



Before the Oil Conservation Division
Examiner Hearing
September 23, 2021

Case No. 22120: Golden Fed Com 303H &
Golden Fed Com 603H

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

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC TO AMEND ORDER NO. R-20944,
LEA COUNTY, NEW MEXICO**

**CASE NO. 22120
ORDER NO. R-20944
(Re-Open)**

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

APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC TO AMEND ORDER NO. R-20944,
LEA COUNTY, NEW MEXICO

CASE NO. 22120
ORDER NO. R-20944
(Re-Open)

SELF-AFFIRMED DECLARATION

Shelly Albrecht hereby states and declares as follows:

1. I am over the age of 18, I am the Director of Land for Franklin Mountain Energy, LLC (“Franklin”), and I have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division (“Division”) and I have been qualified by the Division as an expert petroleum landman.

2. My area of responsibility at Franklin includes the area of Lea County in New Mexico.

3. I am familiar with the application filed by Franklin in this case, which is attached as **Exhibit 1**.

4. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced applications.

5. The purpose of the application is to re-open Order No. R-20944, attached as **Exhibit 2**, to amend it to (1) add an additional initial well to the approved horizontal spacing unit and to force pool overriding royalty interest owners only into the well additional well and the unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order.



6. Order No. R-20944 is one of several orders (the “Colorado Orders”) relating to Franklin’s “Colorado” well group and Franklin’s “Colorado” units.

7. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

8. Order No. R-20944 dedicate the above-described spacing unit to the Golden Fed Com 603H well.

9. Order No. R-20944 designated Franklin as the operator of the well and the unit.

10. Franklin’s first request is to re-open Order Nos. R-20944 to amend it to add an additional initial well to the approved horizontal spacing unit and to force pool only overriding royalty interests into the unit, and in the wells to be drilled in the unit. OCD has granted a similar request to add an initial well to Spur Energy Partners, LLC in Case No. 21254, Order No. R-20642-B.

11. Since entry of Order No. R-20944, Franklin has determined that prior to the commencement of drilling it is prudent to add the following additional initial Bone Spring well to the approved spacing unit: the Golden Fed Com 303H. This well will be horizontally drilled and will be drilled at orthodox locations under the Division’s rules.

12. Attached as **Exhibit 3-A** is the proposed C-102 for the Golden Fed Com 303H well. Attached for reference as **Exhibit 3-B** is the C-102 for the Golden Fed Com 603H well.

13. The C-102s identify the proposed surface hole location, the first take point, and the bottom hole location. The C-102s also identify the pool and pool code.

14. The Golden Fed Com 303H well will develop the WC-025 G-07 S243517D;MIDDLE BONE SPRING (Pool Code 98294), which is an oil pool with 40-acre

building blocks. The TVD for the Golden Fed Com 303H well is approximately 10,100 feet and the proposed MD is approximately 20,100 feet. The TVD for the Golden Fed Com 603H well is approximately 11,834 feet and the proposed MD is approximately 21,987 feet.

15. This pool is governed by the state-wide horizontal well rules. The producing interval for the well will be orthodox and will comply with the Division's set back requirements.

16. There are no depth severances within the proposed spacing unit.

17. **Exhibit 4** includes a lease tract map outlining the unit being pooled. Franklin only needs to pool overriding interest owners because all working interest owners have agreed to participate in the wells under a JOA. Exhibit 4 also includes the overriding interest owners being pooled and a summary of the percent of their interests.

18. Because Franklin seeks only to pool overrides, Franklin was not required to send proposal letters to them, or Authorization for Expenditures. In addition, because Franklin only seeks to pool overrides, Franklin does not request any overhead or administrative rates or the imposition of a risk charge.

19. I have conducted a diligent search of the public records in the county where the well will be located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification.

20. Franklin requests that it be designated operator of the well.

21. Franklin's second request is to re-open Order Nos. R-20944 to amend it to allow for a one-year extension of time to commence drilling the initial well under the Order.

22. This is Franklin's second request for an extension of time. On August 18, 2020, Franklin submitted a written request to OCD an extension of time to spud the initial well under Order R-20944. Franklin 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.

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

See Exhibit 5.

24. Since the issuance of the Colorado Orders, Franklin has determined to batch drill the wells that are the subject of the Colorado Orders to facilitate efficient drilling of the wells and to add additional wells.

25. Franklin is requesting extensions of time with respect to all of the Colorado Orders to enable Franklin to batch drill the wells, which will be more efficient.

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

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

28. It is Franklin'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, Franklin requires additional time to commence drilling.

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

30. OCD has granted a similar second extension request to Spur Energy Partners, LLC in Case Nos. 21938 and 21939, Order Nos. R-20642-C and R-20643-C, under these same circumstances, *i.e.*, due to market conditions and the global pandemic's effects which impacted Franklin's development plans. *See also* relevant excerpts of June 17, 2021 Transcript of Proceedings in Case Nos. 21938 and 21939 attached as **Exhibit 6**.

31. The parties Franklin seeks to pool in the additional well were given notice of this hearing. See **Exhibit 7**. No opposition is expected because no interest owners have indicated any opposition.

32. Franklin, through its counsel, notified all pooled working interest owners of Franklin's request to re-open Order No. R-20944 to allow for additional time to commence drilling the initial well. No opposition is expected because no pooled working interest owners have indicated any opposition.

33. Proof of notification is attached as **Exhibit 7** to this Declaration. Exhibit 7 shows the parties who were notified of this hearing, the status of whether they received notice, and an affidavit of publication from the Hobbs News-Sun newspaper, showing that notice of this hearing was published on August 29, 2021.

34. In preparation for this hearing, I reviewed the well files for the Golden Fed Com 603H well, which is the well included in Order R-20944. In my review, I noted that the approved APD for this well changed the pool and pool code from a Bone Spring pool and pool code to a Wolfbone pool and pool code, Pool Code 98098. It is my understanding that the pool was changed to a Wolfbone pool because of the proximity between the Third Bone Spring and the Upper Wolfcamp in this area. Significantly, there is no ownership difference between the Third Bone Spring and Upper Wolfcamp, and Franklin has proposed these wells to its partners and no partners have objected to the drilling of the wells.

35. Attached as **Exhibit 8** is a proposed revised Exhibit A to conform Exhibit A of Order R-20944 to the approved APD and to add the Golden Fed Com 303H well to the Order. Alternatively, attached as **Exhibit 9** is a proposed Compulsory Pooling Checklist that includes

both the Golden Fed Com 303H well and the Golden Fed Com 603H well and the updated pool and pool code information.

36. The attachments to this declaration were prepared by me, or compiled from company business records, or were prepared at my direction.

37. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

38. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: September 20, 2021



Shelly Albrecht

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

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC TO AMEND ORDER NO. R-20944,
LEA COUNTY, NEW MEXICO**

**CASE NO. 22120
ORDER NO. R-20944
(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-20944 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-20944 in Case No. 20775 on October 31, 2019.
3. Order No. R-20944 is one of several orders (the “Colorado Orders”) relating to FME’s “Colorado” well group and FME’s “Colorado” units.
4. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.
5. Order No. R-20944 dedicate the above-described spacing unit to the Golden Fed Com 603H well.
6. Order No. R-20944 designated FME as the operator of the well 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-20944. 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-20944, FME has determined that prior to the commencement of drilling it is prudent to add the following additional initial Bone Spring well to the approved spacing unit: the Golden Fed Com 303H. 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-20944 and will notify them of this hearing.

12. FME also requests that Order No. R-20944 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-20944 to add the well identified herein to the approved horizontal spacing unit;

B. Amend Order No. R-20944 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-20944, Lea County, New Mexico. Applicant seeks an order from the Division amending Order No. R-20944 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-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/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.

W4124848.DOCX

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

**IN THE MATTER OF THE HEARING CALLED BY
THE OIL CONSERVATION DIVISION TO
CONSIDER:**

**CASE NO. 20775
ORDER NO. R-20944**

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

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 17, 2019, at Santa Fe, New Mexico, before Examiner Leonard R. Lowe.

NOW, on this 31st day of October 2019, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT

- (1) Due public notice has been given and the Division has jurisdiction of this case and the subject matter.
- (2) Applicant seeks to compulsory pool all uncommitted oil and gas interests within a spacing unit, as that unit is described in the attached Exhibit "A".
- (3) Applicant seeks to dedicate the Proposed Well(s) detailed in Exhibit "A" to the Unit.
- (4) XTO Energy, Inc. entered an appearance. No other operator appeared or otherwise opposed the case.
- (5) Applicant appeared at the hearing through counsel and presented evidence to the effect that:
 - (a) All completed well locations are expected to be standard or Applicant will apply administratively for approval of location exceptions.



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Order No. R-20944
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- (b) Notice by certified mail was provided to all uncommitted interest owners in the proposed Unit whose interests were evidenced by a conveyance instrument, either of record or known to Applicant when the Application was filed, and to heirs known to Applicant of deceased persons who appear as owners in such instrument.
- (c) Notice to certain affected parties was posted in a newspaper of general circulation in the county as provided in Rule 19.15.4.12.B NMAC.

The Division finds and concludes that

(6) If the location of any of the Well(s) is unorthodox when the well is completed under the spacing rules then in effect and applicable to the well, the operator must obtain a non-standard location approval prior to producing the well.

(7) Two or more separately owned tracts are embraced within the Unit, and/or there are royalty interests and/or undivided interests in oil and gas minerals in one or more tracts included in the Unit that are separately owned.

(8) Applicant is owner of an oil and gas working interest within the Unit. Applicant has the right to drill and proposes to drill the Well(s) to a common source of supply within the Unit at the described depths and location(s). Applicant should be allowed a one year period to complete at least one of the Well(s) after commencing drilling of the Well(s).

(9) There are interest owners in the Unit that have not agreed to pool their interests.

(10) To avoid the drilling of unnecessary wells, protect correlative rights, prevent waste and afford to the owner of each interest in the Unit the opportunity to recover or receive without unnecessary expense a just and fair share of hydrocarbons, this application should be approved by pooling all uncommitted interests, whatever they may be, in the oil and gas in the pooled depth interval within the Unit.

(11) To ensure protection of correlative rights, any pooled working interest owner whose address is known, and who has elected to participate under the terms of this order should be notified before the Division grants any extension of the time provided herein for commencing drilling. Any such owner may file an application, with notice to the operator, requesting that the extension be denied.

(12) Infill wells within the Unit should be subject to Division Rules 19.15.13.9 NMAC through 19.15.13.10 NMAC, and to the terms and conditions of this order.

(13) Any pooled working interest owner who does not pay its share of estimated well costs of any well should have withheld from production from such well its share of reasonable well costs plus an additional reasonable charge [see Exhibit "A"] for the risk involved in drilling the Well(s).

