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. 24211

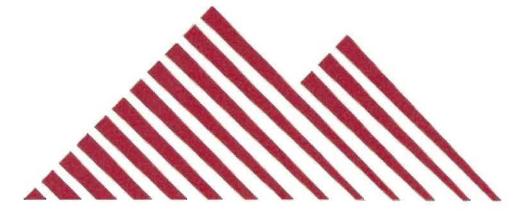
NOTICE OF REVISED EXHIBIT PACKET

Pursuant to the Hearing Examiner's direction at the March 21, 2024 hearing, Franklin Mountain Energy 3, LLC is providing a revised exhibit packet. The revisions are to the following exhibits: Amended Compulsory Pooling Checklist (**Tab A**); Amended Affidavit of Don Johnson (**Tab B**); and complete set of C-102s (**Exhibit B.2**). No other parties have entered an appearance in this matter.

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 earl.debrine@modrall.com deana.bennett@modrall.com yarithza.pena@modrall.com Attorneys for Franklin Mountain Energy 3, LLC



FRANKLIN MOUNTAIN ENERGY

Before the Oil Conservation Division Examiner Hearing March 21st, 2024

Compulsory Pooling

Case No. 24211: Tag State Com 703H, Tag State Com 704H, Tag State Com 803H, Tag State Com 804H

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. 24211

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- Exhibit D.2: Mailing List of Interested Parties
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¹*Revisions identified by italics.*

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24211 APPLICANT'S RESPONSE			
Date	March 28, 2024		
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	Tag State		
Formation/Pool			
Formation Name(s) or Vertical Extent:	Wolfcamp		
Primary Product (Oil or Gas):	Oil		
Pooling this vertical extent:	Wolfcamp		
Pool Name and Pool Code:	Pearl; Wolfcamp South Pool (Code 49870); Lea; Wolfcamp (Gas) Pool (Code 80060)		
Well Location Setback Rules:	State-Wide Rules Apply		
Spacing Unit			
Type (Horizontal/Vertical)	Horizontal		
Size (Acres)	641.27-acres		
Building Blocks:	40-acres (Pearl; Wolfcamp South Pool (Code 49870)); 320-acres (Lea; Wolfcamp (Gas) Pool (Code 80060)); (Note: OCD pool code spreadsheet states that the Lea; Wolfcamp (Gas) Pool has 320-acre building blocks, which is likely superceeded by statewide rules. In any event, even with the 320-acre building blocks, the unit is standard)		
Orientation:	North/South		
Description: TRS/County	Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular of Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range East, N.M.P.M., Lea County, New Mexico.		
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is</u> 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	Yes, the completed interval for the Tag State Com 803H well is expected to be less than 330 feet 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	Tag State Com 803H		
Applicant's Ownership in Each Tract	See Exhibit B.3		
Well(s)	EXHIBIT		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) Released to Imaging: 3/26/2024 2:12:42 PM	Add wells as needed		

Received by OCD: 3/26/2024 1:25:57 PM Well #1: Tag State Com 703H	API No. Pending	
	SHL: 266' FNL & 2055' FEL, (Lot 2/Unit B), Section 2, T20S, R35E BHL: 100' FSL & 2290' FEL, (Unit O) Section 11, T20S, R35E Completion Target: Wolfcamp A (Approx. 11,348' TVD) Orientation: North/South	
Well #2: Tag State Com 704H	API No. <i>Pending</i> SHL: 266' FNL & 1156' FEL, (Lot 1/Unit A), Section 2, T20S, R35E BHL: 100' FSL & 980' FEL, (Unit P) Section 11, T20S, R35E Completion Target: Wolfcamp A (Approx. 11,304' TVD) Orientation: North/South	
Well #3: Tag State Com 803H	API No. <i>Pending</i> SHL: 266' FNL & 1905' FEL, (Lot 2/Unit B), Section 2, T20S, R35E BHL: 100' FSL & 1490' FEL, (Unit O) Section 11, T20S, R35E Completion Target: Wolfcamp B (Approx. 11,711' TVD) Orientation: North/South	
Well #4: Tag State Com 804H	API No. <i>Pending</i> SHL: 266' FNL & 1066' FEL, (Lot 1/Unit A), Section 2, T20S, R35E BHL: 100' FSL & 360' FEL, (Unit P) Section 11, T20S, R35E Completion Target: Wolfcamp B (Approx. 11,654' TVD) Orientation: North/South	
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 Pargraph 23	
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	
Querbead Rates in Proposal 12tter 12:42 PM	Exhibit B.6	

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Received by OCD: 3/26/2024 1:25:57 PM	Page 6 of
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.1
Well Orientation (with rationale)	Exhibit C.11
Target Formation	Exhibit C.3 to C.6; C.7 to C.10
HSU Cross Section	Exhibit C.4; C.8
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 and C.7
Cross Section Location Map (including wells)	Exhibit C.4 and C.8
Cross Section (including Landing Zone)	Exhibit C.5 and C.9
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:	3/26/2024

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. 24211

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

AMENDED¹ 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.

¹ The only revisions to this affidavit are to revise information relating to the relevant pools and pool codes.



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 wells, but have failed or refused to voluntarily commit their interests in the wells.

8. In this case, Franklin seeks an order from the Division pooling all uncommitted mineral interests within a 641.27-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

- 9. This spacing unit will be dedicated to the following wells:
 - a. The Tag State Com 703H and Tag State Com 803H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and
 - b. The Tag State Com 704H and Tag State Com 804H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11.
- 10. Attached as **Exhibit B.2** are the proposed C-102s for the wells.

11. The C-102s identify the proposed surface hole locations and the bottom hole locations, and the first take points. The C-102s also identify the pools and pool codes.

12. The wells will develop the Pearl; Wolfcamp, South Pool (Code 49870) and the Lea;Wolfcamp (Gas) Pool (Code 80060).

- 13. Both pools are governed by the state-wide horizontal well rules.
- 14. The producing areas for the wells are expected to be orthodox.

15. However, to the extent necessary, Franklin will apply administratively for nonstandard location approval for the Tag State 703H and Tag State 804H wells.

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

17. The completed interval for the Tag State Com 803H well is expected to be less than 330 feet from the adjoining tracts thereby allowing, to the extent necessary, for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.

18. **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.

19. I have conducted a diligent search of the public records in the county where the wells are 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 the Authorizations for Expenditure.

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

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

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

23. 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 wells.

24. **Exhibit B.7** contains the Authorizations for Expenditure for the proposed wells. The estimated cost of the wells 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.

3

25. Franklin requests overhead and administrative rates of \$9,000 month for drilling the wells and \$900 month for the producing wells. 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.

26. Franklin requests the maximum cost plus 200% risk charge be assessed against nonconsenting working interest owners.

27. Franklin requests that it be designated operator of the wells.

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

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

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

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

[Signature page follows]

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Dated: Mar	ch <u>}</u> , 2024	^
		Don A
		Don Johnson
State of	blarado	
County of	Denver	
This Dan	s record was acknowledged before the second se	ore me on <u>March 26</u> , 2024, by
[Stamp]	CRYSTAL MCCLAIN	Ct
	NOTARY PUBLIC STATE OF COLORADO	Notary Public in and for the
	NOTARY ID 20234007312 MY COMMISSION EXPIRES FEBRUARY 23, 2027	State of
		Commission Number: 20234007312
My Comm	ission Expires: 22327	

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. _____

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 pooling all uncommitted mineral interests within a 641.27-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 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 spacing unit to the following wells:
 - a. The Tag State Com 703H and Tag State Com 803H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and
 - b. The Tag State Com 704H and Tag State Com 804H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11.
- 3. The producing area for the wells is expected to be orthodox.



4. The completed interval for the **Tag State Com 803H** well is expected to be less than 330 feet 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 Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The pooling of all interests in the Wolfcamp 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 March 7, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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 wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/Deana M. Bennett

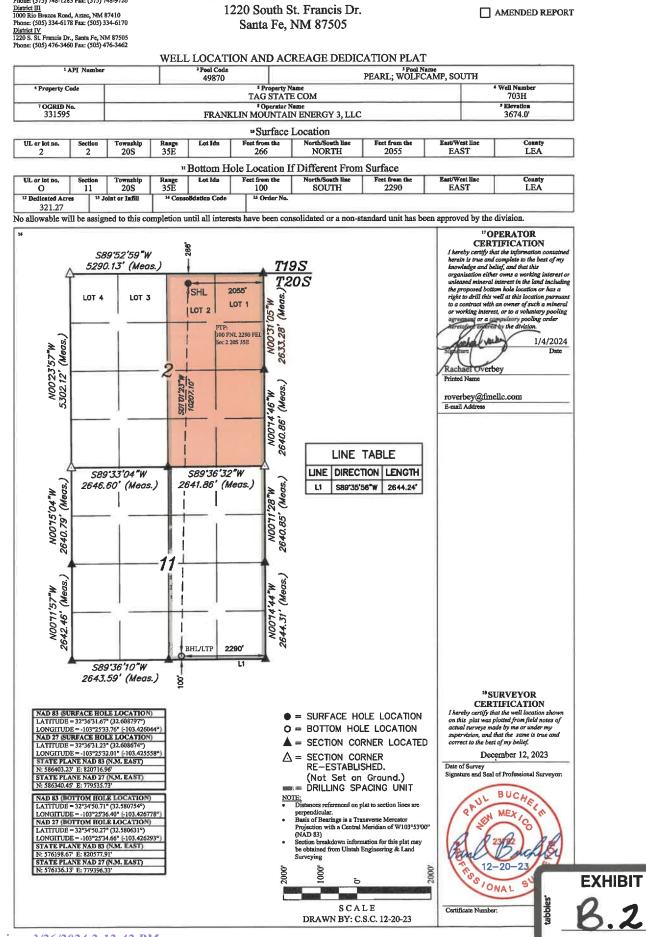
Earl E. DeBrine, Jr. Deana M. Bennett Yarithza Peña Post Office Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800 edebrine@modrall.com deana.bennett@modrall.com yarithza.pena@modrall.com *Attorneys for Franklin Mountain Energy 3, LLC* CASE NO. 24211 : 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 641.27-acre, more or less, Wolfcamp horizontal spacing unit comprising of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: the Tag State Com 703H and Tag State Com 803H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and the Tag State Com 704H and Tag State Com 804H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11. The producing area for the wells is expected to be orthodox. The completed intervals for the Tag State Com 803H well is expected to be less than 330 feet 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. Also to be considered will be the cost of drilling and completing said wells, 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 wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles southwest 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

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AMENDED REPORT



State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

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State of New Mexico Form C-102 District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Revised August 1, 2011 Energy, Minerals & Natural Resources Department Submit one copy to appropriate District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District Office OIL CONSERVATION DIVISION District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 1220 South St. Francis Dr. AMENDED REPORT Santa Fe, NM 87505 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 WELL LOCATION AND ACREAGE DEDICATION PLAT LAPI Number Poel Code ³ Pool Nan 80060 LEA:WOLFCAMP (GAS) Well Number Property Code ⁵ Property Name TAG STATE COM 703H OGRID No. 331595 * Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC Elevation 3674.0' "Surface Location UL or lot no. Township 20S Range 35E Lot Ida Feet from the North/So Feet from the East/West line County Section 2 266 NORTH 2055 EAST LEA 2 "Bottom Hole Location If Different From Surface Feet from the 100 Feet from the 2290 st/West line EAST North/South li SOUTH County UL or lot no. Lot Ide Range 35E Section 11 Township 20S 0 **Dedicated** Acre Joint or Infil 14 C ¹⁵ Ord 320 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 286 CERTIFICATION Interby certific 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 S89'52'59"W 5290.13' (Meas.) **T19**S T205 SHL 2055 LOT 4 LOT 3 (Meas. LOT 1 to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a computery pooling order LOT 2 ß or a compulsory y pooling of dsion. 5 2633.28 100 FNL 2290 FI N00"23'57"W 5302.12' (Meas.) NDO 1/4/2024 Date 10207.10' Printed Name '46"W (Meas.) roverbey@fmellc.com E-mail Address N0074 2640.86' LINE TABLE 589'33'04"W LINE DIRECTION LENGTH S89'36'32"W (Meas.) N0075'04"W 2640.79' (Meas.) 2641.86' (Meas.) 2646.60' (Meas.) L1 S89'35'56"W 2644.24' 2 28 1LOON 2640.85 11 (Meas.) N00'11'57"W 2642.46' (Meas.) N0074*44"W 2644.31° (Meas. BHL/LTP 2290 11 589'36'10"W 2643.59' (Meas.) 8 ¹⁰SURVEYOR CERTIFICATION NAD 83 (SURFACE HOLE LOCATION) LATTUDE = 32°3631.67" (32.608797") LONGITUDE = -103°2533.76" (-103.426044°) NAD 27 (SURFACE HOLE LOCATION) LATTUDE = 32°3631.23" (23.608674°) LONGITUDE = -103°2532.10" (-103.425558°) STATE FLANE NAD 33 (NM. EAST) b < 556401.33" E: 820716 947 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 SURFACE HOLE LOCATION O = BOTTOM HOLE LOCATION supervision, and that the same correct to the best of my belief. ▲ = SECTION CORNER LOCATED December 12, 2023 $\Delta = \text{SECTION CORNER}$ Date of Survey Cionature and Scal of Professional Surveyor. RE-ESTABLISHED. N: 586403.23' E: 820716.96' STATE PLANE NAD 27 (N.M. EAST) N: 586340.45' E: 779535.73' (Not Set on Ground.) DRILLING SPACING UNIT BUCHELE -PAUL
 NAD 83 (BOTTOM HOLE LOCATION)

 LATITUDE = 32°34'50.71* (32.580754°)

 LONGTUDE = -103°25'36.40" (-103.426778")

 NAD 27 (BOTTOM HOLE LOCATION)
 NOTE: Dis nces referenced on plat to section lines are MEXIC Principles relations of the end of the second lines are perpendicular. Basis of Bearings is a Transverse Mercetor Projection with a Central Meridian of W103°5300" (NAD 83) AEN • NAB 27 (BOTTOM HOLE LOCATION) LATITUDE = 32°34'50.27" (32.580631°) LONGITUDE = -103°25'34.66° (-103.426293°) STATE PLANE NAB 83 (N.M. EAST) akdown information for this plat may tion br be obtained from Uintah Engineering & Land N: 576198.67' E: 820577.91' STATE PLANE NAD 27 (N.M. EAST) N: 576136.13' E: 779396.33' Surveying 12-20-23 SURY 2000' 000 2000' 2 ONAL

