District IV

87505

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410

1220 S. St Francis Dr, Santa Fe, NM

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B Revised August 1, 2011

OIL CONSERVATION DIVISION

1220 S. St Francis Drive Santa Fe, New Mexico 87505 Submit the original application to the Santa Fe office with one copy to the appropriate District Office.

| | N FOR SURFACE | | (DIVERSE | OWNERSHIP) | |
|---|--|---|-----------------------|---|----------------------|
| OPERATOR NAME: Frank | in Mountain Energy, LL | С | | | |
| OPERATOR ADDRESS: 44 Co | ol Street, Suite 1000, Der | nver, CO 80206 | | | |
| APPLICATION TYPE: | | | | | |
| ☐ Pool Commingling ☐ Lease Comming | gling ■Pool and Lease Co | mmingling Off-Lease | Storage and Measur | ement (Only if not Surface | e Commingled) |
| LEASE TYPE: | State | eral | | | |
| Is this an Amendment to existing Or Have the Bureau of Land Manageme ⊠Yes □No | | | | | ingling |
| | | OL COMMINGLIN ts with the following in | | | |
| (1) Pool Names and Codes | Gravities / BTU of Non-Commingled Production | Calculated Gravities / BTU of Commingled Production | | Calculated Value of Commingled Production | Volumes |
| [98185] WC-025 G-09 S253502B; LWF | | 43.2° / 1234 | | \$50/bbl oil | 330 BOPD |
| BONE SPRING [98187] WC-025 G-09 S253502D; UPR | BTU/CF 43.2° / 1347 | BTU/CF 43.2° / 1234 | | \$1.00/MCF \$50/bbl oil | 400 MCFD 330 BOPD |
| WOLFCAMP | BTU/CF | BTU/CF | | \$1.00/MCF | 400 MCFD |
| | | | | | |
| | | | | | |
| (4) Measurement type: Metering (5) Will commingling decrease the val | (B) LEA | No If "yes", descri | [G | ng should be approved | |
| Pool Name and Code. Is all production from same source Has all interest owners been notified Measurement type: \[\] Metering | by certified mail of the pro | | ⊠Yes □N | 0 | |
| | | I LEASE COMMIN | | | |
| (1) Complete Sections A and E. | | 9 | | | |
| | (B) (ADD = = : = : | | OTT. D | | |
| | (D) OFF-LEASE ST | FORAGE and MEA ets with the following | | | |
| (1) Is all production from same source(2) Include proof of notice to all interest | of supply? | | miormation | | |
| | | | | | |
| (E) | ADDITIONAL INFO Please attach sheet | DRMATION (for all ts with the following in | • • | pes) | |
| (1) A schematic diagram of facility, in (2) A plat with lease boundaries showi (3) Lease Names, Lease and Well Nur | ng all well and facility locat | ions. Include lease number | ers if Federal or Sta | ate lands are involved. | |
| I hereby certify that the information above | is true and complete to the b | pest of my knowledge and | belief. | | |
| SIGNATURE: Jochan Verber | TIT TIT | TLE:_ <u>Director Ops Plannii</u> | ng & Regulatory_ | DATE: <u>8/10/</u> | 2021 |
| TYPE OR PRINT NAME Rachael Over E-MAIL ADDRESS: roverbey@fmello | | | TELEP. | HONE NO.: <u>720-414-</u> 6 | 5878 |



August 10, 2021

New Mexico Oil Conservation Division 1220 South St. Francis Drive Santa Fe, NM 87505

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

To Whom It May Concern:

Franklin Mountain Energy, LLC, OGRID No. 373910, requests to commingle future oil and gas production from 10 wells. Production would come from multiple Federal leases and zones (pool numbers 98185 and 98187). All wells will go through individual three-phase separators and each stream (oil, gas, 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.

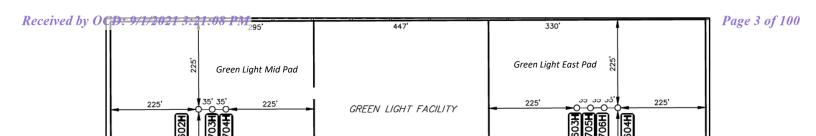
Commingling will happen after the three-phase separator. The gas will flow into a common line after the three-phase separator, flow is directed through an additional two-phase separator to remove any excess liquids before gas is sent into a 3rd party gas gathering system. The oil will be commingled after the three-phase separator into a common line, where it then flows into oil tanks before it is pumped into a 3rd party crude gathering system. The water will be commingled after the three-phase separator into a common line, where it then flows into a gun barrel before it is pumped into a 3rd party water gathering system. Oil and gas sales will be allocated against sales meter volumes. All meters will be calibrated according to manufacturer's recommendations.

Sincerely,

Rachael Overbey

Director Operations Planning and Regulatory

roverbey@fmellc.com Main: 720-414-7868 Mobile: 303-570-4057



Proposed Access Road "I" Proposed Access Road "H"

Proposed Access Road "A"



Green Light West Pad

- Clincher Fed Com 601H
- Clincher Fed Com 701H
- Clincher Fed Com 702H



Green Light Mid Pad

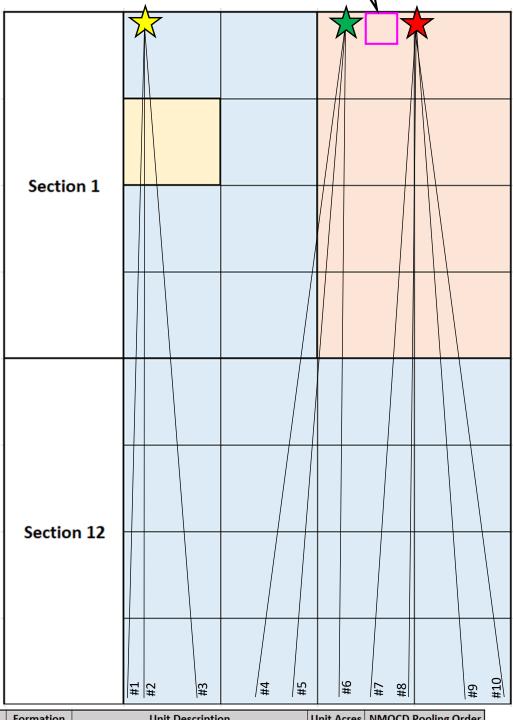
- Merit Federal 602H
- Merit Federal 703H
- Mission Fed Com 704H



Green Light East Pad

- Mission Fed Com 603H
- Mission Fed Com 705H
- Vested Fed Com 604H
- Vested Fed Com 706H
- Green Light CTB

| Section 1 | FEE |
|----------------|-----------|
| Section 12 | NM-45706 |
| Section 1 & 12 | NM-138897 |

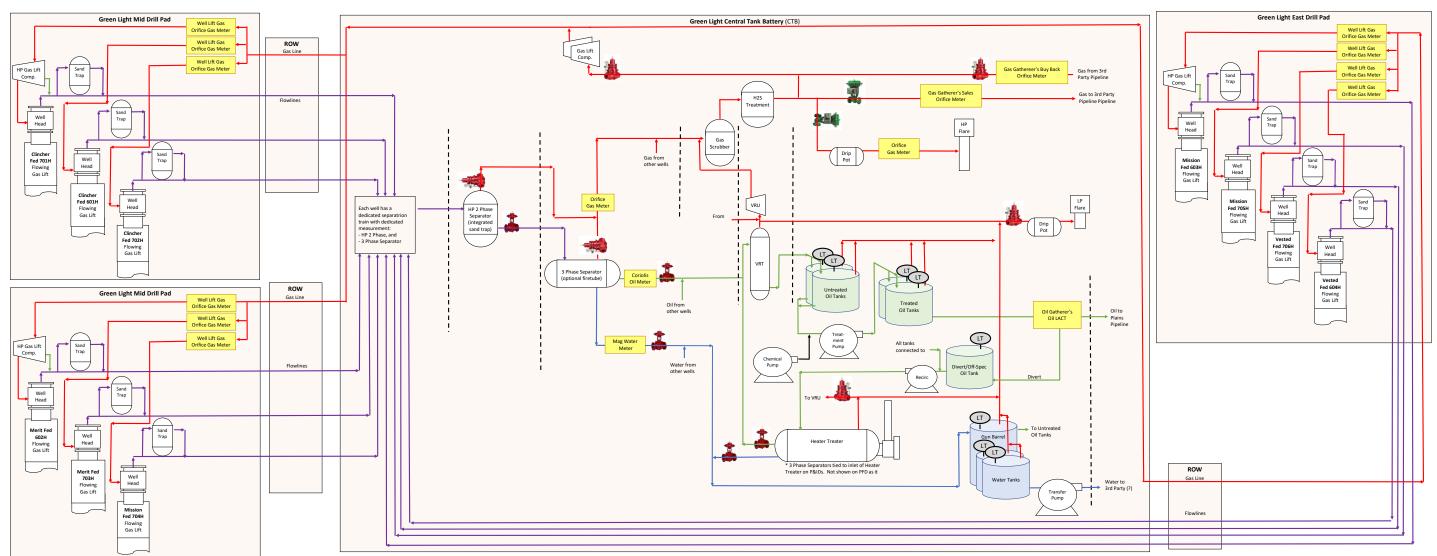


| Plat No. | Well Names | Formation | Unit Description | Unit Acres | NMOCD Pooling Order |
|-------------|--|---------------|---|------------|---------------------|
| | | | Lot 4, SW/4NW/4, W/2SW/4 Sec 1, 25S-35E | | |
| | Clincher Fed Com 701H | Wolfcama | Lot 1, SE/4NE/4, E/2SE/4 Sec 2, 25S-35E | | |
| | Cilitatier red Colli 701h | woncamp | E/2E/2 Sec 11, 25S-35E | | |
| 1 | | | W/2W/2 Sec 12, 25S-35E | 641.51 | R-21646 |
| | Clincher Fod Com 601H | Dana Spring | Lot 4, SW/4NW/4, W/2SW/4 Sec 1, 25S-35E | | |
| 2 | Cilitatier red Colli 001H | Bottle Spring | Lot 4, SW/4NW/4, W/2SW/4 Sec 1, 25S-35E W/2W/2 Sec 12, 25S-35E | 320.7 | R-21645 |
| | Clincher Fed Com 702H | | Lots 3 & 4, S/2NW/4, SW/4 Sec 1, 25S-35E | | |
| 3 | 3 Cliniciter Fed Com 702H | | W/2 Sec 12, 25S-35E | 641.2 | R-21647 |
| | Merit Federal 602H | Bone Spring | Lot 3, SE/4NW/4, E/2SW/4 Sec 1, 25S-35E | | |
| 4 | Wierit rederal 002H | Bone Spring | E/2W/2 Sec 12, 25S-35E | 320.5 | N/A |
| | Merit Federal 703H | Wolfcamp | Lots 3 & 4, S/2NW/4, SW/4 Sec 1, 25S-35E | | |
| 5 | Wierit rederal 703H | Woncamp | W/2 Sec 12, 25S-35E | 641.2 | R-21647 |
| | Mission Fed Com 704H | Wolfcamp | Lots 1 & 2, S/2NE/4, SE/4 Sec 1, 25S-35E | | |
| 6 | Wilssion Fed Com 704m | Woncamp | E/2 Sec 12, 25S-35E | 640.4 | R-21714 |
| | Mission Fed Com 603H | Rone Spring | Lot 2, SW/4NE/4, W/2SE/4 Sec 1, 25S-35E | | |
| 7 | Wilssion Fed Com 605m | bone spring | W/2E/2 Sec 12, 25S-35E | 320.3 | R-21715 |
| | Mission Fed Com 705H | Wolfcamp | Lots 1 & 2, S/2NE/4, SE/4 Sec 1, 25S-35E | | |
| 8 | 8 | | E/2 Sec 12, 25S-35E | 640.4 | R-21714 |
| | Vested Fed Com 706H | Wolfcamp | Lots 1 & 2, S/2NE/4, SE/4 Sec 1, 25S-35E | | |
| 9 | | | E/2 Sec 12, 25S-35E | 640.4 | R-21714 |
| d to Imagin | gvel26226202dn5640H15 | PMe Spring | Lot 1, SE/4NE/4, E/2SE/4 Sec 1, 25S-35E | | |
| 10 | a Carata de la Car | Jerre Spring | E/2E/2 Sec 12, 25S-35E | 320.1 | R-21713 |

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Green Light CTB

June 2021



Proposed Access Road "H"

Proposed Access
Road "I"

Proposed Access Road "A"

FRANKLIN MOUNTAIN ENERGY LLC

GREEN LIGHT FACILITY PAD LOT 2, SECTION 1, T25S, R35E, N.M.P.M. LEA COUNTY, NEW MEXICO

UINTAH ENGINEERING & LAND SURVEYING

UELS, LLC Corporate Office * 85 South 200 East Vernal, UT 84078 * (435) 789-1017

| SURVEYED BY | A.H., T.P. | 02-13-20 | SCALE |
|-------------|------------|----------|------------|
| DRAWN BY | T.A. | 02-24-20 | 1'' = 100' |
| | SITE PLA | N | |

BEGINNING AT THE INTERSECTION OF HIGHWAY 18 & HIGHWAY 128 IN JAL, NEW MEXICO PROCEED IN A WESTERLY, THEN NORTHWESTERLY DIRECTION ALONG HIGHWAY 128 APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD "A" TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY, THEN EASTERLY DIRECTION APPROXIMATELY 3,123' TO THE BEGINNING OF THE PROPOSED ACCESS ROAD "H" TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 87' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM JAL, NEW MEXICO TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 11.9 MILES.

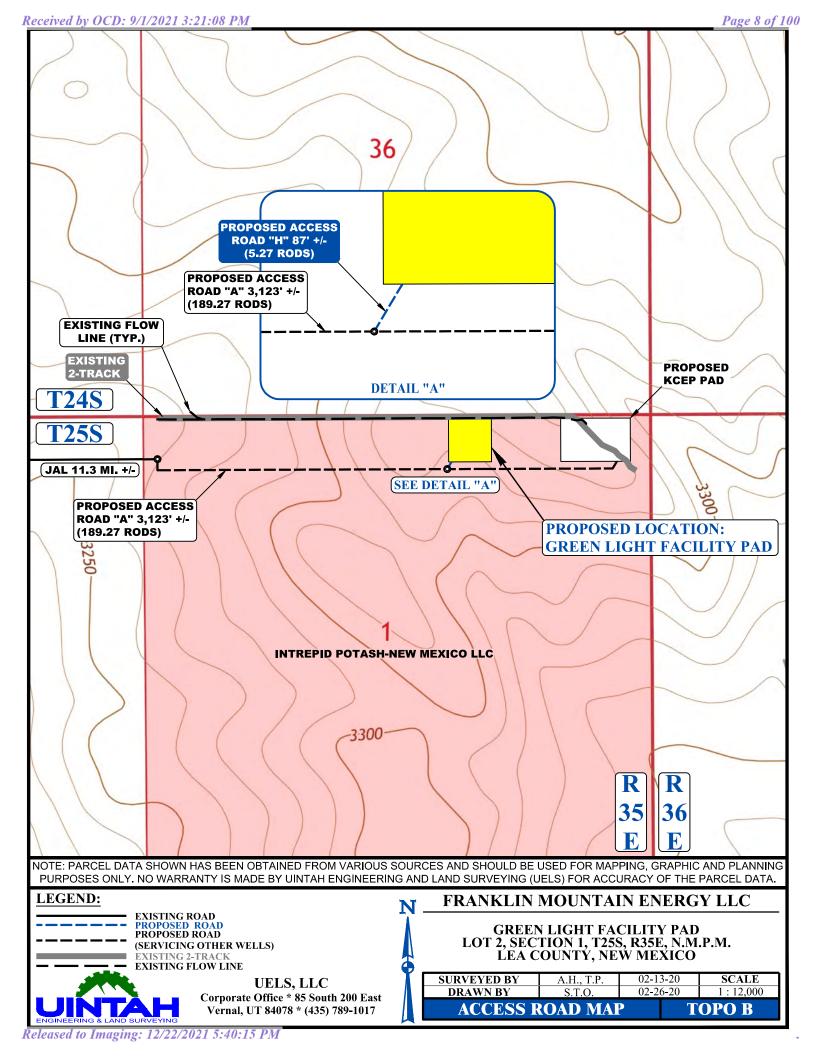
FRANKLIN MOUNTAIN ENERGY LLC

GREEN LIGHT FACILITY PAD LOT 2, SECTION 1, T25S, R35E, N.M.P.M. LEA COUNTY, NEW MEXICO



UELS, LLC Corporate Office * 85 South 200 East Vernal, UT 84078 * (435) 789-1017

| SURVEYED BY | A.H., T.P. | 02-13-20 | |
|-------------|------------|----------|--|
| DRAWN BY | S.T.O. | 02-26-20 | |
| RO | AD DESCI | RIPTION | |





August 19, 2021

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: CLINCHER FED COM 701H

Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]

API: 30-025-48809

Location: SHL: D- Section 1-25S-35E, BHL: M-Section 12-25S-35E

Well Name: CLINCHER FED COM 601H

Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]

API: 30-025-48808

Location: SHL: D- Section 1-25S-35E, BHL: M-Section 12-25S-35E

Well Name: CLINCHER FED COM 702H

Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]

API: 30-025-48810

Location: SHL: D- Section 1-25S-35E, BHL: M-Section 12-25S-35E

Well Name: MERIT FEDERAL 602H

Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]

API: 30-025-48619

Location: SHL: B- Section 1-25S-35E, BHL: N-Section 12-25S-35E

Well Name: MERIT FEDERAL 703H

Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]

API: 30-025-48620

Location: SHL: B- Section 1-25S-35E, BHL: N-Section 12-25S-35E

Well Name: MISSION FED COM 704H

Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]

API: 30-025-48622

Location: SHL: B- Section 1-25S-35E, BHL: O-Section 12-25S-35E



Well Name: MISSION FED COM 603H

Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]

API: 30-025-48621

Location: SHL: B- Section 1-25S-35E, BHL: O-Section 12-25S-35E

Well Name: MISSION FED COM 705H

Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]

API: 30-025-48623

Location: SHL: B- Section 1-25S-35E, BHL: O-Section 12-25S-35E

Well Name: VESTED FED COM 706H

Pool: WC-025 G-09 S253502D; UPR WOLFCAMP [98187]

API: 30-025-48624

Location: SHL: B- Section 1-25S-35E, BHL: P-Section 12-25S-35E

Well Name: VESTED FED COM 604H

Pool: WC-025 G-09 S253502B; LWR BONE SPRING [98185]

API: 30-025-48812

Location: SHL: B- Section 1-25S-35E, BHL: P-Section 12-25S-35E

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

Franklin Mountain Energy, LLC, OGRID No. 373910, will commingle future oil and gas production from the aforementioned ten (10) wells. Production will come from multiple Federal leases and zones (pool numbers 98185 and 98187). All wells will go through individual three-phase separators and each stream (oil, gas, 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 will flow into a common line after the three-phase separator, flow is directed through an additional two-phase separator to remove any excess liquids before gas is sent into a 3rd party gas gathering system. The oil will be commingled after the three-phase separator into a common line, where it then flows into oil tanks before it is pumped into a 3rd party crude gathering system. The water will be commingled after the three-phase separator into a common line, where it then flows into a gun barrel before it is pumped into a 3rd party water gathering 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 on or before August 24, 2021.

