

**District I**  
1625 N. French Drive, Hobbs, NM 88240

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-107A  
Revised August 1, 2011

**District II**  
811 S. First St., Artesia, NM 88210

**Oil Conservation Division**  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

APPLICATION TYPE  
 Single Well  
 Establish Pre-Approved Pools  
EXISTING WELLBORE  
 Yes  No

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505

**APPLICATION FOR DOWNHOLE COMMINGLING**

FAE II Operating LLC 11757 Katy Freeway, Suite 725 Houston, TX 77079  
Operator Address

G G TRAVIS #002 J-21-23S-37E LEA  
Lease Well No. Unit Letter-Section-Township-Range County

OGRID No. 329326 Property Code 331311 API No. 30-025-22311 Lease Type:  Federal  State  Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Teague; Glorieta-Upper Paddock, SW	Teague; Paddock-Blinebry	Imperial; Tubb-Drinkard
Pool Code	58595	58300	33600
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	4951-5033'	5046-5908'	6129-6221'
Method of Production (Flowing or Artificial Lift)	ARTIFICIAL LIFT	ARTIFICIAL LIFT	ARTIFICIAL LIFT
Bottomhole Pressure <small>(Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)</small>			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	35 API / 1.189 BTU	35 API / 1.189 BTU	35 API / 1.189 BTU
Producing, Shut-In or New Zone	NEW ZONE	PRODUCING	SHUT-IN
Date and Oil/Gas/Water Rates of Last Production. <small>(Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data.)</small>	Date: SEE Rates: ATTACHED	Date: SEE Rates: ATTACHED	Date: SEE Rates: ATTACHED
Fixed Allocation Percentage <small>(Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required.)</small>	Oil                  Gas 93   %                  53   %	Oil                  Gas 0   %                  8   %	Oil                  Gas 7   %                  39   %

**ADDITIONAL DATA**

Are all working, royalty and overriding royalty interests identical in all commingled zones? Yes  No   
If not, have all working, royalty and overriding royalty interest owners been notified by certified mail? Yes  No

Are all produced fluids from all commingled zones compatible with each other? Yes  No

Will commingling decrease the value of production? Yes  No

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands or the United States Bureau of Land Management been notified in writing of this application? Yes  No

NMOCD Reference Case No. applicable to this well: \_\_\_\_\_

**Attachments:**

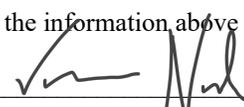
- C-102 for each zone to be commingled showing its spacing unit and acreage dedication.
- Production curve for each zone for at least one year. (If not available, attach explanation.)
- For zones with no production history, estimated production rates and supporting data.
- Data to support allocation method or formula.
- Notification list of working, royalty and overriding royalty interests for uncommon interest cases.
- Any additional statements, data or documents required to support commingling.

**PRE-APPROVED POOLS**

If application is to establish Pre-Approved Pools, the following additional information will be required:

- List of other orders approving downhole commingling within the proposed Pre-Approved Pools
- List of all operators within the proposed Pre-Approved Pools
- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE  TITLE Sr Reservoir Engineer DATE 28 JUN 2023

TYPE OR PRINT NAME Vanessa Neal TELEPHONE NO. ( 832 ) 219-0990

E-MAIL ADDRESS vanessa@faenergyus.com

**From:** [Vanessa Neal](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Subject:** [EXTERNAL] RE: Action ID: 329326; DHC-5335  
**Date:** Monday, October 23, 2023 7:46:53 AM  
**Attachments:** [image001.png](#)  
[C-107a Pkg G G TRAVIS #002 G-P-BTD 2023-06-28.pdf](#)

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

Apologies, attached is the application packet for this DHC application.

Vanessa Neal | Sr Reservoir Engineer

**forty acres energy**

O [832.219.0990 \(ext 165\)](tel:832.219.0990)

C [979.255.3476](tel:979.255.3476)

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**From:** McClure, Dean, EMNRD <Dean.McClure@emnrd.nm.gov>  
**Sent:** Friday, October 20, 2023 5:51 PM  
**To:** Vanessa Neal <vanessa@faenergyus.com>  
**Subject:** Action ID: 329326; DHC-5335

To whom it may concern (c/o Vanessa Neal for FAE II Operating, LLC),

The Division is reviewing the following application:

<b>Action ID</b>	233697
<b>Admin No.</b>	DHC-5335
<b>Applicant</b>	FAE II Operating, LLC (329326)
<b>Title</b>	G G Travis #2
<b>Sub. Date</b>	6/28/2023

Please provide the following additional supplemental documents:

- 

Please provide additional information regarding the following:

- Only form C-107A was submitted; please provide the application packet for this application

Additional notes:

- 

All additional supplemental documents and information may be provided via email and should be done by replying to this email. The produced email chain will be uploaded to the file for this application.

Please note that failure to take steps to address each of the requests made in this email within 10 business days of receipt of this email may result in the Division rejecting the application requiring the

submittal of a new application by the applicant once it is prepared to address each of the topics raised.

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

**From:** [McClure, Dean, EMNRD](#) on behalf of [Engineer, OCD, EMNRD](#)  
**To:** [Vanessa Neal](#)  
**Cc:** [McClure, Dean, EMNRD](#); [Kautz, Paul, EMNRD](#); [Wrinkle, Justin, EMNRD](#); [Powell, Brandon, EMNRD](#)  
**Subject:** Approved Administrative Order DHC-5335  
**Date:** Friday, October 27, 2023 8:25:42 AM  
**Attachments:** [DHC5335 Order.pdf](#)

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NMOCD has issued Administrative Order DHC-5335 which authorizes FAE II Operating, LLC (329326) to downhole commingle production within the following well:

**Well Name: G G Travis #2**  
**Well API: 30-025-22311**

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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



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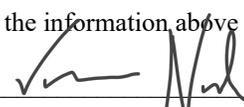
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- Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.
- Bottomhole pressure data.