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IT IS THEREFORE ORDERED THAT

(1) All uncommitted interests, whatever they may be, in the oil and gas within the spacing unit (or the portion thereof within the pooled vertical extent) described in Exhibit "A" are hereby pooled. Exhibit "A" hereto is incorporated herein by this reference and made a part of this order for all purposes.

(2) The Unit shall be dedicated to the proposed "Well(s)".

(3) If any of the Well(s) is completed at an unorthodox location under applicable rules in effect at the time such well is completed, the operator shall provide notice and apply administratively for a location exception prior to producing the well.

(4) The operator of the Unit shall commence drilling the Well(s) on or before the end of the month corresponding to the date of this order, in the year following the date of issuance of this order and shall thereafter continue drilling the Well(s) with due diligence to test the pooled formation or pooled vertical depths. The Well(s) shall be drilled approximately to the proposed true vertical and measured depths.

(5) In the event the operator does not commence drilling the Well(s) on or before the date provided in the foregoing paragraph, the compulsory pooling provision of this order shall be of no effect, unless the operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(6) In the event the operator does not commence completion operations within one year after commencement of drilling operations pursuant to this order, then the compulsory pooling provisions of this order shall be of no effect unless operator obtains a written time extension from the Division Director pursuant to a written request stating its reasons for such extension and attaching satisfactory evidence.

(7) The operator shall provide a copy of any request for extension of time to drill or complete any well filed with the Director pursuant to this order to each pooled working interest owner who has elected to participate in the drilling of any well that is the subject of the request. Such copy shall be sent at the same time the request is sent to the Director.

(8) Upon final plugging and abandonment of the Well(s) and any other well drilled on the Unit pursuant to Division Rule 19.15.13.9 NMAC, the pooled unit created by this order shall terminate unless this order has been amended to authorize further operations.

(9) Infill wells within the Unit shall be subject to Division Rule 19.15.13.9 NMAC and to the terms and conditions of this order.

(10) After pooling, uncommitted working interest owners are referred to as pooled working interest owners. ("Pooled working interest owners" are owners of working interests in the

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Unit, including unleased mineral interests, who are not parties to an operating agreement governing the Unit.) After the effective date of this order, the operator shall furnish the Division and each known pooled working interest owner in the Unit separate itemized schedules of estimated costs of drilling, completing and equipping each of the Well(s) ("well costs").

(11) Within 30 days from the date the schedule of estimated well costs for any well is furnished, any pooled working interest owner shall have the right to elect to pay its share of estimated well costs to the operator in lieu of paying its share of reasonable well costs out of production as hereinafter provided. Payment shall be rendered within 30 days after expiration of the 30-day election period and any such owner who pays its share of estimated well costs as provided above for any well shall remain liable for operating costs but shall not be liable for risk charges to the extent computed based on costs of such well. Pooled working interest owners who do not elect to pay their share of estimated well costs, or who do not render timely payment to the operator, as provided in this paragraph shall thereafter be referred to as "non-consenting working interest owners."

(12) The operator shall furnish the Division and each known pooled working interest owner (including non-consenting working interest owners) an itemized schedule of actual well costs of each well within 180 days following completion of the proposed well. If no objection to the actual well costs for any well is received by the Division, and the Division has not objected, within 45 days following receipt of the schedule for such well, the actual well costs shall be deemed to be the reasonable well costs. If there is an objection to actual well costs within the 45-day period, the Division will determine reasonable well costs for such well after public notice and hearing.

(13) Within 60 days following determination of reasonable well costs for any well, any pooled working interest owner who has paid its share of estimated costs of such well in advance as provided above shall pay to the operator its share of the amount that reasonable well costs exceed estimated well costs and shall receive from the operator the amount, if any, that the estimated well costs it has paid for such well exceed its share of reasonable well costs.

(14) The operator is hereby authorized to withhold the following costs and charges from each non-consenting working interest owner's share of production from each well:

(a) the proportionate share of reasonable well costs attributable to the non-consenting working interest owner; and

(b) as a charge for the risk involved in drilling the well, the percent (shown in Exhibit "A") of the above costs.

(15) During the cost recovery period, the operator shall furnish to the Division and to each known non-consenting pooled working interest owner, annually, and within 90 days after payout occurs, a schedule of all revenues attributable to each proposed well, and all charges for supervision and operating costs charged against such revenues. Operating costs shall include all reasonable costs incurred for the maintenance and operation of the well, except for "well costs"

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reported pursuant to prior ordering paragraphs, that are properly chargeable to the joint account pursuant to COPAS procedures. If no objection to the operating costs is received by the Division, and the Division has not objected, within 45 days following receipt of any schedule, the costs shall be deemed to be the reasonable operating costs. If there is an objection to the accuracy or reasonableness of operating costs reported within the 45-day period, the Division will determine reasonable operating costs after public notice and hearing.

(16) The operator shall distribute the costs and charges withheld from production, proportionately, to the parties who advanced the well costs for such well.

(17) Reasonable charges for supervision (combined fixed rates) are hereby fixed at the rates shown in Exhibit "A" per month, per well, while drilling and while producing, provided that these rates shall be adjusted annually pursuant to the COPAS form titled "Accounting Procedure-Joint Operations." The operator is authorized to withhold from production from each well the proportionate share of both the supervision charges and the actual expenditures required for operating of such well, not more than what are reasonable, attributable to pooled working interest owners.

(18) Except as provided in the foregoing paragraphs, all proceeds from production from the Well(s) that are not disbursed for any reason shall be held for the account of the person or persons entitled thereto pursuant to the Oil and Gas Proceeds Payment Act (NMSA 1978 Sections 70-10-1 through 70-10-6, as amended). If not sooner disbursed, such proceeds shall be turned over to the appropriate authority as and when required by the Uniform Unclaimed Property Act (NMSA 1978 Sections 7-8A-1 through 7-8A-31, as amended).

(19) Any unleased mineral interest shall be considered a seven-eighths (7/8) working interest and a one-eighth (1/8) royalty interest for allocating costs and charges under this order. Any costs that are to be paid out of production shall be withheld only from the working interests' share of production, and no costs or charges shall be withheld from production attributable to royalty interests.

(20) Should all the parties to this compulsory pooling order reach voluntary agreement after entry of this order, this order shall thereafter be of no further effect.

(21) The operator of the wells and Unit shall notify the Division in writing of the subsequent voluntary agreement of any party subject to the compulsory pooling provisions of this order.

(22) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in blue ink, appearing to read "ASV".

ADRIENNE SANDOVAL
Director

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Exhibit "A"

Applicant: Franklin Mountain Energy, LLC
Operator: Franklin Mountain Energy, LLC (OGRID No. 373910)

Spacing Unit: Horizontal Oil
Building Blocks: quarter-quarter sections
Spacing Unit Size: 320 acres, more or less
Orientation of Unit: North/ South

Spacing Unit Description:
W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation
Depth Severance? (Yes/No): No

Pool: Ojo Chiso; Bone Spring (Pool code 96553)
Pool Spacing Unit Size: quarter-quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.

Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$7000 While producing: \$700
As the charge for risk, 200 percent of reasonable well costs.

Proposed Well:

Golden Federal Com 603H, API No. Pending

SHL: 325 feet from the South line and 1408 feet from the East line,
(Unit O) of Section 9, Township 24 South, Range 35 East, NMPM.
BHL: 150 feet from the North line and 1677 feet from the East line,
(Lot 2) of Section 4, Township 24 South, Range 35 East, NMPM.

Completion Target: 3rd Bone Spring Sand at approx 11760 feet TVD.
Well Orientation: South to North
Completion Location expected to be: standard

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 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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 98294	³ Pool Name WC-025 G-07 S243517D; MIDDLE BONE SPRING
⁴ Property Code	⁵ Property Name GOLDEN FED COM	⁶ Well Number 303H
⁷ OGRID No. 373910	⁸ Operator Name FRANKLIN MOUNTAIN ENERGY LLC	⁹ Elevation 3375.1'

¹⁰ Surface Location

UL or lot no. O	Section 9	Township 24S	Range 35E	Lot Idn	Feet from the 325	North/South line SOUTH	Feet from the 1443	East/West line EAST	County LEA
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no. 2	Section 4	Township 24S	Range 35E	Lot Idn	Feet from the 150	North/South line NORTH	Feet from the 1877	East/West line EAST	County LEA
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¹² Dedicated Acres 320.16	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

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"

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 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.

Signature: *Shelly Albrecht* Date: 4/30/2021

Printed Name: Shelly Albrecht

E-mail Address: salbrecht@fmlc.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 correct to the best of my belief.

May 7, 2019

Date of Survey
Signature and Seal of Professional Surveyor:

LINE TABLE

LINE	DIRECTION	LENGTH
L1	S89°43'57"W	2636.55'
L2	S63°33'07"W	612.32'
L3	N00°14'03"E	585.82'
L4	N00°14'01"E	1999.27'
L5	N00°14'02"E	2641.63'

● = SURFACE HOLE LOCATION
 ◆ = KOP/PPP
 ○ = BOTTOM HOLE LOCATION/LAST TAKE POINT
 ▲ = SECTION CORNER LOCATED

SCALE
 DRAWN BY: R.J. 03-08-21
 REV: 1 04-14-21 R.J.
 (UPDATE BORE PATH & ADD KOP/PPP)



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 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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

Table with 4 columns: API Number, Pool Code, Pool Name, Property Code, Property Name, Well Number, OGRID No., Operator Name, Elevation.

Surface Location

Table with 9 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Bottom Hole Location If Different From Surface

Table with 9 columns: UL or lot no., Section, Township, Range, Lot Idn, Feet from the, North/South line, Feet from the, East/West line, County.

Table with 4 columns: Dedicated Acres, Joint or Infill, Consolidation Code, 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.

Main plat area containing: NOTE, NAD 83 (SURFACE HOLE LOCATION), NAD 27 (SURFACE HOLE LOCATION), STATE PLANE NAD 83 (N.M. EAST), NAD 83 (KOP), NAD 27 (KOP), STATE PLANE NAD 83 (N.M. EAST), NAD 83 (PPP #1 - LP/FTP), NAD 27 (PPP #1 - LP/FTP), STATE PLANE NAD 83 (N.M. EAST), NAD 83 (PPP #2), NAD 27 (PPP #2), STATE PLANE NAD 83 (N.M. EAST), NAD 83 (PPP #3), NAD 27 (PPP #3), STATE PLANE NAD 83 (N.M. EAST), NAD 83 (BHL/LTP), NAD 27 (BHL/LTP), STATE PLANE NAD 83 (N.M. EAST). Includes a large survey diagram with bearings and distances, a LINE TABLE, a scale bar, and certification signatures for the Operator (Shelly Albrecht) and Surveyor (Paul Buchele).



