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

### APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC TO POOL ADDITIONAL INTEREST OWNERS UNDER THE TERMS OF ORDER NO. R-23031,

CASE NO. 25162 ORDER NO. R-23031-A

#### <u>ORDER</u>

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on February 18, 2025, and after considering the testimony, evidence, and recommendation of the Hearing and Technical Examiners, issues the following Order.

#### **FINDINGS OF FACT**

- 1. On August 4, 2023, OCD issued Order R-23031 to Franklin Mountain Energy 3, LLC ("Operator") to pool the uncommitted oil and gas interests within the specified spacing unit ("Unit").
- 2. Subsequent to the issuance of Order R-23031, Operator discovered previously unidentified interest owner(s) in the Unit.
- 3. On January 14, 2025, Operator filed an application ("Application") with the OCD to amend Order R-23031 to pool additional interest owner(s).
- 4. Operator provided evidence that it gave notice of the Application and the hearing to the previously unidentified interest owner(s).
- 5. Operator presented evidence through affidavits in support of the Application.
- 6. No other party presented evidence at the hearing.

#### CONCLUSIONS OF LAW

- 7. OCD has jurisdiction to issue this Order pursuant to NMSA 1978, Section 70-2-17.
- 8. Operator is the owner of an oil and gas working interest within the Unit.
- 9. Operator satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 10. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.
- 11. The previously unidentified interest owner has not agreed to commit its interest to the Unit.

- 12. The pooling of the previously unidentified uncommitted interest in the Unit will prevent waste and protect correlative rights, including the drilling of unnecessary wells.
- 13. This Order affords to the previously unidentified interest owner the opportunity to produce its just and equitable share of the oil or gas in the pool.

## <u>ORDER</u>

- 14. The previously unidentified uncommitted interest in the Unit is hereby pooled in the Unit.
- 15. Order R-23031 shall remain in full force and effect.
- 16. OCD retains jurisdiction of this matter for the entry of such orders as may be deemed necessary.

# STATE OF NEW MEXICO OIL CONSERVATION DIVISION

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Date: 4/23/2025

**GERASIMOS RAZATOS DIRECTOR (Acting)** GR/jag