

District I1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720**District II**811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720**District III**1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170**District IV**1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Energy Minerals and Natural Resources

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-101
Revised July 18, 2013☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address FORTY ACRES ENERGY, LLC 11757 Katy Freeway, Suite 1000, Houston, TX 77079		² OGRID Number 371416
³ Property Code 320052		⁴ Property Name WEST EUMONT UNIT
		⁵ API Number 30-025-46681
		⁶ Well No. 419

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	33	20S	36E		1475	N	136	E	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
H	33	20S	36E		1475	N	136	E	LEA

9. Pool Information**WFX-1038**

Pool Name	Pool Code
EUMONT; Yates-Seven Rivers-Queen (Oil)	22800

Additional Well Information

¹¹ Work Type N	¹² Well Type I	¹³ Cable/Rotary R	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3596'
¹⁶ Multiple N	¹⁷ Proposed Depth 4200'	¹⁸ Formation Seven Rivers	¹⁹ Contractor Quest Drilling	²⁰ Spud Date 02/20/2020
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits**21. Proposed Casing and Cement Program**

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.265	24	1600	150	0
Prod	7.875	5.5	15.5	4200	250	0

Casing/Cement Program: Additional Comments

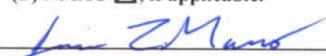
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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	2000	1500	Shaffer

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.I further certify that I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒, if applicable.

Signature:



Printed name: Jessica LaMarro

Title: Geologist

E-mail Address: jessica@faenergyus.com

Date: 12/18/2019

Phone: 832-706-0051

OIL CONSERVATION DIVISION

Approved By:



Title:

Approved Date: 01/04/2020

Expiration Date: 01/04/2022

Conditions of Approval Attached **See Attached**

S/P

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State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

Form C-102
Revised August 1, 2011

Submit one copy to appropriate
District Office

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-46681	Pool Code 22800	Pool Name EUMONT; Yates-Seven Rivers-Queen (01)
Property Code 320052	Property Name WEST EUMONT UNIT	Well Number 419 ✓
GRID No. 371416	Operator Name FORTY ACRES ENERGY	Elevation 3596' ✓

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	33	20 S	36 E		1475	NORTH	136	EAST	LEA

Bottom Hole 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

Dedicated Acres	Joint or Infill	Consolidation Code	Order No. WFX-1038
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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

	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 heretofore entered by the division. Signature: <u>Jessica LaMarro</u> Date: <u>4/30/19</u> Printed Name: <u>Jessica LaMarro</u> Email Address: <u>jessica@faenergy.us.com</u>
	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. Date Surveyed: <u>MARCH 15, 2019</u> Signature & Seal of Professional Surveyor: Certificate No.: <u>7977</u> Gary L. Jones BASIN SURVEYS
	Scale: 1" = 1000' WO Num.: 34516

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-46681	FORTY ACRES	West Eumont Unit # 419

Applicable conditions of approval marked with **XXXXXX**

Administrative Orders Required

XXXXXXX	Review injection order WFX-1038 for additional conditions of approval

Other wells

Casing

XXXXXXX	SURFACE & PRODUCTION CASING - Cement must circulate to surface and production casing
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Lost Circulation

XXXXXXX	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186

Water flows

XXXXXXX	Must notify OCD Hobbs Office of any water flow in the Salado formation at 575-370-3186. Report depth and flow rate.

Stage Tool

XXXXXXX	Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186
XXXXXXX	If using Stage Tool on Surface casing, Stage Tool must be greater than 350' and a minimum 200 feet above surface shoe.
XXXXXXX	When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.

Completion & Production

XXXXXXX	Will require a deviational survey with the C-105
XXXXXXX	Must notify Hobbs OCD office prior to conducting MIT (575) 393-6161 ext. 114
XXXXXXX	Must conduct & pass MIT prior to any injection