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

SIGNATURE  TITLE Sr Reservoir Engineer DATE 28 JUN 2023

TYPE OR PRINT NAME Vanessa Neal TELEPHONE NO. ( 832 ) 219-0990

E-MAIL ADDRESS vanessa@faenergyus.com

FAE II Operating, LLC  
11757 Katy Fwy #725, Houston, TX 77079  
832-220-9188  
joe@faenergyus.com

faeIIoperating

June 28, 2023

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505

**Re: G G Travis #002**  
**API: 30-025-22311**  
**[58595] Teague; Glorieta-Upper Paddock, SW**  
**[58300] Teague; Paddock-Blinebry**  
**[33600] Imperial; Tubb-Drinkard**

Dear Mr. McClure:

FAE II Operating, LLC, as operator, will be filing applications with the New Mexico Oil Conservation Division for approval of the aforementioned downhole commingling project. After a review of internal records, this letter serves as notice that the operator and interest owners are identical for the pools listed above.

Please feel free to contact my directly if you have any questions or need any additional information. Thank you for your attention to this matter.

Respectfully,



---

Joseph Kent  
Director of Land

June 28, 2023

Dean McClure  
Petroleum Engineer, Oil Conservation Division  
New Mexico Energy, Minerals and Natural Resources Department  
1220 South St. Francis Dr  
Santa Fe, NM 87505

**Re: G G Travis #002**  
**API: 30-025-22311**  
**[58595] Teague; Glorieta-Upper Paddock, SW**  
**[58300] Teague; Paddock-Blinebry**  
**[33600] Imperial; Tubb-Drinkard**

Dear Mr. McClure:

FAE II Operating LLC, OGRID: 329326, requests administrative approval for downhole commingling of oil and gas production from the aforementioned well and pools. This well's surface location is described below and the downhole locations of each pool are shown in the attached C-102's.

**Surface Location: J-21-23S-37E 1980 FSL 1980 FEL**  
**Lat/Long: 32.288044,-103.1657333 NAD83**

The well is currently producing from the **[58300] Teague; Paddock-Blinebry** pool; Exhibit A shows the well's historical production from this pool. It is proposed to downhole commingle this pool with the **[58595] Teague; Glorieta-Upper Paddock, SW** and **[33600] Imperial; Tubb-Drinkard** pools. While there is no recent production for the proposed pool in this well, there are multiple offset wells that are currently producing from the proposed pool. The average historical production of the surrounding analog wells producing from the proposed pool are shown in Exhibit B.

Decline curve analysis was used to create forecasts for each pool with a heavy weighting toward the last five years of production as it should most heavily influence future performance. Historical monthly volumes for each pool for the last five years as wells as a forecast of the combined pools are shown in Exhibit C. After comparing the forecasts generated from the historical production of the **G G Travis #002** and the offset analogs for each pool, pool allocations were calculated on a proportional volume basis. This allocation, along with estimated IP rates for each pool after the comingling work is complete, are displayed in the table in Exhibit D.

After a review of internal records, the interest owners are identical for the aforementioned wells. As such, notification to the relevant parties of our intent to commingle production will not be necessary.

This proposed commingling of production is in the interest of conservation and will not result in reduced royalty or improper measurement of production. If you have any questions, please feel free to contact the undersigned. Thank you for your attention to this matter.

