Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

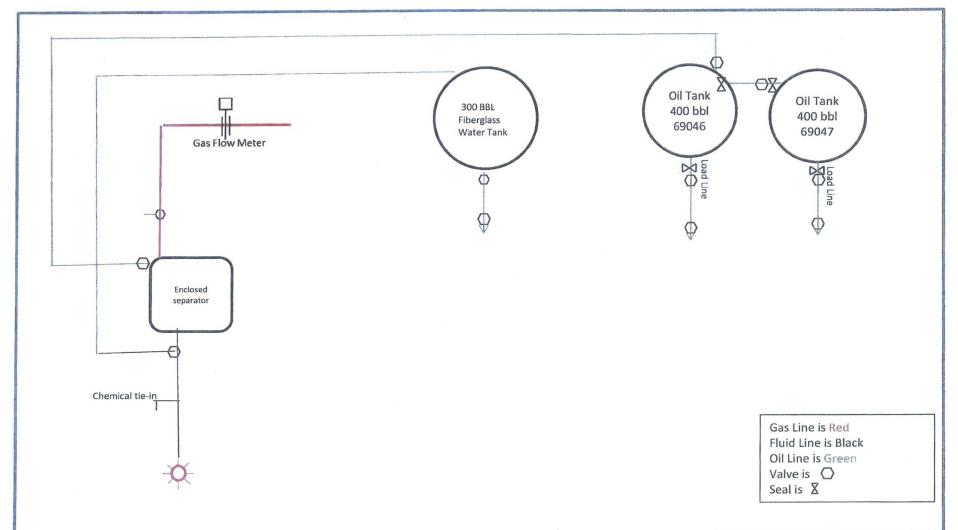
5. Lease Serial No. NMNM68038

| | SUI | NDR | RY N | OTIC | ES | AND | REP | PORTS | ON V | VELLS | |
|---|-----|-----|------|------|-------|------|------|----------|-------|----------|----|
| 0 | not | use | this | form | for p | ropo | sals | to drill | or to | re-enter | an |

D abandoned well. Use form 3160-3 (APD) for such proposals.

6. If Indian, Allottee or Tribe Name

| | , , | | | | | | |
|---|---|--|------------------------|---|---------------|-----------------------------|--|
| SUBMIT IN T | | 7. If Unit or CA/Agreement, Name and/or No. NMNM104046 | | | | | |
| 1. Type of Well | 8. Well Name and No. PARKER DEEP 5 FED COM 2 | | | | | | |
| Oil Well 🛮 Gas Well 🗖 Othe | | 9. API Well No. | | | | | |
| Name of Operator MATADOR PRODUCTION CO | | 30-015-31548-00-S1 | | | | | |
| 3a. Address ONE LINCOLN CENTER 5400 DALLAS, TX 75240 | | 10. Field and Pool or Exploratory Area SHUGART | | | | | |
| 4. Location of Well (Footage, Sec., T. | , R., M., or Survey Description) | | | 11. County or Parish, State | | | |
| Sec 5 T18S R31E SENW 1370 | | EDDY COUNTY, NM | | | | | |
| 12. CHECK THE AP | PROPRIATE BOX(ES) TO INDICA | TE NATURE OI | F NOTICE, | REPORT, OR OTH | ER DA | TA | |
| TYPE OF SUBMISSION | | | | | | | |
| | ☐ Acidize ☐ Dec | □ Deepen □ Pro | | roduction (Start/Resume) | | ■ Water Shut-Off | |
| ☐ Notice of Intent | _ | ☐ Hydraulic Fracturing [| | ☐ Reclamation | | □ Well Integrity | |
| Subsequent Report ■ | ☐ Casing Repair ☐ Ne | w Construction | □ Recomp | | | Other Te Facility Diagra | |
| ☐ Final Abandonment Notice | ☐ Change Plans ☐ Plu | g and Abandon | | orarily Abandon Site F | | curity Plan | |
| | Convert to Injection Plu | Plug Back Wate | | r Disposal | | | |
| following completion of the involved testing has been completed. Final Al determined that the site is ready for f BLM BOND NO. NMB000151 SURETY BOND NO. RLB001 PER NOTICE OF WRITTEN ONSHORE ORDER #7 INFO | ORDER #MMB170622 SEE ATTACH RMATION. RECEIVED APR 1 9 2018 | requirements, included the second of record of record of the record of the record of the second of t | MOCD ACCEP BUREA CA | APR - 9 2018 CHAND MATER DISTRIBUTION APR - 9 2018 CHAND MANAGE RLSBAD FIELD OFFICE | POSAL CORD | | |
| 14. I hereby certify that the foregoing is true DISTRICT IN SIDE STATE OF Perified by the BLM Well Information System For MATADOR PRODUCTION COMPANY, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 07/24/2017 (17PP0763SE) | | | | | | | |
| Name (Printed/Typed) TAMMY | Title PROD | Title PRODUCTION ANALYST | | | | | |
| Signature (Electronic | Submission) | Date 07/20/2 | Date 07/20/2017 | | | | |
| | THIS SPACE FOR FEDER | AL OR STATE | OFFICE L | JSE | | | |
| | | | | | | Date | |
| Approved By | | Title Date | | | | Date | |
| Conditions of approval, if any, are attach certify that the applicant holds legal or ea which would entitle the applicant to cond | ned. Approval of this notice does not warrant of quitable title to those rights in the subject lease duct operations thereon. | Office | | | | | |
| Titl 19 H C C Section 1001 and Title A | 3 U.S.C. Section 1212, make it a crime for any t statements or representations as to any matter | person knowingly an within its jurisdiction | nd willfully to r | nake to any department of | or agency | of the United | |



Production System - Open

Oil Sales description as: by tank gauge to tank truck.

Seal Requirements:

Production Phase (Oil Tank #69046)

Oil travels oil fill line through open Fill valve. Sales valve closed until sale.

Sales Phase (Oil Tank #69046)

Well is turned off. Tank #69046 is sealed at fill valve. Sales line unsealed by hauler. Oil sold. Valve sealed. Well turned on.

Matador Production Company Parker Deep 5 Federal Com#2 API 30-015-31548 Lease Number: NMNM104046, NM68038 Unit F Sec 05 TWP 18S RNG 31E Eddy County, New Mexico

Parker 5 Fed 25.

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

| 1. | Name(s) of formation (s) producing water on the lease. Marrow Spring, North |
|----|--|
| 2. | Amount of water produced from each formation in barrels per day. 215 Varcels for day. Parker Ver |
| 3. | How water is stored on the lease. |
| 4. | How water is moved to disposal facility. By truck |
| 5. | Operator's of disposal facility a. Lease name or well name and number # 1 |
| | b. Location by ¼ ¼ Section, Township, and Range of the disposal system |
| | Sec. 34, T145, R.31 E |
| | c. The appropriate NMOCD permit number 363 735 |
| | API- 30-005-01210 |
| | 5 |
| | |
| | |
| | |

Submit above information on 1 original and 3 Copies of Sundry Notice 3160-5 or Submit above information on Sundry Notice 3160-5 electronically (EC) thru WIS system.

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

Disposal of Produced Water From Federal Wells: Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approvals

- 1. This agency shall be notified of any change in your method or location of disposal?
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A
- This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 8 Disposal at any other site will require prior approval.
- 9 Subject to like approval by NMOCD.

4:4/2017