

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

## NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



## ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

## Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]  
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]  
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]  
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]  
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]  
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

## [1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication  
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement  
☐ DHC ☐ CTB ☒ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery  
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify \_\_\_\_\_

## [2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO  
 U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

## [3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Chris Kellogg  
 Print or Type Name

Chris Kellogg  
 Signature

VP Finance & Accounting 8-24-2020  
 Title Date

chris@faenergyus.com  
 e-mail Address

District I  
1625 N. French Drive, Hobbs, NM 88240  
District II  
811 S. First St., Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St Francis Dr, Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107-B  
Revised August 1, 2011

**OIL CONSERVATION DIVISION**  
1220 S. St Francis Drive  
Santa Fe, New Mexico 87505

Submit the original  
application to the Santa Fe  
office with one copy to the  
appropriate District Office.

**APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)**

OPERATOR NAME: FAE II Operating, LLC

OPERATOR ADDRESS: 11757 Katy Fwy, Ste. 1000, Houston, TX 77079

APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☒ Pool and Lease Commingling ☐ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☒ No If "Yes", please include the appropriate Order No. \_\_\_\_\_

Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling  
☒ Yes ☐ No

**(A) POOL COMMINGLING**  
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production	Price (\$/Mcf)	Calculated Value of Commingled Production	Volumes
37240 Langlie Mattix;	1.53	1.53	1.32	\$1,295.00	981
7 RVRS - Q - Grayburg					
83810 RHODES;	1.14	1.53	1.32	\$0.00	0
YATES - SEVEN RIVERS (GAS)					

(2) Are any wells producing at top allowables? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No.

(4) Measurement type: ☒ Metering ☒ Other (Specify) Estimation method

(5) Will commingling decrease the value of production? ☐ Yes ☒ No If "yes", describe why commingling should be approved

**(B) LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Pool Name and Code.

(2) Is all production from same source of supply? ☐ Yes ☒ No

(3) Has all interest owners been notified by certified mail of the proposed commingling? ☒ Yes ☐ No

(4) Measurement type: ☒ Metering ☒ Other (Specify) Estimation method

**(C) POOL and LEASE COMMINGLING**  
Please attach sheets with the following information

(1) Complete Sections A and E.

**(D) OFF-LEASE STORAGE and MEASUREMENT**  
Please attached sheets with the following information

(1) Is all production from same source of supply? ☐ Yes ☐ No

(2) Include proof of notice to all interest owners.

**(E) ADDITIONAL INFORMATION (for all application types)**  
Please attach sheets with the following information

(1) A schematic diagram of facility, including legal location.

(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.

(3) Lease Names, Lease and Well Numbers, and API Numbers.

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

SIGNATURE: M Bates TITLE: Engineering Tech DATE: 8/24/2020  
TYPE OR PRINT NAME Marshall Bates TELEPHONE NO.: (713) 253-2885  
E-MAIL ADDRESS: Marshall@FAEnergyus.com



# faeIIoperating

August 20, 2020

**VIA ONLINE FILING**

Mr. Dean McClure  
New Mexico Energy, Minerals and Natural Resources Department  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

**Re: Application of FAE II Operating, LLC for Administrative Approval to Surface Commingle and Sell Gas Production from the Rhodes Gas Pool for the Farnsworth C #2 Well at the existing Farnsworth Compression System CRP located in Unit F, Sec. 4, T-26S, R-37E, Lea County, New Mexico**

Dear Mr. McClure:

FAE II Operating LLC, OGRID: 329326, requests administrative approval for surface commingling of gas production from the Rhodes Gas Pool for its Farnsworth C #2 well located in Section 4, T-26S, R-37E as shown on the map in Exhibit A. The existing Farnsworth Compression System is comprised of the Farnsworth 4 #2, #3, and #10; and the Rhodes Federal Unit #45 and #47 wells. The lease is also identified by outline and legend. Exhibit B offers further detail on the relevant wells on the lease.

The attached battery diagrams, Exhibits C and D, are accurate schematics of the current facility and the proposed commingled facility, respectively. A new gas flowline will be laid from the Farnsworth C #2 and tied in to the suction side of the compressor at the Farnsworth CRP, which is the sales point of the Farnsworth Compression System.

Pursuant to paragraph (3) of Subsection C of 19.15.12.10 NMAC, FAE II Operating LLC requests to estimate production on each of these wells as an alternative to individual well measurement, seeing as none have averaged over 15 Mcf/d in the past year as shown in Exhibit F. Should this aspect of our proposal be approved, we would not need to install any orifice (allocation) meter for the purposes of measuring gas production. Total production for the wells will be measured by the lease custody transfer meter on the Adele Sowell #1.

After a review of internal records, the interest owners are not identical for the wells mentioned above. As such, we have notified all relevant parties of our intent to commingle production (see attached letter). The working and royalty interest owners as shown in Exhibit C have been notified of this application by certified mail. Copies of the certified mail receipts are attached as Exhibit G.

This proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. If there are further questions concerning this application, please feel free to contact the undersigned by email at kevin@faenergyus.com or by telephone at (832) 220-9188.