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

salbrecht@fmellc.com Direct: (720) 414-7855 Mobile: (720) 630-0544

Enclosures

Page 13 of 100

| Heirs and Devisees of Odella N. Clark C/O Walker Royalty, LP | UNL/WI | 4925 Greenville Ave, Ste. 500 Dallas TX 75206-4031 | 9414 7116 9900 0013 3560 45 | 8/19/2021 |
|---|--------|--|--|-----------|
| St. Joseph's Residence, Inc. | UNL/WI | 330 W Pembroke Ave Dallas, TX 75208 | 9414 7116 9900 0013 3513 85 | 8/19/2021 |
| Richard L. Cromartie | UNL/WI | 155 Ocean Lane Dr, Apt. 509 Key Biscayne, FL 33149 | 9414 7116 9900 0013 3699 22 | 8/19/2021 |
| Richard L. Cromartie, Jr. | UNL/WI | 15001 Julia Mae Ct Tallahassee, FL 32312 | 9414 7116 9900 0013 3639 99 | 8/19/2021 |
| Heirs and Devisees of Lillian Smith Ward, C/O Joseph Carl Ward III | UNL/WI | 9113 Storrington Way Raleigh, NC 27615 | 9414 7116 9900 0013 3675 15 | 8/19/2021 |
| Heirs and Devisees of Lillian Smith Ward, C/O John Richard Ward | UNL/WI | 502 21st Ave N North Myrtle Beach, SC 29582 | 9414 7116 9900 0013 3612 16 | 8/19/2021 |
| Heirs and Devisees of Jack Wooten | UNL/WI | 93 14th Street Garden City, NY 11530 | 9414 7116 9900 0013 3895 17 | 8/19/2021 |
| Heirs and Devisees of Mary C. Smith | UNL/WI | 355 Chelsea Circle, NE Atlanta, GA 30307 | 9414 7116 9900 0013 3849 32 | 8/19/2021 |
| Mary Frances Orr Gibbs | UNL/WI | 1130 Bragdon Rd Lake City, SC 29560 | 9414 7116 9900 0013 3859 08 | 8/19/2021 |
| Jane L. Rule, Trustee under the Jane L. Rule Family Trust dated 6/24/1992, restated 7/26/1996 | UNL/WI | 5816 S 67th East Ave, Apt 67 Tulsa, OK 74145 | 9414 7116 9900 0013 3829 76 | 8/19/2021 |
| Heirs, Devisees, and Assigns of Mildred Smith Rawls C/O Shamrock Royalty, LP | UNL/WI | 200 W. Hwy 6, Suite 320 Woodway, TX 76712 | 9414 7116 9900 0013 3861 72 | 8/19/2021 |
| Heirs, Devisees, and Assigns of Mary Smith Bowers, C/O James L. Bowers | UNL/WI | 631 N. Central Ave. Chicago, IL 60644 | 9414 7116 9900 0013 3813 44 | 8/19/2021 |
| Heirs, Devisees, and Assigns of Mary Smith Bowers, C/O Edward A. Bowers | UNL/WI | 4405 Bradley Ln. Arlington TX 76017 | 9414 7116 9900 0013 3091 95 | 8/19/2021 |
| Heirs, Devisees, and Assigns of Mary Smith Bowers, C/O Ellen Blandford | UNL/WI | 4335 Branley Ln. Arlington TX 76017 | 9414 7116 9900 0013 3031 93 | 8/19/2021 |
| Heirs, Devisees, and Assigns of Mary Smith Bowers, C/O Brenda Bowers | UNL/WI | HC 67 Box 218 Nogal, NM 88341 | 9414 7116 9900 0013 3040 46 | 8/19/2021 |
| Heirs and Devisees of David Lynch, C/O Lynette Lough | UNL/WI | 3312 Linda Lane Canton, TX 79015 | 9414 7116 9900 0013 3028 20 | 8/19/2021 |
| Heirs and Devisees of Edward D. Smith, C/O Ramona Nadine Garrett | UNL/WI | 6808 Illinois Hobbs, NM 88240 | 9414 7116 9900 0013 3007 10 | 8/19/2021 |
| Medlin and Charlotte Lynch, Joint Tenants | UNL/WI | 3312 Linda Lane Canton, TX 79015 | 9414 7116 9900 0013 3087 30 | 8/19/2021 |
| Richard A. Whittington | UNL/WI | 561 Nightingale Dr Indialantic, FL 32903 | 9414 7116 9900 0013 2340 08 | 8/19/2021 |
| Dudley M. Smith | UNL/WI | 1922 Ferry Rd Havelock, NC 28532 or 905 Saltwood Ln | 9414 7116 9900 0013 2329 05 9414 7116 9900 0013 2324 93 | |
| | | Wilmington, NC 28411 | | 8/19/2021 |

| Elsie Heard McAdoo | UNL/WI | 1213 Denbigh Lane | 9414 7116 9900 0013 2384 19 | |
|----------------------------|----------|--|-----------------------------|-----------|
| Liste Fleate MicAddo | GIVE/ WI | Radnor, PA 19087 | 3414 7110 3300 0013 2384 13 | 8/19/2021 |
| Barbara Ellen Gerloff | RI | 13702 Wilderness Creek San Antonio, TX 78231 | 9414 7116 9900 0013 2362 00 | 8/19/2021 |
| Susan Dian Bourque | RI | 104 Strassle Dr Whitehouse, TN 37188 | 9414 7116 9900 0013 2364 60 | 8/19/2021 |
| James Wesley Burch II | RI | 407 Alex Dr Coppell, TX 75019 | 9414 7116 9900 0013 2310 90 | 8/19/2021 |
| Colleen Peterman | RI | 36 Will Dr Fenton, MO 63026 | 9414 7116 9900 0013 2195 00 | 8/19/2021 |
| Robert Crane | RI | 4650 Stout Rd Midlothian, TX 76065 | 9414 7116 9900 0013 2134 61 | 8/19/2021 |
| Charles Kenn Crane | RI | 310 Indian Mound Road Clinton, MS 39056 | 9414 7116 9900 0013 2156 94 | 8/19/2021 |
| Carolyn Thompson | RI | 104 E 17th St Portales, NM 88130 | 9414 7116 9900 0013 2126 24 | 8/19/2021 |
| George Crane | RI | 11839 Sagamore Dr Yukon, OK 73099-6601 | 9414 7116 9900 0013 2109 72 | 8/19/2021 |
| Shirley Terry | RI | P.O. Box 1535 Afton, WY 83110 | 9414 7116 9900 0013 2559 73 | 8/19/2021 |
| Stanley Rogers | RI | 15501 N FM 179 Shallowater, TX 79363 | 9414 7116 9900 0013 2501 07 | 8/19/2021 |
| Billie Dixon | RI | 1061 New Mexico 267 Portales, NM 88130 | 9414 7116 9900 0013 2572 05 | 8/19/2021 |
| Roberta Hunt Wilson | RI | 438 South R Rd Y Portales, NM 88130 | 9414 7116 9900 0013 2514 63 | 8/19/2021 |
| Marietta Perkins | RI | 1724 Curry Rd 15 Clovis, NM 88130 | 9414 7116 9900 0013 2632 06 | 8/19/2021 |
| Donna Moore Blystone | RI | 20511 Oak Farm San Antonio, TX 78258 | 9414 7116 9900 0013 2647 60 | 8/19/2021 |
| Barbara Moore Garcia | RI | 140 La Mirada Circle El Paso, TX 79932 | 9414 7116 9900 0013 2652 79 | 8/19/2021 |
| Charles Kenneth Moore | UNL/WI | 18326 East San Ignacio Ct Gold Canyon, AZ 85118 | 9414 7116 9900 0013 2622 61 | 8/19/2021 |
| Helen Campsey | RI | 21550 Valley View Rd Canyon, TX 79015 | 9414 7116 9900 0013 2625 06 | 8/19/2021 |
| Christopher Daniel Kennann | RI | 3502 Shoreline Bluff Lane San Diego, CA 92120 | 9414 7116 9900 0013 2604 65 | 8/19/2021 |
| Mitchell Zinck | RI | 7419 Tacoma Dr. Amarillo, TX 79118 | 9414 7116 9900 0013 2683 24 | 8/19/2021 |
| James Gregory | RI | 12617 N C Rd 1400 Shallowater, TX 79363 | 9414 7116 9900 0013 2674 64 | 8/19/2021 |
| Clifford D. Gregory | RI | 4506 Black Hickory Woods San Antonio, TX 78249 | 9414 7116 9900 0013 2660 78 | 8/19/2021 |
| Cheryl Landon | RI | 6201 W Cemetery Rd Canyon, TX 79015 | 9414 7116 9900 0013 2610 66 | 8/19/2021 |

| Cojeen Camden, LLC | RI | P. O. Box 3627 Tulsa, OK 74101-3627 | 9414 7116 9900 0013 5462 24 | 8/19/2021 |
|---|--------|---|-----------------------------|-----------|
| H. Winfield Smith, Jr. | UNL/WI | 4634 Parmele Rd Castle Hayne, NC 28429 | 9414 7116 9900 0013 5410 52 | 8/19/2021 |
| William C. Kennann, Trustee of the Kennann Family Trust | RI | 1110 Darlene Drive Santa Cruz, CA 95062 | 9414 7116 9900 0013 5794 68 | 8/19/2021 |
| Robert L. Hunt Wilson | RI | 438 South R Rd Y Portales, NM 88130 | 9414 7116 9900 0013 5734 28 | |
| Encanto Minerals, LLC | ORRI | 2929 Allen Parkway, Suite 200 Houston, TX 77254 | 9414 7116 9900 0013 5740 67 | |
| Tierra Royalties, LLC | ORRI | c/o Carnelian Energy Capital Managements, LP 2229 San Felipe St., Suite 1450 Houston, TX 77019 | 9414 7116 9900 0013 5755 38 | 8/19/2021 |
| Bryan Bell Family LLC | ORRI | 1331 Third Street, New Orleans, LA 70130 & | 9414 7116 9900 0013 5724 83 | |
| Bryan Bon Family 220 | O.W. | 213 20th Street, New Orleans, LA 70124- 1235 | 9414 7116 9900 0013 5706 87 | 8/19/2021 |
| DMA, Inc | ORRI | P.O. Box 1496, Roswell, NM 88202 | 9414 7116 9900 0013 5778 91 | 8/19/2021 |
| Morris E. Schertz | ORRI | P.O. Drawer 2588 Roswell, NM 88202-2588 | 9414 7116 9900 0013 5769 24 | 8/19/2021 |
| Nuevo Seis, LP | ORRI | P.O. Box 2588 Roswell, NM 88202-2588 | 9414 7116 9900 0013 5935 63 | 8/19/2021 |
| Robert N. Enfield Trustee of the Robert N. Enfield Revocable Trust dated 3/6/1999 | ORRI | P.O. Box 2431 Santa Fe, NM 87504 | 9414 7116 9900 0013 5950 93 | 8/19/2021 |
| Charmar, LLC | ORRI | 4815 Vista Del Oso Court, N.E., Albuquerque, NM 87109-2557 | 9414 7116 9900 0013 5980 18 | 8/19/2021 |
| Jetstream Royalty Partners, LP | ORRI | P.O. Box 471396 Fort Worth, TX 76147 | 9414 7116 9900 0013 5968 54 | 8/19/2021 |
| Lisa M. Enfield, Trustee of the Lisa M. Enfield Trust dated 1/23/2015 | ORRI | 465 Camino Manzano Santa Fe, NM 87505 | 9414 7116 9900 0013 5916 13 | 8/19/2021 |
| MLE, LLC | ORRI | P.O. Box 1683 Santa Fe, NM 87504 | 9414 7116 9900 0013 5291 11 | 8/19/2021 |
| Richard C. Deason | ORRI | P.O. Box 1301 N. Havenhurst #217, West Hollywood, CA 90046 | 9414 7116 9900 0013 5234 85 | 8/19/2021 |
| Thomas D. Deason | ORRI | 6402 County Road 7420 Lubbock, TX 79424-8410 | 9414 7116 9900 0013 5245 81 | 8/19/2021 |
| Ronald H. Mayer, Trustee of the Ronald H. Mayer and Martha M. Mayer Revocable Trust dated 3/19/1992 | ORRI | P.O. Box 2391 Roswell, NM 88202 | 9414 7116 9900 0013 5254 41 | 8/19/2021 |
| SAP, LLC | ORRI | 4901 Whitney Lane Roswell, NM 88203 | 9414 7116 9900 0013 5224 64 | 8/19/2021 |
| Howard A. Rubin, Inc. | ORRI | P.O. Box 58 El Rito, NM 87530 | 9414 7116 9900 0013 5203 85 | 8/19/2021 |

| | | 1331 Third Street New Orleans, LA 70130 | 9414 7116 9900 0013 5280 46 | |
|----------------------------------|------|--|-----------------------------|-----------|
| Rubie Crosby Bell Family, LLC | ORRI | & | | |
| | | 213 20th Street | 9414 7116 9900 0013 5277 04 | 0/40/2024 |
| | | New Orleans, LA 70124-1235 | | 8/19/2021 |
| CrownRock Minerals, L.P. | ORRI | P.O. Box 51933 | 9414 7116 9900 0013 5266 22 | |
| Clowintock Millerals, E.F. | ONN | Midland, TX 79710 | 9414 7110 9900 0013 3200 22 | 8/19/2021 |
| Foundation Minerals, LLC | ORRI | P.O. Box 50820 | 9414 7116 9900 0013 5216 65 | |
| Foundation winerals, LLC | OKKI | Midland, TX 79710 | 9414 /116 9900 0013 5216 65 | 8/19/2021 |
| Mavros Minerals II, LLC | ORRI | P.O. Box 50820 | 0414 7116 0000 0012 5522 60 | |
| INIAVIOS MINERAIS II, LLO | ORRI | Midland, TX 79710 | 9414 7116 9900 0013 5532 60 | 8/19/2021 |
| Oak Vallay Minarala and Land LD | ORRI | P.O. Box 50820 | 0414 7116 0000 0013 5547 63 | |
| Oak Valley Minerals and Land, LP | URRI | Midland, TX 79710 | 9414 7116 9900 0013 5547 62 | 8/19/2021 |

Affidavit of Publication

STATE OF NEW MEXICO

Daniel Russell, Publisher of the Hobbs
News-Sun, a newspaper published at
Hobbs, New Mexico, solemnly swear that
the clipping attached hereto was published
n the regular and entire issue of said
newspaper, and not a supplement thereof
for a period of 1 issue(s).

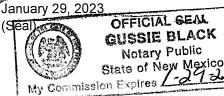
Beginning with the issue dated August 26, 2021 and ending with the issue dated August 26, 2021.

Dubliahan

Sworn and subscribed to before me this 26th day of August 2021.

Business Manager

My.commission expires with



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL

LEGAL

LEGAL NOTICE August 26, 2021

Application of Franklin Mountain Energy, LLC for Application of Franklin Mountain Energy, LLC for approval of surface commingling, Lea County, New Mexico. Notice to all affected parties, as well as the heirs and devisees of: NMTX Mineral Fund, LLC; John Warren Erickson; Heirs of Margaret Bearly Marlow; Heirs and Devisees of Jane Cromartie Williams Deviseos of Fund W. Graham: Katio Cromartie Williams; Heirs and Devisees of Harry E. Smith; Heirs and Devisees of Eva W. Graham; Katie Smith; Heirs and Devisees of Eva W. Graham; Katie Smith Hazelhurst; Heirs and Devisees of David Lynch; Heirs or devisees of Cassius L. Smith; Steven R. Fine; Heirs and Devisees of Kathleen A. Smith; T. Wooten, Jr., Issue of Harry Eldon Smith, deceased; Cayuga Royalties, LLC; Richard John Shaughnessy; Mary McSparren Sutton; Margaret Ann Shaughnessy; Julie Ann Erickson; Rudy Ellis, LTD; William F. Smith; Elizabeth Wilson; Heirs, Devisees, and Assigns of Odella N. Clark; Heirs and Devisees of Lillian Smith Ward; Heirs and Devisees of Mary C. Smith; Heirs, Devisees, and Assigns of Mildred Smith wooten; Heirs and Devisees of Mary C. Smith; Heirs, Devisees, and Assigns of Mildred Smith Rawls; Heirs or devisees of Mary Smith Bowers; Heirs or devisees of Edward D. Smith; Heirs, Devisees and Assigns of Elsie Heard McAdoo; HERV Oil, LLC; Shamrock Royalty, LP, Walker Royalty, LP; United States of America, BLM of Franklin Mountain Energy, LLC's application for surface commingling. Franklin Mountain Energy, LLC, 44 Cook Street. Suite 1000, Denver, Colorado, 80206, has filed an application with the New Mexico Oill Conservation Division seeking administrative Oil Conservation Division seeking administrative approval to surface lease commingle production according to the provisions of NMAC 19.15.12.10.C from the Clincher Fed Com 601H well, Merit Federal 602H well, Mission Fed Com 603H well and Vested Fed Com 604H well, all located in the WC-025 G-09 S253502B; LWR BONE SPRING pool (98185) with the Clincher Fed Com 701H well, Clincher Fed Com the Clincher Fed Com 701H well, Clincher Fed Com 702H well, Merit Federal 703H well, Mission Fed Com 704H well, Mission Fed Com 705H well and Vested Fed Com 706H well all located in the WC-025 G-09 S253502D; UPR WOLFCAMP pool (98187), all located in Sections 1 & 12, T25S-R35E, Lea County, New Mexico. Any objection or requests for a hearing regarding this application must be submitted to the Division's Santa Fe office, 1220 South St. Francis Drive Santa Fe New Mexico. South St. Francis Drive, Santa Fe, New Mexico. 87505 in writing within 20 days of this publication. Any interested party with questions or comments may contact Rachael Overbey, 720-414-6878, roverbey@fmellc.com. #36788

67116598

00257700

JESSICA GREY FRANKLIN MOUNTAIN ENERGY 44 COOK STREET, SUITE 1000 DENVER, CO 80206

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | • | ² Pool Code | | |
|-------------------------|---|------------------------|----------------------|--------------------|
| 30-025-48808 | 3 | 98185 | WC-025 G-09 S253502F | 3; LWR BONE SPRING |
| 4 Property Code | | 5 Pr | operty Name | 6 Well Number |
| 330789 | | CLINC | 601H | |
| 7 OGRID No. | | 8 O _l | perator Name | 9 Elevation |
| 373910 | | FRANKLIN MO | UNTAIN ENERGY LLC | 3273.6' |

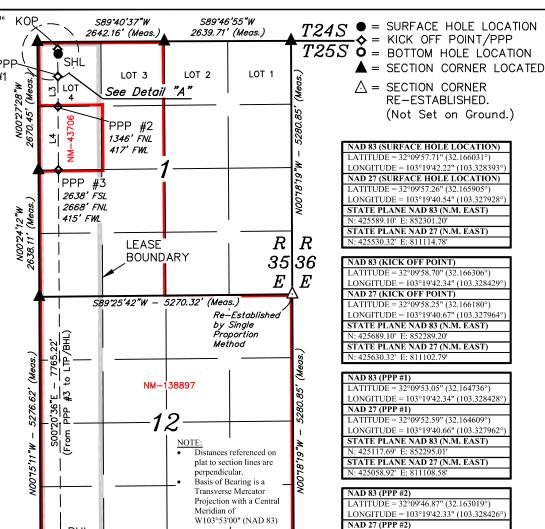
¹⁰ Surface Location

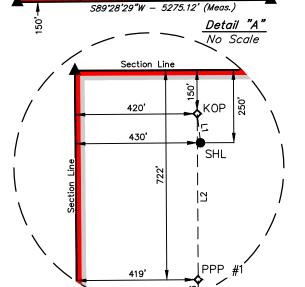
| 4 1 258 35E 250 NORTH 430 WEST | UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|--|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 1 1 255 55E 250 1(OKIII 150 ((ES) | 4 | 1 | 25S | | | 250 | NORTH | 430 | WEST | LEA |

"Bottom Hole Location If Different From Surface

| UL or lot no. M | Sect 1 | 2 | Township 25S | Range 35E | Lot Idn | Feet from the 150 | North/South line SOUTH | Feet from the 420 | East/West line WEST | County LEA |
|----------------------------|-----------|-------|-----------------|--------------|----------------|-------------------------|---------------------------|-------------------|------------------------|---------------|
| 12 Dedicated Acre 320.7 | es | 13 Jo | oint or Infill | 14 Conso | olidation Code | ¹⁵ 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.





RHI

NAD 83 (PPP #2) LATITUDE = 32°09'46.87" (32.163019°) LONGITUDE = 103°19'42.33" (103.328426°) NAD 27 (PPP #2) LATITUDE = 32°09'46.41" (32.162892°) LONGITUDE = 103°19'40.66" (103.327961°)
STATE PLANE NAD 83 (N.M. EAST)

STATE PLANE NAD 27 (N.M. EAST) N: 424434.29' E: 811114.91'

NAD 83 (PPP #3) LATITUDE = 32°09'33.79" (32.159385°) LONGITUDE = 103°19'42.32" (103.328422°) NAD 27 (PPP #3)
LATITUDE = 32°09'33.33" (32.159259°)
LONGITUDE = 103°19'40.65" (103.3279 LONGITUDE = 103°19'40.65" (103.3279 STATE PLANE NAD 83 (N.M. EAST) N: 423171.24' E: 852314.82' STATE PLANE NAD 27 (N.M. EAST) N: 423112.53' E: 811128.31'

NAD 83 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'16.96" (32.138045°) LONGITUDE = 103°19'42.24" (103.328401° NAD 27 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'16.51" (32.137918°) LONGITUDE = 103°19'40.57" (103.327937° STATE PLANE NAD 83 (N.M. EAST) N: 415407.56' E: 852393.80'

STATE PLANE NAD 27 (N.M. EAST)

17 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 no worker of such entirend. right to drift miss well at his 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.

ull Moult 7/22/2021

Shelly Albrecht
Printed Name

salbrecht@fmellc.com

F-mail Address

18 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 rrect to the best of my belief.

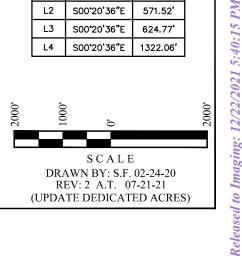
February 13, 2020

Signature and Seal of Professional Surveyor:



Certificate Number

| LINE TABLE | | | | | | | |
|-------------|--|--|--|--|--|--|--|
| DIRECTION | LENGTH | | | | | | |
| N06°36'07"W | 100.73' | | | | | | |
| S00°20'36"E | 571.52' | | | | | | |
| S00°20'36"E | 624.77 | | | | | | |
| S00°20'36"E | 1322.06 | | | | | | |
| | DIRECTION N06'36'07"W S00'20'36"E S00'20'36"E | | | | | | |



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720

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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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

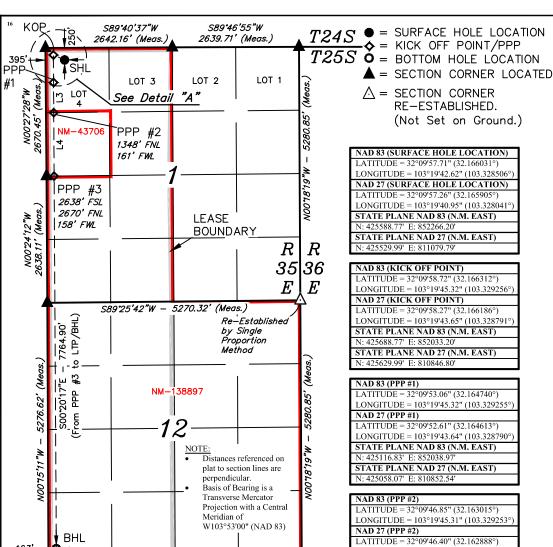
| ¹ API Number | r | ² Pool Code | ³ Pool Name | |
|-------------------------|---|------------------------|------------------------------|---------------|
| 30-025-48809 | | 98187 | WC-025 G-09 S253502D; UPR WC | OLFCAMP |
| 4 Property Code | | 5 Pr | operty Name | 6 Well Number |
| 330789 | | CLINC | HER FEDERAL | 701H |
| 7 OGRID No. | | 8 OI | ⁹ Elevation | |
| 373910 | | FRANKLIN MO | UNTAIN ENERGY LLC | 3273.4' |

¹⁰ Surface Location

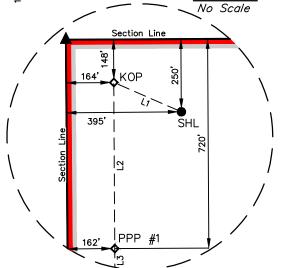
| UL or lot no. | Section 1 | Township 25S | Range 35E | Lot Idn | Feet from the 250 | North/South line NORTH | Feet from the 395 | East/West line WEST | County LEA | | | |
|---------------|---|-----------------|--------------|---------|-------------------|---------------------------|-------------------|------------------------|---------------|--|--|--|
| | "Bottom Hole Location If Different From Surface | | | | | | | | | | | |

| _ | | | | | | | | | | | | | | |
|---|--------------------------------|--|----------|----------------|----------|----------------|--------|-----------------|-------|---------------|----------------|--------|-----|--|
| | UL or lot no. Section Township | | Township | Range | Lot Idn | Feet fro | om the | North/South lin | ne | Feet from the | East/West line | County | | |
| | M | | 2 | 25S | 35E | | 15 | 0 | SOUTH | | 163 | WEST | LEA | |
| | 12 Dedicated Acres | | 13 Jo | oint or Infill | 14 Conso | olidation Code | 15 (| Order No. | | | | | | |
| | 641.51 | | | | | | - 1 | | | | | | | |

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.



