



Before the Oil Conservation Division
Examiner Hearing December 7th, 2023

Compulsory Pooling

Case No. 23965: Blue Box Fed Com 505H

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

IN THE MATTER OF THE APPLICATION OF

**FRANKLIN MOUNTAIN ENERGY 3, LLC
FOR COMPUSLORY POOLING,
LEA COUNTY, NEW MEXICO.**

CASE NO. 23965

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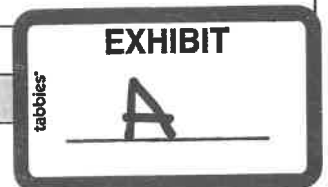
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COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 23965	APPLICANT'S RESPONSE
Date	December 7, 2023
Applicant	Franklin Mountain Energy 3, LLC
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Blue Box
Formation/Pool	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code:	WC-025 G-07 S193513B; Bone Spring Pool (CODE 97926); Pearl; Bone Spring Pool (CODE 49680); and the Scharb; Bone Spring Pool (CODE 55610)
Well Location Setback Rules:	State-Wide Rules Apply
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	800-acres
Building Blocks:	40-acre (WC-025 G-07 S193513B; Bone Spring Pool and the Pearl; Bone Spring Pool) 80-acre (Scharb; Bone Spring Pool) (Note: OCD pool code spreadsheet states that the Scharb; Bone Spring Pool has 80-acre building blocks, which is likely superceded by statewide rules. In any event, even with the 80-acre building blocks, the unit is standard.)
Orientation:	North/South
Description: TRS/County	W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	Yes. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
Proximity Defining Well: if yes, description	Blue Box Fed Com 505H
Applicant's Ownership in Each Tract	See Exhibit B.3
Well(s)	



footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Blue Box Fed Com 505H	SHL: 2126' FSL & 260' FEL, Section 2, T19S, R35E BHL: 100' FSL & 100' FWL, Section 13, T19S, R35E Completion Target: Second Bone Spring (Approx. 9,417' TVD)
Horizontal Well First and Last Take Points	See Exhibit B.2
Completion Target (Formation, TVD and MD)	See Exhibit B.6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	See Exhibit B Paragraph 26
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D
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.5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
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.6
Cost Estimate to Drill and Complete	Exhibit B.7
Cost Estimate to Equip Well	Exhibit B.7
Cost Estimate for Production Facilities	Exhibit B.7
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.1
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C.7
Target Formation	Exhibit C.3 to C.6
HSU Cross Section	Exhibit C.4

OCD Examiner Hearing 12-7-23

Case No. 23965

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
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 provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	<u>/s/ Deana M. Bennett</u>
Date:	12/5/2023

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. 23965

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

AFFIDAVIT OF DON JOHNSON

Don Johnson, being duly sworn, deposes and states as follows:

1. I am over the age of 18, I am a landman for Franklin Mountain Energy 3, LLC (“Franklin”), and I 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 landman were accepted by the Division as a matter of record.

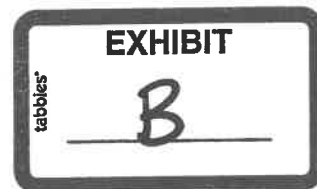
2. My area of responsibility at Franklin includes the area of Lea County in New Mexico.

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

4. I am familiar with the status of the lands that are subject to the application.

5. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling application.

6. The purpose of the application is to force pool all uncommitted interests into the horizontal spacing unit described below, and in the wells to be drilled in the unit.



7. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests in the well.

8. In this case, Franklin seeks an order from the Division pooling all uncommitted mineral interests within a 800-acre, more or less, Bone Spring horizontal spacing unit comprising W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

9. This spacing unit will be dedicated to the **Blue Box Fed Com 505H well**, to be horizontally drilled.

10. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

11. Attached as **Exhibit B.2** is the proposed C-102 for the well.

12. The C-102 identifies the proposed surface hole location and the bottom hole location, and the first take point. The C-102 also identifies the pool and pool code.

13. The well will develop from the following pools: WC-025 G-07 S193513B; Bone Spring Pool (CODE 97926); Pearl; Bone Spring Pool (CODE 49680); and the Scharb; Bone Spring Pool (CODE 55610).

14. The WC-025 G-07 S193513B; Bone Spring Pool and the Pearl; Bone Spring Pool, are oil pools with 40-acre building blocks and with 80-acre building blocks for the Scharb; Bone Spring Pool.

15. The pools are governed by the state-wide horizontal well rules.

16. The unit is standard whether the building blocks are 40-acre tracts or 80-acre tracts.

17. The producing area for the well is expected to be orthodox.

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

19. **Exhibit B.3** includes a lease tract map outlining the unit being pooled. Exhibit B.3 also includes the parties being pooled, the nature, and the percent of their interests.

20. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed the working interest owners well proposals, including an Authorization for Expenditure.

21. In my opinion, Franklin has made a good faith effort to obtain voluntary joinder of the unleased mineral interest owners in the proposed well.

22. **Exhibit B.4** is a summary of my contacts with the working interest owners.

23. **Exhibit B.5** is a list of the parties being pooled for this case.

24. **Exhibit B.6** is a sample of the well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed surface hole and bottom hole locations and approximate TVD/MD for the well.

25. **Exhibit B.7** contains the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

26. Franklin requests overhead and administrative rates of \$9,000 month for drilling a well and \$900 month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Franklin requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

27. Franklin requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

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

29. The parties Franklin is seeking to pool were notified of this hearing.

30. Franklin seeks to pool overriding royalty interest owners, and they were also provided notice of this hearing.

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

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

[Signature page follows]

Dated: November 30, 2023




Don Johnson

State of Colorado

County of Denver

This record was acknowledged before me on November 30th, 2023, by Don Johnson.

[Stamp]



Notary Public in and for the
State of Colorado
Commission Number: 20234007312

My Commission Expires: 2/23/27

**CRYSTAL MCCLAIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20234007312
MY COMMISSION EXPIRES FEBRUARY 23, 2027**

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. 23965

APPLICATION

Franklin Mountain Energy 3, LLC (“Franklin”), OGRID Number 331595, 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 for an order pooling all uncommitted mineral interests within a 800-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Franklin seeks to dedicate the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a 800-acre, more or less, Bone Spring horizontal spacing unit.
3. Franklin plans to drill the **Blue Box Fed Com 505H well** to a depth sufficient to test the Bone Spring formation. The well will be horizontally drilled, and the producing area for the well is expected to be orthodox.



4. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

6. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on December 7, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

B. Designating Franklin as operator of this unit and the well to be drilled thereon;

C. Authorizing Franklin to recover its costs of drilling, equipping and completing the well;

D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

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Albuquerque, New Mexico 87103-2168

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deana.bennett@modrall.com

yarithza.pena@modrall.com

Attorneys for Applicant

CASE NO. 23965 : **Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 800-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico.. This spacing unit will be dedicated to the **Blue Box Fed Com 505H well**, to be horizontally drilled. The producing area for the well is expected to be orthodox. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Hobbs, New Mexico.

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

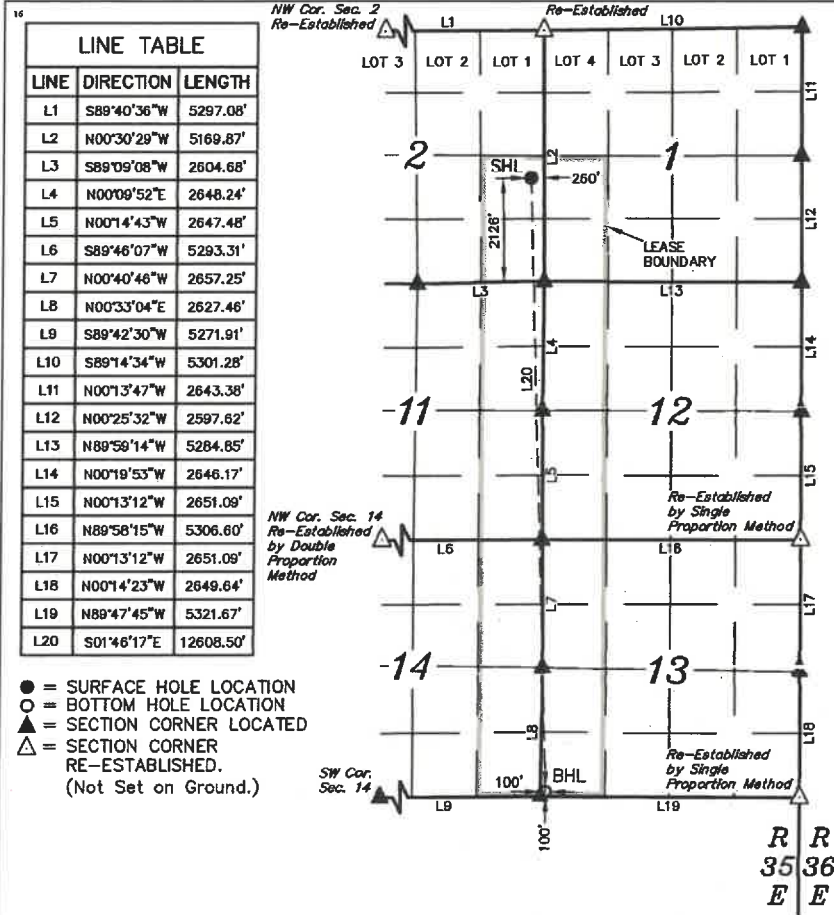
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 97926, 55610, 49680	³ Pool Name WC-025 G-07 S193513B;BONE SPRING, SCHARB;BONE SPRING, PEARL;BONE SPRING
⁴ Property Code	⁵ Property Name BLUE BOX FED COM	⁶ Well Number 505H
⁷ OGRID No. 331595	⁸ Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	⁹ Elevation 3802.9'

