

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 Road, Aztec, NM 87410
District IV (505) 827-8198
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-106
Revised August 1, 2011

C106-907

ACT Permit No.

NOTICE OF INTENTION TO UTILIZE AUTOMATIC CUSTODY TRANSFER EQUIPMENTOperator Franklin Mountain Energy, LLCAddress 44 Cook Street, Suite 1000, Denver, CO 80206 County DenverLease(s) to be served by this ACT Unit NM-45706, NM-NM-138897 and Fee _____

Pool(s) to be served by this ACT Unit:

[98185] WC-025 G-09 S253502B; LWR BONE SPRING; BONE SPRING [98187] WC-025 G-09 S253502D; UPR WOLFCAMPLocation of ACT System: Unit B Section 1 Township 25S Range 35E

Order No. authorizing commingling between leases if more than one lease is to be served by this system.

PLC-791 Date 12/22/2021

Order No. authorizing commingling between pools if more than one pool is to be served by this system

PLC-791 Date 12/22/2021Authorized transporter of oil from this system SCM Crude, LLC.Transporter's address 5825 N Sam Houston Pkwy W. Ste. 150, Houston TX 77070

Maximum expected daily through-put for this system: 3 LACTS; for max capacity of 32,000 BPD. Expected peak production of 22,500BPD

If system fails to transfer oil due to malfunction or otherwise, waste by overflow will be averted by:

CHECK ONE: A. ☒ Automatic shut-down facilities as required by 19.15.18.15.C(8) NMAC B. ☐ Providing adequate available capacity to receive production during maximum unattended time of lease operation 19.15.18.15.C(9) NMAC

If "A" above is checked, will flowing wells be shut-in at the header manifold or at the wellhead?

Wellhead Maximum well-head shut-in pressure 5000 PSI

If "B" above is checked, how much storage capacity is available above the normal high working level of the surge tank BBLS.
What is the normal maximum unattended time of lease operation? Hours.

What device will be used for measuring oil in this ACT unit?

CHECK ONE: ☐ Positive displacement meter ☐ Weir-type measuring vessel
☐ Positive volume metering chamber ☒ Other; describe _____

Remarks: In the event of a malfunction, Operator has the ability to utilize either option A or B to manage volumes, the LACT's will sell to pipeline.

OPERATOR:

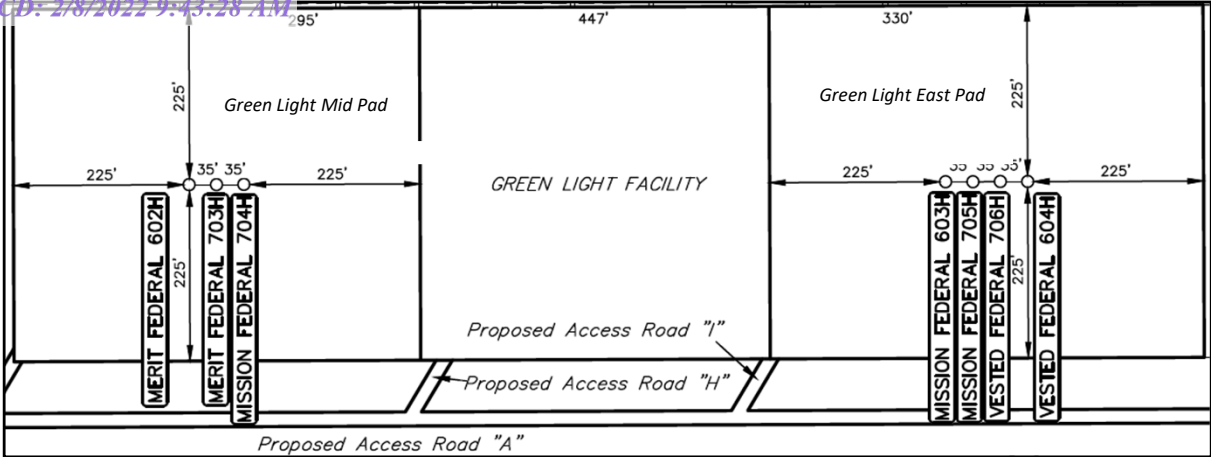
I hereby certify above information is true and complete to best of my knowledge and subject ACT system will be installed and operated in accordance with Rule 19.15.18.15 NMAC. Approval of this Form C-106 does not eliminate necessity of an approved C-104 prior to running any oil or gas from this system.

