DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 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 reverse side.	Expires: March 31, 2007 5. Lease Serial No. NM-40448 6. If Indian, Allottee or Tribe Name				
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 reverse side.	NM-40448				
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 reverse side.	6. If Indian, Allottee or Tribe Name				
	6. If Indian, Allottee or Tribe Name				
Type of Well	7. If Unit or CA/Agreement, Name and/or No.				
Type of Well Gas Well Gas Well Other	8. Well Name and No. Federal AF #2				
Name of Operator Matador Production Company	9. API Well No.				
Address 3b. Phone No_(potude area add) O. BOX 1936, ROSWEL, NM 88202-1936 575/623-6601	30-025-30606 10. Field and Pool, or Exploratory Area				
(anotion of Well (Footage Sec. T. P. M. or Superior Description)	North Young; Wolfcamp				
60' FSL & 1980' FWL, SE SW of Section 8, T18S, R32E	11. County or Parish, State				
	Lea, New Mexico				
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, TYPE OF SUBMISSION TYPE OF ACTION	KEPUKI, UK UIHEK DAIA				
	Start/Resume) Water Shut-Off				
Acidize Deepen Production (S Notice of Intent Alter Casing Fracture Treat Reclamation	Well Integrity				
Subsequent Report Casing Repair New Construction Recomplete	Other				
Subsequent report	e Plans Plug and Abandon Temporarily Abandon				
	BLM Bond No. NMB0001079				
 MIRU pulling unit. POOH w/ rod string and pump. ND tubing head. NU BOP. POUL w/ enduction training 					
. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Tammy R. Link Curry R. Jul Title Production Analyst					
Signature Date	09/30/2015				
THIS SPACE FOR FEDERAL OR STATE OFFIC	FUSE 10 201				
pproved by	END OF LAVEL FICE				
le 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfull ites any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction	ly to make to any department or agency of the United				

OCD Hobbs

Federal AF #2 Young Field API #30-025-3 N-008-18S-32 560' FSL & 18	10606 E Lea County	Wellbore	Status as o	f: 09	9/30/15	Spud: TD: Completed: PBTD:	5/11/1989 6/4/1989 6/17/1989 6/22/1989	
GL: 3,772' KE	2.17'	10.00	17715	EN C		Surface	Casing:	
	man HEYCO LLC	66		1			- 17 1/2"	
prepared by J. Updated by J I Updated by Cl		940				406' - 13 Cmtd w/ TOC-SU Interme Bit size	3 3/8" 54.5# K- 425sx CL C IRF, Circ 75 sx diate Casing: - 12 1/4" 5/8" 24#/K-55	
Tbg: 162 jts 2 3/8"	tha			TOC @ 2150'	by CBL date 06/16/1989		L-1200sx, T-2	
Rods: 21-7/8, 177-		5		100 @ 2150 1	Dy CBL date 00/10/1909		IRF, Circ 125 s	
	-3/4 (190)	8				100-50	IRF, GIIC 125 S	x
Ponies: 8', 6'		\$ 4		5 Sec. 10		Destaut	i a Oralia	1.2
Pump: 2 1/2 X 1 1/	14 X 24' W/ BOC	2805		Real Providence			tion Casing:	
						Bit size		
Formation Tops:						5,500' -	the second s	
							Grad/Conn	Set @
Wolfcamp	9450	1.00				17#	K-55/LTC	1514
Bone spring	6150					15.5#	K-55/LTC	8040
Delaware	5020	1				17#	K-55/LTC	9850
San Andres	4820					17#	N-80/LTC	10800
				09/27/12	4,950-4,979' (4 spf, 11)	Product	tion Cement	1.166
					Total)		L @ 7506'	Sell - C
						1st Stag		
	CIBP + 35' CMT @ 5,3	50' (9/27/12)	Participant in the second				(circ 110 cx)	1. V. 1
				09/24/12	5,400'-5410' (4 spf, 40	2nd Stag		144
		1	THE REAL PROPERTY		Total)		Foamed, T-38	35 sx H
			A Sec.		(otal)		50' by CBL on	
	250' CMT @ 5,960'-6,21	0' (9/20/12)						
	DV Too 214' CMT @ 7,366'-7,58	1 @ 7506,> 0' (9/20/12)		06/01/90	8318-8329, 8422-8480,	8612-8618 (2 sp	f 156 Total) Sgʻzd	2/14/06
	CIBP + 48' CMT @ 8,7	00 (9/19/12)					1. X	
			*	09/10/08	8790-8800 (3 spf 33 To	otal)		
			*	02/26/09	8851, 52, 53, 54, 8901, 04,	08, 10, 17, 20, 23,	27, 30, 33, 37 (1spf	15 Total)
	CIBP @ 9,175 (9/9/08) DO	(9/18/2012)						
			-	05/25/90	9222-9442 (2 spf 42 To	tal) Sq'zd 2/25/0	6	
	CIBP + 35' CMT @ 10,	400 (0/0/08)	Lines					
			*	3/4/2006 & 03/04/06	10454-10468, 10470-10	484 (4 spf 120 T	otal)	
	CIBP @ 1061	0' (6-22-89)		06/47/90	10634-10606 /2			
	PBTD: TD:	10,746'	ALCONG V	06/17/89	10634-10696 (2 spf)			

Federal AF #2		Proposed Wellbore	after Recompletio	n 09/30/15	Spud: TD:	5/11/1989 6/4/1989	10800'
Young Field				Cr	mpleted:	6/17/1989	10000
API #30-025-3060	06				PBTD:	6/22/1989	10610
N-008-18S-32E L					PDID.	0/22/1909	10010
560' FSL & 1880'							
500 FSL & 1000	FVVL						
GL: 3,772' KB-17	7'				Surface	Casing:	-
Nadel & Gussma	n HEYCO LLC					- 17 1/2"	
	AN IN THE R. L. L.				406' - 13	3 3/8" 54.5# K	-55 STC
prepared by J. Se	rrano	940			Cmtd w/	425sx CL C	
Updated by J McG					TOC-SL	JRF, Circ 75 sx	
Updated by Cliff H		015			and the same time to be a sub-	diate Casing:	the second se
DRAWING NOT						- 12 1/4"	
						5/8" 24#/K-55	STC
Tbg: 138 jts			TOCOMEN	hu CDL data 00/40/4000	The Provide State and State State	L-1200sx, T-2	
-		1	100 @ 2150	by CBL date 06/16/1989			
Rods: 176					106-56	IRF, Circ 125 s	5X
		2805			Decelurat	Hon Casing	
		2805			Bit size	tion Casing:	
Frenching Trees							
Formation Tops:					5,500' -	and the second se	210
			1980	,486' & 4,644- 4,647' & 4,655'			Set @
Wolfcamp	9450		4,666' & 4,694	4'- 4,700'	17#	K-55/LTC	1514
Bone spring	6150	-			15.5#	K-55/LTC	8040
Delaware	5020	3733	Set CIBP +35	' CMT @ 4900'	17#	K-55/LTC	9850
San Andres	4820				17#	N-80/LTC	10800
			09/27/12	4,950-4,979' (4 spf, 116		tion Cement	
				Total))L @ 7506'	
					1st Stag		
	CIBP + 35' CMT	@ 5,350' (9/27/12)				I (circ 110 cx)	
			09/24/12	5,400'-5410' (4 spf, 40	2nd Sta		12.24
			.e.	Total)		Foamed, T-38	
		1	132		TOC-21	50' by CBL on	06/16/89
	250' CMT @ 5,96	0'-6,210' (9/20/12)					
		050	997				
		OV Tool @ 7506					
		6'-7,580' (9/20/12)	1				
		(0,20,14)	06/01/90	8318-8329, 8422-8480, 86	2-8618 (2 sp	f 156 Total) Sa'za	2/14/06
	CIBP + 48' CMT	@ 8,700 (9/19/12)	Coro in So				
			09/10/08	8790-8800 (3 spf 33 Total)			
			02/26/09	8851, 52, 53, 54, 8901, 04, 08,	10, 17, 20, 23,	27, 30, 33, 37 (1spf	15 Total)
	CIBP @ 9,175 (9/9/	08) DO (9/18/2012)					
			05/25/90	9222-9442 (2 spf 42 Total)	Sq'zd 2/25/0	6	
	CIBP ± 35' CMT	@ 10,400 (9/9/08)					
	0101 1 00 0101	(0,100 (0,000)	3/4/2006 &	10454-10468, 10470-10484	(4 snf 120 T	otal)	
			03/04/06			- uni	
	0.000	2 406401 (0 00 00)	03/04/08				
	CIBP (@ 10610' (6-22-89)		10001 (0000 10 0			
			06/17/89	10634-10696 (2 spf)			
	PE	3TD: 10,746'	M2 V				
		TD: 10,800'					

Federal AF 2 30-025-30606 Matador Production Company February 12, 2016 Conditions of Approval

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by May 12, 2016.

- 1. Operator shall place CIBP at 4,900' (50'-100' above top most perf) <u>and place 150' of</u> <u>Class C cement on top to seal the Delaware formation. WOC and tag.</u>
- 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 **2000** (**2M**) 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 (2M 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>.

7. <u>Trash</u>: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

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District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazos Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

Form C-102 Revised October 12, 2005 Submit to Appropriate District Office State Lease - 4 Copies Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ A	PI Number	r		² Pool Code ³ Pool Name						
30	-025-30606			65355		Young; North Delaware				
⁴ Property C	ode	⁵ Property Name					⁶ Well Number			
314280					Federal A	F		2		
⁷ OGRID N	io.				8 Operator N	ame		⁹ Elevation		
228937				MATADOR PRODUCTION COMPANY						
					¹⁰ Surface L	ocation				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	8	18S	32E		560'	South	1880'	West	Lea	
· · · · ·			¹¹ Bot	tom Ho	le Location If	Different From	Surface			
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
¹² Dedicated Acres 40	¹³ Joint o	r Infill ¹⁴ C	onsolidation C	ode ¹⁵ Or	der No.	I				

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	The second se		and an	
16				¹⁷ OPERATOR CERTIFICATION
				I hereby certify that the information contained herein is true and complete
				to the best of my knowledge and belief, and that this organization either
				owns a working interest or unleased mineral interest in the land including
				the proposed bottom hole location or has a right to drill this well at this
				location pursuant to a contract with an owner of such a mineral or working
				interest, or to a voluntary pooling agreement or a compulsory pooling
				order handofore entered by the division.
				0 24.5
			(Signature Date 10/25/2016
				Signature Date 10/20/2010
				Printed Name: Tammy R. Link
		1. C		
				¹⁸ SURVEYOR CERTIFICATION
				I hereby certify that the well location shown on this
				plat was plotted from field notes of actual surveys
				made by me or under my supervision, and that the
				same is true and correct to the best of my belief.
	dan menangan kanalakan dan sebagai dan sebagai sebagai sebagai sebagai sebagai sebagai sebagai sebagai sebagai			Date of Survey
	NM-			Signature and Seal of Professional Surveyor:
	40448			organitate and oval of i forestorial ourveyor.
	•			
				Certificate Number
		15		