"Surface Location									
UL or lot no. I	Section 2	Township 19S	Range 35E	Lot Idn	Feet from the 2126	North/South line SOUTH	Feet from the 260	East/West line EAST	County LEA

"Bottom Hole Location If Different From Surface									
UL or lot no. M	Section 13	Township 19S	Range 35E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 100	East/West line WEST	County LEA
¹² Dedicated Acres 800		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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.



" 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 previously approved by the division.

Signature: *Rachael Overbey* Date: 10/5/2023
Printed Name: Rachael Overbey
E-mail Address: roverbey@fmeilc.com

" 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.

September 1, 2023
Date of Survey
Signature and Seal of Professional Surveyor:

NAD 83 (SURFACE HOLE LOCATION)	
LATITUDE = 32°41'17.66" (32.688239°)	
LONGITUDE = -103°25'12.57" (-103.420159°)	
NAD 27 (SURFACE HOLE LOCATION)	
LATITUDE = 32°41'17.22" (32.688117°)	
LONGITUDE = -103°25'10.81" (-103.419669°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 615321.84' E: 822280.64'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 615258.42' E: 781100.38'	
NAD 83 (BOTTOM HOLE LOCATION)	
LATITUDE = 32°39'12.97" (32.653603°)	
LONGITUDE = -103°25'08.66" (-103.419072°)	
NAD 27 (BOTTOM HOLE LOCATION)	
LATITUDE = 32°39'12.53" (32.653480°)	
LONGITUDE = -103°25'06.90" (-103.418584°)	
STATE PLANE NAD 83 (N.M. EAST)	
N: 602723.09' E: 822171.78'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 602659.97' E: 781543.07'	

NOTE:
• Distances referenced on plat to section lines are perpendicular.
• Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
• Section breakdown information for this plat may be obtained from Uintah Engineering & Land Surveying.

3000' 1500' 0 3000'
SCALE
DRAWN BY: D.M.C. 09-12-23



Certificate Number:

EXHIBIT
B.2

Lease Tract Map
Case No. 23965
W2SW Section 1; W2W2 Section 12; W2W2 Section 13; E2SE Section 2;
E2E2 Section 11; E2E2 Section 14-T19S-R35E
800 Acres
Blue Box Fed Com 505H

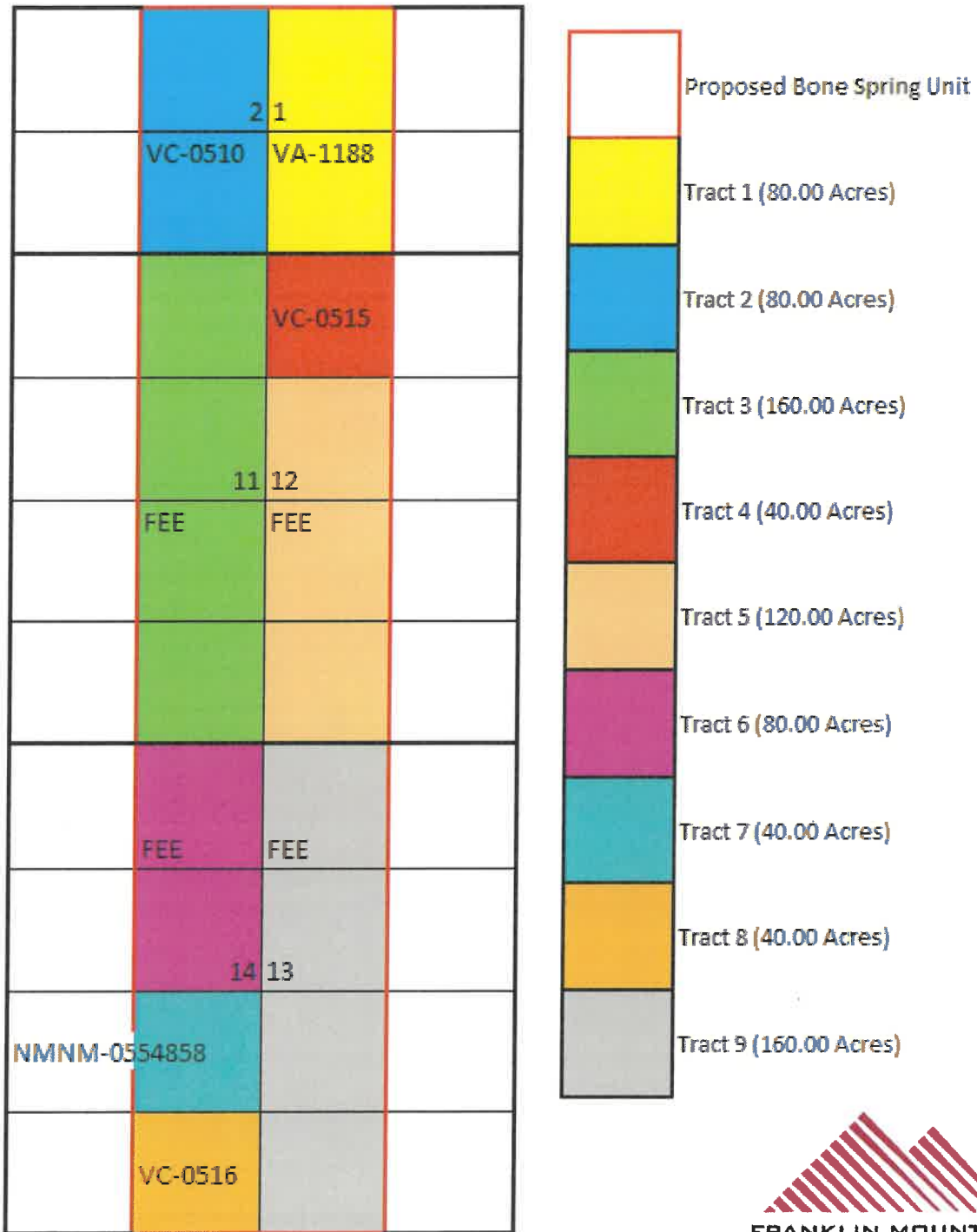


EXHIBIT
B.3

Summary of Interests
Case No. 23965
W2SW Section 1; W2W2 Section 12; W2W2 Section 13; E2SE Section 2;
E2E2 Section 11; E2E2 Section 14-T19S-R35E
800 Acres
Blue Box Fed Com 505H

Committed Working Interest	
Franklin Mountain Energy 3, LLC	85.000000%
Marshall & Winston, Inc.	10.000000%
Uncommitted Working Interest	
XTO Holdings, LLC	5.000000%
Margaret L. Scott	
Carol Jacobs Comey	
Laurie Lynn Jacobs	
Total:	100.000000%