Signature [Signature]Printed Name & Title Dir Ops Planning & RegulatoryE-mail Address roverbey@fmelle.comDate 2/7/2022 Telephone 720-414-7868**OIL CONSERVATION DIVISION**Approved by: Dean R McClureTitle: Petroleum EngineerDate: 03/07/2022

Operation of the equipment shall be performed in compliance with 19.15.18.15 NMAC.

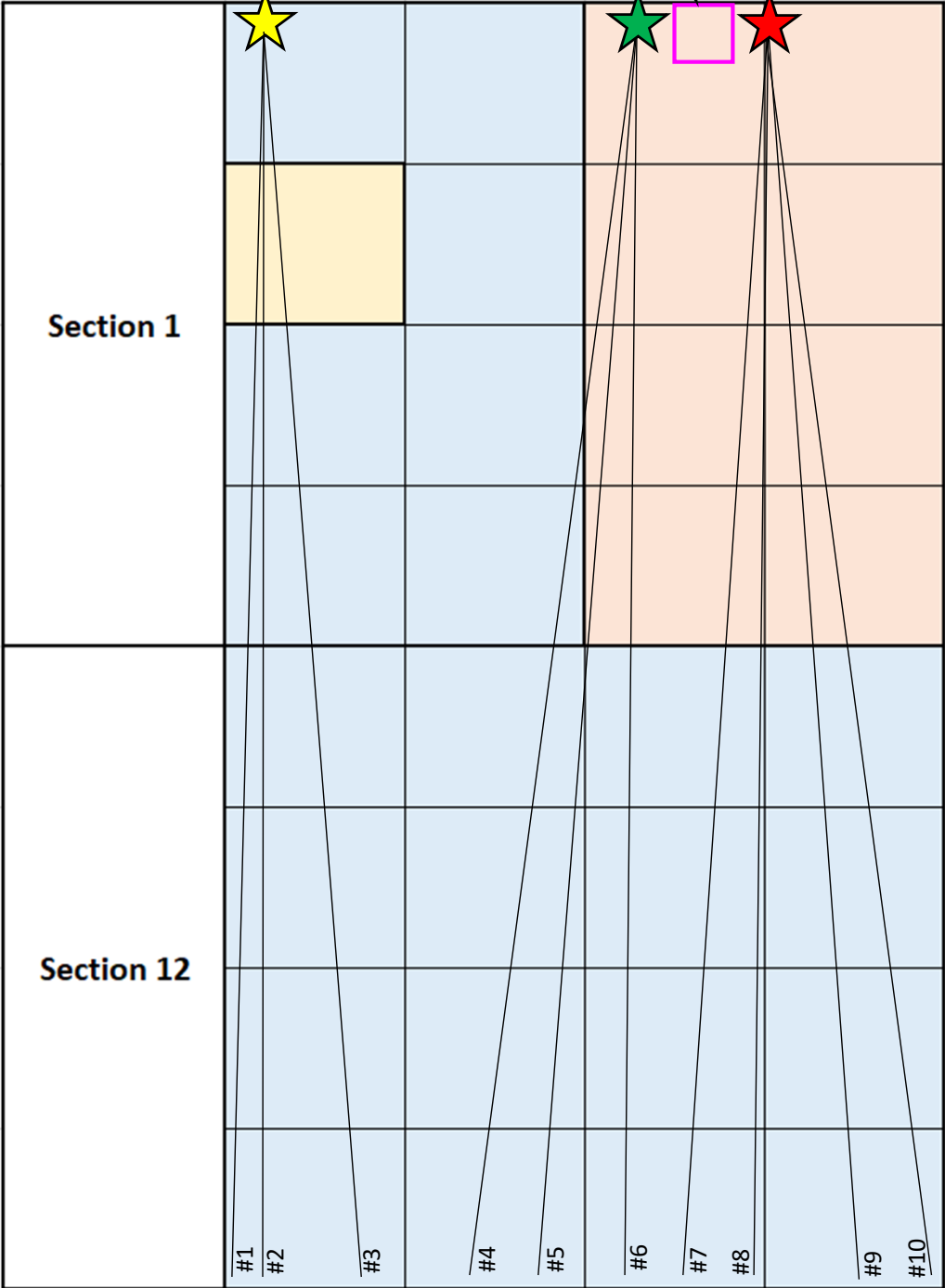
INSTRUCTIONS: Submit one copy of Form C-106 with following attachments to appropriate district office.