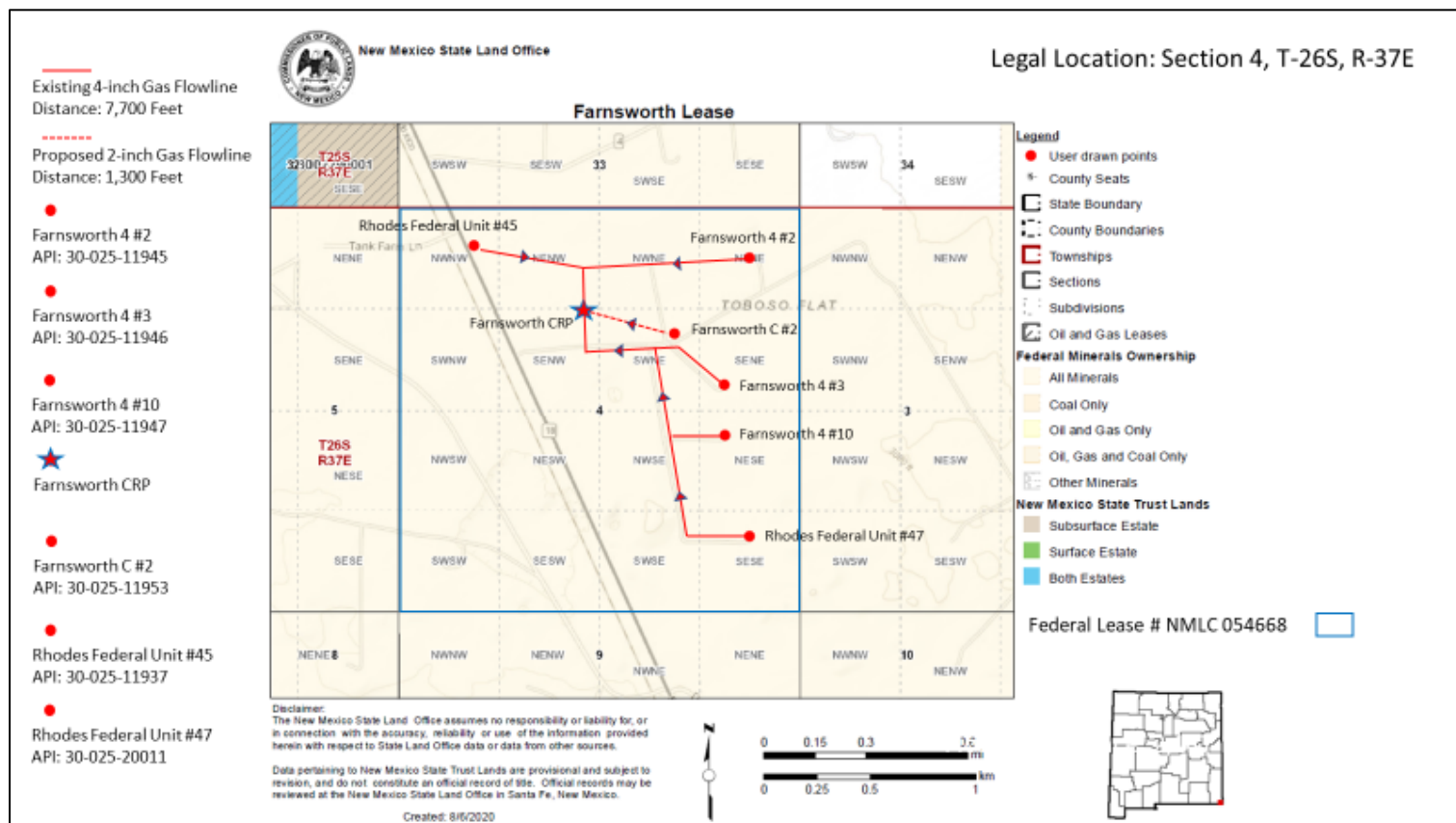
Very truly yours,



**FAE II Operating, LLC**

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## Exhibit A – Lease Boundaries Map