Detail "A"



S89°28'29"W - 5275.12' (Meas.)

STATE PLANE NAD 27 (N.M. EAST) NAD 83 (PPP #3) LATITUDE = 32°09'33.77" (32.159382 LONGITUDE = 103°19'45.30" (103.329250°) NAD 27 (PPP #3)
LATITUDE = 32°09'33.32" (32.159255°)
LONGITUDE = 103°19'43.63" (103.3287 LONGITUDE = 103°19'43.63" (103.3287 STATE PLANE NAD 83 (N.M. EAST) N: 423167.50' E: 852058.61' STATE DE ANDRE

LONGITUDE = 103°19'43.64" (103.328788°)

STATE PLANE NAD 83 (N.M. EAST)

STATE PLANE NAD 27 (N.M. EAST) N: 423108.79' E: 810872.11'

NAD 83 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'16.95" (32.138042°) LONGITUDE = 103°19'45.23" (103.329231° NAD 27 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'16.49" (32.137915°) LONGITUDE = 103°19'43.56" (103.328767°) STATE PLANE NAD 83 (N.M. EAST)

N: 415404.13' E: 852136.86'

STATE PLANE NAD 27 (N.M. EAST)

17 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 m worker of such a nineral. right to drift miss well at his 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.

ull llwell 7/22/2021

Shelly Albrecht

salbrecht@fmellc.com

18 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 rrect to the best of my belief.

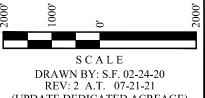
February 13, 2020

Signature and Seal of Professional Surveyor:



Certificate Number

| | LINE TABLE | | | | | | | | |
|---|------------|-------------|----------|--|--|--|--|--|--|
| ĺ | LINE | DIRECTION | LENGTH | | | | | | |
| | L1 | N66°31'57"W | 253.59' | | | | | | |
| | L2 | S00°20'16"E | 572.05' | | | | | | |
| | L3 | S00°20'17"E | 627.68 | | | | | | |
| | L4 | S00°20'17"E | 1322.03' | | | | | | |
| • | | | | | | | | | |



Released to Imaging: 12/22/2021 5:40:15 PM

(UPDATE DEDICATED ACREAGE)

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410

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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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| _ | | | | | |
|---|-------------------------|---|------------------------|------------------------|---------------|
| | ¹ API Number | • | ² Pool Code | ³ Pool Name | |
| | 30-025-4881 | 0 | 98187 | WOLFCAMP | |
| | 4 Property Code | | 5 Pr | operty Name | 6 Well Number |
| | 330789 | | CLINC | HER FEDERAL | 702H |
| | ⁷ OGRID No. | | 8 OI | perator Name | 9 Elevation |
| | 373910 | | FRANKLIN MO | UNTAIN ENERGY LLC | 3273.8' |

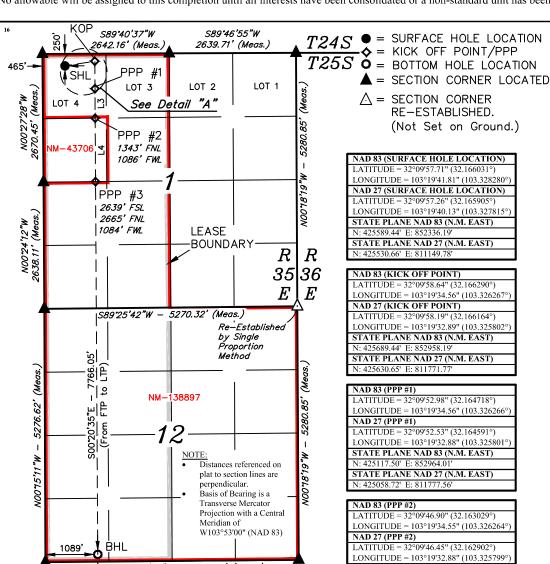
¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 4 | 1 | 25S | 35Ē | | 250 | NORTH | 465 | WEST | LEA |

"Bottom Hole Location If Different From Surface

| UL or lot no. M | Secti 12 | , | Township 25S | Range 35E | Lot Idn | F | eet from the 150 | North/South line SOUTH | Feet from the 1089 | East/West line WEST | County LEA |
|-----------------------------|-------------|------------------|-----------------|--------------|----------------|---|---------------------|---------------------------|-----------------------|------------------------|---------------|
| 12 Dedicated Acres 641.2 | | ¹³ Jo | oint or Infill | 14 Conso | olidation Code | | 15 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.



S89°28'29"W <u>- 5275.12' (Meas.)</u>

156,

Section Line

L1_

728,

1089'

1088

2

250

SHL

465'

<u>Detail</u> "A

No Scale

NAD 83 (PPP #3) LATITUDE = 32°09'33.82" (32.159395°) LONGITUDE = 103°19'34.54" (103.326261°) NAD 27 (PPP #3) LATITUDE = 32°09'33.37" (32.159268°) LONGITUDE = 103°19'32.87" (103.3257 LONGITUDE = 103°19'32.87" (103.3257 STATE PLANE NAD 83 (N.M. EAST) N: 423181.00' E: 852983.70' STATE PLANE NAD 27 (N.M. EAST) N: 423122.28' E: 811797.18'

LONGITUDE = 103°19'32.88" (103.325799

STATE PLANE NAD 83 (N.M. EAST)

STATE PLANE NAD 27 (N.M. EAST)

| NAD 83 (BOTTOM HOLE LOCATION) |
|---|
| LATITUDE = 32°08'16.99" (32.138052°) |
| LONGITUDE = 103°19'34.47" (103.326240°) |
| NAD 27 (BOTTOM HOLE LOCATION) |
| LATITUDE = 32°08'16.53" (32.137925°) |
| LONGITUDE = 103°19'32.80" (103.325777°) |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 415416.49' E: 853062.65' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 415357.98' E: 811875.82' |

17 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 no worker of such entirend. or working interest, or to a voluntary pooling agreement or a compulsory pooling agreement or a compulsory pooling order heretofore entered by the division.

7/22/2021

lulle Uwult

Shelly Albrecht

salbrecht@fmellc.com

18 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 rrect to the best of my belief.

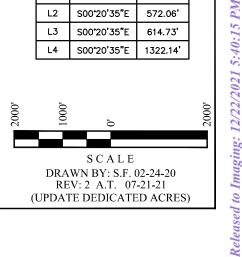
February 13, 2020

Signature and Seal of Professional Surveyor:



Certificate Number

| | | LINE TAB | LE | | |
|---|------|-------------|---------|--|--|
| I | LINE | DIRECTION | LENGTH | | |
| | L1 | N81°06'21"E | 630.08 | | |
| | L2 | S00°20'35"E | 572.06 | | |
| | L3 | S00°20'35"E | 614.73' | | |
| | L4 | S00°20'35"E | 1322.14 | | |



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Township

Range

Lot Idn

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

X AMENDED REPORT

County

WELL LOCATION AND ACREAGE DEDICATION PLAT

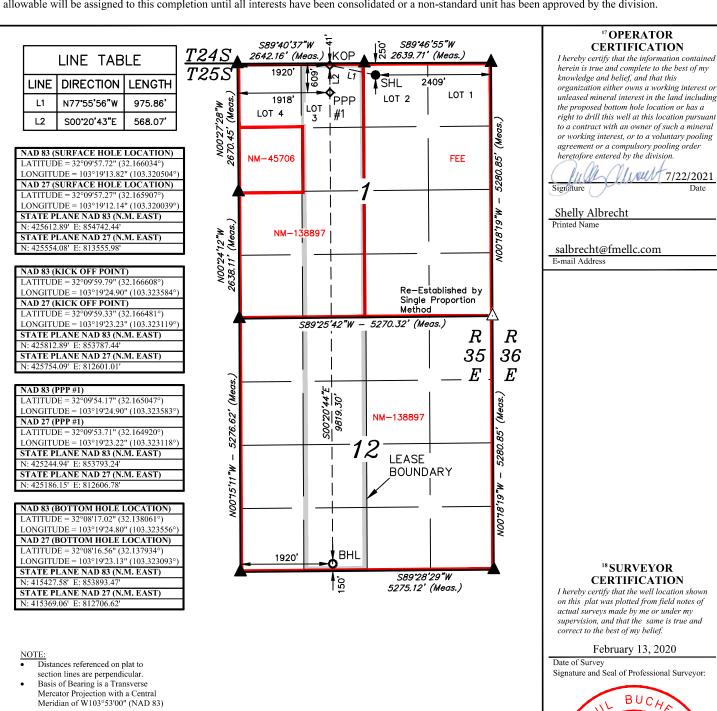
| ¹ API Number | ¹ API Number | | ³ Pool Name | | | | | | |
|-------------------------|-------------------------|------------------------|-----------------------------|-------------|--|--|--|--|--|
| 30-025-48619 | | 98185 | WC-025 G-09 S253502B; LWR F | SONE SPRING | | | | | |
| 4 Property Code | | 6 Well Number | | | | | | | |
| 330442 | | MERIT FED COM | | | | | | | |
| 7 OGRID No. | | ⁹ Elevation | | | | | | | |
| 393710 | | FRANKLIN MO | 3326.0' | | | | | | |

Surface Location

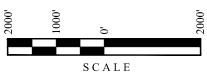
| 2 1 258 35E | | | | | | 250 | NORTH | 2409 | EAST | LEA | | |
|--|---|--|--|--|--|-----|-------|------|------|--------|--|--|
| | | | | | | | | | | | | |
| | "Bottom Hole Location If Different From Surface | | | | | | | | | | | |
| III. or lot no. Section Township Range Lot Idn Feet from the North/South line Feet from the Fast/West line Cou | | | | | | | | | | County | | |

25S 35Ē 150 SOUTH 1920 WEST LEA 320.5

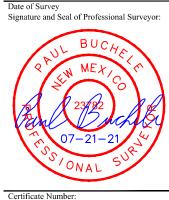
No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



- = SURFACE HOLE LOCATION
- ϕ = KICK OFF POINT/PPP
- O = BOTTOM HOLE LOCATION
- = SECTION CORNER LOCATED
- SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)



DRAWN BY: T.A. 02-24-20 REV: 2 07-21-21 A.T. (UPDATE DEDICATED ACRES)



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Section Township

Range

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County

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | r | ² Pool Code | | | | |
|-------------------------|--------------------|------------------------|---------|--|--|--|
| 30-025-48620 | | 98187 | OLFCAMP | | | |
| 4 Property Code | | 6 Well Number | | | | |
| 330442 | MERIT FED COM 703H | | | | | |
| 7 OGRID No. | | 9 Elevation | | | | |
| 373910 | | 3324.9' | | | | |

Surface Location

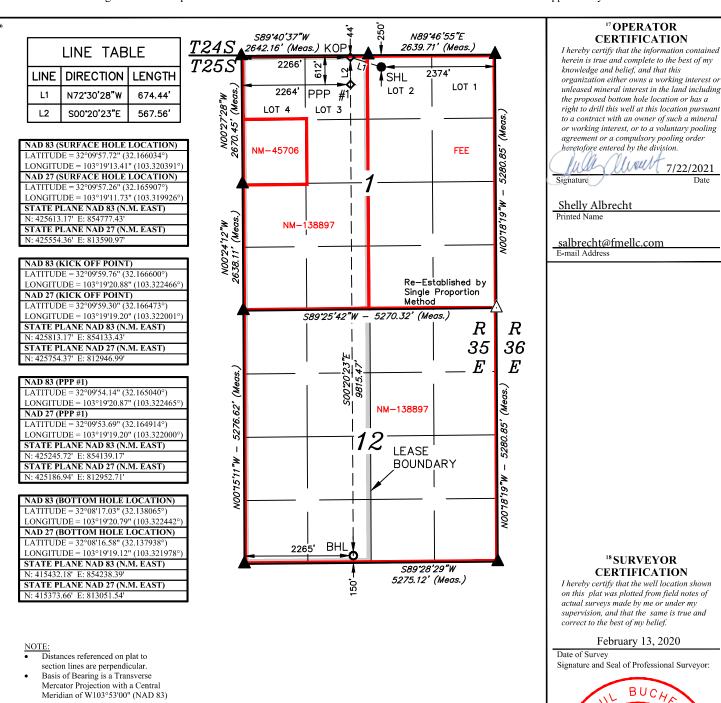
North/South line

Feet from the

| 2 | l | 258 | 35E | | 250 | NORTH | 23/4 | EAST | LEA | |
|--|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|--|
| Day Hala day 10Dice and Conference of Confer | | | | | | | | | | |
| "Bottom Hole Location If Different From Surface | | | | | | | | | | |
| III or let no | Section | Township | Dange | Lot Idn | Fact from the | North/South line | Foot from the | Fact/Wast line | County | |

25S 35Ē 150 SOUTH 2265 WEST LEA 641.2

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.



- = SURFACE HOLE LOCATION
- ϕ = KICK OFF POINT/PPP
- O = BOTTOM HOLE LOCATION
- = SECTION CORNER LOCATED
- SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)



DRAWN BY: T.A. 02-24-20 REV: 2 07-21-21 A.T. (UPDATE DEDICATED ACRES)



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | • | ² Pool Code | | | | |
|-------------------------|---|------------------------|----------------|--|--|--|
| 30-025-48621 | | 98185 | WR BONE SPRING | | | |
| 4 Property Code | | 6 Well Number | | | | |
| 330443 | | 603H | | | | |
| ⁷ OGRID N₀. | | ⁹ Elevation | | | | |
| 373910 | *Operator Name *Operator Name FRANKLIN MOUNTAIN ENERGY LLC 3328.7' | | | | | |

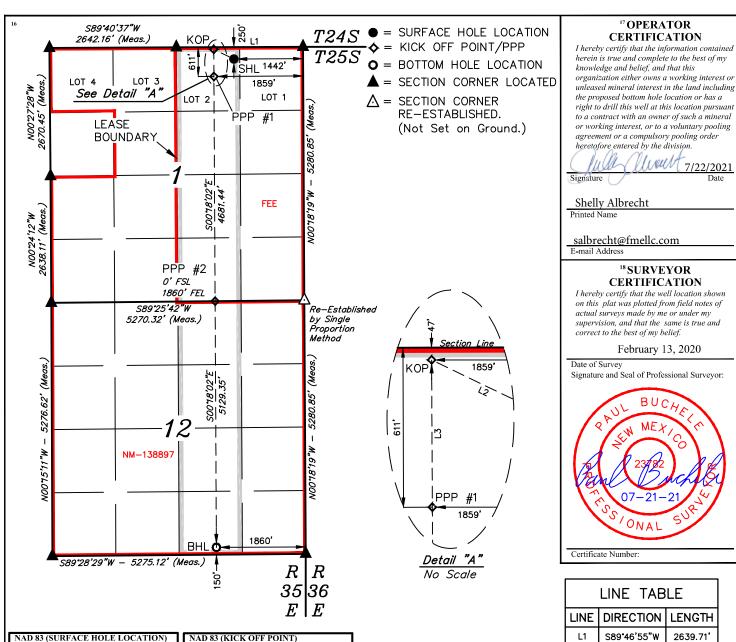
¹⁰ Surface Location

| Z 1 255 55E 250 15 | ORTH 1442 EAST LEA |
|--------------------|--------------------|

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Sect | ion | Township | Range | Lot Idn | Feet | from the | North/South line | Feet from the | East/West line | County |
|-------------------|------------------------------------|-----|----------|----------------|---------|-------------------------|----------|------------------|---------------|----------------|--------|
| О | 1: | 2 | 25S | 35E | | | 150 | SOUTH | 1860 | EAST | LEA |
| 12 Dedicated Acre | Dedicated Acres 13 Joint or Infill | | 14 Conso | olidation Code | 1 | ¹⁵ Order No. | | | | | |
| 320.3 | | l | | | | | | | | | |

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.



| | NAD 83 (SURFACE HOLE LOCATION) |
|---|--|
| | LATITUDE = 32°09'57.71" (32.166030°) |
| | LONGITUDE = 103°19'02.57" (103.317380° |
| | NAD 27 (SURFACE HOLE LOCATION) |
| | LATITUDE = 32°09'57.25" (32.165903°) |
| ı | LONGITUDE = 103°19'00.89" (103.316915° |
| ı | STATE PLANE NAD 83 (N.M. EAST) |
| ı | N: 425620.61' E: 855709.27' |
| | STATE PLANE NAD 27 (N.M. EAST) |

NAD 83 (PPP #1) LATITUDE = 32°09'54.14" (32.165040°) LONGITUDE = 103°19'07.42" (103.318728°)

NAD 27 (PPP #1)

LATITUDE = 32°09'53.69" (32.164913°)

LONGITUDE = 103°19'05.75" (103.318263°) STATE PLANE NAD 83 (N.M. EAST) N: 425256.46' E: 855295.59' STATE PLANE NAD 27 (N.M. EAST) N: 425197.66 E: 814109.10'

NAD 83 (KICK OFF POINT) LATITUDE = 32°09'59.73" (32.166590°) LONGITUDE = 103°19'07.42" (103.318728°) LONGITUDE = 103 1907.42 (103.318726) NAD 27 (KICK OFF POINT) LATITUDE = 32°09'59.27" (32.166464°) LONGITUDE = 103°19'05.75" (103.318263°) STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 27 (N.M. EAST) NAD 83 (PPP #2) LATITUDE = 32°09'07.83" (32.152174°) LONGITUDE = 103°19'07.42" (103.318728°

NAD 27 (PPP #2) LATITUDE = 32°09'07.37" (32.152047 LONGITUDE = 103°19'05.75" (103.318264°

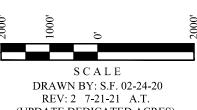
STATE PLANE NAD 83 (N.M. EAST) N: 420575.91' E: 855339.72'

STATE PLANE NAD 27 (N.M. EAST) N: 420517.24 E: 814153.05'

- NOTE:

 Distances referenced on plat to
- Distances referenced on plat to section lines are perpendicular. Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

| AD 83 (BOTTOM HOLE LOCATION) |
|--|
| ATITUDE = 32°08'17.08" (32.138077°) |
| ONGITUDE = 103°19'07.42" (103.318728°) |
| AD 27 (BOTTOM HOLE LOCATION) |
| ATITUDE = 32°08'16.62" (32.137951°) |
| ONGITUDE = 103°19'05.75" (103.318264°) |
| TATE PLANE NAD 83 (N.M. EAST) |
| I: 415447.53' E: 855388.07' |
| TATE PLANE NAD 27 (N.M. EAST) |
| I: 415389.00' E: 814201.20' |



N64°14'40"W

S00°18'02"E

L1 L2

L3

BUCHE

LENGTH

2639.71

464.35

564.25

Released to Imaging: 12/22/2021 5:40:15 PM

(UPDATE DEDICATED ACRES)

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

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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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | • | ² Pool Code | | | | | |
|-------------------------|-----------------------------------|------------------------|------------------------------------|------------------------|--|--|--|
| 30-025-48622 | 2 | 98187 | WC-025 G-09 S253502D; UPR WOLFCAMP | | | | |
| 4 Property Code | | 6 Well Number | | | | | |
| 330443 | | 704H | | | | | |
| 7 OGRID No. | | 8 OI | perator Name | ⁹ Elevation | | | |
| 373910 | FRANKLIN MOUNTAIN ENERGY LLC 3323 | | | | | | |

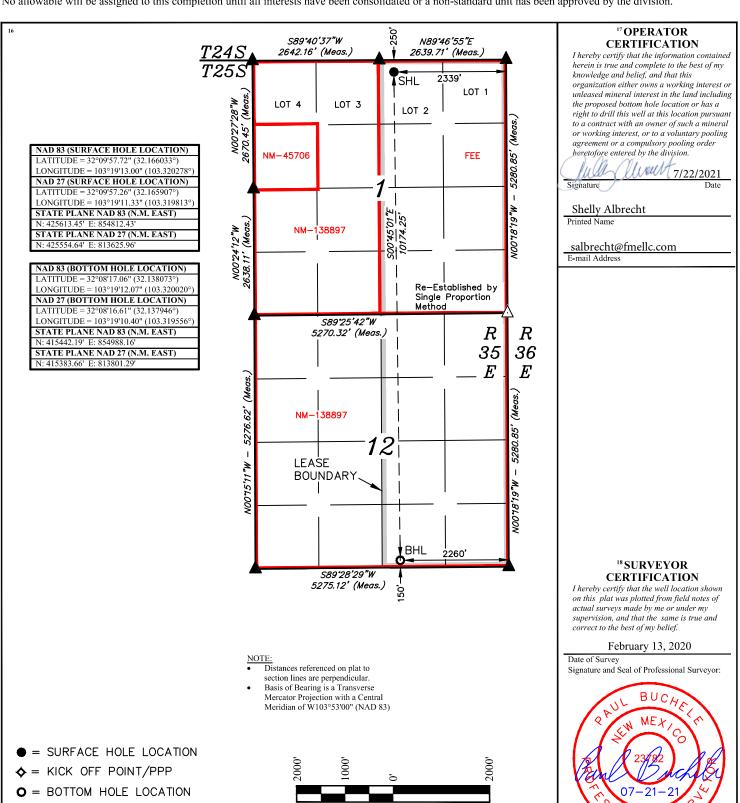
¹⁰ Surface Location

| | 2 | 1 | 25S | 35E | Lot run | 250 | NORTH | 2339 | EAST | LEA | |
|---|---|---|-----|-----|---------|-----|-------|------|------|-----|--|
| • | | | | | | | | | | | |

"Bottom Hole Location If Different From Surface

| _ | | | | | | | | | | |
|---|-----------------------------|---------|-------------------------------|--------------------|----------------|---------------|------------------|---------------|----------------|--------|
| ı | UL or lot no. | Section | n Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ١ | О | 12 | 25S | 35E | | 150 | SOUTH | 2260 | EAST | LEA |
| | 12 Dedicated Acres 640.4 | | ¹³ Joint or Infill | ¹⁴ Cons | olidation Code | 15 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.



