

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

Well Name: MARGARITA FEDERAL COM 13	Well Location: T21S / R32E / SEC 13 / NWNW / 32.483292 / -103.634423	County or Parish/State: LEA / NM
Well Number: 17H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM14155	Unit or CA Name:	Unit or CA Number:
US Well Number: 300254824700S1	Well Status: Producing Oil Well	Operator: MATADOR PRODUCTION COMPANY

Notice of Intent

Sundry ID: 1516182

Type of Submission: Notice of Intent

Type of Action: Drilling Operations

Date Sundry Submitted: 02/23/2021

Time Sundry Submitted: 09:43

Date proposed operation will begin: 02/17/2021

Procedure Description: Advance Energy Partners is proposing that a vertical Pilot Hole be drilled in the Margarita Fed Com 13 # 17H. After the 2nd 12 1/4" hole is drilled and 9 5/8" intermediate casing string is run to 10,500' and cemented ,a 8 3/4" Pilot Hole will be drilled vertically to a depth of 12,300' into the Wolf camp formation. No open hole logs will be ran. Mud log samples will be taken. After the Pilot Hole TD is reached then the 8 3/4" well bore will be plugged back from TD to 10,600' with 625 sks (132 bbls) of 15.6 ppg Class H cement. All producing formations in Pilot Hole will be plugged with cement. Formation Tops in Pilot Hole: 1st & 2nd Bone Spring Sands are behind 9 5/8" casing and cemented. 3rd Bone Spring Carbonate at 11,034' MD/11,027' TVD 3rd Bone Spring Sand at 11,577' MD/11,570' TVD Wolf Camp at 11,773 MD/11,766' TVD TD at 12,300' MD/ 12,293' TVD Cement plug from 12,300' MD to 10,600' MD The Pilot Hole drilling operations will start approximately on February 15, 2021 and end on February 17, 2021. The proposed Pilot Hole will be used to determine the depths for future Bone Springs formation horizontal wells.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Well Name: MARGARITA FEDERAL COM 13

Well Location: T21S / R32E / SEC 13 / NWNW / 32.483292 / -103.634423

County or Parish/State: LEA / NM

Well Number: 17H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM14155

Unit or CA Name:

Unit or CA Number:

US Well Number: 300254824700S1

Well Status: Producing Oil Well

Operator: MATADOR PRODUCTION COMPANY

Conditions of Approval

Specialist Review

Margarita_Federal_Com_13_17H_Sundry_Pilot_Hole_20210227065511.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: DEBBIE MOUGHON

Signed on: FEB 23, 2021 09:42 AM

Name: ADVANCE ENERGY PARTNERS HAT MESA LLC

Title: Engineer Tech

Street Address: 11490 Westheimer Suite 950

City: Houston

State: TX

Phone: (346) 444-9739

Email address: dmoughon@advanceenergypartners.com

Field

Representative Name: Biff Yocham

Street Address:

City:

State:

Zip:

Phone: (832)671-9665

Email address: byocham@advanceenergypartners.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: 02/27/2021

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.

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

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				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 performed 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 determined 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 OFFICE 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 of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: NWNW / 1046 FNL / 777 FWL / TWSP: 21S / RANGE: 32E / SECTION: 13 / LAT: 32.483292 / LONG: -103.634423 (TVD: 0 feet, MD: 0 feet)

PPP: NWNW / 1291 FNL / 861 FWL / TWSP: 21S / RANGE: 32E / SECTION: 13 / LAT: 32.4826211 / LONG: -103.6341508 (TVD: 11765 feet, MD: 11773 feet)

PPP: SWSW / 1320 FSL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 13 / LAT: 32.475288 / LONG: -103.633757 (TVD: 11900 feet, MD: 20862 feet)

PPP: NWNW / 0 FNL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 24 / LAT: 32.4717 / LONG: -103.63375 (TVD: 11900 feet, MD: 21270 feet)

PPP: NWSW / 2640 FSL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 24 / LAT: 32.464435 / LONG: -103.633772 (TVD: 11900 feet, MD: 22073 feet)

BHL: SWNW / 2540 FNL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 25 / LAT: 32.450144 / LONG: -103.633794 (TVD: 11900 feet, MD: 23652 feet)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Advance Energy Partners Hat Mesa LLC
LEASE NO.:	NMNM014155
WELL NAME & NO.:	Margarita Federal Com 13 17H
SURFACE HOLE FOOTAGE:	1046'/N & 777'/W
BOTTOM HOLE FOOTAGE:	2540'/N & 990'/W
LOCATION:	Section 13, T.21 S., R.32 E., NMPM
COUNTY:	Lea County, New Mexico