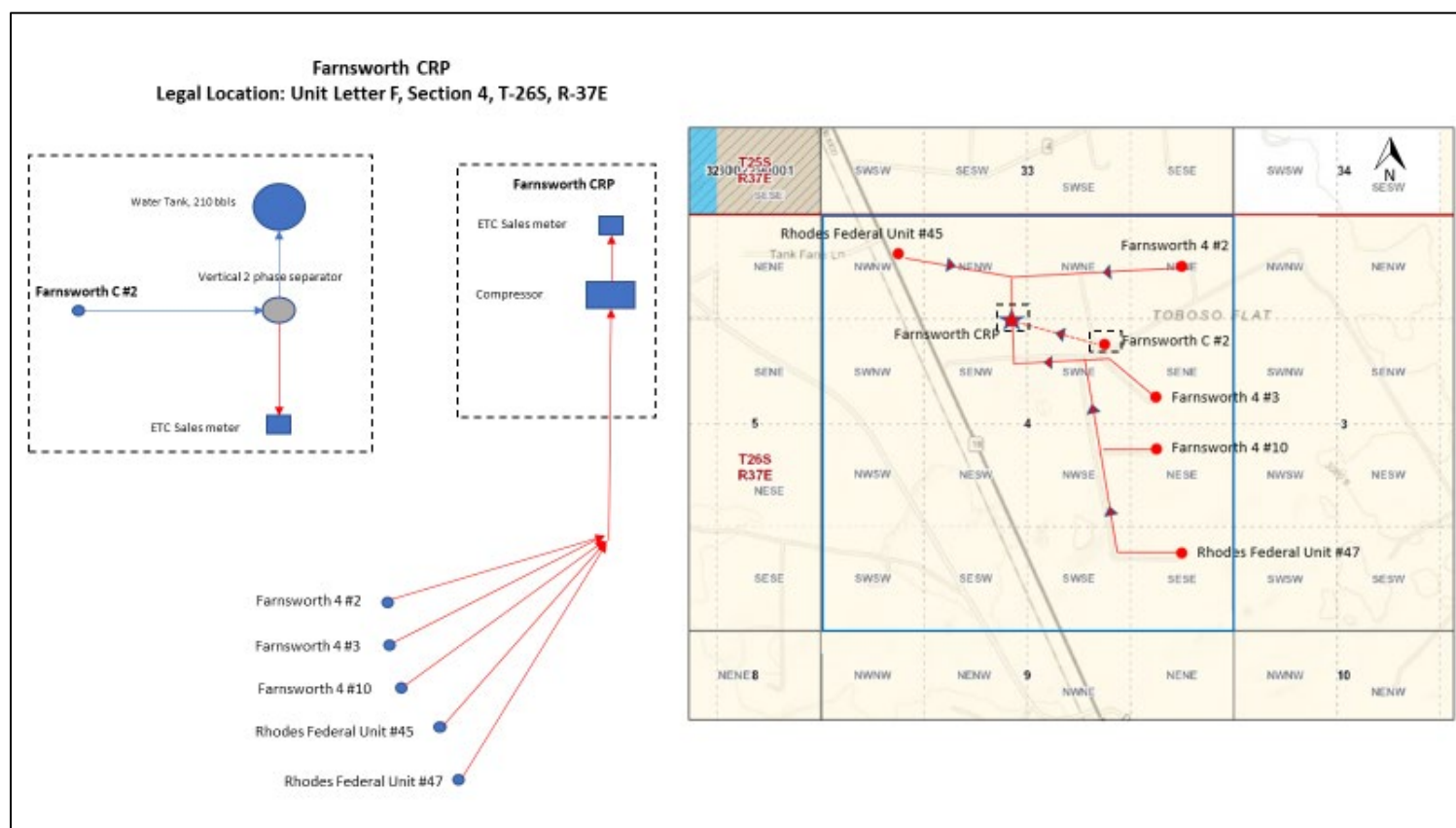


## Exhibit B – Lease and Well Information

Well Name	Property No.	API #	Pool ID
Farnsworth 4 #2	NMLC 054668	30-025-11945	37240 LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG
Farnsworth 4 #3	NMLC 054668	30-025-11946	37240 LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG
Farnsworth 4 #10	NMLC 054668	30-025-11947	37240 LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG
Farnsworth C #2	NMLC 054668	30-025-11953	83810 RHODES; YATES-SEVEN RIVERS (GAS)
Rhodes Federal Unit #45	NMLC 054668	30-025-11937	83810 RHODES; YATES-SEVEN RIVERS (GAS)
Rhodes Federal Unit #47	NMLC 054668	30-025-20011	83810 RHODES; YATES-SEVEN RIVERS (GAS)

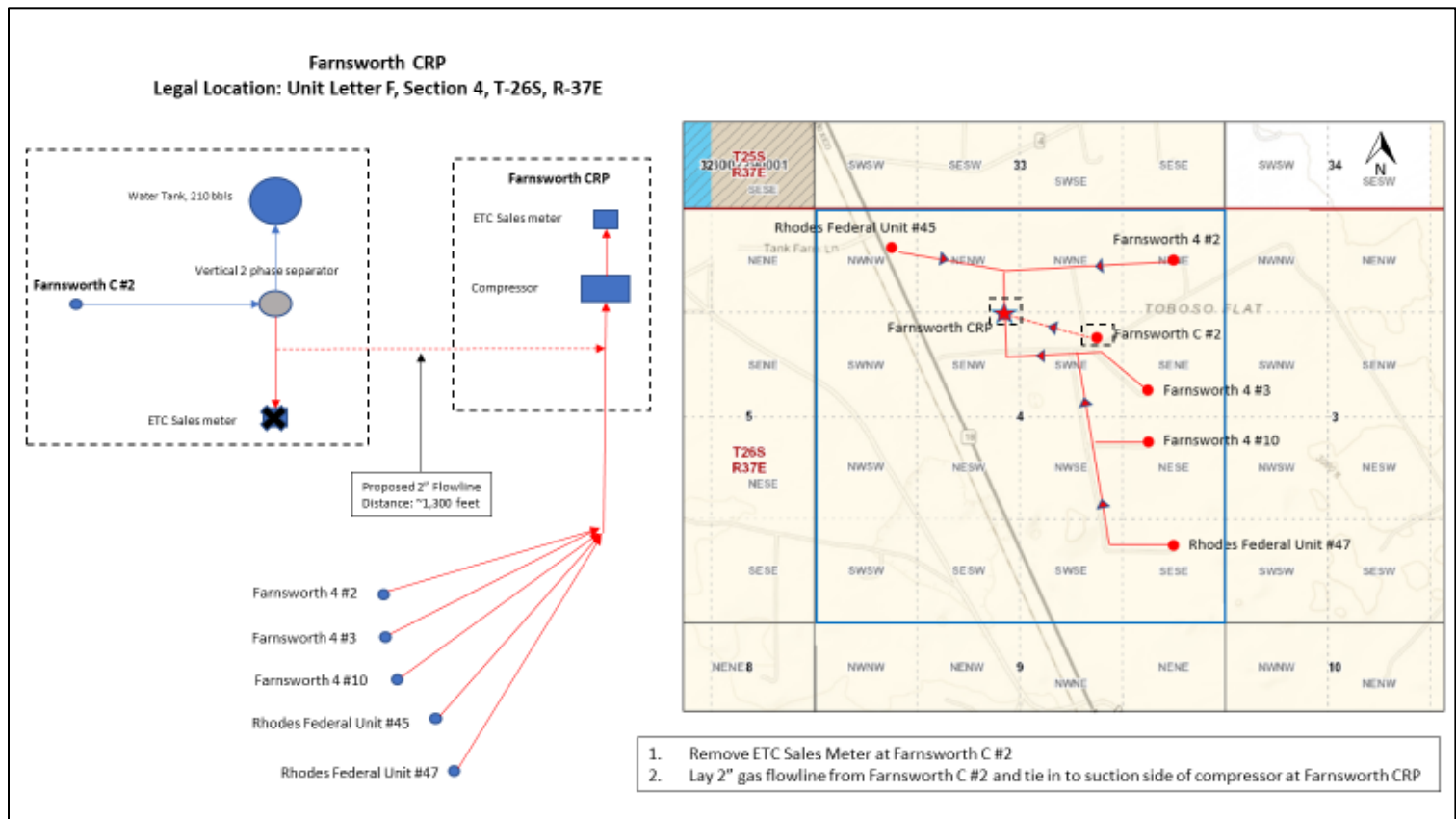
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## Exhibit C – Current Facility Layout