Respectfully,



Exhibit A – Historical Production of Current Pool

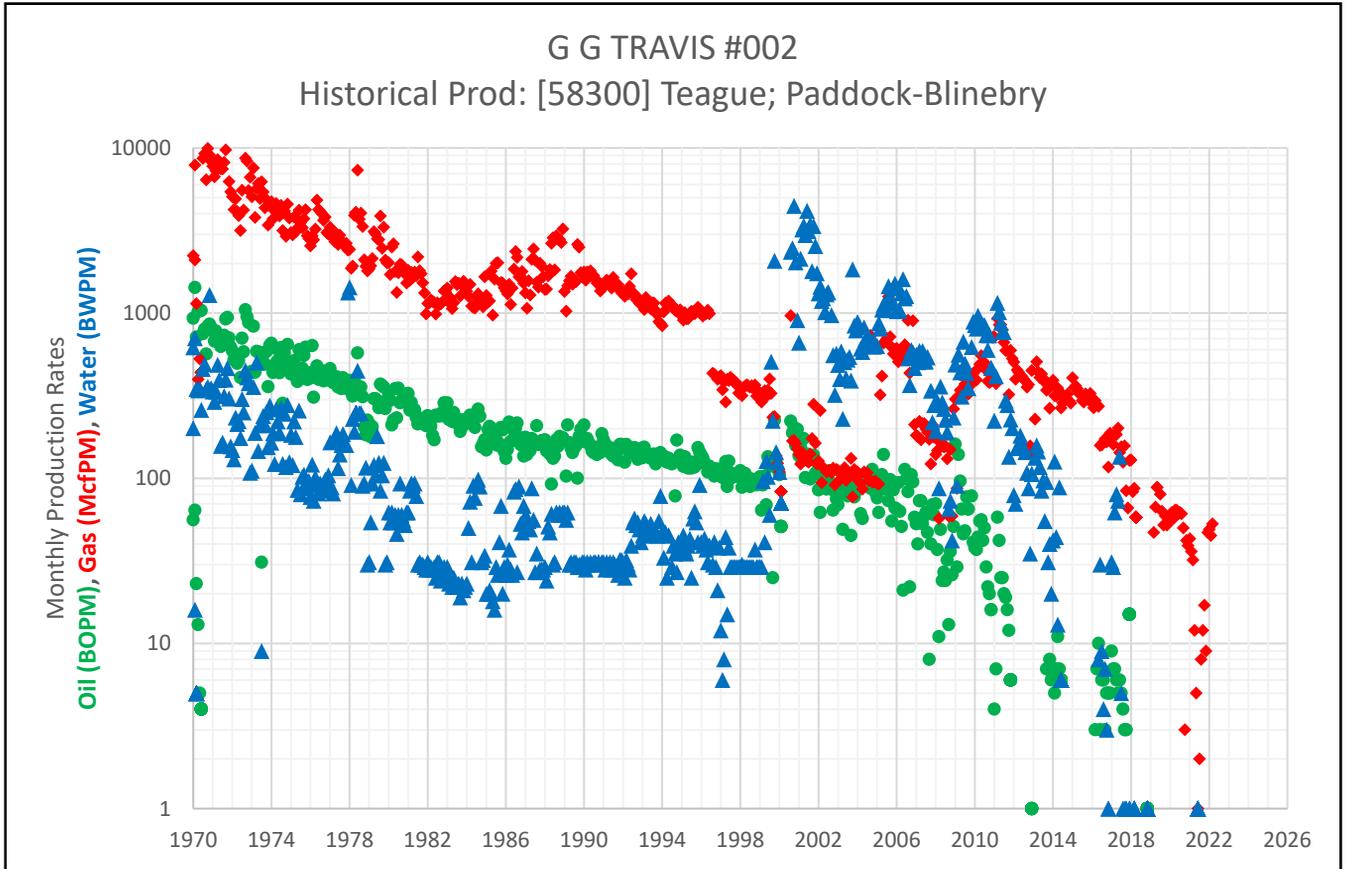


Exhibit B – Average Historical Production of Offset Analog Wells

