

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

**APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC  
FOR COMPULSORY POOLING AND, TO THE EXTENT  
NECESSARY, APPROVAL OF AN OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO**

**CASE NOS. 24457, 24459 & 24479**

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

**CASE NOS. 24898-24901**

**APPLICATIONS OF MRC PERMIAN COMPANY  
FOR APPROVAL OF AN OVERLAPPING HORIZONTAL  
WELL SPACING UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**CASE NOS. 24778-24783**

**APPLICATIONS OF MRC PERMIAN COMPANY  
FOR APPROVAL COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**CASE NOS. 24784-24786**

**NOTICE OF AMENDED EXHIBITS**

As requested by the Hearing Examiner during the November 20, 2024 contested hearing in the above captioned cases, Franklin Mountain Energy 3, LLC ("FME3") is submitting the attached amended exhibit packet, which includes a complete set of FME3 exhibits, including revisions to the following exhibits: Self-Affirmed Statement of Don Johnson, **Exhibit A-2, ¶¶ 22 and 26**; Case Ownership Comparison, **Exhibits A-7 and A-9**; Lease Tract Maps and Summary of Interests: **Exhibits A-17-b, A-18-b, A-19-b, A-20-b, A-21-b, A-22-b, and A-23-b**; Summary of Contacts: **Exhibits A-17-c, A-18-c, A-19-c, A-20-c, A-21-c, A-22-c, and A-23-c**; and

Stratigraphic Cross Sections, **Exhibits C-3-b, C-3-e, C-4-b, and C-4-e**. The Amended Exhibit Packet also includes the C-102s for the Wolfcamp Rope State Wells that were originally included in the Supplemental Exhibit Packet filed on November 15, 2024 under **Exhibits A-20-a, A-21-a, A-22-a, and A-23-a**. Finally, this Amended Exhibit Packet contains the following FME3 Rebuttal Exhibits admitted at the hearing under **Exhibits E-1, E-2, E-3, E-4, E-5, E-6, E-7, E-8, and E-9**. All Amended, Supplemental, and Rebuttal Exhibits are italicized in the Amended Table of Contents included with the Amended Exhibit Packet.

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 December 9, 2024.

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*Attorneys MRC Permian Company*

/s/ Deana M. Bennett

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Deana M. Bennett



**FRANKLIN MOUNTAIN  
ENERGY**

**Rope State Com**

Case Nos. 24457, 24459, 24479 and 24898, 24899, 24900, 24901

Bone Spring/Wolfcamp

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
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**APPLICATIONS OF MRC PERMIAN COMPANY  
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LEA COUNTY, NEW MEXICO**

**CASE NOS. 24784-24786**

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## Map

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<sup>2</sup> FME3 Reb. 3 Exhibit was not admitted at the hearing on November 20, 2024 and is not being submitted with this Amended Exhibit Packet.

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24457</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 20, 2024</b>
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, and, for the Extent Necessary Approval of an Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	MRC Permian Company
Well Family	Rope State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	459.56-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-17-b
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Rope State Com 301H	API No. <i>Pending</i> SHL: 330' FSL & 978' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 800' FWL, (Lot 1) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,192' TVD) Orientation: North/South

EXHIBIT A-1

Well #2: Rope State Com 601H	API No. <i>Pending</i> SHL: 330' FSL & 888' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 360' FWL, (Lot 1) Section 18, T18S, R35E Completion Target: Third Bone Spring (Approx. 10,346' TVD) Orientation: North/South
Horizontal Well First and Last Take Points	Exhibit A-17-a
Completion Target (Formation, TVD and MD)	Exhibit A-17-c
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A-2
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-17-b
Tract List (including lease numbers and owners)	Exhibit A-17-b
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 A-17-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-17-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-17-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-17-c
Cost Estimate to Equip Well	Exhibit A-17-c
Cost Estimate for Production Facilities	Exhibit A-17-c
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Target Formation	Exhibit C
HSU Cross Section	Exhibits C-3-a
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-17-a
Tracts	Exhibit A-17-b



Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-17-b
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-3-a; C-3-d
Structure Contour Map - Subsea Depth	Exhibit C-3-a; C-3-d
Cross Section Location Map (including wells)	Exhibit C-3-b; C-3-e
Cross Section (including Landing Zone)	Exhibit C-3-b; C-3-e
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>None.</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	11/13/2024

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24459</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 20, 2024</b>
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, and, for the Extent Necessary Approval of an Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	MRC Permian Company
Well Family	Rope State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	960-acre
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	Yes. The completed interval for the Rope State Com 303H 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	Rope State Com 303H
Applicant's Ownership in Each Tract	Exhibit A-18-b
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Rope State Com 303H	API No. <i>Pending</i> SHL: 338' FSL & 1193' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 1490' FEL, (Unit B) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,162' TVD) Orientation: North/South

Well #2: Rope State Com 304H	API No. <i>Pending</i> SHL: 338' FSL & 1073' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 360' FEL, (Unit A) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,033' TVD) Orientation: North/South
Well #3: Rope State Com 604H	API No. <i>Pending</i> SHL: 338' FSL & 1133' FEL, (Unit B), Section 30, T18S, R35E BHL: 100' FNL & 360' FWL, (Unit A) Section 18, T18S, R35E Completion Target: Third Bone Spring (Approx. 10,306' TVD) Orientation: North/South
Horizontal Well First and Last Take Points	Exhibit A-18-a
Completion Target (Formation, TVD and MD)	Exhibit A-18-c
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-18-b
Tract List (including lease numbers and owners)	Exhibit A-18-b
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 A-18-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-18-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-18-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-18-c
Cost Estimate to Equip Well	Exhibit A-18-c
Cost Estimate for Production Facilities	Exhibit A-18-c
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Target Formation	Exhibit C

HSU Cross Section	Exhibits C-3-a
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-18-a
Tracts	Exhibit A-18-b
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-18-b
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-3-a; C-3-d
Structure Contour Map - Subsea Depth	Exhibit C-3-a; C-3-d
Cross Section Location Map (including wells)	Exhibit C-3-b; C-3-e
Cross Section (including Landing Zone)	Exhibit C-3-b; C-3-e
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>None.</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	11/13/2024

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24479</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 20, 2024</b>
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, and, for the Extent Necessary Approval of an Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	MRC Permian Company
Well Family	Rope State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	480-acre
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-19-b
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Rope State Com 302H	API No. <i>Pending</i> SHL: 335' FSL & 2493' FEL, (Unit O), Section 30, T18S, R35E BHL: 100' FNL & 2290' FWL, (Unit C) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,177' TVD) Orientation: North/South
Well #3: Rope State Com 602H	API No. <i>Pending</i> SHL: 330' FSL & 1038' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 1660' FWL, (Unit C) Section 18, T18S, R35E Completion Target: Third Bone Spring (Approx. 10,333' TVD) Orientation: North/South

Horizontal Well First and Last Take Points	Exhibit A-19-a
Completion Target (Formation, TVD and MD)	Exhibit A-19-c
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-19-b
Tract List (including lease numbers and owners)	Exhibit A-19-b
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 A-19-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-19-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-19-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-19-c
Cost Estimate to Equip Well	Exhibit A-19-c
Cost Estimate for Production Facilities	Exhibit A-19-c
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Target Formation	Exhibit C
HSU Cross Section	Exhibits C-3-a
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-19-a
Tracts	Exhibit A-19-b
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-19-b
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-3-a; C-3-d
Structure Contour Map - Subsea Depth	Exhibit C-3-a; C-3-d
Released to Imaging: 12/10/2024 11:20:58 AM Cross Section Location Map (including wells)	Exhibit C-3-b; C-3-e

Cross Section (including Landing Zone)	Exhibit C-3-b; C-3-e
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>None.</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	11/13/2024

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24898</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 20, 2024</b>
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:	MRC Permian Company
Well Family	Rope State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	W/2 E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-20-b
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Rope State Com 703H	API No. <i>Pending</i> SHL: 338' FSL & 1163' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 1490' FEL, (Unit B) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,862' TVD) Orientation: North/South
Well #3: Rope State Com 803H	API No. <i>Pending</i> SHL: 335' FSL & 2433' FEL, (Unit O), Section 30, T18S, R35E BHL: 100' FNL & 2190' FEL, (Unit B) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,519' TVD) Orientation: North/South



Horizontal Well First and Last Take Points	Exhibit A-20-a
Completion Target (Formation, TVD and MD)	Exhibit A-20-c
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-20-b
Tract List (including lease numbers and owners)	Exhibit A-20-b
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 A-20-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-20-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-20-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-20-c
Cost Estimate to Equip Well	Exhibit A-20-c
Cost Estimate for Production Facilities	Exhibit A-20-c
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Target Formation	Exhibit C
HSU Cross Section	Exhibits C-4-a
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-20-a
Tracts	Exhibit A-20-b
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-20-b
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-4-a; C-4-d
Structure Contour Map - Subsea Depth	Exhibit C-4-a; C-4-d
Released to Imaging: 12/10/2024 11:20:58 AM Cross Section Location Map (including wells)	Exhibit C-4-b; C-4-e

Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>None.</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	11/13/2024

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24899</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 20, 2024</b>
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:	MRC Permian Company
Well Family	Rope State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	306.92-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-21-b
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Rope State Com 701H	API No. <i>Pending</i> SHL: 330' FSL & 1008' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 800' FWL, (Lot 1) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,892' TVD) Orientation: North/South
Well #3: Rope State Com 801H	API No. <i>Pending</i> SHL: 330' FSL & 918' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 400' FWL, (Lot 1) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,546' TVD) Orientation: North/South

Horizontal Well First and Last Take Points	Exhibit A-21-a
Completion Target (Formation, TVD and MD)	Exhibit A-21-c
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-21-b
Tract List (including lease numbers and owners)	Exhibit A-21-b
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 A-21-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-21-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-21-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-21-c
Cost Estimate to Equip Well	Exhibit A-21-c
Cost Estimate for Production Facilities	Exhibit A-21-c
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Target Formation	Exhibit C
HSU Cross Section	Exhibits C-4-a
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-21-a
Tracts	Exhibit A-21-b
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-21-b
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-4-a; C-4-d
Structure Contour Map - Subsea Depth	Exhibit C-4-a; C-4-d
Released to Imaging: 12/10/2024 11:20:58 AM Cross Section Location Map (including wells)	Exhibit C-4-b; C-4-e

Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>None.</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	11/13/2024

**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24900</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 20, 2024</b>
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:	MRC Permian Company
Well Family	Rope State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-22-b
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Rope State Com 702H	API No. <i>Pending</i> SHL: 335' FSL & 2463' FEL, (Unit O), Section 30, T18S, R35E BHL: 100' FNL & 2290' FWL, (Unit C) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,877' TVD) Orientation: North/South
Well #3: Rope State Com 802H	API No. <i>Pending</i> SHL: 330' FSL & 1068' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 1660' FWL, (Unit C) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,533' TVD) Orientation: North/South

Horizontal Well First and Last Take Points	Exhibit A-22-a
Completion Target (Formation, TVD and MD)	Exhibit A-22-c
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-22-b
Tract List (including lease numbers and owners)	Exhibit A-22-b
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 A-22-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-22-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-22-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-22-c
Cost Estimate to Equip Well	Exhibit A-22-c
Cost Estimate for Production Facilities	Exhibit A-22-c
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Target Formation	Exhibit C
HSU Cross Section	Exhibits C-4-a
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-22-a
Tracts	Exhibit A-22-b
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-22-b
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-4-a; C-4-d
Structure Contour Map - Subsea Depth	Exhibit C-4-a; C-4-d
Released to Imaging: 12/10/2024 11:20:58 AM Cross Section Location Map (including wells)	Exhibit C-4-b; C-4-e

Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>None.</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	11/13/2024



**COMPULSORY POOLING APPLICATION CHECKLIST****ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS**

<b>Case: 24901</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>November 20, 2024</b>
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:	MRC Permian Company
Well Family	Rope State Com
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Wolfcamp
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Wolfcamp
Pool Name and Pool Code (Only if NSP is requested):	N/A
Well Location Setback Rules (Only if NSP is Requested):	N/A
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	E/2 E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit A-23-b
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Rope State Com 704H	API No. <i>Pending</i> SHL: 338' FSL & 1043' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 360' FEL, (Unit B) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,733' TVD) Orientation: North/South
Well #3: Rope State Com 804H	API No. <i>Pending</i> SHL: 338' FSL & 1103' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 925' FEL, (Unit A) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,402' TVD) Orientation: North/South

Horizontal Well First and Last Take Points	Exhibit A-23-a
Completion Target (Formation, TVD and MD)	Exhibit A-23-c
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit A-23-b
Tract List (including lease numbers and owners)	Exhibit A-23-b
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 A-23-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-23-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-23-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-23-c
Cost Estimate to Equip Well	Exhibit A-23-c
Cost Estimate for Production Facilities	Exhibit A-23-c
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Target Formation	Exhibit C
HSU Cross Section	Exhibits C-4-a
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit A-23-a
Tracts	Exhibit A-23-b
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-23-b
General Location Map (including basin)	Exhibit C-1
Well Bore Location Map	Exhibit C-4-a; C-4-d
Structure Contour Map - Subsea Depth	Exhibit C-4-a; C-4-d
Released to Imaging: 12/10/2024 11:20:58 AM Cross Section Location Map (including wells)	Exhibit C-4-b; C-4-e

Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e
<b>Additional Information</b>	
Special Provisions/Stipulations	<b>None.</b>
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	11/13/2024

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

**APPLICATIONS OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO**

**CASE NOS. 24457, 24459, 24479**

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

**CASE NOS. 24898-24901**

**APPLICATIONS OF MRC PERMIAN  
COMPANY FOR APPROVAL OF AN  
OVERLAPPING HORIZONTAL WELL  
SPACING UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 24778-24783<sup>1</sup>**

**APPLICATIONS OF MRC PERMIAN COMPANY  
FOR APPROVAL COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO**

**CASE NOS. 24784-24786**

**SELF-AFFIRMED STATEMENT OF DON JOHNSON**

Don Johnson hereby states and declares as follows:

**BACKGROUND**

1. I am a Landman with Franklin Mountain Energy 3, LLC (“FME3”), over the age of 18, and have personal knowledge of the matters stated herein.
2. I have testified before the New Mexico Oil Conservation Division (the “Division”) and my credentials were accepted as a matter of record.