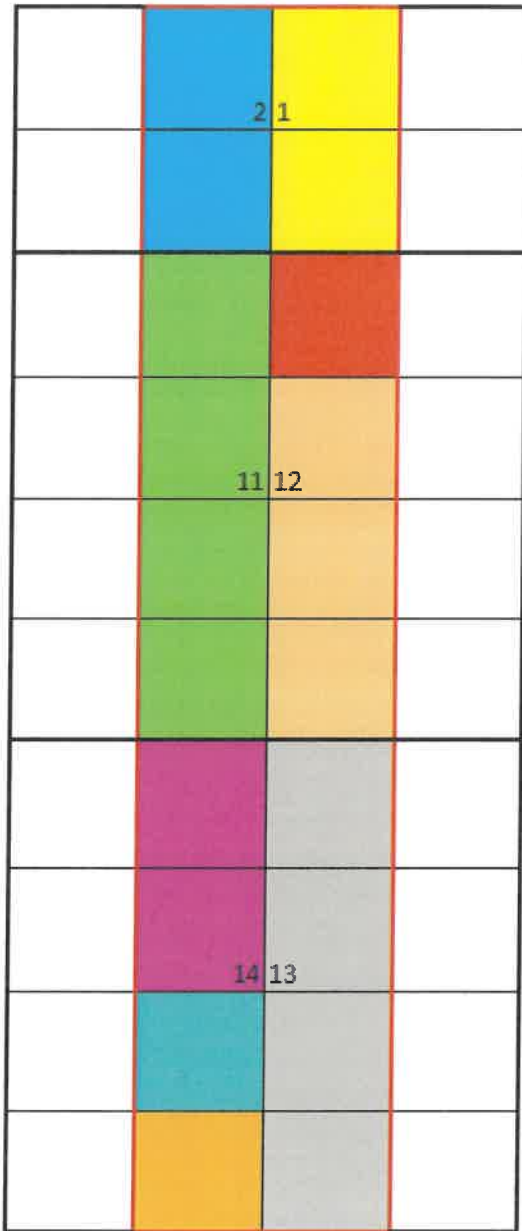
Unit Recapitulation

Case No. 23965

W2SW Section 1; W2W2 Section 12; W2W2 Section 13; E2SE Section 2; E2E2 Section 11; E2E2 Section 14-T19S-R35E

800 Acres

Blue Box Fed Com 505H



Tract	Lease	%
1	VA-1188	10.0000%
2	VC-0510	10.0000%
3	FEE	20.0000%
4	VC-0515	5.0000%
5	FEE	15.0000%
6	FEE	10.0000%
7	NMNM-0554858	5.0000%
8	VC-0516	5.0000%
9	FEE	20.0000%

Committed Working Interest	
Franklin Mountain Energy 3, LLC	85.000000%
Marshall & Winston, Inc.	10.000000%
Uncommitted Working Interest	
XTO Holdings, LLC	5.000000%
Margaret L. Scott	
Carol Jacobs Comey	
Laurie Lynn Jacobs	
Total:	100.000000%



Summary of Contacts (Case No. 23965)

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around September 6, 2023.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership Type	Date Proposal Letter Sent	Proposal Letter Received	Follow Up
Copperhead Resources, LLC	WI	9/6/2023	9/9/2023	Marshall & Winston acquired Copperheads interest
Marshall & Winston, Inc.	WI	9/6/2023	9/9/2023	Acquired Copperheads interest. Signed well proposal and executed JOA.
Margaret L. Scott	WI	9/6/2023	9/8/2023	Spoke to Rob Comey who is representing Margaret L.Scott, Carol Jacobs Comey, and Laurie Jacobs. Waiting for pooling order
Carol Jacobs Comey	WI	9/6/2023	9/8/2023	Spoke to Rob Comey who is representing Margaret L.Scott, Carol Jacobs Comey, and Laurie Jacobs. Waiting for pooling order
Laurie Lynn Jacobs	WI	9/6/2023	9/9/2023	Spoke to Rob Comey who is representing Margaret L.Scott, Carol Jacobs Comey, and Laurie Jacobs. Waiting for pooling order
XTO Holdings, LLC	WI	9/6/2023	9/9/2023	Spoke with Bryan Cifuentes, answered technical questions and what WI they have in unit. Have not heard back.



Parties To Be Pooled
Case No. 23965

Margaret L. Scott	WI/ ORRI
Carol Jacobs Comey	WI/ ORRI
Laurie Lynn Jacobs	WI/ ORRI
XTO Holdings, LLC	WI
Mayhill Oil Corporation	ORRI
TayMor Enterprises, Inc.	ORRI
Fred C. Corey	ORRI
Charles M. Morgan	ORRI
Lynn S. Charuk	ORRI
Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust	ORRI
Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust	ORRI
Michael W. Gates	ORRI
Mitchell R. Ritter	ORRI
Gary Robert Baily Revocable Trust	ORRI
Featherstone Development Corporation	ORRI
Camarie Oil and Gas, LLC	ORRI
Panhandle Properties, LLCmk	ORRI
Prospector, LLC	ORRI
Big Three Energy Group, LLC	ORRI
Estates of R.E. Smith and Peggy D. Smith	ORRI
Diana Wingfield Living Trust, dated 12/10/1998, Zia Trust, Inc., Trustee	ORRI
William D. Schauer Living Trust dated 10/5/1998, Zia Trust Agent for Preston W. Moore, Trustee	ORRI
Rowan Family Minerals, LLC	ORRI





Sent via USPS: 9405509205568819406987

September 6, 2023

XTO Holdings, LLC
 22777 Springwoods Village Parkway
 Spring, TX 77389
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**
 Township 19 South, Range 35 East
 Section 1: W2SW
 Section 2: E2SE
 Section 11: E2E2
 Section 12: W2W2
 Section 13: W2W2
 Section 14: E2E2
 Bone Spring Formation
 Lea County, New Mexico
 800.00 acres, more or less

Dear Working Interest Owner:

Franklin Mountain Energy 3, LLC ("FME3"), as Operator, hereby proposes the drilling and completion of the following wells:

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Blue Box Fed Com 5041H	2BS	9,417'	21,917'	Sec 2-T19S-R35E 2330 FSL 260 FEL	Sec 13-T19S-R35E 100 FSL 100 FEL	\$11,434,156.29	N/A

FME3 reserves the right to modify the locations and drilling plans described above in order to comply with any requirements from a governing regulatory agency or to address any topography, environmental and/or cultural concerns.

FME3 is proposing to drill and complete the aforementioned wells under the terms of a modified, wellbore specific 1989 AAPL form Operating Agreement with the following general provisions:

- 100/300% Non-Consenting Penalty
 - \$9,000/\$900 Drilling and Producing Rate
- 44 Cook Street | Suite 1000 | Denver, CO 80206





- Franklin Mountain Energy 3, LLC designated as Operator

Should you be interested in participating under an Operating Agreement, with your working interest, FME3 will send you our proposed form.

Please indicate your election in the space provided on the following page, sign and return this letter, along with a signed copy of the enclosed AFE. If you do not wish to participate, FME3 proposes a term assignment or lease at the following terms:

-
-

The foregoing offer is non-binding in nature until a definitive agreement and/or conveyance documents are negotiated and agreed to by each party. FME3 is under no obligation to negotiate, lease or purchase your interest.

Please return your signed documents to Jon Rutledge and jrutledge@fmellc.com or to the address provided below at your earliest convenience.

FME3 looks forward to working with you or your company on this proposed development and encourages you to call with any questions pertaining to these plans. However, please be advised that, in the near term, FME3 will file an application for compulsory pooling to pool any uncommitted owners.

Should you have any questions, please do not hesitate to contact the undersigned at (720) 414-7863.

Respectfully,

Franklin Mountain Energy 3, LLC

Jon Rutledge
Landman



Blue Box Fed Com 5041H:

_____ I/We hereby elect to participate in the **Blue Box Fed Com 5041H** well.

_____ I/We hereby elect **NOT** to participate in the **Blue Box Fed Com 5041H** well.

Owner: XTO Holdings, LLC

By: _____

Printed Name: _____

Title: _____

Date: _____

44 Cook Street | Suite 1000 | Denver, CO 80206

OCD Examiner Hearing 12-7-23

Case No. 23965

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. 23965

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

AFFIDAVIT OF BEN KESSEL

Ben Kessel, being duly sworn, deposes and states as follows:

1. I am over the age of 18, I am a geologist for Franklin Mountain Energy 3, 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 C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.

5. **Exhibit C.2** is a wellbore schematic showing Franklin’s development plan.

6. **Exhibit C.3** through **Exhibit C.6** are the geology study slides I prepared for the **Blue Box Fed Com 505H well**, which will target the Second Bone Spring.

7. **Exhibit C.3** is a structure map of the Second Bone Spring formation. The proposed spacing unit is identified by a pink box. The Blue Box Fed Com 505H well proposed in this case



is identified by the black-dashed line. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southwest.

8. **Exhibit C.4** is a cross-section reference map that identifies four wells in the vicinity of the proposed Blue Box Fed Com 505H well, shown by a line of cross-section running from A to A'.

9. **Exhibit C.5** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Second Bone Spring formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified where the proposed well falls within the wells I used for the cross-section.

10. In my opinion, the gross interval thickness for the Second Bone Spring formation increases slightly to the southwest.

11. **Exhibit C.6** is an Isopach map of the Second Bone Spring formation. The gross interval thickness increases slightly to the southwest.

12. I conclude from the geology studies referenced above 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 C.7** 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, nearly orthogonal to S_{Hmax} , optimal for induced fracture propagation. This is because the S_{Hmax} is at approximately 255 degrees ENE in this area of Lea County.