COA

H2S	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	
Potash	<input type="checkbox"/> None	<input type="checkbox"/> Secretary	<input checked="" type="checkbox"/> R-111-P
Cave/Karst Potential	<input checked="" type="checkbox"/> Low	<input type="checkbox"/> Medium	<input type="checkbox"/> High
Cave/Karst Potential	<input type="checkbox"/> Critical		
Variance	<input type="checkbox"/> None	<input checked="" type="checkbox"/> Flex Hose	<input type="checkbox"/> Other
Wellhead	<input type="checkbox"/> Conventional	<input checked="" type="checkbox"/> Multibowl	<input type="checkbox"/> Both
Other	<input checked="" type="checkbox"/> 4 String Area	<input checked="" type="checkbox"/> Capitan Reef	<input type="checkbox"/> WIPP
Other	<input checked="" type="checkbox"/> Fluid Filled	<input type="checkbox"/> Cement Squeeze	<input checked="" type="checkbox"/> Pilot Hole
Special Requirements	<input type="checkbox"/> Water Disposal	<input checked="" type="checkbox"/> COM	<input type="checkbox"/> Unit

All Previous COAs Still Apply.

The pilot hole plugging procedure is approved as written. Note plug tops on subsequent drilling report. The BLM is to be contacted 24 hours prior to the commencement of any plugging operations (**575-393-3612 Lea County**) and when tagging the plugs.

Operator Proposal:

Advance Energy Partners is proposing that a vertical Pilot Hole be drilled in the Margarita Fed Com 13 # 17H. After the 2nd 12 1/4" hole is drilled and 9 5/8" intermediate casing string is run to 10,500' and cemented, a 8 3/4" Pilot Hole will be drilled vertically to a depth of 12,300' into the Wolf camp formation. No open hole logs will be ran. Mud log samples will be taken. After the Pilot Hole TD is reached then the 8 3/4" well bore will be plugged back from TD to **10,450'** with **625 sks (132 bbls) of 15.6 ppg Class H cement**. All producing formations in Pilot Hole will be plugged with cement.

Formation Tops in Pilot Hole:

1st & 2nd Bone Spring Sands are behind 9 5/8" casing and cemented.
3rd Bone Spring Carbonate at 11,034' MD/11,027' TVD

3rd Bone Spring Sand at 11,577' MD/11,570' TVD
Wolf Camp at 11,773 MD/11,766' TVD TD at 12,300' MD/ 12,293' TVD
Cement plug from 11816' MD to 10,450' MD (WOC and Tag)

The proposed Pilot Hole will be used to determine the depths for future Bone Springs formation horizontal wells.

- ❖ Mud Requirement: Mud shall be placed between all or below plugs. Minimum consistency of plugging mud shall be obtained by mixing at a rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- ❖ 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.
- ❖ Subsequent Plugging Reporting: Within 30 days after plugging work is completed to the 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 pilot hole was plugged and tagged.**

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 County

Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
393-3612

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 Onshore Oil and Gas Order No. 2 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 Onshore Oil and Gas Order No. 2 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 when specified), 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 plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 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 Onshore Order No. 2.

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.

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

Well Name: MARGARITA FEDERAL COM 13	Well Location: T21S / R32E / SEC 13 / NWNW / 32.483292 / -103.634423	County or Parish/State: LEA / NM
Well Number: 17H	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM14155	Unit or CA Name:	Unit or CA Number:
US Well Number: 300254824700S1	Well Status: Producing Oil Well	Operator: MATADOR PRODUCTION COMPANY

Notice of Intent

Sundry ID: 1516181

Type of Submission: Notice of Intent

Type of Action: Temporary Abandonment

Date Sundry Submitted: 02/23/2021

Time Sundry Submitted: 09:40

Date proposed operation will begin: 02/17/2021

Procedure Description: Advance Energy Partners is proposing to temporarily abandon the well. After the 8 3/4" Pilot Hole is drilled to TD at 12,300' a 625 sxs of 15.6 ppg Class H cement plug will be pumped from TD to 10,600' to cover all Bone Springs and Wolf Camp formations. A retrievable bridge plug will be ran in the 9 5/8" casing and set at 2000'. Bottom of 9 5/8" casing is set at 10,521' and cemented to surface. A temporary wellhead cap will be install on top of the wellhead and the drilling rig will be moved off of location. No date is set when drilling operations will resume.

