		oco			
Form 3160-3 (June 2015)	HOF	JAN 1020119 JAN 102019 REENTER	P	OMBN	APPROVED No. 1004-0137 January 31, 2018
UNITED STATE DEPARTMENT OF THE I BUREAU OF LAND MAN	S INTERIOR AGEMENT	IN RECEIPS		5. Lease Serial No. NMNM0007966	
APPLICATION FOR PERMIT TO D	RILL OR	REENTER		6. If Indian, Allote	e or Tribe Name
Ia. Type of work:	EENTER			7. If Unit or CA Ag	greement, Name and No.
1b. Type of Well: Oil Well Gas Well 📝 C	ther INJ-ER			8. Lease Name and	I Well No.
1c. Type of Completion: Hydraulic Fracturing S	ingle Zone	Multiple Zone		WEST EUMONT	UNIT
				525	(320052)
2. Name of Operator FORTY ACRES ENERGY LLC (371416)				9. API Well No. 30-02	
3a. Address 11777B Katy Freeway, Suite 305 Houston TX 77079	3b. Phone N (832)706-0	No. <i>(include area cod</i> 051	e)	10. Field and Pool,	
4. Location of Well (Report location clearly and in accordance		•			or Blk. and Survey or Area
At surface SENW / 1340 FNL / 1670 FWL / LAT 32.53				SEC 35 / T20S / F	R36E / NMP
At proposed prod. zone SENW / 1340 FNL / 1670 FWL		204 / LONG -103.3	328195	12 County of Pori	sh 13. State
14. Distance in miles and direction from nearest town or post off7 miles	hce*			12. County or Paris	NM
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of ac 160	cres in lease	17. Spaci 0	ing Unit dedicated to	this well
18. Distance from proposed location*	19. Propose	d Depth	20. BLM	/BIA Bond No. in file	e
to nearest well, drilling, completed, 711 feet applied for, on this lease, ft.	4500 feet /	4500 feet	FED: N	MB001380	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3569 feet	22. Approxi	imate date work will	start*	23. Estimated dura 30 days	tion
	24. Attac	chments		· · · · · · · · · · · · · · · · · · ·	
The following, completed in accordance with the requirements o as applicable)	of Onshore Oil	and Gas Order No.	l, and the l	Hydraulic Fracturing	rule per 43 CFR 3162.3-3
 Well plat certified by a registered surveyor. A Drilling Plan. 		4. Bond to cover the Item 20 above).	e operatio	ns unless covered by a	an existing bond on file (see
3. A Surface Use Plan (if the location is on National Forest Syste SUPO must be filed with the appropriate Forest Service Office		5. Operator certific		rmation and/or plans a	is may be requested by the
25. Signature (Electronic Submission)		(Printed/Typed) Wood / Ph: (505)4	66-8120		Date 06/01/2018
Title President					
Approved by (Signature)	Name	(Printed/Typed)			Date
(Electronic Submission)		Layton / Ph: (575)	234-5959		12/07/2018
Title Assistant Field Manager Lands & Minerals	Office CARL	: .SBAD			
Application approval does not warrant or certify that the applica applicant to conduct operations thereon. Conditions of approval, if any, are attached.	nt holds legal	or equitable title to the	nose rights	in the subject lease v	which would entitle the
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, r					any department or agency
of the United States any false, fictitious or fraudulent statements	or romrogentet	iona oa ta onti mattan	24.25.26.	indiction	

CAN NOT IN	DECT 1	MOR TO CIOS APPROVAL
REQUIRES	MIT	NONTO TO DE CONTRACTORIO
		APPROVED WITH CONDITION
(Continued on page 2)	·····	APPEKOVUSO
		Approval Date: 12/07/2018

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INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: SENW / 1340 FNL / 1670 FWL / TWSP: 20S / RANGE: 36E / SECTION: 35 / LAT: 32.533204 / LONG: -103.328195 (TVD: 0 feet, MD: 0 feet) BHL: SENW / 1340 FNL / 1670 FWL / TWSP: 20S / RANGE: 36E / SECTION: 35 / LAT: 32.533204 / LONG: -103.328195 (TVD: 4500 feet, MD: 4500 feet)

BLM Point of Contact

Name: Katrina Ponder Title: Geologist Phone: 5752345969 Email: kponder@blm.gov

(Form 3160-3, page 3)

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Approval Date: 12/07/2018

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Approval Date: 12/07/2018

(Form 3160-3, page 4)