= SECTION CORNER LOCATED

SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)



DRAWN BY: T.A. 02-24-20 REV: 3 07-21-21 A.T. (UPDATE DEDICATED ACRES)



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | r | ² Pool Code | |
|-------------------------|---|------------------------|-----------------|
| 30-025-48623 | | 98187 | D; UPR WOLFCAMP |
| 4 Property Code | | 6 Well Number | |
| 330443 | | 705H | |
| 7 OGRID No. | | 8 O | 9 Elevation |
| 373910 | | 3329.1' | |

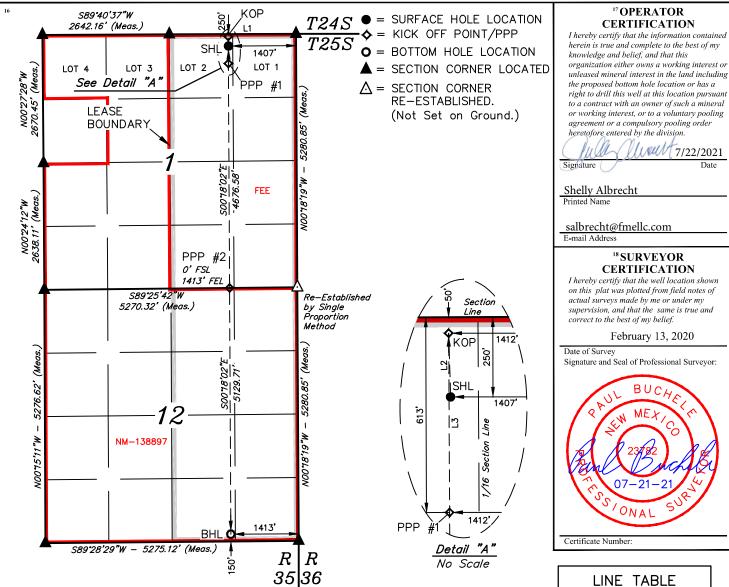
¹⁰ Surface Location

| UL or lot no. 2 | Section 1 | Township 25S | Range 35E | Lot Idn | Feet from the 250 | North/South line NORTH | Feet from the 1407 | East/West line EAST | County LEA |
|--------------------|--------------|-----------------|--------------|---------|-------------------|---------------------------|--------------------|------------------------|---------------|
| | | | | | | | | | |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|----------------------------|---------|------------------------------|----------|----------------|---------------|------------------|---------------|----------------|--------|
| О | 12 | 25S | 35E | | 150 | SOUTH | 1413 | EAST | LEA |
| 12 Dedicated Acre 640.4 | es 1. | ³ Joint or Infill | 14 Conse | olidation Code | 15 Order No. | | | | |
| 040.4 | | | | | | | | | |

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.



| NAD 83 (SURFACE HOLE LOCATION) | NAD 83 (KICK OFF POINT) |
|---|---|
| LATITUDE = 32°09'57.71" (32.166030°) | LATITUDE = 32°09'59.69" (32.166580°) |
| LONGITUDE = 103°19'02.16" (103.317267°) | LONGITUDE = 103°19'02.22" (103.317283°) |
| NAD 27 (SURFACE HOLE LOCATION) | NAD 27 (KICK OFF POINT) |
| LATITUDE = 32°09'57.25" (32.165903°) | LATITUDE = 32°09'59.23" (32.166453°) |
| LONGITUDE = 103°19'00.49" (103.316802°) | LONGITUDE = 103°19'00.55" (103.316819°) |
| STATE PLANE NAD 83 (N.M. EAST) | STATE PLANE NAD 83 (N.M. EAST) |
| N: 425620.89' E: 855744.26' | N: 425820.89' E: 855737.26' |
| STATE PLANE NAD 27 (N.M. EAST) | STATE PLANE NAD 27 (N.M. EAST) |
| N: 425562.08' E: 814557.78' | N: 425762.07' E: 814550.79' |

| N | O | T | Έ | : |
|---|---|---|---|----|
| | | | D | ı. |

- Distances referenced on plat to section lines are perpendicular. Basis of Bearing is a Transverse
- Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

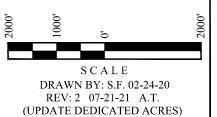
| | LE | |
|------|-------------|---------|
| LINE | DIRECTION | LENGTH |
| L1 | S89*46'55"W | 2639.71 |
| L2 | N01°45'58"W | 200.15 |
| L3 | S00°18'03"E | 563.07 |
| | | |

| NAD 83 (PPP #1) |
|--|
| LATITUDE = 32°09'54.12" (32.165032°) |
| LONGITUDE = 103°19'02.22" (103.317283° |
| NAD 27 (PPP #1) |
| LATITUDE = 32°09'53.66" (32.164905°) |
| LONGITUDE = 103°19'00.55" (103.316819' |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 425257.93' E: 855742.57' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 425199 13' E: 814556 07' |

| NAD 83 (PPP #2) |
|---|
| LATITUDE = 32°09'07.85" (32.152180°) |
| LONGITUDE = 103°19'02.22" (103.317284°) |
| NAD 27 (PPP #2) |
| LATITUDE = 32°09'07.39" (32.152053°) |
| LONGITUDE = 103°19'00.55" (103.316820°) |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 420582.24' E: 855786.64' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 420523.56' E: 814599.96' |

 $E \mid E$

| NAD 83 (BOTTOM HOLE LOCATION) |
|---|
| LATITUDE = 32°08'17.10" (32.138082°) |
| LONGITUDE = 103°19'02.22" (103.317284°) |
| NAD 27 (BOTTOM HOLE LOCATION) |
| LATITUDE = 32°08'16.64" (32.137955°) |
| LONGITUDE = 103°19'00.55" (103.316820°) |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 415453.50' E: 855834.96' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 415394.96' E: 814648.09' |
| |



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

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Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

X AMENDED REPORT

7/22/2021

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | | ² Pool Code | | | |
|-------------------------|--|------------------------|--------------------------|---------------|--|
| 30-025-48812 | | 98185 | WC-025 G-09 S253502B; LW | R BONE SPRING | |
| 4 Property Code | | 6 Well Number | | | |
| 330443 | | 604H | | | |
| 7 OGRID No. | | ⁹ Elevation | | | |
| 373910 | | 3329.7' | | | |

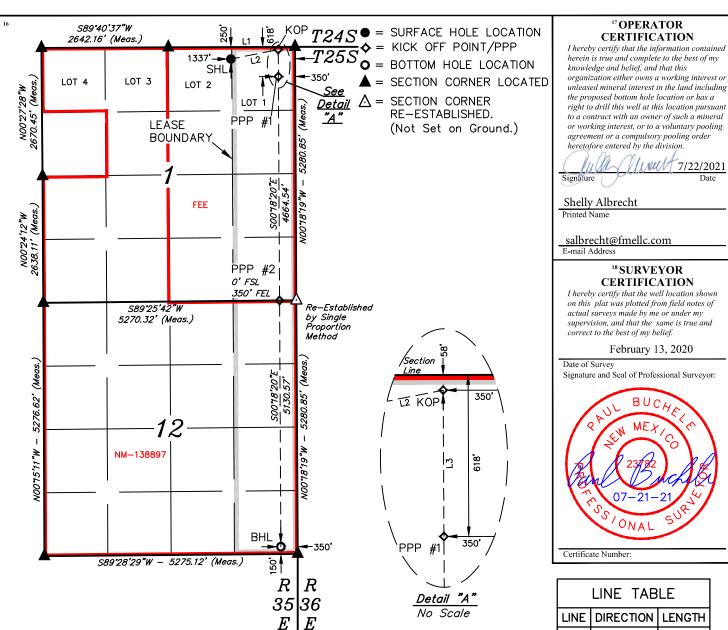
¹⁰ Surface Location

| UL or lot | no. Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------|-------------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 2 | 1 | 25S | 35E | | 250 | NORTH | 1337 | EAST | LEA |
| | | • | • | • | | | | | |

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Sect | ion | Township | Range | Lot Idn | F | eet from the | North/South line | Feet from the | East/West line | County |
|--------------------|------|-------|----------------|----------|----------------|---|--------------|------------------|---------------|----------------|--------|
| P | 12 | 2 | 25S | 35E | | | 150 | SOUTH | 350 | EAST | LEA |
| 12 Dedicated Acres | | 13 Jo | oint or Infill | 14 Conso | olidation Code | | 15 Order No. | | | | |
| 320.1 | | | | | | | | | | | |

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.



NAD 83 (SURFACE HOLE LOCATION) LATITUDE = 32°09'57.71" (32.166029°) LONGITUDE = 103°19'01.35" (103.317041°) NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°09'57.25" (32.165903°)
LONGITUDE = 103°18'59.67" (103.316576°) STATE PLANE NAD 83 (N.M. EAST) N: 425621.45' E: 855814.25'

STATE PLANE NAD 27 (N.M. EAST) N: 425562.64' E: 814627.77' NAD 83 (PPP #1) LATITUDE = 32°09'54.05" (32.165013°) LONGITUDE = 103°18'49.87" (103.313852°)

NAD 27 (PPP #I)

LATITUDE = 32°09'53.59" (32.164886°)

LONGITUDE = 103°18'48.19" (103.313387°)

STATE PLANE NAD 83 (N.M. EAST)

STATE PLANE NAD 27 (N.M. EAST)

NAD 83 (KICK OFF POINT) LATITUDE = 32°09'59.59" (32.166554°) LONGITUDE = 103°18'49.87" (103.313852°) NAD 27 (KICK OFF POINT) LATITUDE = 32°09'59.14" (32.166427 LONGITUDE = 103°18'48.19" (103.31) STATE PLANE NAD 83 (N.M. EAST) N: 425821.45' E: 856799.25'

STATE PLANE NAD 27 (N.M. EAST) N: 425762.62' E: 815612.76'

NAD 83 (PPP #2) LATITUDE = 32°09'07.90" (32.152194°) LONGITUDE = 103°18'49.86" (103.313851°)

LATITUDE = 32°09'07.44" (32.152067°) LONGITUDE = 103°18'48.19" (103.313387°) STATE PLANE NAD 83 (N.M. EAST)

STATE PLANE NAD 27 (N.M. EAST)

NAD 83 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'17.14" (32.138094°) LONGITUDE = 103°18'49.86" (103.313850° NAD 27 (BOTTOM HOLE LOCATION)
LATITUDE = 32°08'16.68" (32.137967°)
LONGITUDE = 103°18'48.19" (103.313387°) STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 27 (N.M. EAST)

NOTE:

Distances referenced on plat to section lines are perpendicular.

Basis of Bearing is a Transverse.

Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

SCALE DRAWN BY: S.F. 02-24-20 REV: 2 7-21-21 A.T.

S89*46'55"W

N78°45'44"E

S00°18'19"E

L1

L2

L3

(UPDATE DEDICATED ACRES)

LENGTH

2639.71

1005.24

560.63

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Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | • | ² Pool Code | | | | | |
|-------------------------|---|------------------------|----------------------------------|------------------------|--|--|--|
| 30-025-4862 | | 98187 | ; UPR WOLFCAMP | | | | |
| 4 Property Code | | 5 Pr | ⁶ Well Number 706H | | | | |
| 330444 | | VESTED FED COM | | | | | |
| 7 OGRID No. | | 8 OI | perator Name | ⁹ Elevation | | | |
| 373910 | | FRANKLIN MO | UNTAIN ENERGY LLC | 3329.3' | | | |

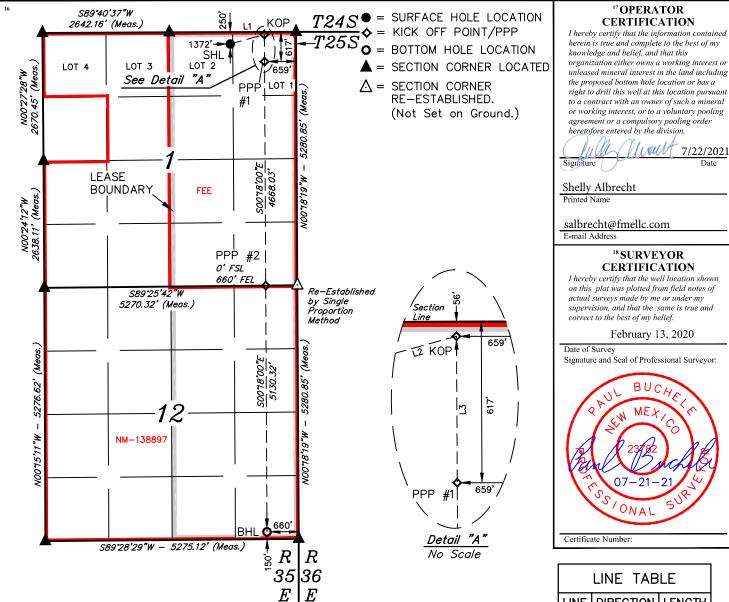
¹⁰ Surface Location

| | | UL or lot no. 2 | Section 1 | Township 25S | Range 35E | Lot Idn | Feet from the 250 | North/South line NORTH | Feet from the 1372 | East/West line EAST | County LEA |
|--|--|--------------------|--------------|-----------------|--------------|---------|-------------------|---------------------------|--------------------|------------------------|---------------|
|--|--|--------------------|--------------|-----------------|--------------|---------|-------------------|---------------------------|--------------------|------------------------|---------------|

"Bottom Hole Location If Different From Surface

| UL or lot no. P | Sect 12 | 2 | Township 25S | Range 35E | Lot Idn | | from the 150 | North/South line SOUTH | Feet from the 660 | East/West line EAST | County LEA |
|----------------------------|------------|------------------|-----------------|--------------|----------------|----|-------------------------|---------------------------|----------------------|------------------------|---------------|
| 12 Dedicated Acre 640.4 | es | ¹³ Jo | oint or Infill | 14 Conso | olidation Code | 15 | ¹⁵ 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.



| NAD 83 (SURFACE HOLE LOCATION) |
|---|
| LATITUDE = 32°09'57.71" (32.166030°) |
| LONGITUDE = 103°19'01.75" (103.317154°) |
| NAD 27 (SURFACE HOLE LOCATION) |
| LATITUDE = 32°09'57.25" (32.165903°) |
| LONGITUDE = 103°19'00.08" (103.316689°) |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 425621.17' E: 855779.26' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 425562.36' E: 814592.78' |

| NAD 83 (KICK OFF POINT) |
|--|
| LATITUDE = 32°09'59.62" (32.166561°) |
| LONGITUDE = 103°18'53.46" (103.314850° |
| NAD 27 (KICK OFF POINT) |
| LATITUDE = 32°09'59.16" (32.166434°) |
| LONGITUDE = 103°18'51.79" (103.314386° |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 425821.17' E: 856490.26' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 425762 34' E: 815303 77' |

NOTE:

Distances referenced on plat to section lines are perpendicular.

Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

| LINE TABLE | | | | | | | |
|------------|-------------|---------|--|--|--|--|--|
| LINE | DIRECTION | LENGTH | | | | | |
| L1 | S89°46'55"W | 2639.71 | | | | | |
| L2 | N74*31'44"E | 738.70 | | | | | |
| L3 | S00°17'58"E | 561.23' | | | | | |

| NAD 83 (PPP #1) |
|--|
| LATITUDE = 32°09'54.07" (32.165018°) |
| LONGITUDE = 103°18'53.46" (103.314850° |
| NAD 27 (PPP #1) |
| LATITUDE = 32°09'53.61" (32.164892°) |
| LONGITUDE = 103°18'51.79" (103.314386° |
| STATE PLANE NAD 83 (N.M. EAST) |
| N. 435360 051 E. 056405 541 |

STATE PLANE NAD 27 (N.M. EAST)

| NAD 83 (PPP #2) |
|---|
| LATITUDE = 32°09'07.88" (32.152190°) |
| LONGITUDE = 103°18'53.46" (103.314851°) |
| NAD 27 (PPP #2) |
| LATITUDE = 32°09'07.43" (32.152063°) |
| LONGITUDE = 103°18'51.79" (103.314387°) |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 420592.90' E: 856539.49' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 420534.21' E: 815352.80' |

| NAD 83 (BOTTOM HOLE LOCATION) |
|---|
| LATITUDE = 32°08'17.13" (32.138090°) |
| LONGITUDE = 103°18'53.47" (103.314852°) |
| NAD 27 (BOTTOM HOLE LOCATION) |
| LATITUDE = 32°08'16.67" (32.137963°) |
| LONGITUDE = 103°18'51.80" (103.314388°) |
| STATE PLANE NAD 83 (N.M. EAST) |
| N: 415463.55' E: 856587.79' |
| STATE PLANE NAD 27 (N.M. EAST) |
| N: 415405.00' E: 815400.91' |
| |





U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Sundry Print Report

Well Name: CLINCHER FED COM Well Location: T25S / R35E / SEC 1 / County or Parish/State:

LOT 4/

Well Number: 701H Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMNM138897 Unit or CA Name: Unit or CA Number:

US Well Number: 3002548809 Well Status: Approved Application for Operator: FRANKLIN

Permit to Drill MOUNTAIN ENERGY LLC

Subsequent Report

Sundry ID: 2649790

Type of Submission: Subsequent Report Type of Action: Other

Date Sundry Submitted: 12/21/2021 Time Sundry Submitted: 08:08

Date Operation Actually Began: 12/21/2021

Actual Procedure: Franklin Mountain Energy, LLC (FME), Operator of the above captioned well, respectfully submits the attached, updated, C-102 for BLM record.

SR Attachments

Actual Procedure

C_102_CLINCHER_FED_COM_701H_R_21646_20211221080749.pdf

Page 1 of 2

well Name: CLINCHER FED COM Well Location: T25S / R35E / SEC 1 /

LOT 4/

County or Parish/State: Page 31 of

Well Number: 701H Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMNM138897 Unit or CA Name: Unit or CA Number:

US Well Number: 3002548809 Well Status: Approved Application for Operator: FRANKLIN

Permit to Drill MOUNTAIN ENERGY LLC

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: RACHAEL OVERBEY Signed on: DEC 21, 2021 08:08 AM

Name: FRANKLIN MOUNTAIN ENERGY LLC

Title: Director - Operations Planning and Regulatory

Street Address: 2401 E 2nd Avenue, Suite 300

City: Denver State: CO

Phone: (720) 414-7868

Email address: roverbey@fmellc.com

Field Representative

Representative Name:

Street Address:

City: State: Zip:

Phone:

Email address:

Page 2 of 2

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720

District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410

Phone: (505) 334-6178 Fax: (505) 334-6170

District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | ¹ API Number | | ² Pool Code ³ Pool Name | | | |
|-------------------------|-------------------------|---------|---|-------------|--|--|
| 30-025-4880 | 30-025-48809 | | 98187 WC-025 G-09 S253502D; UPR WO | | | |
| 4 Property Code | | 5 Pr | 6 Well Number | | | |
| 330789 | | CLINC | 701H | | | |
| 7 OGRID No. | | 8 OI | perator Name | 9 Elevation | | |
| 373910 | | 3273.4' | | | | |

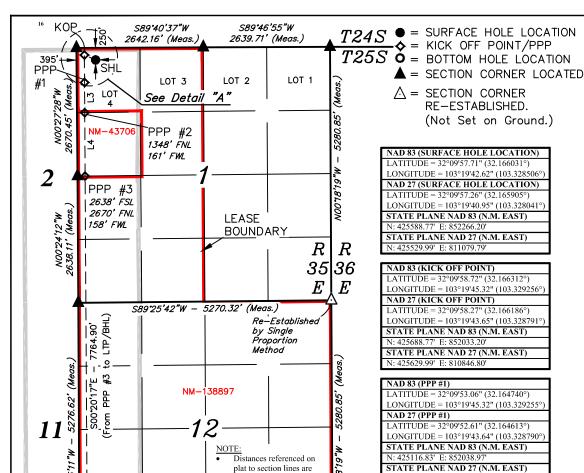
¹⁰ Surface Location

| 4 1 25S 35E 250 NORTH 395 WEST LEA | UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|--|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | 4 | 1 | 258 | 1 35E | | 250 | NORTH | | WEST | LEA |

"Bottom Hole Location If Different From Surface

| UL or lot no. M | Sect 12 | 2 | Township 25S | Range 35E | Lot Idn | Feet from the 150 | North/South line SOUTH | Feet from the 163 | East/West line WEST | County LEA |
|-----------------------------|------------|------------------|-----------------|--------------|----------------|-------------------------|---------------------------|-------------------|------------------------|---------------|
| 12 Dedicated Acre 641.51 | es | ¹³ Jo | oint or Infill | 14 Conso | olidation Code | ¹⁵ 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.



plat to section lines are perpendicular.

Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

Detail "A"

No Scale

Basis of Bearing is a

S89°28'29"W - 5275.12' (Meas.)