<sup>1</sup> On November 7, 2024, MRC Permian Company dismissed case numbers 24784-24790. Those cases involved proposals by MRC to develop the Wolfcamp formation in Sections 18 and 19. MRC did not propose to develop the Bone Spring in Sections 18 and 19.

**EXHIBIT A-2**

3. My work for FME3 includes the area of Lea County in New Mexico. I am involved in title, ownership, and leasing.

4. I am familiar with the applications FME3 filed in Case Nos.24557, 24459, 24479, and Case Nos. 24898-24901. I am also familiar with the applications filed by MRC Permian Company (“MRC”) in Case Nos. 24778-24786. I am familiar with the land matters involved in these cases.

5. My testimony and exhibits addresses the information common to all cases and then addresses case specific information on a case-by-case basis.

**TESTIMONY AND EXHIBITS APPLICABLE TO ALL CASES**

6. These cases involve partially overlapping competing applications. In its consolidated cases, FME3 seeks to pool standard horizontal spacing units in the Bone Spring and Wolfcamp formations to be dedicated to FME3’s Rope State Com wells.

7. FME3’s Rope State Com Bone Spring development plans cover Sections 18, 19, and 30, Township 18 South, Range 35 East. FME3 has proposed a total of 7 three-mile Bone Spring wells.

8. FME3’s Rope State Com Wolfcamp development plans cover Sections 19 and 30, Township 18 South, Range 35 East. FME3 has proposed a total of 8 two-mile Wolfcamp wells.

9. In its cases, FME3 is seeking orders from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring and Wolfcamp horizontal spacing units described below, and in the wells to be drilled in the horizontal spacing units. FME3 also is requesting that it be designated operator of the wells. FME3 requests, to the extent necessary, approval of overlapping spacing units. Finally, FME3 requests that the Division deny MRC’s competing pooling applications.

10. In its competing applications, MRC proposes to develop Sections 30 and 31, Township 18 South, Range 35 East. MRC has proposed a total of six Bone Spring wells and only four Wolfcamp wells, the MRC Airstrip wells. MRC's proposed Bone Spring cases do not include developing the E/2E/2 of Section 31 and MRC is proposing to develop the Bone Spring using a combination of U-turn wells and straight wells. MRC has not proposed any Wolfcamp A wells, which FME3 has proposed.

11. The purpose of my testimony is to demonstrate, from a land perspective, why FME3 should be designated operator of the acreage at issue in the cases, which I refer to as the Rope State Com Development Area, and why FME3's development plan for the Rope State Com Development Area is superior to MRC's plan for its Airstrip wells.

12. There are several reasons, from a land perspective, that FME3 should be designated operator of this acreage. First, as I will discuss in more detail, FME3 has the highest working interest in FME3's proposed units and FME3 has an interest in every tract across its proposed units. Second, FME3's development plan will reduce surface facilities and surface impacts. Third, FME3 is a prudent operator, with the ability to develop the surface and is planning to develop this acreage in the near term. FME3 has extensive experience in developing this area and in investing in the infrastructure required for water management and gas takeaway necessary to support the development.

13. **Exhibit A-3** is a map showing the general location of the Rope State Com Development Area. The Rope State Com Bone Spring Development Area is identified by the red box and the Rope State Com Wolfcamp Development area is identified by the blue box. The yellow shading represents tracts in which FME3 owns an interest, which shows FME3's significant footprint in this area.

14. **Exhibit A-4** contains three plats. The first two provide an overview of the competing applications, and illustrate FME3's and MRC's competing development plans in a representative way—the locations of the proposed wells are approximate and do not include all wells proposed. In terms of the Bone Spring, FME3 is seeking to develop 3-mile laterals covering Section 18, 19, and 30, whereas MRC is only proposing to develop Sections 30 and 31. In terms of the Wolfcamp, FME3 is seeking to develop 2-mile laterals covering Section 19 and 30, whereas MRC is proposing to develop Sections 30 and 31. FME3 is not proposing to develop the Wolfcamp in Section 18 due to existing produced water injection in the NE/4 SW/4 of Section 18.

15. The third plat is a proposed solution, which would allow FME3 to develop the Bone Spring in Sections 18, 19, and 30, and the Wolfcamp in Sections 19 and 30. This proposed solution would allow MRC to operate Section 31, which it can develop using U-turn wells. As an industry leader in U-turn wells, MRC will have an opportunity to deploy this technology in Section 31.

16. **Exhibit A-5** provides a summary overview of why FME3's applications should be granted and why MRC's applications should be denied. Each of the factors will be discussed by FME3's witnesses as relevant to each witness' area of expertise. I will be focusing on ownership, FME3's ability to prudently and timely drill, complete and operate the wells in development area and prevent waste.

17. FME3 seeks to develop acreage where it owns most of the working interest or has majority interest control as it has done and plans to do in this area.

18. FME3 has majority working interest ownership across the Rope State Com Development Area in the Bone Spring and Wolfcamp.

19. **Exhibit A-6** provides an overview of FME3's working interest ownership as compared to MRC's working interest ownership within the Bone Spring in FME3's proposed Rope State Com Development Area.

20. As shown on Exhibit A-6, FME3 has approximately 52.60% working interest ownership in the Bone Spring across the Rope State Com Development Area.

21. Conversely, MRC only has approximately 21.64% working interest ownership in the Bone Spring across the Rope State Com Development Area.

22. FME3 has the support of other working interest owners in the Bone Spring, which increases FME3's working interest control to 71.29% to 79.58%, depending on the unit as demonstrated in **Exhibit A-7**.

23. **Exhibit A-8** provides an overview of FME3's working interest ownership as compared to MRC's working interest ownership within the Wolfcamp in FME3's proposed Rope State Com Development Area.

24. As shown on Exhibit A-8, FME3 has 66.38% working interest ownership in the Wolfcamp across the Rope State Com Development Area.

25. Conversely, MRC only has 26.46% working interest ownership in the Wolfcamp across the Rope State Com Development Area.

26. FME3 has the support of other working interest owners in the Wolfcamp, which increases FME3's working interest control to 66.37% to 69.38%, depending on the unit, as demonstrated in **Exhibit A-9**.

27. **Exhibit A-10** provides a comparison of FME3's development plans as compared to MRC's. As you can see from Exhibit A-10, FME3 is planning seven three-mile Bone Spring wells and eight two-mile Wolfcamp wells.



28. MRC is proposing two 1-mile U-turn wells in the First Bone Spring and one 1-mile U-turn well in the Third Bone Spring well in Section 30. MRC is proposing three 2-mile wells in the Second Bone Spring across Sections 30 and 31. MRC is proposing only four Wolfcamp wells.

29. FME3's development plan includes targeting the Wolfcamp A. Significantly, MRC's applications do not include the Wolfcamp A, which will result in waste and will negatively impact correlative rights.

30. FME3 is also developing these wells in a wine-rack pattern, whereas MRC is proposing a stacked development plan. As Mr. McCoy explains in his testimony, wine-racking is more effective than stacked development. Mr. Kessel's testimony addresses the issues with depletion.

31. I will now discuss FME3's ability to prudently operate the property and, thereby, prevent waste and FME3's ability to timely locate well sites and to operate on the surface.

32. **Exhibit A-11** is a map showing the Rope State Com Bone Spring Development Area with each unit identified by case number.

33. **Exhibit A-12** is a map showing the Rope State Com Wolfcamp Development Plan, with each unit identified by case number.

34. FME3 has engaged in significant efforts to develop this area and surrounding areas. A map showing FME3's current and planned developments in this area is attached as **Exhibit A-13**. As this map shows, FME3 has multiple approved pooling orders from the Division for the acreage adjoining FME3's Rope State Com Development Area.

35. FME3 has been diligently working to develop this area. **Exhibit A-14** identifies the timeline and future target dates.

36. As indicated on B-14, FME3 acquired its initial lease in this area in December 2022 and FME3 has continued to acquire leases.

37. Significantly, FME3 has a term assignment expiration issue. Originally, the term assignment would have expired in January 2025. FME3 was able to negotiate a 6-month term assignment extension, pushing expiration to July 1, 2025.

38. In order to avoid expiration of the term assignment, FME3 has to have a well on production by June 30, 2025, and FME3 is planning its development accordingly.

39. As shown on **Exhibit A-15**, there are playas and existing infrastructure on the N/2N/2 of Section 30, where MRC proposes to locate its surface facilities, which could be a limitation on MRC's ability to locate surface facilities in the N/2N/2 of Section 30 as it has proposed.

40. Prior to filing its applications, FME3 made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells. To locate interest owners, FME3 conducted a diligent search of the public records in the county where the wells will be located and conducted phone directory and computer searches to locate contact information for parties entitled to notification. I mailed all working interest owners well proposals and an Authorization for Expenditure, and a form of Operating Agreement upon request.

41. FME3 sent its well proposal letters to the working interest owners and unleased mineral interest owners in February 2024 and in August 2024. Attached as **Exhibit A-16** are examples of the proposal letters. The proposal letter identifies the proposed surface hole location and bottom hole location, and the approximate TVD. It also contains separate elections for each well.

42. FME3 negotiated with the uncommitted interest owners in good faith. Summaries of FME3's communications with the uncommitted interest owners are included as exhibits in each case specific section of my testimony.

43. I now provide specific testimony and exhibits for each of the Rope State Com cases.

**CASE NO. 24457 SPECIFIC TESTIMONY AND EXHIBITS**

44. Below is a brief description of the facts and exhibits for Case No. 24457.

45. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 301H and Rope State Com 601H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24457 is attached as **Exhibit A-17**.

46. Attached as **Exhibit A-17-a** are the draft C-102s for the wells proposed in Case No. 24457. The wells will develop the Airstrip, Bone Spring (Pool Code 960) and WC-025 G-06 S183518A;Bone Spring (Pool Code 97930).

47. The producing area for the wells will be orthodox.

48. Attached as **Exhibit A-17-b** is a lease tract map for Case No. 24457. This map shows the ownership breakdown and again confirms that FME3 has higher working interest ownership and higher working interest control than MRC. FME3 has 72.12% working interest control. MRC only has 27.877% working interest.

49. Attached as **Exhibit A-17-c** are the Authorizations for Expenditure ("AFE") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and

reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

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

51. **Exhibit A-17-d** is a list of the parties to be pooled in Case 24205.

52. **Exhibit A-17-e** is a summary of FME3's communications with working interest owners, including MRC.

#### **CASE NO. 24459 SPECIFIC TESTIMONY AND EXHIBITS**

53. Below is a brief description of the facts and exhibits for Case No. 24459.

54. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 960.00-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 303H, Rope State Com 304H, and Rope State Com 604H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24459 is attached as **Exhibit A-18**.

55. Attached as **Exhibit A-18-a** are the draft C-102s for the wells proposed in Case No. 24459. The wells will develop the Airstrip, Bone Spring (Pool Code 960) and WC-025 G-06 S183518A;Bone Spring (Pool Code 97930).

56. The completed interval for the **Rope State Com 303H** 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.

57. Attached as **Exhibit A-18-b** is a lease tract map for Case No. 24459. This map shows the ownership breakdown and again confirms FME3 has higher working interest ownership

and higher working interest control than MRC. FME3 has 80.41% working interest control. MRC only has 19.58% working interest.

58. Attached as **Exhibit A-18-c** is are the Authorizations for Expenditure (“AFEs”) for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

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

60. **Exhibit A-18-d** is a list of the parties to be pooled in Case 24459.

61. **Exhibit A-18-e** is a summary of FME3’s communications with working interest owners, including MRC.

#### **CASE NO. 24479 SPECIFIC TESTIMONY AND EXHIBITS**

62. Below is a brief description of the facts and exhibits for Case No. 24479.

63. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 480.00-acre, more or less, Bone Spring horizontal spacing unit the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 302H and Rope State Com 602H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24479 is attached as **Exhibit A-19**.

64. Attached as **Exhibit A-19-a** are the draft C-102s for the wells proposed in Case No. 24479. The wells will develop the Airstrip, Bone Spring (Pool Code 960) and WC-025 G-06 S183518A;Bone Spring (Pool Code 97930). The producing area for the wells will be orthodox.

65. Attached as **Exhibit A-19-b** is a lease tract map for Case No. 24479. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 80.41% working interest control. MRC only has 19.58% working interest.

66. Attached as **Exhibit A-19-c** are the Authorizations for Expenditure (“AFEs”) for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

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

68. **Exhibit A-19-d** is a list of the parties to be pooled in Case 24479.

69. **Exhibit A-19-e** is a summary of FME3’s communications with working interest owners, including MRC.

**CASE NO. 24898 SPECIFIC TESTIMONY AND EXHIBITS**

70. Below is a brief description of the facts and exhibits for Case No. 24898.

71. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 320.00-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2E/2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 703H and Rope State Com 803H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24898 is attached as **Exhibit A-20**.

72. Attached as **Exhibit A-20-a** are the draft C-102s for the wells proposed in Case No. 24898. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.

73. Attached as **Exhibit A-20-b** is a lease tract map for Case No. 24898. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 70.62% working interest control. MRC only has 29.37% working interest.

74. Attached as **Exhibit A-20-c** are the Authorizations for Expenditure (“AFEs”) for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

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

76. **Exhibit A-20-d** is a list of the parties to be pooled in Case 24898.

77. **Exhibit A-20-e** is a summary of FME3’s communications with working interest owners, including MRC.

#### **CASE NO. 24899 SPECIFIC TESTIMONY AND EXHIBITS**

78. Below is a brief description of the facts and exhibits for Case No. 24899.

79. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2W/2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 701H and Rope State Com 801H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24899 is attached as **Exhibit A-21**.

80. Attached as **Exhibit A-21-a** are the draft C-102s for the wells proposed in Case No. 24899. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.

81. Attached as **Exhibit A-21-b** is a lease tract map for Case No. 24899. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 67.62% working interest control. MRC only has 29.41% working interest.

