

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

**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY, LLC TO AMEND ORDER NO. R-20946,  
LEA COUNTY, NEW MEXICO**

**CASE NO. \_\_\_\_\_  
ORDER NO. R-20946  
(Re-Open)**

**APPLICATION**

Franklin Mountain Energy, LLC (“FME”), OGRID Number 373910, through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) to amend Order No. R-20946 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for an extension of time for drilling the initial well under the Order. In support of this application, FME states as follows:

1. FME has an interest in the subject lands and has a right to drill and operate a well thereon.
2. The Division entered Order No. R-20946 in Case No. 20777 on October 31, 2019.
3. Order No. R-20946 is one of several orders (the “Colorado Orders”) relating to FME’s “Colorado” well group and FME’s “Colorado” units.
4. Order No. R-20946 pooled uncommitted interest owners in a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.
5. Order No. R-20946 dedicated the above-described spacing unit to the Ouray Fed Com 602H well.
6. Order No. R-20946 designated FME as the operator of the wells and the unit.

7. On August 18, 2020, FME submitted a written request to OCD an extension of time to spud the initial well under Order R-20946. FME submitted this written request under the then-existing form of order which allowed requests for extensions of time to be submitted by letter to OCD, rather than by an application for hearing.

8. OCD granted FME's request for an extension of time, through October 31, 2021.

9. Since the issuance of the Colorado Orders, FME has determined to batch drill the wells that are the subject of the Colorado Orders to facilitate efficient drilling of the wells.

10. Since entry of Order No. R-20946, FME has determined that prior to the commencement of drilling it is prudent to add the following additional initial Wolfcamp well to the approved spacing unit: the Ouray Fed Com 302H. This well will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.

11. FME has sent revised well proposal letters to the mineral interest owners pooled under Order No. R-20946 and will notify them of this hearing.

12. FME also requests that Order No. R-20946 be amended to allow FME additional time to commence drilling the initial well under the Order.

13. Good cause exists for FME's request for an extension of time.

14. As FME indicated in its August 18, 2020 letter, there had been changes in FME's drilling schedule due to COVID-19 and the then-existing market conditions.

15. FME's operations and drilling activity have continued to be impacted by COVID-19 and oil and gas market conditions.

16. In addition, FME has determined to batch drill the wells subject to this Order, along with the wells subject to the other Colorado Orders.

17. In addition to filing this request for an extension of time, FME is requesting extensions of time with respect to all of the Colorado Orders to enable FME to batch drill the wells, which will be more efficient.

18. It is FME's intent to develop the acreage in this unit, as well as the other Colorado units, and to drill the wells thereon. Given the delays occasioned by COVID-19, and Franklin's decision to batch drill the wells, FME requires additional time to commence drilling.

19. FME asks that the deadline to commence drilling the initial well be extended for a year from October 31, 2021 to October 31, 2022.

WHEREFORE, FME requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 9, 2021, and after notice and hearing as required by law, the Division:

A. Amend Order No. R-20946 to add the well identified herein to the approved horizontal spacing unit;

B. Amend Order No. R-20946 to extend the time for FME to commence drilling the initial well under the Order for a year, through October 31, 2022.

MODRALL, SPERLING, ROEHL, HARRIS  
& SISK, P.A.

By: Deana M. Bennett  
Deana M. Bennett  
Jamie L. Allen  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
*Attorneys for Applicant*

**CASE NO. \_\_\_\_\_: (Re-Open) Application of Franklin Mountain Energy, LLC to Amend Order No. R-20946, Lea County, New Mexico.** Applicant seeks an order from the Division amending Order No. R-20946 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20946 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

W4125624.DOCX