

District I
1025 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) 748-1284 Fax (575) 748-9720

District III
1006 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6179

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

HOBBS OCD
JAN 8 2019
RECEIVED

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address FORTY ACRES ENERGY, LLC 11777B Katy Freeway, Suite #305, Houston, TX 77079		² OGRID Number 371416
³ Property Code 320052		⁴ Property Name WEST EUMONT UNIT
		⁵ API Number 30-025-48484
		⁶ Well No. 218

7. Surface Location

UT. - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B2	2	21S	35E	2	85	N	2580	E	LEA

8. Proposed Bottom Hole Location

UT. - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
B2	2	21S	35E	2	85	N	2580	E	LEA

9. Pool Information

⁹ Pool Name EUMONT; Yates-Seven Rivers-Queen (Oil)	¹⁰ Pool Code 22800
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Additional Well Information

¹¹ Work Type N	¹² Well Type I	¹³ Cable-Rotary R	¹⁴ Lease Type P	¹⁵ Ground Level Elevation 3568'
¹⁶ Multiple N	¹⁷ Proposed Depth 4500'	¹⁸ Formation QUEEN	¹⁹ Contractor	²⁰ Spud Date 02/15/2019
²¹ Depth to Ground water		²² Distance from nearest fresh water well		²³ Distance to nearest surface water

We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TCC*
Surf	12.25	8.265	24	1600	150	0
Prod	7.875	5.5	15.5	4500	250	0

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	3000	1500	Shaffer

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: <i>Jessica LaMarro</i> Printed name: Jessica LaMarro Title: Geologist E-mail Address: jessica@faenergyus.com Date: 12/20/2018	OIL CONSERVATION DIVISION	
	Approved By: <i>[Signature]</i>	
	Title: Petroleum Engineer	
	Approved Date: <i>01/14/19</i>	Expiration Date: <i>01/11/21</i>
	Conditions of Approval Attached	

See Attached
Conditions of Approval

Back Side

Verso

CONDITIONS OF APPROVAL

API #	Operator	Well name & Number
30-025-45484	FORTY ACRES	West Eumont Unit # 218

Applicable conditions of approval marked with XXXXXX

Administrative Orders Required

XXXXXXX	Review injection order when approved for additional conditions of approval

Other wells

Casing

XXXXXXX	SURFACE & PRODUCTION CASING - Cement must circulate to surface and production casing
XXXXXXX	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

Lost Circulation

XXXXXXX	Must notify OCD Hobbs Office if lost circulation is encountered at 575-370-3186

Water flows

XXXXXXX	Must notify OCD Hobbs Office of any water flow in the Salado formation at 575-370-3186. Report depth and flow rate.

Stage Tool

XXXXXXX	Must notify OCD Hobbs Office prior to running Stage Tool at 575-370-3186
XXXXXXX	If using Stage Tool on Surface casing, Stage Tool must be greater than 350' and a minimum 200 feet above surface shoe.
XXXXXXX	When using a Stage Tool on Intermediate or Production Casing Stage must be a minimum of 50 feet below previous casing shoe.

Completion & Production

XXXXXXX	Will require a deviational survey with the C-105
XXXXXXX	Must notify Hobbs OCD office prior to conducting MIT (575) 393-6161 ext. 114
XXXXXXX	Must conduct & pass MIT prior to any injection
XXXXXXX	May not inject prior to C-108 approval (Injection order approval)
XXXXXXX	Approval of this APD does not guarantee approval of C-108
XXXXXXX	Must conduct & pass MIT prior to any injection