

From: [David Schellstede](#)
To: [McClure, Dean, EMNRD](#)
Subject: [EXT] RE: surface commingle application for shell state 1 and shell state 11
Date: Tuesday, March 3, 2020 8:47:52 AM

Dean,

Forty Acres Energy II would like to withdraw the application CTB-938.

Please let us know if you need anything else.

Thanks,

David

From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Tuesday, March 3, 2020 9:28 AM
To: David Schellstede <david@faenergyus.com>
Subject: RE: surface commingle application for shell state 1 and shell state 11

Hello David,

If you would like to withdraw this application, please confirm so by replying to this email stating as much. The number that has been assigned to this application is CTB-938 and the PO number is U4SOD-200204-C-107B.

Dean McClure
Petroleum Specialist
New Mexico Energy, Minerals and Natural Resources Department
1220 South St. Francis Drive
Santa Fe, New Mexico 87505
(505) 476-3471

From: David Schellstede <david@faenergyus.com>
Sent: Tuesday, March 3, 2020 7:30 AM
To: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Subject: [EXT] RE: surface commingle application for shell state 1 and shell state 11

Dean,

We weren't sure, so we figured we better error on the side of caution.

Thanks for your time.

David

From: McClure, Dean, EMNRD <Dean.McClure@state.nm.us>
Sent: Monday, March 2, 2020 5:11 PM
To: David Schellstede <david@faenergyus.com>
Subject: surface commingle application for shell state 1 and shell state 11

Hello David,

I am reviewing the surface commingle application for the Shell State 1 and Shell State 11 wells operated by FAE II Operating, LLC.

It looks like both of these wells are in the same lease and producing from the same pool. From what I can see from the packet submitted, surface commingle authority is not required to install commingle the production from these two wells.

Additionally, it looks like the custody transfer meter is located on Shell State 11's battery which means off lease measurement authority is not required either.

Let me know if there is something I am missing, but it looks like no order is required for this application.

Dean McClure
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