82. Attached as **Exhibit A-21-c** are the Authorizations for Expenditure (“AFEs”) for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

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

84. **Exhibit A-21-d** is a list of the parties to be pooled in Case 24899.

85. **Exhibit A-21-e** is a summary of FME3’s communications with working interest owners, including MRC.

#### **CASE NO. 24900 SPECIFIC TESTIMONY AND EXHIBITS**

86. Below is a brief description of the facts and exhibits for Case No. 24900.

87. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 320.00-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2EW2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 702H and Rope State Com 802H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24900 is attached as **Exhibit A-22**.

88. Attached as **Exhibit A-22-a** are the draft C-102s for the wells proposed in Case No. 24900. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.

89. Attached as **Exhibit A-22-b** is a lease tract map for Case No. 24900. This map shows the ownership breakdown and again confirms that FME3 has higher working interest



ownership and higher working interest control than MRC. FME3 has 70.62% working interest control. MRC only has 29.37% working interest.

90. Attached as **Exhibit A-22-c** are the Authorizations for Expenditure (“AFEs”) for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

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

92. **Exhibit A-22-d** is a list of the parties to be pooled in Case 24900.

93. **Exhibit A-22-e** is a summary of FME3’s communications with working interest owners, including MRC.

**CASE NO. 24901 SPECIFIC TESTIMONY AND EXHIBITS**

94. Below is a brief description of the facts and exhibits for Case No. 24901.

95. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 320.00-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2E/2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 704H and Rope State Com 804H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24901 is attached as **Exhibit A-23**.

96. Attached as **Exhibit A-23-a** are the draft C-102s for the wells proposed in Case No. 24901. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.

97. Attached as **Exhibit A-23-b** is a lease tract map for Case No. 24901. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 70.62% working interest control. MRC only has 29.37% working interest.

98. Attached as **Exhibit A-23-c** are the Authorizations for Expenditure (“AFEs”) for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

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

100. **Exhibit A-23-d** is a list of the parties to be pooled in Case 24901.

101. **Exhibit A-23-e** is a summary of FME3’s communications with working interest owners, including MRC.

**ADDITIONAL TESTIMONY AND EXHIBITS APPLICABLE TO ALL CASES**

102. FME3 requests overhead and administrative rates of \$9,000/month during drilling and \$900/month while producing. 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 and consistent with the rates awarded by the Division in recent compulsory pooling orders. FME3 requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

103. FME3 requests the maximum cost plus 200% risk charge be assessed against non-consenting pooled working interest owners.

104. FME3 requests that it be designated operator of the wells.

105. FME3 requests that overriding royalty interest owners be pooled.

106. To the extent necessary, FME3 requests approval of overlapping spacing units.

107. I provided Modrall with the names and addresses of uncommitted interest owners and overriding royalty interests owners of record in the Rope units. I also contacted Mack Energy

Corporation, operator of certain existing vertical wells in Section 18, regarding FME3's application in Case No. 24459 and Mack Energy Corporation does not object to FME3's overlapping spacing unit application. I reviewed publicly available records and did not find any well bore assignments related to any of the existing wells/spacing units that FME3's Bone Spring applications propose to overlap.

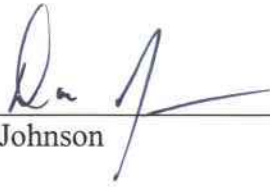
108. Based upon my knowledge of the land matters involved in these cases, education and training, it is my expert opinion that FME3's development plan will protect correlative rights and prevent waste.

109. The attachments to my Self-Affirmed Statement were prepared by me or compiled from company business records.

110. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is true, correct, and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

*[Signature page follows]*

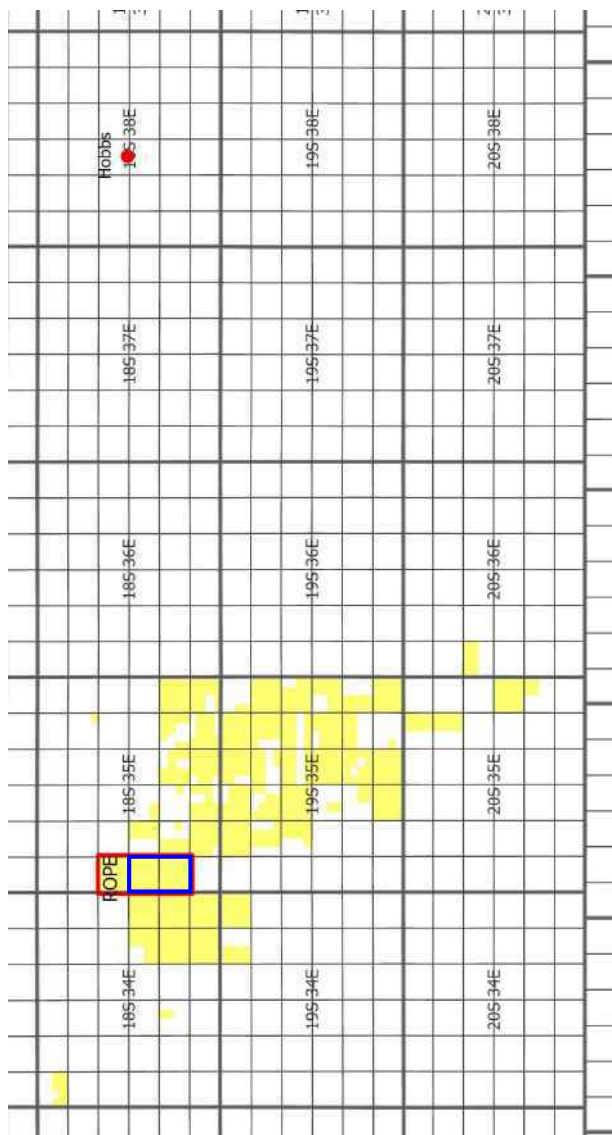
Dated: Nov 13<sup>th</sup>, 2024

  
\_\_\_\_\_  
Don Johnson



Location Map – Lea County, NM

- Rope Bone Spring Development Area
- Rope Wolfcamp Development Area



**Bone Spring Spacing**

T18S-R35E

Section 18: All

Section 19: All

Section 30: All

Containing 1899.56 Acres

**Wolfcamp Spacing**

T18S-R35E

Section 19: All

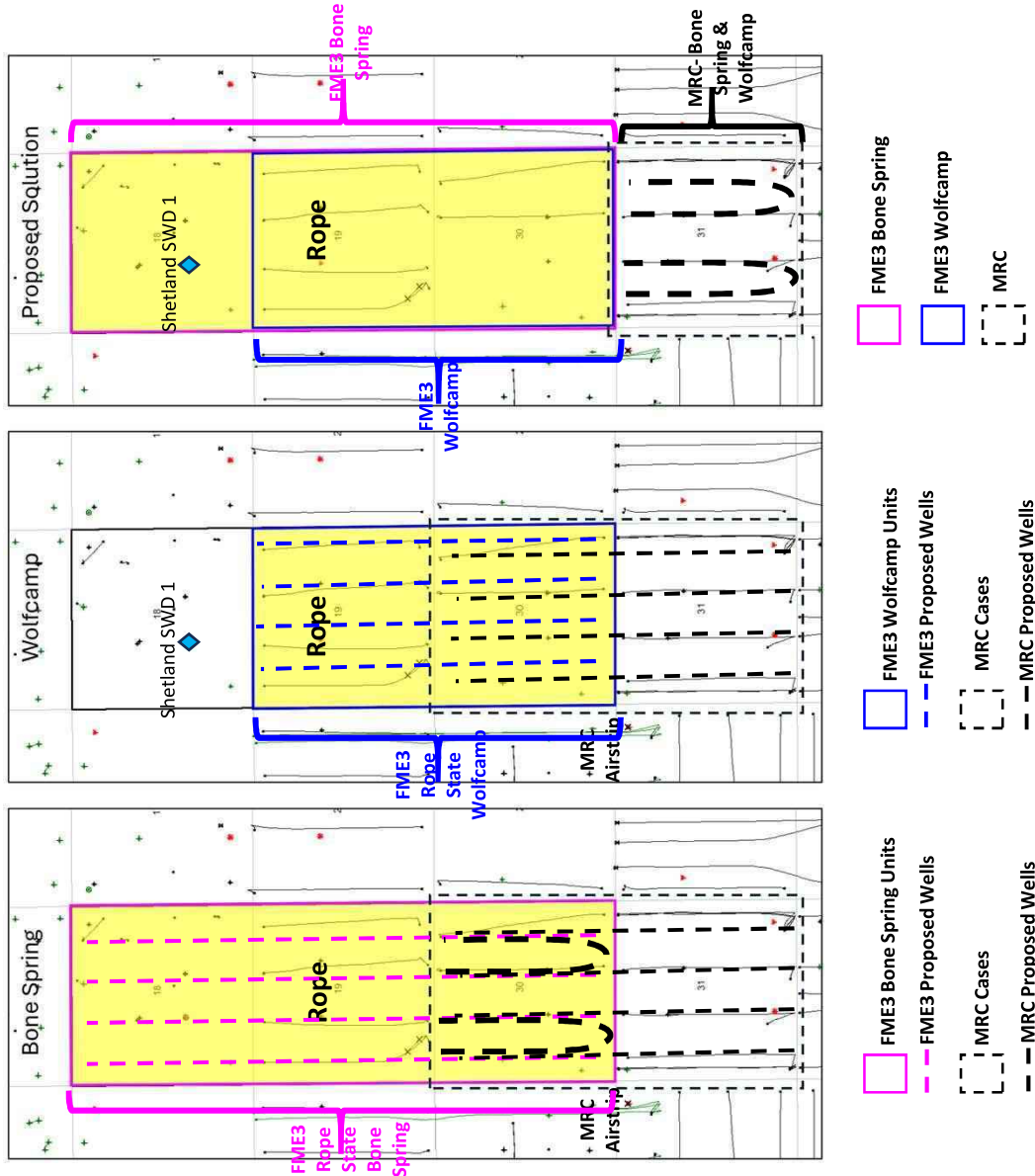
Section 30: All

Containing 1266.92 Acres

**EXHIBIT A-3**



# FME3 vs MRC-Contested Pooling Overview



- FME3 has majority interest in the Bone Spring across the proposed 3-mile Rope unit (Sections 18, 19 & 30)
  - FME3 Proposes to drill 3-mile wells in the First Bone Spring and Third Bone Spring Sands
- FME3 has majority interest in the Wolfcamp across the proposed 2-mile unit (Sections 19 & 30)
  - FME3 proposes to drill 2-mile horizontal wells in the Wolfcamp A and Wolfcamp B
  - FME3 views section 18 Wolfcamp as risky due to 1.18 million barrels of injected fluids into the zones in the upper and lower parts of the Wolfcamp in Shetland SWD 1 in the NE1/4 of the SW1/4
- FME3's proposal simplifies development and reduces surface disturbance.
  - MRC retains ownership of section 31 (Bone Spring and Wolfcamp).
  - As an industry leader in U-Turn wells, MRC will have an excellent opportunity to deploy this technology in section 31

**EXHIBIT A-4**

\*Well sticks are representative only and do not include all wells and locations



## Comparison of Operator’s Development Plans – FME3 vs. MRC

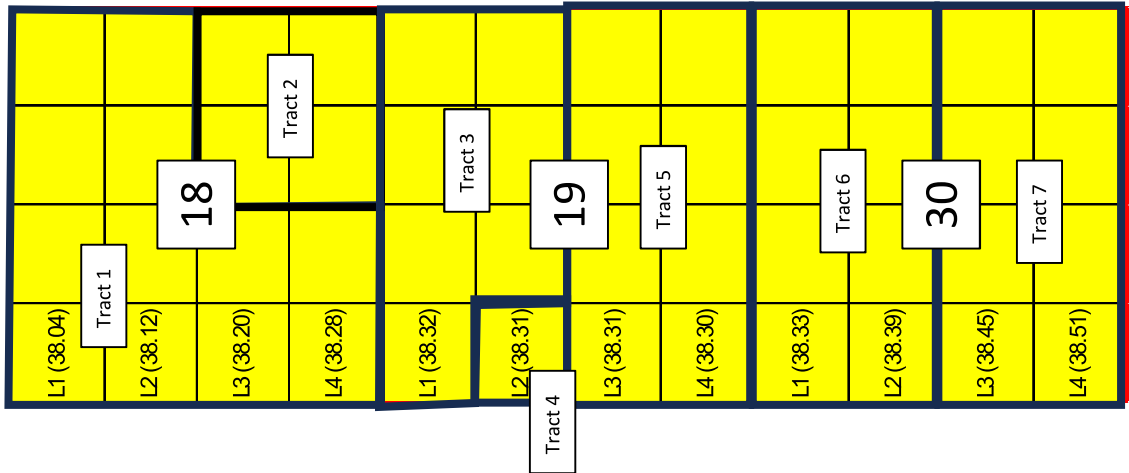
Factor	FME3	MRC	Comments
Working Interest Control	✓	✗	<ul style="list-style-type: none"> <li>FME3 has highest working interest in its proposed Rope Units.</li> <li>FME3 has ownership across 100% of the Rope wellbore paths.</li> </ul>
Risk	✓	✗	<ul style="list-style-type: none"> <li>FME3’s plan is vetted, thorough, and proven.</li> <li>Based on seismic, other review.</li> <li>FME3 avoided section 18 Wolfcamp due to 1.18 million barrels of injected fluids into upper and lower parts of the Wolfcamp in Shetland SWD 1 in the NE1/4 of the SW1/4</li> </ul>
Surface Factor	✓	✗	<ul style="list-style-type: none"> <li>FME3’s development plan and demonstrated pace of development proves we plan to timely drill these assets.</li> <li>FME3 can develop the Rope development area with minimal surface impacts.</li> <li>FME3 has received or submitted permits necessary to commence drilling and third-party contracts in place demonstrating readiness.</li> <li>Rope State Com wells are on FME3’s plan to develop in early 2025 to meet leasehold expirations.</li> <li>FME3 has ~77,000 acres under executed Surface Use Agreements in the area.</li> </ul>
Prudent Operator/Prevent Waste	✓	✗	<ul style="list-style-type: none"> <li>FME3 has existing operations in the area.</li> <li>FME3 has been active in this area since 2022 whereas MRC hasn’t been since 2019.</li> <li>FME3’s plan is part of a holistic development in this area, is efficient, thoughtful and reduces overall footprint and disturbance.</li> </ul>
Infrastructure	✓	✗	<ul style="list-style-type: none"> <li>FME3 has solved for gas and water constraints to support larger developments.</li> <li>FME3 has invested significant capital on infrastructure to ensure gas and water are on pipe.</li> <li>FME3 has invested significant capital on power infrastructure and is ready for larger developments.</li> </ul>
Geologic/Reservoir Evidence	✓	✗	<ul style="list-style-type: none"> <li>FME3’s (4) Wolfcamp A wells will add reserves MRC’s development will leave behind</li> <li>FME3’s well placement and density is proven.</li> <li>3-mile Bone Spring wells are more economical and will add upwards of 400,000 barrels of oil per well as compared to MRC’s development plan</li> </ul>
Cost Estimates	✓	✗	<ul style="list-style-type: none"> <li>FME3’s cost estimates are lower than MRC’s.</li> </ul>

