

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
FORM APPROVED
OMB NO. 1004-0137
Expires January 31, 2018

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

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. ANNU 3488
2. Name of Operator MATADOR PRODUCTION COMPANY - Mail: cade.labolt@matadorresources.com		6. If Indian, Allottee or Tribe Name
3a. Address ONE LINCOLN CENTER 5400 LBJ FREEWAY SUITE DALLAS, TX 75240	3b. Phone No. (include area code) 800 972-629-2158	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 30 T20S R29E SWNW 1510FNL 236FWL 32.547588 N Lat, 104.121788 W Lon		8. Well Name and No. LEATHERNECK FED COM 202H
		9. API Well No. 30-015-45984-00-X1
		10. Field and Pool or Exploratory Area BURTON FLAT - WOLFCAMP EAST
		11. County or Parish, State EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input checked="" 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 checked="" type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD	

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 recompleate 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 recompleation 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.

BLM Bond No. NMB001079
Surety Bond No. RLB0015172

Engineering is Good. See attached COAs. 2S 6/7/19

Please see the attached C102 to revise the SHL of Matador's Leatherneck Fed Com 202H from 1510' FNL and 236' FWL of Sec. 30 T20S R29E to 1540' FNL and 206' FWL of Sec. 30 T20S R29E.

RECEIVED

Matador requests the BHL be revised from 1981' FNL and 240' FEL of Sec. 29 T20S R29E to 2311' FNL and 60' FEL of Sec. 29 T20S R29E. The BHL given represents the terminus of the well. The last perforation point will be 331' FSL and 100' FEL of the referenced spacing unit comprising the S2N2 of Sec. 29 T20S R29E.

JUN 25 2019

Mud

Use Existing EA No new surface disturbance

DISTRICT II-ARTESIA O.C.D.

Approved MW 6-6-2019 DOI-BLM-NM-P030-2019-0268-EA Use Existing COA's

14. I hereby certify that the foregoing is true and correct. Electronic Submission #466484 verified by the BLM Well Information System For MATADOR PRODUCTION COMPANY, sent to the Carlsbad Committed to AFMSS for processing by JUANA MEDRANO on 06/03/2019 (19JM0058SE)	
Name (Printed/Typed) CADE LABOLT	Title ASSOOCIATE LANDMAN
Signature (Electronic Submission)	Date 05/23/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>Cade Labolt</i>	Title <i>AFM - CEM</i>	Date <i>06/07/2019</i>
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 <i>CPD</i>

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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

RWP 11-4-19

C102 9-22-17

Additional data for EC transaction #466484 that would not fit on the form

32. Additional remarks, continued

Matador requests to change production hole section mud program to OBM.

Name Hole Size Mud Weight Visc Fluid Loss Type Mud

Surface 26" 8.40 28 NC FW Spud Mud

Intermediate 1 17-1/2" 10.00 30-32 NC Brine Water

Intermediate 2 12-1/4" 8.4-8.6 28-30 NC FW

Production 8-3/4" 8.8-9.5 45-55 NC OBM

Matador requests a variance for the use of a diverter along with a 2000 psi annular to be installed after running 20" surface casing.

Matador requests the option to cut off 20" SOW wellhead and run 13-3/8" SOW multi-bowl wellhead system once 1st intermediate string is run and cemented.

Matador requests the option to run a DV tool with annular packer as contingency in the intermediate 1 or 2 section on 13-3/8" or 9-5/8" casing if lost circulation is encountered. If losses occur, the DV tool with packer will be placed at least 100' above the loss zone to give the option to pump cement as either a single stage or two stage.

Example:

Assuming DV tool is set at 1500' MD but if the setting depth changes, cement volumes will be adjusted proportionately.

Stage 1:

Lead 695 1.78 13.5 Class C + Bentonite + 2% CaCL₂ + 3% NaCl + LCM

Tail 288 1.35 14.4 Class C + 5% NaCl + LCM

100% excess, TOC = 0' MD

Stage 2:

Lead 350 1.78 13.5 Class C + Bentonite + 2% CaCL₂ + 3% NaCl + LCM

100% excess, TOC = 0' MD

Per Matador's conversation with Raymond Podany on March 7, 2019, please see attached C102 to revise the pool of Matador's Leatherneck Fed Com 202H well from the Burton Flat; Wolfcamp, East (Gas) (Pool Code 73480) to the Burton Flat East; Upper Wolfcamp (Pool Code 98315). This is to change the subject well from a Gas well to an Oil well.