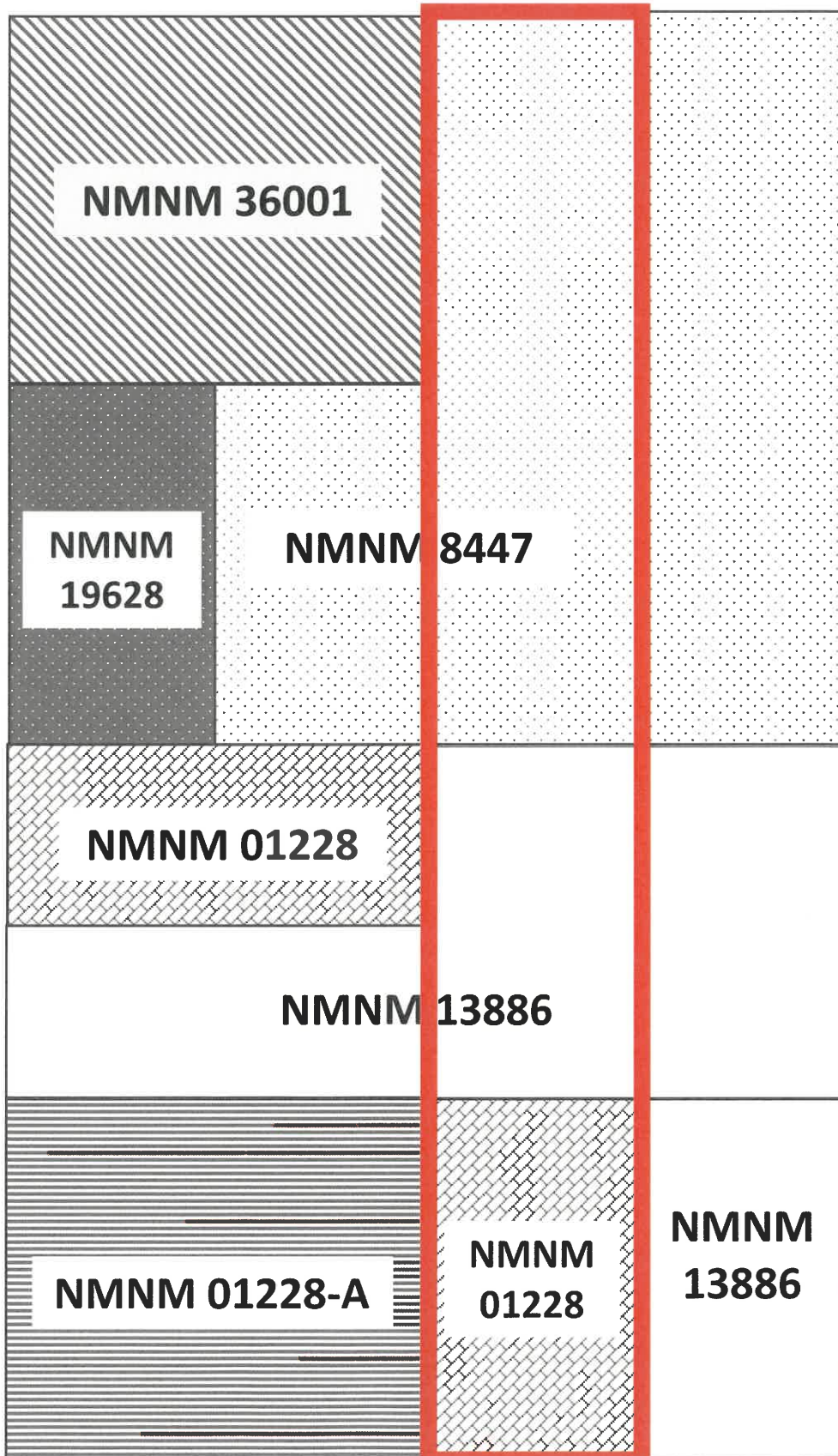
Lease Tract Map

Case No. 22120

W/2E/2 of Sections 4 & 9-24S-35E- 320.16 Gross Acres

Golden Fed Com 303H

Golden Fed Com 603H



Summary of Interests

Case No. 22120

W/2E/2 of Sections 4 & 9-24S-35E- 320.16 Gross Acres

Golden Fed Com 303H

Golden Fed Com 603H

Committed Working Interest:

Franklin Mountain Energy 2, LLC	47.844754%
Franklin Mountain Energy, LLC	49.997889%
Prospector, LLC	1.778733%
Bean Family Limited Company	0.177874%
New Mexico Western Minerals, Inc.	0.177874%
Hinkle Living Trust	0.022876%

Total: 100.000000%

ORRI Owners (Totaling 12.5% Net Revenue Interest):

Franklin Mountain Royalty Investments, LLC	Prevail Energy, LLC
Free Ride LLC	Rheiner Holdings LLC
Paul Slayton	Monticello Minerals, LLC
Stewart Heighten	Cathleen Ann Adams, Trustee of the Cathleen ann Adams Revocable Trust dated 9/25/2020, as amended and restated
TD Minerals LLC	Susan Arrott aka Susan Carol Arrott, Trustee of the Arrott Famil Revocable Trust dated 4/8/2019, as amended and restated
Occidental Permian LP	DMA Inc
McKay Petroleum Corporation	Charmar LLC
St. Clair of Texas, LLC	Richard C. Deason
Depke Trust	Thomas D. Deason
C. Richard Overly	Ronald H. Mayer
BPL Fish Pond LLC	SAP, LLC
Millis Jeffrey Oakes	Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999
Stephen William Oakes	Pony Oil Operating LLC
Elizabeth Ann Cline	MerPel, LLC
Benjamin Jacob Oakes	Bryan Bell Family, LLC
Matthew David Oakes	Magnum Hunter Production Inc
Olin Brett Dalton	Patrick J. McClellan
David Trent Dalton	Regan A. Burrows
Milton R. Fry	Elliott-Hall Company
Featherstone Development Corp.	
Covey Energy Partners LP	
Cayuga Royalties, LLLC	



State of New Mexico
Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham
Governor

Sarah Cottrell Propst
Cabinet Secretary

Todd E. Leahy, JD, PhD
Deputy Secretary

Adrienne Sandoval, Director
Oil Conservation Division



August 27, 2020

Franklin Mountain Energy, LLC
c/o Deana Bennett, Agent
Deana.bennett@modrall.com
P.O. Box 2168
Albuquerque, New Mexico 87102

RE: Request for Time Extension to Commence drilling
Case No. 20775, R-20944 approved date October 31, 2019
Deadline to commence drilling October 31, 2020
Applicant/Operator: Franklin Mountain Energy, LLC
Proposed Wells:
Golden Federal Com Well No. 603H, API No. 30-025-47054

Dear Sir or Madam:

The following pertains to your request received by the Division on August 18th, 2020 and to the requirements in the captioned hearing order.

You have requested an extension of the deadline to commence drilling given by the Division in the captioned order.

As stated, you are requesting an extension to spud this well due to "Franklin's operations and drilling activity has been impacted by COVID-19 and oil and gas market conditions" There was no opposition in the captioned case. You are requesting an additional year in which to spud this well. The spud date is now extended to, **October 31, 2021**.

The requested additional year in which to commence drilling is hereby granted.

All other provisions of this order remain in full force and effect.

Sincerely,

ADRIENNE SANDOVAL
Director
AS/jag

CC: Oil Conservation Division – Hobbs District Office



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

IN THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

Application of Spur Energy Partners, LLC,
to Amend Order R-20642, R-20642-B and
R-20642-C, Eddy County, New Mexico Case No. 21938

Application of Spur Energy Partners, LLC,
to Amend Order R-20643, R-20643-A and
R-20642-C, Eddy County, New Mexico Case No. 21939

REPORTER'S TRANSCRIPT OF PROCEEDINGS

EXAMINER HEARING

MOTION TO AMEND

THURSDAY, JUNE 17, 2021

This matter came on for hearing before the
New Mexico Oil Conservation Division, Legal
Examiner William Brancard, Technical Examiner
Leonard Lowe, on Thursday, June 17, 2021, via
the Webex virtual Conferencing platform.

Reported by: Mary Therese Macfarlane
New Mexico CCR No. 122
PAUL BACA COURT REPORTERS
500 Fourth Street NW, Suite 105
Albuquerque, New Mexico 87102.
(505) 843-9241

PAUL BACA PROFESSIONAL COURT REPORTERS
500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE,



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A P P E A R A N C E S

For Spur Energy Partners:

Kaitlyn Luck, Esq.
Holland & Hart
110 North Guadalupe, Suite 1
Santa Fe, New Mexico 87501
(505) 988-4421
kaluck@hollandandhart.com

For ConocoPhillips:

Ocean Munds-Dry, Esq.
1048 Paseo de Peralta
Santa Fe, NM 87501
(505) 780-8000
omundsdry@concho.com

C O N T E N T S

CASE No. 21938/21939	PAGE
Case Called:	3
Inquiry By Mr. Lowe:	5
Taken Under Advisement:	8

E X H I B I T I N D E X

SPUR ENERGY PARTNERS EXHIBITS:	PAGE
A Application	8
B Affidavit of Megan Pena, Landman	8
C Notice Affidavit	8
D Notice of Publication	8

1 MS. LUCK: That's correct.

2 EXAMINER LOWE: For both wells?

3 MS. LUCK: It's three wells total but there is
4 two Pooling Orders, so one for the shallower depth and
5 then one for the deeper, and both of them we'd like to
6 extend to June 30th, 2022.

7 EXAMINER LOWE: Is this request the first
8 extension request for these wells or these cases?

9 MS. LUCK: No, this is the second extension
10 request. Spur had previously had these on the drill
11 scheduled earlier in 2020, but again due do Covid the
12 drilling project had been pushed out, so that's why Spur
13 is requiring a second extension of these Orders.

14 EXAMINER LOWE: I'm looking -- okay. That's all
15 I have. Thank you.

16 MS. LUCK: Thank you.

17 EXAMINER BRANCARD: Thank you. And I think the
18 first requests were approved by Administrative Letters, is
19 that correct, not by Orders.

20 MS. LUCK: That's right.

21 And in one of the filed cases there was an
22 Order entered extending, and then the other one there was
23 a Letter. So we just went ahead and filed for the hearing
24 on these so that they would all be straightforward as to
25 what we were requesting.

Page 7

1 EXAMINER BRANCARD: Right. That's standard now.

2 And I mean this is the second extension, so
3 I have to ask these questions: So your causes for the
4 second extension are?