250

SHL 720,

Section Line

KOP

12

13**4**

11-

<u>,</u>84

164'

395

W..61,81.00N

NAD 83 (PPP #2) LATITUDE = 32°09'46.85" (32.163015°) LONGITUDE = 103°19'45.31" (103.329253°) NAD 27 (PPP #2) LATITUDE = 32°09'46.40" (32.162888°) LONGITUDE = 103°19'43.64" (103.328788°) STATE PLANE NAD 83 (N.M. EAST)

STATE PLANE NAD 27 (N.M. EAST) : 425058.07' E: 810852.54

STATE PLANE NAD 27 (N.M. EAST)

NAD 83 (PPP #3) LATITUDE = 32°09'33.77" (32.159382°) LONGITUDE = 103°19'45.30" (103.329250°) NAD 27 (PPP #3)

LATITUDE = 32°09'33.32" (32.159255°)

LONGITUDE = 103°19'43.63" (103.32878) LONGITUDE = 103°19'43.63" (103.3287 STATE PLANE NAD 83 (N.M. EAST) N: 423167.50' E: 852058.61' STATE PLANE NAD 27 (N.M. EAST) N: 423108.79' E: 810872.11'

NAD 83 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'16.95" (32.138042°) LONGITUDE = 103°19'45.23" (103.329231° NAD 27 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'16.49" (32.137915°) LONGITUDE = 103°19'43.56" (103.328767°) STATE PLANE NAD 83 (N.M. EAST) N: 415404.13' E: 852136.86'

STATE PLANE NAD 27 (N.M. EAST)

17 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 mursuant right to drill this well at this location pursuan right to drift miss well at his 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.

ull llwell 7/22/2021

Shelly Albrecht

salbrecht@fmellc.com

18 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 rrect to the best of my belief.

February 13, 2020

Signature and Seal of Professional Surveyor:



Certificate Number:

| LINE TABLE | | | | | | |
|------------|-------------|----------|--|--|--|--|
| LINE | DIRECTION | LENGTH | | | | |
| L1 | N66°31'57"W | 253.59' | | | | |
| L2 | S00°20'16"E | 572.05' | | | | |
| L3 | S00°20'17"E | 627.68' | | | | |
| L4 | S00°20'17"E | 1322.03' | | | | |



ź

N0075'11

163

BHL



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT Sundry Print Report

Well Name: MISSION FED COM Well Location: T25S / R35E / SEC 1 / County or Parish/State: LEA /

LOT 2 / 32.16603 / -103.317267

Well Number: 705H Type of Well: OIL WELL Allottee or Tribe Name:

Lease Number: NMNM138897 Unit or CA Name: Unit or CA Number:

US Well Number: 3002548623 Well Status: Drilling Well Operator: FRANKLIN

MOUNTAIN ENERGY LLC

Subsequent Report

Sundry ID: 2509346

Type of Submission: Subsequent Report Type of Action: Other

Date Sundry Submitted: 07/22/2021 Time Sundry Submitted: 06:22

Date Operation Actually Began: 07/01/2021

Actual Procedure: Franklin Mountain Energy, LLC (FME), Operator of the above captioned well, respectfully submits the attached, updated, C-102 for BLM record.

SR Attachments

Actual Procedure

 $C_102_Mission_Fed_Com_705H_7_22_2021_20210722182155.pdf$

Page 1 of 2

eceived by OCD: 9/1/2021 3:21:08 PM Well Name: MISSION FED COM

Well Location: T25S / R35E / SEC 1 /

LOT 2 / 32.16603 / -103.317267

County or Parish/State: LEA/

М

Well Number: 705H

Type of Well: OIL WELL

Allottee or Tribe Name:

Lease Number: NMNM138897

Unit or CA Name:

Unit or CA Number:

Zip:

US Well Number: 3002548623

Well Status: Drilling Well

Operator: FRANKLIN MOUNTAIN ENERGY LLC

Operator Certification

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a submission of Form 3160-5 or a Sundry Notice.

Operator Electronic Signature: RACHAEL OVERBEY
Signed on: JUL 22, 2021 06:21 PM

Name: FRANKLIN MOUNTAIN ENERGY LLC

Title: Director - Operations Planning and Regulatory

Street Address: 2401 E 2nd Avenue, Suite 300

City: Denver State: CO

Phone: (720) 414-7868

Email address: roverbey@fmellc.com

Field Representative

Representative Name:

Street Address:

City: State:

Phone:

Email address:

Page 2 of 2

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170

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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

X AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number 30-025-486 | ² Pool Code 98187 | ³ Pool Name WC-025 G-09 S253502I | O; UPR WOLFCAMP |
|---------------------------------------|---------------------------------|--|-----------------------------------|
| 4 Property Code 330443 | | operty Name ON FED COM | ⁶ Well Number 705H |
| ⁷ OGRID No. 373910 | | perator Name PUNTAIN ENERGY LLC | ⁹ Elevation 3329.1' |

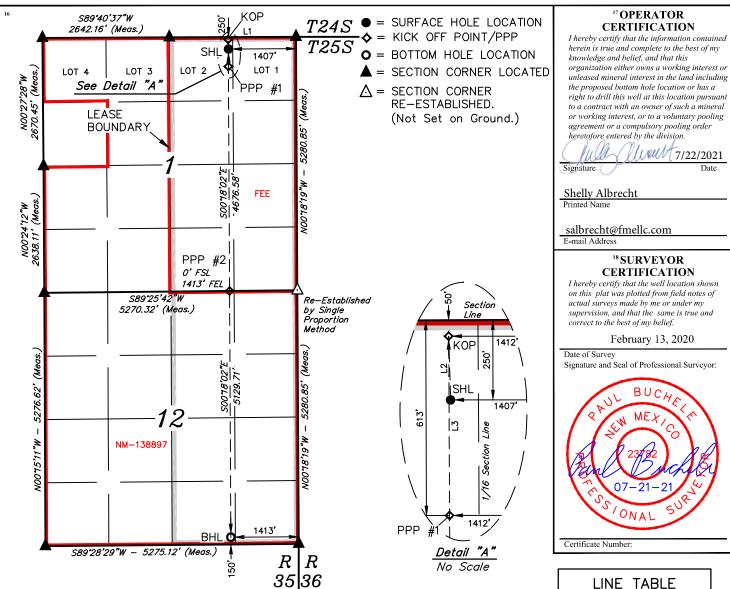
¹⁰ Surface Location

| UL or lot no. Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|-----------------------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 2 1 | 25S | 35E | | 250 | NORTH | 1407 | EAST | LEA |

"Bottom Hole Location If Different From Surface

| UL or lot no. O | Sect 1 | ion 2 | Township 25S | Range 35E | Lot Idn | Feet from th 150 | e | North/South line SOUTH | Feet from the 1413 | East/West line EAST | County LEA |
|-----------------------------|-----------|----------|-----------------|--------------|----------------|---------------------|-----|---------------------------|--------------------|------------------------|---------------|
| 12 Dedicated Acres 640.4 | | 13 Jo | oint or Infill | 14 Conso | olidation Code | 15 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.



| NAD 83 (SURFACE HOLE LOCATION) | NAD 83 (KICK OFF POINT) |
|---|---|
| LATITUDE = 32°09'57.71" (32.166030°) | LATITUDE = 32°09'59.69" (32.166580°) |
| LONGITUDE = 103°19'02.16" (103.317267°) | LONGITUDE = 103°19'02.22" (103.317283°) |
| NAD 27 (SURFACE HOLE LOCATION) | NAD 27 (KICK OFF POINT) |
| LATITUDE = 32°09'57.25" (32.165903°) | LATITUDE = 32°09'59.23" (32.166453°) |
| LONGITUDE = 103°19'00.49" (103.316802°) | LONGITUDE = 103°19'00.55" (103.316819°) |
| STATE PLANE NAD 83 (N.M. EAST) | STATE PLANE NAD 83 (N.M. EAST) |
| N: 425620.89' E: 855744.26' | N: 425820.89' E: 855737.26' |
| STATE PLANE NAD 27 (N.M. EAST) | STATE PLANE NAD 27 (N.M. EAST) |
| N: 425562.08' E: 814557.78' | N: 425762.07' E: 814550.79' |
| | • |

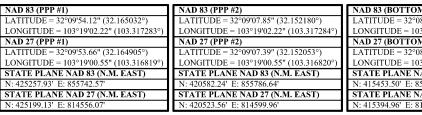
 $E \mid E$

- NOTE:

 Distances referenced on plat to section lines are perpendicular.

 Basis of Bearing is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

| | LINE TABLE | | | | | | | |
|------|-------------|---------|--|--|--|--|--|--|
| LINE | DIRECTION | LENGTH | | | | | | |
| L1 | S89*46'55"W | 2639.71 | | | | | | |
| L2 | N01°45'58"W | 200.15 | | | | | | |
| L3 | S00°18'03"E | 563.07 | | | | | | |
| | | | | | | | | |



NAD 83 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'17.10" (32.138082°) LONGITUDE = 103°19'02.22" (103.317284°) NAD 27 (BOTTOM HOLE LOCATION) LATITUDE = 32°08'16.64" (32.137955°) LONGITUDE = 103°19'00.55" (103.316820° STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 27 (N.M. EAST)



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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY FRANKLIN MOUNTAIN ENERGY, LLC

CASE NO. 21808 ORDER NO. R-21645

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard these matters through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

FINDINGS OF FACT

- 1. Franklin Mountain Energy, LLC ("Operator"), submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of

- the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/kms

Date: 4/13/2021

Exhibit "A"

| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | |
|---|---|
| Case: 21808 | APPLICANT'S RESPONSE |
| Date April 8, 2021 | |
| Applicant | Franklin Mountain Energy, LLC |
| Designated Operator & OGRID (affiliation if applicable) | Franklin Mountain Energy, LLC (373910) |
| Applicant's Counsel: | Modrall Sperling (Deana Bennett, Lance Hough) |
| Case Title: | Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico |
| Entries of Appearance/Intervenors: | None |
| Well Family | Clincher |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Bone Spring |
| Pool Name and Pool Code: | WC 025 G 00 \$252502D 50000 D 10 10 10 10 10 10 10 10 10 10 10 10 10 |
| Well Location Setback Rules: | WC-025 G-09 S253502B, Lower Bone Spring, Pool Code 98185 Statewide rules |
| Spacing Unit Size: | 320 acres |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 320 acres |
| Building Blocks: | 40 acres |
| Orientation: | North-South |
| Description: TRS/County | W/2 W/2 of Sections 1 and 12, Township 25 South, Range 35 East, NMPM, Lea County, New |
| tandard Horizontal Well Spacing Unit (Y/N), If No, describe | Mexico Y |
| Other Situations | |
| epth Severance: Y/N. If yes, description | N |
| roximity Tracts: If yes, description | N |
| roximity Defining Well: if yes, description | |
| pplicant's Ownership in Each Tract | Exhibit 4. |
| /ell(s) | |

| coverher & AP: (#'8358ghed); surface and bottom hole location, | Exhibits B, 3, 6 |
|--|--|
| footages, completion target, orientation, completion status (standard or non-standard) | |
| Well #1 | |
| 1 | Clincher Fed Com 601H |
| | SHL: 250 feet from the North line and 430 feet from |
| | the West line, Section 1, Township 25 South, Range 3: East, NMPM. |
| | 150 feet from the South line and 420 feet from the |
| | West line, Section 12, Township 25 South, Range 35 |
| | |
| | East, NMPM. Completion Target: Third Bone Spring Sand at approximate 11,854 |
| | TVD. Well Orientation: |
| | North/South Completion location: |
| | Expected to be standard. See also Exhibit 3 for C-102 |
| | |
| Horizontal Well First and Last Take Points | Proposed first take point: 150' FNL and 420' FWL |
| | Proposed last take point: 150' FSL and 420' FWL See |
| | also Exhibit 3 for C-102 |
| | |
| | |
| | |
| | |
| | |
| Completion Target (Formation, TVD and MD) | See Proposal Letter Exhibit 6. |
| | |
| | |
| | |
| IFE Capex and Operating Costs | |
| | |
| rilling Supervision/Month \$ | \$7000: See also Proposal Letter Exhibit C |
| roduction Supervision/Month \$ | \$700: See also Proposal Letter Exhibit C |
| ustification for Supervision Costs | See AFE Exhibit 7. |
| equested Risk Charge | 200%: See also Proposal Letter Exhibit 6 |

Released to Imaging: 4/6/2021 4:55:17 PM

| ceived by OCD: 4/6/2021 4:19:40 PM | Page 5 of |
|--|--|
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit 8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit 8 |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit 8 |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit 4 |
| Tract List (including lease numbers and owners) | Exhibit 4 |
| Pooled Parties (including ownership type) | Exhibit 4 |
| Unlocatable Parties to be Pooled | Exhibit 4 |
| Ownership Depth Severance (including percentage above & be | lov N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit 6 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit 4 |
| Chronology of Contact with Non-Joined Working Interests Overhead Rates In Proposal Letter | See Exhibit 5 for Summary of Contacts |
| Cost Estimate to Drill and Complete | Proposal Letter Exhibit 6 Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate to Equip Well | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate for Production Facilities | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Geology | |
| ummary (including special considerations) | Exhibit C |
| pacing Unit Schematic | Exhibit 10, Exhibit 11-A |
| unbarrel/Lateral Trajectory Schematic | Exhibit 10, Exhibit 11-A |
| Vell Orientation (with rationale) | Exhibit C, Exhibit 12 |
| arget Formation | Exhibit 10, Exhibit 11-A through 11-D |
| SU Cross Section | Exhibit 11-B and 11-C. |
| epth Severance Discussion | N/A |
| orms, Figures and Tables | |
| 102 | Exhibit 3 |
| acts | Exhibit 4 |
| immary of Interests, Unit Recapitulation (Tracts) | Exhibit 4 |
| eneral Location Map (including basin) | Exhibit 9 |

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| eived by OCD: 4/6/2021 4:19:40 PM | Page 6 of |
|---|----------------|
| Well Bore Location Map | Exhibit 9 |
| Structure Contour Map - Subsea Depth | Exhibit 11-A |
| Cross Section Location Map (including wells) | Exhibit 11-B |
| Cross Section (including Landing Zone) | Exhibit 11-C |
| Additional Information | |
| | |
| | |
| Printed Name (Attorney or Party Representative): | Lance D. Hough |
| Printed Name (Attorney or Party Representative): Signed Name (Attorney or Party Representative): | Lance D. Hough |

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY FRANKLIN MOUNTAIN ENERGY, LLC

CASE NO. 21807 ORDER NO. R-21646

<u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard these matters through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

FINDINGS OF FACT

- 1. Franklin Mountain Energy, LLC ("Operator"), submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of

- the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/kms

Date: 4/13/2021

Exhibit "A"

| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | |
|---|--|
| Case: 21807 | APPLICANT'S RESPONSE |
| Date April 8, 2021 | |
| Applicant | Franklin Mountain Energy, LLC |
| Designated Operator & OGRID (affiliation if applicable) | Franklin Mountain Energy, LLC (373910) |
| Applicant's Counsel: | Modrall Sperling (Deana Bennett, Lance Hough) |
| Case Title: | Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico |
| Entries of Appearance/Intervenors: | None |
| Well Family | Clincher |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Wolfcamp |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Wolfcamp |
| Pool Name and Pool Code: | WC-025 G-09 S253502D, Upr Wolfcamp, Pool Code 98187 |
| Well Location Setback Rules: | Statewide rules |
| Spacing Unit Size: | 640 acres |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 640 acres |
| Building Blocks: | 40 acres |
| Orientation: | North-South |
| Description: TRS/County | W/2 W/2 of Sections 1 and 12, and E/2 E/2 of Sections 2 and 11, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | Υ |
| Other Situations | |
| Depth Severance: Y/N. If yes, description | N |
| Proximity Tracts: If yes, description | Yes, the proposed completed internal is 164' (less than 330') from the section line between the W/2 W/2 of Sections 1 and 12, and E/2 E/2 of Sections 2 and 11, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. See Exhibit C for C-102. |
| Proximity Defining Well: if yes, description | Clincher Fed Com 701H, see Well #1 below |
| Applicant's Ownership in Each Tract EXHIBIT | Exhibit 4. |

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|---|---|
| Name & API (if assigned), surface and bottom hole location, | Exhibits B, 3, 6 |
| footages, completion target, orientation, completion status | |
| (standard or non-standard) | |
| Well #1 | Clincher Fed Com 701H |
| | SHL: 250 feet from the North line and 395 feet from |
| | the West line, Section 1, Township 25 South, Range 35 |
| | East, NMPM. BHL: |
| | 150 feet from the South line and 163 feet from the |
| | West line, Section 12, Township 25 South, Range 35 |
| | East, NMPM. Completion |
| | Target: Third Bone Spring Sand at approximate 12,065' |
| | TVD. Well Orientation: |
| | North/South Completion location: |
| | Expected to be standard. See also Exhibit 3 for C-102 |
| | |
| Horizontal Well First and Last Take Points | Proposed first take point: 148' FNL and 164' FWL |
| | Proposed last take point: 150' FSL and 163' FWL See |
| | also Exhibit 3 for C-102 |
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| Consulation Toward (Consection TVD and MAD) | Coo Drongool Letter Fubibit C |
| Completion Target (Forrnation, TVD and MD) | See Proposal Letter Exhibit 6. |
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| | |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$7000: See also Proposal Letter Exhibit C |
| Production Supervision/Month \$ | \$700: See also Proposal Letter Exhibit C |
| Justification for Supervision Costs | See AFE Exhibit 7. |
| Requested Risk Charge | 200%: See also Proposal Letter Exhibit 6 |

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| Notice of Hearing | |
|---|---|
| Proposed Notice of Hearing | Exhibit 8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit 8 |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit 8 |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit 4 |
| Tract List (including lease numbers and owners) | Exhibit 4 |
| Pooled Parties (including ownership type) | Exhibit 4 |
| Unlocatable Parties to be Pooled | Exhibit 4 |
| Ownership Depth Severance (including percentage above & belo | ovN/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit 6 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit 4 |
| | |
| Chronology of Contact with Non-Joined Working Interests | See Exhibit 5 for Summary of Contacts |
| Overhead Rates In Proposal Letter | Proposal Letter Exhibit 6 |
| Cost Estimate to Drill and Complete | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate to Equip Well | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate for Production Facilities | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| | |
| Geology | |
| Summary (including special considerations) | Exhibit C |
| Spacing Unit Schematic | Exhibit 10, Exhibit 11-A |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit 10, Exhibit 11-A |
| Well Orientation (with rationale) | Exhibit C, Exhibit 12 |
| Target Formation | Exhibit 10, Exhibit 11-A through 11-D |
| HSU Cross Section | Exhibit 11-B and 11-C. |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | Exhibit 3 |
| Fracts | Exhibit 4 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit 4 |
| General Location Map (including basin) | Exhibit 9 |

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|--|----------------|
| Well Bore Location Map | Exhibit 9 |
| Structure Contour Map - Subsea Depth | Exhibit 11-A |
| Cross Section Location Map (including wells) | Exhibit 11-B |
| Cross Section (including Landing Zone) | Exhibit 11-C |
| Additional Information | |
| | |
| | |
| Printed Name (Attorney or Party Representative): | Lance D. Hough |
| Signed Name (Attorney or Party Representative): | L- 146 |
| Date: | April 6, 2021 |

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY FRANKLIN MOUNTAIN ENERGY, LLC

CASE NO. 21806 ORDER NO. R-21647

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard these matters through a Hearing Examiner on April 8, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Orders:

FINDINGS OF FACT

- 1. Franklin Mountain Energy, LLC ("Operator"), submitted an application ("Application") to compulsorily pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the

well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of

- the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR AES/kms Date: 4/13/2021

Exhibit "A"

| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | |
|---|--|
| Case: 21806 | APPLICANT'S RESPONSE |
| Date April 8, 2021 | |
| Applicant | Franklin Mountain Energy, LLC |
| Designated Operator & OGRID (affiliation if applicable) | Franklin Mountain Energy, LLC (373910) |
| Applicant's Counsel: | Modrall Sperling (Deana Bennett, Lance Hough) |
| Case Title: | Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico |
| Entries of Appearance/Intervenors: | None |
| Well Family | Clincher |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Wolfcamp |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Wolfcamp |
| Pool Name and Pool Code: | WC-025 G-09 S253502D, Upr Wolfcamp, Pool Code 98187 |
| Well Location Setback Rules: | Statewide rules |
| Spacing Unit Size: | 640 acres |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 640 acres |
| Building Blocks: | 40 acres |
| Orientation: | North-South |
| Description: TRS/County | W/2 Sections 1 and 12, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | Y |
| Other Situations | |
| Depth Severance: Y/N. If yes, description | N |
| Proximity Tracts: If yes, description | Yes, the proposed completed internal is 231' (less that 330') from the section line between the W/2 W/2 of Sections 1 and 12, and E/2 W/2 of Sections 1 and 12, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. See Exhibit C for C-102. |
| Proximity Defining Well: if yes, description | Clincher Fed Com 702H, see Well #1 below |
| Applicant's Ownership in Each Tract | Exhibit 4. |

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| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Exhibits B, 3, 6 |
| Well #1 | Clincher Fed Com 702H SHL: 250 feet from the North line and 465 feet from the West line, Section 1, Township 25 South, Range 35 East, NMPM. 150 feet from the South line and 1089 feet from the West line, Section 12, Township 25 South, Range 35 East, NMPM. Completion Target: Third Bone Spring Sand at approximate 11,943' TVD. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit 3 for C-102 |
| Well #2 | Merit Federal 703H SHL: 250 feet from the North line and 2374 feet from the West line, Section 1, Township 25 South, Range 35 East, NMPM. BHL: 150 feet from the South line and 2265 feet from the West line, Section 12, Township 25 South, Range 35 East, NMPM. Completion Target: Third Bone Spring Sand at approximate 12,001' TVD. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit 3 for C-102 |
| Horizontal Well First and Last Take Points | Clincher Fed Com 702H Proposed first take point: 148' FNL and 164' FWL Proposed last take point: 150' FSL and 163' FWL See also Exhibit 3 for C-102 'Merit Federal 703H Proposed first take point: 250' FNL and 2374' FEL Proposed last take point: 150' FSL and 2265' FEL See also Exhibit 3 for C-102 |
| Completion Target (Formation, TVD and MD) | See Proposal Letter Exhibit 6. |