Matador requests the name of the Leatherneck Fed Com 202H be changed to the Leatherneck 3029 Fed Com 206H.

Revisions to Operator-Submitted EC Data for Sundry Notice #466484

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	APDCH NOI	APDCH NOI
Lease:	NMNM134868	NMNM134868
Agreement:		
Operator:	MATADOR PRODUCTION COMPANY 5400 LBJ FWY SUITE 1500 DALLAS, TX 75240 Ph: 972-371-5200	MATADOR PRODUCTION COMPANY ONE LINCOLN CENTER 5400 LBJ FREEWAY SUITE 1500 DALLAS, TX 75240 Ph: 972.371.5200
Admin Contact:	CADE LABOLT ASSOCIATE LANDMAN E-Mail: cade.labolt@matadorresources.com Cell: 3306079741 Ph: 972-629-2158	CADE LABOLT ASSOCIATE LANDMAN E-Mail: cade.labolt@matadorresources.com Cell: 3306079741 Ph: 972-629-2158
Tech Contact:	CADE LABOLT ASSOCIATE LANDMAN E-Mail: cade.labolt@matadorresources.com Cell: 3306079741 Ph: 972-629-2158	CADE LABOLT ASSOCIATE LANDMAN E-Mail: cade.labolt@matadorresources.com Cell: 3306079741 Ph: 972-629-2158
Location:		
State:	NM	NM
County:	EDDY	EDDY
Field/Pool:	BURTON FLAT EAST; UP WC	BURTON FLAT - WOLFCAMP EAST
Well/Facility:	LEATHERNECK FED COM 202H Sec 30 T20S R29E Mer NMP 1510FNL 236FWL	LEATHERNECK FED COM 202H Sec 30 T20S R29E SWNW 1510FNL 236FWL 32.547588 N Lat, 104.121788 W Lon

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	MATADOR PRODUCTION COMPANY
LEASE NO.:	NMNM134868
WELL NAME & NO.:	LEATHERNECK FED COM WELLS
SURFACE HOLE FOOTAGE:	
BOTTOM HOLE FOOTAGE:	
LOCATION:	Section 30, T. 20 S., R 29 E., NMPM
COUNTY:	Eddy County, New Mexico

COA

All previous COAs still apply expect the following:

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

A. HYDROGEN SULFIDE

A Hydrogen Sulfide (H2S) Drilling Plan shall be activated 500 feet prior to drilling into the **CHERRY CANYON** formation. As a result, the Hydrogen Sulfide area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, please provide measured values and formations to the BLM.

B. CASING

1. The **20** inch surface casing shall be set at approximately **400** feet (a minimum of 70 feet (Eddy County) into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - 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 **8 hours** or 500 pounds 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 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
2. The minimum required fill of cement behind the 13-3/8 inch 1st 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.

Option 2: Operator shall contact BLM before starting contingency plan.

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool: Cement to surface. If cement does not circulate, contact the appropriate BLM office.

Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

- ❖ In High Cave/Karst Areas 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 interval)
 - Switch to fresh water mud to protect the Capitan Reef and use fresh water 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.

3. The minimum required fill of cement behind the **9-5/8** inch 2nd intermediate casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **50 ft** above the Capitan Reef (**top of Reef is 1225 ft**) into previous casing string. Operator shall provide method of verification.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
 - b. Second stage above DV tool: Cement should tie-back at least **50 ft** above the Capitan Reef (**top of Reef is 1225 ft**) into previous casing string. Operator shall provide method of verification.
4. The minimum required fill of cement behind the **5-1/2** inch production casing is:
- Cement should tie-back **50 ft** above the Capitan Reef (**top of Reef is 1225 ft**) into the previous casing. Operator shall provide method of verification.

ZS 060719