

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

**APPLICATION OF FRANKLIN MOUNTAIN
ENERGY LLC TO AMEND ORDER
NO. R-21996, LEA COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-21996
(Amend)**

APPLICATION

Franklin Mountain Energy LLC (“Franklin”), OGRID Number 373910, through its undersigned attorneys, hereby applies to the Oil Conservation Division (the “Division”) for the limited purpose of amending Order No. R-21996 (the “Order”) to allow for an extension of time for Franklin to commence drilling the initial well under the Order. In support of this application, Franklin states as follows:

1. In December 2021, Franklin filed an application (Case No. 22446) seeking to pool uncommitted interests in the Bone Spring formation underlying the E/2W/2 of Sections 14 and 23, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico.
2. On January 26, 2022, the Division entered Order No. R-21996 in Case No. 22446.
3. Order No. R-21996 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring standard horizontal spacing unit comprised of the E/2W/2 of Sections 14 and 23, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico.
4. Order No. R-21996 designated Franklin as the operator of the well and the unit.

5. Order No. R-21996, ¶ 19 states: “The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.”

6. Further, Order No. R-21996, ¶ 20 states: “This Order shall terminate automatically if Operator fails to comply with Paragraph 19 unless Operator obtains an extension by amending this Order for good cause shown.”

7. Under Order No. R-21996, Franklin would be required to commence drilling the initial well by January 26, 2023.

8. Franklin hereby requests that Order No. R-21996 be amended to allow Franklin additional time to commence drilling the initial well under the Order.

9. Franklin asks that the deadline to commence drilling the initial well be extended for one year, from January 26, 2023 to January 26, 2024.

10. Good cause exists for Franklin’s request for an extension of time. Franklin’s plan to develop this acreage was delayed because of a leasing question with BLM which arose in mid-2022, after the Order was issued. The issue having now been largely resolved, Franklin expects it will be able to drill these wells in the fourth quarter of 2023.

WHEREFORE, Franklin requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 5, 2023, and after notice and hearing as required by law, the Division:

A. Amend Order No. R-21996 to extend the time for Franklin to commence drilling the initial well under the Order for one year, through January 26, 2024; and

B. Incorporate all other provisions of Order No. R-21996.

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

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CASE NO. _____: (Amend) Application of Franklin Mountain Energy LLC to Amend Order No. R-21996, Lea County, New Mexico. Applicant seeks an order from the Division for the limited purpose of amending Order No. R-21996 to allow for a one-year extension of time to commence drilling the initial well under Order No. R-21996. Order No. R-21996 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring standard horizontal spacing unit comprised of the E/2W/2 of Sections 14 and 23, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Said area is located approximately 16 miles northwest of Jal, New Mexico.