

**From:** [Marshall Bates](#)  
**To:** [McClure, Dean, EMNRD](#)  
**Cc:** [Goetze, Phillip, EMNRD](#); [Kautz, Paul, EMNRD](#)  
**Subject:** [EXT] RE: DHC applications related to injection wells  
**Date:** Monday, January 4, 2021 12:29:21 PM

Dean,

Does this mean that DHC applications are not necessary for injection wells? If so, then we would formally withdraw the applications.

Thank you,

Marshall Bates  
Forty Acres Energy  
11757 Katy Fwy. Ste. 1000  
Houston, TX 77079  
C: (713) 253-2885

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**From:** [McClure, Dean, EMNRD](#)  
**Sent:** Tuesday, December 22, 2020 4:43 PM  
**To:** [Marshall Bates](#); [David Schellstede](#); [Garret Johnson](#)  
**Cc:** [Goetze, Phillip, EMNRD](#); [Kautz, Paul, EMNRD](#)  
**Subject:** DHC applications related to injection wells

Gentlemen,

I am reviewing the following downhole commingling applications related to injection wells located within Section 32 of Township 25 South and Range 37 East:

Commingling Applications														
Admin	Applicant	OGRID Number	ID	Request Number	Title	API	Allocation	Pending CA	(C) (4) (g)	Infill	Status	Notes	Date	Folder
DHC-5094	FAE II Operating, LLC	329326	<a href="#">11859</a>	<a href="#">pDM2034933844</a>	Arnett Ramsay NCT B 11	30-025-26963					Under Review	Injection authority linked to R-21423	12/14/2020	<a href="#">E:\NM\WORK\DHC\DHC5094</a>
DHC-5095	FAE II Operating, LLC	329326	<a href="#">11864</a>	<a href="#">pDM2034934159</a>	Arnett Ramsay NCT B 15	30-025-48078					Under Review	Injection authority is unknown	12/14/2020	<a href="#">E:\NM\WORK\DHC\DHC5095</a>
DHC-5096	FAE II Operating, LLC	329326	<a href="#">11867</a>	<a href="#">pDM2034934506</a>	Arnett Ramsay NCT B 16	30-025-48079					Under Review	Injection authority is unknown	12/14/2020	<a href="#">E:\NM\WORK\DHC\DHC5096</a>
DHC-5097	FAE II Operating, LLC	329326	<a href="#">11871</a>	<a href="#">pDM2034934782</a>	Arnett Ramsay NCT B 17	30-025-48080					Under Review	Injection authority is unknown	12/14/2020	<a href="#">E:\NM\WORK\DHC\DHC5097</a>

Part 12 of the New Mexico Administrative Code stipulates the requirements for the commingling of pools and leases for purposes of production and a downhole commingling permit does not address the injection of fluids regardless of how many pools are involved. As such, the above referenced downhole commingling applications can not be processed at this time. You will need to either withdraw them formally by sending me an email with a written request to do so or they will be denied.

We are conducting further review of the orders associated with this area and will get back with you once we confirm which routes forward may be available for you to pursue.

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