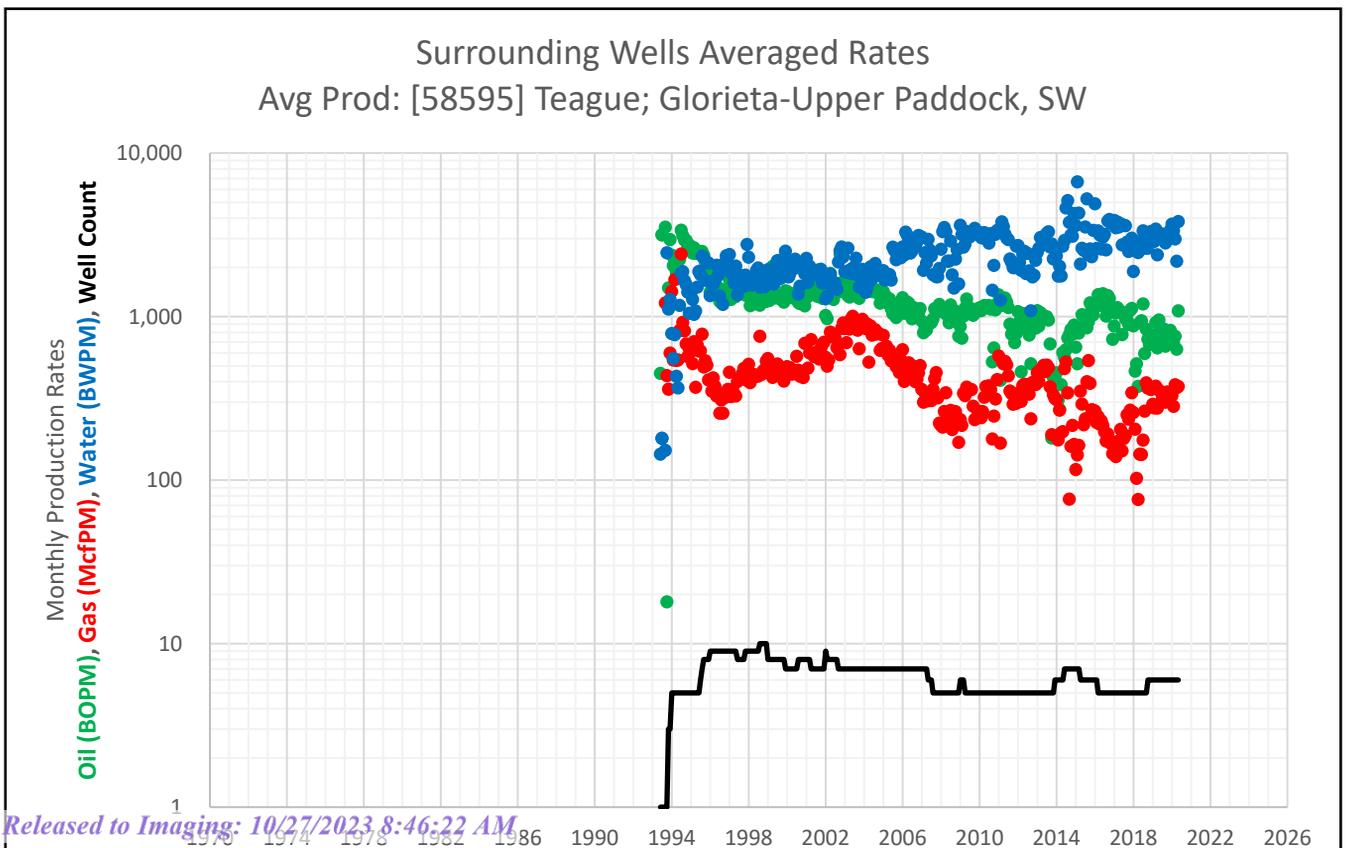
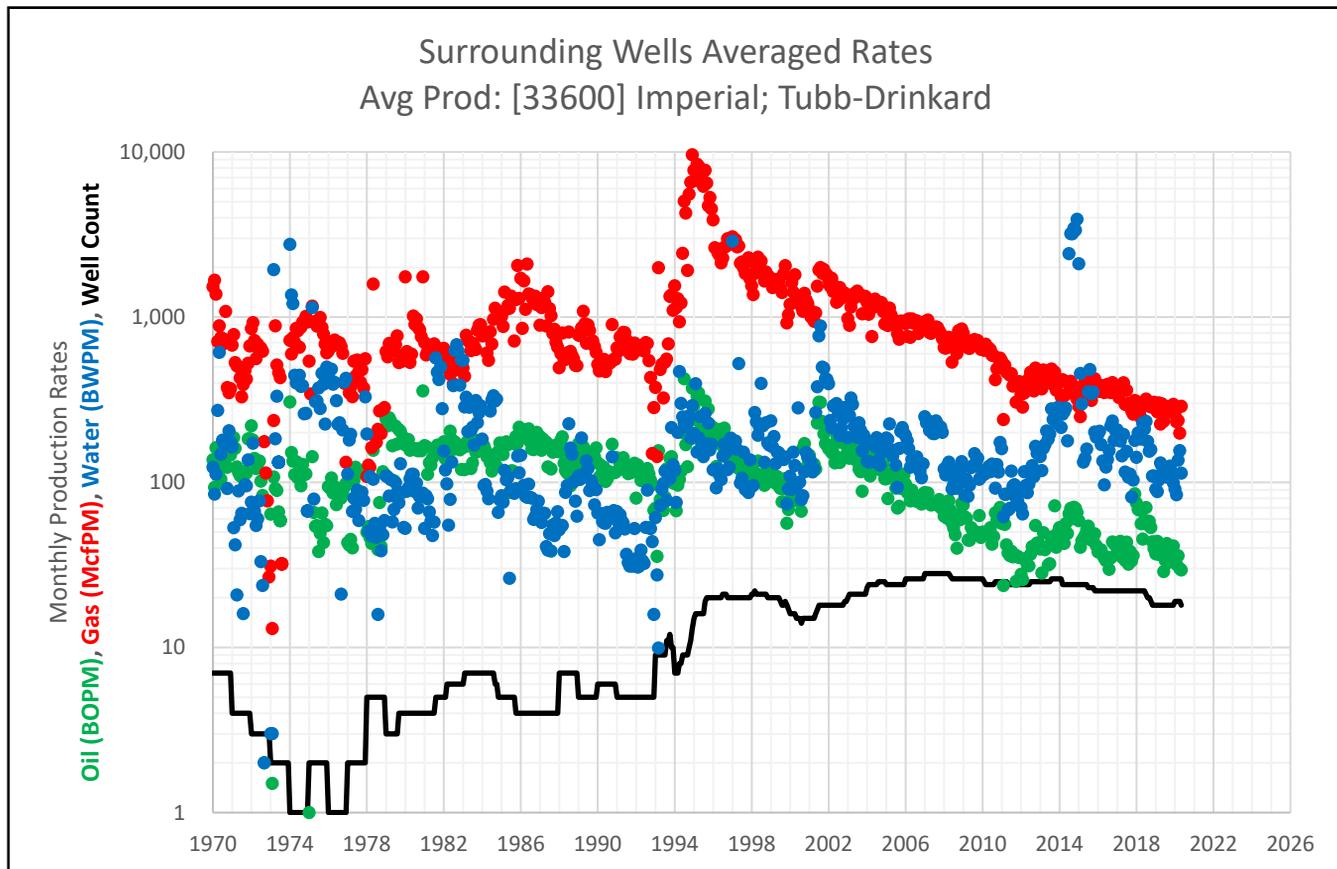


Exhibit B – Average Historical Production of Offset Analog Wells, cont.



