

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88211
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

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

JAN 15 2020

RECEIVED

WELL API NO. 30-025-28010
5. Indicate Type of Lease STATE [X] FEE []
6. State Oil & Gas Lease No. LG-2265
7. Lease Name or Unit Agreement Name Superior WA State
8. Well Number #1
9. OGRID Number 370740
10. Pool name or Wildcat Saunders Permo Upper Perm

SUNDRY REPORTS ON WELLS
(1. Type of Well: Oil Well [X] Gas Well [] Other []
2. Name of Operator Foundation Energy Management, LLC.
3. Address of Operator 5057 Kgs Road, Suite 650 Addison, TX. 75001
4. Well Location Unit Letter M : 660' feet from the South line and 660' feet from the West line
Section 11 Township 14S Range 33E NMPM County Lea
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4247.5' GR

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 []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A [X]
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.

On previous workover on 5-22-18, set CIBP @ 9829' and bail dump 4 sacks on Tag @ 9,794'. Jeronimo Valdez Foundation Energy notified NMOCD. Circulated Salt Gel Mud. Test Casing 500 PSI. Test Good. 12-23-19 Spot 15 sacks Class C 4265'-4114'. WOC. Tag Plug @ 4103'. Perforate @ 2841'. Establish rate. Squeeze 30 sacks Class C 2943'-2740'. WOC. Tag Plug @ 2706'. 12-24-19 Perforate @ 1833'. Establish rate. Squeeze 30 sacks Class C 1895'-1795'. WOC. Tag Plug @ 1716'. Perforate @ 100'. Establish rate & Circulation. Squeeze 52 sacks Class C 100'-Surface in 5-1/2" x 8-5/8" Annulus & leave 5-1/2" Casing full. Add above ground marker with proper ID information.

Spud Date: 12/19/20

Rig Release Date: 12/24/19

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

SIGNATURE [Signature] TITLE HSE Regulatory Specialist DATE 1/13/20

Type or print name James Smith E-mail address: jsmith@foundationenergy.com PHONE: 916-526-5592

APPROVED BY: Kerry Fortner TITLE CO A DATE 1-24-20

Conditions of Approval (if any):

Handwritten checkmark