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.

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/2W/2 of Sections 14 and 23, 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/2W/2 of Sections 14 and 23, 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 **Prevail Fed Com 602H** well to a depth sufficient to test the Bone Spring formation.
- 4. The well will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
- 5. 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 January 6, 2022, 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/2W/2 of Sections 14 and 23, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and
 - B. Designating FME as operator of this unit and the well to be drilled thereon.

MODRALL, SPERLING, ROEHL, HARRIS

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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/2W/2 of Sections 14 and 23, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **Prevail Fed Com 602H** well to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be designation of Franklin Mountain Energy, LLC as operator of the well. Said area is located approximately 16 miles Northwest of Jal, New Mexico.