- 1) Lease plat showing all wells which will be produced in ACT system.
- 2) Schematic diagram of battery and ACT equipment showing all major components and means employed to prove accuracy of measuring device.
- 3) Letter from transporter agreeing to utilization of ACT system as shown on schematic diagram.



- ★ Green Light West Pad
 - Clincher Fed Com 601H
 - Clincher Fed Com 701H
 - Clincher Fed Com 702H
- ★ Green Light Mid Pad
 - Merit Federal 602H
 - Merit Federal 703H
 - Mission Fed Com 704H
- ★ Green Light East Pad
 - Mission Fed Com 603H
 - Mission Fed Com 705H
 - Vested Fed Com 604H
 - Vested Fed Com 706H
- Green Light CTB

Section 1	FEE
Section 12	NM-45706
Section 1 & 12	NM-138897



Plat No.	Well Names	Formation	Unit Description	Unit Acres	NMOCD Pooling Order
1	Clincher Fed Com 701H	Wolfcamp	Lot 4, SW/4NW/4, W/2SW/4 Sec 1, 25S-35E Lot 1, SE/4NE/4, E/2SE/4 Sec 2, 25S-35E E/2E/2 Sec 11, 25S-35E W/2W/2 Sec 12, 25S-35E	641.51	R-21646
2	Clincher Fed Com 601H	Bone Spring	Lot 4, SW/4NW/4, W/2SW/4 Sec 1, 25S-35E W/2W/2 Sec 12, 25S-35E	320.7	R-21645
3	Clincher Fed Com 702H	Wolfcamp	Lots 3 & 4, S/2NW/4, SW/4 Sec 1, 25S-35E W/2 Sec 12, 25S-35E	641.2	R-21647
4	Merit Federal 602H	Bone Spring	Lot 3, SE/4NW/4, E/2SW/4 Sec 1, 25S-35E E/2W/2 Sec 12, 25S-35E	320.5	N/A
5	Merit Federal 703H	Wolfcamp	Lots 3 & 4, S/2NW/4, SW/4 Sec 1, 25S-35E W/2 Sec 12, 25S-35E	641.2	R-21647
6	Mission Fed Com 704H	Wolfcamp	Lots 1 & 2, S/2NE/4, SE/4 Sec 1, 25S-35E E/2 Sec 12, 25S-35E	640.4	R-21714
7	Mission Fed Com 603H	Bone Spring	Lot 2, SW/4NE/4, W/2SE/4 Sec 1, 25S-35E W/2E/2 Sec 12, 25S-35E	320.3	R-21715
8	Mission Fed Com 705H	Wolfcamp	Lots 1 & 2, S/2NE/4, SE/4 Sec 1, 25S-35E E/2 Sec 12, 25S-35E	640.4	R-21714
9	Vested Fed Com 706H	Wolfcamp	Lots 1 & 2, S/2NE/4, SE/4 Sec 1, 25S-35E E/2 Sec 12, 25S-35E	640.4	R-21714
10	Vested Fed Com 604H	Bone Spring	Lot 1, SE/4NE/4, E/2SE/4 Sec 1, 25S-35E E/2E/2 Sec 12, 25S-35E	320.1	R-21713



