

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

SEP 02 2016

RECEIVED

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

WELL API NO. 30-025-04363
5. Indicate Type of Lease STATE ☒ FEE ☐
6. State Oil & Gas Lease No. B-11297
7. Lease Name or Unit Agreement Name Magruder State
8. Well Number 1
9. OGRID Number 371416
10. Pool name or Wildcat Eumont: Yates-7Rvrs-Queen (Oil)
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3622' DR

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 ☐

2. Name of Operator
Forty Acres Energy, LLC

3. Address of Operator
11777-B Katy Freeway, Suite 305; Houston, TX 77079

4. Well Location

Unit Letter O : 660 feet from the South line and 1980 feet from the East line
Section 28 Township 20S Range 36E NMPM County Lea

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☒ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐
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. Drill out CIBP at 3820'.
2. Cleanout open hole section to +/-3,940'.
3. Acidize if necessary.
4. Test well and return to producing.

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 Huxley Song TITLE CEO DATE 8/29/16

Type or print name Huxley Song E-mail address: huxley@faenergyus.com PHONE: 832-706-0049
For State Use Only

APPROVED BY: Mary Brown TITLE Dist. Supervisor DATE 9/6/2016
Conditions of Approval (if any):

Magruder State #1 (FRI)

660' FSL, 1980' FEL, Sec 28O

T20S, R36E Lea Co., NM

Eumont Field completion Date: 7/6/54

KB 3622'

API # 30 025 04363

NM ID B11297

Status: Active

Tops:
Anhy 1780'
Salt 1900'
B.Salt 3290'
Yates 3490'
7R Dolo 3710'
7R Sd 3860'

13 3/8" 48# @ 266' w/ 300 sx, Circ.

TBG: BPMJ, PS, SN, 121 jts
2 3/8". EOT 3708', SN 3672'

Rod String: 2x1 1/4x16 pmp w/ GA
3/4x2' sub, 145-3/4" rods,
3/4x8' sub, 1 1/4x16 PR w/ liner

9 5/8" 36# @ 1792' w/ 100 sx

Activity:

6/54: OH completion to 3942', no frac
8/64: CO 22' sd, paraffin treatment
8/66: CO sd
6/71: CO & DO to 3940'
4/74: CO sd
1/75: CO sd from 3925'
12/77: Ream out hole to 3942'.
5/79: CO to 3940'
5/01: CO to 3866, 1000 gal acid
10/04: CIBP 3820'. Perf 3708-3801', 2000 gal acid
30000# sd, 26000 gal WF30.

7 Rivers, Upper Perfs:

3708, 10, 13, 19, 34, 48, 51, 55, 69, 71, 74,
92, 94, 97, 3801'

CIBP @ 3820'

7" 20# J-55 @ 3846' w/ 125 sx, TOC 3122'
By CBL.

Current
9/2005

TD 3942'

7 Rivers: 3846-3942' OH No treatment performed

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3/4"x2' sub, xx-3/4" rods,
3/4"xX' sub, 1-1/4x16 PR w/ liner

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By CBL (10/25/2004).

Proposed
8/2016

TD 3942'

7 Rivers: 3846-3942' OH No treatment performed