SCALE

DRAWN BY: C.S.C. 12-20-23

Certificate Number

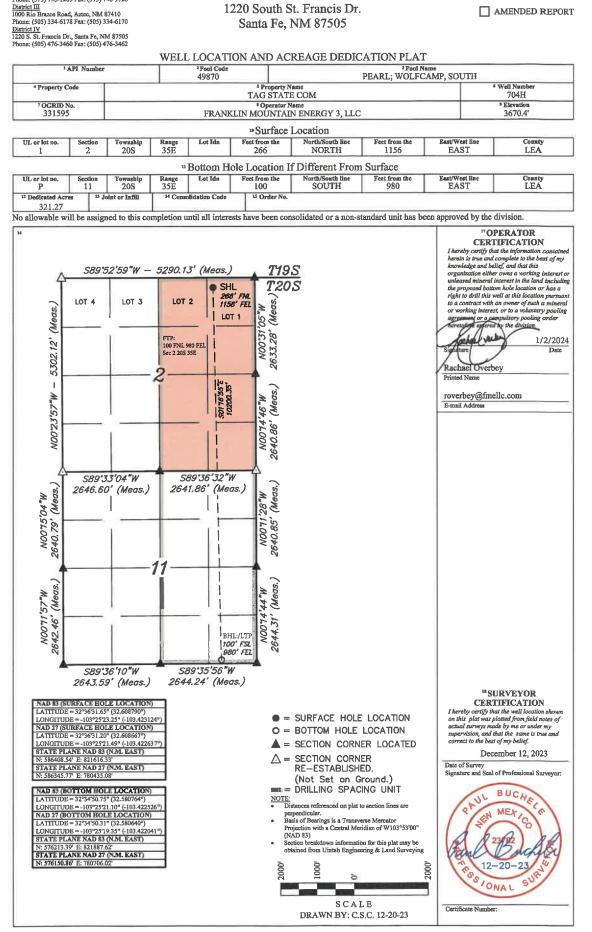
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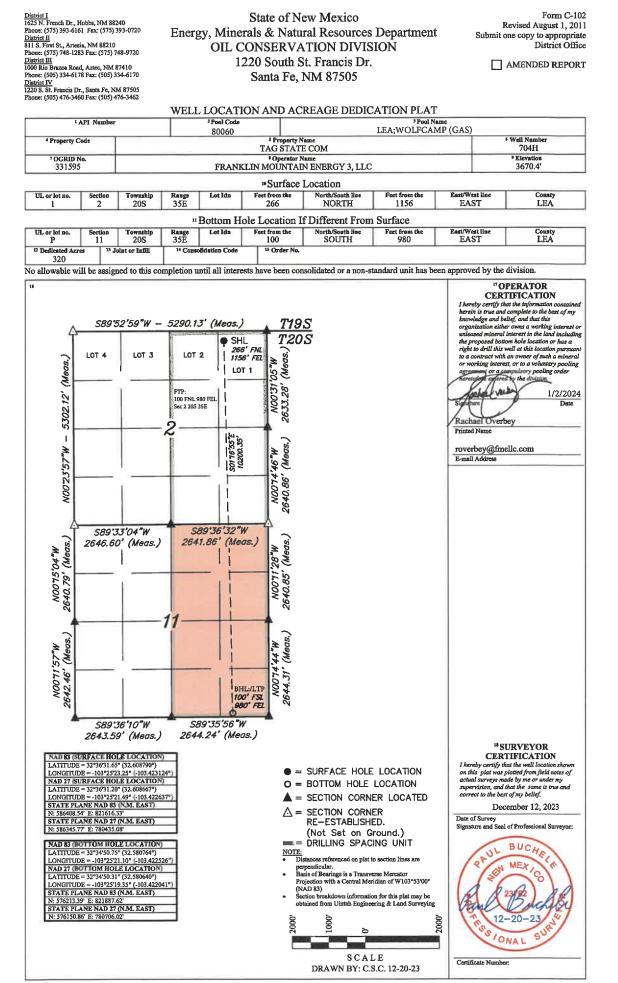
State of New Mexico

Energy, Minerals & Natural Resources Department

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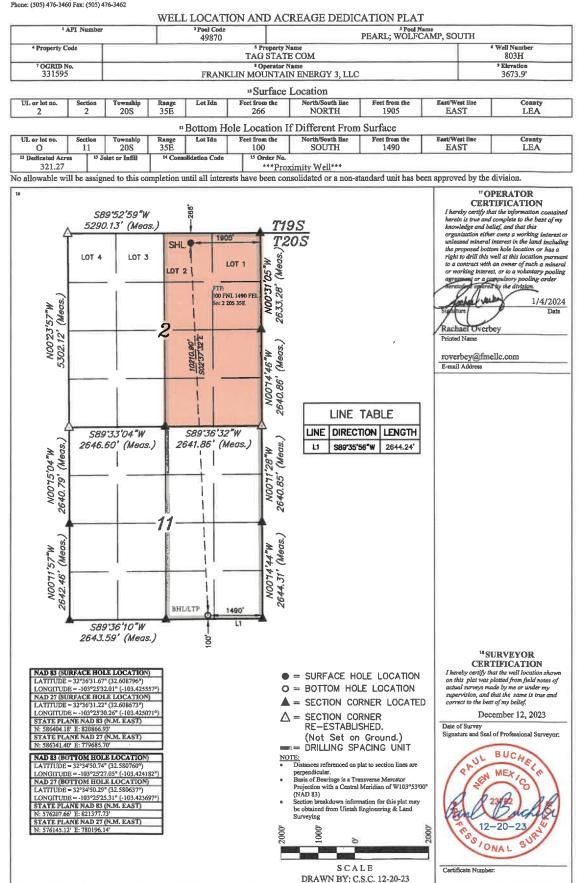
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State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

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AMENDED REPORT



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Form C-102 State of New Mexico District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Revised August 1, 2011 Energy, Minerals & Natural Resources Department Submit one copy to appropriate District Office District II B11 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 OIL CONSERVATION DIVISION Phone: (5/5) /48-1283 Fax: (5/5) /48-97/20 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 1220 South St. Francis Dr. AMENDED REPORT Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT ¹API Number ¹Pool Name LEA:WOLFCAMP (GAS) Poel Code 80060 Property Code Well Number * Property Name TAG STATE COM 803H OGRID No. 331595 ⁹ Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC Elevation 3673.9 Surface Location Feet from the East/West line UL or lot no. Section 2 ownship 20S Range 35E Lot Idn Feet from the North/South lin NORTH County LEA 266 1905 EAST 2 "Bottom Hole Location If Different From Surface Lot Ida East/West line UL or lot no. Feet from the North/South lin SOUTH eet from the 1490 Conaty Township Range 35E 0 11 205 100 EAST 12 Dedicated or Infill 15 Order No ***Proximity Well*** 320 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 266' hereby certify that the information containe erein is true and complete to the best of my nowledge and belief, and that this S89*52'59"W T195 5290.13' (Meas.) 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 1905 **T20S** SHL (Meas. LOT 4 LOT 3 real of the main with an other of such a mineral to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement of a computery pooling order Reveloped agreed by the division. LOT 1 LOT 2] 8 ND0-31 2633.28' 00 FNL 1490 FE 1/4/2024 N00"23'57"W 5302.12' (Meas. C 2 20S 35E Date 2 Overbe 10210.90' 502'37'32'E Printed Name NOO74"46"W 2640.86" (Meas.) roverbey@fmellc.com E-mail Address LINE TABLE LINE DIRECTION LENGTH 589'33'04"W S89'36'32"W (Meas.) 2646.60' (Meas.) 2641.86' (Meas.) L1 S89'35'56"W 2644.24' N0075'04"W 2640.79" (Meas. ž, 20 11'00N 2640.85' 11 (Meas.) NOO'11'57"W 2642.46' (Meas.) M. ++. N0074 внілтр 1490 11 S89'36'10"W 2643.59' (Meas.) 8 "SURVEYOR CERTIFICATION NAD 83 (SURFACE HOLE LOCATION) LATITUDE = 32°36'31.67" (32.608796') LONGITUDE = -103°25'32.01" (-103.425557") NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32°36'31.22" (32.608673') LONGITUDE = -103°25'30.26" (-103.425071") STATE FLANE NAD 33 (NM.EAST) N. SEGMU (52.601) 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. SURFACE HOLE LOCATION O = BOTTOM HOLE LOCATION \blacktriangle = SECTION CORNER LOCATED \triangle = section corner December 12, 2023 Date of Survey Signature and Scal of Professional Surveyor: RE-ESTABLISHED. N; 586404.18' E: 820866.93' STATE PLANE NAD 27 (N.M. EAST) N; 586341.40' E: 779685.70' (Not Set on Ground.) DRILLING SPACING UNIT BUCHEL IN: 360341.4V E: 17/985./V NAD 83 (BOTTOM HOLE LOCATION) LATITUDE -32°34'50.74° (32.580760°) LONGTUDE -103°527.05° (-103.424182°) NAD 27 (BOTTOM HOLE LOCATION) LATITUDE -32°34'50.28° (32.58063°) LONGTUDE -32°34'50.28° (32.58063°) STATE PLANE NAD 83 (N.M. EAST) N: 576207.66° E: 821377.73° STATE PLANE NAD 27 (N.M. EAST) N: 576207.66° E: 821377.73° STATE PLANE NAD 27 (N.M. EAST) N: 5764521.2E': 780196.14° PAUL NOTE: ces referenced on plat to section lines are MEXIQ Perpendicular. Basis of Bearings is a Transverse Mercetor Projection with a Central Meridian of W103°53'00" Projection (NAD 83) Section breakdown information for this plat may be obtained from Uintah Engineering & Land cying 12-20-23 000 2000' 576145.12' E: 780196.14 2000 SUR 0 S ONAL

SCALE

DRAWN BY: C.S.C. 12-20-23

Certificate Number:

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Form C-102 State of New Mexico District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Revised August 1, 2011 Energy, Minerals & Natural Resources Department Submit one copy to appropriate District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 OIL CONSERVATION DIVISION District Office District III 1000 Rio Bri 1220 South St. Francis Dr. District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462 AMENDED REPORT Santa Fe, NM 87505 WELL LOCATION AND ACREAGE DEDICATION PLAT API Number ¹Pool Cod 49870 PEARL: WOLFCAMP, SOUTH ⁴ Property Code ⁵ Property Name TAG STATE COM Well Number 804H OGRID No. [†]Operator Nam Elevation 331595 FRANKLIN MOUNTAIN ENERGY 3, LLC 3669.5 "Surface Location UL or lot no. Lot Id. Feet from the North/South H Feet from the East/West line County LEA Section 2 Range 35E Township EAST 1 205 266 1066 "Bottom Hole Location If Different From Surface UL or lot po. Lot Ide Feet from the 100 Feet from the East/West line Section Township 20S Range 35E North/South lin SOUTH County LEA P 11 360 EAST ¹² Dedicated Acre Joint or Jafill 15 Order 321.27 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 CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and bellef, and that this organization either owns a working interest or unleased mineral interest in the land including the progoead bottom hole location or has a S89°52'59"W - 5290.13' (Meas.) **T19**S T205 **OSHL** right to drill this well at this location pursuant 265' FNL 1066' FEL LOT 4 LOT 3 LOT 2 '05"W (Meas.) right of an index wear at this occurse parsaun to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a computery pooling order Michology tracked by the division. (Meas. LOT 1 N00'31' 1/2/2024 5302.12' FTP: 100 FNL 360 FEI Sec 2 20S 35E Date acha Printed Nav 50475'13'E I .46"W (Meas.) roverbey@fmellc.com N00'23'57"W E-mail Address N0074 2640.86 S89'36'32"W S89'33'04"W '28"W (Meas.) 2641.86' (Meas.) N00'15'04"W 2640.79° (Meas.) 2646.60' (Meas.) 2640.85 100N 11 .44 "W (Meas.) (Meas.) N0071°57"W 2642.46' (Meas N0074 2644.31 BHL:/LTP 100" FSL 360" FEL S89'36'10"W S89*35'56"W 2643.59' (Meas.) 2644.24' (Meas.) "SURVEYOR
 NAD 83 (SURFACE HOLE LOCATION)

 LATITUDE = 32°36'31.64" (32.608790°)

 LONGITUDE = -103°25'22.19" (-103.422832°)

 NAD 27 (SURFACE HOLE LOCATION)
 CERTIFICATION LEEKIFICATIFICATION I hereby certify that the well location show 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 bellef. SURFACE HOLE LOCATION O = BOTTOM HOLE LOCATION LATTTUDE = 32°36'31.20* (32.608667°) LONGITUDE = -103°25'20.44" (-103.422345° STATE PLANE NAD 83 (N.M. EAST) ▲ = SECTION CORNER LOCATED December 12, 2023 $\triangle =$ SECTION CORNER N: 586409.11' E: 821706.32' STATE PLANE NAD 27 (N.M. EAST) N: 586346.34' E: 780525.07' Date of Survey RE-ESTABLISHED. Signature and Scal of Professional Surveyor: (Not Set on Ground.) BUCHEL DRILLING SPACING UNIT NAD 83 (BOTTOM HOLE LOCATION) PAUL LATITUDE = 32°34'50.77" (32.580768°) LONGITUDE = -103°25'13.85" (-103.420514°) NAD 27 (BOTTOM HOLE LOCATION) NOTE: • Distances referenced on plat to section lines are MEXICO Parameter Reserved on part to sector miss are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" ð LATTTUDE = 32°34'50.32" (32.580645°) LONGITUDE = -103°25'12.10" (-103.420029") STATE PLANE NAD 83 (N.M. EAST) N: 576220.35' E: 822507.49' STATE PLANE NAD 27 (N.M. EAST) (NAD 83) Section breakdown information for this plat may be obtained from Uintah Engineering & Land Surveying N: 576157.83' E: 781325.8 0001 2000' 12 - 20 - 232000 SUR 2 S ONAL SCALE

Certificate Number

DRAWN BY: C.S.C. 12-20-23

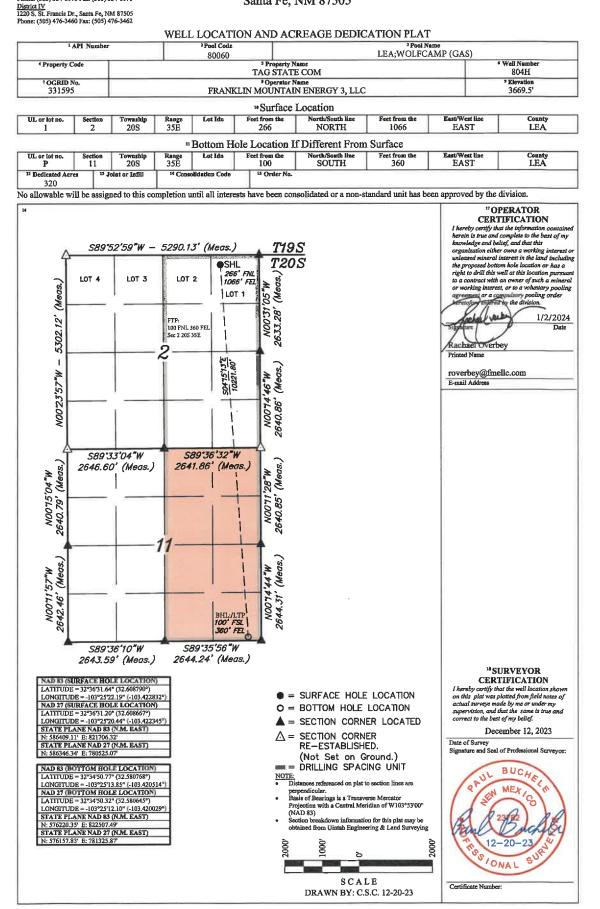
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District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

AMENDED REPORT



State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

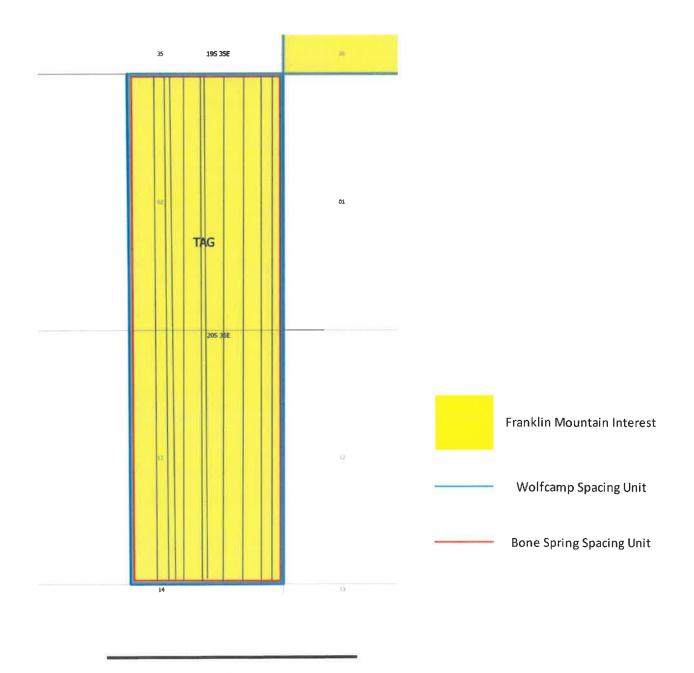
1220 South St. Francis Dr.