Well Name: CLINCHER FED COM 701H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]
API: 30-025-48809
Location: SHL: D- Section 1-25S-35E, BHL: M-Section 12-25S-35E

Well Name: CLINCHER FED COM 601H
Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]
API: 30-025-48808
Location: SHL: D- Section 1-25S-35E, BHL: M-Section 12-25S-35E

Well Name: CLINCHER FED COM 702H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]
API: 30-025-48810
Location: SHL: D- Section 1-25S-35E, BHL: M-Section 12-25S-35E

Well Name: MERIT FEDERAL 602H
Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]
API: 30-025-48619
Location: SHL: B- Section 1-25S-35E, BHL: N-Section 12-25S-35E

Well Name: MERIT FEDERAL 703H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]
API: 30-025-48620
Location: SHL: B- Section 1-25S-35E, BHL: N-Section 12-25S-35E

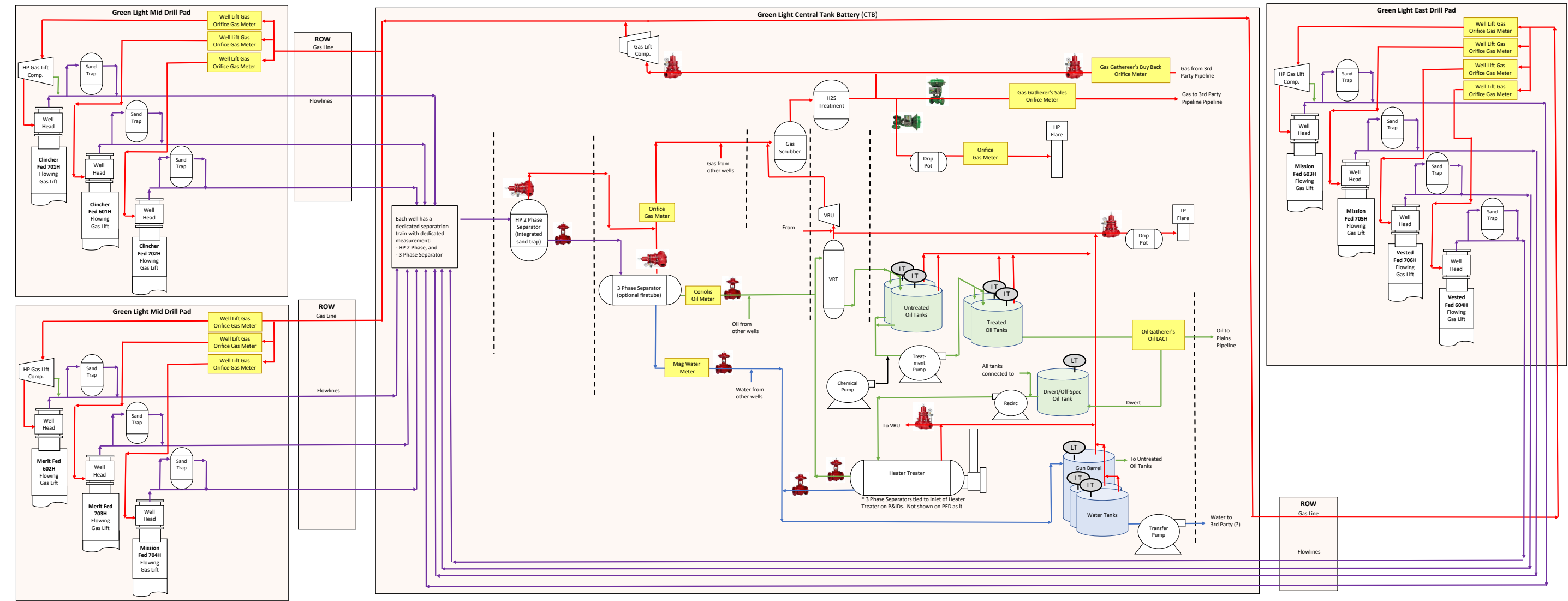
Well Name: MISSION FED COM 704H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]
API: 30-025-48622
Location: SHL: B- Section 1-25S-35E, BHL: O-Section 12-25S-35E

