



April 16, 2020

SENT VIA CERTIFIED MAIL

RE: Notice of C-107B Application
Surface Commingling (diverse ownership) for Franklin Mountain Energy, LLC

Dear Sir/Madam:

For notice purposes, enclosed please find Franklin Mountain Energy, LLC's application filed with the New Mexico Oil Conservation Division ("NMOCD") to commingle production from the following wells in which you may own an interest in the production:

Well Name: PARADE BWY STATE 1H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP (98187)
API: 30-025-43108
Location: SHL: B- Section 2-25S-35E, BHL: G-Section 11-25S-35E

Well Name: COUNTY FAIR BTY STATE 1H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP (98187)
API: 30-025-43117
Location: SHL: D- Section 2-25S-35E, BHL: M-Section 2-25S-35E

Well Name: PROXY WCA STATE COM 1H
Pool: WC-025 G-09 S253502D; UPR WOLFCAMP (98187)
API: 30-025-43922
Location: SHL: M- Section 36-24S-35E, BHL: D-Section 36-24S-35E

Franklin Mountain Energy, LLC's specific plans under this application are as follows:

All wells will go through individual three-phase separators and each stream (oil, gas and water) will be measured as it exits the three-phase separator. Oil will be measured at the three-phase separator with a Coriolis meter, Gas will be measured with an orifice meter, and water will be measured with a mag meter.

Commingling will happen after the three-phase separator. The gas stream will flow into a common line and then into an additional two-phase separator to remove any excess water. Gas from the heater treater and the vapor recovery tower will also flow into the two-phase separator before being sent to our gas gathering pipeline system. The oil will flow into a common line after the three-phase separator, then into a heater treater and vapor recovery tower to remove any remaining water and gas in the oil stream. The oil will then flow into lined oil tanks to be either trucked off or piped into a crude gathering system. The water will be commingled after the three-phase separator into a common line then flow into a gun barrel before it is pumped into our water pipeline system. Oil and gas sales will be allocated against sales meter volumes. All meters will be calibrated according to manufacturer's recommendations.



Pursuant to Rule 19.15.12.10(C)(4)(c), any objection or requests for a hearing regarding this application must be submitted to the NMOCD Santa Fe office in writing within 20 days from the date the OCD received the application. The NMOCD will receive our application in its entirety by April 16, 2020.

Pursuant to Rule 19.15.12.10(C)(4)(g) NMAC, Franklin also requests the option to include additional pools and/or leases within defined parameters set forth in the order for future additions.

Should you have any questions, please contact the undersigned at the contact information provided below.

Respectfully,

Franklin Mountain Energy, LLC

Shelly Albrecht

Director of Land

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Enclosures