**EXHIBIT A-5**



# Ownership Comparison Table – Bone Spring Overview

## FME3 WI



## Bone Spring Ownership

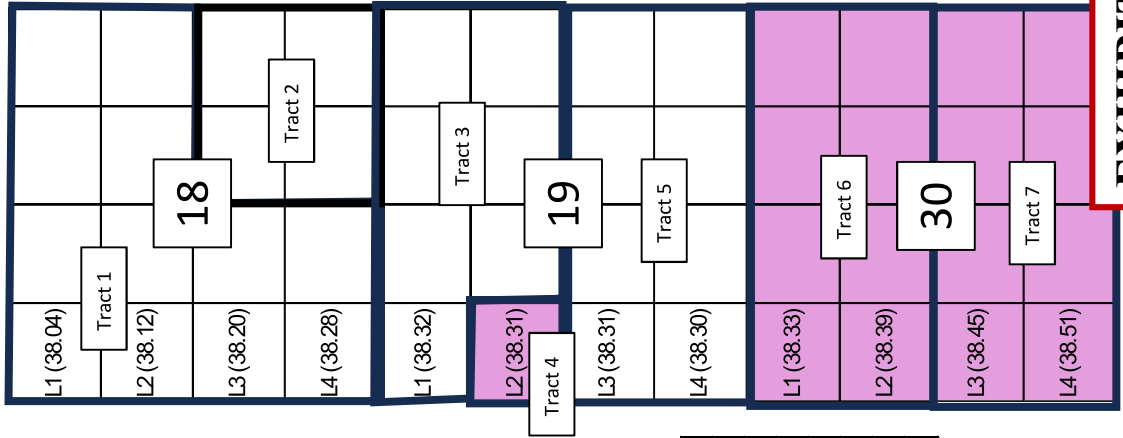
<b>FME3 Total Interest in Rope Units</b>	52.5974%
<b>Total Interest</b>	

<b>MRC Total Interest in Rope Units</b>	21.6408%
<b>Total Interest</b>	

FME3 Ownership	
Tract 1	25.00%
Tract 2	25.00%
Tract 3	100.00%
Tract 4	1.25%
Tract 5	100.00%
Tract 6	40.00%
Tract 7	37.50%

MRC Ownership	
Tract 1	0%
Tract 2	0%
Tract 3	0%
Tract 4	98.75%
Tract 5	0%
Tract 6	60%
Tract 7	57.50%

## MRC WI



**EXHIBIT A-6**





# Case Ownership Comparison

## Bone Spring Cases

Case No.	Formation	Unit Description	FME Working Interest Control	MFC Working Interest
24457	Bone Spring	W/2W/2 of Sections 18, 19 & 30-T18S-R35E	71.29%	28.72%
24459	Bone Spring	E/2 of Sections 18, 19 & 30-T18S-R35E	79.58%	20.42%
24479	Bone Spring	E/2W/2 of Sections 18, 19 & 30-T18S-R35E	79.58%	20.42%

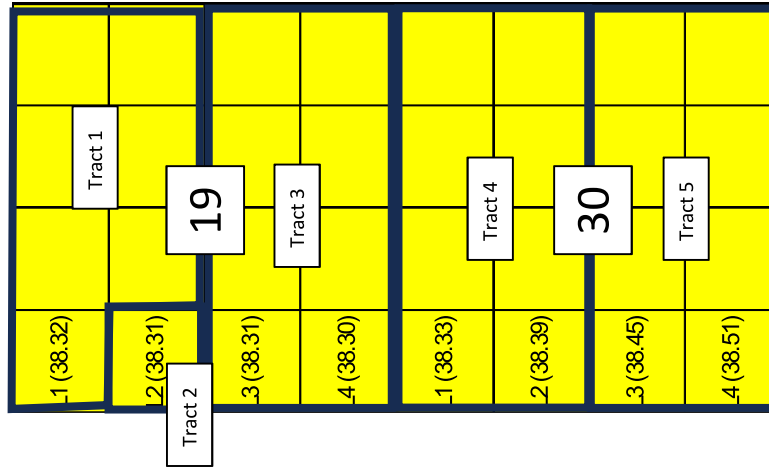
\*includes supporting interests

EXHIBIT A-7

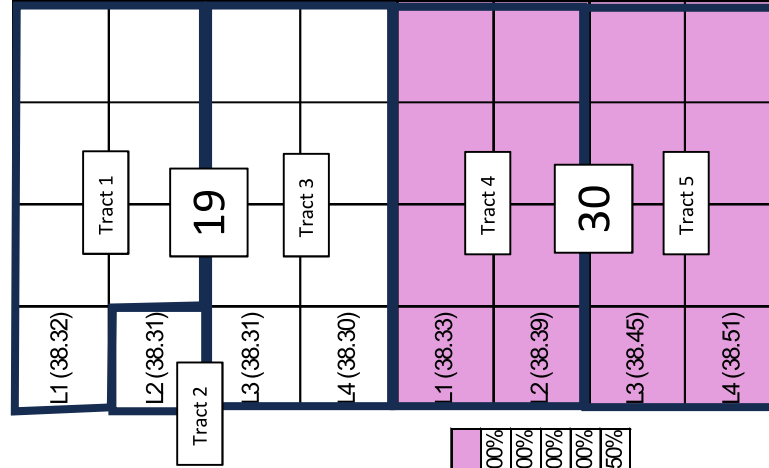


# Ownership Comparison Table – Wolfcamp Overview

## FME3 WI



## MRC WI



## Wolfcamp Ownership

<b>FME3 Total Interest in Rope Units</b>	
Total Interest	66.3783%

<b>MRC Total Interest in Rope Units</b>	
Total Interest	29.4612%

FME3 Ownership	
Tract 1	100.00%
Tract 2	1.25%
Tract 3	100.00%
Tract 4	40.00%
Tract 5	37.50%

MRC Ownership	
Tract 1	0.00%
Tract 2	0.00%
Tract 3	0.00%
Tract 4	60.00%
Tract 5	57.50%

**EXHIBIT A-8**



# Wolfcamp Case Ownership Comparison

## Wolfcamp Cases

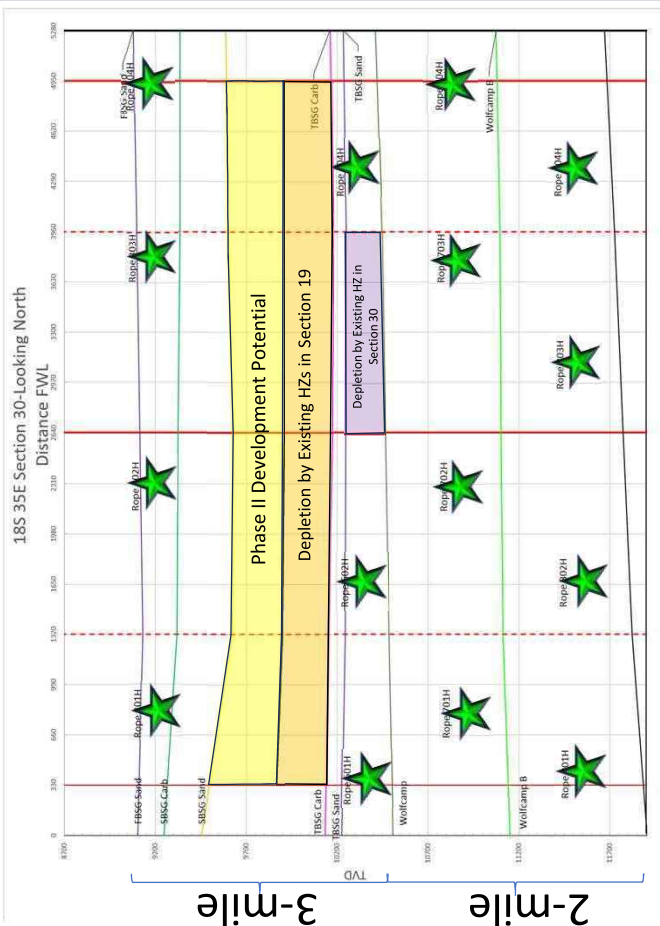
Case No.	Formation	Unit Description	FME Working Interest Control	MFC Working Interest
24898	Wolfcamp	W/2E/2 of Sections 19 & 30-T18S-R35E	69.38%	30.62%
24899	Wolfcamp	W/2W/2 of Sections 19 & 30-T18S-R35E	66.37%	33.63%
24900	Wolfcamp	E/2W/2 of Sections 19 & 30-T18S-R35E	69.38%	30.62%
24901	Wolfcamp	E/2E/2 of Sections 19 & 30-T18S-R35E	69.38%	30.62%

\*includes supporting interests



# Development Comparison: FME3's Development Plan Is Superior

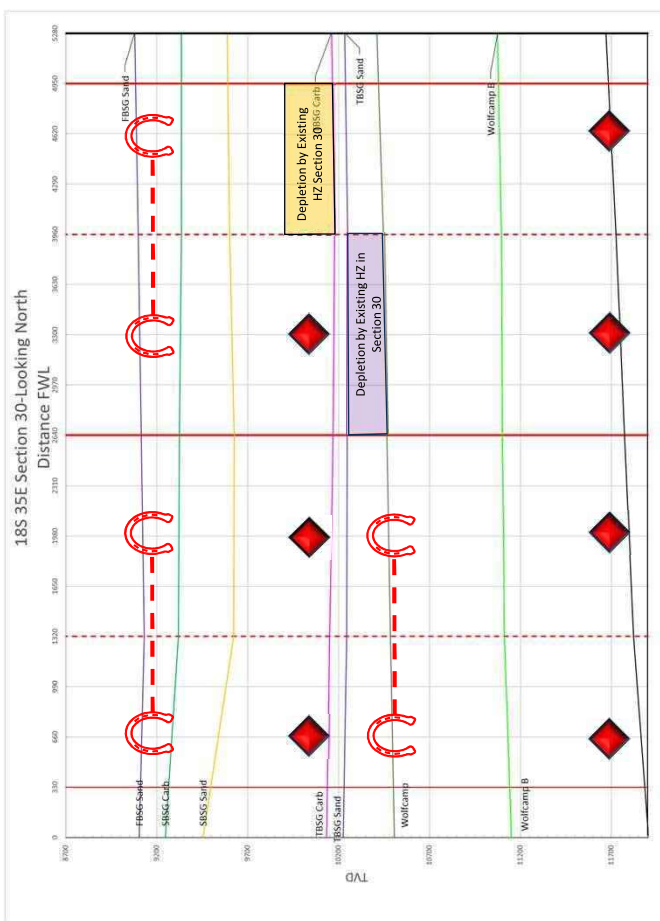
## FME3 Rope Unit (Sections 19 and 30)



★ Rope-Well Proposals

- Rope is part of FME3's comprehensive development of proven geologic targets
- FME3 is targeting the 1<sup>st</sup> Bone Spring, 3<sup>rd</sup> Bone Spring, Wolfcamp A and Wolfcamp B formations
- Second Bone Spring Sand wells are potentially part of Phase II development

## MRC-Airstrip Wells (Section 30)



◆ Airstrip 2-mile Proposals (North to South, sec 30/31)

🐎 Airstrip U-Turn (Sec 30)

- MRC Stacking Lower 2<sup>nd</sup> and 3<sup>rd</sup> Bone
- MRC Permian is not targeting Wolfcamp A

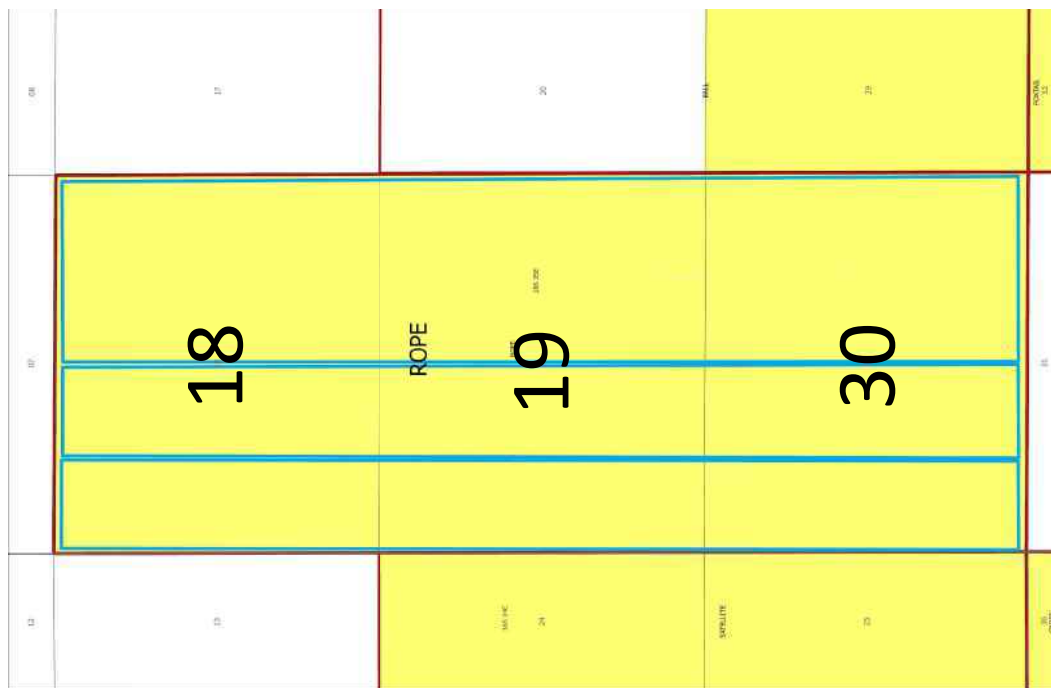
**EXHIBIT A-10**



# Rope State Com Unit Case Overview

## T18S-R35E Sec. 18, 19 & 30: ALL – 1899.56 acres

- **Case No. 24457-** T18S-R35E Sec. 18, 19 & 30: W2W2 480.00 acres
  - Bone Spring
  - Rope State Com 301H
  - Rope State Com 601H
- **Case No. 24479-** T18S-R35E Sec. 18, 19 & 30: E2W2 480.00 acres
  - Bone Spring
  - Rope State Com 302H
  - Rope State Com 602H
- **Case No. 24459-** T18S-R35E Sec. 18, 19 & 30: E2 960.00 acres
  - Bone Spring
  - Rope State Com 303H
  - Rope State Com 304H
  - Rope State Com 604H