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## Exhibit D – Proposed Facility Layout



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## Exhibit E – Ownership Information

Well Name	Ownership Type	Name	Address
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Working	FAE II Operating LLC	11757 Katy Fwy Ste. 1000 Houston, TX 77079-1762
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Royalty	Office of Natural Resources Revenue	PO Box 25627 Denver, CO 80225-0627
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Overriding Royalty	The McDaniel Company	12900 Preston Road, Suite 415 Dallas, TX 75230
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Overriding Royalty	Marjam Energy, LLC	10440 N. Central Express Way, Suite 1010 Dallas, TX 75231
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Overriding Royalty	Milagro Resources, LP	415 West Wall Avenue, Suite 1118 Midland, TX 79701
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Overriding Royalty	John F. Special	PO Box 369 Stillwater, OK 74079
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Overriding Royalty	Larry Bond	3501 French Park Drive, Suite G Edmond, OK 73034
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Overriding Royalty	Jimmie Eden Jr. Trust	PO Box 17 Stillwater, OK 74076
Farnsworth 4 #2, #3, #10 Farnsworth C #2 Rhodes Federal Unit # 45, #47	Overriding Royalty	Legat, LLC	6114 W. Canterbury Drive Stillwater, OK 74074
Farnsworth 4 #2, #3, #10 Rhodes Federal Unit # 45, #47	Overriding Royalty	Weslynn McCallister	8388 S. Tamiami Trail #229 Sarasota, FL 34238
Farnsworth 4 #2, #3, #10	Overriding Royalty	Etz Oil Properties LTD	PO Box 73406 Phoenix, AZ 85050
Farnsworth 4 #2, #3, #10	Overriding Royalty	George Etz Sr. Trust George H Etz II Trustee	1105 Xanthisma McAllen, TX 78504-3519



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## Exhibit F – 2019 Monthly Gas Production by Well (Mcf)

Month	Farnsworth 4 #2	Farnsworth 4 #3	Farnsworth 4 #10	Farnsworth C #2	Rhodes Federal Unit #45	Rhodes Federal Unit #47
January	202	176	126	61	453	125
February	186	164	118	39	420	117
March	171	149	107	11	382	106
April	193	169	122	1	433	121
May	446	416	2	23	102	51
June	458	426	2	25	104	52
July	512	477	2	7	117	59
August	539	502	3	34	123	62
September	424	395	2	11	97	48
October	469	436	2	0	107	53
November	446	396	0	0	72	36
December	294	294	294	0	90	45
Total	4,340	4,000	780	212	2,500	875
Average (Mcf/d)	11.89	10.95	2.14	0.58	6.85	2.40



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## Exhibit G – Certified Mail Receipts

U.S. Postal Service™ CERTIFIED MAIL® RECEIPT Domestic Mail Only	
For delivery information, visit our website at <a href="http://www.usps.com">www.usps.com</a> ®.	
OFFICIAL USE	
Certified Mail Fee \$ Extra Services & Fees (check box, add fee as appropriate) <input type="checkbox"/> Return Receipt (hardcopy) \$ <input type="checkbox"/> Return Receipt (electronic) \$ <input type="checkbox"/> Certified Mail Restricted Delivery \$ <input type="checkbox"/> Adult Signature Required \$ <input type="checkbox"/> Adult Signature Restricted Delivery \$	Postmark Here
Postage \$ Total Postage and Fees \$	
Sent To John F. Special Street and Apt. No., or PO Box No. P.O. Box 369 City, State, ZIP+4® Stillwater, OK 74076 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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Postage \$ Total Postage and Fees \$	
Sent To Larry Bond Street and Apt. No., or PO Box No. 3501 French Park Drive, Ste. G City, State, ZIP+4® Edmond, OK 73034 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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Postage \$ Total Postage and Fees \$	
Sent To Jimmie Eden Jr. Trust Street and Apt. No., or PO Box No. PO Box 17 City, State, ZIP+4® Stillwater, OK 74076 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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Postage \$ Total Postage and Fees \$	
Sent To Legat LLC Street and Apt. No., or PO Box No. 6114 W. Canterbury Drive City, State, ZIP+4® Stillwater, OK 74074 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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Postage \$ Total Postage and Fees \$	
Sent To Ete Oil Properties, LTD Street and Apt. No., or PO Box No. PO Box 73406 City, State, ZIP+4® Phoenix, AZ 85050 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

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Postage \$ Total Postage and Fees \$	
Sent To George Ete Sr Trust Street and Apt. No., or PO Box No. 1105 Xanthusm City, State, ZIP+4® McAllen, TX 78504-3519 PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	



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Postage \$  
Total Postage and Fees \$

Sent To  
Weslynn McCallister  
8388 S. Tamiami Trail # 229  
City, State, ZIP+4®  
Sarasota, FL 34238

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Sent To  
Office of Natural Resources Revenue  
PO Box 25627  
City, State, ZIP+4®  
Denver, CO 80225-0627

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Postage \$  
Total Postage and Fees \$

Sent To  
The McDaniel Company  
12900 Preston Road, Ste. 415  
City, State, ZIP+4®  
Dallas, TX 75280

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Total Postage and Fees \$

Sent To  
Marjam Energy, LLC  
10440 N. Central Express Way Ste. 1016  
City, State, ZIP+4®  
Dallas, TX 75231

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☐ Certified Mail Restricted Delivery \$  
☐ Adult Signature Required \$  
☐ Adult Signature Restricted Delivery \$

Postage \$  
Total Postage and Fees \$

Sent To  
Milgano Resources, LP  
415 West Wall Avenue, Ste. 1118  
City, State, ZIP+4®  
Midland, TX 79701

PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions

**Affidavit of Publication**

STATE OF NEW MEXICO  
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
October 02, 2020  
and ending with the issue dated  
October 02, 2020.