**Exhibit C – Historical Production from Last 5 Years for Each Pool & Combined Future Forecast**

Surrounding Wells Averaged Rates					Surrounding Wells Averaged Rates				
Avg Prod: [33600] Imperial; Tubb-Drinkard					Avg Prod: [58595] Teague; Glorieta-Upper Paddock, SW				
Date	Avg Oil (BOPM)	Avg Gas (McfPM)	Avg Water (BWPM)	Well Count	Date	Avg Oil (BOPM)	Avg Gas (McfPM)	Avg Water (BWPM)	Well Count
11/1/2017	36	258	103	22	11/1/2017	1,092	268	2,848	5
12/1/2017	85	312	179	22	12/1/2017	1,122	342	3,013	5
1/1/2018	75	307	141	22	1/1/2018	877	259	1,885	5
2/1/2018	68	284	199	22	2/1/2018	464	205	2,896	5
3/1/2018	68	266	199	22	3/1/2018	514	102	2,505	5
4/1/2018	56	245	182	22	4/1/2018	374	76	2,459	5
5/1/2018	45	304	228	22	5/1/2018	915	144	2,848	5
6/1/2018	59	232	210	22	6/1/2018	943	143	2,584	5
7/1/2018	70	318	234	21	7/1/2018	1,195	176	3,346	5
8/1/2018	55	294	177	20	8/1/2018	594	264	2,625	5
9/1/2018	58	302	154	20	9/1/2018	837	394	3,049	5
10/1/2018	53	285	157	19	10/1/2018	728	365	2,616	6
11/1/2018	44	300	109	18	11/1/2018	675	366	3,184	6
12/1/2018	40	304	109	18	12/1/2018	710	358	3,315	6
1/1/2019	37	292	91	18	1/1/2019	693	291	3,274	6
2/1/2019	44	266	88	18	2/1/2019	770	276	2,885	6
3/1/2019	37	302	103	18	3/1/2019	920	375	3,428	6
4/1/2019	38	225	131	18	4/1/2019	642	276	2,387	6
5/1/2019	37	298	126	18	5/1/2019	954	355	3,240	6
6/1/2019	29	234	118	18	6/1/2019	775	298	3,048	6
7/1/2019	34	273	115	18	7/1/2019	760	331	3,196	6
8/1/2019	43	287	107	18	8/1/2019	838	331	3,149	6
9/1/2019	33	269	108	18	9/1/2019	659	300	2,819	6
10/1/2019	39	283	125	18	10/1/2019	760	346	3,072	6
11/1/2019	35	287	116	18	11/1/2019	764	302	3,147	6
12/1/2019	41	296	99	18	12/1/2019	823	333	3,375	6
1/1/2020	35	256	91	19	1/1/2020	774	328	3,678	6
2/1/2020	32	232	84	19	2/1/2020	696	283	3,356	6
3/1/2020	36	236	136	19	3/1/2020	758	383	2,981	6
4/1/2020	30	198	155	19	4/1/2020	632	368	2,181	6
5/1/2020	29	288	113	18	5/1/2020	1,085	373	3,811	6
6/1/2020	31	320	85	18	6/1/2020	1,115	360	3,692	6
7/1/2020	35	339	85	18	7/1/2020	982	279	3,634	6
8/1/2020	32	262	82	18	8/1/2020	1,025	308	3,791	6
9/1/2020	29	299	75	18	9/1/2020	818	291	3,140	6
10/1/2020	28	213	86	18	10/1/2020	852	279	3,198	6
11/1/2020	32	326	74	18	11/1/2020	657	198	3,014	6
12/1/2020	32	229	66	18	12/1/2020	375	118	2,414	6
1/1/2021	35	236	79	19	1/1/2021	435	182	2,611	6
2/1/2021	29	191	79	19	2/1/2021	239	85	2,464	6
3/1/2021	38	231	55	19	3/1/2021	336	83	1,892	6
4/1/2021	38	181	25	19	4/1/2021	67	37	773	6
5/1/2021	48	252	51	19	5/1/2021	314	317	1,832	6
6/1/2021	28	176	44	19	6/1/2021	128	243	1,092	6
7/1/2021	37	245	95	19	7/1/2021	641	319	2,154	6
8/1/2021	176	278	231	19	8/1/2021	517	357	3,493	6
9/1/2021	68	171	214	19	9/1/2021	548	392	1,043	6
10/1/2021	72	180	302	19	10/1/2021	583	433	1,830	7
11/1/2021	75	226	522	19	11/1/2021	470	361	1,724	7
12/1/2021	67	212	445	19	12/1/2021	475	374	1,723	7
1/1/2022	65	211	409	19	1/1/2022	471	356	1,689	7
2/1/2022	55	175	600	19	2/1/2022	397	311	2,833	7
3/1/2022	62	190	798	19	3/1/2022	413	351	3,451	7
4/1/2022	42	151	644	19	4/1/2022	308	250	2,677	7
5/1/2022	52	186	816	19	5/1/2022	431	348	3,739	7
6/1/2022	56	254	880	19	6/1/2022	458	376	3,515	7
7/1/2022	48	215	487	19	7/1/2022	429	360	1,791	7
8/1/2022	52	142	893	19	8/1/2022	437	396	3,563	7
9/1/2022	45	151	762	19	9/1/2022	415	398	3,534	7
10/1/2022	76	348	930	19	10/1/2022	438	414	3,637	7
11/1/2022	65	377	1,122	19	11/1/2022	429	387	3,504	7
12/1/2022	54	400	925	19	12/1/2022	339	558	2,855	8
1/1/2023	43	199	754	19	1/1/2023	614	1,774	3,363	8
2/1/2023	52	325	515	19	2/1/2023	478	1,485	1,423	8
3/1/2023	51	516	516	19	3/1/2023	490	1,791	1,704	8
4/1/2023	40	307	542	18	4/1/2023	287	1,098	993	8

Exhibit C – Historical Production from Last 5 Years for Each Pool & Combined Future Forecast, cont.