5 MS. LUCK: Again, was Spur was not able to begin
6 the drilling project in 2020 due to Covid, and so their
7 drilling time frame has been pushed out into the latter
8 part of 2021 or early 2022, and that's why Spur has asked
9 for these extensions on these wells. But Spur does intend
10 to drill these Nirvana wells.

11 EXAMINER BRANCARD: Thank you.

12 There being no objection, your exhibits are
13 admitted into the record and we will take Cases 21938 and
14 21939 under advisement.

15 Ms. Luck, you have all the exhibits filed,
16 right? You just replaced some yesterday; is that correct?

17 MS. LUCK: That's right. So there were two sets
18 of Notices that went out, and so we had to include
19 tracking for both of those. And then there were two NOPS,
20 and the first time we filed one of the NOPS wasn't
21 complete, and we were able to get the second page from the
22 newspaper and resubmit it yesterday.

23 EXAMINER BRANCARD: We are just trying to make
24 sure we are not waiting for anything, that's all.

25 MS. LUCK: It should be complete at this time.

PAUL BACA PROFESSIONAL COURT REPORTERS
500 FOURTH STREET NW - SUITE 105, ALBUQUERQUE, NM 87102

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

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

CASE NO. 22117, 22120,
22121

AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

Deana M. Bennett, attorney in fact and authorized representative of Franklin Mountain Energy, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under a notice letter, attached, and that proof of receipt is attached hereto. I also state that notice of the hearing was published in the Hobbs News-Sun on August 29, 2021, as reflected in the attached Affidavit of Publication.



Deana M. Bennett

SUBSCRIBED AND SWORN to before me this 21st day of September, 2021 by Deana M. Bennett.



Notary Public

My commission expires: 02-27-25





MODRALL SPERLING
LAWYERS

August 19, 2021

Deana M. Bennett
505.848.1834
Deana.Bennett@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC TO
AMEND ORDER NO. R-20945, LEA COUNTY, NEW MEXICO.**

CASE NO. 22116

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

CASE NO. 22117

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC TO
AMEND ORDER O. R-20944, LEA COUNTY, NEW MEXICO.**

CASE NO. 22120

TO: AFFECTED PARTIES

This letter is to advise you that Franklin Mountain Energy, LLC ("FME") has filed the above-listed applications.

In Case No. 22116, FME seeks an order from the Division amending Order No. R-20945 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20945 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/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.

In Case No. 22117, FME seeks an order from the Division pooling all overriding royalty interests within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge Fed Com 604H wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to

Modrall Spierling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com

Page 2

be considered will be designation of Franklin Mountain Energy, LLC as operator of the wells. Said area is located approximately 13 miles Northwest of Jal, New Mexico.


In Case No. 22120, FME seeks an order from the Division amending Order No. R-20944 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-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/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.

During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on Sept. 9, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>.

As a party who may be affected by these applications, we are notifying you of your right to appear at the hearing and participate in the cases, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in the cases at a later date.

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,


Deana M. Bennett
Attorney for Applicant

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

APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC TO AMEND ORDER NO. R-20945,
LEA COUNTY, NEW MEXICO

CASE NO. 22116
ORDER NO. R-20945
(Re-Open)

APPLICATION

Franklin Mountain Energy, LLC (“FME”), OGRID Number 373910, through its undersigned attorneys, files this application with the Oil Conservation Division (“Division”) for the limited purpose of amending Order No. R-20945 to 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-20945 in Case No. 20776 on October 31, 2019.
3. Order No. R-20945 is one of several orders (the “Colorado Orders”) relating to FME’s “Colorado” well group and FME’s “Colorado” units.
4. Order No. R-20945 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.
5. Order No. R-20945 designated FME as the operator of the wells and the unit.
6. On August 18, 2020, FME submitted a written request to OCD an extension of time to spud the initial well under Order R-20945. 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.

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

8. 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.

9. FME requests that Order No. R-20945 be re-opened again and amended to allow FME additional time to commence drilling the initial well under the Order.

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

11. 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.

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

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

14. 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.

15. 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.

16. 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-20945 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-20945, Lea County, New Mexico. Applicant seeks an order from the Division amending Order No. R-20945 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20945 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/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.

W4125628.DOCX

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

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

CASE NO. 22117

APPLICATION

Franklin Mountain Energy, LLC (“FME”), OGRID Number 373910, through its undersigned attorneys, hereby files this application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all overriding royalty owners within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. In support of this application, FME states:

1. FME has an interest in the subject lands and has a right to drill and operate a well thereon.
2. FME seeks to dedicate the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico to form a 320-acre, more or less, spacing unit.
3. FME plans to drill the **Breckenridge Fed Com 304H and Breckenridge Fed Com 604H** wells to a depth sufficient to test the Bone Spring formation.
4. The wells will be horizontally drilled and will be drilled at orthodox locations under the Division’s rules.
5. FME has obtained voluntary agreement from all working interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells.

6. FME seeks only to pool overriding royalty interest owners. The pooling of such interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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 enter its order:

A. Pooling all overriding royalty interest owners in the Bone Spring formation underlying a horizontal spacing unit within the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and

B. Designating FME as operator of this unit and the wells to be drilled thereon.

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.____: Application of Franklin Mountain Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all overriding royalty interests within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge Fed Com 604H wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to be considered will be designation of Franklin Mountain Energy, LLC as operator of the wells. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

W4124849.DOCX

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

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC TO AMEND ORDER NO. R-20944,
LEA COUNTY, NEW MEXICO**

**CASE NO. 22120
ORDER NO. R-20944
(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-20944 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-20944 in Case No. 20775 on October 31, 2019.
3. Order No. R-20944 is one of several orders (the “Colorado Orders”) relating to FME’s “Colorado” well group and FME’s “Colorado” units.
4. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.
5. Order No. R-20944 dedicate the above-described spacing unit to the Golden Fed Com 603H well.
6. Order No. R-20944 designated FME as the operator of the well 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-20944. 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-20944, FME has determined that prior to the commencement of drilling it is prudent to add the following additional initial Bone Spring well to the approved spacing unit: the Golden Fed Com 303H. 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-20944 and will notify them of this hearing.

12. FME also requests that Order No. R-20944 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-20944 to add the well identified herein to the approved horizontal spacing unit;

B. Amend Order No. R-20944 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-20944, Lea County, New Mexico. Applicant seeks an order from the Division amending Order No. R-20944 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-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/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.

W4124848.DOCX

Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
08/19/2021

Firm Mailing Book ID: 213677



Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0085 6761 87	XTO Holdings, LLC 22777 Springwoods Village Pkwy #115 Spring TX 77389	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
2	9314 8699 0430 0085 6761 94	United States of America 301 Dinosaur Trail Santa Fe NM 87508	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
3	9314 8699 0430 0085 6762 00	Free Ride LLC PO Box 429 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
4	9314 8699 0430 0085 6762 17	Paul Slayton PO Box 2035 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
5	9314 8699 0430 0085 6762 24	Stewart Heights PO Box 686 Graham TX 76450	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
6	9314 8699 0430 0085 6762 31	TD Minerals LLC 8111 Westchester Drive, Suite 900 Dallas TX 75225	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
7	9314 8699 0430 0085 6762 48	Occidental Permian LP 5 Greenway Plaza, suite 110 Houston TX 77046	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
8	9314 8699 0430 0085 6762 55	McKay Petroleum Corporation PO Box 2204 Roswell NM 88201	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
9	9314 8699 0430 0085 6762 62	St. Clair of Texas, LLC O Box 5950 Lubbock TX 79408	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
10	9314 8699 0430 0085 6762 79	Depke Trust 2027 County Field Drive Chesterfield MO 63017	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
11	9314 8699 0430 0085 6762 86	C. Richard Overly 11410 Shadow Way Houston TX 77024	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
12	9314 8699 0430 0085 6762 93	BPL Fish Pond LLC PO Box 92032 Southlake TX 76092	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
13	9314 8699 0430 0085 6763 09	Millis Jeffrey Oakes 3434 Amber Forest Drive Houston TX 77068	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
14	9314 8699 0430 0085 6763 16	Stephen William Oakes 4700 Spanish Moss McKinney TX 75070	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
15	9314 8699 0430 0085 6763 23	Stephen William Oakes 4700 Spanish Moss McKinney TX 75070	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice

Karlene Schuman
 Modrall Sperlberg Roehl Harris & Sisk P.A.
 500 Fourth Street, Suite 1000
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
 08/19/2021

Firm Mailing Book ID: 213677

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0085 6763 30	Elzabeth Ann Cline 15400 Whistling Straits Dr Austin TX 78717	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
17	9314 8699 0430 0085 6763 47	Benjamin Jacob Oakes 3214 Hickory Grove Lane Pearland TX 77584	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
18	9314 8699 0430 0085 6763 54	Matthew David Oakes 116 N Johnson Ave San Marcos TX 78666	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
19	9314 8699 0430 0085 6763 61	Olin Brett Dalton 335 Granite Row Marble Falls TX 78654	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
20	9314 8699 0430 0085 6763 78	David Trent Dalton 1025 Bald Eagle Dr. Nolanville TX 76559	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
21	9314 8699 0430 0085 6763 85	Milton R. Fry 11014 Hidden Bend Drive Houston TX 77064	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
22	9314 8699 0430 0085 6763 92	Featherstone Development Corp. P.O. Box 429 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
23	9314 8699 0430 0085 6764 08	Covey Energy Partners LP 3300 N.A Street, Building 8, Suite 220 Midland TX 79705	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
24	9314 8699 0430 0085 6764 15	Cayuga Royalties, LLLC P.O. Box 540711 Houston TX 77254	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
25	9314 8699 0430 0085 6764 22	Prevail Energy, LLC 521 Dexter St. Denver CO 80220	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
26	9314 8699 0430 0085 6764 39	Rheiner Holdings LLC P.O. Box 980552 Houston TX 77098	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
27	9314 8699 0430 0085 6764 46	Monticello Minerals, LLC 4128 Bryn Mawr Dr. Dallas TX 75225	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
28	9314 8699 0430 0085 6764 53	Cathleen Ann Adams, Trustee of the Cathleen Adams Rev Trust dated 9/25/20 P.O. Box 45807 Rio Rancho NM 87174	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
29	9314 8699 0430 0085 6764 60	Susan Arrott aka Susan Carol Arrott, Trustee of Arrott Family Rev Trust of 4/8/19 P.O. Box 95074 North Little Rock AR 72295	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
30	9314 8699 0430 0085 6764 77	DMA Inc P.O. Box 1496 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice

Karlene Schuman
 Modrall Sperling Roehl Harris & Sisk P.A.
 500 Fourth Street, Suite 1000
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
 08/19/2021