Surface Disturbance

Is any additional surface disturbance proposed?: No

Well Name: MARGARITA FEDERAL COM 13

Well Location: T21S / R32E / SEC 13 / NWNW / 32.483292 / -103.634423

County or Parish/State: LEA / NM

Well Number: 17H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM14155

Unit or CA Name:

Unit or CA Number:

US Well Number: 300254824700S1

Well Status: Producing Oil Well

Operator: MATADOR PRODUCTION COMPANY

Conditions of Approval

Specialist Review

Margarita_Federal_Com_13_17H_TA_COA_20210227071512.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: DEBBIE MOUGHON

Signed on: FEB 23, 2021 09:37 AM

Name: ADVANCE ENERGY PARTNERS HAT MESA LLC

Title: Engineer Tech

Street Address: 11490 Westheimer Suite 950

City: Houston

State: TX

Phone: (346) 444-9739

Email address: dmoughon@advanceenergypartners.com

Field

Representative Name: Biff Yocham

Street Address: 11490 WESTHEIMER

City: Houston

State: TX

Zip: 77077

Phone: (832)671-9665

Email address: dmoughon@advaneeneergypartners.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: 02/27/2021

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.
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator		7. If Unit of CA/Agreement, Name and/or No.
3a. Address	3b. Phone No. (include area code)	8. Well Name and No.
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)		9. API Well No.
		10. Field and Pool or Exploratory Area
		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			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> 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 performed 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 determined 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 OFFICE 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 of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

Additional Information

Location of Well

0. SHL: NWNW / 1046 FNL / 777 FWL / TWSP: 21S / RANGE: 32E / SECTION: 13 / LAT: 32.483292 / LONG: -103.634423 (TVD: 0 feet, MD: 0 feet)

PPP: NWNW / 1291 FNL / 861 FWL / TWSP: 21S / RANGE: 32E / SECTION: 13 / LAT: 32.4826211 / LONG: -103.6341508 (TVD: 11765 feet, MD: 11773 feet)

PPP: SWSW / 1320 FSL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 13 / LAT: 32.475288 / LONG: -103.633757 (TVD: 11900 feet, MD: 20862 feet)

PPP: NWNW / 0 FNL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 24 / LAT: 32.4717 / LONG: -103.63375 (TVD: 11900 feet, MD: 21270 feet)

PPP: NWSW / 2640 FSL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 24 / LAT: 32.464435 / LONG: -103.633772 (TVD: 11900 feet, MD: 22073 feet)

BHL: SWNW / 2540 FNL / 990 FWL / TWSP: 21S / RANGE: 32E / SECTION: 25 / LAT: 32.450144 / LONG: -103.633794 (TVD: 11900 feet, MD: 23652 feet)

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval for Temporary Abandonment of Wells

Definition: A temporarily abandoned well is a completion that is not capable of production in paying quantities but which may have future value. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Operator Proposal:

Advance Energy Partners is proposing to temporarily abandon the well. After the 8 3/4" Pilot Hole is drilled to TD at 12,300' a 625 sxs of 15.6 ppg Class H cement plug will be pumped from **11816'** to **10,450'** to cover all Bone Springs and Wolf Camp formations. (Please refer to the Pilot hole sundry submitted to the BLM and the Condition of Approval) A retrievable bridge plug will be ran in the 9 5/8" casing and set at **2000'** and shall be leak tested. Bottom of 9 5/8" casing is set at 10,521' and cemented to surface.

A temporary wellhead cap will be install on top of the wellhead and the drilling rig will be moved off of location. No date is set when drilling operations will resume.

Note: TA status "will be effective for a period up to 1 year from the date of NOI approval and can be renewed annually thereafter" per IM NM-2016-017.

1. A bridge plug (CIBP) must be installed 50 to 100 feet above any open perforations or open hole. The CIBP must be capped with either a minimum of 25 sacks of cement if placed with tubing or 35 feet of cement if placed with a bailer. The top of the cement must be verified by tagging.
2. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. If the well does not pass the casing integrity test, then the operator shall, within 30 days, submit a procedure to either repair the casing or to plug and abandon the well.
3. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; **Lea County 575-393-3612.**
4. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from

the casing if it is not isolated by a packer.

5. A Braden-head test must be conducted. If the test indicates a problem, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
6. Submit a subsequent Sundry Notice (Form 3160-5) with 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 temporary abandonment procedure.
 - c. A clear copy or the original of the pressure test chart.

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 299216

CONDITIONS

Operator: MATADOR PRODUCTION COMPANY One Lincoln Centre Dallas, TX 75240	OGRID: 228937
	Action Number: 299216
	Action Type: [C-103] NOI Change of Plans (C-103A)

CONDITIONS

Created By	Condition	Condition Date
pkautz	None	2/2/2024