  
\_\_\_\_\_  
Publisher

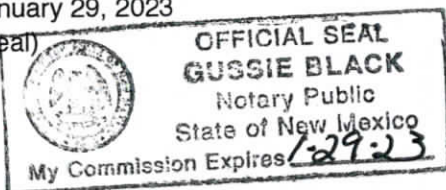
Sworn and subscribed to before me this  
2nd day of October 2020.

  
\_\_\_\_\_  
Business Manager

My commission expires

January 29, 2023

(Seal)



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL	LEGAL
<b>LEGAL NOTICE</b> October 2, 2020	
<p>Commingle Notification: Interested parties must file objections or requests for hearing in writing with the Oil Conservation Division Santa Fe office within 20 days after publication, or the division may approve the application.</p> <p>FAE II Operating, LLC 11757 Katy Freeway, Suite 1000 Houston, TX 77079 832-706-0041 Marshall Bates Location: T26S-R37E, Sec. 4 Facility Location: T26S-R37E, Sec. 4: SENW Commingle Production is pooled from the Langlie Mattix; 7 Rivers-Q-Grayburg; Rhodes; Yates</p>	
<p>Commingle Notification: Interested parties must file objections or requests for hearing in writing with the Oil Conservation Division Santa Fe office within 20 days after publication, or the division may approve the application.</p> <p>FAE II Operating, LLC 11757 Katy Freeway, Suite 1000 Houston, TX 77079 832-706-0041 Marshall Bates Location: T25S-R37E, Section 26 Commingle Production is pooled from the Langlie Mattix; 7 Rivers-Q-Grayburg #35860</p>	

67115951

00246849

MARITZA SANTANA  
FORTY ACRES ENERGY  
11757 KATY FREEWAY SUITE 1000  
HOUSTON, TX 77079

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## 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.

**Bold\*** fields are required.

Section 1 - Completed by Operator	
<b>1. BLM Office*</b> Hobbs, NM	<b>2. Well Type*</b> GAS
<b>3. Submission Type*</b> <input checked="" type="radio"/> Notice of Intent <input type="radio"/> Subsequent Report	<b>4. Action*</b> Surface Commingling
Operating Company Information	
<b>5. Company Name*</b> FAE II OPERATING, LLC	
<b>6. Address*</b> 11757 KATY FWY. STE. 1000 HOUSTON TX 77079	<b>7. Phone Number*</b> 713-253-2885
Administrative Contact Information	
<b>8. Contact Name*</b> MARSHALL H BATES	<b>9. Title*</b> ENGINEERING TECH
<b>10. Address*</b> 11757 KATY FWY. STE. 1000 HOUSTON TX 77079	<b>11. Phone Number*</b> 713-253-2885 ____
	12. Mobile Number _____
<b>13. E-mail*</b> Marshall@FAEnergyus.com	14. Fax Number _____
Technical Contact Information	
<input checked="" type="checkbox"/> Check here if Technical Contact is the same as Administrative Contact.	
<b>15. Contact Name*</b> _____	<b>16. Title*</b> _____
<b>17. Address*</b> _____ _____ _____	<b>18. Phone Number*</b> _____ _____
	19. Mobile Number _____
<b>20. E-mail*</b> _____	21. Fax Number _____
Lease and Agreement	
<b>22. Lease Serial Number*</b>	



NMLC054668	
24. If Unit or CA/Agreement, Name and/or Number	<b>25. Field and Pool, or Exploratory Area*</b> 37240 LANGLIE MATTIX

## County and State for Well

**26. County or Parish, State\***

LEA NM

## Associated Well Information

**27. Specify well using one of the following methods:**

- a) Well Name, Well Number, API Number, Section, Township, Range, Qtr/Qtr, N/S Footage, E/W Footage  
b) Well Name, Well Number, API Number, Latitude, Longitude, Metes & Bounds description

<b>Well Name*</b> FARNSWORTH C		<b>Well Number*</b> 2	API Number 30-025-11953
Section 4	Township 26S	Range 37E	Meridian NEW MEXICO PRINCIPAL
Qtr/Qtr —	N/S Footage —		E/W Footage —
Latitude —	Longitude —	Metes and Bounds	

**28. 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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all markers and zones. Attach the Bond under which the work will be performed or provide the Bond Number on file pertinent with BLM/BIA. Required subsequent reports shall 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 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

For economic reasons, FAE II Operating will build a gas gathering system to commingle gas production from the following marginal producers: Farnsworth 4 #2 (API 30-025-11945), Federal Lease No. NMLC 054668; Farnsworth 4 #3 (30-025-11946), NMLC 054668; Farnsworth 4 #10 (30-025-11947), NMLC 054668; Farnsworth C #2 (30-025-11953), NMLC 054668; Rhodes Federal Unit #45 (30-025-11937), NMLC 054668; and Rhodes Federal Unit #47 (30-025-20011), NMLC 054668. All of these wells are on one lease.

Oil production will be separated and is not part of the application.

The gas gathering system utilizes individual orifice type, positive displacement well allocation meters. The sales meter will be located at the Farnsworth CTB located in UL "F", Sec. 4, Twp. 26S, Rng. 37E. The system is comprised of 2-inch PVC flow lines from individual wells and a 3-inch PVC trunk line installed on the surface. Much of this gathering system already exists, but the construction of additional pipeline from the Farnsworth C #2 to the Farnsworth CTB will be ready by year end 2020.

Interest owners have been notified via certified U.S. mail and include BLM. A pool/lease commingling application is filed and pending with NMOCD. There will be no reduction in the value of commingled gas and royalties will not be reduced.