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

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

[Signature page follows]

Dated: November 30th, 2023


Ben Kessel


State of Colorado

County of Denver

This record was acknowledged before me on November 30, 2023, by Ben Kessel.

[Stamp]

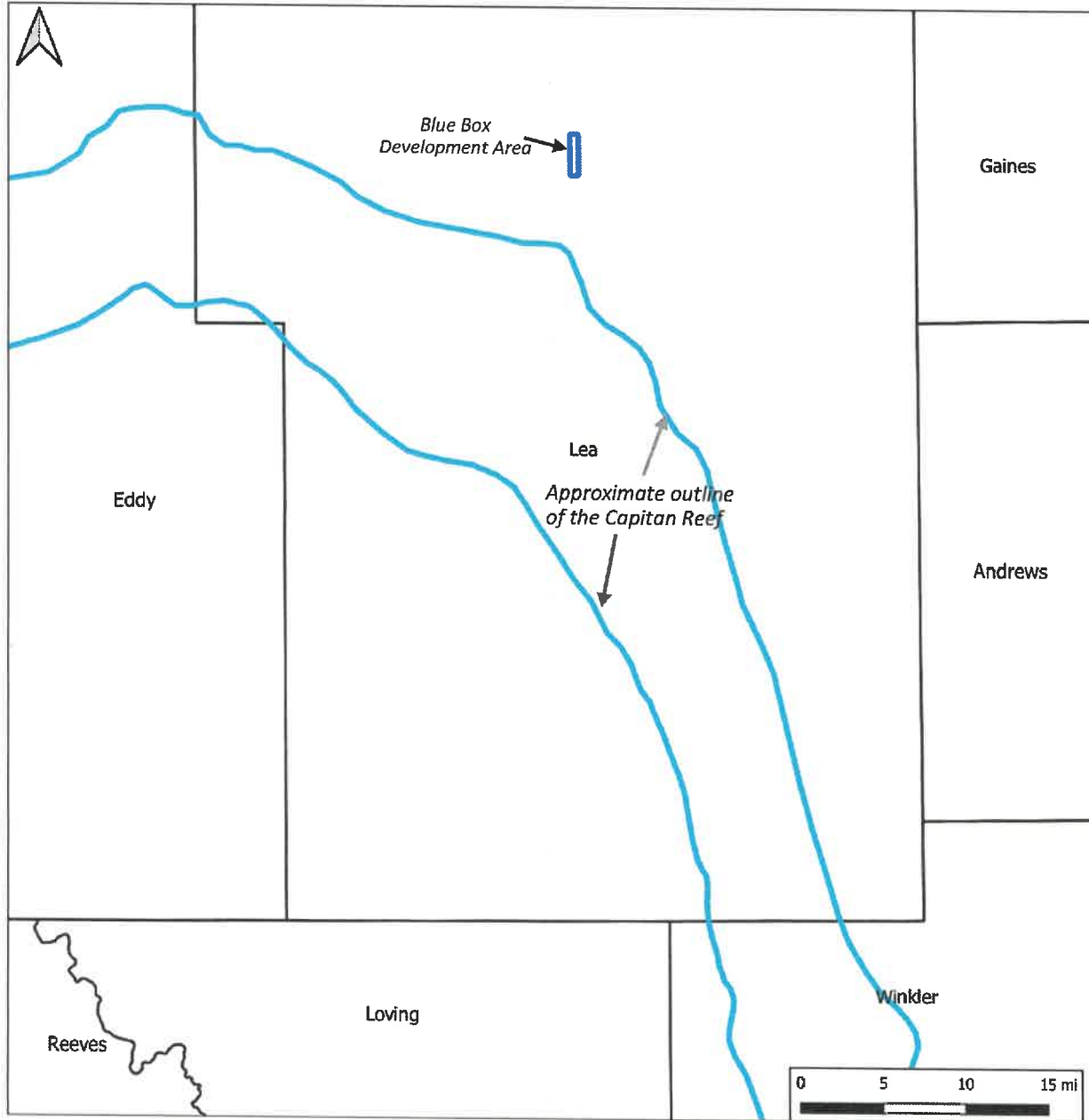
CRYSTAL MCCLAIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20234007312
MY COMMISSION EXPIRES FEBRUARY 23, 2027


Notary Public in and for the
State of Colorado
Commission Number: 20234007312

My Commission Expires: 2/23/27

Blue Box Development

Locator Map

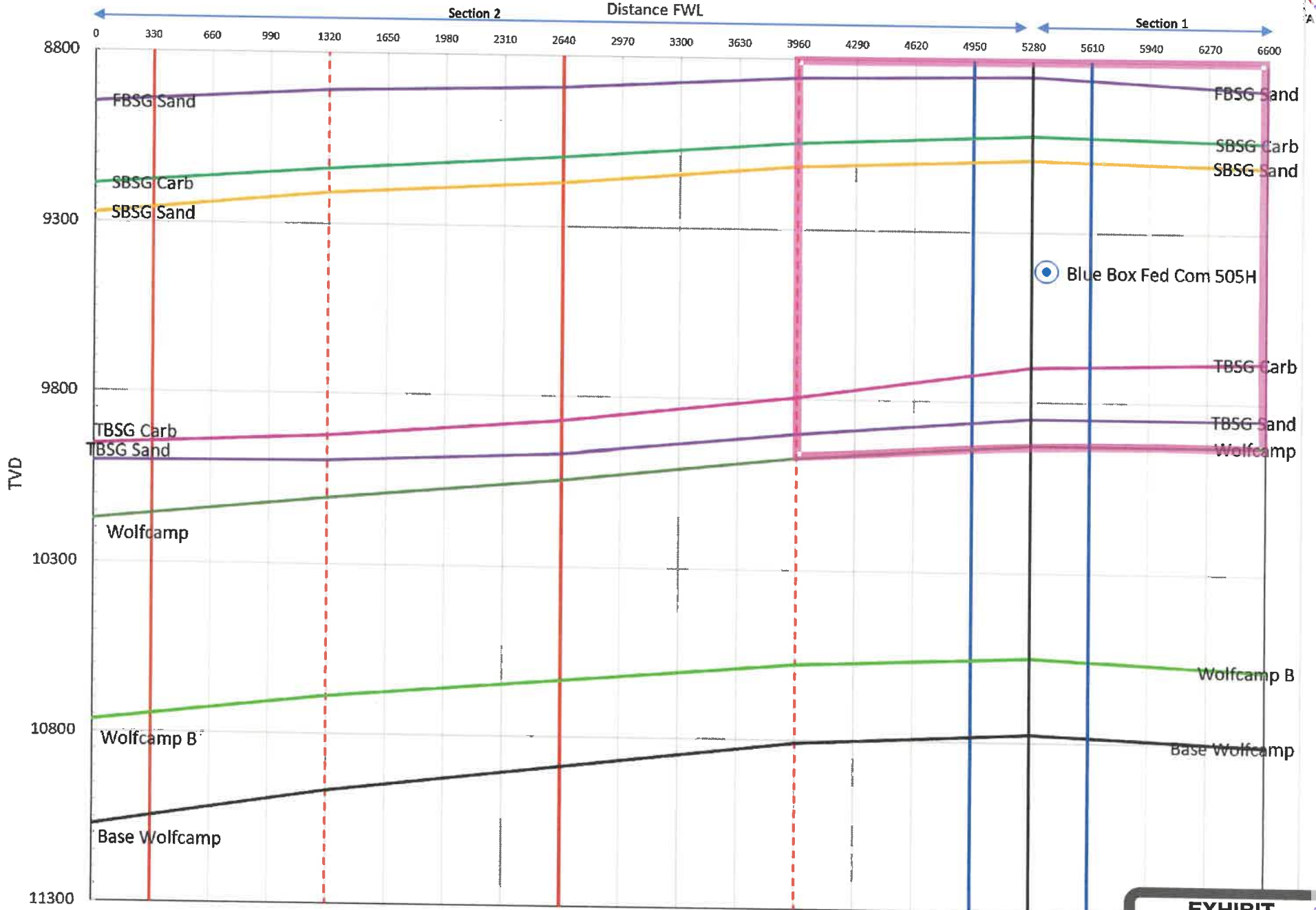


- Blue box shows the location of Blue Box development area
- The Blue Box Fed Com 505H is located outside of the eastern edge of the Capitan Reef

https://www.twdb.texas.gov/publications/reports/contracted_reports/doc/0804830794CapitanReef/Final%20Revised%20Capitan%20PDF%20w_Seals.pdf