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| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$7000: See also Proposal Letter Exhibit C |
| Production Supervision/Month \$ | \$700: See also Proposal Letter Exhibit C |
| Justification for Supervision Costs | See AFE Exhibit 7 |
| Requested Risk Charge | 200%: See also Proposal Letter Exhibit 6 |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit 8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit 8 |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit 8 |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit 4 |
| Tract List (including lease numbers and owners) | Exhibit 4 |
| Pooled Parties (including ownership type) | Exhibit 4 |
| Unlocatable Parties to be Pooled | Exhibit 4 |
| Ownership Depth Severance (including percentage above & belo | N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit 6 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit 4 |
| Chronology of Contact with Non-Joined Working Interests | See Exhibit 5 for Summary of Contacts |
| Overhead Rates In Proposal Letter | Proposal Letter Exhibit 6 |
| Cost Estimate to Drill and Complete | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate to Equip Well | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate for Production Facilities | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Geology | |
| Summary (including special considerations) | Exhibit C |
| Spacing Unit Schematic | Exhibit 10, Exhibit 11-A |
| Gunbarrel/Lateral Trajectory Schematic Released to Imaging: 4/6/2021 4:36:04 PM | Exhibit 10, Exhibit 11-A |

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|--|--|
| Well Orientation (with rationale) | Exhibit C, Exhibit 12 |
| Target Formation | Exhibit 10, Exhibit 11-A through 11-D |
| HSU Cross Section | Exhibit 11-B and 11-C. |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | Exhibit 3 |
| Tracts | Exhibit 4 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit 4 |
| General Location Map (including basin) | Exhibit 9 |
| Well Bore Location Map | Exhibit 9 |
| Structure Contour Map - Subsea Depth | Exhibit 11-A |
| Cross Section Location Map (including wells) | Exhibit 11-B |
| Cross Section (including Landing Zone) | Exhibit 11-C |
| Additional Information | |
| CERTIFICATION: I hereby certify that the information | provided in this checklist is complete and accurate. |
| | |
| | |
| Printed Name (Attorney or Party Representative): | Lance D. Hough |
| Signed Name (Attorney or Party Representative): | L-146 |
| Date: | April 6, 2021 |

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY FRANKLIN MOUNTAIN ENERGY, LLC

CASE NO. 21803 ORDER NO. R-21713

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on May 20, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Franklin Mountain Energy, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 21803 ORDER NO. R-21713

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election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 21803 ORDER NO. R-21713

Page 3 of 7

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 6/07/2021

Exhibit A

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| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | |
|---|---|
| Case: 21803 | APPLICANT'S RESPONSE |
| Date May 20, 2021 | |
| Applicant | Franklin Mountain Energy, LLC |
| Designated Operator & OGRID (affiliation if applicable) | Franklin Mountain Energy, LLC (373910) |
| Applicantle Coursel | |
| Applicant's Counsel: Case Title: | Modrall Sperling (Deana Bennett, Lance Hough) |
| Case Title. | Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico |
| Entries of Appearance/Intervenors: | Max Permian, LLC; Starboard Permian Resources |
| | LLC; and Burlington Resources Oil and Gas |
| | Company, LP |
| Well Family | Vested |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Bone Spring |
| Pool Name and Pool Code: | WC-025 G-09 \$253502B; LRW BONE SPRING, Pool Code 98185 |
| Well Location Setback Rules: | Statewide rules |
| Spacing Unit Size: | 320 acres |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 320 acres |
| Building Blocks: | 40 acres |
| Orientation: | North-South |
| Description: TRS/County | 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 |
| standard Horizontal Well Spacing Unit (Y/N), If No, describe | Y |
| Other Situations | |
| Depth Severance: Y/N. If yes, description | N |
| Proximity Tracts: If yes, description | N |
| Proximity Defining Well: if yes, description | N |
| Applicant's Ownership in Each Tract | Exhibit 4. |
| Vell(s) | EXHIDIT |

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| Name & API (if assigned), surface and bottom hole location, | Exhibits B, 3, 6 |
|---|--|
| footages, completion target, orientation, completion status | |
| (standard or non-standard) | 1 |
| Well #1 | Vested Fed Com 604H |
| | SHL: 250 feet from the North line and 1337 feet |
| | from the East line, Section 1, Township 25 South, Range 35 East, NMPM. |
| | BHL: 150 feet from the South line and 350 feet |
| | from the East line, Section 12, Township 25 South, |
| | Range 35 East, NMPM. |
| | Completion Target: Third Bone Spring Sand at |
| | approximate 11,552' TVD. |
| | Well Orientation: North/South |
| | Completion location: Expected to be standard. See also Exhibit 3 for C-102 |
| Horizontal Well First and Last Take Points | Proposed first take point: 618' FNL and 350' FEL |
| | Proposed last take point: 150' FSL and 350' FEL See also Exhibit 3 for C-102 |
| Completion Target (Formation, TVD and MD) | See Proposal Letter Exhibit 6. |
| AFE Capex and Operating Costs | The same of the sa |
| Drilling Supervision/Month \$ | \$7500 |
| Production Supervision/Month \$ | \$750 |
| Justification for Supervision Costs | See AFE Exhibit 7 |
| Requested Risk Charge | 200%: See also Proposal Letter Exhibit 6 |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit 8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit 8 |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit 8 |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit 4 |
| Tract List (including lease numbers and owners) | Exhibit 4 |
| Pooled Parties (including ownership type) | Exhibit 4 |
| Unlocatable Parties to be Pooled | Exhibit 4' |
| Ownership Depth Severance (including percentage above & belo | N/A |
| loinder | |
| Sample Copy of Proposal Letter | Exhibit 6 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit 4 |

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| Chronology of Contact with Non-Joined Working Interests | See Exhibit 5 for Summary of Contacts |
|---|---|
| an energy of contact with Non-Joined Working interests | See Exhibit 3 for Summary of Contacts |
| Overhead Rates in Proposal Letter | Proposal Letter Exhibit 6 |
| Cost Estimate to Drill and Complete | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate to Equip Well | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate for Production Facilities | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Geology | |
| Summary (including special considerations) | Exhibit C |
| Spacing Unit Schematic | Exhibit 10, Exhibit 11-A |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit 10, Exhibit 11-A |
| Well Orientation (with rationale) | Exhibit C, Exhibit 12 |
| Target Formation | Exhibit 10, Exhibit 11-A through 11-D |
| HSU Cross Section | Exhibit 11-B and 11-C. |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | Exhibit 3 |
| Tracts | Exhibit 4 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit 4 |
| General Location Map (including basin) | Exhibit 9 |
| Well Bore Location Map | Exhibit 9 |
| Structure Contour Map - Subsea Depth | Exhibit 11-A |
| Cross Section Location Map (including wells) | Exhibit 11-B |
| Cross Section (including Landing Zone) | Exhibit 11-C |
| Additional Information | |
| CERTIFICATION: I hereby certify that the information p | provided in this checklist is complete and accurate |
| | |
| | |
| Printed Name (Attorney or Party Representative): | Lance D. Hough |
| igned Name (Attorney or Party Representative): | 1 - Jak |
| Date: | May 18, 2021 |

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY FRANKLIN MOUNTAIN ENERGY, LLC

CASE NO. 21804 ORDER NO. R-21714

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on May 20, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Franklin Mountain Energy, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

<u>ORDER</u>

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 21804 ORDER NO. R-21714

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election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 21804 ORDER NO. R-21714

Page 3 of 7

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 6/07/2021

Exhibit A

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| ALL INFORMATION IN THE APPLICATION MUST | BE SUPPORTED BY SIGNED AFFIDAVITS | | |
|--|--|--|--|
| Case: 21804 | APPLICANT'S RESPONSE | | |
| Date May 20, 2021 | and the state of t | | |
| Applicant | Franklin Mountain Energy, LLC | | |
| Designated Operator & OGRID (affiliation if applicable) | Franklin Mountain Energy, LLC (373910) | | |
| Applicant's Counsel: | Modrall Sperling (Deana Bennett, Lance Hough) | | |
| Case Title: | Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico | | |
| Entries of Appearance/Intervenors: | Max Permian, LLC; Starboard Permian Resources LLC and Burlington Resources Oil and Gas Company, LP | | |
| Well Family | Mission and Vested | | |
| Formation/Pool | | | |
| Formation Name(s) or Vertical Extent: | Wolfcamp | | |
| Primary Product (Oil or Gas): | Oil | | |
| Pooling this vertical extent: | Wolfcamp | | |
| Pool Name and Pool Code: | WC-025 G-09 S253502D, Pool Code 98187 | | |
| Well Location Setback Rules: | Statewide rules | | |
| Spacing Unit Size: | 640 acres | | |
| Spacing Unit | | | |
| Type (Horizontal/Vertical) | Horizontal | | |
| Size (Acres) | 640 acres | | |
| Building Blocks: | 40 acres | | |
| Orientation: | North-South | | |
| Description: TRS/County | 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 | | |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe | Υ | | |
| Other Situations | red man blest the state of the | | |
| Depth Severance: Y/N. If yes, description | N | | |
| Proximity Tracts: If yes, description | Yes, the proposed completed internal of Mission Fed Com 705H is 93' (less than 330') from the section line between the E/2 E/2 of Sections 1 and 12, and W/2 E/2 of Sections 1 and 12, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico. See Exhibit C for C-102. | | |
| Proximity Defining Well: if yes, description | Mission Fed Com 705H, see Well #2 | | |
| Applicant's Ownership in Each Tract eleased to Imaging: 5/19/2021 8:19:07 AM | Exhibit 4. | | |

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| Received by OCD: 5/18/2021 5:48:47 PM | Page 4 of |
|---|---|
| Horizontal Well First and Last Take Points | Mission Fed Com 704H 'Proposed first take point: 616' FNL and 2338' FEL Proposed last take point: 150' FSL and 2339' FEL See also Exhibit 3 for C-102 |
| | Mission Fed Com 705H 'Proposed first take point: 613' FNL and 1412' FEL Proposed last take point: 150' FSL and 1413' FEL See also Exhibit 3 for C-102 |
| | Vested Fed Com 706H 'Proposed first take point: 617' FNL and 659' FEL Proposed last take point: 150' FSL and 660' FEL See also Exhibit 3 for C-102 |
| Completion Target (Formation, TVD and MD) | See Proposal Letter Exhibit 6. |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$7500: |
| Production Supervision/Month \$ | \$750 |
| Justification for Supervision Costs | See AFE Exhibit 7 |
| Requested Risk Charge | 200%: See also Proposal Letter Exhibit 6 |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit 8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit 8 |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit 8 |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit 4 |
| Tract List (including lease numbers and owners) | Exhibit 4 |
| Pooled Parties (including ownership type) | Exhibit 4 |
| Unlocatable Parties to be Pooled | Exhibit 4 |
| Ownership Depth Severance (including percentage above & belo | ov N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit 6 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit 4 |
| Chronology of Contact with Non-Joined Working Interests | See Exhibit 5 for Summary of Contacts |
| Overhead Rates In Proposal Letter | Proposal Letter Exhibit 6 |
| | |

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| eceived by OCD: 5/18/2021 5:48:47 PM | Page 5 |
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| Cost Estimate to Drill and Complete | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate to Equip Well | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Cost Estimate for Production Facilities | Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Geology | |
| Summary (including special considerations) | Exhibit C |
| Spacing Unit Schematic | Exhibit 10, Exhibit 11-A |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit 10, Exhibit 11-A |
| Well Orientation (with rationale) | Exhibit C, Exhibit 12 |
| Target Formation | Exhibit 10, Exhibit 11-A through 11-D |
| HSU Cross Section | Exhibit 11-B and 11-C. |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | Exhibit 3 |
| Tracts | Exhibit 4 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit 4 |
| General Location Map (including basin) | Exhibit 9 |
| Well Bore Location Map | Exhibit 9 |
| Structure Contour Map - Subsea Depth | Exhibit 11-A |
| Cross Section Location Map (including wells) | Exhibit 11-B |
| Cross Section (including Landing Zone) | Exhibit 11-C |
| Additional Information | |
| CERTIFICATION: I hereby certify that the information | provided in this checklist is complete and accurate. |
| | |
| Printed Name (Attorney or Party Representative): | Lance D. Hough |
| Signed Name (Attorney or Party Representative): | 6- April |
| Date: | May 18, 2021 |

Released to Imaging: 5/19/2021 8:19:07 AM

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

IN THE MATTER OF APPLICATION FOR COMPULSORY POOLING SUBMITTED BY FRANKLIN MOUNTAIN ENERGY, LLC

CASE NO. 21805 ORDER NO. R-21715

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on May 20, 2021, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Franklin Mountain Energy, LLC ("Operator") submitted an application ("Application") to compulsory pool the uncommitted oil and gas interests within the spacing unit ("Unit") described in Exhibit A. The Unit is expected to be a standard horizontal spacing unit. 19.15.16.15(B) NMAC. Operator seeks to be designated the operator of the Unit.
- 2. Operator will dedicate the well(s) described in Exhibit A ("Well(s)") to the Unit.
- 3. Operator proposes the supervision and risk charges for the Well(s) described in Exhibit A.
- 4. Operator identified the owners of uncommitted interests in oil and gas minerals in the Unit and provided evidence that notice was given.
- 5. The Application was heard by the Hearing Examiner on the date specified above, during which Operator presented evidence through affidavits in support of the Application. No other party presented evidence at the hearing.

CONCLUSIONS OF LAW

- 6. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 7. Operator is the owner of an oil and gas working interest within the Unit.
- 8. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 9. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

- 10. Operator has the right to drill the Well(s) to a common source of supply at the depth(s) and location(s) in the Unit described in Exhibit A.
- 11. The Unit contains separately owned uncommitted interests in oil and gas minerals.
- 12. Some of the owners of the uncommitted interests have not agreed to commit their interests to the Unit.
- 13. The pooling of uncommitted interests in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 14. This Order affords to the owner of an uncommitted interest the opportunity to produce his just and equitable share of the oil or gas in the pool.

ORDER

- 15. The uncommitted interests in the Unit are pooled as set forth in Exhibit A.
- 16. The Unit shall be dedicated to the Well(s) set forth in Exhibit A.
- 17. Operator is designated as operator of the Unit and the Well(s).
- 18. If the location of a well will be unorthodox under the spacing rules in effect at the time of completion, Operator shall obtain the OCD's approval for a non-standard location in accordance with 19.15.16.15(C) NMAC.
- 19. The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.
- 20. This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.
- 21. The infill well requirements in 19.15.13.9 NMAC through 19.15.13.12 NMAC shall be applicable.
- 22. Operator shall submit each owner of an uncommitted working interest in the pool ("Pooled Working Interest") an itemized schedule of estimated costs to drill, complete, and equip the well ("Estimated Well Costs").
- 23. No later than thirty (30) days after Operator submits the Estimated Well Costs, the owner of a Pooled Working Interest shall elect whether to pay its share of the Estimated Well Costs or its share of the actual costs to drill, complete and equip the well ("Actual Well Costs") out of production from the well. An owner of a Pooled Working Interest who elects to pay its share of the Estimated Well Costs shall render payment to Operator no later than thirty (30) days after the expiration of the

CASE NO. 21805 ORDER NO. R-21715

Page 2 of 7

election period, and shall be liable for operating costs, but not risk charges, for the well. An owner of a Pooled Working Interest who fails to pay its share of the Estimated Well Costs or who elects to pay its share of the Actual Well Costs out of production from the well shall be considered to be a "Non-Consenting Pooled Working Interest."

- 24. No later than one hundred eighty (180) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the Actual Well Costs. The Actual Well Costs shall be considered to be the Reasonable Well Costs unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Reasonable Well Costs after public notice and hearing.
- 25. No later than sixty (60) days after the expiration of the period to file a written objection to the Actual Well Costs or OCD's order determining the Reasonable Well Costs, whichever is later, each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs shall pay to Operator its share of the Reasonable Well Costs that exceed the Estimated Well Costs, or Operator shall pay to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs its share of the Estimated Well Costs that exceed the Reasonable Well Costs.
- 26. The reasonable charges for supervision to drill and produce a well ("Supervision Charges") shall not exceed the rates specified in Exhibit A, provided however that the rates shall be adjusted annually pursuant to the COPAS form entitled "Accounting Procedure-Joint Operations."
- 27. No later than within ninety (90) days after Operator submits a Form C-105 for a well, Operator shall submit to each owner of a Pooled Working Interest an itemized schedule of the reasonable charges for operating and maintaining the well ("Operating Charges"), provided however that Operating Charges shall not include the Reasonable Well Costs or Supervision Charges. The Operating Charges shall be considered final unless an owner of a Pooled Working Interest files a written objection no later than forty-five (45) days after receipt of the schedule. If an owner of a Pooled Working Interest files a timely written objection, OCD shall determine the Operating Charges after public notice and hearing.
- 28. Operator may withhold the following costs and charges from the share of production due to each owner of a Pooled Working Interest who paid its share of the Estimated Well Costs: (a) the proportionate share of the Supervision Charges; and (b) the proportionate share of the Operating Charges.
- 29. Operator may withhold the following costs and charges from the share of production due to each owner of a Non-Consenting Pooled Working Interest: (a) the proportionate share of the Reasonable Well Costs; (b) the proportionate share

CASE NO. 21805 ORDER NO. R-21715

Page 3 of 7

- of the Supervision and Operating Charges; and (c) the percentage of the Reasonable Well Costs specified as the charge for risk described in Exhibit A.
- 30. Operator shall distribute a proportionate share of the costs and charges withheld pursuant to paragraph 29 to each Pooled Working Interest that paid its share of the Estimated Well Costs.
- 31. Each year on the anniversary of this Order, and no later than ninety (90) days after each payout, Operator shall provide to each owner of a Non-Consenting Pooled Working Interest a schedule of the revenue attributable to a well and the Supervision and Operating Costs charged against that revenue.
- 32. Any cost or charge that is paid out of production shall be withheld only from the share due to an owner of a Pooled Working Interest. No cost or charge shall be withheld from the share due to an owner of a royalty interests. For the purpose of this Order, an unleased mineral interest shall consist of a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest.
- 33. Except as provided above, Operator shall hold the revenue attributable to a well that is not disbursed for any reason for the account of the person(s) entitled to the revenue as provided in the Oil and Gas Proceeds Payment Act, NMSA 1978, Sections 70-10-1 *et seq.*, and relinquish such revenue as provided in the Uniform Unclaimed Property Act, NMSA 1978, Sections 7-8A-1 *et seq.*
- 34. The Unit shall terminate if (a) the owners of all Pooled Working Interests reach a voluntary agreement; or (b) the well(s) drilled on the Unit are plugged and abandoned in accordance with the applicable rules. Operator shall inform OCD no later than thirty (30) days after such occurrence.
- 35. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

Date: 6/07/2021

Exhibit A

Received by OCD: 5/18/2021 5:49:48 PM Page 3 of 68 COMPULSORY POOLING APPLICATION CHECKLIST (pdf) ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS Case: 21805 **APPLICANT'S RESPONSE** Date May 20, 2021 Applicant Franklin Mountain Energy, LLC Designated Operator & OGRID (affiliation if applicable) Franklin Mountain Energy, LLC (373910) Applicant's Counsel: Modrall Sperling (Deana Bennett, Lance Hough) Case Title: Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico Entries of Appearance/Intervenors: Max Permian, LLC; Starboard Permian Resources LLC; and Burlington Resources Oil and Gas Company, LP Well Family Mission Formation/Pool Formation Name(s) or Vertical Extent: **Bone Spring** Primary Product (Oil or Gas): Oil Pooling this vertical extent: **Bone Spring** Pool Name and Pool Code: WC-025 G-09 S253502B; LRW BONES SPRING, Pool Code 98185 Well Location Setback Rules: Statewide rules Spacing Unit Size: 320 acres **Spacing Unit** Type (Horizontal/Vertical) Horizontal Size (Acres) 320 acres **Building Blocks:** 40 acres Orientation: North-South Description: TRS/County 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 Standard Horizontal Well Spacing Unit (Y/N), If No, describe **Other Situations** Depth Severance: Y/N. If yes, description N Proximity Tracts: If yes, description N Proximity Defining Well: if yes, description Applicant's Ownership in Each Tract Exhibit 4. EXHIBIT Name & API (if assigned), surface and bottom hole location, Exhibits B, 3, 6 footages, completion target, orientation, completion status Kerengard of Phingingstangered 1 8:19:45 AM

| Received by OCD: 5/18/2021 5:49:48 PM | Page 4 of |
|---|--|
| Well #1 | Mission Fed Com 603H SHL: 250 feet from the North line and 1442 feet from the East line, Section 1, Township 25 South, Range 35 East, NMPM. BHL: 150 feet from the South line and 1860 feet from the East line, Section 12, Township 25 South, Range 3! East, NMPM. Completion Target: Third Bone Spring Sand at approximate 11,660' TVD. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit 3 for C-102 |
| Horizontal Well First and Last Take Points | Proposed first take point: 611' FNL and 1859' FEL Proposed last take point: 150' FSL and 1860' FEL See also Exhibit 3 for C-102 |
| Completion Target (Formation, TVD and MD) | See Proposal Letter Exhibit 6. |
| AFE Capex and Operating Costs | |
| Drilling Supervision/Month \$ | \$7500: |
| Production Supervision/Month \$ | \$750: ~ |
| Justification for Supervision Costs | See AFE Exhibit 7 |
| Requested Risk Charge | 200%: See also Proposal Letter Exhibit 6 |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit 8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit 8 |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit 8 |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit 4 |
| Tract List (including lease numbers and owners) | Exhibit 4 |
| Pooled Parties (including ownership type) | Exhibit 4 |
| Unlocatable Parties to be Pooled | Exhibit 4 |
| Ownership Depth Severance (including percentage above & bel | ov N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit 6 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit 4 |
| Chronology of Contact with Non-Joined Working Interests | See Exhibit 5 for Summary of Contacts |

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| Proposal Letter Exhibit 6 |
|---|
| Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Proposal Letter Exhibit 6; AFE Exhibit 7. |
| Proposal Letter Exhibit 6; AFE Exhibit 7. |
| |
| Exhibit C |
| Exhibit 10, Exhibit 11-A |
| Exhibit 10, Exhibit 11-A |
| Exhibit C, Exhibit 12 |
| Exhibit 10, Exhibit 11-A through 11-D |
| Exhibit 11-B and 11-C. |
| N/A |
| |
| Exhibit 3 |
| Exhibit 4 |
| Exhibit 4 |
| Exhibit 9 |
| Exhibit 9 |
| Exhibit 11-A |
| Exhibit 11-B |
| Exhibit 11-C |
| |
| |

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DATE IN SUSPENSE ENGINEER LOGGED IN TYPE APP NO.