I hereby certify that the foregoing is true and correct.

**29. Name\***

MARSHALL H BATES

**30. Title**

ENGINEERING TECH

**31. Date\*** (MM/DD/YYYY)

08/31/2020

**32. Signature\***

*You have the ability to sign this form only if a SmartCard or digital certificate has been issued to you.*

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.

**Section 2 - System Receipt Confirmation****33. Transaction**

528175

**34. Date Sent**

08/31/2020

**35. Processing Office**

Hobbs, NM

**Section 3 - Internal Review #1 Status****36. Review Category****37. Date Completed****38. Reviewer Name****39. Comments****Section 4 - Internal Review #2 Status****40. Review Category****41. Date Completed****42. Reviewer Name****43. Comments****Section 5 - Internal Review #3 Status****44. Review Category****45. Date Completed****46. Reviewer Name****47. Comments****Section 6 - Internal Review #4 Status****48. Review Category****49. Date Completed****50. Reviewer Name****51. Comments**

<b>Section 7 - Final Approval Status</b>			
52. Disposition	53. Date Completed	54. Reviewer Name	55. Reviewer Title
56. Comments			

### 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 local area, or regional procedures and practices, either are shown below will be issued by, or may be obtained from the local Federal office.

### SPECIFIC INSTRUCTIONS

*Item 27* - Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult the local Federal office for specific instructions.

*Item 28* - 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 top of any left in the hole; method of closing top of well and date well site conditioned for final inspection looking to approval of the abandonment.

### NOTICE

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:

This information is being collected to evaluate proposed and/or completed subsequent well operations on Federal or Indian oil and gas leases.

Response to this request is mandatory.

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 25 minutes 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 (1004-0135), Bureau Information Collection Clearance Officer, (WO-630), Mail Stop 401 LS, 1849 C St., N.W., LS, Washington D.C. 20240



**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

Run Date/Time: 9/11/2020 11:13 AM

Page 1 Of 3

**01 02-25-1920;041STAT0437;30USC181**  
**Case Type 318210: O&G EXPLORATORY UNIT**  
**Commodity 410: NATURAL GAS**  
**Case Disposition: AUTHORIZED**

**Total Acres:**  
**8,520.000**

**Serial Number**  
**NMNM 071022X**

Case File Juris:

						<b>Serial Number: NMNM-- - 071022X</b>	
<b>Name &amp; Address</b>						<b>Int Rel</b>	<b>% Interest</b>
BLM ROSWELL FO	2909 W 2ND ST	ROSWELL	NM	88201	OFFICE OF RECORD		0.000000000
SPECIAL ENERGY CORP	PO BOX 369	STILLWATER	OK	740760369	OPERATOR		100.000000000

									Serial Number: NMNM-- - 071022X		
Mer	Twp	Rng	Sec	S	Type	Nr	Suff	Subdivision	District/ Field Office	County	Mgmt Agency
23	0260S	0370E	004	ALIQ				W2W2,E2SW,W2SE,SESE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	005	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	006	ALIQ				NE,NENW,N2SE,SESE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	007	ALIQ				NENE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	008	ALIQ				E2,NW,N2SW,SESW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	009	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	010	ALIQ				NWNW,S2NW,S2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	015	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	016	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	017	ALIQ				E2,E2NW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	020	ALIQ				E2;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	021	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	022	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	023	ALIQ				SWNW,SW;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	026	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	027	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	028	ALL				ENTIRE SECTION	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT
23	0260S	0370E	029	ALIQ				E2NE;	CARLSBAD FIELD OFFICE	LEA	BUREAU OF LAND MGMT

**Relinquished/Withdrawn Lands****Serial Number: NMNM-- - 071022X**

					<b>Serial Number: NMNM-- - 071022X</b>	
<b>Act Date</b>	<b>Act Code</b>	<b>Action Txt</b>	<b>Action Remarks</b>	<b>Pending Off</b>		
04/06/1942	387	CASE ESTABLISHED	DESIGNATION RECEIVED			
04/06/1942	500	GEOGRAPHIC NAME	RHODES;			

**NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM**

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
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Serial Number: NMNM-- - 071022X

Act Date	Act Code	Action Txt	Action Remarks	Pending Off
09/05/1942	519	AGRMT/EXPANSION DESIG	AGREEMENT	
09/15/1942	680	AGREEMENT FILED		
01/01/1944	501	REFERENCE NUMBER	UA-I-SEC-382;	
01/01/1944	515	REFERENCE NUMBER (AFS)	AFS-8920003820;	
01/01/1944	516	FORMATION	/C/ GROUP I UNITIZED	
01/01/1944	526	ACRES-FED INT 100%	8520.00;100.00%	
01/01/1944	868	EFFECTIVE DATE	/A/ UNIT AGREEMENT	
06/29/1944	334	AGRMT APPROVED		
06/18/1997	672	SUCCESSOR OPERATOR	/1/BURLINGTON/GRUY	
10/07/1998	974	AUTOMATED RECORD VERIF	MO	
08/14/2006	940	NAME CHANGE RECOGNIZED	GRUY/CIMAREX COLO	
10/01/2016	672	SUCCESSOR OPERATOR	/D/CIMAREX/SPECIAL EN	