Wellbore Schematic

19S 35E Sections 2&1-Looking North



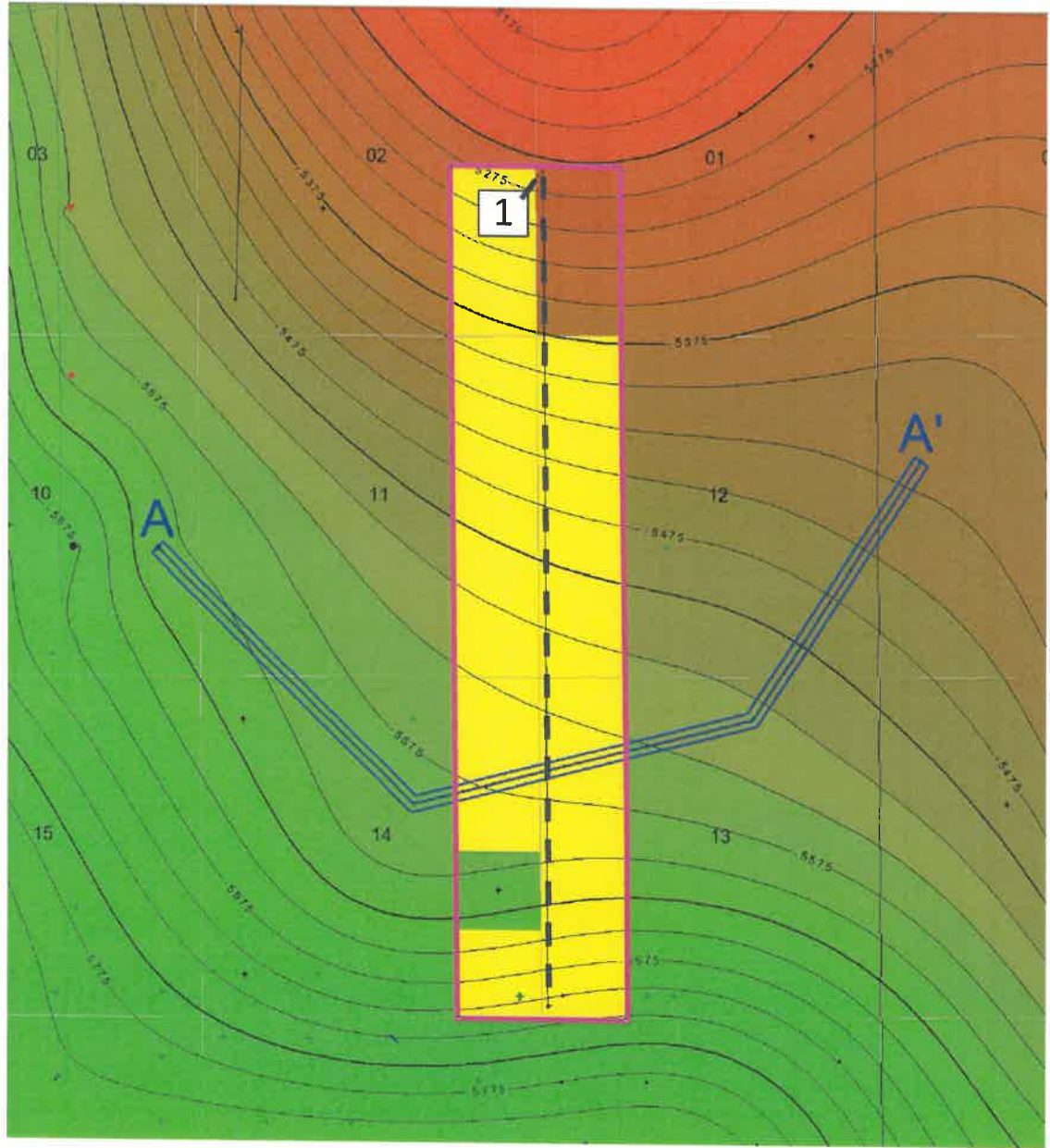
Proposed Lateral Bone Spring Spacing Unit



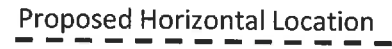

OCD Examiner Hearing 12-7-23
Case No. 23965

EXHIBIT
C.2

tabbles

Second Bone Spring Structure

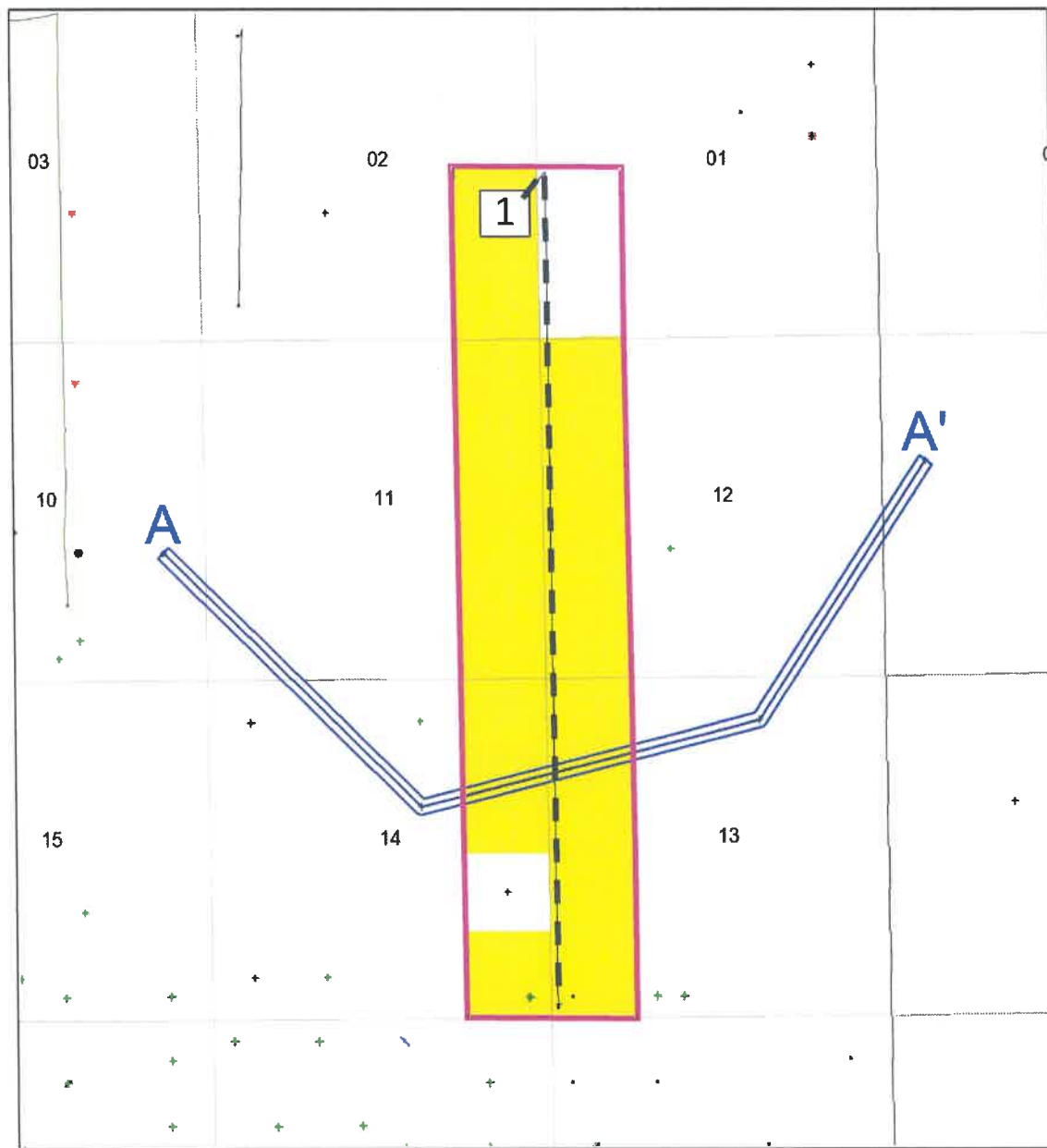




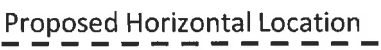

-  Franklin Mountain Acreage
-  Bone Spring Spacing Unit
-  Proposed Horizontal Location
-  Blue Box Fed Com 505H

All wells shown

1 mile

Cross Section Reference Map



-  Franklin Mountain Acreage
-  Bone Spring Spacing Unit
-  Proposed Horizontal Location
-  Blue Box Fed Com 505H