G G TRAVIS #002				Synthetic Decline Curve			
Historical Prod: [58300] Teague; Paddock-Blinebry							
Date	Avg Oil (BOPM)	Avg Gas (McfPM)	Avg Water (BWPM)	Month	Avg Oil (BOPM)	Avg Gas (McfPM)	Avg Water (BWPM)
7/1/2016	6	159	9	1	670.2	652.4	3,092.1
8/1/2016	6	166	4	2	667.0	651	3,082
9/1/2016	3	173	7	3	663.8	649	3,072
10/1/2016	5	166	3	4	660.6	648	3,062
11/1/2016	5	117	1	5	657.4	646	3,052
12/1/2016	5	187		6	654.3	644	3,042
1/1/2017	9	180	31	7	651.2	643	3,032
2/1/2017	7	160	29	8	648.1	641	3,022
3/1/2017	7	183	62	9	645.0	640	3,012
4/1/2017	6	184	80	10	641.9	638	3,002
5/1/2017	5	201	73	11	638.8	636	2,992
6/1/2017	6	143	135	12	635.7	635	2,982
7/1/2017	5	155	5	13	632.7	633	2,972
8/1/2017	4	125	1	14	629.7	632	2,963
9/1/2017	3	157	1	15	626.7	630	2,953
10/1/2017	3	84	1	16	623.7	628	2,943
11/1/2017	-	66	-	17	620.7	627	2,933
12/1/2017	15	128	1	18	617.7	625	2,924
1/1/2018	-	129	-	19	614.8	624	2,914
2/1/2018	-	83	-	20	611.8	622	2,905
3/1/2018	-	87	1	21	608.9	621	2,895
4/1/2018	-	58	-	22	606.0	619	2,886
5/1/2018	-	-	-	23	603.1	618	2,876
6/1/2018	-	-	-	24	600.2	616	2,867
7/1/2018	-	-	-	25	597.4	614	2,857
8/1/2018	-	-	-	26	594.5	613	2,848
9/1/2018	-	-	-	27	591.7	611	2,839
10/1/2018	-	-	-	28	588.8	610	2,829
11/1/2018	1		1	29	586.0	608	2,820
12/1/2018				30	583.2	607	2,811
1/1/2019		-		31	580.4	605	2,801
2/1/2019		-		32	577.7	604	2,792
3/1/2019		47		33	574.9	602	2,783
4/1/2019		67		34	572.1	601	2,774
5/1/2019		88		35	569.4	599	2,765
6/1/2019		-		36	566.7	598	2,756
7/1/2019		80		37	564.0	596	2,747
8/1/2019		63		38	561.3	595	2,738
9/1/2019		52		39	558.6	593	2,729
10/1/2019		59		40	555.9	592	2,720
11/1/2019		52		41	553.3	590	2,711
12/1/2019		56		42	550.6	589	2,702
1/1/2020		58		43	548.0	587	2,693
2/1/2020		62		44	545.4	586	2,684
3/1/2020		57		45	542.8	584	2,675
4/1/2020		64		46	540.2	583	2,666
5/1/2020		64		47	537.6	582	2,658
6/1/2020		61		48	535.0	580	2,649
7/1/2020		62		49	532.5	579	2,640
8/1/2020		61		50	529.9	577	2,632
9/1/2020		50		51	527.4	576	2,623
10/1/2020		3		52	524.9	574	2,614
11/1/2020		42		53	522.4	573	2,606
12/1/2020		39		54	519.9	571	2,597
1/1/2021		43	-	55	517.4	570	2,589
2/1/2021		36	-	56	514.9	569	2,580
3/1/2021		32	-	57	512.4	567	2,572
4/1/2021		12	-	58	510.0	566	2,563
5/1/2021		5	-	59	507.5	564	2,555
6/1/2021		1	1	60	505.1	563	2,546
7/1/2021		2					
8/1/2021		8					
9/1/2021		12					
10/1/2021		17					
11/1/2021							
12/1/2021		47					

**Exhibit D – Pool Allocations & Post Workover IP Rates**

	<b>OIL (bbls)</b>	<b>GAS (Mcf)</b>	<b>WATER (bbls)</b>	<b>POOL</b>
5 yr Cum	37,417	20,713	168,646	<b>[58595] Teague; Glorieta-Upper Paddock, SW</b>
Allocated %	93%	53%	91%	
Daily IP Rate	20.5	11.4	92.3	
5 yr Cum	48	3,158	300	<b>[58300] Teague; Paddock-Blinebry</b>
Allocated %	0%	8%	0%	
Daily IP Rate	0.0	1.7	0.2	
5 yr Cum	2,846	15,258	16,891	<b>[33600] Imperial; Tubb-Drinkard</b>
Allocated %	7%	39%	9%	
Daily IP Rate	1.6	8.4	9.3	
<b>Daily IP Rate</b>	<b>22.0</b>	<b>21.5</b>	<b>101.7</b>	<b>Commingled (Total)</b>

Well Name: G G TRAVIS #002 API: 30-025-22311 Lease Type: STATE  
 Location: 1980' FSL & 1980' FEL T-R-Sec-Spot-Lot: 23S-37E-21-J Lease No: \_\_\_\_\_  
 Formation(s): DHC: [58595] Teague; GLOR-UPR PAD, SW, [58300] Teague; PAD-BLINE, [33600] Imperial; TUBbunty/State: Lea, NM

**PROPOSED**

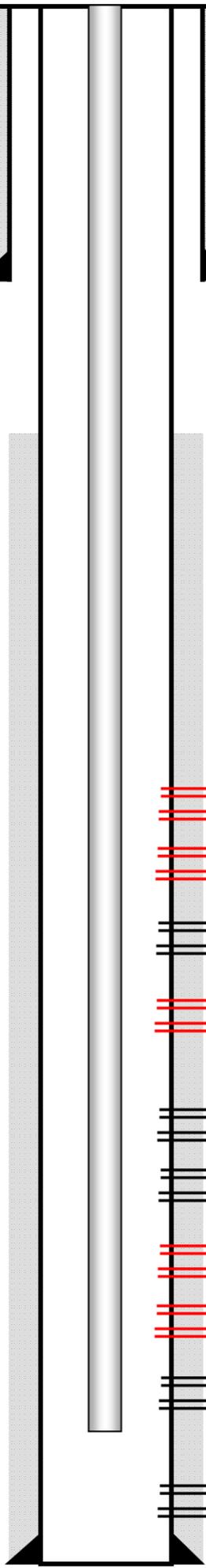
Surface Csg  
 Size: 9-5/8"  
 Wt.&Thrd: 32#  
 Grade: \_\_\_\_\_  
 Set @: 1023'  
 Sxs cmt: 300 sxs  
 Circ: Circ  
 TOC: Surface  
 Hole Size: 12-1/4"

KB: 3308'  
 DF: 3307'  
 GL: 3295'  
 Spud Date: 11/9/1967  
 Compl. Date: 12/29/1967

History - Highlights  
**1967-12:** Well D&C  
**1970-10:** TA'd well  
**1999-09:** Set CIBP & added perms and acidized  
**PROPOSED:** DO CIBP @ 5300'. Pull Duak Pkr. Clean out to PBTD @ 6296'. Circulate clean. Add Perfs & Acidize GLOREITA-PADDOCK-BLINEBRY-TUBB. RIH w/ production string. RTP.