Santa Fe, NM 87505

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Development Overview

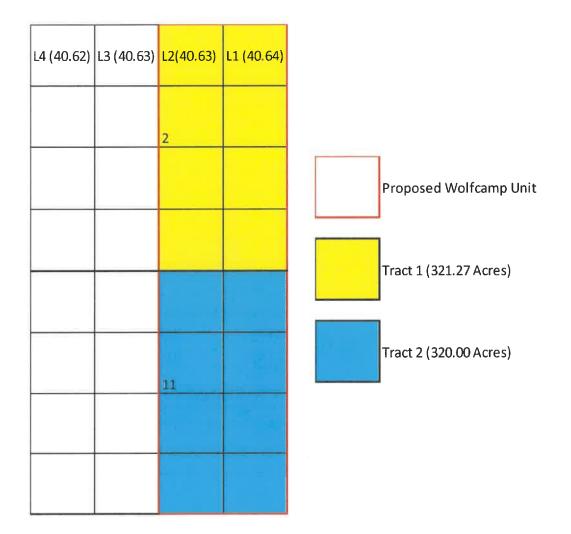
Case Nos. 24211





1 mile

Lease Tract Map Case No. 24211 E/2 of Sections 2 & 11-T20S-R35E, 641.27 Acres Tag State Com 703H, Tag State Com 704H, Tag State Com 803H, Tag State Com 804H



FRANKLIN MOUNTAIN ENERGY

Summary of Interests Case No. 24211 E/2 of Sections 2 & 11-T20S-R35E, 641.27 Acres Tag State Com 703H, Tag State Com 704H, Tag State Com 803H, Tag State Com 804H

Commited Working In	terest
Franklin Mountain Energy 3, LLC	65.255933%
SITL Energy, LLC	12.943082%
Kastleford Land Company, LLC	3.757427%
R.E.B. Resources, LLC	1.669800%
Uncommited Working I	nterest
S&S Inc.	6.237622%
Roy G. Barton, Sr. & Opal Barton Rev Trust	3.898514%
Osprey Oil & Gas II, LLC	3.118811%
Estate of Robert Paul Hord	1.559406%
Roy G. Barton, Jr.	1.169554%
Wing Resources VII, LLC	0.389851%
Total:	100.000000%

FRANKLIN MOUNTAIN ENERGY

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Unit Recapitulation Case No. 24211 E/2 of Sections 2 & 11-T20S-R35E, 641.27 Acres Tag State Com 703H, Tag State Com 704H, Tag State Com 803H, Tag State Com 804H

L4 (40.62)	L3 (40.63)	L2(40.63)	L1 (40.64)
		2	
		11	

Tract	Lease	%
4	1 VC-0941	50.0990%
	2 FEE	49.9010%

Commited Working Inte	erest
Franklin Mountain Energy 3, LLC	65.255933%
SITL Energy, LLC	12.943082%
Kastleford Land Company, LLC	3.757427%
R.E.B. Resources, LLC	1.669800%
Uncommited Working In	terest
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Osprey Oil & Gas II, LLC	3.118811%
Estate of Robert Paul Hord	1.559406%
Roy G. Barton, Jr.	1.169554%
Wing Resources VII, LLC	0.389851%
Total:	100.000000%

FRANKLIN MOUNTAIN ENERGY

Summary of Contacts (Case No. 24211)

- 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 January 4, 2024.
- 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
SITL Energy	WI	Signed JOA		Signed JOA 11/7/2023
Kastleford Land Company, LLC	WI	Signed JOA		Signed JOA 11/7/2023
R.E.B. Resources, LLC	WI	Signed JOA		Signed JOA 11/7/2023
Osprey Oil & Gas III, LLC	WI	10/30/2023	11/1/2023	
S&S, Inc.	WI	10/30/2023	11/1/2023	
Estate of Robert Paul Hord	WI	10/30/2023	11/2/2023	Sent Leasing Information
Roy G. Barton, Jr.	WI	10/30/2023	11/2/2023	Elections received 11/15/2023
Roy G. Barton, Sr. and Opal Barton Rev Trust	WI	10/30/2023		Elections received 11/15/2023
Wing Resources VII, LLC	WI	10/30/2023	11/1/2023	Sent Leasing Information

Г	EXHIBIT	
tabbles"	B.4	

Case No. 24211 E/2 Wolfcamp Case Working Interest Owners and Unleased Mineral Interest Owners to Be Pooled

The Estate of Robert Paul Hord, deceased Osprey Oil and Gas II, LLC Roy G. Barton, Sr. and Opal Barton Rev Trust Roy G. Barton, Jr. S&S, Inc. Wing Resources VII, LLC

ORRI to Be Pooled

Benjamin Keith Williams and wife, Allison Claire Tull Williams Charles Wilkins McLaughlin and wife, Hayley Wright McLaughin Jerry H. McCullar, III and wife, Jennifer G. McCuller Keith Williams and wife, Becky Williams Osprey Oil and Gas III, LLC Paul E. Casseb, III and wife, Bonnie Rae Casseb Ventura Oil & Gas, LLC R.E.B. Resources, LLC SITL Energy, LLC Kastleford Land Company, LLC

	EXHIBIT
tabbies"	B.S



ENERGY

Sent via USPS: 9405509205568141307341

October 30, 2023

Osprey Oil & Gas III, LLC 707 N. Carrizo St. Midland, TX 79701 Attn: Land Dept, Permian Basin

RE: Well Proposals Township 20 South, Range 35 East Section 2: Lots 1, 2, S2NE, SE Township 20 South, Range 35 East Section 11: E2 Lea County, New Mexico 641.27 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
T 04-4-				Sec 2- T20S-	Sec 11- T20S-		
Tag State	1BS	9,398'	21,898'	R35E	R35E	\$11,355,549.08	N/A
Com 302H	185		21,090	240 FNL	100 FSL		
JOLAII				1995 FEL	2290 FEL		
	1BS	9,371'	18,371'	Sec 2-	Sec 11-	\$11,355,549.08	N/A
Tag State				T20S-	T20S-		
Čom				R35E	R35E		
303H				240 FNL	100 FSL		
				1965 FEL	1490 FEL		
		9,333'	18,333'	Sec 2-	Sec 11-		
Tag State				T20S-	T20S-		
Čom	1BS			R35E	R35E	\$11,355,549.08	N/A
304H				240 FNL	100 FSL		
				660 FEL	360 FEL		

	EXHIBIT
tabbies"	B.G



ENERGY

				0.0	011		
Tag State		10,298'	19,298'	Sec 2- T20S-	Sec 11- T20S-		N/A
Com	2BS			R35E	R35E	\$11,355,549.08	
503H		10,200	,	240 FNL	100 FSL	<i><i><i>4</i>,,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,-,</i></i>	
00011				2025 FEL	2290 FEL		
				Sec 2-	Sec 11-		
Tag State				T20S-	T20S-		
Čom	2BS	10,254'	20,254'	R35E	R35E	\$11,355,549.08	N/A
504H				240 FNL	100 FSL		
				720 FEL	980 FEL		
				Sec 2-	Sec 11-		
Tag State				T20S-	T20S-		
Čom	3BS	10,596'	20,596'	R35E	R35E	\$11,650,592.43	N/A
603H				240 FNL	100 FSL		
				1935 FEL	1490 FEL		
	3BS			Sec 2-	Sec 11-	\$11,650,592.43	
Tag State				T20S-	T20S-		
Com		10,558'	20,558'	R35E	R35E		N/A
604H				240 FNL	100 FSL		
				630 FEL	360 FEL		
1	WCA	11,348'	21,348'	Sec 2-	Sec 11-	\$11,650,592.43	N/A
Tag State				T20S-	T20S-		
Com				R35E	R35E		
703H				240 FNL	100 FSL		
				2055 FEL	2290 FEL		
				Sec 2-	Sec 11-		
Tag State	e WCA	11,304'	21,304'	T20S-	T20S-	\$11,650,592.43	N/A
Com				R35E	R35E		
704H				240 FNL	100 FSL		
				690 FEL	980 FEL		
				Sec 2-	Sec 11-		
Tag State	WCB	11,711'	21,711'	T20S-	T20S-	\$11,783,083.07	N/A
Com				R35E	R35E		
803H				240 FNL	100 FSL		
				1905 FEL	1490 FEL		
				Sec 2-	Sec 11-		
Tag State				T20S-	T20S-		
Com	WCB	11,654'	21,654'	R35E	R35E	\$11,783,083.07	N/A
804H				240 FNL	100 FSL		
				600 FEL	360 FEL		

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:

44 Cook Street | Suite 1000 | Denver, CO 80206



- 100/300% Non-Consenting Penalty
- \$9,000/\$900 Drilling and Producing Rate
- 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 at <u>jrutledge@fmellc.com</u> 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 (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC

Wetledge

Jon Rutledge Landman

1 ...



Tag State Com 302H:

I/We hereby elect to participate in the Tag State Com 302H well.
 I/We hereby elect NOT to participate in the Tag State Com 302H well.

Tag State Com 303H:

I/We hereby elect to participate in the **Tag State Com 303H** well. I/We hereby elect **NOT** to participate in the **Tag State Com 303H** well.

Tag State Com 304H:

I/We hereby elect to participate in the **Tag State Com 304H** well. I/We hereby elect **NOT** to participate in the **Tag State Com 304H** well.

Tag State Com 503H:

I/We hereby elect to participate in the **Tag State Com 503H** well. I/We hereby elect **NOT** to participate in the **Tag State Com 503H** well.

Tag State Com 504H:

 I/We hereby elect to participate in the Tag State Com 504H well.

 I/We hereby elect NOT to participate in the Tag State Com 504H well.

Tag State Com 603H:

 I/We hereby elect to participate in the Tag State Com 603H well.

 I/We hereby elect NOT to participate in the Tag State Com 603H well.

Tag State Com 604H:

 I/We hereby elect to participate in the Tag State Com 604H well.

 I/We hereby elect NOT to participate in the Tag State Com 604H well.

Tag State Com 703H:

 I/We hereby elect to participate in the Tag State Com 703H well.

 I/We hereby elect NOT to participate in the Tag State Com 703H well.

Tag State Com 704H:

I/We hereby elect to participate in the **Tag State Com 704H** well. I/We hereby elect **NOT** to participate in the **Tag State Com 704H** well.

44 Cook Street | Suite 1000 | Denver, CO 80206

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Tag State Com 803H:

I/We hereby elect to participate in the Tag State Com 803H well.	
 I/We hereby elect NOT to participate in the Tag State Com 803H w	vell.

Tag State Com 804H:

I/We hereby elect to participate in the **Tag State Com 804H** well. I/We hereby elect **NOT** to participate in the **Tag State Com 804H** well.

Owner: Osprey Oil & Gas III, LLC

By:_____

Printed Name:

Title:_____

Date:_____

.



Franklin Mountain Energy 3, LLC 44 Cook Street, Suite 1000 Denver, CO 80206 Phone: 720-414-7868 franklinmountainenergy.com