All wells shown

1 mile

Second Bone Spring Cross Section



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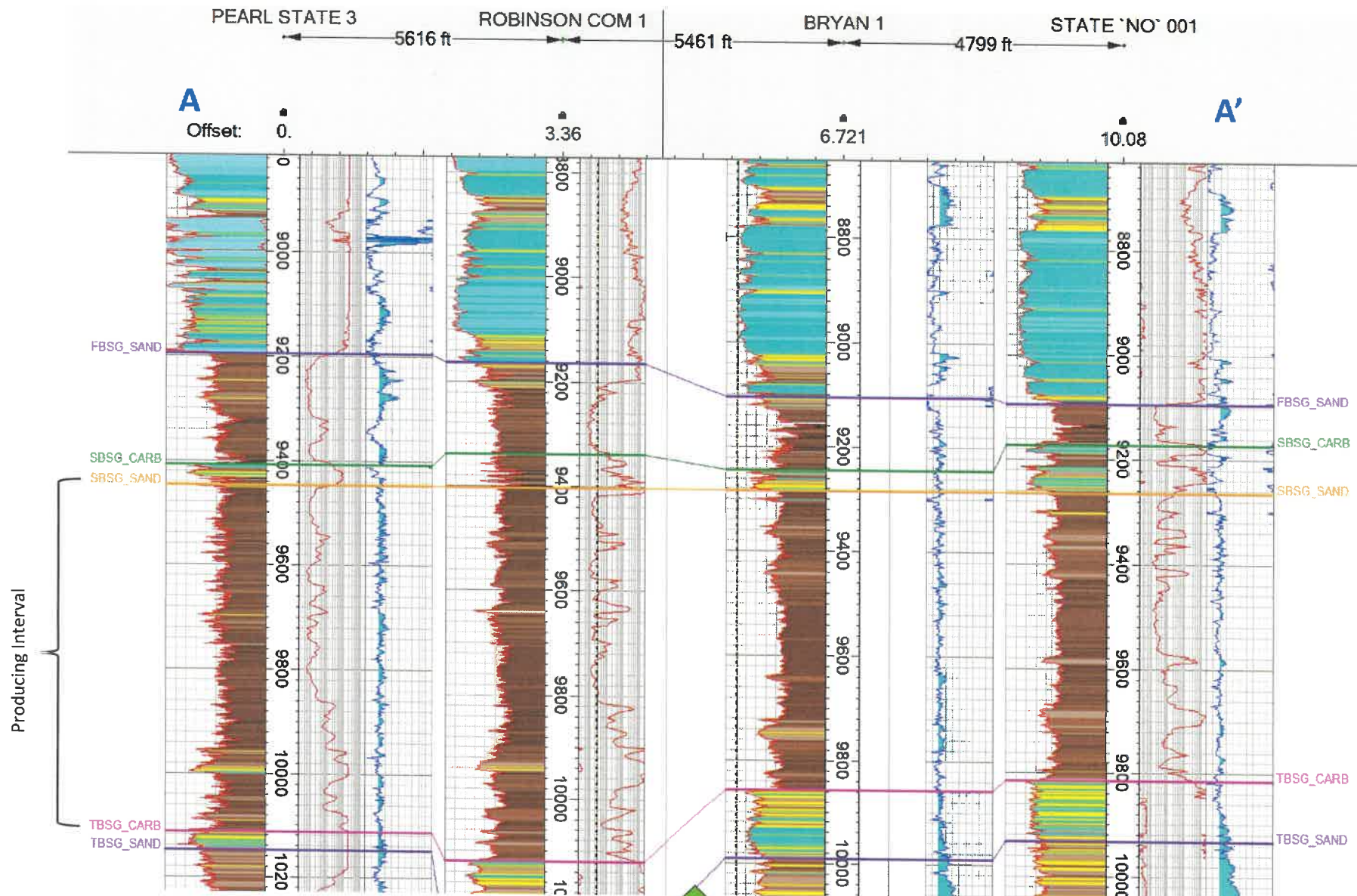
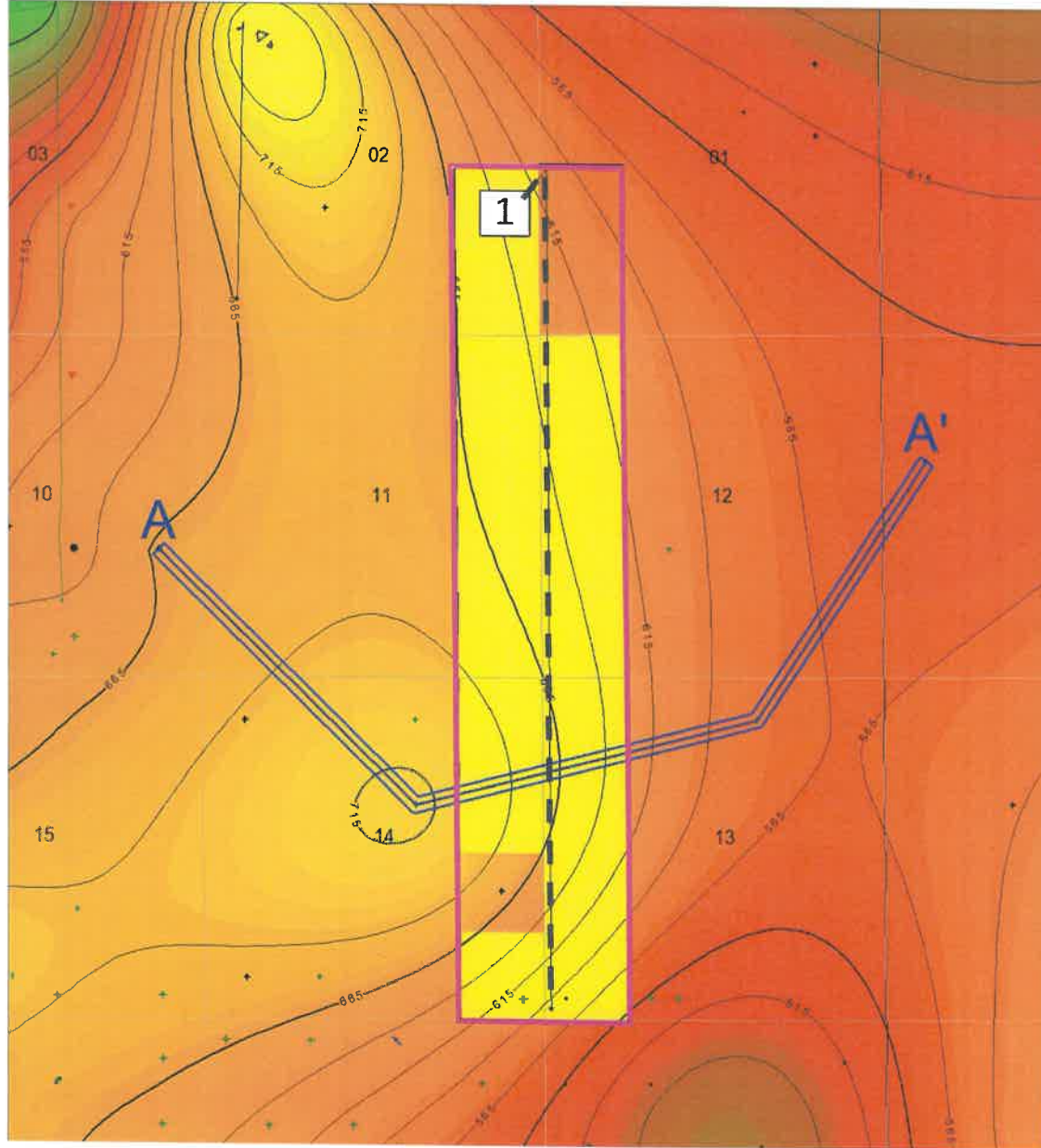


EXHIBIT
C.5
Page 33 of 46

Second Bone Spring Isopach



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- Franklin Mountain Acreage
- Bone Spring Spacing Unit
- Proposed Horizontal Location
- Blue Box Fed Com 505H