Well Name: MISSION FED COM 603H
Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]
API: 30-025-48621
Location: SHL: B- Section 1-25S-35E, BHL: O-Section 12-25S-35E

Well Name: MISSION FED COM 705H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]
API: 30-025-48623
Location: SHL: B- Section 1-25S-35E, BHL: O-Section 12-25S-35E

Well Name: VESTED FED COM 706H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]
API: 30-025-48624
Location: SHL: B- Section 1-25S-35E, BHL: P-Section 12-25S-35E

Well Name: VESTED FED COM 604H
Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]
API: 30-025-48812
Location: SHL: B- Section 1-25S-35E, BHL: P-Section 12-25S-35E



From: Lee, Andrew <Andrew.Lee@scmid.com>

Date: February 3, 2022 at 08:22:01 MST

To: Travis Hutchinson <thutchinson@fmelc.com>

Cc: roverby@fmelc.com, "Walter, Mark" <Mark.Walter@scmid.com>

Subject: [External] SCM Confirmation to Utilize LACTs at Green Light CTB

Travis,

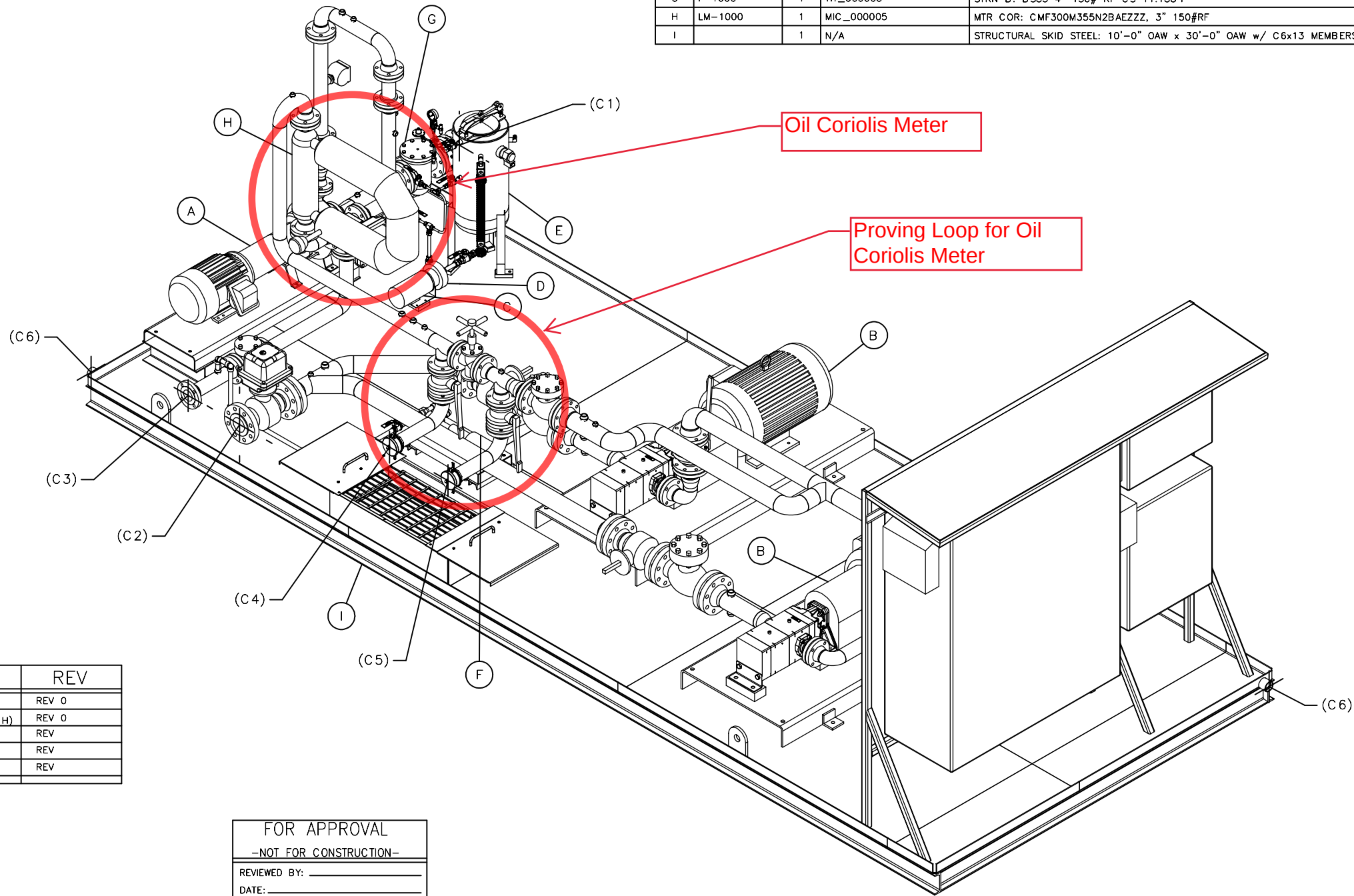
Salt Creek Midstream [OGRID 330368] approves of the Automatic Custody Transfer system installation and utilization at FME's Green Light CTB Facility [ID fAPP2125750904] located in Lot 2, Section 1, T25S, R35E.

