

# forty acres energy

August 20, 2020

Energy Minerals and Natural Resources Department  
Oil Conservation Division  
1220 South St. Francis drive  
Santa Fe, New Mexico 87505

Attention: Mr. Dean McClure  
Petroleum Specialist

Re: Injection Pressure Increase Application  
Forty Acres Energy, LLC  
West Eumont Unit #525  
Pool: Yates-& 7 Rivers  
Lea County, New Mexico

Dear Mr. McClure,

Forty Acres Energy, LLC ("Forty Acres"; OGRID No. 371416), as current operator of the West Eumont Unit Waterflood Project, requests administrative approval to increase the surface injection pressure for the West Eumont Unit #525, API # 30-025-45482. (WEU #525)

On June 27th, 2020, Forty Acres conducted a step rate injection test on the WEU #525. The performed step rate test indicates a surface fracture pressure of 1850 psi (0.49 psi/ft). Attached for your review is the Capitan Wireline report of the step rate test performed on the WEU #525. Based on the results of the step rate test, Forty Acres, hereby requests authority to increase maximum surface injection pressure of 1850 psi for the WEU #525.

Please feel free to reach out with any questions of concerns.

Regards,



Garret Johnson  
Operations Engineer