

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

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

CASE NO. 24443, 24445

CONSOLIDATED PRE-HEARING STATEMENT

Franklin Mountain Energy 3, LLC (“Franklin”) submits this Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

FRANKLIN MOUNTAIN ENERGY 3, LLC

OTHER PARTIES

XTO Energy, Inc.
Case Nos. 24454 & 24456

ATTORNEY

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ATTORNEY

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STATEMENT OF CASES

APPLICANT:

In **Case No. 24443**, Franklin Mountain Energy 3, LLC seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Norte State Com 604H** well, to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Lot 1) of Section 3, Township 19 South, Range 35 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 27, Township 18 South, Range 35 East. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles west of Hobbs, New Mexico.

In **Case No. 24445**, Franklin Mountain Energy 3, LLC seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Norte State Com 603H** well, to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Lot 2) of Section 3, Township 19 South, Range 35 East, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 27, Township 18 South, Range 35 East. The producing area for the well is expected to be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles west of Hobbs, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

| WITNESS | ESTIMATED TIME | EXHIBITS |
|-----------------------|-----------------------|-----------------|
| Landman: Don Johnson | Approx. 10 minutes | Approx. 10 |
| Geologist: Ben Kessel | Approx. 10 minutes | Approx. 15 |

PROCEDURAL ISSUES

If there are no objections to these matters, Franklin intends to present these cases by affidavit.

Respectfully submitted,

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

By: /s/ Deana M. Bennett

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Attorneys for Franklin Mountain Energy 3, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on August 15, 2024.

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

QUESTIONS

Action 374327

QUESTIONS

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| Operator: Franklin Mountain Energy 3, LLC 44 Cook Street Denver, CO 80206 | OGRID: 331595 |
| | Action Number: 374327 |
| | Action Type: [HEAR] Prehearing Statement (PREHEARING) |

QUESTIONS

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| Testimony | |
| <i>Please assist us by provide the following information about your testimony.</i> | |
| Number of witnesses | 2 |
| Testimony time (in minutes) | <i>Not answered.</i> |