 FME3's Interest  
 Bone Spring Spacing Units

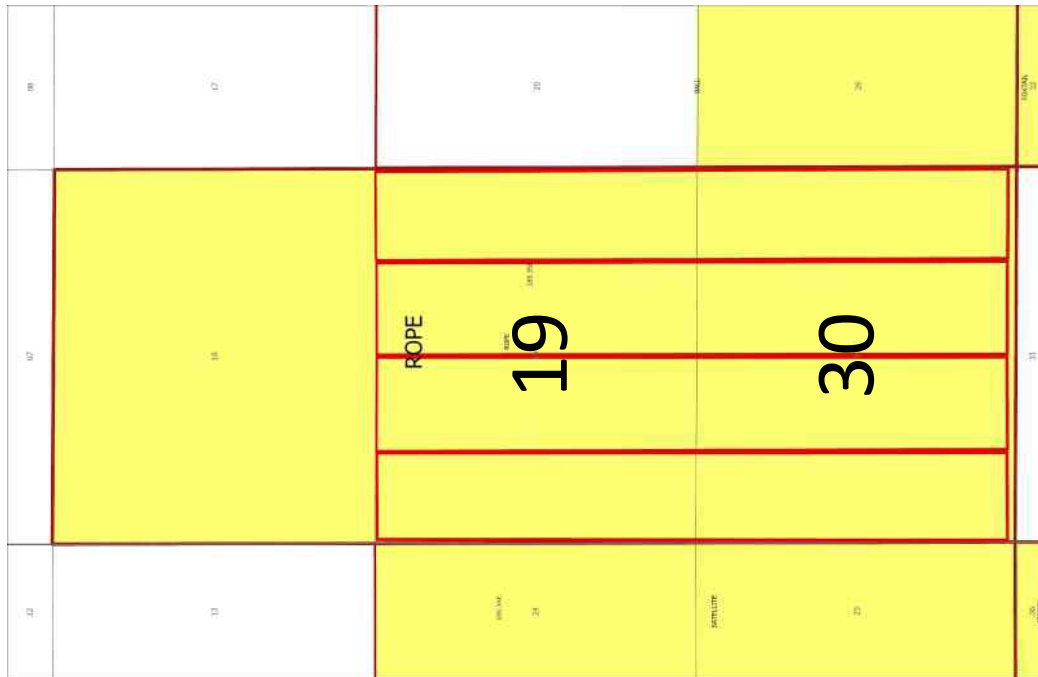
**EXHIBIT A-11**





# Rope State Com Unit Case Overview

## T18S-R35E Sec. 19 & 30: ALL – 1266.92 acres

- **Case No. 24899-** T18S-R35E Sec. 19 & 30: W2W2 306.92 acres
  - Wolfcamp
  - Rope State Com 701H
  - Rope State Com 801H
- **Case No. 24900-** T18S-R35E Sec. 19 & 30: E2W2 320.00 acres
  - Wolfcamp
  - Rope State Com 702H
  - Rope State Com 802H
- **Case No. 24898-** T18S-R35E Sec. 19 & 30: W2E2 320.00 acres
  - Wolfcamp
  - Rope State Com 703H
  - Rope State Com 803H
- **Case No. 24901-** T18S-R35E Sec. 19 & 30: E2E2 320.00 acres
  - Wolfcamp
  - Rope State Com 704H
  - Rope State Com 804H



 FME3's Interest  
 Wolfcamp Spacing Units

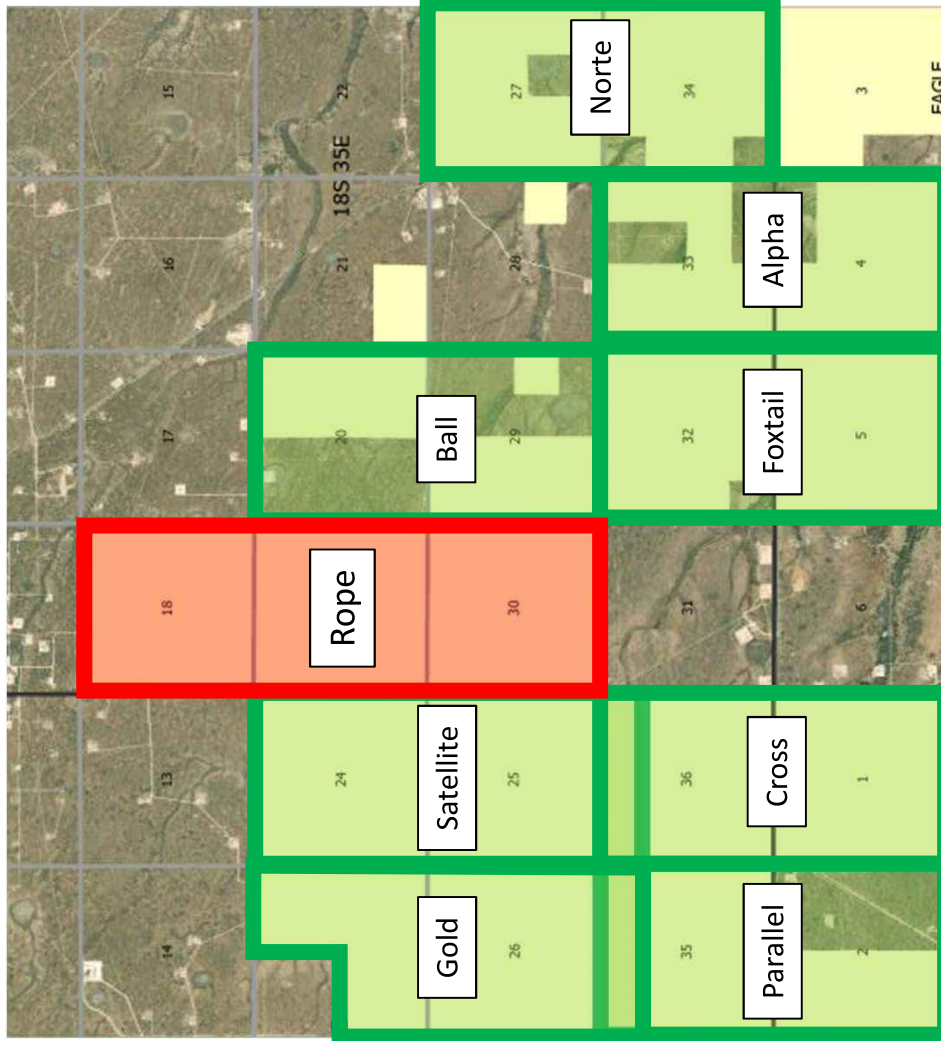
**EXHIBIT A-12**



# FME3's Approved Pooling Orders

- Gold
- R-23475
- R-23472
- R-23474
- R-23473
- R-22971
- R-22970
- Satellite
- R-22963
- R-22964
- R-22967
- R-22968
- Parallel
- R-23467
- R-23471
- R-23466
- R-23470
- R-23465
- R-23468
- R-23476
- R-23469
- Cross
- R-23176
- R-23177
- R-23178
- R-23179
- R-23180
- R-23181
- R-23182
- R-23183

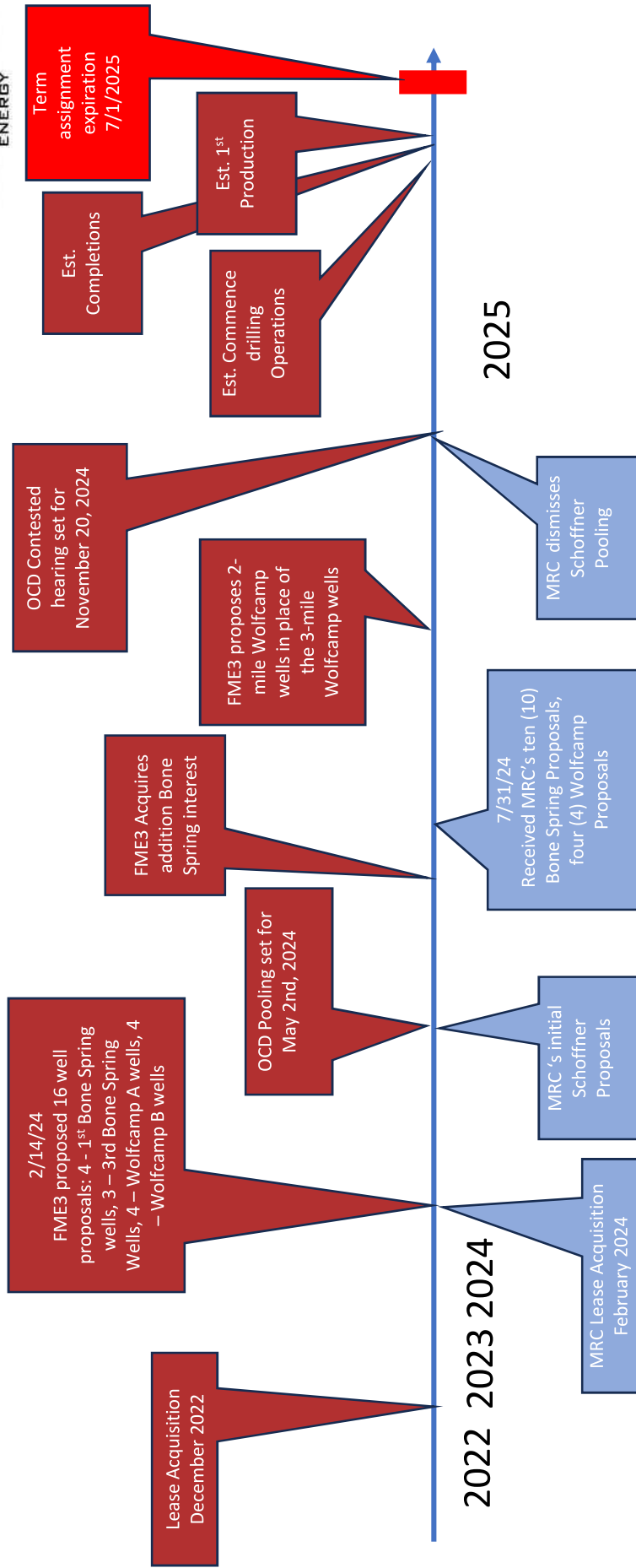
- Ball
- R-23346
- R-24205
- R-23348
- R-23344
- R-23343
- R-23349
- R-23350
- Foxtail
- R-24661
- R-24662
- R-24663
- R-24664
- R-24665
- R-24666
- Alpha
- R-23109
- R-23110
- R-23111
- R-23112
- R-23113
- R-23114
- R-23137
- R-22988
- Norte
- R-23499
- R-23500
- R-23506
- R-24454
- R-23419
- R-23418
- R-23242



**EXHIBIT A-13**



# FME3's Timeline of Rope Development



- FME3's timeline from lease acquisitions, to initiated development plans, to commencing drilling operations, to 1<sup>st</sup> production in the Rope State Unit is estimated at ~28 months
- December 2022: Closes on its initial transactions in Northern Lea County, establishing its position in the Rope Development Area
- February 2024: FME3 sends out fifteen (15) Rope 3-mile well proposals
- February 2024: MRC acquires interest in Rope Unit
- May 2024: FME3's Rope unit on the May docket for hearing by affidavit
- May 2024: MRC Proposes Initial Schoffner State Com Wells

- June 2024: FME3 acquires additional interest in Rope Unit through a lease acquisition-Declined to acquire Wolfcamp due to SWD depletion
- July 2024: FME3 receives MRC's proposal to rescind initial Schoffner wells and repropose ten (10) Airstrip State Com Wells and four (4) new Schoffner State Com wells
- August 2024: FME3 changes the 3-mile Wolfcamp Rope State Com wells to become 2-mile Wolfcamp wells and proposes eight (8) 2-mile Wolfcamp Rope State Com wells.
- FME negotiated a 6-month term assignment extension, pushing expiration to 7/1/2025
- November 20<sup>th</sup>, 2024: Contested Hearing
- June 30<sup>th</sup>, 2025: FME3 has a term assignment expiration, a well has to be on production by June 30, 2025

