

Submit 1 Copy To Appropriate District Office
 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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

HOBBS OCD

OCT 20 2017

RECEIVED

WELL API NO. 30-025-24406
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. E-1732
7. Lease Name or Unit Agreement Name STATE WE "H"
8. Well Number 3
9. OGRID Number 371416
10. Pool name or Wildcat EUMONT; Yates-Seven Rivers-Queen (Oil)

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
11777B Katy Freeway, Suite #305, Houston, TX 77079

4. Well Location
 Unit Letter K : 2970 feet from the North line and 2310 feet from the West line
 Section 2 Township 21S Range 35E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3596' GR

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>CLOSED-LOOP SYSTEM <input type="checkbox"/></p> <p>OTHER: Deepen well within Eumont Pool, run casing, and stimulate <input checked="" type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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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.

Deepen well within the Yates-Seven Rivers-Queen reservoir from 4030' to 4200'.
 Run 4" casing to TD. Cement to surface.
 Perforate and frac with 40,000# sand.

Spud Date: est: 11/13/2017

Rig Release Date: est: 11/17/2017

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Jessica LaMarro* TITLE Geologist DATE 10/16/2017

Type or print name Jessica LaMarro E-mail address: jessica@faenergyus.com PHONE: 832-766-0051

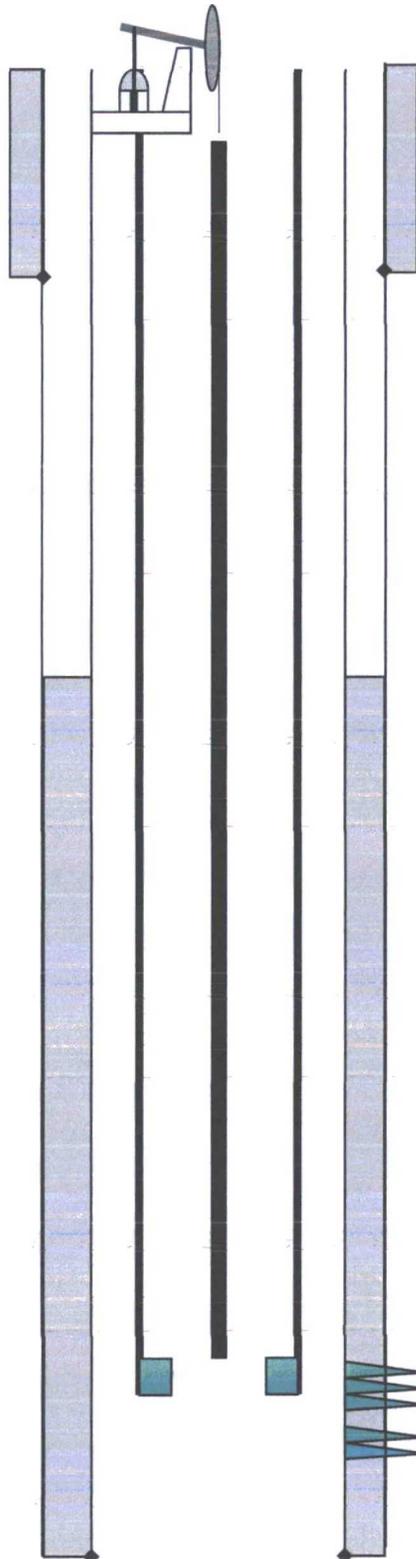
For State Use Only
 APPROVED BY: *[Signature]* TITLE Petroleum Engineer DATE 12/20/17
 Conditions of Approval (if any):

State WEH #3

2970' FNL, 2310' FWL, Sec 2K
T21S, R35E Lea Co., NM
Eumont Field completion Date: 4/17/73

KB 3606'
API # 30 025 24406
NM ID 1159338

Status: Active



8-5/8", 24#, J-55 csg @ 320'
Cmt w/ 200 sx,

TBG: 127 jts 2-3/8", SN, 4'PS, 8'BPMJ
SN @ 3953', EOT @ 3966'
Rods: 2"x1-1/4"x12' RHBC pump w/ BDV HWSTL DV
2'x3/4" sub, 157 3/4" rods, 2'x3/4" sub, 1-1/4"x16' PR

Activity:
4/73: Perf 3910-4000'(19 shots)treat w/ 3,000 gal
acid & frac w/40,000 gal gel & 80,000# sand
11/05: acidize w/ 1,000 gal 15% NEFE

Yates 7 Rivers Queen Perfs:
3910'-4000'

5-1/2", 15.5#, J-55 csg @ 4030', cmt w/ 275 sxs

Current
9/20/2016

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5-1/2", 15.5#, J-55 csg @ 4030', cmt w/ 275 sxs

4" flush, 10.6# J-55 casing @ 4,300'. Circ
cement to surface

Proposed