Firm Mailing Book ID: 213677

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
31	9314 8699 0430 0085 6764 84	Charmar LLC 4815 Vista Del Oso Court NE Albuquerque NM 87109	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
32	9314 8699 0430 0085 6764 91	Richard C. Deason 1301 N. Havenhurst #217 West Hollywood CA 90046	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
33	9314 8699 0430 0085 6765 07	Thomas D. Deason 6402 CR 7420 Lubbock TX 79424	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
34	9314 8699 0430 0085 6765 14	Ronald H. Mayer P.O. Box 2391 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
35	9314 8699 0430 0085 6765 21	SAP, LLC 4901 Whitney Lane Roswell NM 88203	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
36	9314 8699 0430 0085 6765 38	Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Rev Trust dated 3-16-99 P.O. Box 1968 Albuquerque NM 87103	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
37	9314 8699 0430 0085 6765 45	Pony Oil Operating LLC 4925 Greenville Ave., Suite 915 Dallas TX 75206	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
38	9314 8699 0430 0085 6765 52	MerPel, LLC 4245 N. Central Expy., Suite 320 Box 109 Dallas TX 75205	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
39	9314 8699 0430 0085 6765 69	Bryan Bell Family, LLC 1331 Third Street New Orleans LA 70130	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
40	9314 8699 0430 0085 6765 76	Magnum Hunter Production Inc 600 N. Marienfeld Street, Suite 600 Midland TX 79701	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
41	9314 8699 0430 0085 6765 83	Patrick J. McClellan 2 Cape Cod Lane Houston TX 77024	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
42	9314 8699 0430 0085 6765 90	Regan A. Burrows 831 Ashland St. Houston TX 77007	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
43	9314 8699 0430 0085 6766 06	Elliott-Hall Company P.O. Box 1231 Ogden UT 84402	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
Totals:			\$60.20	\$154.80	\$75.25	\$0.00	Grand Total: \$290.25

List Number of Pieces Received by Sender: Total Number of Pieces Received at Post Office: Postmaster: Name of receiving employee: Dated:

Transaction Report Details - CertifiedPro.net
Firm Mail Book ID= 213677
Generated: 9/21/2021 10:40:18 AM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300085676606	2021-08-19 2:05 PM	10154, 16, 17, 20	Elliott-Hall Company		Ogden	UT	84402	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 10:14 AM
9314869904300085676590	2021-08-19 2:05 PM	10154, 16, 17, 20	Regan A. Burrows		Houston	TX	77007	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 11:01 AM
9314869904300085676583	2021-08-19 2:05 PM	10154, 16, 17, 20	Patrick J. McClellan		Houston	TX	77024	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 5:15 PM
9314869904300085676576	2021-08-19 2:05 PM	10154, 16, 17, 20	Magnum Hunter Production Inc		Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 8:47 AM
9314869904300085676569	2021-08-19 2:05 PM	10154, 16, 17, 20	Bryan Bell Family, LLC		New Orleans	LA	70130	Undelivered - To Be Returned		
9314869904300085676552	2021-08-19 2:05 PM	10154, 16, 17, 20	MerPal, LLC		Dallas	TX	75205	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300085676545	2021-08-19 2:05 PM	10154, 16, 17, 20	Pony Oil Operating, LLC		Dallas	TX	75206	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300085676538	2021-08-19 2:05 PM	10154, 16, 17, 20	Wells Fargo Bank, N.A., Trustee of the Robert N. SAP, LLC	Enfield Rev Trust dated 3-16-99	Albuquerque	NM	87103	Lost	Return Receipt - Electronic, Certified Mail	2021-08-23 12:04 PM
9314869904300085676534	2021-08-19 2:05 PM	10154, 16, 17, 20	Ronald H. Mayer		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-28 11:05 AM
9314869904300085676514	2021-08-19 2:05 PM	10154, 16, 17, 20	Thomas D. Deason		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-28 11:05 AM
9314869904300085676507	2021-08-19 2:05 PM	10154, 16, 17, 20	Richard C. Deason		Lubbock	TX	79424	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300085676491	2021-08-19 2:05 PM	10154, 16, 17, 20	Charmar LLC		West Hollywood	CA	90046	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 12:29 PM
9314869904300085676484	2021-08-19 2:05 PM	10154, 16, 17, 20	DMA, Inc		Albuquerque	NM	87109	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-20 11:49 AM
9314869904300085676477	2021-08-19 2:05 PM	10154, 16, 17, 20	Susan Arrott aka Susan Carol Arrott, Trustee of Cathleen Ann Adams, Trustee of the Cathleen Monticello Minerals, LLC	Arrott Family Rev Trust of 4/8/19 Adams Rev Trust dated 9/25/20	Roswell	NM	88202	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300085676460	2021-08-19 2:05 PM	10154, 16, 17, 20	Prevail Energy, LLC		North Little Rock	AR	72295	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300085676453	2021-08-19 2:05 PM	10154, 16, 17, 20	Featherstone Development Corp.		Rio Rancho	NM	87174	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-28 12:04 PM
9314869904300085676446	2021-08-19 2:05 PM	10154, 16, 17, 20	Milton R. Fry		Dallas	TX	75225	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 4:42 PM
9314869904300085676439	2021-08-19 2:05 PM	10154, 16, 17, 20	Olin Brett Dalton		Houston	TX	77098	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-25 11:38 AM
9314869904300085676432	2021-08-19 2:05 PM	10154, 16, 17, 20	Matthew David Oakes		Denver	CO	80220	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 2:47 PM
9314869904300085676415	2021-08-19 2:05 PM	10154, 16, 17, 20	Benjamin Jacob Oakes		Houston	TX	77254	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300085676408	2021-08-19 2:05 PM	10154, 16, 17, 20	Elizabeth Ann Cline		Midland	TX	79705	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300085676392	2021-08-19 2:05 PM	10154, 16, 17, 20	Stephen William Oakes		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 10:52 AM
9314869904300085676385	2021-08-19 2:05 PM	10154, 16, 17, 20	Stephen William Oakes		Houston	TX	77064	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 6:36 PM
9314869904300085676378	2021-08-19 2:05 PM	10154, 16, 17, 20	Millie Jeffrey Oakes		Nolanville	TX	76559	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300085676361	2021-08-19 2:05 PM	10154, 16, 17, 20	BPL Fish Pond LLC		Marble Falls	TX	78654	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300085676354	2021-08-19 2:05 PM	10154, 16, 17, 20	C. Richard Overly		San Marcos	TX	78666	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 3:25 PM
9314869904300085676347	2021-08-19 2:05 PM	10154, 16, 17, 20	Deple Trust		Pearland	TX	77584	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300085676330	2021-08-19 2:05 PM	10154, 16, 17, 20	St. Clair of Texas, LLC		Austin	TX	78717	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 1:15 PM
9314869904300085676323	2021-08-19 2:05 PM	10154, 16, 17, 20	McKay Petroleum Corporation		McKinney	TX	75070	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-25 11:04 AM
9314869904300085676316	2021-08-19 2:05 PM	10154, 16, 17, 20	Occidental Permian LP		McKinney	TX	75070	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-25 11:04 AM
9314869904300085676309	2021-08-19 2:05 PM	10154, 16, 17, 20	TD Minerals LLC		Houston	TX	77068	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-25 12:13 PM
9314869904300085676293	2021-08-19 2:05 PM	10154, 16, 17, 20	Stewart Heighten		Southlake	TX	76092	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-25 12:09 PM
9314869904300085676286	2021-08-19 2:05 PM	10154, 16, 17, 20	Paul Slayton		Houston	TX	77024	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 3:20 PM
9314869904300085676279	2021-08-19 2:05 PM	10154, 16, 17, 20	Free Ride LLC		Chesterfield	MO	61017	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-24 2:07 PM
9314869904300085676262	2021-08-19 2:05 PM	10154, 16, 17, 20	United States of America		Lubbock	TX	79408	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 1:32 PM
9314869904300085676255	2021-08-19 2:05 PM	10154, 16, 17, 20	XTO Holdings, LLC		Roswell	NM	88201	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 3:08 PM
9314869904300085676248	2021-08-19 2:05 PM	10154, 16, 17, 20			Houston	TX	77046	Delivered	Return Receipt - Electronic, Certified Mail	
9314869904300085676231	2021-08-19 2:05 PM	10154, 16, 17, 20			Dallas	TX	75225	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 11:01 AM
9314869904300085676224	2021-08-19 2:05 PM	10154, 16, 17, 20			Graham	TX	76450	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 11:30 AM
9314869904300085676217	2021-08-19 2:05 PM	10154, 16, 17, 20			Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 12:27 PM
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9314869904300085676194	2021-08-19 2:05 PM	10154, 16, 17, 20			Santa Fe	NM	87508	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-23 12:00 AM
9314869904300085676187	2021-08-19 2:05 PM	10154, 16, 17, 20			Spring	TX	77389	Delivered	Return Receipt - Electronic, Certified Mail	2021-08-24 9:18 AM

LEGAL NOTICE
AUGUST 29, 2021

Affidavit of Publication

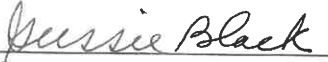
STATE OF NEW MEXICO
COUNTY OF LEA

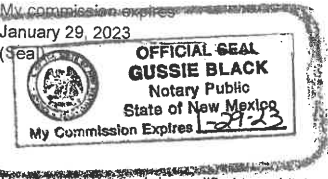
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated
August 29, 2021
and ending with the issue dated
August 29, 2021.


Publisher

Sworn and subscribed to before me this
29th day of August 2021.


Business Manager



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

CASE NO. 22116: Notice to all affected parties, as well as the heirs and devisees of XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millis Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Prevall Cathleen Ann Adams Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20945, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20945 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20945 pooled the E/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.

CASE NO. 22117: Notice to all affected parties, as well as the heirs and devisees of XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millis Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Prevall Cathleen Ann Adams Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20942, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20942 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20942 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/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.

CASE NO. 22118: Notice to all affected parties, as well as the heirs and devisees of Chevron USA, Inc.; XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millis Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Prevall Energy, LLC; Rhelner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Cathleen Ann Adams Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 4/8/19, as amended; DMA Inc.; Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; KJ Fell & Marie A. Fell; BTA Oil Producers, LLC; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company; Frank O. Elliott of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20942, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20942 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20942 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the 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.

CASE NO. 22119: Notice to all affected parties, as well as the heirs and devisees of Chevron USA, Inc.; XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millis Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; KJ Fell & Marie A. Fell; BTA Oil Producers, LLC; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company; Frank New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Applicant seeks an order from the Division amending Order No. R-20943, Lea County, Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20943 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20943 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the 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.