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

| TH | IIS CHECKLIST IS M. | ANDATORY FOR ALL ADMINISTRATIVE APPLICATION | S FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS |
|-----------|-------------------------------------|--|---|
| Applic | ation Acronym | WHICH REQUIRE PROCESSING AT THE DI | IVISION LEVEL IN SANTA FE |
| Applie | [NSL-Non-Sta [DHC-Dowi [PC-Po | | ge] [OLM-Off-Lease Measurement] ssure Maintenance Expansion] ection Pressure Increase] |
| [1] | TYPE OF AI [A] | PPLICATION - Check Those Which Apply Location - Spacing Unit - Simultaneous I NSL NSP SD | |
| | Check [B] | Cone Only for [B] or [C] Commingling - Storage - Measurement DHC CTB PLC | PC OLS OLM |
| | [C] | Injection - Disposal - Pressure Increase - WFX PMX SWD | |
| | [D] | Other: Specify | |
| [2] | NOTIFICAT [A] | TION REQUIRED TO: - Check Those Wh Working, Royalty or Overriding Roy | |
| | [B] | Offset Operators, Leaseholders or Su | urface Owner |
| | [C] | Application is One Which Requires | Published Legal Notice |
| | [D] | Notification and/or Concurrent Appr U.S. Bureau of Land Management - Commissioner of Po | roval by BLM or SLO ublic Lands, State Land Office |
| | [E] | For all of the above, Proof of Notific | eation or Publication is Attached, and/or, |
| | [F] | Waivers are Attached | |
| [3] | | CURATE AND COMPLETE INFORMATION INDICATED ABOVE. | ATION REQUIRED TO PROCESS THE TYPE |
| | val is accurate a | | n submitted with this application for administrative I also understand that no action will be taken on this omitted to the Division. |
| | Note: | Statement must be completed by an individual wi | th managerial and/or supervisory capacity. |
| Rachael (| | Jochan Verland | Director Ops Planning and Regulatory 8/10/2021 |
| Print o | r Type Name | Signature | Title Date roverbey@fmellc.com |
| | | , | e-mail Address |

From: Engineer, OCD, EMNRD

To: Rachael Overbey

Cc: McClure, Dean, EMNRD; Kautz, Paul, EMNRD; Hawkins, James, EMNRD; Powell, Brandon, EMNRD; lisa@rwbyram.com;

Glover, James; Paradis, Kyle O; Walls, Christopher; Dawson, Scott

Subject:Approved Administrative Order PLC-791Date:Wednesday, December 22, 2021 5:08:11 PM

Attachments: PLC791 Order.pdf

NMOCD has issued Administrative Order PLC-791 which authorizes Franklin Mountain Energy, LLC (373910) to surface commingle or off-lease measure, as applicable, the following wells:

| Well API | Well Name | UL or Q/Q | S-T-R | Pool Code |
|--------------|------------------------------|------------|------------|------------------|
| | | W/2 W/2 | 1-25S-35E | |
| 20 025 40000 | Climaters Endowed Come #701H | E/2 E/2 | 2-25S-35E | 00107 |
| 30-025-48809 | Clincher Federal Com #701H | E/2 E/2 | 11-25S-35E | 98187 |
| | | W/2 W/2 | 12-25S-35E | |
| 20.025.40000 | CILL ELLIC WATH | W/2 W/2 | 1-25S-35E | 00105 |
| 30-025-48808 | Clincher Federal Com #601H | W/2 W/2 | 12-25S-35E | 98185 |
| 20.025.40010 | CIT I TO LEGATE | W/2 | 1-25S-35E | 00107 |
| 30-025-48810 | Clincher Federal Com #702H | W/2 | 12-25S-35E | 98187 |
| 20.025.40(10 | Merit Federal #602H | E/2 W/2 | 1-25S-35E | 00105 |
| 30-025-48619 | | E/2 W/2 | 12-25S-35E | 98185 |
| 20.025.40(20 | Merit Federal #703H | W/2 | 1-25S-35E | 00107 |
| 30-025-48620 | | W/2 | 12-25S-35E | 98187 |
| 20.025.40(22 | Mission Federal Com #704H | E/2 | 1-25S-35E | 98187 |
| 30-025-48622 | | E/2 | 12-25S-35E | |
| 20.025.40(21 | Mining Faland Com #602H | W/2 E/2 | 1-25S-35E | 00105 |
| 30-025-48621 | Mission Federal Com #603H | W/2 E/2 | 12-25S-35E | 98185 |
| 20.025.40(22 | Mission Federal Com #705H | E/2 | 1-25S-35E | 00107 |
| 30-025-48623 | | E/2 | 12-25S-35E | 98187 |
| 20.025.40(24 | V-4-1 E-11 C #70(H | E/2 | 1-25S-35E | 00107 |
| 30-025-48624 | Vested Federal Com #706H | E/2 | 12-25S-35E | 98187 |
| 20.025.40012 | Vested Federal Com #604H | E/2 E/2 | 1-25S-35E | 00105 |
| 30-025-48812 | | E/2 E/2 | 12-25S-35E | 98185 |
| | | | | |

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

From: Rachael Overbey

To: McClure, Dean, EMNRD

Subject: RE: [EXTERNAL] RE: Franklin Mountain Energy, LLC - E7CXI-210901-C-107B

Date: Tuesday, December 21, 2021 9:41:41 AM

Attachments: <u>image001.png</u>

Clincher Fed Com 701H C-102 Update Submitted For Record.pdf Mission Fed Com 705H C-102 Update Submitted For Record.pdf

Please see attached sundries that have been submitted to the BLM.

Rachael

From: Rachael Overbey

Sent: Tuesday, December 21, 2021 9:31 AM

To: 'McClure, Dean, EMNRD' < Dean. McClure@state.nm.us>

Subject: RE: [EXTERNAL] RE: Franklin Mountain Energy, LLC - E7CXI-210901-C-107B

Rachael

From: Rachael Overbey

Sent: Monday, December 20, 2021 4:10 PM

To: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

Subject: RE: [EXTERNAL] RE: Franklin Mountain Energy, LLC - E7CXI-210901-C-107B

Mr. McClure,

I will investigate the sundry for the Mission Federal Com #705H. We filed that correction with the BLM but I do not have an approval in my files.

We do intend to allocate per the CA's you referenced (orders: R-21646 and R-21714).

Thank you!

Rachael

From: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

Sent: Monday, December 20, 2021 2:37 PM **To:** Rachael Overbey < roverbey@fmellc.com >

Subject: RE: [EXTERNAL] RE: Franklin Mountain Energy, LLC - E7CXI-210901-C-107B

Ms. Overbey,

It looks like a sundry was not submitted for the Mission Federal Com #705H correcting its spacing to match R-21714 and the proposed CA NMNM 143835. Is it Franklin's intent to do so?

Does Franklin no longer wish to allocate the Clincher Federal Com #701H per R-21646 and the proposed CA NMNM 143718?

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

From: Rachael Overbey < roverbey@fmellc.com>
Sent: Monday, December 20, 2021 10:21 AM

To: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

Subject: [EXTERNAL] RE: Franklin Mountain Energy, LLC - E7CXI-210901-C-107B

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

Mr. McClure,

I am writing to check on the status of a C-107B that was submitted by Franklin Mountain Energy [OGRID 373910] on 9/1/2021; E7CXI-210901-C-107B. We anticipate completion operations will commence on this unit the first week of January. I haven't seen an update since our last communication so, I just wanted to check in and make sure that you have everything you need to process the application. Please let me know if you require any additional information and I will get it to you ASAP.

Thank you!!

Rachael

From: Rachael Overbey

Sent: Friday, December 3, 2021 12:23 PM

To: McClure, Dean, EMNRD Dean.McClure@state.nm.us

Subject: RE: [External] surface commingling application PLC-791

Mr. McClure,

We have finally received BLM sundry approvals and have submitted them under the action ID's below:

64930

64931

64933

64935

64936

64950

Thank you so much for your patience as I pushed these through.

Rachael

From: Rachael Overbey

Sent: Monday, November 15, 2021 4:33 PM

To: McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>> **Subject:** RE: [External] surface commingling application PLC-791

Mr. McClure,

Thank you for the quick reply, appreciated.

I submitted those sundries to the BLM back in July. Let me follow up on the status. Will get back with you ASAP.

Thank you!

Rachael

From: McClure, Dean, EMNRD < Dean. McClure@state.nm.us>

Sent: Monday, November 15, 2021 1:43 PM **To:** Rachael Overbey < <u>roverbey@fmellc.com</u>>

Subject: [External] surface commingling application PLC-791

Ms. Overbey,

I am reviewing surface commingling application PLC-791 which involves the Green Light Central Tank Battery operated by Franklin Mountain Energy, LLC (373910).

Please confirm that the intended spacing units for the below wells are correct:

| | | W/2 W/2 | 1-25S-35E | |
|--------------|----------------------------|------------|------------|-------|
| 30-025-48809 | Clincher Federal Com #701H | E/2 E/2 | 2-25S-35E | 00107 |
| | | E/2 E/2 | 11-25S-35E | 98187 |
| | | W/2 W/2 | 12-25S-35E | |
| 20.025.40000 | Clincher Federal Com #601H | W/2 W/2 | 1-25S-35E | 00105 |
| 30-025-48808 | | W/2 W/2 | 12-25S-35E | 98185 |
| 20.025.40040 | Clincher Federal Com #702H | W/2 | 1-25S-35E | 98187 |
| 30-025-48810 | | W/2 | 12-25S-35E | |
| 20.025.40(10 | Merit Federal #602H | E/2 W/2 | 1-25S-35E | 98185 |
| 30-025-48619 | | E/2 W/2 | 12-25S-35E | |
| 20.025.49(21 | Mission Federal Com #603H | W/2 E/2 | 1-25S-35E | 00107 |
| 30-025-48621 | | W/2 E/2 | 12-25S-35E | 98185 |
| 20.025.40(22 | Mission Federal Com #705H | E/2 | 1-25S-35E | 00107 |
| 30-025-48623 | | E/2 | 12-25S-35E | 98187 |
| | | | | |

If these spacing units are correct, then they will need to be corrected with the OCD as currently the dedicated spacing units are incorrect due to incorrect C-102s included with the APDs. You will need to

submit sundries to the BLM with the correct spacing and once approved submit those sundries to the OCD on form C-103 submitted as C-103a. Once submitted please email me with the action IDs. If the BLM has not yet approved the sundries as we get closer to the desired time to begin operations, please touch base with me again.

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

From: Rachael Overbey

Sent: Monday, November 15, 2021 9:34 AM

To: McClure, Dean, EMNRD < Dean.McClure@state.nm.us >

Subject: RE: Franklin Mountain Energy, LLC - E7CXI-210901-C-107B

Mr. McClure,

I am writing to check on the status of a C-107B that was submitted by Franklin Mountain Energy [OGRID 373910] on 9/1/2021; E7CXI-210901-C-107B. We anticipate completion operations will commence on this unit ~12/15/2021. I haven't heard or seen any recent updates, so I just wanted to check in and make sure that you have everything you need to process the application. Please let me know if you require any additional information and I will get it to you ASAP.

Thank you!!

Rachael

From: Rachael Overbey

Sent: Monday, October 25, 2021 12:45 PM

To: McClure, Dean, EMNRD < <u>Dean.McClure@state.nm.us</u>> **Subject:** Franklin Mountain Energy, LLC - E7CXI-210901-C-107B

Mr. McClure,

I am writing to check on the status of a C-107B that was submitted by Franklin Mountain Energy [OGRID 373910] on 9/1/2021; E7CXI-210901-C-107B. We have some time before we need the approval in hand but I hadn't heard or seen any recent updates so I just wanted to check in and make sure that you have everything you need to process the application. Please let me know if you require any additional information and I will get it to you ASAP.

Thank you!!

Rachael Overbey

Director - Operations Planning & Regulatory Franklin Mountain Energy LLC 44 Cook Street, Suite 1000 Denver, CO 80206 Main: 720.414.7868 Mobile: 303.570.4057 roverbey@fmellc.com



State of New Mexico Energy, Minerals and Natural Resources Department

Notice

Order: PLC-791

Operator: Franklin Mountain Energy, LLC (373910)

Publication Date: 8/26/2021 Submittal Date: 9/1/2021

| Noticed Persons | | | |
|-----------------|--|----------------------------------|------------|
| Date | Person | Certified Tracking Number | Status |
| 8/23/2021 | Starboard Permian Resources, LLC | 9414 7116 9900 0013 3795 49 | Delivered |
| 8/23/2021 | Max Permian, LLC | 9414 7116 9900 0013 3740 32 | Delivered |
| 8/23/2021 | Ameredev New Mexico, LLC | 9414 7116 9900 0013 3755 34 | Delivered |
| 8/23/2021 | ConocoPhillips Company | 9414 7116 9900 0013 3725 57 | Delivered |
| 8/23/2021 | Occidental Permian, Ltd. | 9414 7116 9900 0013 3788 01 | Delivered |
| 8/23/2021 | CRP XII, LLC | 9414 7116 9900 0013 3773 61 | Delivered |
| 8/23/2021 | HOG BG WI, LLC | 9414 7116 9900 0013 3718 26 | Delivered |
| 8/27/2021 | ASH Oil & Gas, LLC | 9414 7116 9900 0013 3996 84 | Delivered |
| 8/23/2021 | KMM - Permian, LLC | 9414 7116 9900 0013 3931 01 | Delivered |
| 8/23/2021 | Burlington Resources Oil and Gas Company, L | 9414 7116 9900 0013 3984 65 | Delivered |
| 8/23/2021 | ConocoPhilips Company | 9414 7116 9900 0013 3964 92 | Delivered |
| 8/23/2021 | Heirs and Devisees of John Everett Kennan, De | 9414 7116 9900 0013 3241 43 | Delivered |
| 8/23/2021 | Bobby Aaron Skates | 9414 7116 9900 0013 3254 54 | Delivered |
| 8/23/2021 | Anna Beth Carder McIntyre | 9414 7116 9900 0013 3203 29 | Delivered |
| 8/23/2021 | Anna Beth Carder McIntyre, Trustee of the Id: | 9414 7116 9900 0013 3281 96 | Delivered |
| 8/24/2021 | Phillip Julian Erickson | 9414 7116 9900 0013 3271 82 | Delivered |
| 8/25/2021 | Mary Ellen (Marellie) Littlefield f/k/a Mary Eli | 9414 7116 9900 0013 3265 81 | Delivered |
| 8/27/2021 | BOKF, NA, as Agent for Leonard R. Woods, St | 9414 7116 9900 0013 3598 86 | Delivered |
| 8/27/2021 | BOKF, NA, as Agent for Marcia Melinda Woo | 9414 7116 9900 0013 3535 70 | Delivered |
| 8/27/2021 | BOKF, NA, as Agent for Alicia Ritts Orrick | 9414 7116 9900 0013 3551 78 | Delivered |
| 8/27/2021 | BOKF, NA, as Agent for James B. Ritts | 9414 7116 9900 0013 3526 89 | Delivered |
| 8/27/2021 | BOKF, NA, as Agent for Susan R. Stoltz | 9414 7116 9900 0013 3503 57 | Delivered |
| 8/23/2021 | Heirs and Devisees of Odella N. Clark C/O Wal | 9414 7116 9900 0013 3560 45 | Delivered |
| 8/23/2021 | St. Joseph's Residence, Inc. | 9414 7116 9900 0013 3513 85 | Delivered |
| 8/23/2021 | Richard L. Cromartie | 9414 7116 9900 0013 3699 22 | Delivered |
| 8/23/2021 | Richard L. Cromartie, Jr. | 9414 7116 9900 0013 3639 99 | Delivered |
| 8/28/2021 | Heirs and Devisees of Lillian Smith Ward, C/O | 9414 7116 9900 0013 3675 15 | Delivered |
| 8/23/2021 | Heirs and Devisees of Lillian Smith Ward, C/O | 9414 7116 9900 0013 3612 16 | Delivered |
| 8/23/2021 | Heirs and Devisees of Jack Wooten | 9414 7116 9900 0013 3895 17 | Delivered |
| 8/24/2021 | Heirs and Devisees of Mary C. Smith | 9414 7116 9900 0013 3849 32 | Delivered |
| 10/4/2021 | Mary Frances Orr Gibbs | 9414 7116 9900 0013 3859 08 | In-Transit |
| 8/27/2021 | Jane L. Rule, Trustee under the Jane L. Rule F | 9414 7116 9900 0013 3829 76 | In-Transit |
| 8/23/2021 | Heirs, Devisees, and Assigns of Mildred Smith | 9414 7116 9900 0013 3861 72 | Delivered |
| 10/25/2021 | Heirs, Devisees, and Assigns of Mary Smith Bo | 9414 7116 9900 0013 3813 44 | In-Transit |
| 8/23/2021 | Heirs, Devisees, and Assigns of Mary Smith Bo | 9414 7116 9900 0013 3091 95 | Delivered |
| 8/23/2021 | Heirs, Devisees, and Assigns of Mary Smith Bo | 9414 7116 9900 0013 3031 93 | Delivered |
| 9/10/2021 | Heirs, Devisees, and Assigns of Mary Smith Bo | 9414 7116 9900 0013 3040 46 | In-Transit |
| 8/23/2021 | Heirs and Devisees of David Lynch, C/O Lynet | 9414 7116 9900 0013 3028 20 | Delivered |
| 8/23/2021 | Heirs and Devisees of Edward D. Smith, C/O R | 9414 7116 9900 0013 3007 10 | Delivered |

| 8/23/2021 | Medlin and Charlotte Lynch, Joint Tenants | 9414 7116 9900 0013 3087 30 | Delivered |
|------------|--|-----------------------------|------------------|
| 8/27/2021 | Richard A. Whittington | 9414 7116 9900 0013 2340 08 | Delivered |
| 8/25/2021 | Dudley M. Smith | 9414 7116 9900 0013 2329 05 | Delivered |
| 8/27/2021 | Dudley M. Smith | 9414 7116 9900 0013 2324 93 | Delivered |
| 8/24/2021 | Elsie Heard McAdoo | 9414 7116 9900 0013 2384 19 | Delivered |
| 8/24/2021 | Barbara Ellen Gerloff | 9414 7116 9900 0013 2362 00 | Delivered |
| 9/9/2021 | Susan Dian Bourque | 9414 7116 9900 0013 2364 60 | Delivered |
| 8/23/2021 | James Wesley Burch II | 9414 7116 9900 0013 2310 90 | Delivered |
| 8/26/2021 | Colleen Peterman | 9414 7116 9900 0013 2195 00 | In-Transit |
| 8/24/2021 | Robert Crane | 9414 7116 9900 0013 2134 61 | Delivered |
| 8/23/2021 | Charles Kenn Crane | 9414 7116 9900 0013 2156 94 | Delivered |
| 8/23/2021 | Carolyn Thompson | 9414 7116 9900 0013 2126 24 | Delivered |
| 8/23/2021 | George Crane | 9414 7116 9900 0013 2109 72 | Delivered |
| 8/23/2021 | Shirley Terry | 9414 7116 9900 0013 2559 73 | Delivered |
| 8/23/2021 | Stanley Rogers | 9414 7116 9900 0013 2501 07 | Delivered |
| 8/23/2021 | Billie Dixon | 9414 7116 9900 0013 2572 05 | Delivered |
| 8/25/2021 | Roberta Hunt Wilson | 9414 7116 9900 0013 2514 63 | Delivered |
| 8/23/2021 | Marietta Perkins | 9414 7116 9900 0013 2632 06 | Delivered |
| 8/23/2021 | Donna Moore Blystone | 9414 7116 9900 0013 2647 60 | Delivered |
| 9/8/2021 | Barbara Moore Garcia | 9414 7116 9900 0013 2652 79 | In-Transit |
| 8/25/2021 | Charles Kenneth Moore | 9414 7116 9900 0013 2622 61 | Delivered |
| 9/21/2021 | Helen Campsey | 9414 7116 9900 0013 2625 06 | In-Transit |
| | Christopher Daniel Kennann | 9414 7116 9900 0013 2604 65 | Returned |
| 8/24/2021 | Mitchell Zinck | 9414 7116 9900 0013 2683 24 | In-Transit |
| 8/25/2021 | James Gregory | 9414 7116 9900 0013 2674 64 | Delivered |
| 8/23/2021 | Clifford D. Gregory | 9414 7116 9900 0013 2660 78 | Delivered |
| 8/26/2021 | Cheryl Landon | 9414 7116 9900 0013 2610 66 | Delivered |
| 10/2/2021 | William Benton McDowell | 9414 7116 9900 0013 2893 98 | In-Transit |
| 8/24/2021 | Bessie Marie McDowell | 9414 7116 9900 0013 2831 98 | Delivered |
| 8/23/2021 | Sharon Bernita Phillips | 9414 7116 9900 0013 2846 07 | Delivered |
| 8/23/2021 | Megan Shaughnessy, Executor of the Estate of | 9414 7116 9900 0013 2850 00 | Delivered |
| 8/23/2021 | Archie D. Smith, Jr., Trustee of The Archie D. | 9414 7116 9900 0013 2807 15 | Delivered |
| 8/24/2021 | William F. Smith | 9414 7116 9900 0013 2887 04 | Delivered |
| 8/24/2021 | Elizabeth Wilson | 9414 7116 9900 0013 2863 28 | Delivered |
| 8/25/2021 | Rheiner Holdings, LLC | 9414 7116 9900 0013 2816 37 | Delivered |
| 9/30/2021 | Cayuga Royalties, LLC | 9414 7116 9900 0013 2097 09 | In-Transit |
| 8/21/2021 | Prevail Energy, LLC | 9414 7116 9900 0013 2095 70 | Delivered |
| 8/25/2021 | Bank of America, Trustee of the William E. and | 9414 7116 9900 0013 2048 65 | Delivered |
| 8/30/2021 | Cherokee Legacy Minerals, Ltd. | 9414 7116 9900 0013 2045 75 | Delivered |
| 8/25/2021 | Bon Vivant, LLC | 9414 7116 9900 0013 2053 50 | Delivered |
| 8/25/2021 | A&P Family LP | 9414 7116 9900 0013 2023 59 | Delivered |
| 8/24/2021 | Wilmoth Virginia Howard a/k/a Wilma Virgini | 9414 7116 9900 0013 2000 89 | Delivered |
| 9/21/2021 | Frank Gideon Landram, Jr. | 9414 7116 9900 0013 2083 37 | In-Transit |
| 8/23/2021 | Barbara Juanita Crane | 9414 7116 9900 0013 2060 12 | Delivered |
| 8/24/2021 | Clyde Smith | 9414 7116 9900 0013 2011 85 | Delivered |
| 10/29/2021 | Annie Lee Orr | 9414 7116 9900 0013 5399 43 | In-Transit |
| 8/27/2021 | Priscilla Johnson Gannicott | 9414 7116 9900 0013 5336 20 | Delivered |
| 8/31/2021 | Debra Y. Counts fka Debra Y. Thompson | 9414 7116 9900 0013 5341 22 | Delivered |
| 8/31/2021 | Betty Amonte | 9414 7116 9900 0013 5359 83 | Delivered |
| | | | |