SN 5980'  
 EOT 6016'

Production Csg  
 Size: 7"  
 Wt.&Thrd: 23-26#  
 Grade: J-55  
 Set @: 6303'  
 Sxs Cmt: 500 sxs  
 Circ: \_\_\_\_\_  
 TOC: \_\_\_\_\_  
 Hole Size: 8-3/4"



**GLORIETA (Top @ 4938')**  
 4951-4952', 4961-4963' (2 SPF) - PROPOSED

**PADDOCK (Top @ 4973')**  
 4977-4979', 4992-4994', 5004-5006', 5021-5023', 5031-5033', 5046-5048', 5053-5056', 5062-5064', 5078-5080', 5084-5086', 5121-5123', 5130-5132' (2 SPF) - PROPOSED  
 Acidize 4951-5132' w/ 3000 gals 15% NEFE HCL acid, 1000# rocksalt & flush w/ 300 bbls 2% KCL wtr

5183-5213' - Sep 1999  
 Acidized w/ 1000 gals acid; Frac w/ 30,000 gals & 80,000# sand

**5283-5286', 5300-5305', 5311-5316' (2 SPF) - PROPOSED**  
 Acidize 5283-5316' w/ 2000 gals 15% NEFE HCL acid, 600# rocksalt & flush w/ 200 bbls 2% KCL wtr

**BLINEBRY (Top @ 5325')**  
 5351-5413' (9 holes) - Dec 1967  
 Acidized w/ 1500 gals; Frac w/ 20,000 gals & 26,000# sand

5461-5573' (11 holes) - Dec 1967  
 Acidized w/ 1500 gals; Frac w/ 20,000 gals & 26,000# sand

**5635-5637', 5642-5645', 5648-5650', 5712-5714', 5720-5723', 5742-5743', 5761-5763' (2 SPF) - PROPOSED**  
 Acidize 5635-5763' w/ 3000 gals 15% NEFE HCL acid, 1000# rocksalt & flush w/ 300 bbls 2% KCL wtr

5804-5908' (11 holes) - Dec 1967  
 Acidized w/ 1500 gals; Frac w/ 15,000 gals & 17,000# sand

**TUBB (Top @ 5940')**

**DRINKARD (Top @ 6119')**  
 6129-6221' (12 holes) - Dec 1967  
 Acidized w/ 1500 gals; Frac w/ 20,000 gals & 20,000# sand

PBTD 6296'  
 TD 6303'

<u>Tubulars - Capacities and Performance</u>	
<u>2-3/8" Tubing (~191 jts 2-3/8" tubing, SN, 4' perf sub, MA w/ bull plug)</u>	



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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 30-025-22311		<sup>2</sup> Pool Code 58595		<sup>3</sup> Pool Name TEAGUE; GLORIETA-UPPER PADDOCK, SW	
<sup>4</sup> Property Code 331311		<sup>5</sup> Property Name G G TRAVIS			<sup>6</sup> Well Number #002
<sup>7</sup> OGRID No. 329326		<sup>8</sup> Operator Name FAE II OPERATING, LLC			<sup>9</sup> Elevation 3307'

<sup>10</sup> Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
J	21	23S	37E		1980	S	1980	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
J	21	23S	37E		1980	S	1980	E	LEA

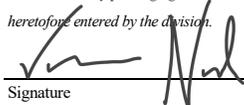
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
-------------------------------------	------------------------------------	----------------------------------	-------------------------

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>				
	NW/4 SE/4 Sec 21 (40 acres)			
		○	1980'	
		1980'		

**<sup>17</sup> OPERATOR CERTIFICATION**

*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.*

 06/27/2023  
 Signature Date

VANESSA NEAL  
Printed Name

vanessa@faenergyus.com  
E-mail Address

**<sup>18</sup> SURVEYOR CERTIFICATION**

*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.*

Date of Survey \_\_\_\_\_

Signature and Seal of Professional Surveyor: \_\_\_\_\_

Certificate Number \_\_\_\_\_

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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-22311		<sup>2</sup> Pool Code 58300		<sup>3</sup> Pool Name TEAGUE; PADDOCK-BLINEBRY	
<sup>4</sup> Property Code 331311		<sup>5</sup> Property Name G G TRAVIS			<sup>6</sup> Well Number #002
<sup>7</sup> OGRID No. 329326		<sup>8</sup> Operator Name FAE II OPERATING, LLC			<sup>9</sup> Elevation 3307'

<sup>10</sup> Surface Location

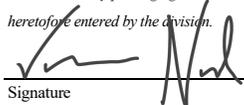
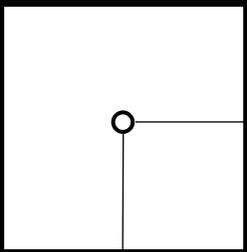
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J	21	23S	37E		1980	S	1980	E	LEA

<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill Y	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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>				<b><sup>17</sup> OPERATOR CERTIFICATION</b>	
				<p><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></p> <p style="text-align: right;">  12/20/2022                  Signature Date             </p> <p>                 VANESSA NEAL                  Printed Name                  vanessa@faenergyus.com                  E-mail Address             </p>	
			NW/4 SE/4 Sec 21 (40 acres)		<p><b><sup>18</sup> SURVEYOR CERTIFICATION</b></p> <p><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></p> <p>                 Date of Survey                  Signature and Seal of Professional Surveyor:                  Certificate Number             </p>
				1980'	