**EXHIBIT A-14**



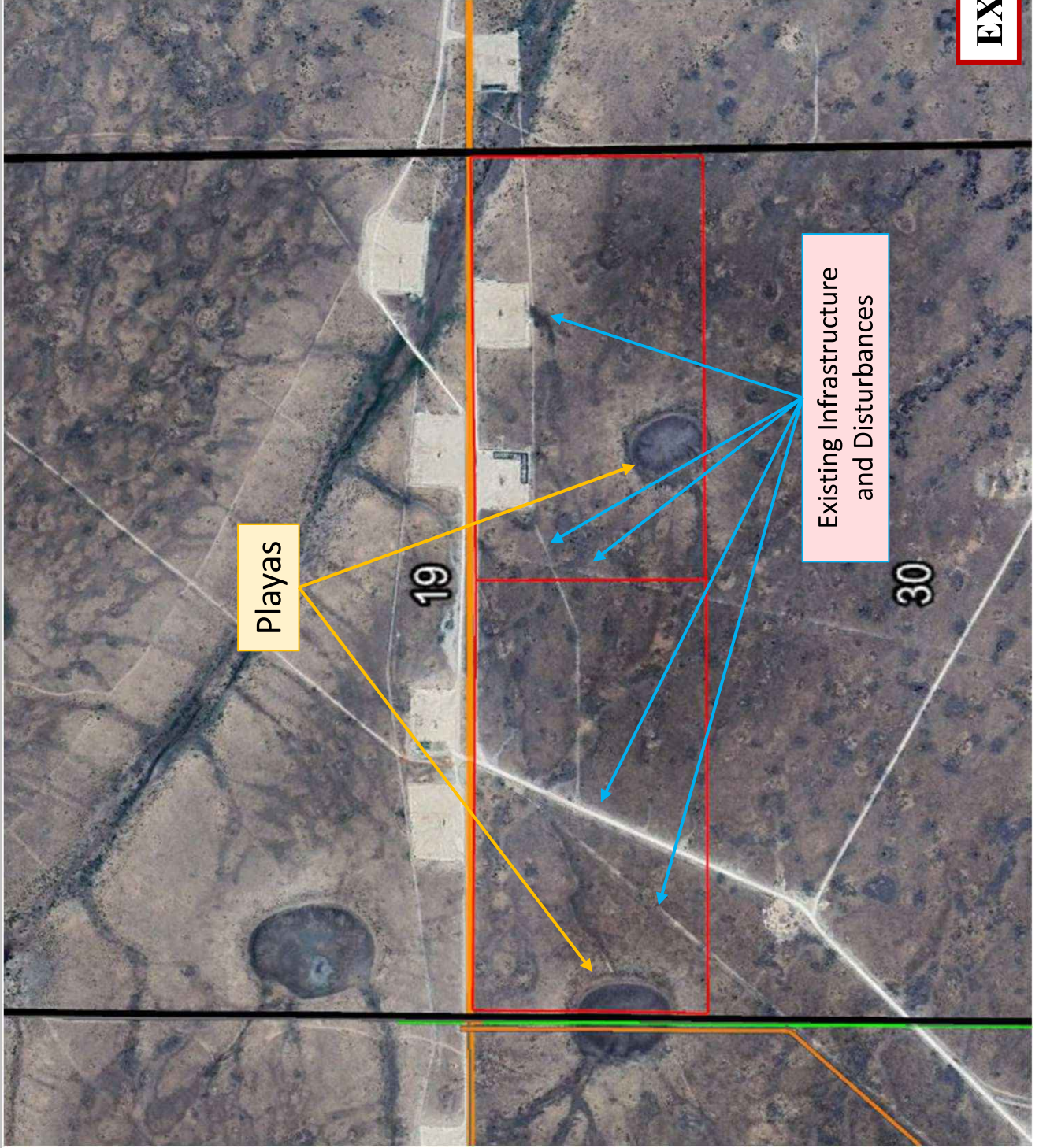


Proposed  
MRC  
Locations

—

**EXHIBIT A-15**

Surface Restrictions N2 Sec 30





Sent via USPS: 9405536105536362543425

February 14, 2023

Continental Land Resources, LLC  
 P.O. Box 2170  
 Edmond, OK 73083  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 18 South, Range 35 East  
 Section 18: Lots 1-4, ada W/2W/2  
 Township 18 South, Range 35 East  
 Section 19: Lots 1-4, ada W/2W/2  
 Township 18 South, Range 35 East  
 Section 30: Lots 1-4, ada W/2W/2  
 Bone Spring Formation  
 Lea County, New Mexico  
 459.56 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
Rope State Com 301H	1BS	9,192’	24,192’	Sec 30-T18S-R35E 270 FSL 925 FWL	Sec 18-T18S-R35E 100 FNL 800 FWL	\$13,363,570.93	N/A
Rope State Com 601H	3BS	10,346’	25,346’	Sec 30-T18S-R35E 270 FSL 835 FWL	Sec 18-T18S-R35E 100 FNL 360 FWL	\$14,500,308.95	N/A

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



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

- 100/300% Non-Consenting Penalty
- \$9,000/\$900 Drilling and Producing Rate
- 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 [jrutledge@fmllc.com](mailto:jrutledge@fmllc.com) or to the address provided below at your earliest convenience.

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

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC



Jon Rutledge  
Landman



**Rope State Com 301H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 301H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 301H** well.

**Rope State Com 601H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 601H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 601H** well.

Owner: Continental Land Resources, LLC

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





Sent via USPS: 9405536105536362544125

February 14, 2023

Axis Energy Corporation  
 121 W 3rd Street  
 Roswell, NM 88201  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 18 South, Range 35 East  
 Section 18: E2  
 Township 18 South, Range 35 East  
 Section 19: E2  
 Township 18 South, Range 35 East  
 Section 30: E2  
 Bone Spring Formation  
 Lea County, New Mexico  
 960.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 303H	1BS	9,162’	24,162’	Sec 30-T18S-R35E 260 FSL 1190 FEL	Sec 18-T18S-R35E 100 FNL 1490 FEL	\$13,363,570.93	N/A
Rope State Com 304H	1BS	9,033’	24,033’	Sec 30-T18S-R35E 260 FSL 1070 FEL	Sec 18-T18S-R35E 100 FNL 360 FEL	\$13,363,570.93	N/A
Rope State Com 604H	3BS	10,306’	25,306’	Sec 30-T18S-R35E 260 FSL 1130 FEL	Sec 18-T18S-R35E 100 FNL 925 FEL	\$14,500,308.95	N/A



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

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

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- \$9,000/\$900 Drilling and Producing Rate
- Franklin Mountain Energy 3, LLC designated as Operator

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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



Jon Rutledge  
Landman



**Rope State Com 303H:**

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

**Rope State Com 304H:**

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

**Rope State Com 604H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 604H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 604H** well.

Owner: Axis Energy Corporation

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Sent via USPS: 9405536105536362544125

February 14, 2023

Axis Energy Corporation  
 121 W 3rd Street  
 Roswell, NM 88201  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 18 South, Range 35 East  
 Section 18: E2W2  
 Township 18 South, Range 35 East  
 Section 19: E2W2  
 Township 18 South, Range 35 East  
 Section 30: E2W2  
 Bone Spring Formation  
 Lea County, New Mexico  
 480.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 302H	1BS	9,177’	24,177’	Sec 30-T18S-R35E 260 FSL 2490 FEL	Sec 18-T18S-R35E 100 FNL 2290 FWL	\$13,363,570.93	N/A
Rope State Com 602H	3BS	10,333’	25,333’	Sec 30-T18S-R35E 270 FSL 865 FWL	Sec 18-T18S-R35E 100 FNL 1660 FWL	\$14,500,308.95	N/A

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





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

- 100/300% Non-Consenting Penalty
- \$9,000/\$900 Drilling and Producing Rate
- Franklin Mountain Energy 3, LLC designated as Operator

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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



Jon Rutledge  
Landman



**Rope State Com 302H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 302H** well.  
\_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 302H** well.

**Rope State Com 602H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 602H** well.  
\_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 602H** well.

Owner: Axis Energy Corporation

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company  
 5400 Lyndon B Johnson Fwy, Ste 1500  
 Dallas, TX 75240  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 18 South, Range 35 East  
 Section 19: W2E2  
 Township 18 South, Range 35 East  
 Section 30: W2E2  
 Wolfcamp Formation  
 Lea County, New Mexico  
 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 703H	WCA	10,862’	20,862’	Sec 30-T18S-R35E 338 FSL 1163 FEL	Sec 19-T18S-R35E 100 FNL 1490 FEL	\$10,156,345.50	N/A
Rope State Com 803H	WCB	11,519’	21,519’	Sec 30-T18S-R35E 335 FSL 2433 FEL	Sec 19-T18S-R35E 100 FNL 2190 FEL	\$11,177,707.62	N/A

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

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



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- \$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.

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Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC



Jon Rutledge  
Landman



**Rope State Com 703H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 703H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 703H** well.

**Rope State Com 803H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 803H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 803H** well.

Owner: MRC Permian Company

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company  
 5400 Lyndon B Johnson Fwy, Ste 1500  
 Dallas, TX 75240  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 18 South, Range 35 East  
 Section 19: W2W2  
 Township 18 South, Range 35 East  
 Section 30: W2W2  
 Wolfcamp Formation  
 Lea County, New Mexico  
 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 701H	WCA	10,892'	20,892'	Sec 30-T18S-R35E 330 FSL 1008 FWL	Sec 19-T18S-R35E 100 FNL 800 FWL	\$10,156,345.50	N/A
Rope State Com 801H	WCB	11,546'	21,546'	Sec 30-T18S-R35E 330 FSL 918 FWL	Sec 19-T18S-R35E 100 FNL 400 FWL	\$11,177,707.62	N/A

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



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- Franklin Mountain Energy 3, LLC designated as Operator

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Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC



Jon Rutledge  
Landman



**Rope State Com 701H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 701H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 701H** well.

**Rope State Com 801H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 801H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 801H** well.

Owner: MRC Permian Company

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company  
 5400 Lyndon B Johnson Fwy, Ste 1500  
 Dallas, TX 75240  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 18 South, Range 35 East  
 Section 19: E2W2  
 Township 18 South, Range 35 East  
 Section 30: E2W2  
 Wolfcamp Formation  
 Lea County, New Mexico  
 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 702H	WCA	10,877'	20,877'	Sec 30-T18S-R35E 335 FSL 2463 FEL	Sec 19-T18S-R35E 100 FNL 2290 FWL	\$10,156,345.50	N/A
Rope State Com 802H	WCB	11,533'	21,533'	Sec 30-T18S-R35E 330 FSL 1068 FWL	Sec 19-T18S-R35E 100 FNL 1660 FWL	\$11,177,707.62	N/A

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



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

- 100/300% Non-Consenting Penalty
- \$9,000/\$900 Drilling and Producing Rate
- 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 [jrutledge@fmllc.com](mailto:jrutledge@fmllc.com) or to the address provided below at your earliest convenience.

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

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC



Jon Rutledge  
Landman



**Rope State Com 702H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 702H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 702H** well.

**Rope State Com 802H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Rope State Com 802H** well.  
 \_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Rope State Com 802H** well.

Owner: MRC Permian Company

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company  
 5400 Lyndon B Johnson Fwy, Ste 1500  
 Dallas, TX 75240  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 18 South, Range 35 East  
 Section 19: E2E2  
 Township 18 South, Range 35 East  
 Section 30: E2E2  
 Wolfcamp Formation  
 Lea County, New Mexico  
 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 704H	WCA	10,733’	20,733’	Sec 30-T18S-R35E 338 FSL 1043 FEL	Sec 19-T18S-R35E 100 FNL 360 FEL	\$10,156,345.50	N/A
Rope State Com 804H	WCB	11,402’	21,402’	Sec 30-T18S-R35E 338 FSL 1103 FEL	Sec 19-T18S-R35E 100 FNL 925 FEL	\$11,177,707.62	N/A

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

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



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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 [jrutledge@fmellc.com](mailto:jrutledge@fmellc.com) or to the address provided below at your earliest convenience.

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

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC



Jon Rutledge  
Landman



**Rope State Com 704H:**

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

**Rope State Com 804H:**

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

Owner: MRC Permian Company

By: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

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

APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.

CASE NO. 24457

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 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. 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 wells thereon.
2. Franklin seeks to dedicate the spacing unit to the **Rope State Com 301H** and **Rope State Com 601H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18.
3. The producing area for the wells is expected to be orthodox.
4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of

EXHIBIT A-17

irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245).

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 and approving, to the extent necessary, the overlapping spacing 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 May 2, 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, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

B. Approving, to the extent necessary, the proposed overlapping spacing unit;

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

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

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

F. 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](mailto:edebrine@modrall.com)

[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)

[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24457 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the **Rope State Com 301H** and **Rope State Com 601H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245). 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 west of Hobbs, New Mexico.