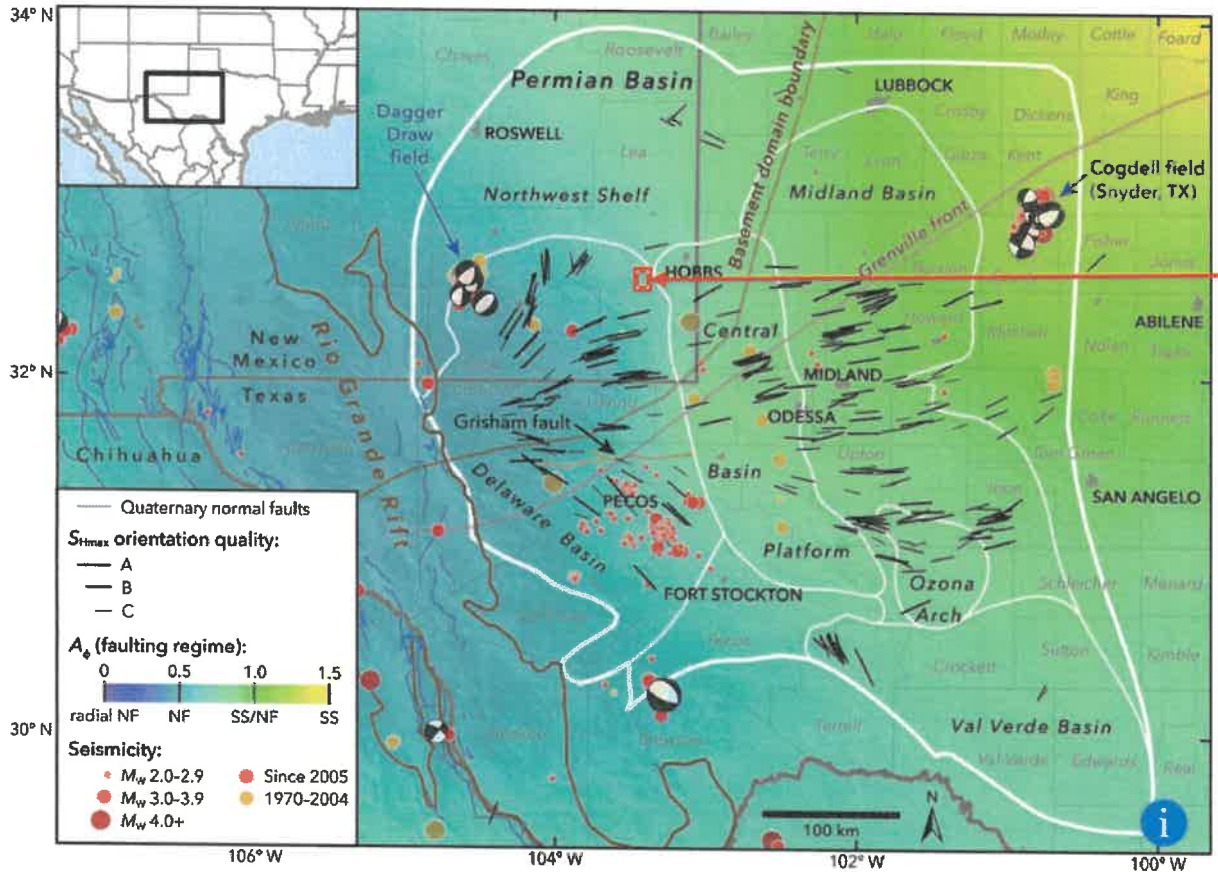
All wells shown

1 mile

EXHIBIT
C.6
Page 34 of 46

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Regional Stress



- Red box shows the approximate location of the Blue Box development
- Reported local S_{Hmax} (Snee and Zoback, 2018) direction is ENE, around 255°
- The Blue Box Fed Com 505H 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

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. 23965

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Franklin Mountain Energy 3, LLC, the Applicant herein, declares as follows:

1) The above-referenced Application was provided under notice letter, dated November 14, 2023, and attached hereto, as Exhibit A.

2) Exhibit B is the mailing list, which show the notice letters were delivered to the USPS for mailing on November 14, 2023.

3) Exhibit C is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. This shows the names and addresses of the parties to whom notice was sent and proof of delivery.

4) Exhibit D is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the December 7, 2023 hearing was published on November 16, 2023.

5) 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: December 4, 2023


Deana M. Bennett





MODRALL SPERLING

L A W Y E R S

November 14, 2023

Deana M. Bennett
505.848.1834
dmb@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC
FOR COMPULSORY POOLING, LEA COUNTY, NEW
MEXICO**

CASE NO. 23965

TO: AFFECTED PARTIES

This letter is to advise you that Franklin Mountain Energy 3, LLC (“Franklin Mountain Energy 3”) has filed the enclosed application.

In Case No. 23965, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a standard 800-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Blue Box Fed Com 505H well**, to be horizontally drilled. The producing area for the well is expected to be orthodox. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330’ from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Hobbs, New Mexico.

The hearing will be conducted remotely on December 7, 2023 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>. This hearing is subject to continuance by the Division to a subsequent docket date.

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

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

You are further notified that if you desire to appear in this case, 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 3, LLC FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

CASE NO. 23965

APPLICATION

Franklin Mountain Energy 3, LLC (“Franklin”), OGRID Number 331595, 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 for an order pooling all uncommitted mineral interests within a 800-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Franklin seeks to dedicate the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a 800-acre, more or less, Bone Spring horizontal spacing unit.
3. Franklin plans to drill the **Blue Box Fed Com 505H well** to a depth sufficient to test the Bone Spring formation. The well will be horizontally drilled, and the producing area for the well is expected to be orthodox.

4. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

6. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on December 7, 2023 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

B. Designating Franklin as operator of this unit and the well to be drilled thereon;

C. Authorizing Franklin to recover its costs of drilling, equipping and completing the well;

D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com
Attorneys for Applicant

CASE NO. 23965: Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 800-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2SW/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico.. This spacing unit will be dedicated to the **Blue Box Fed Com 505H well**, to be horizontally drilled. The producing area for the well is expected to be orthodox. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Hobbs, New Mexico.

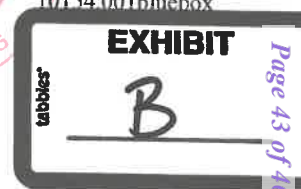
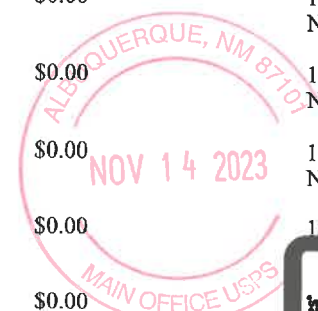
Karlene Schuman
 Modrall Sperlberg Roehl Harris & Sisk P.A.
 500 Fourth Street, Suite 1000
 Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
 11/14/2023

Firm Mailing Book ID: 255765

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
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3	9314 8699 0430 0114 1802 89	Fred C. Corey 5503 Los Patios Drive Midland TX 79707	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
4	9314 8699 0430 0114 1803 02	Charles M. Morgan 4032 U.S. Highway 82 Mayhill NM 88339	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
5	9314 8699 0430 0114 1803 26	Lynn S. Charuk P.O. Box 52370 Midland TX 79710	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
6	9314 8699 0430 0114 1803 40	Elizabeth L. Cheney, as Trustee of Elizabeth L. Cheney Irrevocable Trust P.O. Box 570083 Houston TX 77257	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
7	9314 8699 0430 0114 1803 64	Alexander K. Cheney, as Trustee of the Mitchel E. Cheney Family Irrevocable Trust P.O. Box 570083 Houston TX 77257	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
8	9314 8699 0430 0114 1803 88	Franklin Mountain Royalty Investments 3, LLC 44 Cook Street, Suite 1000 Denver CO 80206	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
9	9314 8699 0430 0114 1804 01	Michael W. Gates P.O. Box 10347 Midland TX 79705	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
10	9314 8699 0430 0114 1804 25	Mitchell R. Ritter 4409 Meadowlark Lane Midland TX 79707	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
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12	9314 8699 0430 0114 1804 63	Copperhead Resources, LLC P.O. Box 8355 Midland TX 79708	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
13	9314 8699 0430 0114 1804 87	Marshall & Winston, Inc. P.O. Box 50880 Midland TX 79710	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
14	9314 8699 0430 0114 1805 00	Featherstone Development Corporation P.O. Box 429 Roswell NM 88202	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox
15	9314 8699 0430 0114 1805 24	Camarie Oil and Gas, LLC 2502 Camarie Avenue Midland TX 79705	\$1.59	\$4.35	\$2.20	\$0.00	



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

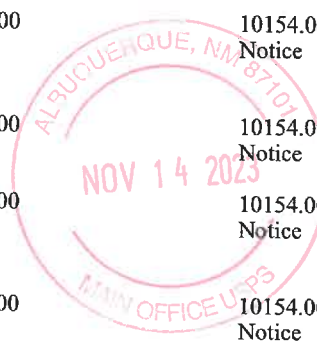
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Type of Mailing: CERTIFIED MAIL
11/14/2023