CASE NO. 22120: Notice to all affected parties, as well as the heirs and devisees of XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millis Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Prevall Energy, LLC; Rhelner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Cathleen Ann Adams Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20944, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20944 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-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/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.

CASE NO. 22121: Notice to all affected parties, as well as the heirs and devisees of Chevron USA, Inc.; XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millis Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Prevall Energy, LLC; Rhelner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Cathleen Ann Adams Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 4/8/19, as amended; DMA Inc.; Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; KJ Fell & Marie A. Fell; BTA Oil Producers, LLC; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company; Frank O. Elliott of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20946, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. 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 the E/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. #36805

Case No. 20775
Order No. R-20944
Page 7 of 7

Exhibit "A": REVISED

Applicant: Franklin Mountain Energy, LLC
Operator: Franklin Mountain Energy, LLC (OGRID No. 373910)

Spacing Unit: Horizontal Oil
Building Blocks: quarter-quarter sections
Spacing Unit Size: 320 acres, more or less
Orientation of Unit: North/ South

Spacing Unit Description:
W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico

Pooling this Vertical Extent: Bone Spring Formation & Wolfbone Formation
Depth Severance? (Yes/No): No

Pool(s): WC-025 G-07 S243517D;MIDDLE BONE SPRING (Pool Code 98294)
WC-025 G-09 S243532M;WOLFBONE (Pool Code 98098)

Pool Spacing Unit Size: Quarter/quarter sections
Governing Well Setbacks: Horizontal Oil Well Rules
Pool Rules: Latest Horizontal Rules Apply.
Proximity Tracts: None Included

Monthly charge for supervision: While drilling: \$7000. While producing: \$700. As the charge for risk, 200 percent of reasonable well costs.

Proposed Wells:

Golden Federal Com 303H, API No. Pending

SHL: 325 feet from the South line and 1443 feet from the East line, (Unit O) of Section 9, Township 24 South, Range 35 East, NMPM.

BHL: 150 feet from the North line and 1877 feet from the East line, (Lot 2) of Section 4, Township 24 South, Range 35 East, NMPM.

Completion Target: Middle Bone Spring at approx 10,100 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard



Golden Federal Com 603H, API No. 30-025-47054

SHL: 325 feet from the South line and 1408 feet from the East line, (Unit O) of Section 9, Township 24 South, Range 35 East, NMPM.

BHL: 150 feet from the North line and 1677 feet from the East line, (Lot 2) of Section 4, Township 24 South, Range 35 East, NMPM.

Completion Target: Wolfbone at approx 11,834 feet TVD.

Well Orientation: South to North

Completion Location expected to be: standard

COMPULSORY POOLING APPLICATION CHECKLIST**ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**


Case: 22120	APPLICANT'S RESPONSE
Date: September 23, 2021	
Applicant	Franklin Mountain Energy, LLC
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy, LLC (373910)
Applicant's Counsel:	Modrall Sperling (Deana Bennett, Jamie Allen)
Case Title:	Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Colorado
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring / Wolfbone
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring / Wolfbone
Pool Name and Pool Code:	WC-025 G-08 S233528D; MIDDLE BONE SPRING, Pool Code 98294 WC-025 G-09 S243532M; WOLFBONE, Pool Code 98098
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	W/2E/2 of Sections 9 and 4, Township 24 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.
Well(s)	

EXHIBIT**9**

tabbles

Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	
Well #1	<p>Golden Fed Com 303H API: Pending SHL: 325 feet from the South line and 1443 feet from the East line, Section 9, Township 24 South, Range 35 East, NMPM. BHL: 150 feet from the North line and 1877 feet from the East line, Section 4, Township 24 South, Range 35 East, NMPM. Completion Target: Middle Bone Spring at approximately 10,100 feet. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit 3A for C-102.</p>
Well #2	<p>Golden Fed Com 603 H API: 30-025-47054 SHL: 325 feet from the South line and 1408 feet from the East line, Section 9, Township 24 South, Range 35 East, NMPM. BHL: 150 feet from the North line and 1677 feet from the East line, Section 4, Township 24 South, Range 35 East, NMPM. Completion Target: Wolfbone at approximately 11,834' TVD. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit 3B for C-102.</p>
Horizontal Well First and Last Take Points	
Well #1	<p>Golden Fed Com 303H Proposed first take point: 641' FSL, 1987' FEL, Proposed last take point: 150' FNL, 1877' FEL. See Exhibit 3A.</p>
Well #2	<p>Golden Fed Com 603H Proposed first take point: 640' FSL, 1786' FEL, Proposed last take point: 150' FNL, 1677' FEL. See Exhibit 3B.</p>
Completion Target (Formation, TVD and MD)	<p>See Tab B, Declaration of Shelly Albrecht, ¶ 14.</p>
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A

Requested Risk Charge	N/A
Notice of Hearing	
Proposed Notice of Hearing	Exhibit 7
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 7
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 7
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	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	N/A
Chronology of Contact with Non-Joined Working Interests	N/A
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
Geology	
Summary (including special considerations)	Tab C
Spacing Unit Schematic	Exhibit 11
Gunbarrel/Lateral Trajectory Schematic	Exhibit 11
Well Orientation (with rationale)	Exhibit 13
Target Formation	Exhibits 12A through 12D
HSU Cross Section	Exhibit 12C
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit 2
Tracts	Exhibit 4

Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 4
General Location Map (including basin)	Exhibit 10
Well Bore Location Map	Exhibit 10
Structure Contour Map - Subsea Depth	Exhibit 12A
Cross Section Location Map (including wells)	Exhibit 12B
Cross Section (including Landing Zone)	Exhibit 12C
Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	
Date:	September 21, 2021

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

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY, LLC TO AMEND ORDER NO. R-20944,
LEA COUNTY, NEW MEXICO**

**CASE NO. 22120
ORDER NO. R-20944
(Re-Open)**

SELF AFFIRMED DECLARATION OF BEN KESSEL

Ben Kessel hereby states and declares as follows:

1. I am over the age of 18, I am a geologist for Franklin Mountain Energy, LLC (“Franklin”), and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum geologist were accepted by the Division as a matter of record.

2. My area of responsibility at Franklin includes the area of Lea County in New Mexico.

3. I am familiar with the application filed by Franklin in this case.

4. **Exhibit 10** is a locator map showing the approximate location of the proposed Colorado units in relation to the Capitan Reef. Franklin’s proposed units are slightly within the boundary of the Capitan Reef. Franklin’s well bore design, including the well bore casing design, is sufficient to protect against any potential leakage or migration into the Capitan Reef.

5. **Exhibit 11** is a wellbore schematic showing Franklin’s development plan, which includes the wells at issue in this case and the wells that are the subject of Franklin’s other Colorado orders.



6. The exhibits behind **Tab 12** are the geology study I prepared for the Golden Fed Com 303H well, which I have identified as a First Bone Spring well.

7. **Exhibit 12-A** is structure map of the top of the First Bone Spring Sand. The proposed spacing unit is identified by a pink box. The Golden Fed Com 303H is identified by an orange dashed line identified by the box labeled "1". The contour interval used this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southwest.

8. **Exhibit 12-B** is a cross section reference map that identifies five wells in the vicinity of the proposed well, shown by a line of cross-section running from B to B'.

9. **Exhibit 12-C** is a stratigraphic cross section hung on the Mid First Bone Spring. The well logs on the cross-section give a representative sample of the First Bone Spring Sand formation in the area. The target zone is identified by a bracket and the words "Producing Interval". I have also identified where the Golden Fed Com 303H well falls within the wells I used for the cross-section.

10. In my opinion, the gross interval thickness thickens slightly from north to the south.

11. **Exhibit 12-D** is a Gross Interval Isochore of the First Bone Spring Sand to Second Bone Spring Carb. The gross interval thickness thickens slightly from north to the south across the unit and thickens slightly from northeast to southwest regionally.

12. I conclude from the maps that:

- a. The horizontal spacing unit is justified from a geologic standpoint.
- b. There are no structural impediments or faulting that will interfere with horizontal development.
- c. Each quarter quarter section in the proposed unit will contribute more or less equally to production.

13. **Exhibit 13** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.

14. The preferred well orientation in this area is either north/south or south/north. This is because the S_{Hmax} is at approximately 265 degrees ENE in this area of Lea County.


15. Exhibits 10 to 13 were prepared by me or under my supervision or compiled from company business records.

16. In my opinion, the granting of Franklin's application is in the interests of conservation and the prevention of waste.

[Signature page follows]