 Well #:
 703H

 County/Slate:
 Los Co., NM

 Date Prepared:
 10/25/2023

 AFE #:
 DCE231018

	_	latangible Drilling Costs		-		Intangible Completion Costs	
lajor		Description	Amount \$4.500	Major 240	Minor 5	Description ADMINISTRATIVE OVERHEAD	Amount \$8,200
225 225	5 10	ADMINISTRATIVE OVERHEAD CASING CREW & EQPT	\$4,500 \$50,000	240	10	CASED HOLE LOGS & SURVEYS	\$6,635
225	15	CEMENTING INTERMEDIATE CASING	\$40,000	240 240	15 20	CASING CREW & EQPT COLLED TUBING/SNUBBING UNIT	\$0 \$194,313
225 225	16 20	CEMENTING PRODUCTION CASING CEMENTING SUFACE CASING	\$80,000 \$36,000	240	25	COMMUNICATIONS	\$1,896
225	25	COMMUNICATIONS	\$21,000	240	30	COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG	\$0 \$75,000
225	30 34	COMPLETION FLUIDS CONSTRUCTION/LOCATION & ROAD	\$6,000 \$45,000	240 240	35 45	COMPLETION/WORKOVER RIG CONTRACT LABOR/ROUSTABOUTS	\$23,697
225	40	CONTRACT LABOR	\$55,000	240	50	DAMAGES/RECLAMATION	\$1,896
225	45	DAMAGES	\$15,000	240	55 60	DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION	\$2,844 \$0
225	50 55	DAYWORK CONTRACT DRILLING - DIRECTIONAL	\$585,000 \$220,000	240 240	60 62	ELECTRICAL POWERGENERATION ENGINEERING	\$5,687
25	55 60	DRILLING - FOOTAGE	\$90,000	240	65	ENVIRONMENTAL/CLEANUP	50
225	65	DRILLING BITS	\$100,000	240	70	FISHING TOOLS / SERVICES	\$0 \$180,000
225	70 75	ELECTRICAL POWER/GENERATION ENGINEERING	\$0 \$21,000	240 240	71 72	FLUIDSHAULING/DISPOSAL FRAC WATER/COMPLETION FLUID	\$470,000
225	80	ENVIRONMENTAL SERVICES	\$210,000	240	75	FUEL, POWER/DIESEL	\$550,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$50,000	240	80	HEALTH & SAFETY	\$4,700 \$14,000
225	85	EQUIPMENT RENTAL FISHING TOOLS/SERVICES	\$50,000 \$0	240 240	85 90	HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES	\$14,000
225 225	90 95	FISHING TOOLS/SERVICES HEALTH & SAFETY	\$9,000	240	95	MISCELLANEOUS	\$0
25	100	HOUSING AND SUPPORT SERVICES	\$19,000	240	100	MUD & CHEMICALS	\$10,000
25	105	INSURANCE	\$1,900 \$17,000	240 240	110	P&A/TA COSTS PERFORATING/WIRELINE SERVICE	\$0 5265,403
25 25	106	INSPECTIONS LEGAL, TITLE SERVICES	\$17,000 \$6,000	240	115	PIPE INSPECTION	50
25 25	115	MATERIALS & SUPPLIES	\$5,000	240	125	ROAD, LOCATIONS REPAIRS	\$2,000
225	120	MISCELLANEOUS	\$5,000	240	130	STIMULATION	\$2,616,000
25	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000 \$190,000	240 240	135 140	SUBSURFACE EQUIPMENTAL RENTAL SUPERVISION	\$37,915 \$90,047
25 25	130 140	MUD & CHEMICALS OPENHOLE LOGGING	\$190,000	240	140	SURFACE EQUIP RENTAL	\$189,573
225	140		50	240	150	TRANSPORTATION/TRUCKING	\$2,844
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$56,872 \$0
225 225	150	POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS	\$170,000 \$130,000	240 240	160 165	WELDING SERVICES WELL TESTING/FLOWBACK	\$165,000
225	155	RIG UP TEAR OUT & STANDBY	20	240	148	TAXES	\$273,599
225	163	SITE RESTORATION	\$10,000	240	40	CONTINGENCY COSTS 5% Total Intergible Completion Costs:	\$248,726
25	165	STAKING & SURVEYING	\$6,000 \$75,600	L	_	a sound transmittance Conductional CO202.	47,470,840
25 25	170 175	SUPERVISION SUPERVISION - GEOLOGICAL	\$41,400			Taggible Completion Costs	
25	180	TRANSPORTATION/TRUCKING	\$22,000	Major		Description	Amount \$175,000
25	178 35	TAXES CONTINGENCY COSTS 5%	\$134,057 \$121,870	245 245	5 15	ARTIFICIAL LIFT FLOWLINES	\$20,000
225	33	Total Intangible Drilling Costs:	\$2,691,327	245	25	FRAC STRING	\$0
-				245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	20 20
	b.22	Tangible Drilling Costs	Amount	245 245	45 50	PRODUCTION LINER PRODUCTION PROCESSING FACILITY	50 50
njor 230	Minor 10	INTERMEDIATE CASING & ATTACHMENTS	Amount \$173,758	245	55	PRODUCTION TUBING	\$150,000
230	20	PACKERS/SLEEVES/PLUGS	\$66,000	245	60	RODS/PUMPS	\$0
230	25	PRODUCTION CASING & ATTACHMENTS	\$1,144,050	245	65 75	SUBSURFACE EQUIPMENT WELLHEAD EQUIPMENT	\$50,000 \$125,000
230 230	35	SURFACE CASING & ATTACHMENTS WELLHEAD EQUIPMENT/CASING BOWL	\$169,740 \$70,000	245 245	75	TAXES	\$28,600
230 230	40	TAXES	\$89,295			Total Tangible Completion Costs:	\$548,600
		Total Tangible Drilling Costs:	\$1,712,843			Intangible Facility Costs	
		Tangible Facility Costs		Major	Minor	Description	Amount
lajor	Mino	 Description 	Amount	265	5	CONSULTING	\$18,100
270	10	FACILITY PIPE/VALVES/FITTINGS	\$180,000	265	12	COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC	\$0 \$24,000
270 270	15	CONTAINMENT	\$0	265	20	PAD/ROAD CONSTRUCTION	\$50,000
			50	265	22		
	25 30	DEHYDRATION PRIMARY POWER MATERIALS	\$0 \$56,000	265	22 25	ENGINEERING / SCIENCE	\$22,000
270	25 30 50	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP	\$56,000 \$47,000	265 265	25 40	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL	\$22,000 \$0
270 270 270	30 50 60	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT	\$56,000 \$47,000 \$0	265 265 265	25 40 45	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES	\$22,000 \$0 \$0
270 270 270 270	30 50 60 65	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT	\$56,000 \$47,000 \$0 \$125,000	265 265 265 265	25 40	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL	\$22,000 \$0 \$0 \$3,000
270 270 270 270 270 270	30 50 60 65 66	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS	\$56,000 \$47,000 \$0	265 265 265	25 40 45 60 80 85	ENGINGERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING	\$22,000 \$0 \$3,000 \$1,500 \$0
270 270 270 270 270 270 270 270	30 50 60 65 66 75 86	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCTOION/FENCING/REPAIRS PRE-PABRICATED SKIDS FRE-FABRICATED SKIDS	\$56,000 \$47,000 \$0 \$125,000 \$0 \$0 \$137,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH3-RETV/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523
270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACLITY SURFACE EQUIPMENT H2S SAFETY SYSTEM	\$56,000 \$47,000 \$0 \$125,000 \$0 \$137,000 \$4,000	265 265 265 265 265 265 265	25 40 45 60 80 85	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5%	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-PABRICATED SNIDS FRACHTY SUSTEM CONTROL / INSTRUMENT / METERS / SCADA	\$56,000 \$47,000 \$0 \$125,000 \$0 \$0 \$137,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 110 130	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACLITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD	\$56,000 \$47,000 \$0 \$125,000 \$0 \$137,000 \$4,000 \$86,000 \$90,000 \$154,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5%	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 110 130 132	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-PABRICATED SKIDS FRE-PABRICATED SKIDS FACILITY SUFFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL/INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIGC BATTERY BUILD	\$56,000 \$47,000 \$0 \$125,000 \$0 \$137,000 \$4,000 \$86,000 \$154,000 \$154,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 110 130 132 134	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACLITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIGC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD	\$56,000 \$47,000 \$125,000 \$125,000 \$00 \$4,000 \$86,000 \$90,000 \$154,000 \$45,000 \$2,500	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 110 130 132	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-PABRICATED SKIDS FRE-PABRICATED SKIDS FACILITY SUFFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL/INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIGC BATTERY BUILD	\$56,000 \$47,000 \$125,000 \$122,000 \$137,000 \$4,000 \$86,000 \$154,000 \$45,000 \$45,000 \$55,000 \$55,000 \$25,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 130 132 134 136 138 140	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-PABRICATED SKIDS FRACLITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD FLOWLINE INSTALLATION SIGNAGE	\$56,000 \$47,000 \$0 \$125,000 \$0 \$137,000 \$86,000 \$86,000 \$154,000 \$154,000 \$35,000 \$35,000 \$35,000 \$27,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 110 130 132 134 136 138	PRIMARY POWER MATERIALS FLOWLINES / IPIELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-RABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE	\$56,000 \$47,000 \$125,000 \$122,000 \$137,000 \$4,000 \$86,000 \$154,000 \$45,000 \$45,000 \$55,000 \$55,000 \$25,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 130 132 134 136 138 140	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-PABRICATED SKIDS FRACLITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD FLOWLINE INSTALLATION SIGNAGE	\$56,000 \$47,000 \$125,000 \$125,000 \$137,000 \$4,000 \$86,000 \$154,000 \$45,000 \$45,000 \$36,000 \$35,000 \$35,000 \$35,000 \$227,000 \$250,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 90 100 110 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS FLOWLINES / IPIELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-RABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE	\$56,000 \$47,000 \$125,000 \$0 \$125,000 \$137,000 \$86,000 \$154,000 \$154,000 \$154,000 \$35,000 \$27,000 \$25,000 \$25,000 \$35,6702 \$35,6702	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 90 100 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-PABRICATED SKIDS FRACLITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL/ INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIGC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES Total Tangible Facility Costs:	\$56,000 \$47,000 \$125,000 \$125,000 \$137,000 \$4,000 \$86,000 \$154,000 \$45,000 \$45,000 \$36,000 \$35,000 \$35,000 \$35,000 \$227,000 \$250,000	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 90 100 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS PLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS PRE-FABRICATED SKIDS FLOWER SKIDS TOTADI / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD ELCO BATTERY BUILD PLOWLINE INSTALLATION SIGNAGE TAXES Total Tangible Facility Costs:	\$56,000 \$47,000 \$0 \$122,000 \$0 \$122,000 \$123,000 \$86,000 \$137,000 \$154,000 \$154,000 \$55,000 \$27,000 \$55,674 \$1,007,974 \$1,007,974 \$1,007,974 \$1,007,974 \$1,007,974	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 75 86 90 100 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS FLOWLINES IPPELINE' HOOKUP HIS TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCINGREPAIRS PRE-RABRICATED SKIDS FRACHITY SUBFACE EQUIPMENT HIS SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIRC BATTERY BUILD EIRC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES Tould Tangible Facility Costs:	\$56,000 \$47,000 \$125,000 \$50 \$125,000 \$34,000 \$34,000 \$34,000 \$34,000 \$35,000\$30,000 \$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 90 100 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS FLOWLINES IPPELINE' HOOKUP HIS TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCINGREPAIRS PRE-RABRICATED SKIDS FRACHITY SUBFACE EQUIPMENT HIS SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIRC BATTERY BUILD EIRC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES Tould Tangible Facility Costs:	\$56,000 \$47,000 \$0 \$122,000 \$0 \$122,000 \$123,000 \$86,000 \$137,000 \$154,000 \$154,000 \$55,000 \$27,000 \$55,674 \$1,007,974 \$1,007,974 \$1,007,974 \$1,007,974 \$1,007,974	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 69 100 130 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS FLOWLINES IPPELINE' HOOKUP HIS TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCINGREPAIRS PRE-RABRICATED SKIDS FRACHITY SUBFACE EQUIPMENT HIS SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIRC BATTERY BUILD EIRC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES Tould Tangible Facility Costs:	\$56,000 \$47,000 \$0 \$123,000 \$30 \$123,000 \$34,000 \$137,000 \$154,000 \$154,000 \$154,000 \$35,000 \$27,000 \$255,674 \$1,067,924\$}}	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 75 86 69 100 130 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS FLOWLINES IPPELINE' HOOKUP HIS TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCINGREPAIRS PRE-RABRICATED SKIDS FRACHITY SUBFACE EQUIPMENT HIS SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIRC BATTERY BUILD EIRC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES Tould Tangible Facility Costs:	\$56,000 \$47,000 \$125,000 \$50 \$125,000 \$34,000 \$34,000 \$34,000 \$34,000 \$35,000\$30,000 \$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$35,0000\$	265 265 265 265 265 265 265 265	25 40 45 60 80 85 83	ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Cests:	\$22,000 \$0 \$3,000 \$1,500 \$0 \$6,523 \$5,930
70 70 70 70 70 70 70 70 70 70 70 70 70 7	30 50 60 65 66 75 86 90 100 130 130 132 134 136 138 140 125	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-PABRICATED SKIDS FACILITY SUFFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD ELCC BATTERY HUILD CONTROL / NOVER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES <i>Total Tangible Facility Costs:</i>	\$56,000 \$47,000 \$0 \$123,000 \$123,000 \$34,000 \$137,000 \$154,000 \$154,000 \$154,000 \$154,000 \$35,000 \$27,000 \$250,053,445,54 \$1,06,7924 \$1,406,170,144 \$1,106,976,755 \$8,150,172,34 \$1,105,972,43 \$1,1,650,592,43	265 265 265 265 265 265 265	25 40 45 60 80 85 83 10	ENGINEERING / SCIENCE HEALTH'SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVENHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% <i>Total Intengible Facility Casts:</i> Office Use Only:	\$22,000 \$0 \$3,000 \$1,500 \$5,523 \$5,930 \$131,035
270 270 270 270 270 270 270 270 270 270	30 50 60 65 65 66 75 86 90 100 130 132 134 140 125 138 140 125 77 138 140 125 78 78 78 78 78 78 78 78 78 78 78 78 78	PRIMARY POWER MATERIALS FLOWLINES IPPELINE' HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-HABRICATED SKIDS FRACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL, INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD CONTROL, INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD FLOWLINE INSTALLATION SIGNAGE TAXES Total Tangible Facility Costs:	\$56,000 \$47,000 \$0 \$123,000 \$123,000 \$34,000 \$137,000 \$154,000 \$154,000 \$154,000 \$154,000 \$35,000 \$27,000 \$250,053,445,54 \$1,06,7924 \$1,406,170,144 \$1,106,976,755 \$8,150,172,34 \$1,105,972,43 \$1,1,650,592,43	265 265 265 265 265 265 265	25 40 45 60 80 85 83 10	ENGINEERING / SCIENCE HEALTH'SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVENHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% <i>Total Intengible Facility Casts:</i> Office Use Only:	\$22,000 \$0 \$3,000 \$1,500 \$5,523 \$5,930 \$131,035
270 270 270 270 270 270 270 270 270 270	30 50 60 65 65 66 75 86 90 100 130 132 134 140 125 138 140 125 77 138 140 125 78 78 78 78 78 78 78 78 78 78 78 78 78	PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-PABRICATED SKIDS FACILITY SUFFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD ELCC BATTERY HUILD CONTROL / NOVER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES <i>Totul Tangible Facility Costs:</i>	\$56,000 \$47,000 \$0 \$123,000 \$123,000 \$34,000 \$137,000 \$154,000 \$154,000 \$154,000 \$154,000 \$35,000 \$27,000 \$250,053,445,54 \$1,06,7924 \$1,406,170,144 \$1,106,976,755 \$8,150,172,34 \$1,105,972,43 \$1,1,650,592,43	265 265 265 265 265 265 265	25 40 45 60 80 85 83 10	ENGINEERING / SCIENCE HEALTH'SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVENHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% <i>Total Intengible Facility Casts:</i> Office Use Only:	\$22,000 \$0 \$3,000 \$1,500 \$5,523 \$5,930 \$131,035
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270 270 270 270 270 270 270 270 270 270	30 50 60 65 66 90 100 130 132 134 136 138 140 125 134 138 138 138 138 138 138 138 138 138 138	PRIMARY POWER MATERIALS PROVINES PIPEL NE / HOOKUP HIS TREATING EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-HABRICATED SKIDS FRACEITY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA CONTROL / SADS SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES	S56,000 S47,000 S0 S123,000 S47,000 S47,000 S47,000 S47,000 S40,000 S40,000 S46,000 S45,000 S45,000 S45,000 S55,074 S45,000 S55,000	265 265 265 265 265 265 265 265 265 265	25 40 45 60 80 85 83 10	ENGINEERING / SCIENCE HEALTHYSAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intengible Facility Casts: Office Use Only:	522,000 50 53,000 53,000 55,523 55,930 5131,055 11,055 11,055 10/25/2023
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BHL: Sec 11-T20S-R35E 100 FSL 980 FEL Franklin Mountain Energy 3, LLC

Location:

Operator:

Purpose:

Franklin Mountain Energy 3, LLC 44 Cook Street, Suite 1000 Denver, CO 80206 Phone: 720-414-7868 franklinmountaineergy com

Amount \$8,200

\$6,63

\$194,313

\$1,896

\$75 000

\$23.69

\$1,89

\$5,687

\$0,507 \$0 \$180,000 \$470,000 \$470,000 \$470,000 \$4,700 \$14,000

\$0 \$0 \$10,000

\$265,403

\$2,000

\$37,915

\$2.84

\$56,872

\$165,000

\$273,594

\$248,726

mount \$175,000

\$20.000 S

\$150,000

\$50,000

\$125.00

\$28,600

\$18,100

\$24,00

\$50,000

\$22,000

\$3,000

\$1,500

\$6.523

\$5,930

\$0 \$0

5

\$189.573

\$1

\$0

704H

DCE231019

County/State: Lea Co., NM

Date Prepared: 10/25/2023

Well #:

AFE #:

Drill and complete a 10,000 WCA well TVD 11,304', MD 21,304'. Intangible Completion Costs Intangible Drilling Costs Description ADMINISTRATIVE OVERHEAD CASING CREW & EQPT CEMENTING INTERMEDIATE CASING CEMENTING PRODUCTION CASING CEMENTING SUFACE CASING CEMENTING SUFACE CASING Major 225 Amount \$4,500 Major 240 Minor Description ADMINISTRATIVE OVERHEAD 5 10 5 10 15 \$40,000 \$40,000 \$80,000 \$36,000 \$21,000 240 CASED HOLE LOGS & SURVEYS 225 225 225 CASING CREW & EOPT COILED TUBING/SNUBBING UNIT 16 COLED TUBING/SNUBBING UNIT COMMUNICATIONS COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS 20 25 30 40 45 50 55 60 65 70 75 80 84 85 90 95 COMMUNICATIONS COMPLETION FLUIDS CONSTRUCTION/LOCATION & ROAD \$6,000 \$45,000 CONSTRUCTIONLOCATION CONTRACT LABOR DAMAGES DAYWORK CONTRACT DRILLING - DIRECTIONAL DRILLING - FOOTAGE \$55.00 \$15,000 \$15,000 \$585,000 \$220,000 \$90,000 \$100,000 ELECTRICAL POWER\GENERATION ENGINEERING ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FLUIDS/HAULING/DISPOSAL FRAC WATERVCOMPLETION FLUID FUEL, POWER/DIESEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATTRIALS & URDBUE DRILLING BITS DRILLING BITS ELECTRICAL POWERIGENERATION ENGINEENING ENVIRONMENTAL SERVICES EQUIPMENT REINTAL DOWNHOLE EQUIPMENT REINTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSUE ANCE \$21,00 \$210.00 \$50 000 \$50,000 50 MATERIALS & SUPPLIES \$9,000 \$19,000 \$1,900 \$1,900 \$17,000 MISCELLANEOUS MISCELLANEOUS MUD & CHEMICALS P&ATA COSTS PERFORATING/WIRELINE SERVICE PRE INSPECTION ROAD, LOCATIONS REPAIRS 100 105 INSURANCE INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MOUSE/RATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED JUL 10 (OCING 106 110 115 120 125 \$6,004 \$5,000 \$5.000 STIMULATION SUBSURFACE EQUIPMENTAL RENTAL \$31,000 SUBSURFACE EQUIPMENTAL R SUPERVISION SURFACE EQUIP RENTAL TRANSPORTATION/TRUCKING WATER TRANSFER WELDING SERVICES WFLL TESTING/FLOWBACK TAYEN \$190,000 130 140 141 145 CASED HOLE LOGGING \$20,000 PERMITS, LICENSES, ETC PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS NIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING SUPERVISION - OEOLOGICAL EVALUATE ATOM/DEVING 150 155 160 163 165 \$130,000 TAXES CONTINGENCY COSTS 5% \$0 \$10,000 Total Intempible Completion Costs \$6.00 \$75,600 225 225 170 175 Tangible Completion Costs \$22,000 Major 245 245 245
 Misor
 Description

 5
 ARTIFICIAL LIFT

 15
 FLOWLINES

 25
 FRAC STRING

 40
 PACKER/SLEEVES/PLUGS/GL MANDRELS

 45
 PRODUCTION LINER

 45
 PRODUCTION LINER
 225 225 225 225 TRANSPORTATION/TRUCKING 180 \$134,057 \$121,870 2,601,127 178 35 TAXES CONTINGENCY COST'S 5% Total Intungible Drilling Costs: 245 245 245 245 245 245 245 245 245 Tangible Drilling Costs
 Major
 Minor
 Description

 230
 10
 INTERMEDIATE CASING & ATTACHMENTS

 230
 20
 PACKERS/SLEEVES/PLUGS

 230
 25
 PRODUCTION CASING & ATTACHMENTS

 230
 35
 SURFACE CASING & ATTACHMENTS

 230
 45
 WELLIFEAD EQUIPMENT/CASING BOWL
 PRODUCTION PROCESSING FACILITY mount \$173,758 \$66,000 \$1,144,050 \$169,740 \$70,000 50 55 60 65 75 70 PRODUCTION TUBING RODS/PLIMPS SUBSURFACE EQUIPMENT WELLHEAD EQUIPMENT TAXES Total Tangible Completion Costs: 230 230 230 230 230 35 45 40 TAXES \$89,295 \$1,712,840 tal Tangible Drilling Costs. Intangible Facility Costs Minor Description Tangible Facility Costs **Major** 265 CONSULTING CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE IIEALTH/SAFETY/EN/NRONMENTAL CONTRACT LABOR & SERVICES Major Minor Description 270 10 FACB.ITY PIPE/VALVES/FITTINGS 270 15 CONTAINMENT \$180,000 265 265 265 265 265 265 265 12 20 22 25 40 45 270 270 270 270 270 270 25 30 50 60 65 DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT \$56,000 \$47,000 \$0 265 265 265 265 265 265 \$125,000 60 80 85 83 10 OVERHEAD SEPARATION EQUIPMENT OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs: 270 270 270 270 270 270 270 270 270 ROAD/LOCATION/FENCING/REPAIRS 66 75 86 90 ROADLOCATION/FENCING/REPAIRS PRE-PABLICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWIN DE INFALL ATION \$137,000 \$4,000 \$86,000 100 \$90.000 110 130 Office Use Only: \$154,000 \$45,000 \$5,000 \$56,000 270 132 270 134 270 270 270 270 270 136 138 FLOWLINE INSTALLATION \$27,000 FLOWLINE INSTALLATIO SIGNAGE TAXES Total Tangible Facility Cost 140 125 \$250 \$55,674 \$4,406,170.14 \$6,045,445.54 \$1,198,976.75 Total Drill Total Completion: Total Facility: 002 \$2,261,443.14 \$11,650,592.4 Total AFE:

THIS AUTHORITY FOR EXPENDITURE IS BASED ON COST ESTIMATES, BILLING WILL REFLECT YOUR PROPORTINATE SHARE OF THE ACTUAL INVOICE COSTS

Operator: Approved By:	Franklin Mountain Berrart NLC	Date:	10/25/20	123
WI Owner:				
Approved By:		Date:		
Printed Name.		Title		

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME3

Total Drill

Total AFE



Franklin Mountain Energy 3, LLC 44 Cook Street, Suite 1000 Denver, CO 80206 Phone: 720-414-7868 franklinmountaineergr.com

Well Name:	Tag State Com 803H
Location:	SHL: Sec 2-T20S-R35E 240 FNL 1905 FEL BHL: Sec 11-T20S-R35E 100 FSL 1490 FEL
Operator:	Franklin Mountain Energy 3, LLC
Purpose:	Drill and complete a 10,000' WCB well. TVD (1,711', MD 21,711'.

ator:	Franklin Mountain Energy 3, LLC		Dale Pr	repared:	10/25/2023	
ose:	Drill and complete a 10,000' WCB well. TVD 11,711', MD 21,711'.		AFE #:		DCE231020	
	1 9 10 1 15 C 1 C 10 10 4 15 C 1 1 .					
	Intangible Drilling Costs				Intangible Completion Costs	
	Description	Amount	Major			Amount
5 10	ADMINISTRATIVE OVERHEAD CASING CREW & EQPT	\$5,200 \$55,000	240	5	ADMINISTRATIVE OVERHEAD CASED HOLE LOGS & SURVEYS	\$8,20 \$6,63
15	CEMENTING INTERMEDIATE CASING	\$40,000	240	15	CASING CREW & EQPT	1
16	CEMENTING PRODUCTION CASING	\$85,000	240	20	COILED TUBING/SNUBBING UNIT	\$194,31
20	CEMENTING SUFACE CASING	\$36,000	240	25	COMMUNICATIONS	\$1,89
25	COMMUNICATIONS	\$22,000	240	30	COMPANY DIRECT LABOR	1
30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$75,00
34	CONSTRUCTION/LOCATION & ROAD	\$45,000	240	45	CONTRACT LABOR/ROUSTABOUTS	\$23,65
40	CONTRACT LABOR	\$60,000	240	50 55	DAMAGES/RECLAMATION	\$1,89
45	DAMAGES DAYWORK CONTRACT	\$15,000 \$650,000	240	50 60	DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION	10,04 2
55	DRILLING - DIRECTIONAL	\$210,000	240	62	ENGINEERING	\$5,68
60	DRILLING - FOOTAGE	\$90,000	240	65	ENVIRONMENTAL/CLEANUP	1
65	DRILLING BITS	\$110,000	240	70	FISHING TOOLS / SERVICES	3
70	ELECTRICAL POWER\GENERATION	\$0	240	71	FLUIDS/HAULING/DISPOSAL	\$180,00
75	ENGINEERING	\$25,200	240	72	FRAC WATER/COMPLETION FLUID	\$470,00
80	ENVIRONMENTAL SERVICES	\$220,000	240	75	FUEL, POWER/DIESEL	\$550,00
84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY	\$4,70
85	EQUIPMENT RENTAL	\$60,000	240	85	HOUSING AND SUPPORT SERVICES	\$14,00
90	FISHING TOOLS/SERVICES	02	240	90	MATERIALS & SUPPLIES	5
95 100	HEALTH & SAFETY	\$11,000	240 240	95 100	MISCELLANEOUS MUD & CHEMICALS	\$10,00
	HOUSING AND SUPPORT SERVICES	\$21,000 \$2,200	240	100	P&A/TA COSTS	310,00
105 106	INSURANCE INSPECTIONS	\$2,200	240	115	PERFORATING/WIRELINE SERVICE	\$265,40
110	LEGAL, TITLE SERVICES	\$6,000	240	120	PIPE INSPECTION	5200,10
115	MATERIALS & SUPPLIES	\$5,000	240	125	ROAD, LOCATIONS REPAIRS	\$2,00
120	MISCELLANEOUS	\$5,000	240	130	STIMULATION	\$2,616,00
125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$37,91
130	MUD & CHEMICALS	\$200,000	240	140	SUPERVISION	\$90,04
140	OPENHOLE LOGGING	\$0	240	145	SURFACE EQUIP RENTAL	\$189,57
141	CASED HOLE LOGGING	50	240	150	TRANSPORTATION/TRUCKING	\$2,84
145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$56,87
150	POWER FUEL & WATER HAULING	\$180,000	240	160	WELDING SERVICES	3
155	RIG MOVE & RACKING COSTS	\$130,000	240	165	WELL TESTING/FLOWBACK	\$165,00
160	RIG UP TEAR OUT & STANDBY	\$0 50	240 240	148	TAXES CONTINGENCY COSTS 5%	\$269,19 \$244,72
163 165	SITE RESTORATION STAKING & SURVEYING	\$6,000	240	40	Total Intangible Completion Costs:	\$3,408,44
105	SUPERVISION	\$88,200	<u> </u>		Total Intangante Companyon Costs.	av. 100. 11
175	SUPERVISION - GEOLOGICAL	\$48,300			Tangible Completion Costs	
180	TRANSPORTATION/TRUCKING	\$25,000	Major	Minor		Amount
178	TAXES	\$143,721	245	S	ARTIFICIAL LIFT	\$175,00
35	CONTINGENCY COSTS 5%	\$130,655	245	15	FLOWLINES	\$20,00
	Total Intungible Drilling Costs:	\$2,887,476	245	25	FRAC STRING	1
			245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	3
	Taurible Drilling Costs		245	45	PRODUCTION LINER	\$
	Description	Amount	245	50	PRODUCTION PROCESSING FACILITY	\$
10 20	INTERMEDIATE CASING & ATTACHMENTS PACKERS/SLEEVES/PLUGS	\$173,548 \$66,000	245 245	55 60	PRODUCTION TUBING RODS/PUMPS	\$150,00
20	PRODUCTION CASING & ATTACHMENTS	\$1,165,590	245	65	SUBSURFACE EQUIPMENT	\$\$0,00
35	SURFACE CASING & ATTACHMENTS	\$173,758	245	75	WELLHEAD EQUIPMENT	\$125,00
45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000	245	70	TAXES	\$28,60
40	TAXES	\$90,689			Total Tangible Completion Costs:	\$\$48,60
	Total Tangible Drilling Costs:	\$1,739,585				
	Tangible Facility Costs		Major	Minor	Intangible Facility Costs Description	Amount
- Miner	Description	Amount	265	5	CONSULTING	\$18,10
10	FACILITY PIPE/VALVES/PITTINGS	\$180,000	265	12	COMPANY DIRECT LABOR	5
15	CONTAINMENT	\$0	265	20	DAMAGES/ROW/PERMITS, ETC	\$24,00
25	DEHYDRATION	\$0	265	22	PAD/ROAD CONSTRUCTION	\$50,00
30	PRIMARY POWER MATERIALS	\$56,000	265	25	ENGINEERING / SCIENCE	\$22,00
50	FLOWLINES / PIPELINE / HOOKUP	\$47,000	265	40	HEALTH/SAFETY/ENVIRONMENTAL	5
60	112S TREATING EQUIPMENT	\$0	265	45	CONTRACT LABOR & SERVICES	5
65	SEPARATION EQUIPMENT	\$125,000	265	60	OVERHEAD	\$3,00
66	ROAD/LOCATION/FENCING/REPAIRS	\$0	265	80	SURVEY / PLATS / STAKINGS	\$1,50
75	PRE-FABRICATED SKIDS	\$0	265	85	TRANSPORTATION / TRUCKING	5
86 90	FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM	\$137,000 \$4,000	265	83	TAXES CONTINGENCY COSTS 5%	\$6,52 \$5,93
90	CONTROL / INSTRUMENT / METERS / SCADA	\$86,000	205	10	Total Intangible Facility Casts:	\$131,05
110	TANKS & WALKWAYS	\$90,000		_		1
130	MECHANICAL BATTERY BUILD	\$154,000			Office Use Only:	
132	EI&C BATTERY BUILD	\$45,000				
134	CONTROLS AND SCADA BATTERY BUILD	\$5,000	1			
136	PRIMARY POWER BUILD	\$56,000	1			
	FLOWLINE INSTALLATION	\$27,000	1			
140		\$250	1 - I			
125	TAXES	\$55,674	1			
	Totul Tangible Facility Costs:	\$1,067,924	1			
_			1			
Diill		\$4,627,060.78	1			
ompletion	n;	\$5,957,045,54	1			
acuny.		\$1,198,976.75	1			
C Intang	ble;	\$8,295,921,04	1			
XC Tanuab	le:	\$2,288,185.28	1			
FE:		\$11,783,083.07				
7110				12.020		VOIOT DOTT
	UTHORITY FOR EXPENDITURE IS BASED ON COST	······································	/ILL REF	LECT Y	OUR PROPORTINATE SHARE OF THE ACTUAL IN	VOICE COSTS

Well #

803H

County/State: Lea Co., NM

Date Prepared: 10/25/2023

Operator: Approved By:	Franklin Modinidan Education	Date:	10/25/2023
WI Owner:			
Approved By.		Date	
Printed Name:		Title	

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FMEB

225 225

225 225 170 175

225 225 225 180

230

Majo 270

Tota Drill

Total DC Tang Total AFE:

60 65

178

10

35 25



Franklin Mountain Energy 3, LLC 44 Cook Street, Suite 1000 Denver, CO 80206 Phone: 720-414-7868 franklinmountainenergy.com

Intangible Drilling Costs Intangible Completion Costs Major 240 240 240 240 240 Description ADMINISTRATIVE OVERHEAD CASED HOLE LOGS & SURVEYS CASING CREW & EQPT COILED TUBING/SNUBRING UNIT
 Major
 Minor
 Description

