

Form 3160-5  
(June 2019)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0137  
Expires: October 31, 2021

**SUNDRY NOTICES AND REPORTS ON WELLS**  
**Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.**

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2</b>		5. Lease Serial No.
1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator		7. If Unit of CA/Agreement, Name and/or No.
3a. Address	3b. Phone No. (include area code)	8. Well Name and No.
4. Location of Well (Footage, Sec., T.,R.,M., or Survey Description)		9. API Well No.
		10. Field and Pool or Exploratory Area
		11. Country or Parish, State

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION				
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon		
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal		

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be perfonned or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has detennined that the site is ready for final inspection.)

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)		
	Title	
Signature	Date	

**THE SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

## GENERAL INSTRUCTIONS

This form is designed for submitting proposals to perform certain well operations and reports of such operations when completed as indicated on Federal and Indian lands pursuant to applicable Federal law and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local area or regional procedures and practices, are either shown below, will be issued by or may be obtained from the local Federal office.

## SPECIFIC INSTRUCTIONS

*Item 4* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 13*: Proposals to abandon a well and subsequent reports of abandonment should include such special information as is required by the local Federal office. In addition, such proposals and reports should include reasons for the abandonment; data on any former or present productive zones or other zones with present significant fluid contents not sealed off by cement or otherwise; depths (top and bottom) and method of placement of cement plugs; mud or other material placed below, between and above plugs; amount, size, method of parting of any casing, liner or tubing pulled and the depth to the top of any tubing left in the hole; method of closing top of well and date well site conditioned for final inspection looking for approval of the abandonment. If the proposal will involve **hydraulic fracturing operations**, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

## NOTICES

The privacy Act of 1974 and the regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 351 et seq., 25 U.S.C. 396; 43 CFR 3160.

PRINCIPAL PURPOSE: The information is used to: (1) Evaluate, when appropriate, approve applications, and report completion of subsequent well operations, on a Federal or Indian lease; and (2) document for administrative use, information for the management, disposal and use of National Resource lands and resources, such as: (a) evaluating the equipment and procedures to be used during a proposed subsequent well operation and reviewing the completed well operations for compliance with the approved plan; (b) requesting and granting approval to perform those actions covered by 43 CFR 3162.3-2, 3162.3-3, and 3162.3-4; (c) reporting the beginning or resumption of production, as required by 43 CFR 3162.4-1(c) and (d) analyzing future applications to drill or modify operations in light of data obtained and methods used.

ROUTINE USES: Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions in connection with congressional inquiries or to consumer reporting agencies to facilitate collection of debts owed the Government.

EFFECT OF NOT PROVIDING THE INFORMATION: Filing of this notice and report and disclosure of the information is mandatory for those subsequent well operations specified in 43 CFR 3162.3-2, 3162.3-3, 3162.3-4.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

**BURDEN HOURS STATEMENT:** Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C St., N.W., Mail Stop 401 LS, Washington, D.C. 20240

## Additional Information

### Location of Well

0. SHL: SWNE / 1400 FNL / 2280 FEL / TWSP: 23S / RANGE: 37E / SECTION: 34 / LAT: 0.0 / LONG: 0.0 ( TVD: 0 feet, MD: 0 feet )

BHL: SWNE / 1400 FNL / 2280 FEL / TWSP: 23S / SECTION: / LAT: 0.0 / LONG: 0.0 ( TVD: 0 feet, MD: 0 feet )

District I  
1625 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) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
Energy, Minerals & Natural Resources Department  
OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office  
☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-33493	<sup>2</sup> Pool Code 58250	<sup>3</sup> Pool Name Teague; Abo, South
<sup>4</sup> Property Code 330766	<sup>5</sup> Property Name E C HILL B FEDERAL	<sup>6</sup> Well Number #018
<sup>7</sup> OGRID No. 329326	<sup>8</sup> Operator Name FAE II OPERATING, LLC	<sup>9</sup> Elevation 3275'

<sup>10</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
G	34	23S	37E		1400	N	2280	E	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
G	34	23S	37E		1400	N	2280	E	LEA
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. NSL-3683						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

<sup>16</sup> 	<sup>17</sup> <b>OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>	
		06/28/2023 Date
	Vanessa Neal Printed Name vanessa@faenergyus.com E-mail Address	
	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
Date of Survey		Signature and Seal of Professional Surveyor:
Certificate Number		

District I  
1625 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) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
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Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico  
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## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-33493	<sup>2</sup> Pool Code 58300	<sup>3</sup> Pool Name Teague; PADDOCK-BLINEBRY
<sup>4</sup> Property Code 330766	<sup>5</sup> Property Name E C HILL B FEDERAL	<sup>6</sup> Well Number #018
<sup>7</sup> OGRID No. 329326	<sup>8</sup> Operator Name FAE II OPERATING, LLC	<sup>9</sup> Elevation 3275'

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<sup>11</sup> Bottom Hole Location If Different From Surface

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	<sup>18</sup> <b>SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i>	
	Date of Survey _____ Signature and Seal of Professional Surveyor: _____  Certificate Number _____	

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1220 South St. Francis Dr.  
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Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
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☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-33493	<sup>2</sup> Pool Code 33600	<sup>3</sup> Pool Name IMPERIAL; TUBB-DRINKARD
<sup>4</sup> Property Code 330766	<sup>5</sup> Property Name E C HILL B FEDERAL	<sup>6</sup> Well Number #018
<sup>7</sup> OGRID No. 329326	<sup>8</sup> Operator Name FAE II OPERATING, LLC	<sup>9</sup> Elevation 3275'

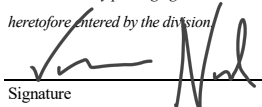
<sup>10</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
G	34	23S	37E		1400	N	2280	E	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
G	34	23S	37E		1400	N	2280	E	LEA
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No. NSL-3683						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16			1400'		2280'	<b><sup>17</sup> OPERATOR CERTIFICATION</b> <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i>  Signature _____ Date 06/28/2023 Vanessa Neal Printed Name vanessa@faenergyus.com E-mail Address
			SW/4 NE/4 Sec 34 (40 acres)			
						<b><sup>18</sup> SURVEYOR CERTIFICATION</b> <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number _____

State of New Mexico  
Energy, Minerals and Natural Resources Department

Submit Electronically  
Via E-permitting

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

## NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

### Section 1 – Plan Description Effective May 25, 2021

**I. Operator:** FAE II Operating, LLC **OGRID:** 329326 **Date:** 07/06/2023

**II. Type:** ☐ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☒ Other.

If Other, please describe: Add Perfs & Acidize ABO in E C HILL B FEDERAL #018 & DHC

**III. Well(s):** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
E C HILL B FEDERAL #018	30-025-33493	G-34-23S-37E	1400' FNL & 2280' FEL	5	37	52

**IV. Central Delivery Point Name:** E C HILL B & D FEDERAL BATTERY [See 19.15.27.9(D)(1) NMAC]

**V. Anticipated Schedule:** Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
E C HILL B FEDERAL #018	30-025-33493	7/9/2021	7/9/2021	7/9/2021	7/26/2021	7/27/2021

**VI. Separation Equipment:** ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

**VII. Operational Practices:** ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

**VIII. Best Management Practices:** ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

**Section 2 – Enhanced Plan****EFFECTIVE APRIL 1, 2022**

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

**IX. Anticipated Natural Gas Production:**

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

**X. Natural Gas Gathering System (NGGS):**

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

**XI. Map.** ☐ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

**XII. Line Capacity.** The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

**XIII. Line Pressure.** Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

**XIV. Confidentiality:** ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.



### **Section 3 - Certifications**

**Effective May 25, 2021**

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.

***If Operator checks this box, Operator will select one of the following:***

**Well Shut-In.** ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

**Venting and Flaring Plan.** ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- (a) power generation on lease;
- (b) power generation for grid;
- (c) compression on lease;
- (d) liquids removal on lease;
- (e) reinjection for underground storage;
- (f) reinjection for temporary storage;
- (g) reinjection for enhanced oil recovery;
- (h) fuel cell production; and
- (i) other alternative beneficial uses approved by the division.

### **Section 4 - Notices**

1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Vanessa Neal
Title: Sr Reservoir Engineer
E-mail Address: vanessa@faenergyus.com
Date: 06 JUL 2023
Phone: 832-219-0990

**OIL CONSERVATION DIVISION**  
**(Only applicable when submitted as a standalone form)**

Approved By:
Title:
Approval Date:
Conditions of Approval:

## **FAE II Operating, LLC (“FAE”) Natural Gas Management Plan**

### **VI. Separation Equipment**

- Separation equipment is sized to allow for retention time and velocity to adequately separate oil, gas, and water at anticipated peak rates.
- Valves and meters are designed to service without flow interruption or venting of gas.
- Gas from treater and wellhead will be tied into the sales line.

### **VII. Operational Practices**

#### **19.15.27.8 (A)**

FAE’s field operations are designed with the goal of minimizing venting of natural gas. Wellhead and existing production equipment are tied into the gas sales line.

#### **19.15.27.8 (B) Venting and Flaring during drilling operations**

- Venting will only occur if there is an equipment malfunction and/or to avoid risk of an immediate and substantial adverse impact on safety, public health, or the environment.
- Daily vented volumes during drilling operations will be estimated on the daily report.
- All equipment will be available to process wellhead production upon completion of the well.

#### **19.15.27.8 (C) Venting and Flaring during completions or recompletions operations.**

- During all phases of flowback, wells will flow through a sand separator, or other appropriate flowback separation equipment, and the well stream will be directed to a central tank battery (CTB) through properly sized flowlines.
- The CTB will have properly sized separation equipment for maximum anticipated flowrates.
- All gas from wellhead and treater will be routed to a sales outlet. Fluids will be routed to tanks; vented gas volumes from oil tanks will be estimated based on annual GOR since expected production from well is <60 MCFPD.

#### **19.15.27.8 (D) Venting and Flaring during production operations.**

- During production, the well stream will be routed to the CTB where multiple stages of separation will separate gas from liquids. All gas from wellhead and treater will be routed to a sales outlet. Fluids will be routed to tanks; vented gas volumes from oil tanks will be estimated based on annual GOR since expected production from well is <60 MCFPD.
- AVO inspections will be conducted on the well and facility as required (weekly or monthly) based on actual daily production from the well or facility. Records of inspections will be kept for no less than 5 years. Any active leaks or releases will be reported as required and repaired in a timely manner.
- Gas sales volumes are recorded and monitored via EFMS.

#### **19.15.27.8 (E) Performance Standards**

- Production equipment will be designed to handle maximum anticipated rates and pressure.
- AVO inspections will be conducted on the well and facility as required (weekly or monthly) based on actual daily production from the well or facility. Records of inspections will be kept for no less than 5 years. Any active leaks or releases will be reported as required and repaired in a timely manner.
- Gas/H<sub>2</sub>S detectors will be installed throughout the facilities and wellheads to detect leaks and enable timely repairs.

**19.15.27.8 (F) Measurement or estimation of vented and flared natural gas**

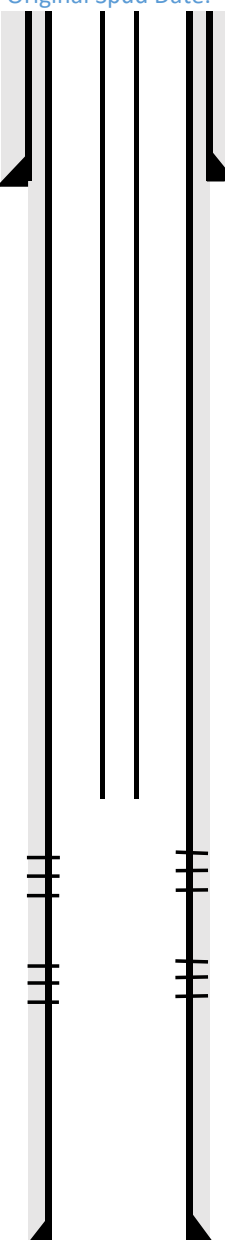
- All gas from wellhead and treater will be routed to a sales outlet.
- When metering is not practical due to low pressure/low rate (<60 MCFPD), the vented volume will be estimated based on annual GOR.

**VIII. Best Management Practices**

- FAE will use best management practices to vent as minimally as possible during well intervention operations and downhole well maintenance.
- All gas from wellhead and treater will be routed to a sales outlet. Fluids will be routed to tanks; vented gas volumes from oil tanks will be estimated based on annual GOR since expected production from well is <60 MCFPD. All venting events will be recorded and all start-up, shutdown, maintenance logs will be kept for control equipment
- All equipment will be maintained to provide highest run-time possible.
- AVO inspections will be conducted on the well and facility as required (weekly or monthly) based on actual daily production from the well or facility. Records of inspections will be kept for no less than 5 years. Any active leaks or releases will be reported as required and repaired in a timely manner.
- Gas sales volumes are recorded and monitored via EFMS.
- All procedures are drafted to keep venting to the absolute minimum.

<b>WELLBORE DIAGRAM</b>				Date: 7/12/2021	
<b>forty acres energy</b> Well Name: <b>E C HILL B FEDERAL 18</b>				OGRID# 329326	
County	Lea	State	NM	Field	API# 30-025-33493
Surf Location: SEC 34 T23S R37E			GL Elev: 3275'	RKB	
Wellhead			TVD:	PBTD: 6582	TD: 6650
Original Spud Date: 8/25/1996		Completed Pool: PADDOCK / BLINBRY / TUBB			



**Set Depth**  
Surface  
1145' 8 5/8" 24# J-55  
630 sks Prem Plus

**Csg Details**

**Hole Size**  
12.25 inch

**Run Date:** 8/31/1996

CURRENT

**PERFORATIONS:**

1996: BLINBRY 5597-5788' 3 JSPF 0.44" (84 holes), Upper BLINBRY 5278-5428' 0.44" (111 holes)

2000: Lower Paddock 5048(5116)-5166' (37 holes)

1996: ABO 6458-69' , 6418-6426' 2-JSPF 0.44"

1996: Drinkard/TUBB 6301-6399'

**Prod**  
6650' 5 1/2" 14# & 15.5# J-55 ST&C 8 7.88 inch  
1755 sks Prem Plus

**Tubing Details:**

Description	Qty	Length	Depth
KB	1		0
Wellhead	1		0
2 3/8" 4.7#		6,363.00	6,363
SN			6,363
Perf Sub			6,363
Mud Anchor			6,363
End of Tubing			<b>6,363</b>

**Pump Details:**

Description	Size	Qty	Length	Depth
Pony Rods	1		0	0
1" Rods	1		0	0
7/8" Rods	7/8"		0	0
3/4" rods	3/4"		0	0
Sinker Bar 1 1/2"	1.5		0.00	0
			0.00	

**Pump Description**  
Unknown

**Formation Tops**

YATES		SAN ANDRES	3,803	TUBB	5893
7 RIVERS		GLORIETA	4,901	Drinkard	6071
QUEEN	3,296	PADDOCK	5,085	ABO	6403
PENROSE	3,400	BLINBRY	5,265		

**Completion Details**

1996: BLINBRY 5597-5788 Acidize w/ 3000 gal 15% HCL 135 ball sealers Frac w/ 43,600 gal 82,411# 16/30 SD. 5278-5428 Acidize w/ 3000 gal 15% HCL 120 ball sealers, Frac w/ 54,796 gal & 125,300# 16/30

1996 ABO: Acidize w/ 1000 gal HCL (Isolated w/ CIBP)

1996 DRINKARD: 1500 gal HCL 135 Ball Sealers (Isolated with CIBP)

2000: Paddock 5116-5166 acid 2500 gal 15% & 2000 gal 15% HCL & 10,000 gal 28% w/ 40 BS & 10,000 gal 28% w/ 40 BS

2000: 5048-5064' acidize w/ 2500 gal 15%

2006: Drill out CIBP @ 6230 & acidize Drinkard 1500 gal 15% acidize Paddock w/ 1500 gal 15% HCL 40 BS

2008: CMT SQUEEZE perf @1200' 110 bbl CMT

Pumping Unit	SPM	Stroke Length
Lufkin C320D-298-100		

<b>WELLBORE DIAGRAM</b>				Date: 7/12/2021	
forty acres <b>energy</b> Well Name: <b>E C HILL B FEDERAL 18</b>				OGRID# 329326	
County	Lea	State	NM	Field	API# 30-025-33493
Surf Location: SEC 34 T23S R37E			GL Elev: 3275'	RKB:	
Wellhead			TVD:	PBTD: 6582	TD: 6650
Original Spud Date: 8/25/1996		Completed Pool: PADDOCK / BLINBRY / TUBB			

<u>Set Depth</u>	<u>Csg Details</u>	<u>Hole Size</u>	<u>Tubing Details:</u>	<u>Run Date:</u>	<u>8/31/1996</u>
<u>Surface</u>			<u>Description</u>	<u>Qty</u>	<u>Length</u>
1145'	8 5/8" 24# J-55	12.25 inch	KB	1	13.0
	630 sks Prem Plus		Wellhead	1	13
			2 3/8" 4.7#	157	4,976.90
			TAC	1	2.75
			2 3/8" 4.7#	50	1,585.00
			SN & MA	1	68.00
			End of Tubing		6,646

**PROPOSED**

**PERFORATIONS:**

2000: Lower Paddock 5048(5116)-5166' (37 holes) 1996: BLINBRY 5597-5788' 3 JSPF 0.44" (84 holes), Upper BLINBRY 5278-5428' 0.44" (111 holes)  
 1996: Drinkard/TUBB 6301-6399' 1996: ABO 6458-69' , 6418-6426' 2-JSPF 0.44"  
 2021: 5950-57 (7), 5965-72 (7), 5975-80(5), 6039-46(7), 6495-97(2), 6550-6554(4), 6562-65(3), 6577-79(2), 6581-84(3), 6588-90(2), 6619-6622(3) 4 JSPF

<u>Prod</u>					
6650'	5 1/2" 14# & 15.5# J-55 ST&C & 1755 sks Prem Plus	7.88 inch			

<u>Formation Tops</u>					
YATES		SAN ANDRES	3,803	TUBB	5893
7 RIVERS		GLORIETA	4,901	Drinkard	6071
QUEEN	3,296	PADDOCK	5,085	ABO	6403
PENROSE	3,400	BLINBRY	5,265		

<u>Completion Details</u>		
1996: BLINBRY 5597-5788 Acid w/ 3000 gal 15% HCL 135 BS Frac w/ 43,600 gal 82,411# 16/30 SD. 5278-5428 Acidize w/ 3000 gal 15% HCL 120 BS, Frac w/ 54,796 gal & 125,300# 16/30 1996 ABO: Acidize w/ 1000 gal HCL (Isolated w/ CIBP) 1996 DRINKARD: 1500 gal HCL 135 Ball Sealers (Isolated with CIBP) 2000: Paddock 5116-5166 acid 2500 gal 15% & 2000 gal 15% HCL & 10,000 gal 28% w/ 40 BS & 10,000 gal 28% w/ 40 BS 2000: 5048-5064' acidize w/ 2500 gal 15% 2006: Drill out CIBP @ 6230 & acidize Drinkard 1500 gal 15% acidize Paddock w/ 1500 gal 15% HCL 40 BS 2008: CMT SQUEEZE perf @1200' 110 bbl CMT 2021: Add perfs in Abo, Acidize Drink/Tubb 3,000 gal & Abo w/ 3,000 gal		

<u>Pumping Unit</u>	<u>SPM</u>	<u>Stroke Length</u>
Lufkin C320D-298-100	9	100

F AE II Operating, LLC  
E C HILL B FEDERAL #018  
Unit G, Sec 34, T23S, R37E  
Lea County, New Mexico  
API#: 30-025-33493

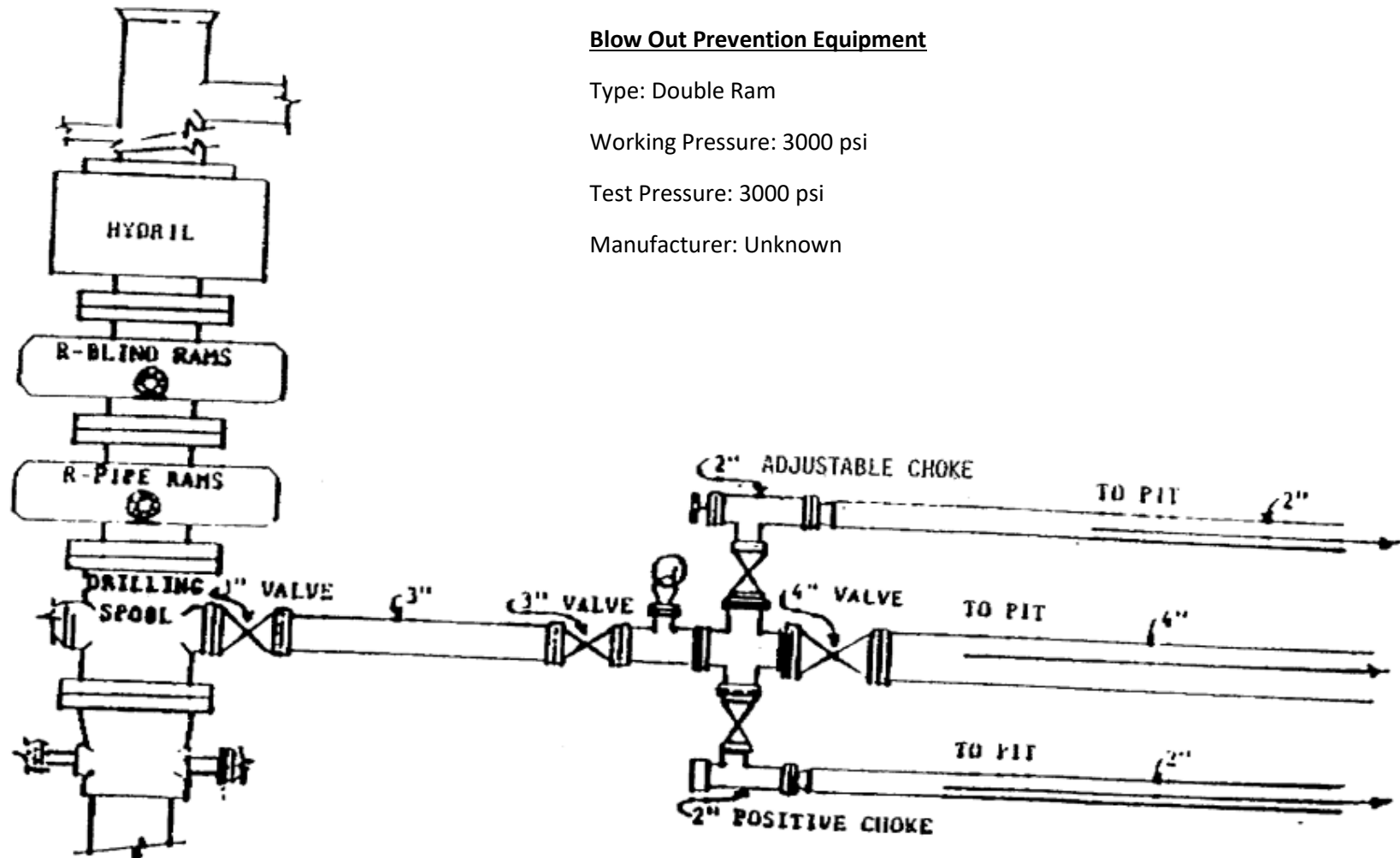
**Equipment and Design:**

F AE II Operating, LLC will use a closed loop system in this operation. The following equipment will be on location:

- 1) 2- 500 bbl steel tanks

**Operation and Maintenance:**

During each day of operation, the rig's crew will inspect and closely monitor the fluids contained within the steel tanks and visually monitor any release that may occur. Should a release or spill occur, the NMOCD District 1 office Hobbs (575-393-6161) will be notified, as required in NMOCD's rule 19.15.29.8.



**Blow Out Prevention Equipment**

Type: Double Ram

Working Pressure: 3000 psi

Test Pressure: 3000 psi

Manufacturer: Unknown



**District I**  
1625 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) 748-1283 Fax:(575) 748-9720  
**District III**  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
**District IV**  
1220 S. St Francis Dr., Santa Fe, NM 87505  
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 236338

CONDITIONS

Operator: FAE II Operating LLC 11757 Katy Freeway, Suite 725 Houston, TX 77079	OGRID: 329326
	Action Number: 236338
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
pkautz	MUST APPLY FOR DHC ORDER.	7/6/2023