Firm Mailing Book ID: 255765

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17	9314 8699 0430 0114 1805 79	Prospector, LLC P.O. Box 429 Roswell NM 88202	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
18	9314 8699 0430 0114 1805 93	Big Three Energy Group, LLC P.O. Box 429 Roswell NM 88202	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
19	9314 8699 0430 0114 1806 16	Margaret L. Scott 48 Royal Elk Trail Durango CO 81301	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
20	9314 8699 0430 0114 1806 30	Carol Jacobs Comey 1901 Genevieve Court Flower Mound TX 75022	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
21	9314 8699 0430 0114 1806 54	Laurie Lynn Jacobs 15796 I and GN Road College Station TX 77845	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
22	9314 8699 0430 0114 1806 78	XTO Holdings, LLC 22777 Springwoods Village Parkway Spring TX 77389	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
23	9314 8699 0430 0114 1806 92	Estates of R.E. Smith and Peggy D. Smith 1900 West Loop S, Suite 1050 Houston TX 77027	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
24	9314 8699 0430 0114 1807 15	Diana Wingfield Living Trust, dated 12/10/1998 Zia Trust Inc., Trustee 6301 Indian School Road NE, Suite 800 Albuquerque NM 87110	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
25	9314 8699 0430 0114 1807 39	William D. Schauer Living Trust of 10/5/1998, Zia Trust Agent for Peston W. Moore Trustee 6301 Indian School Road NE, Suite 800 Albuquerque NM 87110	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
26	9314 8699 0430 0114 1807 53	Rowan Family Minerals, LLC 7651 FME 2125 Brownwood TX 76801	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
27	9314 8699 0430 0114 1807 77	State of New Mexico, acting by and through its commissioner of public lands P.O. Box 1148 Santa Fe NM 87501	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice
28	9314 8699 0430 0114 1807 91	United States Department of the Interior Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508	\$1.59	\$4.35	\$2.20	\$0.00	10154.001bluebox Notice

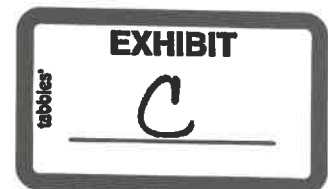
Totals:	\$44.52	\$121.80	\$61.60	\$0.00
		Grand Total:		\$227.92



List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:
28		OCD Examiner Hearing 12-7-23	Case No. 23965

Transaction Report Details - CertifiedPro.net
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9314869904300114180777	2023-11-14 8:37 AM	10154.001bluebox	State of New Mexico, acting by and through its	commissioner of public lands	Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-16 12:00 AM
9314869904300114180753	2023-11-14 8:37 AM	10154.001bluebox	Rowan Family Minerals, LLC		Brownwood	TX	76801	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300114180739	2023-11-14 8:37 AM	10154.001bluebox	William D. Schauer Living Trust of 10/5/1998, Zia	Trust Agent for Peston W. Moore Trustee	Albuquerque	NM	87110	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-15 11:06 AM
9314869904300114180715	2023-11-14 8:37 AM	10154.001bluebox	Diana Wingfield Living Trust, dated 12/10/1998	Zia Trust Inc., Trustee	Albuquerque	NM	87110	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-15 11:06 AM
9314869904300114180692	2023-11-14 8:37 AM	10154.001bluebox	Estates of R.E. Smith and Peggy D. Smith		Houston	TX	77027	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-17 3:01 PM
9314869904300114180678	2023-11-14 8:37 AM	10154.001bluebox	XTO Holdings, LLC		Spring	TX	77389	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-18 9:33 AM
9314869904300114180654	2023-11-14 8:37 AM	10154.001bluebox	Laurie Lynn Jacobs		College Station	TX	77845	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300114180630	2023-11-14 8:37 AM	10154.001bluebox	Carol Jacobs Comey		Flower Mound	TX	75022	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-22 12:11 PM
9314869904300114180616	2023-11-14 8:37 AM	10154.001bluebox	Margaret L. Scott		Durango	CO	81301	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-16 12:31 PM
9314869904300114180593	2023-11-14 8:37 AM	10154.001bluebox	Big Three Energy Group, LLC		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-20 11:22 AM
9314869904300114180579	2023-11-14 8:37 AM	10154.001bluebox	Prospector, LLC		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-20 11:22 AM
9314869904300114180548	2023-11-14 8:37 AM	10154.001bluebox	Panhandle Properties, LLC		Artesia	NM	88211	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-20 11:22 AM
9314869904300114180524	2023-11-14 8:37 AM	10154.001bluebox	Camarie Oil and Gas, LLC		Midland	TX	79705	To be Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300114180500	2023-11-14 8:37 AM	10154.001bluebox	Featherstone Development Corporation		Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-21 10:31 AM
9314869904300114180487	2023-11-14 8:37 AM	10154.001bluebox	Marshall & Winston, Inc.		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-17 2:45 PM
9314869904300114180463	2023-11-14 8:37 AM	10154.001bluebox	Copperhead Resources, LLC		Midland	TX	79708	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-17 8:22 AM
9314869904300114180449	2023-11-14 8:37 AM	10154.001bluebox	Gary Robert Bailly Revocable Trust		Park City	UT	84060	Undelivered - Forwarded	Return Receipt - Electronic, Certified Mail	
9314869904300114180425	2023-11-14 8:37 AM	10154.001bluebox	Mitchell R. Ritter		Midland	TX	79707	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300114180401	2023-11-14 8:37 AM	10154.001bluebox	Michael W. Gates		Midland	TX	79705	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300114180388	2023-11-14 8:37 AM	10154.001bluebox	Franklin Mountain Royalty Investments 3, LLC		Denver	CO	80206	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-18 11:50 AM
9314869904300114180364	2023-11-14 8:37 AM	10154.001bluebox	Alexander K. Cheney, as Trustee of the Mitchel E.	Cheney Family Irrevocable Trust	Houston	TX	77257	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-17 7:26 AM
9314869904300114180340	2023-11-14 8:37 AM	10154.001bluebox	Elizabeth L. Cheney, as Trustee of Elizabeth L.	Cheney Irrevocable Trust	Houston	TX	77257	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-17 7:26 AM
9314869904300114180326	2023-11-14 8:37 AM	10154.001bluebox	Lynn S. Charuk		Midland	TX	79710	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-20 11:55 AM
9314869904300114180302	2023-11-14 8:37 AM	10154.001bluebox	Charles M. Morgan		Mayhill	NM	88339	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-18 9:16 AM
9314869904300114180289	2023-11-14 8:37 AM	10154.001bluebox	Fred C. Corey		Midland	TX	79707	To be Mailed	Return Receipt - Electronic, Certified Mail	
9314869904300114180265	2023-11-14 8:37 AM	10154.001bluebox	TayMor Enterprises, Inc.		Midland	TX	79704	Delivered	Return Receipt - Electronic, Certified Mail	2023-11-21 12:33 PM
9314869904300114180241	2023-11-14 8:37 AM	10154.001bluebox	Mayhill Oil Corporation		Midland	TX	79701	Undelivered	Return Receipt - Electronic, Certified Mail	



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
November 16, 2023
and ending with the issue dated
November 16, 2023.



Publisher

Sworn and subscribed to before me this
16th day of November 2023.



Business Manager

My commission expires

January 29, 2027
STATE OF NEW MEXICO
(Seal) NOTARY PUBLIC
GUSSIE RUTH BLACK
COMMISSION # 1087526
COMMISSION EXPIRES 01/29/2027

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 publication has been made.

LEGAL NOTICE
November 16, 2023

**CASE NO. 23965: Notice to all affected parties, as well as heirs and devisees of: Mahili' Oil Corporation; TayMor Enterprises, Inc.; Fred C. Corey; Charles M. Morgan; Lynn S. Charuk; Elizabeth L. Cheney, as Trustee of the Elizabeth L. Cheney Irrevocable Trust; Alexander K. Cheney, as Trustee of the Mitchell E. Cheney Family Irrevocable Trust; Michael W. Gates; Mitchell R. Ritter; Gary Robert Baily Revocable Trust; Copperhead Resources, LLC; Marshall & Winston, Inc.; Featherstone Development Corporation; Camaris Oil & Gas, LLC; Panhandle Properties, LLC; Prospector, LLC; Big Three Energy Group, LLC; Margaret L. Scott; Carol Jacobs Comey; Laurie Lynn Jacobs; XTO Holdings, LLC; Estates of R.E. Smith and Peggy D. Smith; Diana Wingfield Living Trust, dated 12/10/98, Zia Trust, Inc., Trustee; William D. Schauer Living Trust dated 10/5/1998, Zia Trust Agent for Preston W. Moore, Trustee; Rowan Family Minerals, LLC; State of New Mexico, acting by and through its Commissioner of Public Lands; United States Department of the Interior Bureau of Land Management of Application of Franklin Mountain Energy 3, LLC for compulsory pooling, 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 December 7, 2023 to consider this application. Information about accessing the electronic hearing is posted at "OCD NOTICES" at <https://www.emnrd.nm.gov/oed/hearing-info/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a standard 800-acre, more or less, Bone Spring horizontal spacing unit comprising the W/28W/4 of Section 1, the W/2W/2 of Sections 12 and 13, and the E/2SE/4 of Section 2, the E/2E/2 of Sections 11 and 14, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Blue Box Fed Com 505H well, to be horizontally drilled. The producing area for the well is expected to be orthodox. The completed interval for the Blue Box Fed Com 505H well is expected to be less than 330' from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles west of Hobbs, New Mexico.
#00284922**

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DOLORES SERNA
MODRALL, SPERLING, ROEHL, HARRIS &
P. O. BOX 2168
ALBUQUERQUE, NM 87103-2168