Line Number	Remark Text	Serial Number: NMNM-- - 071022X
0002	/A/ EXHIBIT B EFFECTIVE 01/01/1944	
0003	LEASE SERIAL NO TR# STATUS ACRES	
0004	NMLC 0 30174A FC 640.00	
0005	NMLC 0 30177A FC 200.00	
0006	NMLC 0 30176A FC 640.00	
0007	NMLC 0 30174B FC 1280.00	
0008	NMLC 0 30177B FC 760.00	
0009	NMLC 0 30176B FC 400.00	
0010	NMLC 0 54668 FC 360.00	
0011	NMLC 0 56927B FC 40.00	
0012	NMLC 0 30181A FC 600.00	
0013	NMLC 0 30181B FC 200.00	
0014	NMNM 90796 FC 320.00	
0015	FEE FC 40.00	
0016	/B/ TOTAL COMMITTED ACREAGE - 5480.00 ACRES	
0017	TOTAL NONCOMMITTED ACREAGE - 3040.00 ACRES	
0018	/C/ GROUP I - ANY AND ALL GAS PRODUCED FROM	
0019	COMMITTED LANDS FROM THE DEPTH OF 0 - 4000 FEET	
0020	INCLUDING CASINGHEAD GAS.	
0021	ON 07/31/1991, THE GAS STORAGE PROJECT ON THIS UNIT	
0022	WAS TERMINATED. THEREFORE, RHOADES FEDERAL UNIT IS	
0023	NOW AN EXPLORATORY UNIT. THIS REMARK HAS BEEN	
0024	ENTERED TO CORRECT THE SERIAL REGISTER PAGE. IT WAS	
0025	INITIALLY SHOWING CANCELLED BECAUSE OF ENTRY OF AN	
0026	INCORRECT CODE, WHICH HAS BEEN REMOVED.	

**NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM**

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page

Run Date/Time: 9/11/2020 11:13 AM

Page 3 Of 3

Line Number	Remark Text	Serial Number: NMNM-- - 071022X
0027	/D/DESIGNATION SUCCESSOR OPERATOR CIMAREX TO SPECIAL	
0028	ENERGY CORP. EFFECTIVE 10/01/2016	

NO WARRANTY IS MADE BY BLM FOR USE OF THE DATA FOR PURPOSES NOT INTENDED BY BLM

**From:** [Engineer, OCD, EMNRD](#)  
**To:** [Brittney Storfa](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#); [Glover, James; Paradis, Kyle O](#); [Walls, Christopher](#)  
**Subject:** Approved Administrative Order PLC-703  
**Date:** Monday, May 9, 2022 4:19:38 PM  
**Attachments:** [PLC703 Order.pdf](#)

NMOCD has issued Administrative Order PLC-703 which authorizes FAE II Operating, LLC (329326) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	UL or Q/Q	S-T-R	Pool
30-025-11945	Farnsworth 4 #2	A	4-26S-37E	37240
30-025-11946	Farnsworth 4 #3	H	4-26S-37E	37240
30-025-11947	Farnsworth 4 #10	I	4-26S-37E	37240
30-025-11953	Farnsworth C #2	A B C F G H I	4-26S-37E	83810
30-025-11937	Rhodes Federal Unit #45	D	4-26S-37E	83810
30-025-20011	Rhodes Federal Unit #47	J O P	4-26S-37E	83810

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.

Dean McClure  
 Petroleum Engineer, Oil Conservation Division  
 New Mexico Energy, Minerals and Natural Resources Department  
 (505) 469-8211



**From:** [Marshall Bates](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Cc:** [Vanessa Neal](#)  
**Subject:** [EXTERNAL] RE: surface commingling for Farnsworth Compression System CRP  
**Date:** Friday, October 15, 2021 10:03:45 AM

---

CAUTION: This email originated outside of our organization. Exercise caution prior to clicking on links or opening attachments.

Dean,

I found this old email, have we adequately answered your questions here? As an update, we are now the operator of the Rhodes Federal Unit (NMNM 071022X).

Thank you,

Marshall Bates  
Forty Acres Energy  
C: (713) 253-2885  
O: (832) 241-8080

---

**From:** Marshall Bates  
**Sent:** Wednesday, October 7, 2020 5:19 PM  
**To:** McClure, Dean, EMNRD <Dean.McClure@state.nm.us>  
**Subject:** RE: surface commingling for Farnsworth Compression System CRP

Hello Mr. McClure,

To answer your first question, this is from our Land Dept:

*Go ahead and tell Dean that Unit NMNM-071022X has not been assigned a PA to include the Farnsworth C #2 well. The Farnsworth C #2 well is outside of the unit and the Rhodes Federal Unit #45 & #47 are inside the unit.*

Please see attached for documentation demonstrating that the BLM has been notified of this application.

Please also see attached for the affidavit of publication in the Hobbs Paper, as we were not able to contact John F. Special.

Hopefully this answers your questions. Thank you for your guidance on this. Let us know if you need anything else before approving the application.

Thank you,

Marshall Bates  
Forty Acres Energy  
C: (713) 253-2885  
O: (832) 241-8080

---

**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Sent:** Friday, September 11, 2020 12:36 PM  
**To:** Marshall Bates <[marshall@faenergyus.com](mailto:marshall@faenergyus.com)>  
**Subject:** surface commingling for Farnsworth Compression System CRP

Hello Mr. Bates,

I am reviewing the surface commingling application for the Farnsworth Compression System CRP (PLC-703) operated by FAE II Operating, LLC (329326)

Has a participating area been assigned for NMNM 071022X? Are the following wells a part of it?

<b>30-025-11953</b>	<b>Farnsworth C #2</b>	<b>G-04-26S-37E</b>	<b>83810</b>
<b>30-025-11937</b>	<b>Rhodes Federal Unit #45</b>	<b>D-04-26S-37E</b>	<b>83810</b>
<b>30-025-20011</b>	<b>Rhodes Federal Unit #47</b>	<b>P-04-26S-37E</b>	<b>83810</b>

Please submit documentation demonstrating that the BLM has been notified of this application.

Do you have documentation demonstrating that the following notice was received by the recipient?

<b>John F Special</b>	<b>7020 0090 0000 6900 1396</b>	<b>Attempt</b>
-----------------------	---------------------------------	----------------

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
(505) 469-8211

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATION FOR SURFACE COMMINGLING  
SUBMITTED BY FAE II OPERATING, LLC**

**ORDER NO. PLC-703**

**ORDER**

The Director of the New Mexico Oil Conservation Division (“OCD”), having considered the application and the recommendation of the OCD Engineering Bureau, issues the following Order.