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

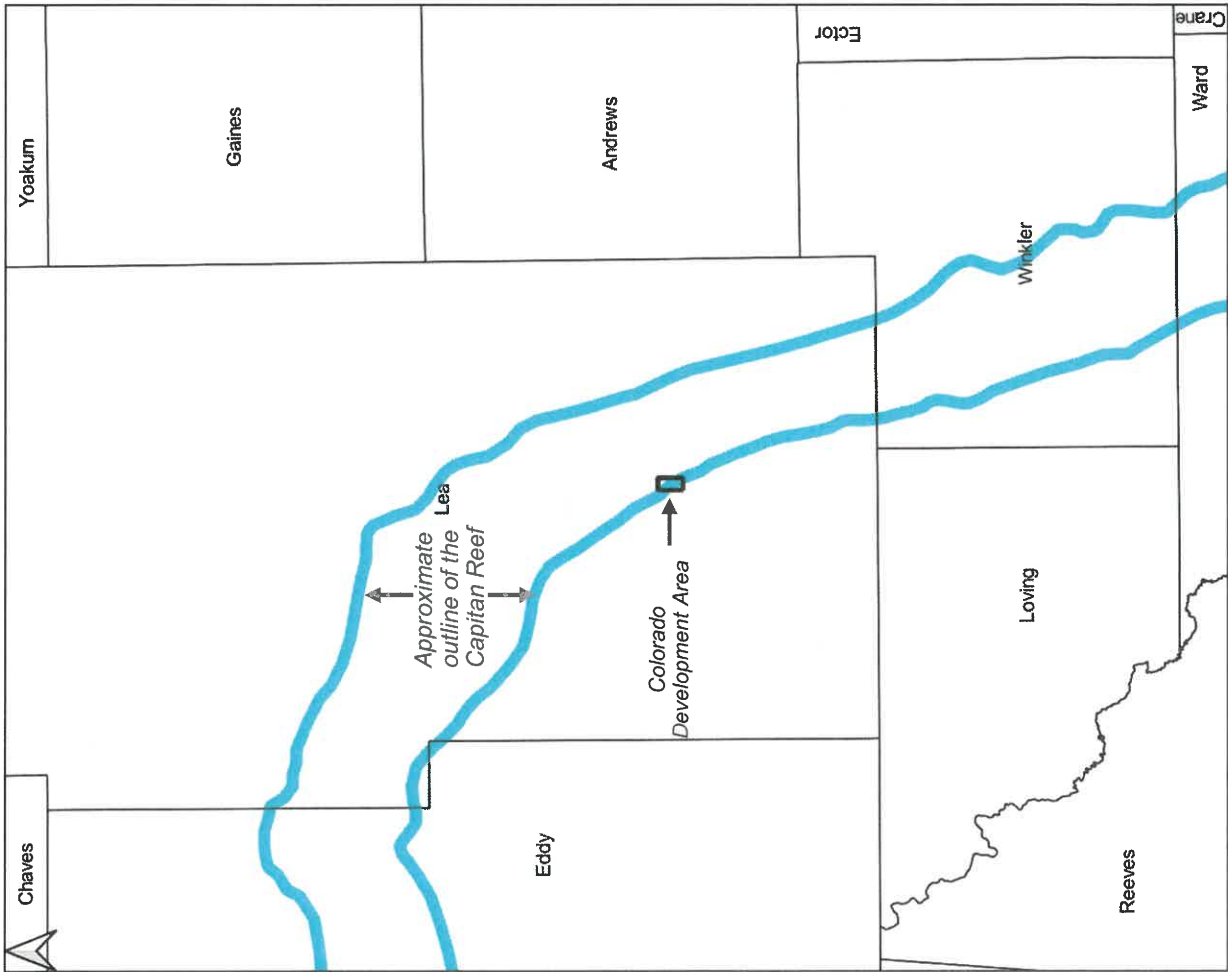
Dated: September 20th, 2021



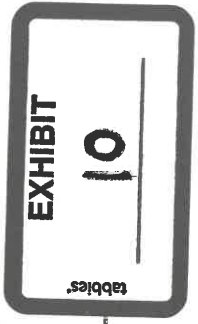
Ben Kessel

Colorado Development

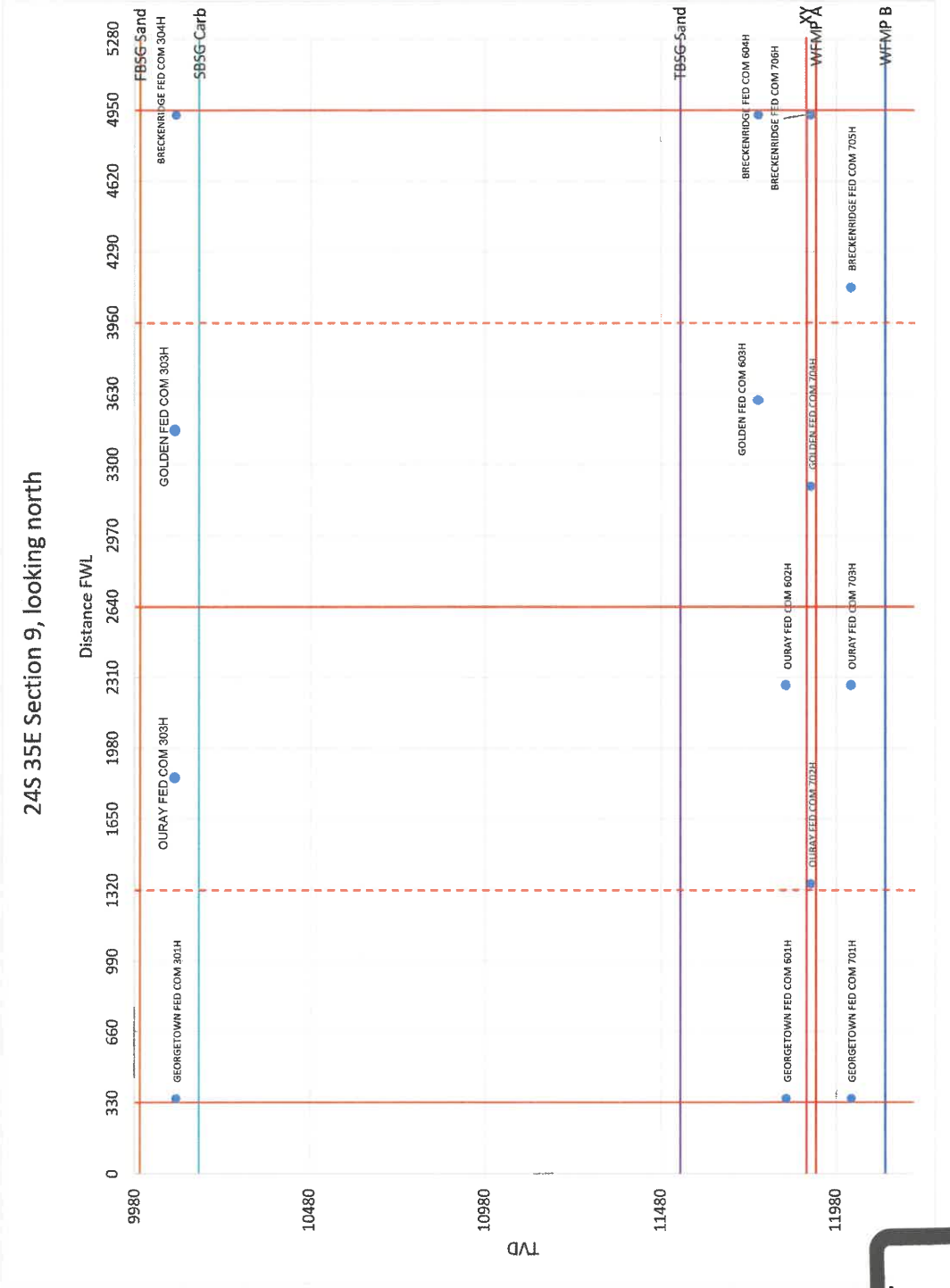
Locator Map



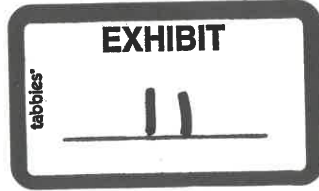
- Black box shows the location of Colorado development area
- Planned wells are located on the western edge of the Capitan Reef



Colorado + First Bone Sand



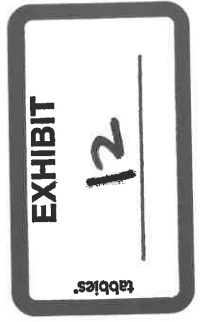
FME plans a strategic co-development of locally proven, hydrocarbon bearing reservoirs



Golden Fed Com 303H

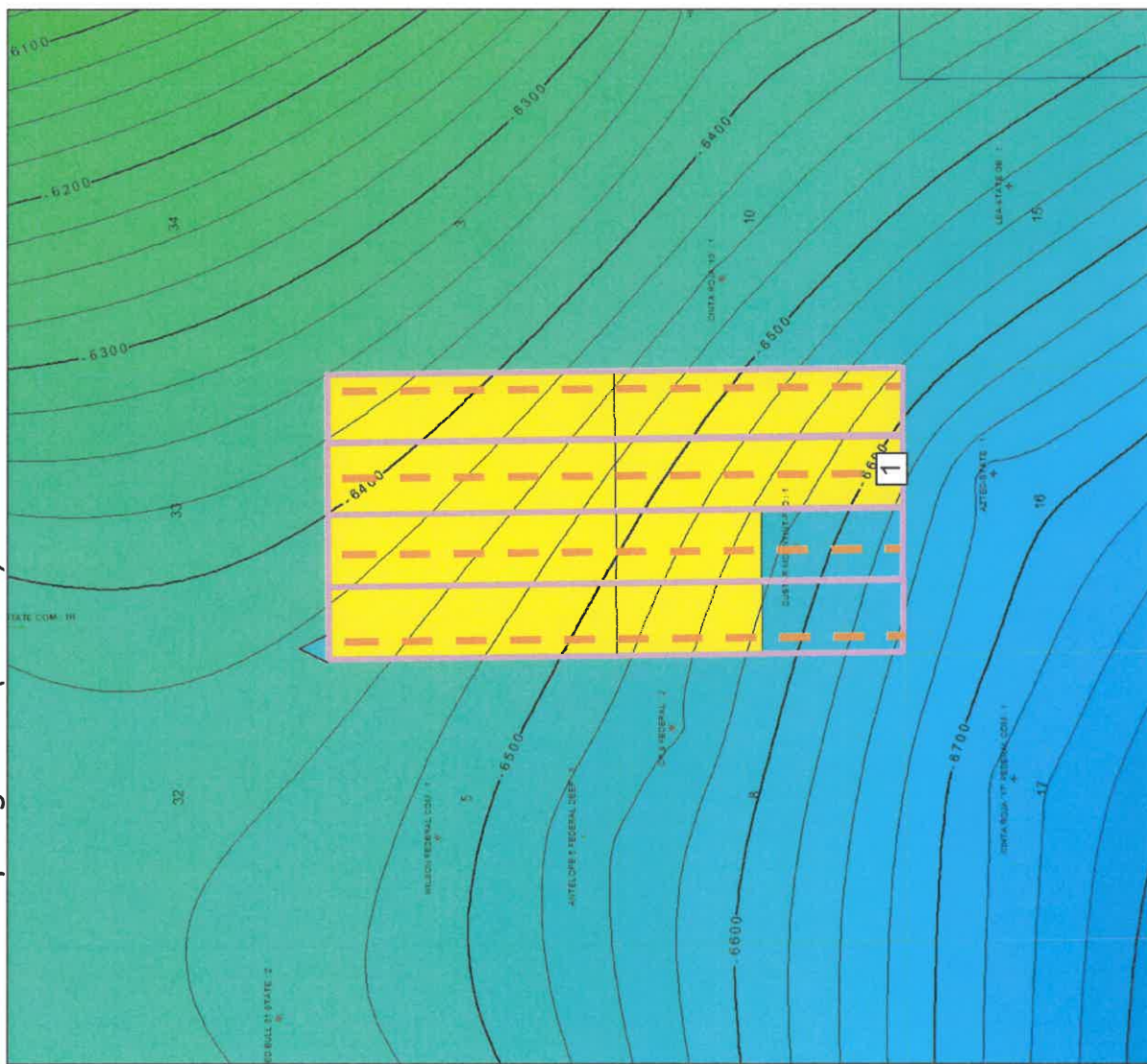
Case No. 22120

Bone Spring

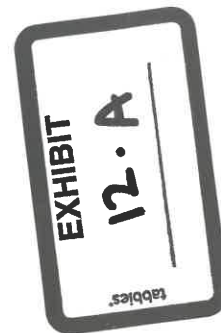




Golden Fed Com 303H Structure Map – Top First Bone Spring Sand (SSTVD)

