

District I 1625 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 Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462	State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505	Form C-103 August 1, 2011 Permit 301199 WELL API NUMBER 30-025-47990 5. Indicate Type of Lease S 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name ARNOTT RAMSAY NCT-B																																																
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: O	8. Well Number 020																																																	
2. Name of Operator FAE II Operating LLC	9. OGRID Number 329326																																																	
3. Address of Operator 11757 Katy Freeway Suite 1000, Houston, TX 77079	10. Pool name or Wildcat																																																	
4. Well Location Unit Letter <u>L</u> : <u>2240</u> feet from the <u>S</u> line and feet <u>350</u> from the <u>W</u> line Section <u>32</u> Township <u>25S</u> Range <u>37E</u> NMPM _____ County <u>Lea</u>																																																		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 2977 GR																																																		
Pit or Below-grade Tank Application ☐ or Closure ☐ Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____																																																		
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data <table style="width:100%;"> <tr> <td colspan="2">NOTICE OF INTENTION TO:</td> <td colspan="2">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>PERFORM REMEDIAL WORK ☐</td> <td>PLUG AND ABANDON ☐</td> <td>REMEDIAL WORK ☐</td> <td>ALTER CASING ☐</td> </tr> <tr> <td>TEMPORARILY ABANDON ☐</td> <td>CHANGE OF PLANS ☐</td> <td>COMMENCE DRILLING OPNS. ☐</td> <td>PLUG AND ABANDON ☐</td> </tr> <tr> <td>PULL OR ALTER CASING ☐</td> <td>MULTIPLE COMPL ☐</td> <td>CASING/CEMENT JOB ☐</td> <td></td> </tr> <tr> <td colspan="2">Other: _____</td> <td colspan="2">Other: <u>Drilling/Cement</u> ☒</td> </tr> </table>			NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐	TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐	PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐		Other: _____		Other: <u>Drilling/Cement</u> ☒																													
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:																																																
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐																																															
TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐																																															
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐																																																
Other: _____		Other: <u>Drilling/Cement</u> ☒																																																
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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Drill to 946'. Circ hole clean. Ran 23 jts 8.625" 24# A grade surface casing. Set @ 945'. Lead w/ 470 sxs 12.8# cmt (C-lite w/ 3% salt 3 pps kolseal), tail w/ 140 sxs 14.8# cmt (Class C w/ 2% CaCl2 & 0.25 pps flow seal). Circ 70 bbls to pit. WOC. Drill to TD at 3498'. Ran 83 jts 5.5" 15# J-55 LTC A grade csg. Set @ 3498'. Float collar @ 3454'. DV tool @ 2325'. Lead w/ 100 sxs 14.8# Class C cmt, tail w/ 100 sxs 12.4# Class C cmt w/ additives. Dropped wiper plug, 27 bbls cmt in csg, 40 bbls cmt behind pipe. Drilled out cmt. Perf csg @ 2550' & squeeze w/ 825 sxs Class C cmt. Circ 135 sxs to surf 6/18/2021 Spudded well.																																																		
Casing and Cement Program <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Date</th> <th>String</th> <th>Fluid Type</th> <th>Hole Size</th> <th>Csg Size</th> <th>Weight lb/ft</th> <th>Grade</th> <th>Est TOC</th> <th>Dpth Set</th> <th>Sacks</th> <th>Yield</th> <th>Class</th> <th>1" Dpth</th> <th>Pres Held</th> <th>Pres Drop</th> <th>Open Hole</th> </tr> </thead> <tbody> <tr> <td>06/19/21</td> <td>Surf</td> <td>FreshWater</td> <td>12.25</td> <td>8.625</td> <td>24</td> <td>J55</td> <td>0</td> <td>945</td> <td>610</td> <td></td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> <tr> <td>06/25/21</td> <td>Prod</td> <td>Brine</td> <td>7.875</td> <td>5.5</td> <td>15</td> <td>J55</td> <td>0</td> <td>3498</td> <td>1025</td> <td></td> <td>C</td> <td></td> <td>1000</td> <td>0</td> <td>N</td> </tr> </tbody> </table>			Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole	06/19/21	Surf	FreshWater	12.25	8.625	24	J55	0	945	610		C		1000	0	N	06/25/21	Prod	Brine	7.875	5.5	15	J55	0	3498	1025		C		1000	0	N
Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole																																			
06/19/21	Surf	FreshWater	12.25	8.625	24	J55	0	945	610		C		1000	0	N																																			
06/25/21	Prod	Brine	7.875	5.5	15	J55	0	3498	1025		C		1000	0	N																																			
I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOC guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐ .																																																		
<table style="width:100%;"> <tr> <td>SIGNATURE</td> <td><u>Electronically Signed</u></td> <td>TITLE</td> <td><u>CEO</u></td> <td>DATE</td> <td><u>9/16/2021</u></td> </tr> <tr> <td>Type or print name</td> <td><u>Huxley Song</u></td> <td>E-mail address</td> <td><u>huxley@faenergyus.com</u></td> <td>Telephone No.</td> <td><u>832-706-0057</u></td> </tr> </table>			SIGNATURE	<u>Electronically Signed</u>	TITLE	<u>CEO</u>	DATE	<u>9/16/2021</u>	Type or print name	<u>Huxley Song</u>	E-mail address	<u>huxley@faenergyus.com</u>	Telephone No.	<u>832-706-0057</u>																																				
SIGNATURE	<u>Electronically Signed</u>	TITLE	<u>CEO</u>	DATE	<u>9/16/2021</u>																																													
Type or print name	<u>Huxley Song</u>	E-mail address	<u>huxley@faenergyus.com</u>	Telephone No.	<u>832-706-0057</u>																																													
For State Use Only: <table style="width:100%;"> <tr> <td>APPROVED BY:</td> <td><u>Kurt Simmons</u></td> <td>TITLE</td> <td><u>Petroleum Specialist - A</u></td> <td>DATE</td> <td><u>9/17/2021 12:52:58 PM</u></td> </tr> </table>			APPROVED BY:	<u>Kurt Simmons</u>	TITLE	<u>Petroleum Specialist - A</u>	DATE	<u>9/17/2021 12:52:58 PM</u>																																										
APPROVED BY:	<u>Kurt Simmons</u>	TITLE	<u>Petroleum Specialist - A</u>	DATE	<u>9/17/2021 12:52:58 PM</u>																																													