 225
 5
 ADMINISTRATIVE OVERHEAD

 225
 10
 CASING CREW & EQPT

 225
 15
 CEMENTING INTERMEDIATE CASING

 225
 16
 CEMENTING INTERMEDIATE CASING

 225
 16
 CEMENTING PRODUCTION CASING
 \$8,200 \$6,635 Amount \$5 200 10 15 20 \$55,00 \$40,000 \$85,000 \$0 \$194,313 CEMENTING SUFACE CASING \$36,000 240 25 30 COMMUNICATIONS \$1,896 CEMENTING SUFACE CASING COMMUNICATIONS COMPLETION FLUIDS CONSTRUCTION/LOCATION & ROAD CONTRACT LABOR DAMAGES DAYWORK CONTRACT DRULING DIRECTION M \$30,000 \$22,000 \$6,000 \$45,000 \$60,000 \$15,000 \$650,000 \$230,000 \$230,000 COMPANY DIRECT LABOR 240 \$0 \$75,000 COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION DUCDTED DO 35 45 50 55 60 62 65 70 71 72 75 80 85 90 95 \$23.69 \$1,896 ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FLUIDS/HAULING/DISPOSAL DRILLING - DIRECTIONAL DRILLING - FOOTAGE DRILLING BITS \$5,687 \$90,00 \$0 \$110,00 \$0 ELECTRICAL POWER/GENERATION \$180,000 ELECTRICAL POWERGENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOLDONC ADD SUPPORT SERVICES FLUIDSHAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FUEL, POWER/DIESEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MATERIALS & SUPPLIES \$25.20 \$470,000 \$220,000 \$60,000 \$60,000 \$550.000 \$4,700 \$11,000 MISCELLANEOUS HOUSING AND SUPPORT SERVICES MUD & CHEMICALS \$21.00 \$10,000 INSURANCE \$2,20 110 115 120 125 130 135 140 145 150 155 P&A/TA COSTS \$0 INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MOUSE/RATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CAEDDING LE LOGCING \$20,00 PERFORATING/WIRELINE SERVICE \$265,403 PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS STIMULATION SUBSURFACE EQUIPMENTAL RENTAL SUPERVISION SUBFACE EQUIP RENTAL TA ANSPORT ATLONTOLICY ING \$6,000 \$5,000 \$5,000 \$5,000 \$31,000 \$0 \$2,000 \$2,616.00 \$37,915 \$200,00 \$189,573 \$ OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING SIDEDWIGON TRANSPORTATION/TRUCKING 240 240 240 240 240 240 240 \$2,844 \$20.000 WATER TRANSFER \$56.872 160 165 148 40 \$180.000 WELDING SERVICES WELL TESTING/FLOWBACK TAXES CONTINGENCY COSTS 5% Total Intengible Completion Cost \$130,00 \$165 000 \$165,000 \$269,199 \$244,726 5,408,446 \$6.00 SUPERVISION SUPERVISION - GEOLOGICAL \$88,200 \$48,300 Tangible Completion Costs TRANSPORTATION/TRUCKING \$25,00 Major 245 Minor Description ARTIFICIAL LIFT FLOWLINES \$175,000 5 15 25 TAXES CONTINGENCY COSTS 5% \$143 72 \$130.65 245 \$20,000 Total Intangible Drilling Ca 2 887 -249 FRAC STRING s PRODUCTION LINER PRODUCTION LINER PRODUCTION PROCESSING FACILITY PRODUCTION TUBING 245 245 245 245 245 40 45 50 55 60 65 75 70 \$0 \$0 \$0 Tangible Drilling Costs Major Minor Description 230 10 INTERMEDIATE CASING & ATTACHMENTS \$173,548 \$150,000 PACKERS/SLEEVES/PLUGS \$66,00 245 245 RODS/PUMPS \$0 PRODUCTION CASING & ATTACHMENTS SURFACE CASING & ATTACHMENTS WELLHEAD EQUIPMENT/CASING BOWL TAYES SUBSURFACE EOUIPMENT \$50,000 \$1,165,590 \$173,758 \$70,000 245 245 WELLIEAD EQUIPMENT TAXES \$125,000 \$28,600 Total Tangible Completion Costs: TAXES \$90.689 Total Tangible Drilling Costs: \$1 710 583 Intangible Facility Costs Tangible Facility Costs Ma or 265 Minor \$18,100 CONSULTING Description FACILITY PIPE/VALVES/FITTINGS 5180,000 COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC 12 265 CONTAINMENT 265 20 \$24,000 PAD/ROAD CONSTRUCTION \$50,000 • 265 265 265 265 265 265 22 25 40 45 60 80 85 83 10 \$22,000 \$22,000 \$0 PRIMARY POWER MATERIALS \$56.00 ENGINEERING / SCIENCE PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP 112S TREATING EQUIPMENT SEPARATION EQUIPMENT \$47,000 \$47,000 \$0 \$125,000 HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS ROAD/LOCATION/FENCING/REPAIRS \$1,50 TRANSPORTATION / TRUCKING PRE-FABRICATED SKIDS 265 \$0 50 PILE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD \$137.000 265 265 TAXES \$6,523 CONTINGENCY COSTS 5% \$4.00 \$5,930 \$4,000 \$86,000 \$90,000 \$154,000 Total Intangible Facility Costs Office Use Only EI&C BATTERY BUILD \$45,000 EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD PLOWLINE INSTALLATION SIGNAGE TAXES Total Tangible Fecility Costs: \$5,000 \$56.000 \$27,000 \$250 \$55,674 ,007,024 4.627.060.78 \$5,957,045,54 Total Completion Total Facility: \$1,198,976.75 \$2,288,185.28 \$11,783,083.07

Well #:

AFE #:

804H

DCE231021

County/State: Lea Co., NM

Date Prepared: 10/25/2023

THIS AUTHORITY FOR EXPENDITURE IS BASED ON COST ESTIMATES BILLING WILL REFLECT YOUR PROPORTINATE SHARE OF THE ACTUAL INVOICE COSTS.

Approved By:	Craig Walters Chief Executive Officer	Date:	 10/25/2023
WI Owner:	(
Approved By:		Date:	
Printed Name;		Title	

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME3

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. 24211

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 I prepared for the Tag State

Com 703H and Tag State Com 704H wells, which will target the Wolfcamp A.

7. **Exhibit C.3** is a structure map of the Wolfcamp A formation. The proposed spacing unit is identified by a blue box. The Wolfcamp A wells proposed in this case are identified by the



1

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 six wells in the vicinity of the proposed Tag State Com 703H and Tag State Com 704H wells, 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 crosssection give a representative sample of the Wolfcamp A 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. **Exhibit C.6** an Isopach map of the Wolfcamp A formation. The gross interval thickness increases slightly to the south.

11. Exhibit C.7 through Exhibit C.10 are the geology study I prepared for the Tag State Com 803H and Tag State Com 804H wells, which will target the Wolfcamp B.

12. **Exhibit C.7** is a structure map of the Wolfcamp B formation. The proposed spacing unit is identified by a blue box. The Wolfcamp B wells proposed in this case are 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.

13. **Exhibit C.8** is a cross-section reference map that identifies six wells in the vicinity of the proposed Tag State Com 803H and Tag State Com 804H wells, shown by a line of cross-section running from A to A'.

14. **Exhibit C.9** is a stratigraphic cross-section, and the well logs shown on the crosssection give a representative sample of the Wolfcamp B formation in the area. The target zone is

2

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.

15. **Exhibit C.10** is an Isopach map of the Wolfcamp B formation. The gross interval thickness decreases slightly to the south.

16. 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.

17. **Exhibit C.11** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.

18. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to S_{Hmax} , optimal for inducted fracture propagation. This is because the S_{Hmax} is at approximately 255 degrees ENE in this area of Lea County.

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

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

[Signature page follows]

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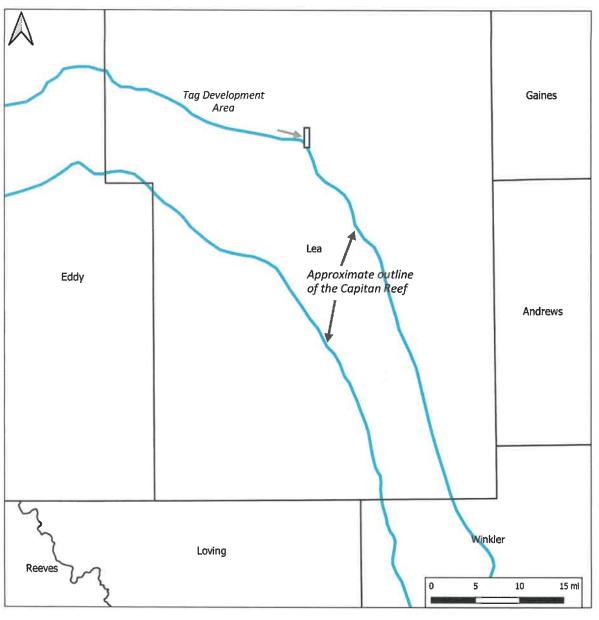
Dated: March 19 , 2024	
	Ben Kessel
State of Colorado	
County of Denres	
This record was acknowledged befor Ben Kessel.	re me on <u>March 19th</u> , 2024, by
[Stamp] CRYSTAL MCCLAIN NOTARY PUBLIC STATE OF COLORADO	C
NOTARY ID 20234007312 MY COMMISSION EXPIRES FEBRUARY 23, 2027	Notary Public in and for the State of
	Commission Number: 20234007312
My Commission Expires: 22327	

Received by OCD: 3/26/2024 1:25:57 PM

Tag Development



Locator Map

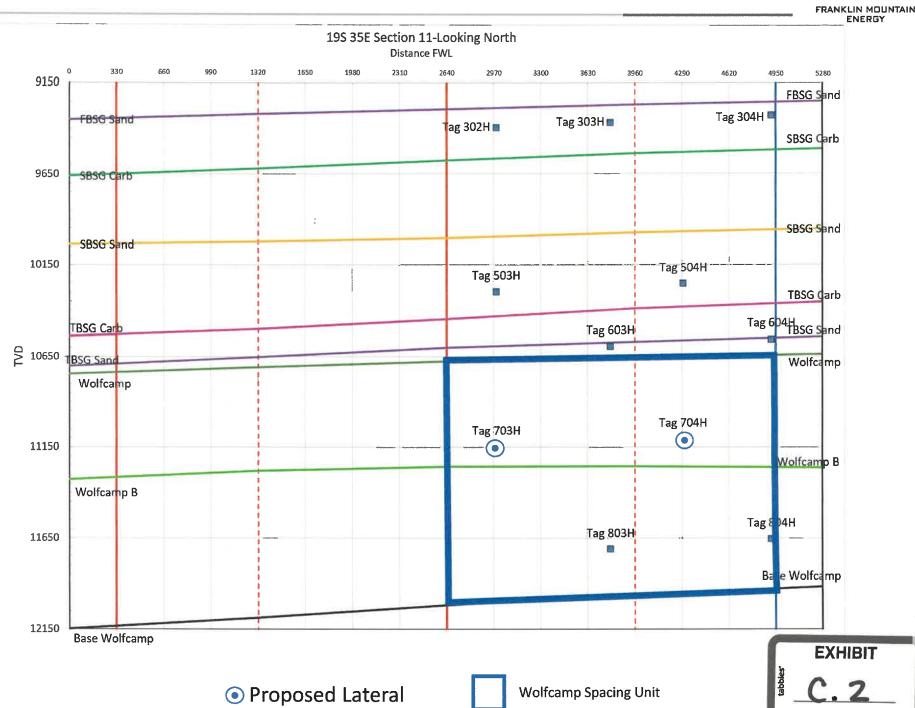


https://www.twdb.texas.gov/publications/reports/contracted_reports/doc/0804830794CapitanReef/Final%20Revised%20 Capitan%20PDF%20w_Seals.pdf

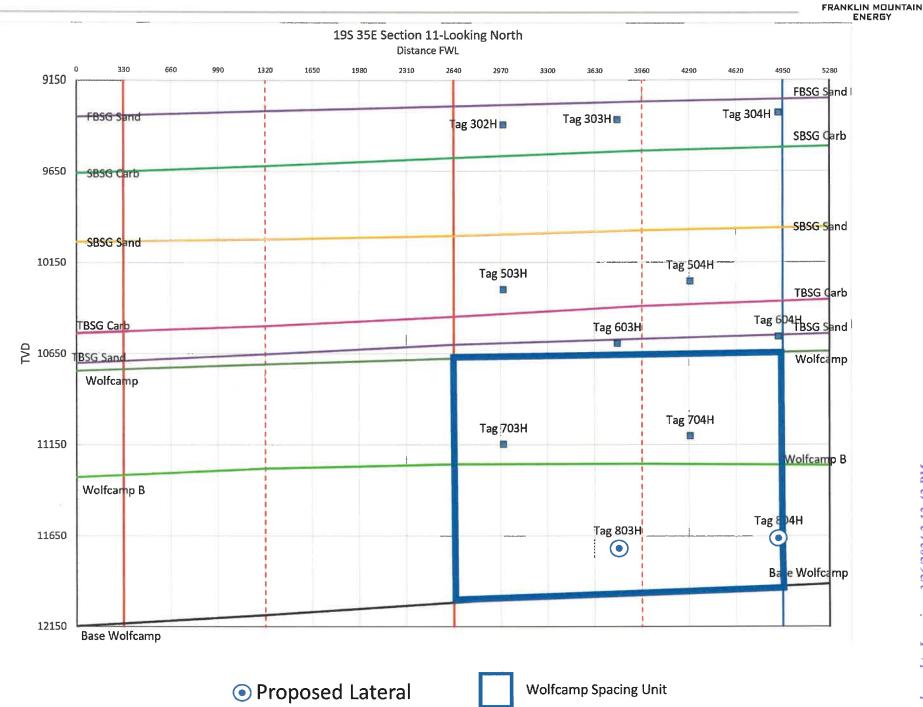
- Black box shows the location of the Tag development area
- Planned wells are located outside of the eastern edge of the Capitan Reef