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Brian Wood		Signed on: 06/01/2018
Title: President		
Street Address: 37 Veran	о Loop	
City: Santa Fe	State: NM	Zip: 87508
Phone: (505)466-8120		
Email address: afmss@pe	ermitswest.com	
Field Represer	ntative	
Representative Name:	Jessica LaMarro	
Street Address: 11777-	B Katy Freeway, Suite 305	
City: Houston	State: TX	Zip: 77079
Phone: (832)706-0051		
Email address:		

FAFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400030799 Operator Name: FORTY ACRES ENERGY LLC Well Name: WEST EUMONT UNIT Well Type: INJECTION - ENHANCED RECOVERY

Submission Date: 06/01/2018

Well Number: 525 Well Work Type: Drill Highlighted data reflects the most recent changes

Show Final Text

Section 1 - General 10400030799 **Tie to previous NOS?** Submission Date: 06/01/2018 APD ID: User: Brian Wood Title: President **BLM Office:** CARLSBAD Federal/Indian APD: FED Is the first lease penetrated for production Federal or Indian? FED Lease Acres: 160 Lease number: NMNM0007966 Surface access agreement in place? Allotted? **Reservation:** Agreement in place? NO Federal or Indian agreement: Agreement number: Agreement name: Keep application confidential? NO Permitting Agent? YES **APD Operator: FORTY ACRES ENERGY LLC Operator letter of designation:**

Operator Inf	D j	
Operator Organization Name:	FORTY ACRES ENERGY LLC	
Operator Address: 11777B Ka	ty Freeway, Suite 305	7 :
Operator PO Box:		Zip: 77079
Operator City: Houston	State: TX	
Operator Phone: (832)706-005	51	
Operator Internet Address:		
Section 2 - We	II Information	

Well in Master Development Plan? NO	Mater Development Plan n	ame:
Well in Master SUPO? NO	Master SUPO name:	
Well in Master Drilling Plan? NO	Master Drilling Plan name:	:
Well Name: WEST EUMONT UNIT	Well Number: 525	Well API Number:
Field/Pool or Exploratory? Field and Pool	Field Name: EUMONT	Pool Name: YATES-7RVRS-

is the proposed well in an area containing other mineral resources? USEABLE WATER NATURAL GAS OIL

Operator Name: FORTY ACRES ENERGY LLC)
Well Name: WEST EUMONT UNIT	

Well Number: 525

Describe other minerals:		
Is the proposed well in a Helium production area? N	Use Existing Well Pad? N	O New surface disturbance?
Type of Well Pad: SINGLE WELL	Multiple Well Pad Name:	Number:
Well Class: VERTICAL	Number of Legs: 1	
Well Work Type: Drill		
Well Type: INJECTION - ENHANCED RECOVERY		
Describe Well Type:		
Well sub-Type: INJECTION - SECONDARY RECOVERY	ſ	
Describe sub-type:		
Distance to town: 7 Miles Distance to ne	arest well: 711 FT D	istance to lease line: 970 FT
Reservoir well spacing assigned acres Measurement:	0 Acres	
Well plat: WEumont_525_plat_mjdedit_09142018_20	180914101916.pdf	
Well work start Date: 07/01/2018	Duration: 30 DAYS	

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number: 7977

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	QM	TVD
SHL Leg #1	134 0	FNL	167 0	FWL	20S	36E	35	Aliquot SENW	32.53320 4	- 103.3281 95	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 000796 6	356 9	0	0
BHL Leg #1	134 0	FNL	167 0	FWL	20S	36E	35	Aliquot SENW		- 103.3281 95	LEA	NEW MEXI CO	NEW MEXI CO	F	NMNM 000796 6	-931	450 0	450 0

WAFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Drilling Plan Data Report

APD ID: 10400030799

Operator Name: FORTY ACRES ENERGY LLC

Well Name: WEST EUMONT UNIT

Well Number: 525

Submission Date: 06/01/2018

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Well Type: INJECTION - ENHANCED RECOVERY

Well Work Type: Drill

Section 1 - Geologic Formations

Formation ID	Want from the state of the stat	Elevation	True Vertical Depth		Lilinologies	Mineral Resources	Producing Formation
1		3569	0	0	OTHER : Quaternary caliche	USEABLE WATER	No
2	RUSTLER ANHYDRITE	2155	1414	1414		NONE	No
3	TANSILL	760	2809	2809	SANDSTONE	NONE	No
4	YATES	573	2996	2996	SANDSTONE	NATURAL GAS,OIL,OTHER : Saltwater	No
5	SEVEN RIVERS	255	3314	3314	DOLOMITE	NATURAL GAS,OIL,OTHER : Saltwater	No
6	QUEEN	-195	3764	3764	DOLOMITE	NATURAL GAS,OIL,OTHER : Saltwater	No
7	GRAYBURG	-576	4145	4145	DOLOMITE	NATURAL GAS,OIL,OTHER : Saltwater	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 2M

