

**From:** [McClure, Dean, EMNRD](#)  
**To:** [Brittney Storfa](#)  
**Cc:** [Wrinkle, Justin, EMNRD](#)  
**Subject:** RE: [EXTERNAL] RE: surface commingling application CTB-985  
**Date:** Wednesday, October 26, 2022 8:58:00 AM  
**Attachments:** [image001.png](#)

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Ms. Storfa,

It is the Division's understanding that a permit is not required for the commingling project proposed in surface commingling application CTB-985. As such it is now rejected. If new information comes to light or the proposed project changes such that a commingling permit is required, Forty Acres will need to submit another commingling application at that time.

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

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**From:** Brittney Storfa <[brittney@faenergyus.com](mailto:brittney@faenergyus.com)>  
**Sent:** Wednesday, October 26, 2022 7:23 AM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@emnrd.nm.gov](mailto:Dean.McClure@emnrd.nm.gov)>  
**Subject:** RE: [EXTERNAL] RE: surface commingling application CTB-985

Dean,  
I would agree with you. It looks like the previous submitter thought that these wells maybe on different leases. If you are saying they are on the same lease then I also do not see a reason that we would need a surface commingle permit. Thank you for you for your feedback on this project.

Thank you,  
Brittney

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**From:** McClure, Dean, EMNRD <[Dean.McClure@emnrd.nm.gov](mailto:Dean.McClure@emnrd.nm.gov)>  
**Sent:** Tuesday, October 25, 2022 6:07 PM  
**To:** Brittney Storfa <[brittney@faenergyus.com](mailto:brittney@faenergyus.com)>  
**Cc:** Wrinkle, Justin, EMNRD <[Justin.Wrinkle@emnrd.nm.gov](mailto:Justin.Wrinkle@emnrd.nm.gov)>  
**Subject:** RE: [EXTERNAL] RE: surface commingling application CTB-985

Ms. Storfa,

Based upon my review of this application, a commingling permit seems unnecessary for the proposed work.

This is based upon the following factors:

- All wells produce from a common lease; "CA Yates, Seven Rivers, Queen NMSLO PUN 1391693"

- All wells produce from a common pool; "EUMONT; YATES-7 RVRS-QUEEN (GAS)"
- Production is proposed to be commingled and sold from a battery on lease; "State A Com 8 Central Tank Battery"
- Interest is identical

Please provide any relevant information that may not be clear from my initial review to demonstrate the reason for which the commingling application was submitted.

If a commingling permit is required; please provide an allocation method for how the gas production from these wells will be allocated.

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

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**From:** Brittney Storfa <[brittney@faenergyus.com](mailto:brittney@faenergyus.com)>  
**Sent:** Wednesday, May 11, 2022 9:55 AM  
**To:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Subject:** [EXTERNAL] RE: surface commingling application CTB-985

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

Dean,

Attached is the SLO approved letter and signed checklist for the State A Com 8 CTB (CTB-985). Please let me know if you need any additional information.

Thank you,

Brittney Storfa | Engineer

**forty acres energy**

11757 Katy Freeway, Suite 725 | Houston, TX 77079

O [832.241.8080 \(ext. 161\)](tel:832.241.8080)

C [406.860.9065](tel:406.860.9065)

E [brittney@faenergyus.com](mailto:brittney@faenergyus.com)

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**From:** McClure, Dean, EMNRD <[Dean.McClure@state.nm.us](mailto:Dean.McClure@state.nm.us)>  
**Sent:** Wednesday, April 27, 2022 3:48 PM  
**To:** Brittney Storfa <[brittney@faenergyus.com](mailto:brittney@faenergyus.com)>  
**Subject:** FW: surface commingling application CTB-985

Hello Brittney,

Please see the email below. This is the last communication I have on record regarding CTB-985.

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

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**From:** McClure, Dean, EMNRD  
**Sent:** Tuesday, February 23, 2021 9:15 AM  
**To:** Marshall Bates <[marshall@faenergyus.com](mailto:marshall@faenergyus.com)>  
**Subject:** surface commingling application CTB-985

Mr. Bates,

I am reviewing surface commingling application CTB-985 for the commingling project which involves the State A Com 8 CTB operated by FAE II Operating, LLC (329326).

Please fill out and submit the attached admin checklist.

Please note that the SLO will need to be notified of applications which involve state lands regardless of ownership.

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

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

COMMENTS  
  
Action 153824

COMMENTS

Operator: FAE II Operating LLC 11757 Katy Freeway, Suite 725 Houston, TX 77079	OGRID: 329326
	Action Number: 153824
	Action Type: [IM-SD] Admin Order Support Doc (ENG) (IM-AAO)

COMMENTS

Created By	Comment	Comment Date
dmcclure	Rejected under Action ID: 18534	10/26/2022

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**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
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CONDITIONS

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CONDITIONS

Created By	Condition	Condition Date
dmcclure	None	10/26/2022