Andrew



Andrew Lee | Commercial Lead
5825 N. Sam Houston Pkwy. W #150
Houston, Texas 77086
713.446.9643 (mobile)
andrew.lee@scmid.com

LEGEND						
ITEM	TAG#	QTY	ERP NUMBER	DESCRIPTION	VENDOR	STOCK NUMBER
A	P-1000	1	TBD	PUMP: 3x2-13 A30 20HP, 1800 RPM, 460/3/60, 256T	GRISWOLD	3x2-13 A30
B	P-1100/1200	2	UVIK_000100	GP-41445, 100HP, 1775RPM, 230/460V, PKG	VIKING	GB-41445
C	M-2000	1	UMAR_000002	MOTOR: ELEC 56C 1/2 HP 1800 115/230/1/60	DYKEMAN ELECTRICAL	56C
D	P-2000	1	UFLO_000083	PMP: SMP 1.25X1X4 BLK IRON/VITON	FLOWSERVE	SMP 1.25x1x4
E	V-2000	1	UPSIV-14-2-VST-30-A	VST: 14"OD, 2'-0"L S/S, 156AL	PS-ASME	14-2-VST-30-A
F	P-3000	1	UROP_000023	PUMP GEAR: 2AM03 1HP 1800RPM 115/230V	ODESSA	2AM03
G	F-1000	1	TIT_000003	STRN B: BS85 4" 150# RF CS 11.188"F	TITAN	BS85-CS
H	LM-1000	1	MIC_000005	MTR COR: CMF300M355N2BAEZZZ, 3" 150#RF	EMERSON_MICRO-MOTION	CMF300
I		1	N/A	STRUCTURAL SKID STEEL: 10'-0" OAW x 30'-0" OAW w/ C6x13 MEMBERS	PS	SCMC-PLACT-STL-1



SWO #	LOG	REV
SWO#1	354xx004-0001 THRU	REV 0
SWO#2	354xx004-0006 (QTY 1 EACH)	REV 0
SWO#3		REV
SWO#4		REV
SWO#5		REV

CONNECTION SCHEDULE

- (C1) 4" 150# RF, INLET
(C2) 4" 150# RF, OUTLET
(C3) 3" 150# RF, DIVERT OUTLET
(C4) 3" CAMLOCK, OUTLET TO PROVER
(C5) 3" CAMLOCK, INLET FROM PROVER
(C6) 2" FNPT, SKID DRAIN (TYP. 2 PLACES)
(C7)