Rating Depth: 5000

Equipment: BOP equipment will consist of the following: - Double ram with blind ram and pipe ram - Drilling spool, or blowout preventer with 2 side outlets (choke side and kill side will be greater than or equal to 2" diameter) - Kill line (greater than or equal to 2" diameter) and kill line valve (greater than or equal to 2" diameter) - greater than or equal to 2" diameter) and kill line valve (greater than or equal to 2" diameter) - greater than or equal to 2" diameter) - Kill line (ameter) - Kill line (greater than or equal to 2" diameter) - greater than or equal to 2" diameter) - Ressure gauge on choke manifold - Upper Kelly cock valve with handle available - Safety valve and subs to fit all drill string connections in use - All BOPE connections subject to well pressure will be flanged, welded, or clamped - A fill-up line above the uppermost preventer

Requesting Variance? NO

Variance request:

Testing Procedure: A 2000 psi BOP stack and manifold system will be used. A typical 2000 psi system is attached. If the equipment changes, then a Sundry Notice will be filed. System will meet Onshore Orders 2 (BOP) and 6 (H2S) requirements. Blowout preventer equipment (BOP) will include a 2000 psi rated, "XLT" type, NOV double ram preventer that will be tested to a maximum pressure of 2000 psi. Unit will be hydraulically operated. Ram type preventer will be equipped with pipe rams on top and blind pipe rams on bottom. The 2M BOP will be installed on the 8.625" surface casing and used continuously until TD is reached. All casing strings will be tested per Onshore Order #2. This also includes a 30-day test, should the rig still be operating on the same well for 30 days. Pipe rams will be operated and checked each 24-hour period and each time the drill pipe is out of the hole. These function tests will be documented on the daily drilling logs.

Choke Diagram Attachment:

Well Number: 525

WEumont_525_bop_choke_20180601130231.pdf

BOP Diagram Attachment:

WEumont_525_bop_choke_20180601130238.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	12.2 5	8.625	NEW	API	N	0	1650	0	1650	3569		1650	J-55	24	STC	1.91	4.11	DRY	6.26	DRY	6.26
	PRODUCTI ON	7.86 5	5.5	NEW	API	N	0	4500	0	4500	3569		4500	J-55	15.5	LTC	1.73	2.06	DRY	3.11	DRY	3.11

Casing Attachments

Casing ID: 1 String Type:SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

WEumont_525_casing_design_assumptions_20180601130348.pdf

Well Number: 525

Casing Attachments

Casing ID: 2 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

WEumont_525_casing_design_assumptions_20180601130439.pdf

,	Section	4 - Ce	emen	t 👘	· .							:
	String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
S	URFACE	Lead		. 0	1475	650	1.72	13.5	609	100	Class C	4% bentonite gel + 0.4% defoamer + 0.25 lb/sk cellophane flakes
S	SURFACE	Tail		1475	1650	200	1.34	14.8	72	100	Class C	1% CaCl2 + 0.25 lb/sk cellophane flakes
F	RODUCTION	Lead		0	3000	235	3.22	11	520	20	50/50 poz C	5 bwow sodium chloride + 0.4% fluid loss additive + 3.5% accelerator/suspension aid + 0.4% de-foamer+ 3 lb/sk LCM
٩	RODUCTION	Tail		3000	4500	160	1.33	14.8	260	20	Class C	0.1% fluid loss additive + 0.2% dispersant + 3 lb/sk Kol Seal LCM

Well Name: WEST EUMONT UNIT

Well Number: 525

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: Appropriate additives (bentonite, cedar bark) will be on site to manage any abnormal hole condition (lost circulation, pressure) that could be encountered while drilling this well. Circulation could be lost in the Grayburg.

Describe the mud monitoring system utilized: A PVT/Pason/visual mud monitoring system will be used.