EXHIBIT

Wellbore Schematic

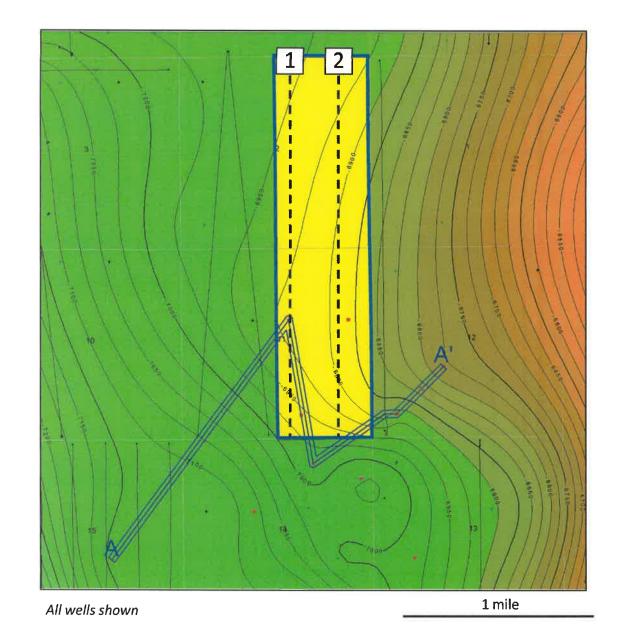


Wellbore Schematic



Wolfcamp A Structure Map







EXHIBIT



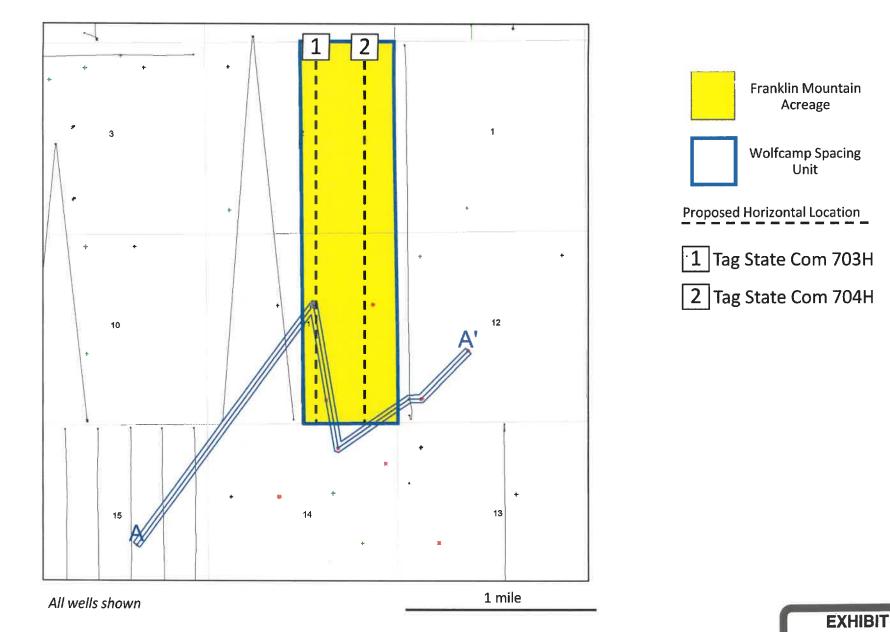
Page 46 of 70



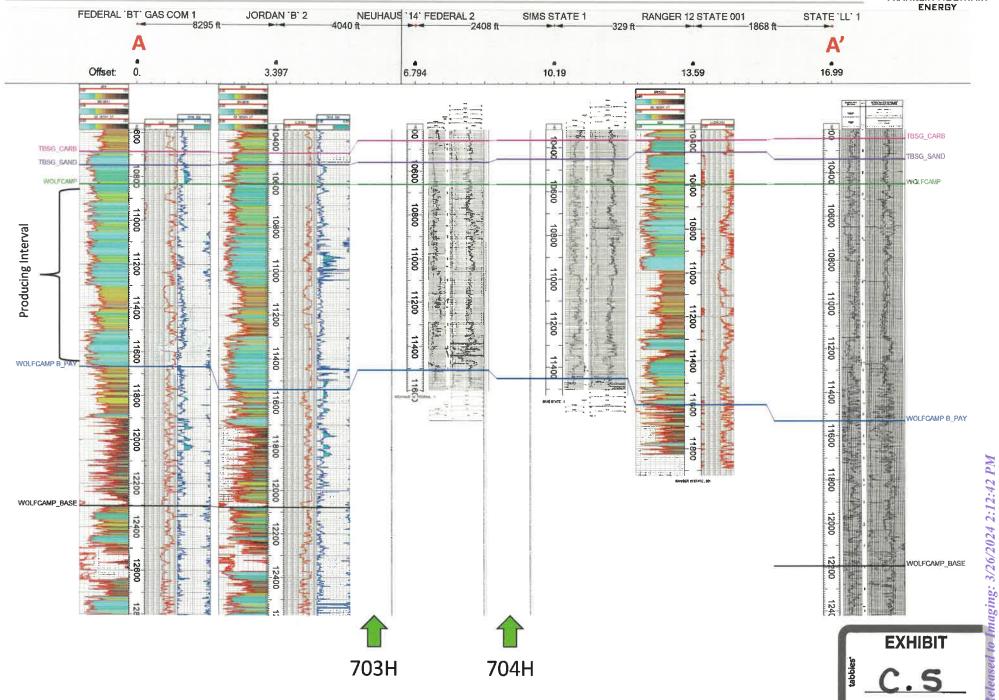


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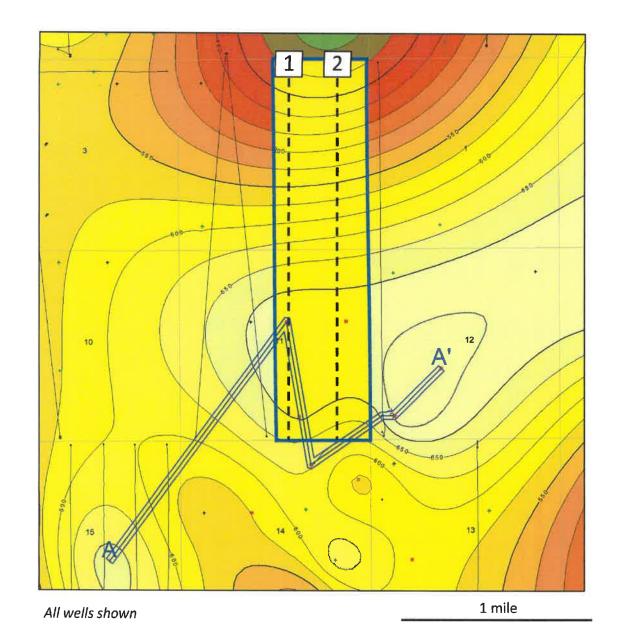


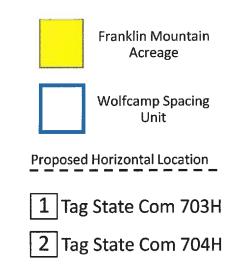




Wolfcamp A Isochore Map







EXHIBIT

C.6

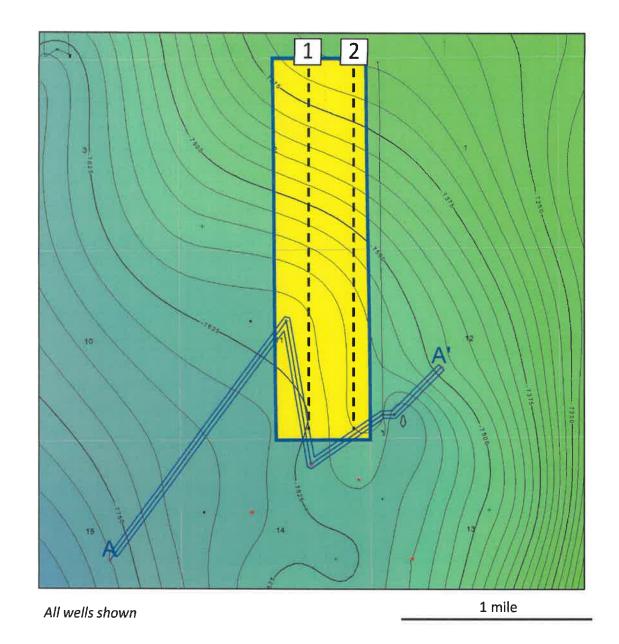
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Page 49 of 70



Wolfcamp B Structure Map



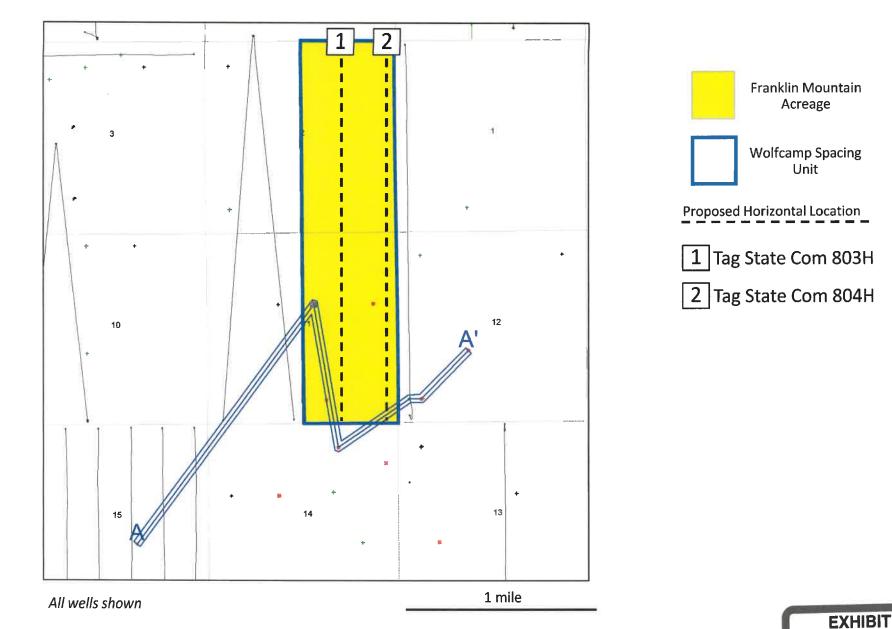




EXHIBIT



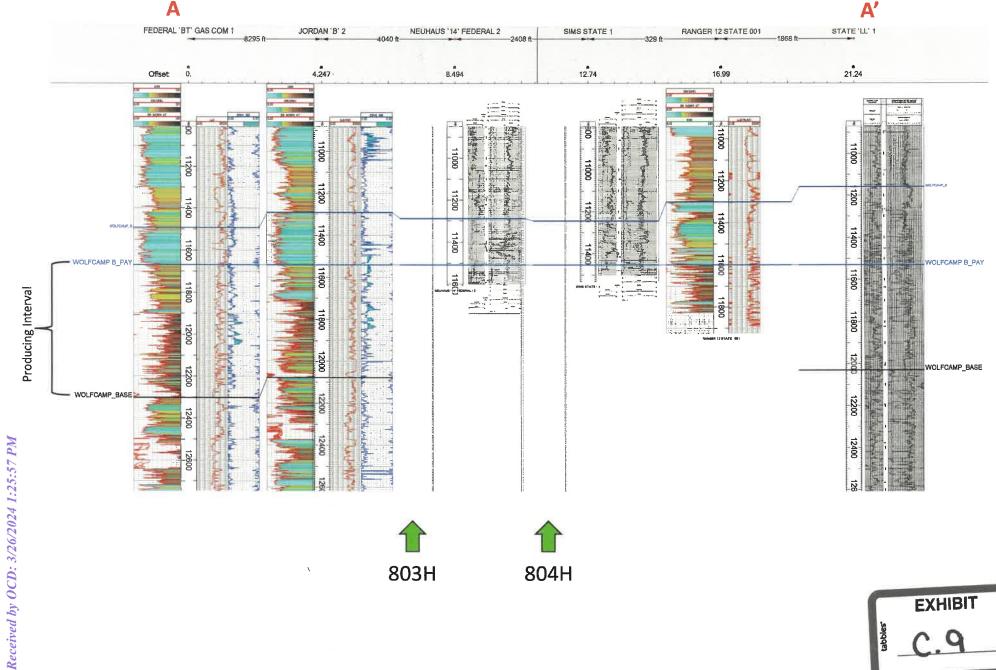


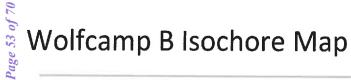


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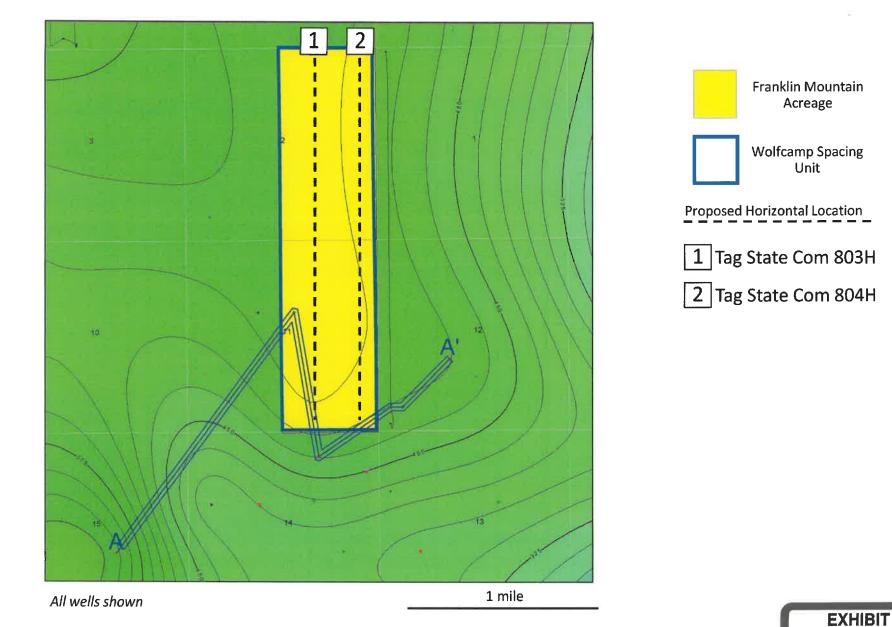
FRANKLIN MOUNTAIN ENERGY

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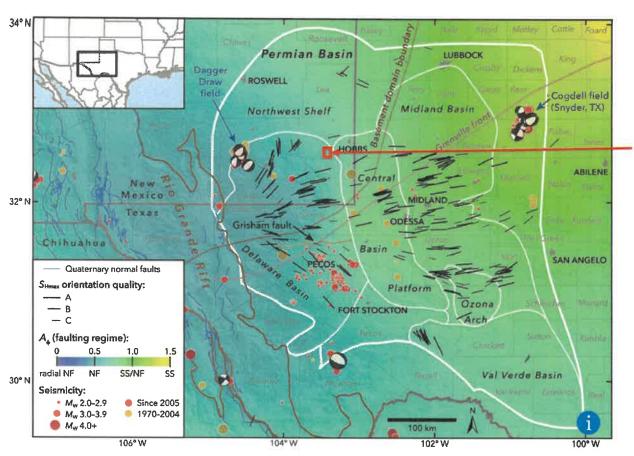






C.10

FRANKLIN MDUNTAIN ENERGY



- 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/MobilePagedArtic le.action?articleId=1331603#articleId1331603

Red box shows the approximate location of the Tag development

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- Reported local S_{Hmax} (Snee and Zoback, 2018) direction is ENE, around 255°
- The Tag State wells are planned to drill N-S, nearly orthogonal to S_{hmax}, optimal for induced fracture propagation

EXHIBIT

Received by OCD: 3/26/2024 1:25:57 PM

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. 24211

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

CASE NO. 24213

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 Applications were provided under notice letter, dated March 1, 2024, and attached hereto, as Exhibit D.1.

2) Exhibit D.2 is the mailing list, which show the notice letters were delivered to the USPS for mailing on March 1, 2024.

3) Exhibit D.3 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.4 is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the March 21, 2024 hearing was published on March 5, 2024.

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: March 18, 2024

Deena M. Bennett

EXHIBIT

Deana M. Bennett



March 1, 2024

Deana M. Bennett 505.848.1834 dmb@modrall.com

<u>VIA CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

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

CASE NO. 24211

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

CASE NO. 24213

TO: AFFECTED PARTIES

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

In Case No. 24211, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 641.27-acre, more or less, Wolfcamp horizontal spacing unit comprising of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: the Tag State Com 703H and Tag State Com 803H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and the Tag State Com 704H and Tag State Com 804H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11. The producing area for the wells is expected to be orthodox. The completed intervals for the Tag State Com 803H well is expected to be less than 330 feet 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. Also to be considered will be the cost of drilling and completing said wells, 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



Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Sulte 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrail.com Page 2

the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles southwest of Hobbs, New Mexico.