GENERAL NOTES

- 1.) TOTAL PACKAGE WEIGHT APPROX. ~ TBD @ REV: 0
2.) INTERIOR BUILDING COLOR: N/A
3.) EXTERIOR SKID AND BUILDING COLOR: N/A
4.) DECK PLATE COLOR: TBD
5.) PIPING COLOR: TBD
6.) INSULATION TO BE: N/A
7.) PAINT:
-VESSEL INTERIOR: N/A
-VESSEL EXTERIOR: N/A
-SKID: TBD @ REV: 0
-PIPING TBD @ REV: 0

FOR APPROVAL
-NOT FOR CONSTRUCTION-
REVIEWED BY: _____
DATE: _____
☐ REVISE AND RESUBMIT
☐ APPROVED

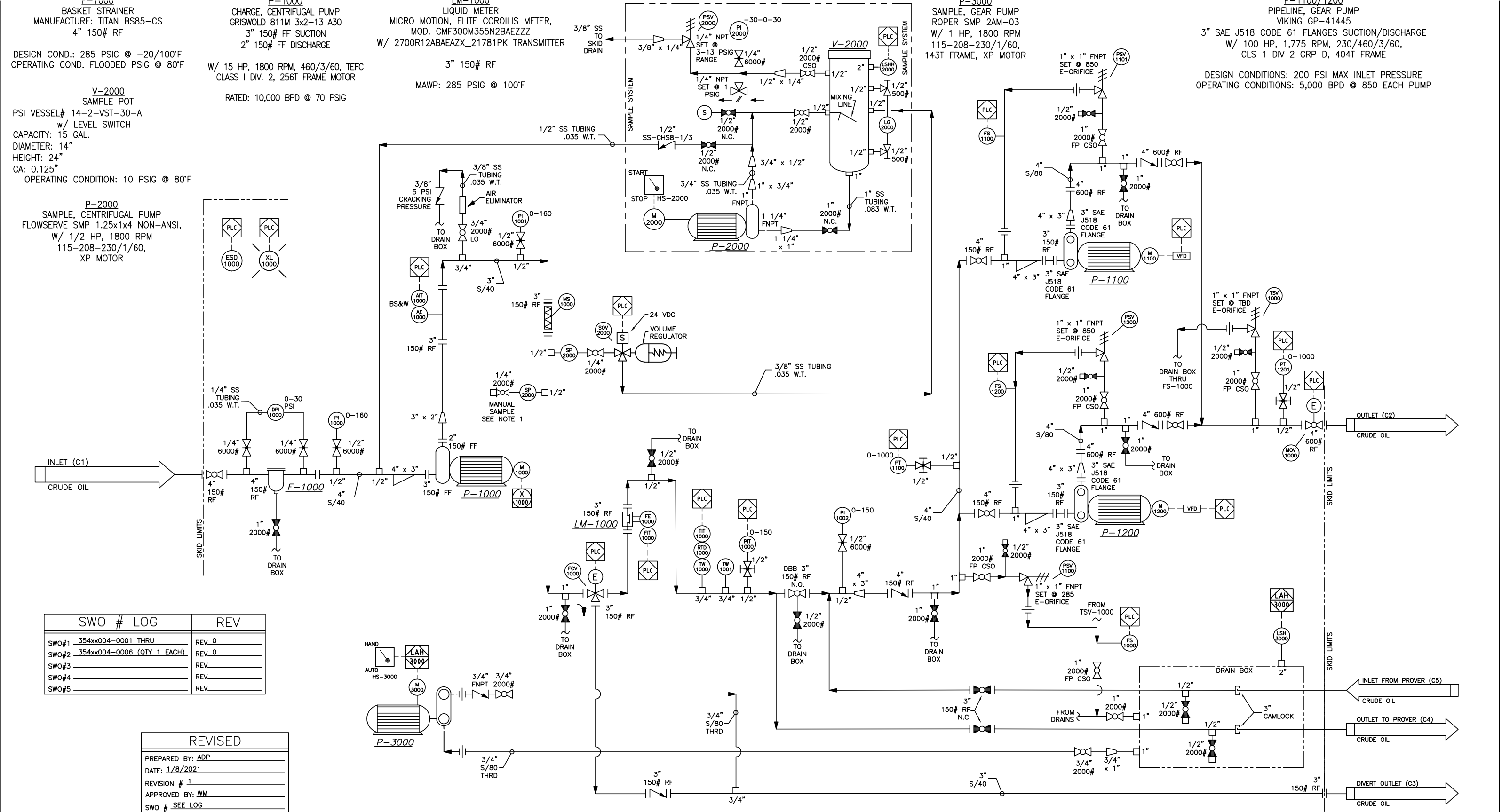
REVISION HISTORY					
REV	DATE	DESIGN	DESCRIPTION	CHECK	APPROV
C	11/24/2020	ADP	UPDATED PER PM FOR APPROVAL	CLC	CD
B	11/23/2020	ADP	UPDATED PER CUSTOMER FOR APPROVAL	CLC	CD
A	11/18/2020	ADP	FOR APPROVAL	CLC	CD