	Circ	ulating Medi	um Ta	able	• .						
Top Depth	Bottom Depth	Mud Type	Min Weight (Ibs/gal)	Max Weight (Ibs/gal)	Density (lbs/cu ft)	Gel Strength (Ibs/100 sqft)	H	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
 1700	4500	SALT SATURATED	9.7	10							
0	1700	SPUD MUD	9.4	9.9							

Section 6 - Test, Logging, Coring

L of production tests including testing procedures, equipment and safety measures:

A Weatherford composite log, or its equivalent, will be run.

List of open and cased hole logs run in the well:

OTH

Other log type(s):

A V nerford composite log, or its equivalent, will be run.

Coring operation description for the well:

No core or drill stem test is planned.

Operator Name: FORTY ACRES ENERGY LLC

Well Name: WEST EUMONT UNIT

Well Number: 525

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 1925

Anticipated Surface Pressure: 935

Anticipated Bottom Hole Temperature(F): 100

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

WEumont_525_h2s_plan_20180601130727.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

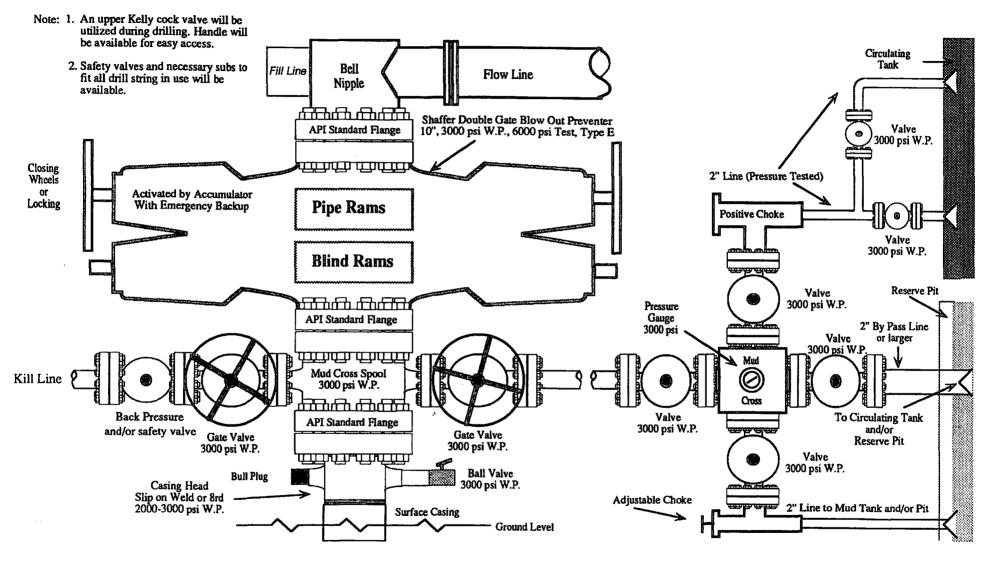
Other proposed operations facets description:

Other proposed operations facets attachment:

WEumont_525_drill_plan_20180601130907.pdf

Other Variance attachment:

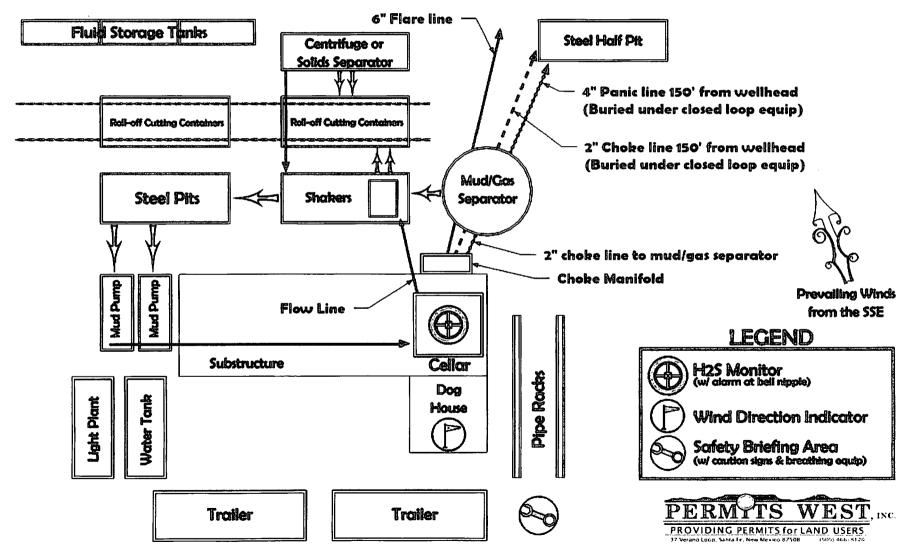
2,000 PSI BOP SYSTEM



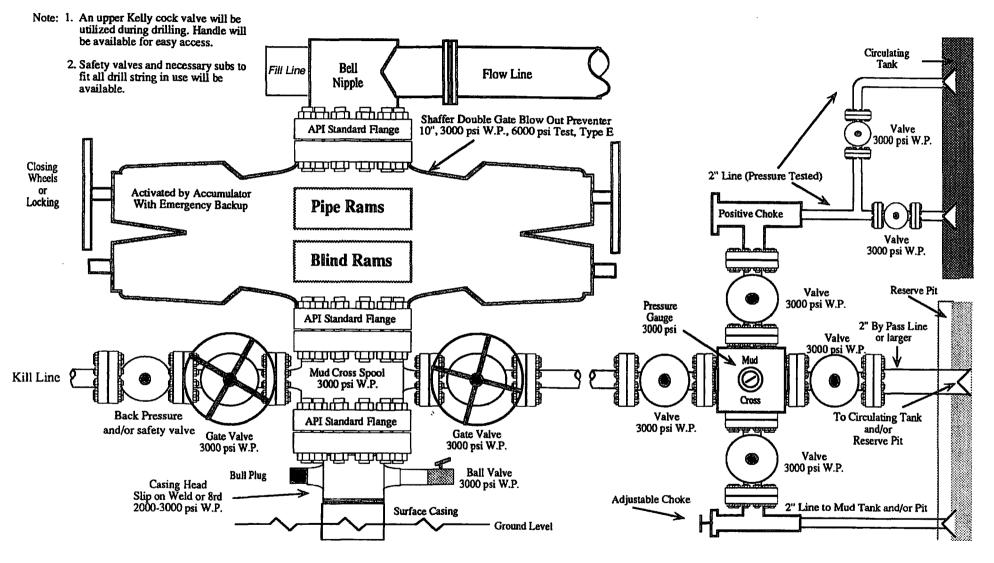
Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.



Rig and Closed Loop System with H2S Safety Equipment Diagram



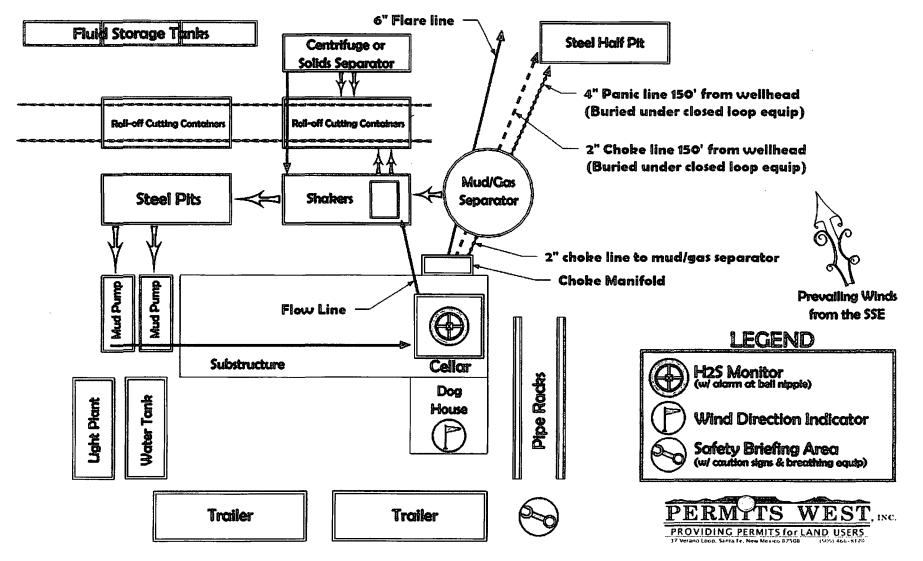
2,000 PSI BOP SYSTEM



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.