**FINDINGS OF FACT**

1. FAE II Operating, LLC (“Applicant”) submitted a complete application to surface commingle the gas production from the pools, leases, and wells identified in Exhibit A (“Application”).
2. Applicant proposed a method to allocate the gas production to the pools, leases, and wells to be commingled.
3. Applicant proposed using estimation to allocate gas production to the wells identified in Exhibit B if they produce less than fifteen thousand (15,000) cubic feet per day.
4. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
5. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
6. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.
7. Applicant certified the commingling of gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the gas production to less than if it had remained segregated.

**CONCLUSIONS OF LAW**

8. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.

9. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
11. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
12. Applicant's proposal to use estimation to allocate gas production to the wells identified in Exhibit B if they produce less than fifteen thousand (15,000) cubic feet per day, as modified herein, complies with 19.15.12.10.C.(3) NMAC.
13. Commingling of gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
14. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

### **ORDER**

1. Applicant is authorized to surface commingle gas production from the pools, leases, and wells identified in Exhibit A.

Applicant is authorized to store and measure gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.

2. The allocation of gas production to each well identified in Exhibit B shall be determined by an estimate based upon that well's production history. No later than sixty (60) days after a change in condition of operation for any well which may increase production to greater than or equal to fifteen (15) thousand cubic feet in a day, Applicant shall conduct a test to determine the new production for that well and submit a Form C-103 to OCD which shall include the parameters and results of the test. If the results of the test indicate that production increased to greater than or equal to fifteen thousand (15,000) cubic feet in a day, Applicant shall submit a new surface commingling application to OCD. If Applicant fails to submit a Form C-103 or a new surface commingling application as specified above, or if OCD denies the new surface commingling application, this Order shall terminate on the date of such action.
3. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.



4. Applicant shall calibrate the meters used to measure or allocate gas production in accordance with 19.15.12.10.C.(2) NMAC.
5. If the commingling of gas production from any pool, lease, or well reduces the value of the commingled gas production to less than if it had remained segregated, no later than sixty (60) days after the decrease in value has occurred Applicant shall submit a new surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose gas production caused the decrease in value. If Applicant fails to submit a new application, this Order shall terminate on the following day, and if OCD denies the application, this Order shall terminate on the date of such action.
6. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
7. If OCD determines that Applicant has failed to comply with any provision of this Order, OCD may take any action authorized by the Oil and Gas Act or the New Mexico Administrative Code (NMAC).
8. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**



**ADRIENNE E. SANDOVAL  
DIRECTOR**

**DATE:** 5/09/2022

State of New Mexico  
Energy, Minerals and Natural Resources Department

## Exhibit A

Order: **PLC-703**

Operator: **FAE II Operating, LLC (329326)**

Central Tank Battery: **Farnsworth Compression System CRP**

Central Tank Battery Location: **UL C F, Section 4, Township 26 South, Range 37 East**

Gas Title Transfer Meter Location: **UL C F, Section 4, Township 26 South, Range 37 East**

### Pools

Pool Name	Pool Code
<b>LANGLIE MATTIX; 7 RVRS-Q-GRAYBURG</b>	<b>37240</b>
<b>RHODES; YATES-SEVEN RIVERS (GAS)</b>	<b>83810</b>

### Leases as defined in 19.15.12.7(C) NMAC

Lease	UL or Q/Q	S-T-R
<b>NMLC 0054668</b>	<b>All</b>	<b>4-26S-37E</b>
<b>NMNM 071022X</b>	<b>D E J K L M N O P</b>	<b>4-26S-37E</b>

### Wells

Well API	Well Name	UL or Q/Q	S-T-R	Pool
<b>30-025-11945</b>	<b>Farnsworth 4 #2</b>	<b>A</b>	<b>4-26S-37E</b>	<b>37240</b>
<b>30-025-11946</b>	<b>Farnsworth 4 #3</b>	<b>H</b>	<b>4-26S-37E</b>	<b>37240</b>
<b>30-025-11947</b>	<b>Farnsworth 4 #10</b>	<b>I</b>	<b>4-26S-37E</b>	<b>37240</b>
<b>30-025-11953</b>	<b>Farnsworth C #2</b>	<b>A B C F G H I</b>	<b>4-26S-37E</b>	<b>83810</b>
<b>30-025-11937</b>	<b>Rhodes Federal Unit #45</b>	<b>D</b>	<b>4-26S-37E</b>	<b>83810</b>
<b>30-025-20011</b>	<b>Rhodes Federal Unit #47</b>	<b>J O P</b>	<b>4-26S-37E</b>	<b>83810</b>

State of New Mexico  
Energy, Minerals and Natural Resources Department

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**Exhibit B**

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Order: **PLC-703**  
Operator: **FAE II Operating, LLC (329326)**

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**Wells**

Well API	Well Name	Recent Avg Prod	Prior Year Avg Prod
30-025-11945	Farnsworth 4 #2	15.05	11.89
30-025-11946	Farnsworth 4 #3	10.93	10.96
30-025-11947	Farnsworth 4 #10	2.86	2.14
30-025-11953	Farnsworth C #2	0.00	0.58
30-025-11937	Rhodes Federal Unit #45	2.38	6.85
30-025-20011	Rhodes Federal Unit #47	2.04	2.40

**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 9911

CONDITIONS

Operator: FAE II Operating LLC 11757 Katy Freeway, Suite 725 Houston, TX 77079	OGRID: 329326
	Action Number: 9911
	Action Type: [C-107] Surface Commingle or Off-Lease (C-107B)

CONDITIONS

Created By	Condition	Condition Date
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval. If you have any questions regarding this matter, please contact me.	5/9/2022