| 8/24/2021 | Meridian 102 LP | 9414 7116 9900 0013 5329 99 | Delivered |
|------------|---|-----------------------------|------------------|
| 8/31/2021 | Ryan Moore, Trustee of the Ryan Moore SSM1 | 9414 7116 9900 0013 5300 70 | Delivered |
| 8/31/2021 | Ryan Moore, Trustee of the Ryan Moore SSM1 | 9414 7116 9900 0013 5380 21 | Delivered |
| 8/23/2021 | Michael Harrison Moore | 9414 7116 9900 0013 5371 16 | Delivered |
| 8/24/2021 | Arthur Leroy Burch | 9414 7116 9900 0013 5369 97 | Delivered |
| 8/24/2021 | Arvest Bank, Trustee of the O.W. Skirvin Testa | 9414 7116 9900 0013 5319 23 | Delivered |
| 8/23/2021 | Carol Bearly Cleveland individually and as Suc | 9414 7116 9900 0013 5196 31 | Delivered |
| 8/23/2021 | Monticello Minerals, LLC | 9414 7116 9900 0013 5131 65 | Delivered |
| 8/24/2021 | Mary Ann Prall | 9414 7116 9900 0013 5147 42 | Delivered |
| 9/7/2021 | Mid-Brook Royalty LLC | 9414 7116 9900 0013 5152 68 | Delivered |
| 8/25/2021 | Candlewood Resources, LLC | 9414 7116 9900 0013 5125 19 | Delivered |
| 8/23/2021 | Patch Energy LLC | 9414 7116 9900 0013 5188 01 | Delivered |
| 8/24/2021 | Linda Louise Burgess | 9414 7116 9900 0013 5185 28 | Delivered |
| 8/23/2021 | Alanson Gregory Burgess | 9414 7116 9900 0013 5170 33 | Delivered |
| 9/2/2021 | Charles Eggleston | 9414 7116 9900 0013 5169 75 | In-Transit |
| 8/23/2021 | Joann Eggleston Rutheford | 9414 7116 9900 0013 5110 86 | Delivered |
| 8/30/2021 | John A Dittmer & Velma M Dittmer Revocable | 9414 7116 9900 0013 5437 42 | Delivered |
| 9/8/2021 | Charmanie S. Dittmer Reeve | 9414 7116 9900 0013 5448 86 | Delivered |
| 8/23/2021 | Terry Elizabeth Dittmer Eshelman | 9414 7116 9900 0013 5453 19 | Delivered |
| 8/23/2021 | Timothy W. Dittmer | 9414 7116 9900 0013 5420 35 | Delivered |
| 8/23/2021 | United States of America | 9414 7116 9900 0013 5403 38 | Delivered |
| 8/23/2021 | State of New Mexico | 9414 7116 9900 0013 5485 94 | Delivered |
| 8/25/2021 | Cojeen Camden, LLC | 9414 7116 9900 0013 5462 24 | Delivered |
| 8/23/2021 | H. Winfield Smith, Jr. | 9414 7116 9900 0013 5410 52 | Delivered |
| 8/30/2021 | William C. Kennann, Trustee of the Kennann I | 9414 7116 9900 0013 5794 68 | Delivered |
| 8/25/2021 | Robert L. Hunt Wilson | 9414 7116 9900 0013 5734 28 | Delivered |
| 9/3/2021 | Encanto Minerals, LLC | 9414 7116 9900 0013 5740 67 | In-Transit |
| 8/25/2021 | Tierra Royalties, LLC | 9414 7116 9900 0013 5755 38 | In-Transit |
| 9/22/2021 | Bryan Bell Family LLC | 9414 7116 9900 0013 5724 83 | In-Transit |
| 8/24/2021 | Bryan Bell Family LLC | 9414 7116 9900 0013 5706 87 | Delivered |
| 9/3/2021 | DMA, Inc | 9414 7116 9900 0013 5778 91 | In-Transit |
| 8/25/2021 | Morris E. Schertz | 9414 7116 9900 0013 5769 24 | Delivered |
| 8/25/2021 | Nuevo Seis, LP | 9414 7116 9900 0013 5935 63 | Delivered |
| 10/16/2021 | Robert N. Enfield Trustee of the Robert N. Enf | 9414 7116 9900 0013 5950 93 | Returned |
| 8/21/2021 | Charmar, LLC | 9414 7116 9900 0013 5980 18 | Delivered |
| 8/25/2021 | Jetstream Royalty Partners, LP | 9414 7116 9900 0013 5968 54 | Delivered |
| 8/24/2021 | Lisa M. Enfield, Trustee of the Lisa M. Enfield | 9414 7116 9900 0013 5916 13 | Delivered |
| 8/27/2021 | MLE, LLC | 9414 7116 9900 0013 5291 11 | Delivered |
| 8/23/2021 | Richard C. Deason | 9414 7116 9900 0013 5234 85 | Delivered |
| 9/18/2021 | Thomas D. Deason | 9414 7116 9900 0013 5245 81 | In-Transit |
| 9/10/2021 | Ronald H. Mayer, Trustee of the Ronald H. Ma | 9414 7116 9900 0013 5254 41 | Delivered |
| 8/23/2021 | SAP, LLC | 9414 7116 9900 0013 5224 64 | Delivered |
| 9/1/2021 | Howard A. Rubin, Inc. | 9414 7116 9900 0013 5203 85 | In-Transit |
| 9/26/2021 | Rubie Crosby Bell Family, LLC. | 9414 7116 9900 0013 5280 46 | In-Transit |
| 8/26/2021 | Rubie Crosby Bell Family, LLC. | 9414 7116 9900 0013 5277 04 | In-Transit |
| 8/23/2021 | CrownRock Minerals, L.P. | 9414 7116 9900 0013 5266 22 | Delivered |
| 8/23/2021 | Foundation Minerals, LLC | 9414 7116 9900 0013 5216 65 | Delivered |
| 8/23/2021 | Mavros Minerals II, LLC | 9414 7116 9900 0013 5532 60 | Delivered |
| 8/23/2021 | Oak Valley Minerals and Land, LP | 9414 7116 9900 0013 5547 62 | Delivered |
| | , | - | |

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

APPLICATION FOR SURFACE COMMINGLING SUBMITTED BY FRANKLIN MOUNTAIN ENERGY, LLC

ORDER NO. PLC-791

ORDER

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

FINDINGS OF FACT

- 1. Franklin Mountain Energy, LLC ("Applicant") submitted a complete application to surface commingle the oil and gas production from the pools, leases, and wells identified in Exhibit A ("Application").
- 2. Applicant proposed a method to allocate the oil and gas production to the pools, leases, and wells to be commingled.
- 3. To the extent that ownership is identical, Applicant submitted a certification by a licensed attorney or qualified petroleum landman that the ownership in the pools, leases, and wells to be commingled is identical as defined in 19.15.12.7.B. NMAC.
- 4. To the extent that ownership is diverse, Applicant provided notice of the Application to all persons owning an interest in the oil and gas production to be commingled, including the owners of royalty and overriding royalty interests, regardless of whether they have a right or option to take their interests in kind, and those persons either submitted a written waiver or did not file an objection to the Application.
- 5. Applicant provided notice of the Application to the Bureau of Land Management ("BLM") or New Mexico State Land Office ("NMSLO"), as applicable.
- 6. Applicant certified the commingling of oil and gas production from the pools, leases, and wells will not in reasonable probability reduce the value of the oil and gas production to less than if it had remained segregated.
- 7. Applicant in the notice for the Application stated that it sought authorization to add additional pools, leases, and wells and identified the parameters to make such additions.
- 8. Applicant submitted or intends to submit one or more proposed communitization agreement(s) ("Proposed Agreement(s)") to the BLM or NMSLO, as applicable, identifying the acreage of each lease to be consolidated into a single pooled area ("Pooled Area"), as described in Exhibit B.

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CONCLUSIONS OF LAW

- 9. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, 70-2-16, and 70-2-17, 19.15.12. NMAC, and 19.15.23. NMAC.
- 10. Applicant satisfied the notice requirements for the Application in accordance with 19.15.12.10.A.(2) NMAC, 19.15.12.10.C.(4)(c) NMAC, and 19.15.12.10.C.(4)(e) NMAC, as applicable.
- 11. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9.A.(5) NMAC and 19.15.23.9.A.(6) NMAC, as applicable.
- 12. Applicant's proposed method of allocation, as modified herein, complies with 19.15.12.10.B.(1) NMAC or 19.15.12.10.C.(1) NMAC, as applicable.
- 13. Commingling of oil and gas production from state, federal, or tribal leases shall not commence until approved by the BLM or NMSLO, as applicable, in accordance with 19.15.12.10.B.(3) NMAC and 19.15.12.10.C.(4)(h) NMAC.
- 14. Applicant satisfied the notice requirements for the subsequent addition of pools, leases, and wells in the notice for the Application, in accordance with 19.15.12.10.C.(4)(g) NMAC. Subsequent additions of pools, leases, and wells within Applicant's defined parameters, as modified herein, will not, in reasonable probability, reduce the commingled production's value or otherwise adversely affect the interest owners in the production to be added.
- 15. 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 surface commingle oil and gas production from the pools, leases, and wells identified in Exhibit A.
 - Applicant is authorized to store and measure oil and gas production off-lease from the pools, leases, and wells identified in Exhibit A at a central tank battery described in Exhibit A.
- 2. For each Pooled Area described in Exhibit B, Applicant shall submit a Proposed Agreement to the BLM or NMSLO, as applicable, prior to commencing oil and gas production. If Applicant fails to submit the Proposed Agreement, this Order shall terminate on the following day.
 - No later than sixty (60) days after the BLM or NMSLO approves or denies a Proposed Agreement, Applicant shall submit Form C-103 to OCD with a copy of the decision and a description of the approved lands, as applicable. If Applicant withdraws or the BLM or NMSLO denies a Proposed Agreement, this Order shall terminate on the date of such action, and Applicant shall cease commingling the production from the Pooled Area. If the BLM or NMSLO approves but modifies the Proposed Agreement(s), Applicant shall comply with the approved Agreement(s), and no later than sixty (60) days after such decision, Applicant shall submit a new surface commingle application to OCD to conform this Order with the

Order No. PLC-791 Page 2 of 4

approved Agreement(s). If OCD denies the new surface commingle application, this Order shall terminate on the date of such action.

Applicant shall allocate the oil and gas production to each lease within a Pooled Area in proportion to the acreage that each lease bears to the entire acreage of the Pooled Area described in Exhibit B until the Proposed Agreement which includes the Pooled Area is approved. After the Proposed Agreement is approved, the oil and gas production from the Pooled Area shall be allocated as required by the BLM's or NMSLO's, as applicable, approval of the Agreement, including any production that had been allocated previously in accordance with this Order.

- 3. The oil and gas production for each well identified in Exhibit A shall be separated and metered prior to commingling.
- 4. Applicant shall measure and market the commingled oil at a central tank battery described in Exhibit A in accordance with this Order and 19.15.18.15. NMAC or 19.15.23.8. NMAC.
- 5. Applicant shall measure and market the commingled gas at a well pad, central delivery point, central tank battery, or gas title transfer meter described in Exhibit A in accordance with this Order and 19.15.19.9. NMAC, provided however that if the gas is vented or flared, and regardless of the reason or authorization pursuant to 19.15.28.8.B. NMAC for such venting or flaring, Applicant shall measure or estimate the gas in accordance with 19.15.28.8.E. NMAC.
- 6. Applicant shall calibrate the meters used to measure or allocate oil and gas production in accordance with 19.15.12.10.C.(2) NMAC.
- 7. If the commingling of oil and gas production from any pool, lease, or well reduces the value of the commingled 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 surface commingling application to OCD to amend this Order to remove the pool, lease, or well whose oil and gas production 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. Applicant may submit an application to amend this Order to add pools, leases, and subsequently drilled wells with spacing units adjacent to or within the tracts commingled by this Order by submitting a Form C-107-B in accordance with 19.15.12.10.C.(4)(g) NMAC.
- 9. Applicant shall not commence commingling oil or gas production from state, federal, or tribal leases until approved by the BLM or NMSLO, as applicable.
- 10. 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).
- 11. OCD retains jurisdiction of this matter and reserves the right to modify or revoke this Order as it deems necessary.

Order No. PLC-791 Page 3 of 4

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

| Woul | |
|-------------------|---|
| ADRIENNE SANDOVAL | _ |
| DIRECTOR | |

DATE: 12/22/2021

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State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit A

Order: PLC-791

Operator: Franklin Mountain Energy, LLC (373910)

Central Tank Battery: Green Light Central Tank Battery

Central Tank Battery Location: Unit B, Section 1, Township 25 South, Range 35 East Gas Title Transfer Meter Location: Unit B, Section 1, Township 25 South, Range 35 East

Pools

| Pool Name | Pool Code |
|--------------------------------------|-----------|
| WC-025 G-09 S253502B; LWR BONE SPRIN | 98185 |
| WC-025 G-09 S253502D; UPR WOLFCAMP | 98187 |

Leases as defined in 19.15.12.7(C) NMAC

| Leases as defined in 19.13.12.7(C) INVIAC | | | |
|---|-------------|------------|--|
| Lease | UL or Q/Q | S-T-R | |
| VB 21170003 | E/2 E/2 | 2-25S-35E | |
| NMNM 101608 | E/2 E/2 | 11-25S-35E | |
| NMNM 138897 | W/2 minus E | 1-25S-35E | |
| [NIVIINIVI 130097 | All | 12-25S-35E | |
| NMNM 045706 | E | 1-25S-35E | |
| Fee | E/2 | 1-25S-35E | |
| | | | |

Wells

| Wens | | | | |
|-----------------------------|----------------------------------|--------------------|------------|-------|
| Well API | Well Name | UL or Q/Q | S-T-R | Pool |
| 20.025.40000 | | W/2 W/2 | 1-25S-35E | |
| | | E/2 E/2 | 2-25S-35E | 00107 |
| 30-025-48809 | Clincher Federal Com #701H | E/2 E/2 | 11-25S-35E | 98187 |
| | | W/2 W/2 | 12-25S-35E | |
| 20.02# 40000 | CU I F I IC WANT | W/2 W/2 | 1-25S-35E | 0040# |
| 30-025-48808 | Clincher Federal Com #601H | W/2 W/2 | 12-25S-35E | 98185 |
| 20.00= 10010 | CH 1 7 1 1 C (F004) | W/2 | 1-25S-35E | 0040 |
| 30-025-48810 | Clincher Federal Com #702H | W/2 | 12-25S-35E | 98187 |
| | 30-025-48619 Merit Federal #602H | E/2 W/2 | 1-25S-35E | 0010= |
| 30-025-48619 | | E/2 W/2 | 12-25S-35E | 98185 |
| | | W/2 | 1-25S-35E | 0010= |
| 30-025-48620 | Merit Federal #703H | $\mathbf{W}/2$ | 12-25S-35E | 98187 |
| | | E/2 | 1-25S-35E | |
| 30-025-48622 | Mission Federal Com #704H | E/2 | 12-25S-35E | 98187 |
| | | W/2 E/2 | 1-25S-35E | |
| 30-025-48621 | Mission Federal Com #603H | W/2 E/2 | 12-25S-35E | 98185 |
| | | E/2 | 1-25S-35E | |
| 30-025-48623 | Mission Federal Com #705H | E/2 | 12-25S-35E | 98187 |
| 30-025-48624 Vested Federal | | E/2 | 1-25S-35E | |
| | Vested Federal Com #706H | E/2 | 12-25S-35E | 98187 |
| | Vested Federal Com #604H | E/2 E/2 | 1-25S-35E | |
| 30-025-48812 | | E/2 E/2 E/2 E/2 | 12-25S-35E | 98185 |
| | | 12-235-33E | | |

State of New Mexico Energy, Minerals and Natural Resources Department

Exhibit B

Order: PLC-791

Operator: Franklin Mountain Energy, LLC (373910)

| P | ooled Areas | | | |
|-------------------------------|-------------|------------|--------|-------------------|
| Pooled Area | UL or Q/Q | S-T-R | Acres | Pooled Area II |
| | W/2 W/2 | 1-25S-35E | | |
| CA Welfarm NMNM 142719 | E/2 E/2 | 2-25S-35E | 641.51 | A |
| CA Wolfcamp NMNM 143718 | E/2 E/2 | 11-25S-35E | 641.51 | A |
| | W/2 W/2 | 12-25S-35E | | |
| CA Walfagran NIMNIM 142710 | W/2 | 1-25S-35E | 641.2 | D |
| CA Wolfcamp NMNM 143719 | W/2 | 12-25S-35E | | В |
| CA Wolform NMNM 142925 | E/2 | 1-25S-35E | 640.4 | C |
| CA Wolfcamp NMNM 143835 | E/2 | 12-25S-35E | 040.4 | C |
| CA Bone Spring NMNM 143720 | W/2 W/2 | 1-25S-35E | 220.7 | D |
| CA Bone Spring INMINIM 143720 | W/2 W/2 | 12-25S-35E | 320.7 | D |
| CA Dono Spring NMNM 142924 | W/2 E/2 | 1-25S-35E | 220.2 | E |
| CA Bone Spring NMNM 143834 | W/2 E/2 | 12-25S-35E | 320.3 | L |
| CA Bone Spring NMNM 143888 | E/2 E/2 | 1-25S-35E | 320.1 | F |
| CA Dune Spring Mynny 145000 | E/2 E/2 | 12-25S-35E | 320.1 | Г |

Leases Comprising Pooled Areas

| | = www comprising room recom | | | | |
|------------|--------------------------------|-------------|------------|--------|-------------------|
| Lea | se | UL or Q/Q | S-T-R | Acres | Pooled Area ID |
| NMNM | 120007 | Lot 1 L M | 1-25S-35E | 200.7 | A |
| INIVIINIVI | NM 138897 ESC 1 E W W/2 W/2 | 12-25S-35E | 280.7 | A | |
| NMNM | 045706 | E | 1-25S-35E | 40 | A |
| VB 211 | 70003 | E/2 E/2 | 2-25S-35E | 160.81 | A |
| NMNM | 101608 | E/2 E/2 | 11-25S-35E | 160 | A |
| NMNM | 120007 | W/2 minus E | 1-25S-35E | (01.2 | В |
| INIVIINIVI | 130097 | W/2 | 12-25S-35E | 601.2 | В |
| NMNM | 045706 | E | 1-25S-35E | 40 | В |
| Fe | e | E/2 | 1-25S-35E | 320.4 | С |
| NMNM | 138897 | E/2 | 12-25S-35E | 320 | C |
| NMNM | 120007 | Lot 1 L M | 1-25S-35E | 200.7 | D |
| INIVIINIVI | 130097 | W/2 W/2 | 12-25S-35E | 280.7 | D |
| NMNM | 045706 | E | 1-25S-35E | 40 | D |
| Fe | e | W/2 E/2 | 1-25S-35E | 160.3 | E |
| NMNM | 138897 | W/2 E/2 | 12-25S-35E | 160 | E |
| Fe | e | E/2 E/2 | 1-25S-35E | 160.1 | F |
| NMNM | 138897 | E/2 E/2 | 12-25S-35E | 160 | F |
| | | | | | |

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

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

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**

CONDITIONS

Action 45919

CONDITIONS

| Operator: | OGRID: |
|------------------------------|---|
| Franklin Mountain Energy LLC | 373910 |
| 44 Cook Street | Action Number: |
| Denver, CO 80206 | 45919 |
| | Action Type: |
| | [C-107] Surface Commingle or Off-Lease (C-107B) |

CONDITIONS

| Created | Condition | Condition Date |
|---------|--|----------------|
| dmccl | 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. | 12/22/2021 |