Rig and Closed Loop System with H2S Safety Equipment Diagram



	Hole OD	Casing OD	Casing ID	Weight	Grade	Connection	Burst	Collapse	Tensile	Length	String Weight	Mud Weight ppg	Mud Gradient psi/ft
Surface	12.250	8.625	8.097	24.0	J-55	STC	2,950	1,370	244,000	1,625	39,000	8.5	0.44
Production	7.875	5.500	4.950	15.5	J-55	LTC	4,810	4,040	217,000	4,500	69,750	10.0	0.52

Casing Parameters

Tensile						
SF_t = Tensile / String Weight ; must be greater than 2.0						
	Casing OD	Tensile	String Weight	SF_t		
Surface	8.625	244,000	39,000.00	6.26		
Production	5.500	217,000	69,750.00	3.11		

Collapse

SF_c = Collapse / (mud gradient x TVD) ; must be greater than 1.18						
	Casing OD	Collapse	Mud Gradient x TVD	SF_t		
Surface	8.625	1,370	718.25	1.91		
Production	5.500	4,040	2,340.00	1.73		

Burst

SF_b = Burst / (mud gradient x TVD) ; must be greater than 1.18						
	Casing OD	Burst	Mud Gradient x TVD	SF_t		
Surface	8.625	2,950	718.25	4.11		
Production	5.500	4,810	2,340.00	2.06		

	Hole OD	Casing OD	Casing ID	Weight	Grade	Connection	Burst	Collapse	Tensile	Length	String Weight	Mud Weight ppg	Mud Gradient psi/ft
Surface	12.250	8.625	8.097	24.0	J-55	STC	2,950	1,370	244,000	1,625	39,000	8.5	0.44
Production	7.875	5.500	4.950	15.5	J-55	LTC	4,810	4,040	217,000	4,500	69,750	10.0	0.52

Casing Parameters

Tensile						
SF_t = Tensile / String Weight ; must be greater than 2.0						
	Casing OD	Tensile	String Weight	SF_t		
Surface	8.625	244,000	39,000.00	6.26		
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Collapse

SF_c = Collapse / (mud gradient x TVD) ; must be greater than 1.18						
	Casing OD	Collapse	Mud Gradient x TVD	SF_t		
Surface	8.625	1,370	718.25	1.91		
Production	5.500	4,040	2,340.00	1.73		

Burst

SF_b = Burst / (mud gradient x TVD) ; must be greater than 1.18					
	Casing OD	Burst	Mud Gradient x TVD	SF_t	
Surface	8.625	2,950	718.25	4.11	
Production	5.500	4,810	2,340.00	2.06	

FAFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Highlighted data reflects the most

recent changes

Show Final Text

APD ID: 10400030799

Operator Name: FORTY ACRES ENERGY LLC

Well Name: WEST EUMONT UNIT

Well Type: INJECTION - ENHANCED RECOVERY

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

WEumont_525_road_map_20180601130926.pdf

Existing Road Purpose: ACCESS

ROW ID(s)

ID:

Do the existing roads need to be improved? NO

Existing Road Improvement Description:

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads Will new roads be needed? YES **New Road Map:** WEumont_525_new_road_map_20180601131216.pdf New road type: RESOURCE Length: 384 Feet Width (ft.): 30 Max grade (%): 1 Max slope (%): 0 Army Corp of Engineers (ACOE) permit required? NO ACOE Permit Number(s): New road travel width: 14 New road access erosion control: Crowned and ditched New road access plan or profile prepared? NO New road access plan attachment: Access road engineering design? NO

Row(s) Exist? NO

Submission Date: 06/01/2018

Well Number: 525

Well Work Type: Drill

Well Number: 525

Access surfacing type: OTHER Access topsoil source: ONSITE Access surfacing type description: Caliche Access onsite topsoil source depth: 6 Offsite topsoil source description: Onsite topsoil removal process: Grader Access other construction information: Access miscellaneous information: Number of access turnouts: Drainage Control New road drainage crossing: OTHER Drainage Control comments: Crowned and ditched

Road Drainage Control Structures (DCS) description: None

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

WEumont_525_well_map_20180601131246.pdf

Existing Wells description:

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? SUBMIT

Production Facilities description: An 1899' long buried water pipeline (14' of 2" + 1885' of 4") will be built north from Forty Acres WEU water injection plant. Plant is now under construction. No power line is needed. Only surface equipment on the pad will be the wellhead.

