ON Worm for proposals to drill or to Use Form 3160-3 (APD) for suc | re-enter an | 6. If Indian, Allottee or | Tribe Name |
| abandonea wen. c | ose rollin ordo-o (Al D) for suc | лі ріорозаіз. | 7 IEII::: C A / A | |
| | TRIPLICATE - Other instructions on page | 9 2 | /. If Unit of CA/Agree | ment, Name and/or No. |
| 1. Type of Well | | | 8. Well Name and No. | |
| Oil Well Gas W | Vell Other | | | |
| 2. Name of Operator | | | 9. API Well No. | |
| 3a. Address | 3b. Phone No. | (include area code) | 10. Field and Pool or F | Exploratory Area |
| 4. Location of Well (Footage, Sec., T.,R | .,M., or Survey Description) | | 11. Country or Parish, | State |
| 12. CHE | CK THE APPROPRIATE BOX(ES) TO INI | DICATE NATURE OF NOT | TICE, REPORT OR OTH | IER DATA |
| TYPE OF SUBMISSION | | TYPE OF AC | CTION | |
| Notice of Intent | Acidize Deep | = | duction (Start/Resume) | Water Shut-Off |
| | | ~ = | clamation | Well Integrity Other |
| Subsequent Report | | = | complete nporarily Abandon | Oulei |
| Final Abandonment Notice | Convert to Injection Plug | _ | ter Disposal | |
| completion of the involved operatio completed. Final Abandonment Not is ready for final inspection.) | I be perfonned or provide the Bond No. on fins. If the operation results in a multiple comices must be filed only after all requirements | pletion or recompletion in | a new interval, a Form 31 | 60-4 must be filed once testing has been |
| 14. I hereby certify that the foregoing is | true and correct. Name (Printed/Typed) | Title | | |
| Signature | | Date | | |
| | THE SPACE FOR FEDI | ERAL OR STATE O | FICE USE | |
| Approved by | | | | |
| 11 | | Title | Γ | Date |
| Conditions of approval, if any, are attackerify that the applicant holds legal or ewhich would entitle the applicant to con- | ned. Approval of this notice does not warrant quitable title to those rights in the subject led duct operations thereon. | t or asse Office | 1 | |
| | B U.S.C Section 1212, make it a crime for an | | Ilfully to make to any de | partment or agency of the United States |

(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, 3162.3-4.

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

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

Response to this request is mandatory.

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

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

(Form 3160-5, page 2)

Additional Information

Location of Well

0. SHL: NENE / 45 FNL / 401 FEL / TWSP: 21S / RANGE: 32E / SECTION: 12 / LAT: 32.5010389 / LONG: -103.6214493 (TVD: 0 feet, MD: 0 feet) PPP: NENE / 285 FNL / 990 FEL / TWSP: 21S / RANGE: 32E / SECTION: 12 / LAT: 32.4999163 / LONG: -103.6230387 (TVD: 11594 feet, MD: 11760 feet) PPP: SESE / 1320 FSL / 990 FEL / TWSP: 21S / RANGE: 32E / SECTION: 12 / LAT: 32.489779 / LONG: -103.623062 (TVD: 11616 feet, MD: 15499 feet) BHL: NENE / 1206 FNL / 550 FEL / TWSP: 21S / RANGE: 32E / SECTION: 13 / LAT: 32.482816 / LONG: -103.6230541 (TVD: 11616 feet, MD: 18032 feet)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: WELL NAME & NO.: BIG BUCKS FED COM 601H
SURFACE HOLE FOOTAGE: 40'/N & 401'/E
BOTTOM HOLE FOOTAGE 1206'/N & 550'/E
LOCATION: Section 12, T.21 S., R.32 E., NMP
COUNTY: Lea County, New Mexico

COA

| H2S | • Yes | O No | |
|----------------------|------------------|--------------|------------------|
| Potash | O None | © Secretary | ⊙ R-111-P |
| Cave/Karst Potential | • Low | © Medium | C High |
| Cave/Karst Potential | Critical | | |
| Variance | O None | © Flex Hose | Other |
| Wellhead | Conventional | • Multibowl | C Both |
| Wellhead Variance | O Diverter | | |
| Other | ✓ 4 String | | □WIPP |
| Cementing | ☐ Contingency | ☐ EchoMeter | ☐ Primary Cement |
| | Cement Squeeze | | Squeeze |
| Special Requirements | ☐ Water Disposal | ▼ COM | □ Unit |

SEE ORIGINAL COA FOR ALL OTHER REQUIREMENTS.

A. CASING

Primary Casing Design:

- 1. The **16-inch** surface casing shall be set at approximately **1,665 feet** (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface. **If salt encountered, set the casing at least 25 ft. above the salt.**
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **24 hours** or **500 psi compressive strength**, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 psi compressive strength, whichever is

greater.

- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The 10-3/4 inch 1st intermediate casing shall be set at approximately 3,300 ft. in a competent bed. The minimum required fill of cement behind the 10-3/4 inch intermediate casing is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- ❖ In <u>R111 Potash Areas</u> if cement does not circulate to surface on the first two salt protection casing strings, the cement on the 3rd casing string must come to surface.
- 3. The **8-5/8 inch** 2nd intermediate casing shall be set at approximately **5,650** ft. in a competent bed. The minimum required fill of cement behind the **8-5/8-inch** intermediate casing is:

Option 1 (Single Stage):

- Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash or Capitan reef.
- ❖ In <u>Capitan Reef Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- Special Capitan Reef requirements. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:
 (Use this for 3-string wells in the Capitan Reef, if 4-string well ensure FW based mud used across the Capitan Reef interval)
 - Switch to freshwater mud to protect the Capitan Reef and use freshwater mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-

Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

- 4. The minimum required fill of cement behind the **5-1/2** inch production casing is:
 - Cement should tie-back at least **50 feet** above top of Capitan reef formation. Operator shall provide method of verification.

Note: Excess cement for production casing is below CFO's recommendation of 25%.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
 - Eddy County
 Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - ✓ Lea CountyCall the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)689-5981
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per title 43 CFR 3172 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all

times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the

- formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in title 43 CFR 3172 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead cement), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the cement plug. The BOPE test can be initiated after bumping the cement plug with the casing valve open. (only applies to single stage cement jobs, prior to the cement setting up.)
 - c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer and can be initiated immediately with the casing valve open. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to title 43 CFR 3172 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
 - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - e. The results of the test shall be reported to the appropriate BLM office.
 - f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
 - g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test

plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per title 43 CFR 3172.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

SA 10/03/2023

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

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 272213

CONDITIONS

| Operator: | OGRID: |
|----------------------------|--------------------------------------|
| MATADOR PRODUCTION COMPANY | 228937 |
| One Lincoln Centre | Action Number: |
| Dallas, TX 75240 | 272213 |
| | Action Type: |
| | [C-103] NOI Change of Plans (C-103A) |

CONDITIONS

| Created By | Condition | Condition Date |
|---------------|-----------|----------------|
| pkautz | None | 10/25/2023 |