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AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-22311		<sup>2</sup> Pool Code 33600		<sup>3</sup> Pool Name IMPERIAL; TUBB-DRINKARD	
<sup>4</sup> Property Code 331311		<sup>5</sup> Property Name G G TRAVIS			<sup>6</sup> Well Number #002
<sup>7</sup> OGRID No. 329326		<sup>8</sup> Operator Name FAE II OPERATING, LLC			<sup>9</sup> Elevation 3307'

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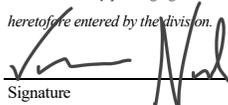
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				<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed 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></p> <p style="text-align: right;">  12/20/2022                  Signature Date             </p> <p>                 VANESSA NEAL                  Printed Name                  vanessa@faenergyus.com                  E-mail Address             </p>	
			NW/4 SE/4 Sec 21 (40 acres)		<b><sup>18</sup> SURVEYOR CERTIFICATION</b>
			○	1980'	<p><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></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
			1980'		Certificate Number

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

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

**ORDER NO. DHC-5335**

**ORDER**

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

**FINDINGS OF FACT**

1. FAE II Operating, LLC (“Applicant”) submitted a complete application (“Application”) to downhole commingle the pools described in Exhibit A (“the Pools”) within the well bore of the well identified in Exhibit A (“the Well”).
2. Applicant proposed a method to allocate the oil and gas production from the Well to each of the Pools that is satisfactory to the OCD and protective of correlative rights.
3. Applicant has certified that all produced fluids from all the Pools are compatible with each other.
4. Applicant has certified that downhole commingling the Pools will not decrease the value of the oil and gas production.
5. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that ownership in the Pools is identical as defined by 19.15.12.7(B) NMAC.
6. Applicant provided notice of the Application to the Bureau of Land Management (“BLM”) or New Mexico State Land Office (“NMSLO”), as applicable.

**CONCLUSIONS OF LAW**

7. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, Sections 70-2-6, 70-2-11, 70-2-12, 70-2-16, 70-2-17, and 19.15.12 NMAC.
8. The downhole commingling of the Pools is common, or Applicant has provided evidence that the fluids are compatible and will not damage the Pools in accordance with 19.15.12.11(A)(1) NMAC.
9. The bottom perforation of the lower zone is within one hundred fifty percent (150%) of the depth of the top perforation in the upper zone or Applicant has provided evidence that the proposed commingling of the Pools shall not result in shut-in or flowing well bore pressure in excess of the commingled pool’s fracture parting pressure in accordance with 19.15.12.11(A)(3) NMAC.

10. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.11(A)(8) NMAC.
11. 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 downhole commingle the Pools described in Exhibit A within the well bore of the well identified in Exhibit A.
2. This Order supersedes Order DHC-4383.
3. Applicant shall allocate a fixed percentage of the oil and gas production from the Well to each of the Pools as described in Exhibit A.
4. If an alteration is made to the Well or a condition within the Well changes which may cause the allocation of production to the Pools as approved within this Order to become inaccurate, then no later than sixty (60) days after that event, Applicant shall submit Form C-103 to the OCD Engineering Bureau describing the event and include a revised allocation plan. If OCD denies the revised allocation plan, this Order shall terminate on the date of such action.
5. If any of the pools being commingled is prorated, or the Well's production has been restricted by an OCD order in any manner, the allocated production from each producing pool in the commingled well bore shall not exceed the top oil or gas allowable rate for a well in that pool or rate restriction applicable to the well.
6. If the Well is deepened, then no later than forty-five (45) days after the Well is deepened, Applicant shall conduct and provide logs to OCD that are sufficient for OCD to determine which pool(s) each new completed interval of the Well will produce from.
7. If the downhole commingling of the Pools reduces the value of the oil and 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 downhole commingling application to OCD to amend this Order to remove the pool that 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.
8. If a completed interval of the Well is altered from what is submitted within the Application as identified in Exhibit A, then no later than sixty (60) days after the alteration, Applicant shall submit Form C-103 to the OCD Engineering Bureau detailing the alteration and completed interval.
9. 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).
10. 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**



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**DYLAN M. FUGE  
DIRECTOR**

**DATE:** 10/27/23

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Exhibit A**

Order: DHC-5335

Operator: FAE II Operating, LLC (329326)

Well Name: G G Travis #2

Well API: 30-025-22311

Pool Name: TEAGUE; GLORIETA-UPPER PADDOCK, SW

Upper Zone

Pool ID: 58595

Current:

New: X

Allocation: Fixed Percent

Oil: 93%

Gas: 53%

Interval: Perforations

Top: 4,951

Bottom: 5,033

Pool Name: TEAGUE; PADDOCK-BLINEBRY

Intermediate Zone

Pool ID: 58300

Current: X

New:

Allocation: Fixed Percent

Oil: 0%

Gas: 8%

Interval: Perforations

Top: 5,046

Bottom: 5,908

Bottom of Interval within 150% of Upper Zone's Top of Interval: YES

Pool Name: IMPERIAL; TUBB-DRINKARD

Lower Zone

Pool ID: 33600

Current: X

New:

Allocation: Fixed Percent

Oil: 7%

Gas: 39%

Interval: Perforations

Top: 6,129

Bottom: 6,221

Bottom of Interval within 150% of Upper Zone's Top of Interval: YES

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**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

CONDITIONS

Action 233697

**CONDITIONS**

Operator: FAE II Operating LLC 11757 Katy Freeway, Suite 725 Houston, TX 77079	OGRID: 329326
	Action Number: 233697
	Action Type: [C-107] Down Hole Commingle (C-107A)

**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.	10/27/2023