Production Facilities map:

WEumont_525_production_facilities_20180601131353.pdf

Section 5 - Location and Types of Water Supply

Waten Causes Table

Operator Name: FORTY ACRES ENERG	Y LLC				
Well Name: WEST EUMONT UNIT	Well Numl	ber: 525			
Water source use type: DUST CONTR INTERMEDIATE/PRODUCTION CASING CASING Describe type: Water tank		Water source type: OTHER Source longitude:			
Source latitude:		Source longitude.			
Source datum:					
Water source permit type: PRIVATE C	ONTRACT				
Source land ownership: PRIVATE					
Water source transport method: TRU0	CKING				
Source transportation land ownership	: PRIVATE				
Water source volume (barrels): 10000		Source volume (acre-feet): 1.288931			
Source volume (gal): 420000					
Water source and transportation map:					
WEumont_525_water_source_map_201806	601131414.pdf				
Water source comments:					
New water well? NO					
New Water Well Info					
l	1.				
	Well Longitude:	Well datum:			
Well target aquifer:	Est thiskness of	if			
Est. depth to top of aquifer(ft):	Est thickness of a	aquner:			
Aquifer comments: Aquifer documentation:					
Well depth (ft):	Well casing type:				
Well casing outside diameter (in.):		ising type. Ising inside diameter (in.):			
New water well casing?	Used casing source				
Drilling method:					
Grout material:					
rout material: Grout depth: asing length (ft.): Casing top depth (ft.):					
Vell Production type: Completion Method:					
Water well additional information:					
State appropriation permit:					
Additional information attachment:					

Operator Name: FORTY ACRES ENERGY LLC

Well Name: WEST EUMONT UNIT

Well Number: 525

Section 6 - Construction Materials

Construction Materials description: NM One Call (811) will be notified before construction starts. Top 6" of soil and brush will be stockpiled north of the pad. V-door will face east. Closed loop drilling system will be used. Caliche will be hauled from an existing caliche pit on private (Cooper) land in N2SW4 26-20s-36e. **Construction Materials source location attachment:**

WEumont_525_construction_materials_methods_20180601131633.pdf

Section 7 - Methods for Handling Waste

Waste type: DRILLING

Waste content description: Drill cuttings, mud, salts, and other chemicals

Amount of waste: 1000 barrels

Waste disposal frequency : Daily

Safe containment description: Steel tanks

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: PRIVATE FACILITY

Disposal type description:

Disposal location description: R360's state approved (NM-01-0006) disposal site at Halfway, NM

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.) Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

 Cuttings Area being used? NO

 Are you storing cuttings on location? YES

 Description of cuttings location Steel tanks on pad

 Cuttings area length (ft.)

 Cuttings area width (ft.)

 Cuttings area width (ft.)

Well Number: 525

Is at least 50% of the cuttings area in cut? WCuttings area liner Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

WEumont_525_well_site_layout_20180601132337.pdf

Comments:

Section 10 - Plans for Surface Reclamation

 Type of disturbance:
 New Surface Disturbance
 Multiple Well Pad Name:

Multiple Well Pad Number:

Recontouring attachment:

WEumont_525_recontour_plat_20180601132421.pdf

Drainage/Erosion control construction: Crowned and ditched

Drainage/Erosion control reclamation: Harrowed on the contour

0.26 Powerline proposed disturbance (acres): 0 Pipeline proposed disturbance (acres): 1.31	0.51 Road interim reclamation (acres): 0 Powerline interim reclamation (acres): 0 Pipeline interim reclamation (acres): 1.31 Other interim reclamation (acres): 0	Well pad long term disturbance (acres): 0.92 Road long term disturbance (acres): 0.26 Powerline long term disturbance (acres): 0 Pipeline long term disturbance (acres): 0 Other long term disturbance (acres): 0
Total proposed disturbance: 3	Total interim reclamation: 1.82	Total long term disturbance: 1.18

Disturbance Comments:

Reconstruction method: Interim reclamation will be completed within 6 months of completing the well. Interim reclamation will consist of shrinking the pad 36% (0.51 acre) by removing caliche and reclaiming a 25' wide swath on all sides of the pad.

Operator Name: FORTY ACRES ENERGY LLC

Well Name: WEST EUMONT UNIT

Well Number: 525

match pre-construction grades. Soil and brush will be evenly spread over disturbed areas and harrowed on the contour. Disturbed areas will be seeded in accordance with surface owner's requirements.

Topsoil redistribution: Enough stockpiled topsoil will be retained to cover the remainder of the pad when the well is plugged. Once the well is plugged, then the rest of the pad and new road will be similarly reclaimed within 6 months of plugging. Noxious weeds will be controlled.

