

Submit 1 Copy To Appropriate District Office
 District I - (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II - (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III - (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV - (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-35237	<input checked="" type="checkbox"/>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	<input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Atlantic 32 State	<input checked="" type="checkbox"/>
8. Well Number #7	<input checked="" type="checkbox"/>
9. OGRID Number 372137	<input checked="" type="checkbox"/>
10. Pool name or Wildcat Corbin; Morrow, South (Gas)	<input checked="" type="checkbox"/>

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well **Gas Well** Other **HOBBS OCD**

2. Name of Operator
Chisholm Energy Operating, LLC **SEP 10 2018**

3. Address of Operator
801 Cherry St., Ste 1200, Unit 20, Fort Worth, TX 76102 **RECEIVED**

4. Well Location
 Unit Letter E : 1980 feet from the N line and 780 feet from the W line
 Section 32 Township 18S Range 33E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3744' GL

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT F	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	INT TO PA <u>PA</u>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	P&A NR _____
DOWNHOLE COMMINGLE <input type="checkbox"/>			P&A R _____
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: _____	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1. Tag 5 1/2" CIBP @ 13,240 W/ 5 sx cmt on top. Circulate hole w/ MLF. Pressure test csg.
2. Spot 25 sx cmt @ 10640-10490' (Wolfcamp) **CLASS 'H'**
3. Perf & Sqz 50 sx cmt @ 7460-7260'. (Bone Spring) **CLASS 'H'**
4. Perf & Sqz 50 sx cmt @ 6512-6412'. WOC & Tag (DV Tool)
5. Perf & Sqz 50 sx cmt @ 4855-4655'. (Grayburg)
6. Perf & Sqz 50 sx cmt @ 3160-2960'. WOC & Tag (8 5/8" Shoe) **S**
7. ~~Perf & Sqz 50 sx cmt @ 2860-2660'. (B/Salt)~~
8. Perf & Sqz 50 sx cmt @ ~~1585-1485'~~ WOC (T/Salt) **1500'-1400'**
9. Perf & Sqz 100 sx cmt @ 450' & circulate to surface.
10. Cut off well head, verify cmt to surface, weld on Dry Hole Marker.

**See Attached
 Conditions of Approval**

Spud Date:

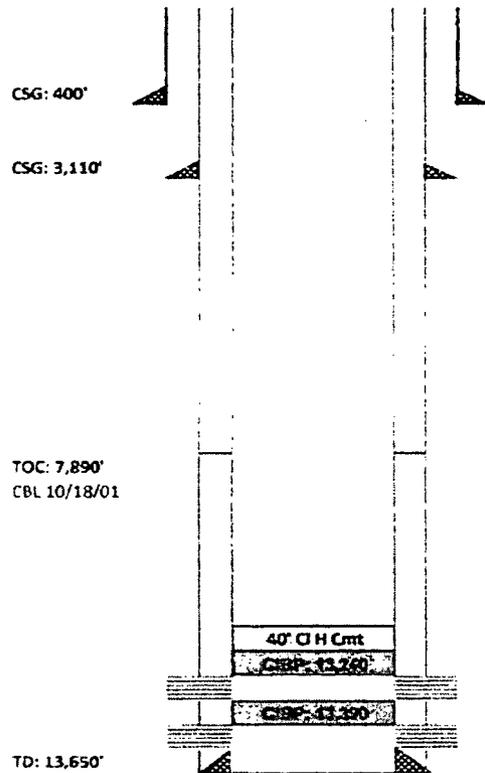
Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Abigail Montgomery TITLE Agent DATE 9/7/18
 Type or print name Abigail Montgomery E-mail address: abbym@bcmmandassociates.com PHONE: 432-580-7161
For State Use Only

APPROVED BY: Mark Whitaker TITLE P.E.S. DATE 09/10/18
 Conditions of Approval (if any):

MATADOR PRODUCTION COMPANY
 Atlantic 32 State #7
 1980' FNL & 780' FWL Sec 32 - 18S - 33E
 Lea County, NM
 API: 30-025-35237
 CURRENT WELLBORE SCHEMATIC
 Spudded: 8/1/2001



CIBP: 13,240' w/ 40' (5 sx) CI H cement on top (for TA: 12/28/17)
 Perfs: 13,260-64' & 13,277-86'. Binary Fracture Treatment
 Perfs: 13,420-24', 13,464-75'. 3000gal 7.5% HCL. 128k scf N2

Casing Information						
	Hole Size	Casing Size	Type	Weight lb/ft	Joints	Depth Set
Surface	17 1/2	13 3/8	H-40 ST&C	48	9	400
Intermediate	12 1/4	8 5/8	J-55 ST&C	32	69	3,110
Production	7 7/8	5 1/2	N-80/P-110/S-95	17 & 20	320	13,650
			One 100' - 2007			
			Marker J.	6126		
			Float Collar	9456		

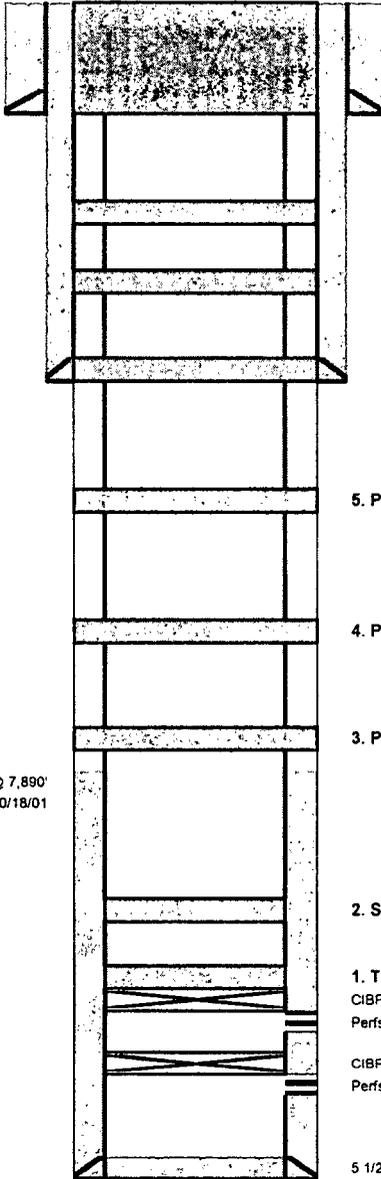
Cementing Record	
Surface	440 sx CI C w/ 2% CaCl+ 1/4# celloseal/sk, circ 211 sx to pit
Intermediate	1100 sx 65:35 poz & tail w/ 350 sx CI C w/2% CaCl+ 1/4# celloseal/sk, circ 283 sx to pit
Production	1030 sxs CI H w/3% KCL. TOC 7890'

Geologic Markers	
Anhyd.	1370
Salt	1535
Yates	2990
7 Rivers	3480
Queen	4195
Grayburg	4805
Delaw. Snd	5395
Bone Spring	7410
1st BS Snd	8705
2nd BS Snd	9285
3rd BS Snd	10295
Wolfcamp	10590
Penn	11375
Strawn	12070
Atoka	12415
Morrow	13030
Miss.	13520

Well Name	Atlantic 32 State #7
API #:	30-025-35237
County	Lea
State	New Mexico
Spud Date	8/1/2001
CL	3,315'

Description	O.D.	Grade	Depth	Hole Size	TOC
Surface Csg	13 3/8	H-40	400	17 1/2	surface
Inter Csg	8 5/8	J-55	3,110	12 1/4	surface
Prod Csg	5 1/2	N80/P110/S95	13,650	7 7/8	7890' CBL
DV Tool	6462				
Marker Jt	6126				
Float Collar	9456				

Cementing Record	
Surface	440 sx CL C w/ 2% CACL + 1/4# celloseal/sk, circ 211 to pit
Intermediate	100 sx 65:35 pos & tail w/ 350 sx CK w. 2% CACL + 1/4# celloseal/sk, circ 283 to pit
Production	1030 sxs CL H w/ 3% KCL TOC 7890'



13 3/8 @ 400

9. Perf & Sqz 100 sx cmt @ 450'-Surface.

8. Perf & Sqz 50 sx cmt @ 1585-1485'. WOC & Tag (T/Salt)

7. Perf & Sqz 50 sx cmt @ 2860-2660'. (B/Salt)

8 5/8 @ 3110

6. Perf & Sqz 50 sx cmt @ 3160-2960'. WOC & Tag (8 5/8" Shoe)

5. Perf & Sqz 50 sx cmt @ 4855-4655'. (Grabyburg)

4. Perf & Sqz 50 sx cmt @ 6512-6412'. WOC & Tag (DV Tool)

3. Perf & Sqz 50 sx cmt @ 7460-7260'. (Bone Spring)

TOC @ 7,890'
CBL 10/18/01

2. Spot 25 sx cmt @ 10640-10490'. (Wolfcamp)

1. Tag CIBP @ 13,240 w/ 5 sx. *Circ w/ MLF. Pressure test csg.*
CIBP @ 13,240' w/ 40' (5 sx) CL H cement on top (for TA: 12/28/17)
Perfs & 13,260-64' & 13,277-86'. "Binary Fracture Treatment"

CIBP @ 13,390'
Perfs: 13,420-24', 13,464-75'. 3000 gal 7.5% HCL 128K scf N2

5 1/2" @ 13,650'

TD @ 13,650

GENERAL CONDITIONS OF APPROVAL:

- 1) Insure all bradenheads have been exposed, identified, and valves are operational prior to rigging up on well.
- 2) Contact the appropriate NMOCD District Office no later than 24 hours prior to moving in and rigging up.
- 3) A copy of the approved C103 intent to P&A should be distributed to the onsite company and plugging representatives. Approved procedures are good for a period of one year from approved date, unless otherwise specified on the C103 intent. Approvals past this date will require the submission and approval of a new C103 intent.
- 4) A company representative is required to be present to witness all operations including setting CIBP's, circulation of mud laden fluids, perforating, squeezing or spotting cement plugs, tags, or any other operations approved on the C103 intent to P&A. Company representative should contact the NMOCD and report all operations.
- 5) Any changes that may be required during plugging operations should be approved by the NMOCD before proceeding.
- 6) A closed loop system is to be used for all plugging operations. Contents of the steel pits to be hauled to a NMOCD permitted disposal facility.
- 7) Mud laden fluids must be placed between all cement plugs mixed at 25 sacks of salt gel per 100 barrels of brine.
- 8) All cement plugs will be 100' or 25 sacks cement, whichever is greater. Class 'C' cement will be used above 7500' and Class 'H' below 7500'.