NOTICE: This drawing has not been published but rather has been prepared for
SCM CRUDE
by Power Service solely in respect of the design, review, and approval of the facility named in the title block and shall not be used for any other purpose or furnished to any other party, without the express written consent of Power Service.

SCMC-PLACT-PID-1	PROCESS DIAGRAM
DWG NO.	TITLE
REFERENCE	DRAWINGS



THIS DRAWING IS THE PROPERTY OF POWER SERVICE, A DISTRIBUTIONNOW COMPANY. CASPER, WYOMING, USA.									
CUSTOMER									
SCM CRUDE									
GENERAL ARRANGEMENT									
10K BPD 3in DUAL VIKING PIPELINE LACT CRUDE OIL, .82 SG, 4 cP, COS: 10K BPD (5K/PMP) @ 850PSIG 10'-0" OAW x 30'-0" OAL x 9'-1 3/8" OAH									
DWN BY	CHK'D BY	APP'D BY	ENGINEER	DATE DWN.	SCALE	SHEET	PROJECT NO.	DWG. NO.	REV.
ADP	CLC	CD	--	11/18/2020	ref. VIEW	1 of 3	SEE LOG	SCMC-PLACT-L0-1	△



										THIS DRAWING IS THE PROPERTY OF POWER SERVICE, A DISTRIBUTIONNOW COMPANY. CASPER, WYOMING, USA.																													
<u>GENERAL NOTES:</u> 1. MANUAL SAMPLE INSTALLED WITH PLUG TO PREVENT UNINTENTIONAL OPENING OF VALVE										<u>CONNECTION SCHEDULE</u> C1) 4" 150# RF, INLET C2) 4" 600# RF, OUTLET C3) 3" 150# RF, DIVERT OUTLET C4) 3" CAMLOCK, OUTLET TO PROVER C5) 3" CAMLOCK, INLET FROM PROVER C6) 2" FNPT, SKID DRAIN (TYP. 2 PLACES)										NOTICE: This drawing has not been published but rather has been prepared for SCM CRUDE, LLC by Power Service solely in respect of the construction, operation, and maintenance of the facility named in the title block and shall not be used for any other purpose or furnished to any other party, without the express written consent of Power Service.										</									

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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

CONDITIONS

Action 79525

CONDITIONS

Operator: Franklin Mountain Energy LLC 44 Cook Street Denver, CO 80206	OGRID: 373910
	Action Number: 79525
	Action Type: [C-106] NOI Utilize ACTE (C-106)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Operation of the equipment shall be performed in compliance with 19.15.18.15 NMAC.	3/7/2022