Soil treatment: None

Existing Vegetation at the well pad:

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road:

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline:

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances:

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO Seed harvest description: Seed harvest description attachment:

Seed Management

 Seed Table

 Seed type:
 Seed source:

 Seed name:
 Source name:

 Source name:
 Source address:

 Source phone:
 Seed cultivar:

Operator Name: FORTY ACRES ENERGY LLC	
Well Name: WEST EUMONT UNIT	Well Number: 525
Seed use location:	
PLS pounds per acre:	Proposed seeding season:
Seed Summary	Total pounds/Acre:
Seed Type Pounds/Acre	
Seed reclamation attachment:	
Operator Contact/Responsible Offic	ial Contact Info
First Name:	Last Name:
Phone:	Email:
Seedbed prep:	
Seed BMP:	
Seed method:	
Existing invasive species? NO	
Existing invasive species treatment description:	
Existing invasive species treatment attachment:	
Weed treatment plan description: To BLM standards	3
Weed treatment plan attachment:	
Monitoring plan description: To BLM standards	
Monitoring plan attachment:	
Success standards: To BLM satisfaction	
Pit closure description: No pit	
Pit closure attachment:	
Section 11 - Surface Ownership	
Disturbance type: NEW ACCESS ROAD	

Describe:

Surface Owner: PRIVATE OWNERSHIP

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

Well Number: 525

NPS Local Office:	
State Local Office:	
Military Local Office:	
USFWS Local Office:	
Other Local Office:	
USFS Region:	
USFS Forest/Grassland:	USFS Ranger District:
Fee Owner: Dale Cooper Family Trust	Fee Owner Address: PO Box 6 Monument NM 88265
Phone: (575)390-7996	Email:
Surface use plan certification: NO	
Surface use plan certification document:	
Surface access agreement or bond: Agreen	ment
Surface Access Agreement Need descripti	on: See attached at end of SUPO section
Surface Access Bond BLM or Forest Servi	ce:
BLM Surface Access Bond number:	

USFS Surface access bond number:

Disturbance type: OTHER Describe: Water lines Surface Owner: PRIVATE OWNERSHIP Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: Military Local Office: USFWS Local Office: Other Local Office:

Well Number: 525

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

	Fee Owner: Dale Cooper Family Trust	Fee Owner Address: PO Box 6 Monument NM 88265
	Phone: (575)390-7996	Email:
	Surface use plan certification: NO	
	Surface use plan certification document: Surface access agreement or bond: Agreement	
	Surface Access Agreement Need description: See attached at end of SUPO section	
	Surface Access Bond BLM or Forest Service: BLM Surface Access Bond number: USFS Surface access bond number:	

Disturbance type: WELL PAD Describe: Surface Owner: PRIVATE OWNERSHIP Other surface owner description: BIA Local Office: BOR Local Office: COE Local Office: DOD Local Office: NPS Local Office: State Local Office: USFWS Local Office: USFWS Local Office: USFS Region: USFS Forest/Grassland:

USFS Ranger District:

Well Number: 525

Fee Owner: Dale Cooper Family Trust	Fee Owner Address: PO Box 6 Monument NM 88265	
Phone: (575)390-7996	Email:	
Surface use plan certification: NO		
Surface use plan certification document:		
Surface access agreement or bond: Agreement		
Surface Access Agreement Need description: See attached at end of SUPO section		
Surface Access Bond BLM or Forest Service:		
BLM Surface Access Bond number:		
USFS Surface access bond number:		

Section 12 - Other Information

Right of Way needed? NO ROW Type(s):

Use APD as ROW?

ROW Applications

SUPO Additional Information:

Use a previously conducted onsite? YES

Previous Onsite information: On site inspection was held with Jesse Bassett (BLM) on March 26, 2018. Lone Mountain inspected and filed archaeology reports NMCRIS-139931 (well and road) and NMCRIS 139916 (pipelines) in late February 2018.

Other SUPO Attachment

WEumont_525_supo_20180601132843.pdf WEumont_525_surface_use_agreement_20180601132957.pdf



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

PWD disturbance (acres):

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

Injection PWD discharge volume (bbl/day):

PWD disturbance (acres):

PWD disturbance (acres):

Injection well type: Injection well number: Assigned injection well API number? Injection well new surface disturbance (acres): Minerals protection information: Mineral protection attachment: Underground Injection Control (UIC) Permit? UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Surface discharge PWD discharge volume (bbl/day): Surface Discharge NPDES Permit? Surface Discharge NPDES Permit attachment: Surface Discharge site facilities information: Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Other PWD discharge volume (bbl/day): Other PWD type description: Other PWD type attachment: Have other regulatory requirements been met? Other regulatory requirements attachment: Injection well name: Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):

FAFMSS

U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Bond Information

Federal/Indian APD: FED

BLM Bond number: NMB001380

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: