

faeIIoperating

March 4th, 2022

To whom it may concern,

Per the terms of FAE II's 2020 ACOI 201932 agreed upon in November 2021, FAE II is respectfully submitting the requested monthly activity update concerning the 12 wells on Exhibit A of the ACOI. Per this ACOI, FAE II has until May 15, 2022 to place all 12 wells back into compliance.

February 2022 Update:

We are pleased to report that we have returned the following wells to production:

- Baylus Cade Federal #009 (30-025-33886) was returned to production in December 2021 following a workover to repair a downhole failure.
- The State D #002 (30-025-04864) was opened up and is flowing gas at a rate of ~7 mcfd.
- Vacuum 31 #001 (30-025-32958) was swabbed during workover operations in January, resulting in 2 bbls oil and 12 bbls water. We have sent an AFE to our partners to recomplete this well in a higher zone. This work will be completed in March/April 2022.

Upcoming Plans for March 2022:

- Carlson B 27 #002 (30-025-11809): on rig schedule in March. We will reactivate well through a workover to repair downhole failure.
- Danciger #001 (30-025-27989): on rig schedule in March. We will reactivate well through a workover to repair downhole failure.
- Harrison #002 (30-025-25825): on rig schedule in March. We will reactivate well through a workover to repair downhole failure.

Wells Pending OCD Approval:

- State A A/C 2 #069: Is pending approval to reinstate injection authority (Case No. 22133 – hearing took place on Sep 9, 2021).
- Following wells are pending approval to reinstate injection authority (Case No. 22134 – hearing took place on Sep 9, 2021).
 - o State A A/C 1 #116; State A A/C 1 #120; State A A/C 3 #010; State A A/C 3 #011

Best Regards,



Garret Johnson | Engineer

FAE II Operating, LLC

Exhibit A. FAE II Operating LLC ACOI Well List

API	Well	Lease Type	Well Type	Last Production	15 Mo Since Last Prod	Status	Out of Compliance
30-025-11863	ARNOTT RAMSAY NCT-B #003	S	O	Apr-13	Jul-14	Expired TA	Mar-21
30-025-33886	BAYLUS CADE FEDERAL #009	F	O	Jul-20	Sep-21	Inactive	Sep-21
30-025-11809	CARLSON B 27 #002	F	O	Jul-20	Sep-21	Inactive	Sep-21
30-025-27989	DANCIGER #001	F	O	Apr-20	Jul-21	Inactive	Jul-21
30-025-25825	HARRISON #002	F	O	Mar-20	May-21	Inactive	May-21
30-025-28396	STATE A A/C 1 #116	S	S	Sep-18	Dec-19	Inactive	Dec-19
30-025-28515	STATE A A/C 1 #120	S	I	Nov-88	Jan-90	Expired TA	Jul-15
30-025-28278	STATE A A/C 2 #069	S	I	Jan-88	Apr-89	Expired TA	Feb-15
30-025-28509	STATE A A/C 3 #010	S	I	Sep-18	Dec-19	Expired TA	Nov-20
30-025-28510	STATE A A/C 3 #011	S	I	Nov-88	Jan-90	Expired TA	Feb-15
30-025-04864	STATE D #002	S	O	May-20	Jul-21	Inactive	Jul-21
30-025-32958	VACUUM 31 #001	S	G	Feb-15	May-16	Inactive	May-16