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number 30-025-53336	Pool Code 97930	Pool Name WC-025 G-06 S83518A, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 301H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3951.8'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	978 WEST	32.712427°	-103.502075°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	18	18S	35E		100 NORTH	800 WEST	32.754877°	-103.502720°	LEA

Dedicated Acres 305.88	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers.	Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		51 SOUTH	798 WEST	32.711664°	-103.502660°	LEA

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		624 SOUTH	797 WEST	32.713238°	-103.502662°	LEA

Last Take Point (LTP)

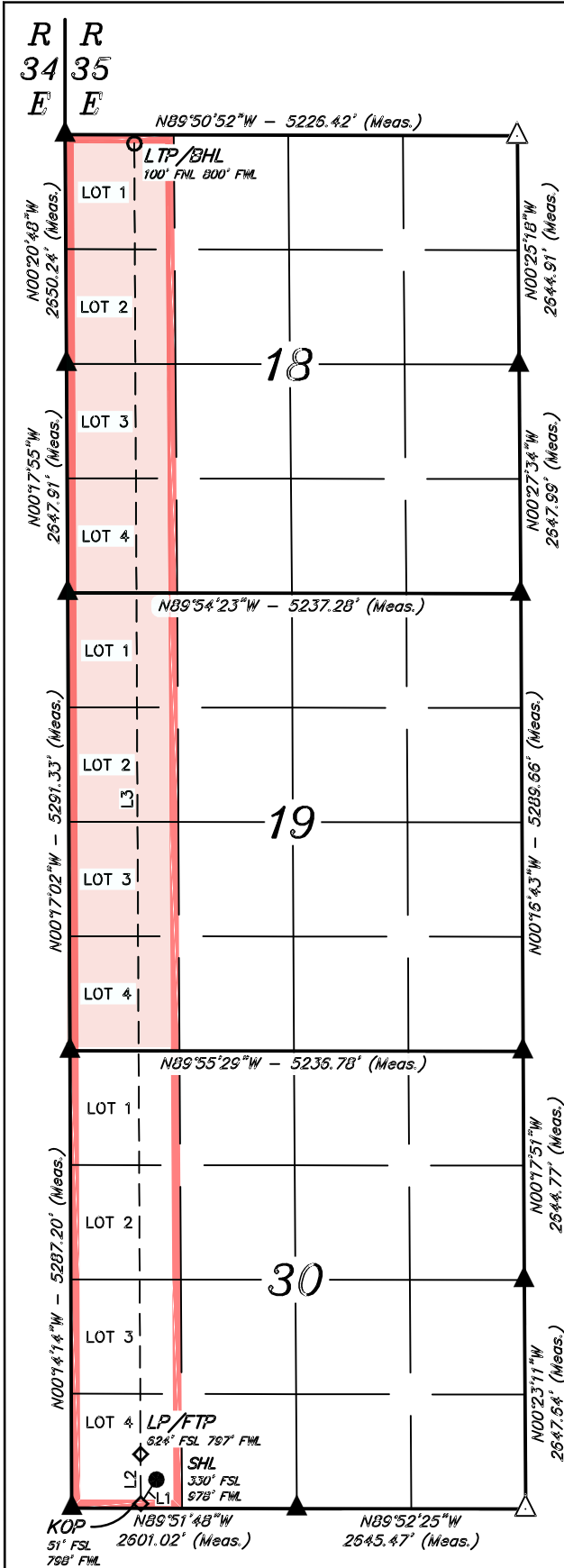
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	18	18S	35E		100 NORTH	800 WEST	32.754877°	-103.502720°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">9/6/2024</p> <p>Signature:  Date</p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmllc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: right;"> </div> <p>Signature and Seal of Professional Surveyor</p> <p>23782 February 20, 2024</p> <p>Certificate Number Date of Survey</p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*

Property Name ROPE STATE COM	Well Number 301H	Drawn By N.R. 02-21-24	Revised By REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)
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LINE	DIRECTION	LENGTH
L1	S32°43'17"W	330.99'
L2	N00°16'22"W	573.05'
L3	N00°16'22"W	15152.29'

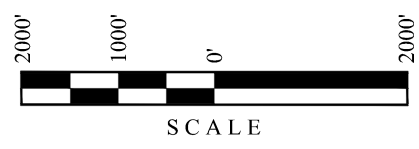
<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.74" (32.712427°)
LONGITUDE = -103°30'07.47" (-103.502075°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.29" (32.712303°)
LONGITUDE = -103°30'05.69" (-103.501582°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623914.68' E: 797008.96'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623850.29' E: 755829.27'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.99" (32.711664°)
LONGITUDE = -103°30'09.58" (-103.502660°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.54" (32.711539°)
LONGITUDE = -103°30'07.80" (-103.502166°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623635.51' E: 796831.26'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623571.13' E: 755651.56'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.66" (32.713238°)
LONGITUDE = -103°30'09.58" (-103.502662°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.21" (32.713114°)
LONGITUDE = -103°30'07.81" (-103.502169°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624208.44' E: 796826.10'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624144.04' E: 755646.41'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°45'17.56" (32.754877°)
LONGITUDE = -103°30'09.79" (-103.502720°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°45'17.11" (32.754753°)
LONGITUDE = -103°30'08.01" (-103.502225°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 639357.63' E: 796689.61'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 639292.75' E: 755510.35'

- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



**NOTE:**

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

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number 30-025-53336	Pool Code 960	Pool Name AIRSTRIP, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 301H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3951.8'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

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Dedicated Acres 153.68	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers.	Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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Last Take Point (LTP)

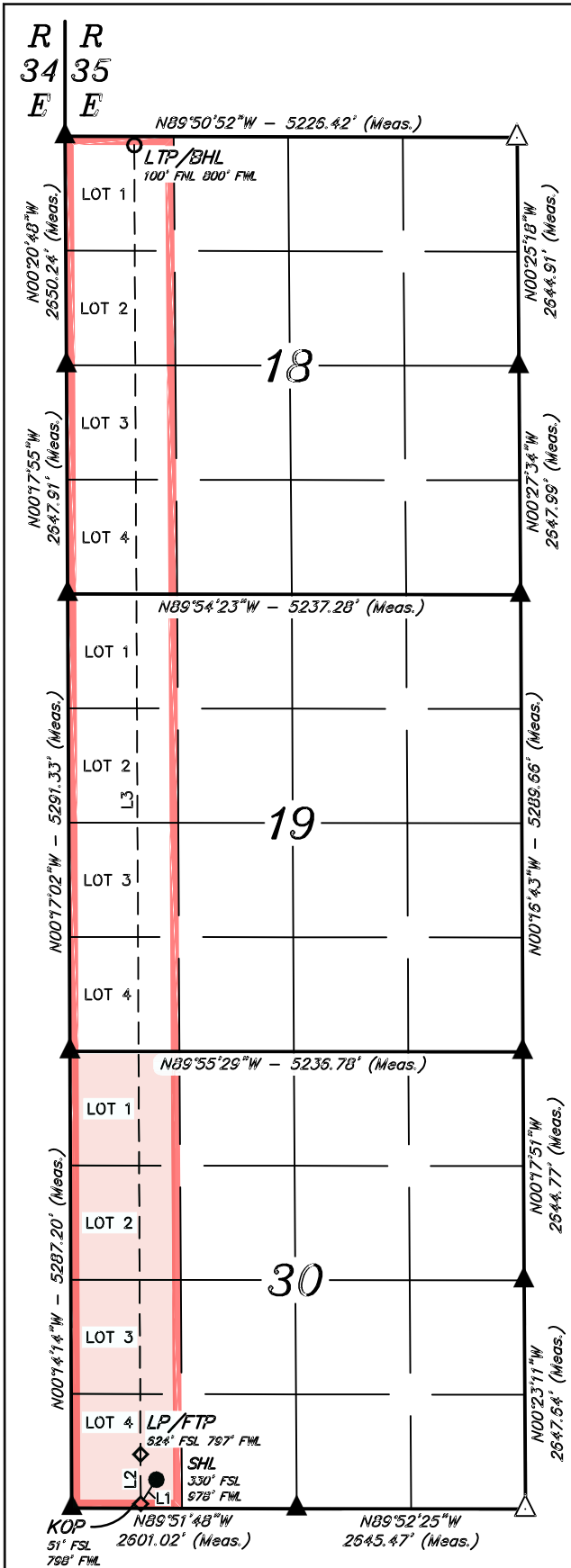
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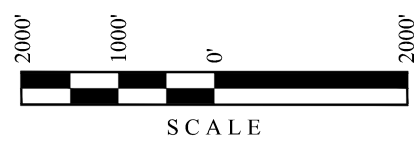
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N: 623850.29' E: 755829.27'

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<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623571.13' E: 755651.56'

<b>NAD 83 (LP/FTP)</b>
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<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.21" (32.713114°)
LONGITUDE = -103°30'07.81" (-103.502169°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624208.44' E: 796826.10'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624144.04' E: 755646.41'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°45'17.56" (32.754877°)
LONGITUDE = -103°30'09.79" (-103.502720°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°45'17.11" (32.754753°)
LONGITUDE = -103°30'08.01" (-103.502225°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 639357.63' E: 796689.61'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 639292.75' E: 755510.35'

- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



**NOTE:**

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

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number 30-025-53342	Pool Code 97930	Pool Name WC-025 G-06 S83518A, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 601H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3952.3'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	888 WEST	32.712428°	-103.502368°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	18	18S	35E		100 NORTH	360 WEST	32.754885°	-103.504151°	LEA

Dedicated Acres 305.88	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		55 SOUTH	330 WEST	32.711681°	-103.504179°	LEA

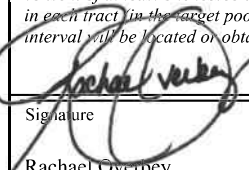
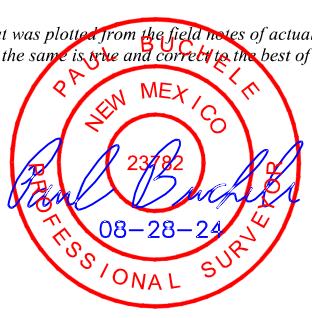
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		626 SOUTH	382 WEST	32.713250°	-103.504012°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	18	18S	35E		100 NORTH	360 WEST	32.754885°	-103.504151°	LEA

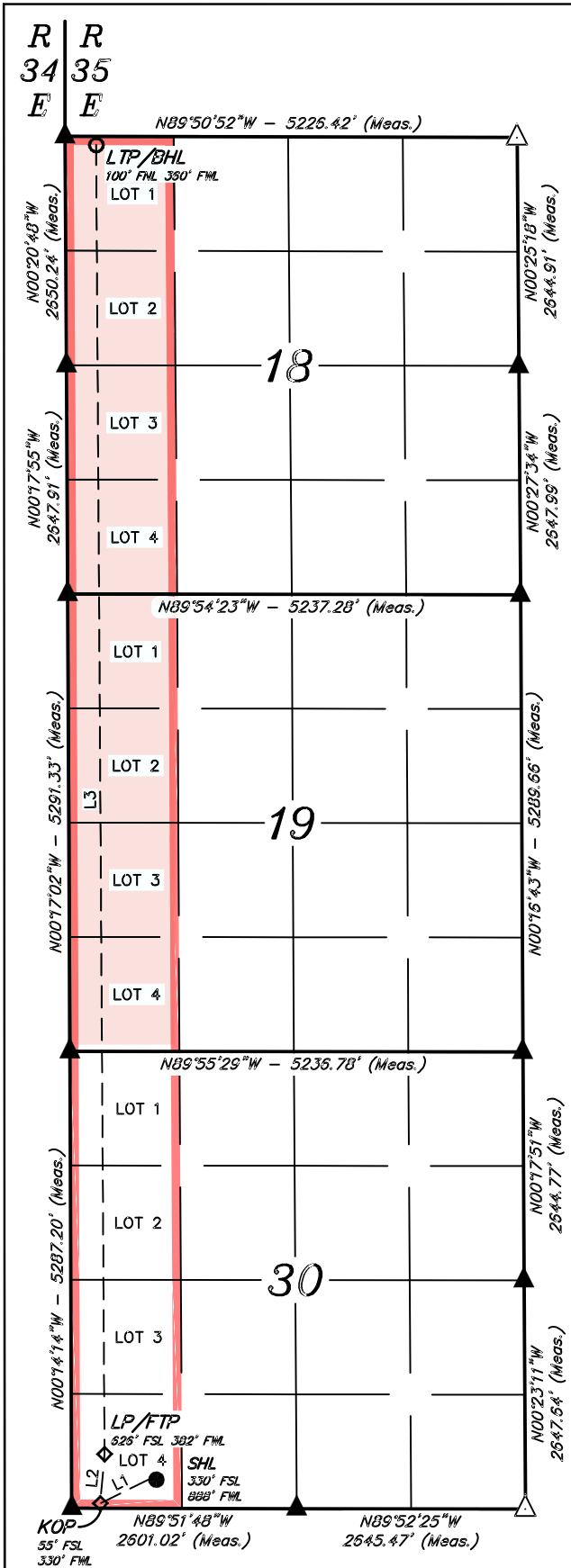
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">                   Signature Date                  9/6/2024                  Printed Name                  Rachael Overbey                  roverbey@fmllc.com                  Email Address             </p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: right;">  </div> <p style="text-align: right;">                 Signature and Seal of Professional Surveyor                  23782 February 20, 2024                  Certificate Number Date of Survey             </p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*



Property Name ROPE STATE COM	Well Number 601H	Drawn By N.R. 02-21-24	Revised By REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)
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LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S63°47'15\"W	620.02'
L2	N04°56'37\"E	573.05'
L3	N00°22'00\"W	15150.90'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.74\" (32.712428°)
LONGITUDE = -103°30'08.52\" (-103.502368°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.30\" (32.712304°)
LONGITUDE = -103°30'06.75\" (-103.501874°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623914.52' E: 796918.98'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623850.13' E: 755739.29'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'42.05\" (32.711681°)
LONGITUDE = -103°30'15.05\" (-103.504179°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.61\" (32.711557°)
LONGITUDE = -103°30'13.27\" (-103.503685°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623638.34' E: 796363.98'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623573.96' E: 755184.28'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.70\" (32.713250°)
LONGITUDE = -103°30'14.44\" (-103.504012°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.25\" (32.713126°)
LONGITUDE = -103°30'12.67\" (-103.503518°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624209.37' E: 796410.93'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624144.97' E: 755231.25'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°45'17.58\" (32.754885°)
LONGITUDE = -103°30'14.94\" (-103.504151°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°45'17.14\" (32.754761°)
LONGITUDE = -103°30'13.16\" (-103.503655°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 639356.93' E: 796249.67'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 639292.05' E: 755070.41'

- = SURFACE HOLE LOCATION
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**NOTE:**

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<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024						
		Submittal Type: <table style="margin-left: 20px;"> <tr> <td><input type="checkbox"/></td> <td>Initial Submittal</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>Amended Report</td> </tr> <tr> <td><input type="checkbox"/></td> <td>As Drilled</td> </tr> </table>	<input type="checkbox"/>	Initial Submittal	<input checked="" type="checkbox"/>	Amended Report	<input type="checkbox"/>	As Drilled
<input type="checkbox"/>	Initial Submittal							
<input checked="" type="checkbox"/>	Amended Report							
<input type="checkbox"/>	As Drilled							

**WELL LOCATION INFORMATION**

API Number 30-025-53342	Pool Code 960	Pool Name AIRSTRIP, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 601H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3952.3'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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Dedicated Acres 153.68	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