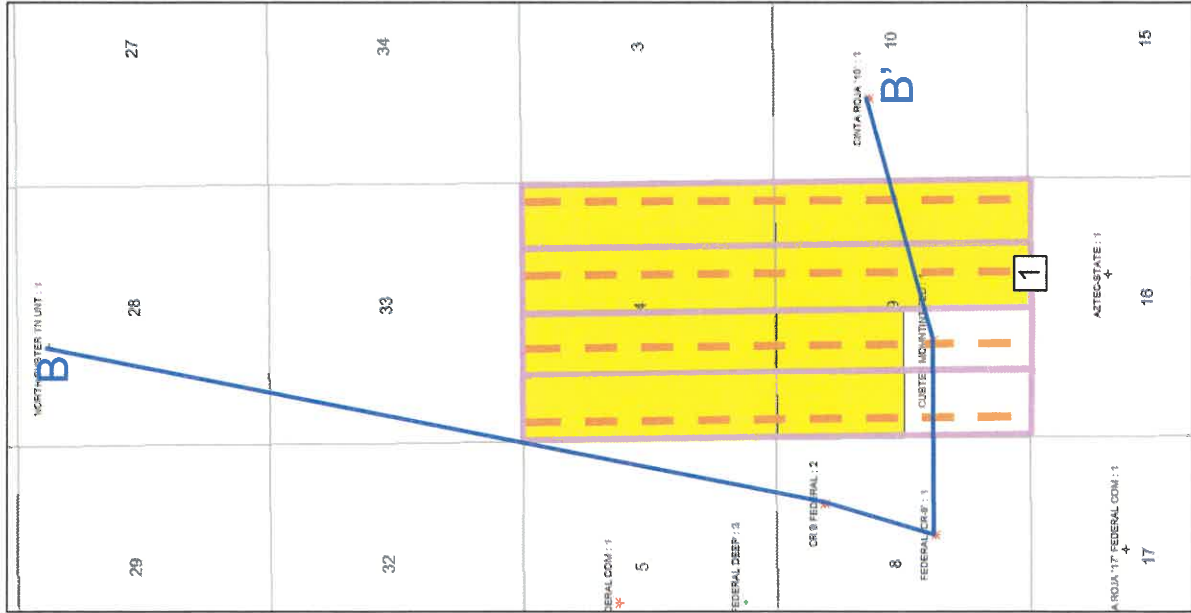


- FME Lateral
- FME Acreage
- Development Area
- Golden Fed Com 303H
- C:1 = 25'
- 1 mile
- Offset First Bone Spring Lateral (SHL)



First Bone Spring Data Wells Shown

Golden Fed Com 303H: First Bone Spring Cross Section Reference Map



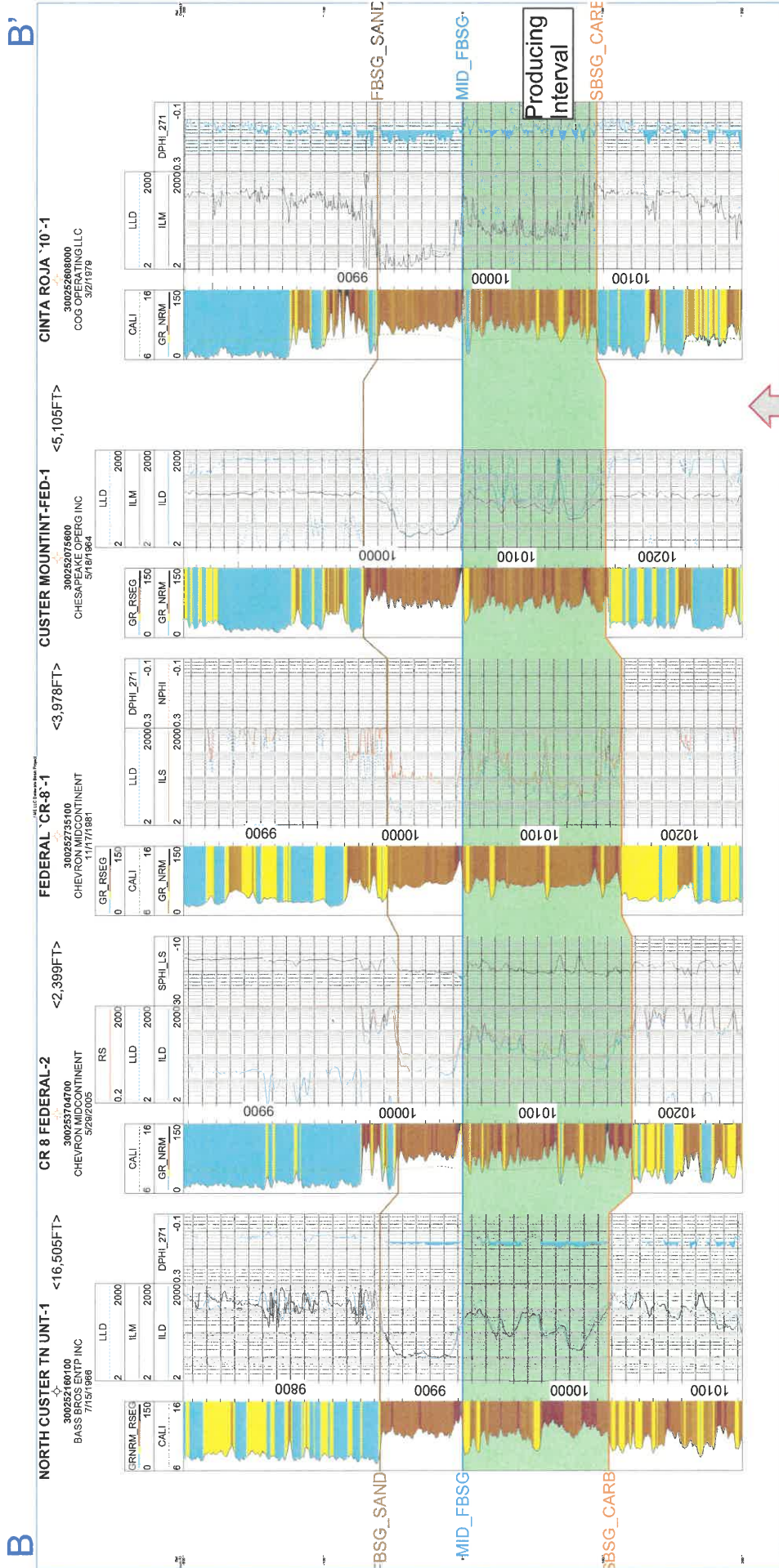
First Bone Spring Data Wells Shown



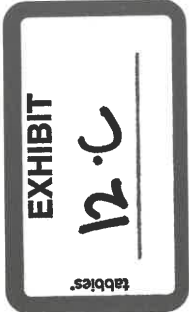


Golden Fed Com 303H

Stratigraphic Cross Section (Mid First Bone Spring Sand Datum)



Golden Fed Com 303H



Golden Fed Com 303H

Gross Interval Isochore Map = First Bone Spring Sand to Second Bone Spring Carb



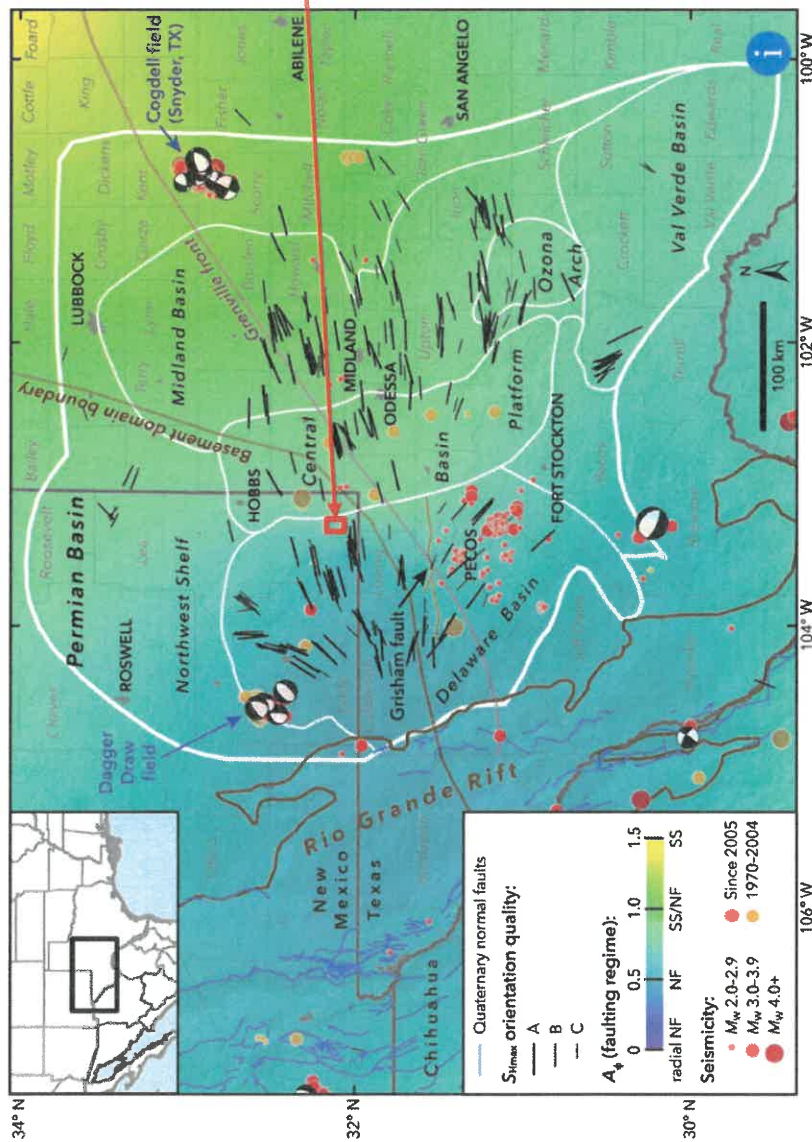
- FME Lateral
- FME Acreage
- Development Area
- Golden Fed Com 303H
- C.I = 25'
- 1 mile
- Offset First Bone Spring Lateral (SHL)

First Bone Spring Data Wells Shown

FME wells target a similar First Bone Spring thickness as successful offset laterals



Regional Stress



- Red box shows the approximate location of the Colorado development
- Reported local S_{Hmax} (Snee and Zoback, 2018) direction is ENE, around 265°
- The Golden Fed Com 303H well is planned to drill N-S, nearly orthogonal to S_{Hmax} , optimal for induced fracture propagation

Snee, J.L. and Zoback, M.D., 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, 37, no. 2
http://www.tleonline.org/theleadingedge/february_2018/MobilePagedArticle.action?articleId=1331603#articleId1331603

