Form 3160-5 (April 2004)

(Instructions on page 2)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED OM B No. 1004-0137

	Expires: March 31, 200
5. Lease Seria	al No.

SUNDRY NOTICES AND REPORTS ON WELLS

NMLC029389B

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.			6. If Indian, Allottee or Tribe Name	
SUBMIT IN TRIPLICATE- Other instructions on reverse side.			7. If Unit or CA/Agreement, Name and/or No.	
1. Type of Well ☐ ☐ Gas Well ☐ ☐ Other		Hondo 4 Fed 2-5 8. Well Name and No.		
2. Name of Operator Matador Production Company			Hondo 4 Federal #2	
3a. Address 3b. Phone No. (include area code)		9. API Well No. 30-015-25296		
PO BOX 1936 ~ ROSWELL NM 88202-1936 575.623.6601		10. Field and Pool, or Exploratory Area		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)			Shugart; Bone Spring North	
1980' FSL & 1980' FEL., Sec. 4 NE SE, T18S, R31E			11. County or Parish, State	
			Eddy, New Mexico	
12. CHECK AI	PPROPRIATE BOX(ES) TO INDI	CATE NATURE OF NOT	ICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION		TYPE OF ACT	JON	
Notice of Intent		, <u> </u>	ction (Start/Resume) Water Shut-Off	
		racture Treat Reclan		
Subsequent Report		P	prarily Abandon	
Final Abandonment Notice	ì <u> </u>		Disposal	
MIRU WL, and RIH to se	079 5172 production (bg, pump & rods t CIBP @ \pm 8,200°. Load and test ca rring Sand from 7,857°-7,917° r, set pkr @ \pm 7,750°	SEE A	ATTACHED FOR DITIONS OF APPROVAL	
	oduction tbg, pump & rods. Put wel	l on Production	NM OIL CONSERVATION	
	Accepted for re NMOCO	^{२०१०} स्थाप	FEB 2 2 2016	
14. Thereby certify that the fore Name (Printed/Typed)	egoing is true and correct		RECEIVED	
Tammy R Link	·	Title Production T		
Signature	ing f. Sint	Date	09/30/2015	
	THIS SPACE FOR FED	ERAL OR STATE O	FFICE USE 1 2016	
certify that the applicant holds lega which would entitle the applicant t		Subject lease Office	ORIAU OF LIVED IMPLEMENT	
Title 18 U.S.C. Section 1001 and Titl States any false, fictitious or fraudu	e 43 U.S.C. Section 1212, make it a crim- lent statements or representations as to	e for any person knowingly and anymatter within its jurisdiction	wiffully to make to any department or agency of the United	

HONDO 4 FED #2 #372010-002 Shugart Bone Spring, North API #30-015-25296 J-004-18S-31E Eddy County 1980' FSL & 1980' FEL NMLC-029389-B Matador Resources Company

Updated by B Peterson 9-30-15

DRAWING NOT TO SCALE.

Tbg/Rod configuration as of 09/25/2007 Tbg: 274 2 3/8" 4.7# J-55 (SN, 26, TAC, 248) Rods: 21-7/8, 198-3/4, 121-7/8 (340) Pony's 1-6' Pump: 2 x 1 1/4 x 24' w/ BO coupling SN @ 8555', TAC @ 7753'

Wellbore Status as of:

09/30/15

Spud:

6/14/1985

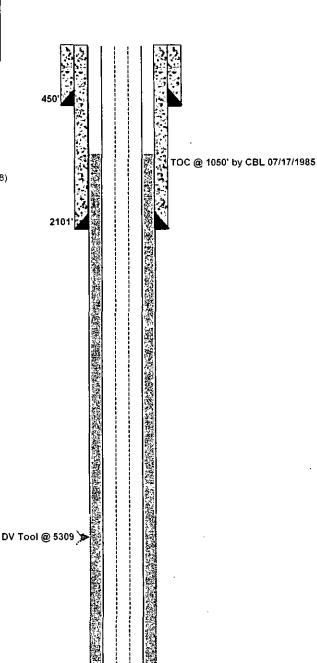
TD:

7/9/1985 8860'

Completed:

7/30/1985

PBTD:



Bit size - 17-1/2" 450' - 13 3/8 54.4# J-55 STC Cmtd w/ L-200 sx,T-250sx CL C TOC-SURF, Circ 238 sx Intermediate Casing: Bit size - 11" 2101' -8 5/8" 24# J-55 STC L-800 sx, T-200 sx TOC-SURF, 1" to 1300' to surf **Production Casing:** Bit size - 7 7/8" 8860' - 5 1/2" Weight Grad/Conn Set @ J-55/LTC 7798 17# 17# N-80/LTC 8860 **Production Cement** DV TOOL @ 5309' 1st Stage L-300 sx(13.6/1.57) T-250 sx(14.8/1.54) 2nd Stage L-500sx (13.6/1.57) T-415 sx (14.8/1.54) Marker jt 6985-7000 TOC-1050' by CBL on 07/17/85

