

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

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 21803

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 21804

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO**

CASE NO. 21805

**FRANKLIN MOUNTAIN ENERGY, LLC'S
AMENDED CONSOLIDATED PRE-HEARING STATEMENT**

Franklin Mountain Energy, LLC ("Franklin") submits this *Amended* Pre-Hearing Statement for the above-referenced case pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

FRANKLIN MOUNTAIN ENERGY, LLC

ATTORNEY

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OTHER PARTIES

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STARBOARD PERMIAN RESOURCES LLC**

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STATEMENT OF CASE

APPLICANT:

In Case No. 21803, Franklin seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying Lot 1, the SE/4NE/4 and the E/2SE/4 of Section 1, and the E/2E/2 of Section 12, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Vested Fed Com 604H** well to be horizontally drilled. The producing area for the **Vested Fed Com 604H** well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Franklin Mountain Energy, LLC as operator of the well, and a 200% charge for risk involved in drilling said well.

In Case No. 21804, Franklin seeks an order from the Division pooling all uncommitted interests within a Wolfcamp horizontal spacing unit underlying Lots 1 and 2, the S/2NE/4 and the SE/4 of Section 1, and the E/2 of Section 12, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Mission Fed Com 704H, Mission Fed Com 705H, and Vested Fed Com 706H** wells to be horizontally drilled. The completed interval for the Mission Fed Com 705H well will be within 330' from the adjoining tracts to allow inclusion of proximity tracts within the proposed standard horizontal spacing unit. The producing area for the Mission Fed Com 704H, Mission Fed Com 705H, and Vested Fed Com 706H wells will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said wells, the allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Franklin Mountain Energy, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells.

In Case No. 21805, Franklin seeks an order from the Division pooling all uncommitted interests within a Bone Spring horizontal spacing unit underlying Lot 2, the SW/4NE/4 and the W/2SE/4 of Section 1, and the W/2E/2 of Section 12, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Mission Fed Com 603H** well to be horizontally drilled. The producing area for the Mission Fed Com 603H well will be orthodox. Also to be considered will be the cost of drilling, completing, and equipping said well, the

allocation of these costs as well as the actual operating costs and charges for supervision while drilling and after completion, designation of Franklin Mountain Energy, LLC as operator of the well, and a 200% charge for risk involved in drilling said well.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Shelly Albrecht	Approx. 30 minutes	Approx. 8
Geologist: Ben Kessel	Approx. 30 minutes	Approx. 6

PROCEDURAL ISSUES

These cases were originally set for the April 8, 2021 Examiner Docket. Burlington Resources Oil and Gas Company, LP (Burlington) and Max Permian, LLC (Max Permian) and Starboard Permian Resources, LLC (Starboard) entered appearances in these cases, and requested that the cases be continued to April 22, 2021. Franklin agreed and filed continuances for these cases through the April 22, 2021 docket. Franklin has been in discussions with Burlington, Max Permian, and Starboard. Starboard and Max Permian objected to the cases going by affidavit on April 22, 2021, and the cases were continued to May 20, 2021. At this time, Franklin, Starboard, and Max Permian are still in discussions. It is Franklin’s understanding that Starboard and Max Permian do not object to Franklin putting these cases on by affidavit at the May 20 hearing if the parties have reached an agreement by then. If the parties have not reached an agreement by May 20, then the hearing would occur on May 21 and would be presented by affidavits as pre-filed direct testimony with the opportunity to cross-examine witnesses. In order to facilitate settlement discussions, as well as given the possibility of the cases being presented by affidavit, the parties have mutually agreed to submit exhibits and pre-filed testimony on Tuesday, May 18.

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS
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