In Case No. 24213, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 641.27-acre, more or less, Bone Spring horizontal spacing unit comprising of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: the Tag State Com 302H, Tag State Com 303H, Tag State Com 503H, and Tag State Com 603H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and the Tag State Com 304H, Tag State Com 504H, and Tag State Com 604H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11. The producing area for the wells is expected to be orthodox. The completed intervals for the Tag State Com 303H and Tag State Com 603H wells are expected to be less than 330 feet 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. Also to be considered will be the cost of drilling and completing said wells, 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 wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles southwest of Hobbs, New Mexico.

The hearing is set for March 21, 2024 beginning at 8:15 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. 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/.

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 these 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 these 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 Page 3

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. _____

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 pooling all uncommitted mineral interests within a 641.27-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 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 spacing unit to the following wells:
 - a. The **Tag State Com 703H** and **Tag State Com 803H** wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and
 - b. The **Tag State Com 704H** and **Tag State Com 804H** wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11.
- 3. The producing area for the wells is expected to be orthodox.

4. The completed interval for the **Tag State Com 803H** well is expected to be less than 330 feet 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 Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The pooling of all interests in the Wolfcamp 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 March 7, 2024, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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 wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

Received by OCD: 3/26/2024 1:25:57 PM

Received by OCD: 2/6/2024 10:36:06 AM

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 Franklin Mountain Energy 3, LLC* CASE NO. 24211 : 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 641.27-acre, more or less, Wolfcamp horizontal spacing unit comprising of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: the Tag State Com 703H and Tag State Com 803H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and the Tag State Com 704H and Tag State Com 804H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11. The producing area for the wells is expected to be orthodox. The completed intervals for the Tag State Com 803H well is expected to be less than 330 feet 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. Also to be considered will be the cost of drilling and completing said wells, 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 wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles southwest of Hobbs, New Mexico.

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.

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APPLICATION

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 - a. The Tag State Com 302H, Tag State Com 303H, Tag State Com 503H, and Tag State Com 603H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and
 - b. The Tag State Com 304H, Tag State Com 504H, and Tag State Com 604H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11.

3. The producing area for the wells is expected to be orthodox.

4. The completed intervals for the **Tag State Com 303H** and **Tag State Com 603H** wells are expected to be less than 330 feet 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 wells or to otherwise commit their interests to the wells.

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 March 7, 2024, 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 Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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Received by OCD: 3/26/2024 1:25:57 PM Received by OCD: 2/6/2024 10:46:37 AM

E. Setting a 200% charge for the risk involved in drilling and completing the wells in

the event a working interest owner elects not to participate in the wells.

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 Franklin Mountain Energy 3, LLC* CASE NO. 24213 : 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 641.27-acre, more or less, Bone Spring horizontal spacing unit comprising of Lots 1 and 2, S/2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, Township 20 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: the Tag State Com 302H, Tag State Com 303H, Tag State Com 503H, and Tag State Com 603H wells to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Unit B) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 11; and the Tag State Com 304H, Tag State Com 504H, and Tag State Com 604H wells to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Unit A) of Section 2 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 11. The producing area for the wells is expected to be orthodox. The completed intervals for the Tag State Com 303H and Tag State Com 603H wells are expected to be less than 330 feet 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. Also to be considered will be the cost of drilling and completing said wells, 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 wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles southwest of Hobbs, New Mexico.

PS Form 3877

Type of Mailing: CERTIFIED MAIL 03/01/2024

rlene Schu drall Spei	ıman rling Roehl Harris & Sisk P.A.	PS For	m 3877				
Fourth S	treet, Suite 1000 NM 87102	Type of Mailing: C 03/01	CERTIFIED MAIL /2024			Firm Mai	iling Book ID: 261380
						Gov	Reference
Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Contents
1	9314 8699 0430 0117 9824 91	The Estate of Robert Paul Hord, deceased 4403 Edinburgh Place College Station TX 77845	\$1.63	\$4.40	\$2.32	\$0.00 KUC 1 U	10154.0001tag Notice
2	9314 8699 0430 0117 9825 07	Benjamin Keith Williams and wife, Allison Claire Tull Williams 2207 Seaboard Avenue Midland TX 79705	\$1.63	\$4.40	\$2.32	\$0.00 NVL (10.00	anone Notice
3	9314 8699 0430 0117 9825 14	Charles Wilkins McLaughlin and wife, Hayley Wright McLaughin 2300 Sinclair Midland TX 79705	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
4	9314 8699 0430 0117 9825 21	Jerry H. McCullar, III & wife, Jennifer McCuller 2204 Boyd Avenue Midland TX 79705	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
5	9314 8699 0430 0117 9825 38	Keith Williams and wife, Becky Williams 2015 Coleman Court Midland TX 79705	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
6	9314 8699 0430 0117 9825 45	Osprey Oil and Gas II, LLC 707 North Carrizo Street Midland TX 79701	\$1.63	\$4.40	\$2.32	1CW \$0.00	10154.0001tag Notice
7	9314 8699 0430 0117 9825 52	Osprey Oil and Gas III, LLC 707 North Carrizo Street Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
8	9314 8699 0430 0117 9825 69	Paul E. Casseb, III and wife, Bonnie Rae Casseb 2209 Gulf Avenue Midland TX 79705	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
9	9314 8699 0430 0117 9825 76	Roy G. Barton, Sr. and Opal Barton Rev Trust 1919 North Turner Street Hobbs NM 88240	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
10	9314 8699 0430 0117 9825 83	Roy G. Barton, Jr. 1919 North Turner Street Hobbs NM 88240	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
11	9314 8699 0430 0117 9825 90	S&S, Inc. P.O. Box 1046 Eunice NM 88231	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
12	9314 8699 0430 0117 9826 06	State of New Mexico, by and through its Commissioner of Public Lands P.O. Box 1148 Santa Fe NM 87504	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
13	9314 8699 0430 0117 9826 13	Ventura Oil & Gas, LLC 308 North Colorado, Suite 200 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
14	9314 8699 0430 0117 9826 20	Wing Resources VII, LLC 2100 McKinney Avenue, Suite 1540 Dallas TX 75201	\$1.63	\$4.40	\$2.32	\$0.00 EXHIBIT	10154.0001tag Notice

Page 2024 Walz CertifiedPro.net

Page 67

Released Karlene Schuman Modrall Sperling Rochl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102 5

PS Form 3877

Type of Mailing: CERTIFIED MAIL 03/01/2024

Albuquerque NM 87102				03/01/20	24		Firm Mailing Book ID: 261380		
Line	e USPS A	rticle Number	Name, Street, City, State, Zip		Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
15	5 9314 869	99 0430 0117 9826 37	R.E.B. Resources, LLC 308 North Colorado Street, Suite 200 Midland TX 79701		\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
10	6 9314 869	99 0430 0117 9826 44	SITL Energy, LLC 308 North Colorado Street, Suite 200 Midland TX 79701		\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
17	7 9314 869	99 0430 0117 9826 51	Kastleford Land Company, LLC P.O. Box 51540 Midland TX 79710		\$1.63	\$4.40	\$2.32	\$0.00	10154.0001tag Notice
				Totals:	\$27.71	\$74.80	\$39.44	\$0.00	
						Grand	Total:	\$141.95	
ist Numl isted by	ber of Pieces Sender	Total Number of Pi Received at Post Of		Dated:				SUSU EDI-	1-10 Min

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MAR 01 2024

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Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 261380 Generated: 3/18/2024 8:16:40 AM													
USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Postage	Fees	Firm MailBook ID	Mailing Status	Service Options	Mail Delivery Date
9314869904300117982651	2024-03-01 7:14 AM	10154.0001tag	Kastleford Land Company, LLC		Midland	тх	79710	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-07 12:02 PM
9314869904300117982644	2024-03-01 7:14 AM	10154.0001tag	SITL Energy, LLC		Midland	TX	79701	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-04 12:53 PM
9314869904300117982637	2024-03-01 7:14 AM	10154.0001tag	R.E.B. Resources, LLC		Midland	TX	79701	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-04 12:53 PM
9314869904300117982620	2024-03-01 7:14 AM	10154.0001tag	Wing Resources VII, LLC		Dallas	TX	75201	1.63	6,72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-08 10:52 AM
9314869904300117982613	2024-03-01 7:14 AM	10154.0001tag	Ventura Oil & Gas, LLC		Midland	TX	79701	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-04 12:53 PM
9314869904300117982606	2024-03-01 7:14 AM	10154.0001tag	State of New Mexico, by and through its	Commissioner of Public Lands	Santa Fe	NM	87504	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-04 10:52 AM
9314869904300117982590	2024-03-01 7:14 AM	10154.0001tag	\$&\$, Inc.		Eunice	NM	88231	1.63	Б.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-06 8:20 AM
9314869904300117982583	2024-03-01 7:14 AM	10154.0001tag	Roy G. Barton, Jr.		Hobbs	NM	88240	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-05 11:06 AM
9314369904300117982576	2024-03-01 7:14 AM	10154.0001tag	Roy G. Barton, Sr. and Opal Barton Rev Trust		Hobbs	NM	88240	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-05 11:06 AM
9314869904300117982569	2024-03-01 7:14 AM	10154.0001tag	Paul E. Casseb, III and wife, Bonnie Rae Casseb		Midland	TX	79705	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-04 3:28 PM
9314869904300117982552	2024-03-01 7:14 AM	10154.0001tag	Osprey Oil and Gas III, LLC		Midland	ТΧ	79701	1.63	6.72	261380	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300117982545	2024-03-01 7:14 AM	10154.0001tag	Osprey Oil and Gas II, LLC		Midland	TX	79701	1.63	6.72	261380	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300117982538	2024-03-01 7:14 AM	10154.0001tag	Keith Williams and wife, Becky Williams		Midland	TΧ	79705	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-06 9:18 AM
9314869904300117982521	2024-03-01 7:14 AM	10154.0001tag	Jerry H. McCullar, III & wife, Jennifer McCuller		Midland	TX	79705	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-05 10:34 AM
9314869904300117982514	2024-03-01 7:14 AM	10154.0001tag	Charles Wilkins McLaughlin and wife,	Hayley Wright McLaughin	Midland	TX	79705	1.63	6.72	261380	Undelivered	Return Receipt - Electronic, Certified Mail	
9314869904300117982507	2024-03-01 7:14 AM	10154.0001tag	Benjamin Keith Williams and wife,	Allison Claire Tull Williams	Midland	TX	79705	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-09 2:50 PM
9314869904300117982491	2024-03-01 7:14 AM	10154.0001tag	The Estate of Robert Paul Hord, deceased		College S	ta TX	77845	1.63	6.72	261380	Delivered	Return Receipt - Electronic, Certified Mail	2024-03-05 4:08 PM

EXHIBIT Page 69 of 70

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 March 05, 2024 and ending with the issue dated March 05, 2024.

Publisher

Sworn and subscribed to before me this 5th day of March 2024.

reputhblac

Business Manager

My commission expires January 29, 2027

Seal STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK COMMISSION # 1087528 COMMISSION EXPIRES 01/29/2027 his 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 March 5, 2024 CASE NO. 24211: Notice to all affected parties, as well as heirs and devisees of: The Estate of Robert Paul Hord, deceased; Benjamin Keith Williams and wite, Allison Claire Tull Williams; Charles Wilkins McLaughin and wite, Hayley Wright McLaughin; Jarry H. McCullar, III and wife, Jennifer G. McCuller; Keith Williams and wife, Beoky Williams; Caprey Oli and Ges II, LLC; Ospray Oli and Ges III, LLC; Paul E. Casseb, III and wife, Bonnie Rae Casseb; Roy G. Barton, Sr. and Opal Barton Rev Trust; Roy G. Barton, Jr.; S&S Inc.; State of New Mexico, by and through its Commissioner of Public Lands; Ventura Oli & Gas, LLC; Wing Resources VII, LLC; R.E.S. Resources, LLC; SITL Energy, LLC; Kastleford Land Company, LLC of the Application of Franklin Mountain Energy 3, LLC for computery pooling. Lea County, New Mexico. The State of New Mexico through its Oli Conservation Division hereby gives notice that the Division will conduct a public hearing st 3:15 a.m. on March 21, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both In-parson at the Energy, Minerals, Natural Resources Department, Wendeil Chino Building, Pecce Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WeetEx virtual mosting platform. To participate in the electronic hearing, see the instructions posted on the docket I or the hearting date: https://www.emmcf.am.gov/cod/hearing-ind/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 641.27-ace, more or less, Wolforam hourizontal spacing unit compresing of Lots 1 and 2, S?2 NE/4 and the SE/4 of irregular Section 2 (E/2 equivalent), and the E/2 of Section 11, rownship 20 South, Range 35 East, NM.P.M., Lac County, New Mexico. This spacing unit will be dedicated to the following wells: the Tag State Com 703H and Tag State Com 803H wells to be horizontally dilled from a surface hole location in the NIV/4 NE/4 (Unit 3) of Section 2 to a bottom hole location in the SW/4 SE/4 (Unit 0)

LEGAL NOTICE

March 5, 2024

operator of the wells, and a 200% charge for fiek involved in drilling seld wells. Seld area is located approximately 19 miles southwest of Hobbs, New Mexico.
CASE NO, 24213: Notice to all affected parties, as well as heirs and devisees of: The Estate of Robert Paul Nord, deceased; Benjamin Keith Williams and wife, Allison Claire Tuil Williams; Charles Wilkins McLaughin and wife, Haviey Wright MoLaughin; Jerry H. McCullar, III and wife, Jennifer G. McCuller; Keith Williams and wife, Solar of the Second Williams; Caprey Oll and Gas III, LLC; Paul E. Cassab; III and wife, Bonnie Rae Casseb; Roy G. Barton, Sr. and Opal Barton Rev Trust; Roy G. Barton, Jr.; S&S Ine; State of New Mexico, by and through Hz Commissioner of Public Lands; Ventura Oll & Gas, LLC; Wing Resources VII, LLC; R.E.B. Resources, LLC; SITL Energy, LLC; Kestleford Land Company, LLC of the Application of Franklin Mountain Energy 3, LLC for computisory pooling, Les County, New Mexico, The State of New Mexico through Its Oll Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on March 21, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy. Willerala, Natural Resources Department. Wendell Chine Building, Pecce Hal, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate In the electronic hearing, see the Instructions posted on the declarate interest within a 641.27-acre, more or less. Bone Spring horizontal spacing unit comprising of Lote 1 and 2, S/2 NE/4 and the SE/4 of Irregular Section 2 (Fiz aquivalent), and the E/2 of Section 11. Township 20 South Range SE Esst, N.M.P.M., Les County (New Mexico. The spacing unit comprising of Lote 1 and 2, S/2 NE/4 and the SE/4 of Irregular Section 2 (Fiz aquivalent), and the E/2 of Section 11. Township 20 South Range SE Esst, N.M.P.M., Les County (New Mexico. The spacing unit wills the fag State Com 603H wells to be horizonta

P. O. BOX 2168 ALBUQUERQUE, NM 87103-2168