Perf 8248, 64, 81, 90, 8300, 09, 19, 30, 39, 44, 59, 81, 91 (13 Total)

Acidize w/ 3000 gal 7 1/2% Frac w/ 130K gai + 310K #'s 20/40

07/17/85

Perf 8690-8694 (2 spf 8 TOTAL)

Acidize w/200 gal 15%

07/20/85

7-20-85 CIBP + 17' CMT @8670'

BS C Carbonate PBTD: 8810'

TD: 8860'

BS 2nd Sand

GL: 3,727' KB-11.5'

Surface Casing:

7/19/1985 8653'

HONDO 4 FED #2 #372010-002 Shugart Bone Spring, North API #30-015-25296 J-004-18S-31E Eddy County 1980' FSL & 1980' FEL NMLC-029389-B GL: 3,727' KB-11.5' Matador Resources Company

Prepared by B. Peterson 9-30-2015

DRAWING NOT TO SCALE.

Tbg/Rod configuration as of 09/25/2007 Tbg: 254 2 3/8" 4.7# J-55 (SN, 26, TAC, 228) Rods: 21-7/8, 172-3/4, 121-7/8 (314) Pony's 1-6' Pump: 2 x 1 1/4 x 24' w/ BO coupling SN @ 7900', TAC @ 7098'

Proposed Wellbore

Spud:

6/14/1985

TD:

7/9/1985 8860' 7/30/1985

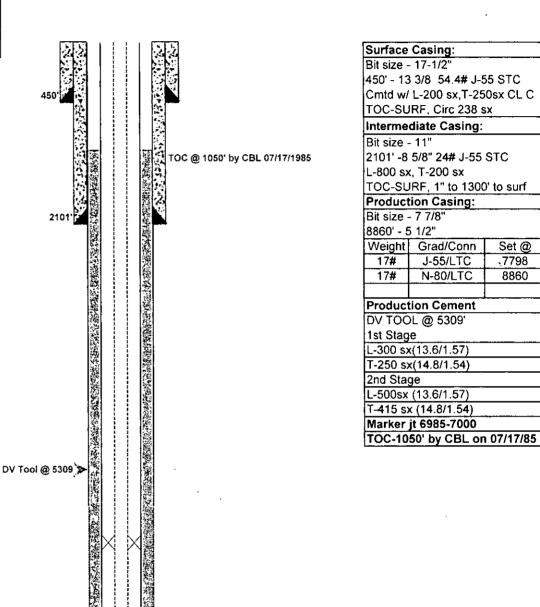
Completed:

Set @

.7798 8860

PBTD:

7/19/1985 8653'



Perf 7,857'-7,917'

CIBP @ 8,2001 BS 2nd Sand 7-20-85 CIBP + 17' CMT @8670'

> BS C Carbonate PBTD: 8810'

> > TD: 8860'

BS 1st Sand

07/20/85

07/17/85

Perf 8248, 64, 81, 90, 8300, 09, 19, 30, 39, 44, 59, 81, 91 (13 Total)

Acidize w/ 3000 gal 7 1/2%

Frac w/ 130K gal + 310K #'s 20/40 Perf 8690-8694 (2 spf 8 TOTAL)

Acidize w/200 gal 15%

Hondo 4 Federal 2 30-015-25296 Matador Production Company February 12, 2016 Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by May 12, 2016.

- 1. Operator shall place CIBP at 8,200' (50'-100' above top most perf) and place 35' of Class H cement on top. WOC and tag.
- 2. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails
- **3.** Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
- 4. Surface disturbance beyond the originally approved pad must have prior approval.
- 5. Closed loop system required.
- 6. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over 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.
- 7. Operator to have H2S monitoring equipment on location.
- 8. A minimum of a **3000** (**3M**) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 9. Subsequent sundry required detailing work done, C-102 form, and completion report with the new formation. Operator to include well bore schematic of current well condition when work is complete.

10. See attached for general requirements.

JAM 021216

BUREAU OF LAND MANAGEMENT

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

Permanent Abandonment of Production Zone 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 <u>ninety (90)</u> days from this approval.

If you are unable to plug back 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 back. Failure to do so will result in enforcement action.

- 2. <u>Notification</u>: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612
- 3. <u>Blowout Preventers</u>: 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. <u>Mud Requirement:</u> 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. <u>Cement Requirement</u>: 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.**

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. <u>Subsequent Plug back Reporting:</u> Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. <u>Show date work was completed.</u>

