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

APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

Case No. 23905

NOTICE OF FILING AMENDED EXHIBIT

On behalf of Franklin Mountain Energy 3, LLC ("Franklin"), notice is hereby provided of the filing of the amended exhibit, attached hereto. As requested by the Division at the November 2, 2023 hearing, Franklin is providing the amended compulsory pooling checklist with the only revision being the addition of the pool code. The exhibit is marked as Exhibit A and Franklin respectfully requests that this exhibit be made part of the record in the above captioned case.

Respectfully submitted,

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

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| COMPULSORY POOLING APPLICATION | ON CHECKLIST | |
|--|---|-----------------------------|
| ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS | | |
| · | APPLICANT'S RESPO | |
| Case: 23905 | November 2, 202 | |
| Date | Franklin Mountain Energy 3, LLC | |
| Applicant | Franklin Mountain Energy 3, LLC OGRID No. 331595 | |
| Designated Operator & OdkiD (airillation if applicable) | | |
| Applicant's Counsel: | Modrall, Sperling, Roehl, Harris, & Sisk, P. | Α. |
| | Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico. | |
| Entries of Appearance/Intervenors: | None. | |
| Well Family | Alpha State | |
| Formation/Pool | | |
| Formation Name(s) or Vertical Extent: | Bone Spring | |
| Primary Product (Oil or Gas): | Oil | |
| Pooling this vertical extent: | Bone Spring | |
| | Scharb; Bone Spring (Code 55610) | |
| 1 COLITION IN COLUMN TO THE CO | State-Wide Rules Apply | |
| | | |
| Spacing Unit Type (Horizontal/Vertical) | Horizontal | |
| Size (Acres) | 319.68-acres | |
| | 80-Acres | |
| Orientation: | North/South | |
| | E/2 E/2 of Section 33, Township 18 South, | , Range 35 East, and Lot 1, |
| Description: TRS/County | the SE/4 NE/4 and E/2 SE/4 of Section 4 (E/2 E/2 equivalent), Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. | |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is | | |
| approval of non-standard unit requested in this application? | Yes. | |
| Other Situations | | |
| Depth Severance: Y/N. If yes, description | N/A | |
| Proximity Tracts: If yes, description | N/A | |
| Proximity Defining Well: if yes, description | N/A | |
| Applicant's Ownership in Each Tract | See Exhibit B.3 | |
| Well(s) | | |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed | |
| Well #1: Alpha State Com 304H | SHL: 452' FSL & 1245' FEL, Section 4, T19S, R35E BHL: 130' FNL & 360' FEL, Section 33, T18S, R35E Completion Target: First Bone Spring (Approx. 9,371' TVD) | |
| Horizontal Well First and Last Take Points | See Exhibit B.2 | EXHIBIT |
| | | |

See Exhibit B.6

Completion Target (Formation, TVD and MD)

| AFE Capex and Operating Costs | |
|--|---------------------------|
| Drilling Supervision/Month \$ | \$9,000.00 |
| Production Supervision/Month \$ | \$900.00 |
| Justification for Supervision Costs | See Exhibit B Pargraph 23 |
| Requested Risk Charge | 200% |
| Notice of Hearing | |
| Proposed Notice of Hearing | Exhibit B.8 |
| Proof of Mailed Notice of Hearing (20 days before hearing) | Exhibit B.8 |
| Proof of Published Notice of Hearing (10 days before hearing) | Exhibit B.8 |
| Ownership Determination | |
| Land Ownership Schematic of the Spacing Unit | Exhibit B.3 |
| Tract List (including lease numbers and owners) | Exhibit B.3 |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | N/A |
| Pooled Parties (including ownership type) | Exhibit B.7 |
| Unlocatable Parties to be Pooled | N/A |
| Ownership Depth Severance (including percentage above & below) | N/A |
| Joinder | |
| Sample Copy of Proposal Letter | Exhibit B.5 |
| List of Interest Owners (ie Exhibit A of JOA) | Exhibit B.3 |
| Chronology of Contact with Non-Joined Working Interests | Exhibit B.4 |
| Overhead Rates In Proposal Letter | Exhibit B.5 |
| Cost Estimate to Drill and Complete | Exhibit B.6 |
| Cost Estimate to Equip Well | Exhibit B.6 |
| Cost Estimate for Production Facilities | Exhibit B.6 |
| Geology | |
| Summary (including special considerations) | Exhibit C |
| Spacing Unit Schematic | Exhibit C.1 |
| Gunbarrel/Lateral Trajectory Schematic | Exhibit C.1 |
| Well Orientation (with rationale) | Exhibit C.11 |
| Target Formation | Exhibit C.3 to C.6 |
| HSU Cross Section | Exhibit C.5 |
| Depth Severance Discussion | N/A |
| Forms, Figures and Tables | |
| C-102 | See Exhibit B.2 |
| Tracts | Exhibit B.3 |
| Summary of Interests, Unit Recapitulation (Tracts) | Exhibit B.3 |
| General Location Map (including basin) | Exhibit C.1 |
| Well Bore Location Map | Exhibit C.2 |
| Structure Contour Map - Subsea Depth | Exhibit C.3 |

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| Cross Section Location Map (including wells) | Exhibit C.4 |
|---|---|
| Cross Section (including Landing Zone) | Exhibit C.5 |
| Additional Information | |
| Special Provisions/Stipulations | N/A |
| CERTIFICATION: I hereby certify that the information prov | vided in this checklist is complete and accurate. |
| Printed Name (Attorney or Party Representative): | Deana M. Bennett |
| Signed Name (Attorney or Party Representative): | /s/ Deana M. Bennett |
| Date: | 11/2/2023 |