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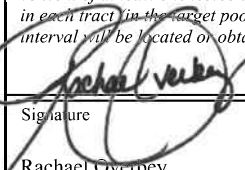
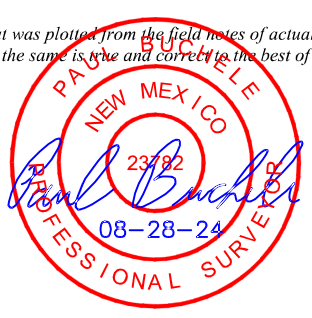
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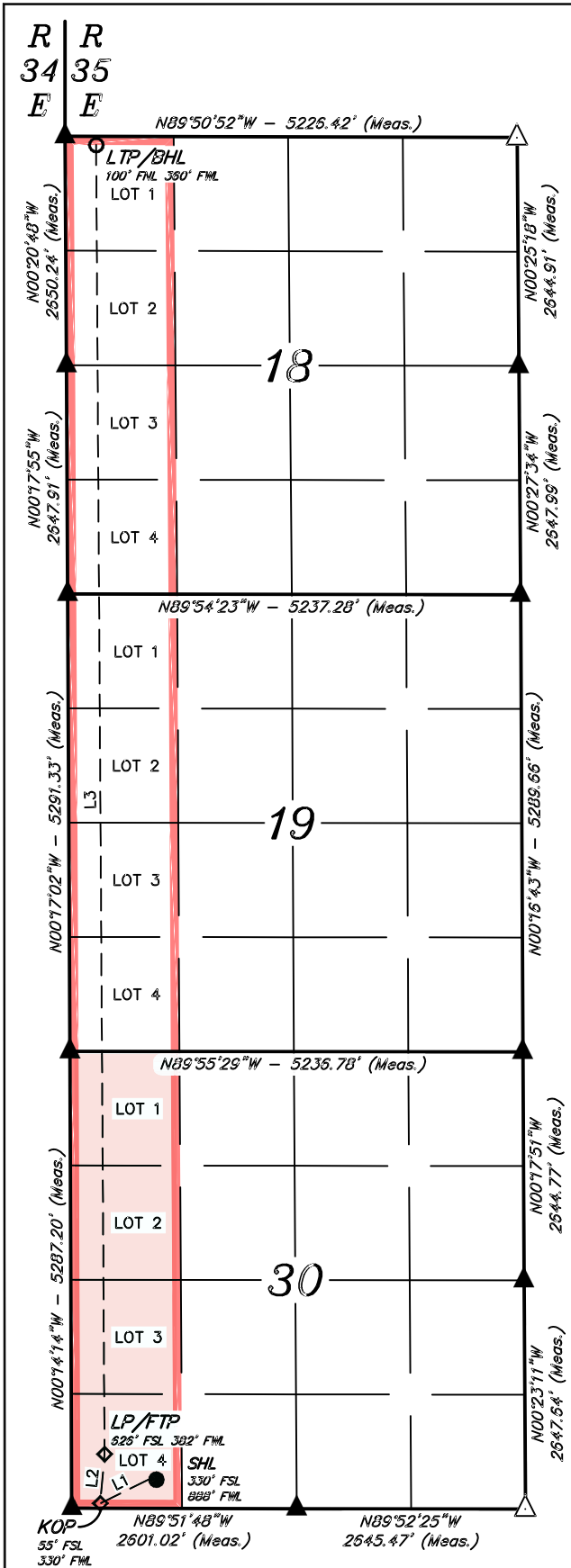
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Property Name ROPE STATE COM	Well Number 601H	Drawn By N.R. 02-21-24	Revised By REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)
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**NOTE:**

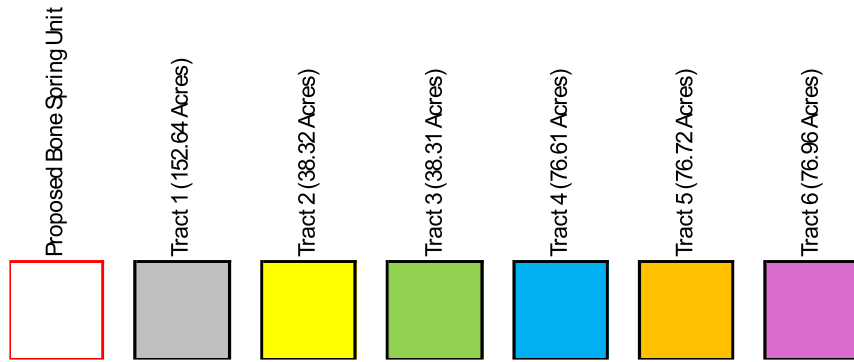
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- Section breakdown information for this plat may be obtained from Uintah Engineering and Land Surveying.



Case No. 24457 Unit Summary

Case No. 24457  
 W/2W/2 of Sections 18, 19 & 30-T18S-R35E  
 459.56 Acres  
 Rope State Com 301H  
 Rope State Com 601H

(Lot 1) 38.04	18	
(Lot 2) 38.12		
(Lot 3) 38.2		
(Lot 4) 38.28		
(Lot 1) 38.32	19	
(Lot 2) 38.31		
(Lot 3) 38.31		
(Lot 4) 38.30		
(Lot 1) 38.33	30	
(Lot 2) 38.39		
(Lot 3) 38.45		
(Lot 4) 38.51		



Committed Working Interest	
Franklin Mountain Energy 3, LLC	46.3745%
Committed Interest Total	46.3745%
* Supporting FME3 Working Interest	
Cavalry Resources, LLC	8.3035%
Loma Hombre Energy, LLC	8.3035%
DSD Energy II, LLC	8.3035%
Uncommitted Interest Total	24.9105%
Uncommitted Working Interest	
MRC Permian Company	27.8777%
Axis Energy Corporation	0.8373%
Uncommitted Interest Total	28.7150%
Total:	100.0000%

\* Signed elections and negotiating JOAs

Tract	Lease	%
1	VB-1325	33.21%
2	VB-1499	8.34%
3	FEE	8.34%
4	VB-1478	16.68%
5	VO-9145	16.69%
6	VB-2312	16.74%

EXHIBIT A-17-b



**FRANKLIN MOUNTAIN ENERGY**

**AUTHORITY FOR EXPENDITURE**

**Well Name:** Rope State Com 301H  
**Location:** SHL: Sec 30-T18S-R35E 270 FSL 925 FWL  
 BHL: Sec 18-T18S-R35E 100 FNL 800 FWL  
**Operator:** Franklin Mountain Energy 3, LLC  
**Purpose:** Drill and complete a 15,000' 1BS well.  
 TVD 9,192', MD 24,192'.

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

**Well #:** 301H  
**County/State:** Lea Co., NM  
**Date Prepared:** 1/4/2024  
**AFE #:** DCE231022

Intangible Drilling Costs			Amount
Major	Minor	Description	
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EOPT	\$80,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$40,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$57,500
225	40	CONTRACT LABOR	\$50,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$768,600
225	55	DRILLING - DIRECTIONAL	\$300,000
225	60	DRILLING - FOOTAGE	\$120,000
225	65	DRILLING BITS	\$140,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$250,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$50,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000
225	105	INSURANCE	\$1,700
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$320,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$88,200
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$172,728
225	35	CONTINGENCY COSTS 5%	\$157,025
<b>Total Intangible Drilling Costs:</b>			<b>\$3,940,000</b>

Tangible Drilling Costs			Amount
Major	Minor	Description	
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$179,140
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$809,055
230	35	SURFACE CASING & ATTACHMENTS	\$169,740
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000
230	40	TAXES	\$71,166
<b>Total Tangible Drilling Costs:</b>			<b>\$1,365,101</b>

Tangible Facility Costs			Amount
Major	Minor	Description	
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$14,400
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$94,800
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$75,400
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000
270	110	TANKS & WALKWAYS	\$47,600
270	130	MECHANICAL BATTERY BUILD	\$117,800
270	132	EI&C BATTERY BUILD	\$47,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600
270	136	PRIMARY POWER BUILD	\$15,100
270	138	FLOWLINE INSTALLATION	\$43,500
270	140	SIGNAGE	\$600
270	125	TAXES	\$40,854
<b>Total Tangible Facility Costs:</b>			<b>\$783,604</b>

Total Drilling:	\$4,835,353.93
Total Completion:	\$7,661,798.50
Total Facility:	\$866,418.50
Total DC Intangible:	\$10,570,052.50
Total DC Tangible:	\$1,927,099.93

**Total AFE:** \$13,363,570.93

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

Operator: Franklin Mountain Energy 3, LLC  
 Approved By: Craig Walters  
 Chief Executive Officer

Date: 1/4/2024

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 FME

**EXHIBIT A-17-c**



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

**Well Name:** Rope State Com 601H **Well #:** 601H  
**Location:** SHL: Sec 30-T18S-R35E 270 FSL 835 FWL  
 BHL: Sec 18-T18S-R35E 100 FNL 360 FWL **County/State:** Lea Co., NM  
**Operator:** Franklin Mountain Energy 3, LLC **Date Prepared:** 1/4/2024  
**Purpose:** Drill and complete a 15,000' 3BS well.  
 TVD 10,346', MD 25,346' **AFE #:** DCE240117

Intangible Drilling Costs			Intangible Completion Costs				
Major	Minor	Description	Amount	Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000	240	5	ADMINISTRATIVE OVERHEAD	\$10,300
225	10	CASING CREW & EQPT	\$84,000	240	10	CASED HOLE LOGS & SURVEYS	\$7,500
225	15	CEMENTING INTERMEDIATE CASING	\$50,000	240	15	CASING CREW & EQPT	\$0
225	16	CEMENTING PRODUCTION CASING	\$150,000	240	20	COILED TUBING/SNUBBING UNIT	\$312,000
225	20	CEMENTING SURFACE CASING	\$50,000	240	25	COMMUNICATIONS	\$2,500
225	25	COMMUNICATIONS	\$45,000	240	30	COMPANY DIRECT LABOR	\$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$32,500
225	34	CONSTRUCTION/LOCATION & ROAD	\$57,500	240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
225	40	CONTRACT LABOR	\$50,000	240	50	DAMAGES/RECLAMATION	\$500
225	45	DAMAGES	\$15,000	240	55	DISPOSAL SOLIDS	\$10,000
225	50	DAYWORK CONTRACT	\$878,400	240	60	ELECTRICAL POWER/GENERATION	\$0
225	55	DRILLING - DIRECTIONAL	\$320,000	240	62	ENGINEERING	\$3,600
225	60	DRILLING - FOOTAGE	\$120,000	240	65	ENVIRONMENTAL/CLEANUP	\$0
225	65	DRILLING BITS	\$140,000	240	70	FISHING TOOLS / SERVICES	\$0
225	70	ELECTRICAL POWER/GENERATION	\$0	240	71	FLUIDS/HAULING/DISPOSAL	\$110,000
225	75	ENGINEERING	\$20,000	240	72	FRAC WATER/COMPLETION FLUID	\$816,000
225	80	ENVIRONMENTAL SERVICES	\$275,000	240	75	FUEL, POWER/DIESEL	\$861,500
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY	\$6,000
225	85	EQUIPMENT RENTAL	\$50,000	240	85	HOUSING AND SUPPORT SERVICES	\$13,000
225	90	FISHING TOOLS/SERVICES	\$0	240	90	MATERIALS & SUPPLIES	\$500
225	95	HEALTH & SAFETY	\$7,000	240	95	MISCELLANEOUS	\$0
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS	\$1,400
225	105	INSURANCE	\$1,700	240	110	P&A/TA COSTS	\$0
225	106	INSPECTIONS	\$15,000	240	115	PERFORATING/WIRELINE SERVICE	\$392,500
225	110	LEGAL, TITLE SERVICES	\$6,000	240	120	PIPE INSPECTION	\$0
225	115	MATERIALS & SUPPLIES	\$5,000	240	125	ROAD, LOCATIONS REPAIRS	\$14,500
225	120	MISCELLANEOUS	\$5,000	240	130	STIMULATION	\$4,285,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$45,000
225	130	MUD & CHEMICALS	\$360,000	240	140	SUPERVISION	\$136,000
225	140	OPENHOLE LOGGING	\$0	240	145	SURFACE EQUIP RENTAL	\$251,000
225	141	CASED HOLE LOGGING	\$0	240	150	TRANSPORTATION/TRUCKING	\$1,000
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$158,500
225	150	POWER FUEL & WATER HAULING	\$200,000	240	160	WELDING SERVICES	\$0
225	155	RIG MOVE & RACKING COSTS	\$91,500	240	165	WELL TESTING/FLOWBACK	\$93,500
225	160	RIG UP TEAR OUT & STANDBY	\$0	240	148	TAXES	\$0
225	163	SITE RESTORATION	\$10,000	240	40	CONTINGENCY COSTS 5%	\$417,500
225	165	STAKING & SURVEYING	\$6,000	<b>Total Intangible Completion Costs:</b>			<b>\$8,006,800</b>
225	170	SUPERVISION	\$100,800				
225	175	SUPERVISION - GEOLOGICAL	\$39,000				
225	180	TRANSPORTATION/TRUCKING	\$39,000				
225	178	TAXES	\$164,874				
225	35	CONTINGENCY COSTS 5%	\$149,885				
<b>Total Intangible Drilling Costs:</b>			<b>\$3,671,659</b>				

Tangible Drilling Costs			
Major	Minor	Description	Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$179,140
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$835,910
230	35	SURFACE CASING & ATTACHMENTS	\$169,740
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000
230	40	TAXES	\$72,643
<b>Total Tangible Drilling Costs:</b>			<b>\$1,393,433</b>

Tangible Facility Costs			
Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$14,400
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$94,800
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$75,400
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000
270	110	TANKS & WALKWAYS	\$47,600
270	130	MECHANICAL BATTERY BUILD	\$117,800
270	132	EI&C BATTERY BUILD	\$47,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600
270	136	PRIMARY POWER BUILD	\$15,100
270	138	FLOWLINE INSTALLATION	\$43,500
270	140	SIGNAGE	\$600
270	125	TAXES	\$40,854
<b>Total Tangible Facility Costs:</b>			<b>\$783,634</b>

Total Drill:	\$5,065,091.95
Total Completion:	\$8,568,798.50
Total Facility:	\$866,418.50
Total DC Intangible:	\$11,678,458.50
Total DC Tangible:	\$1,955,431.95

Total AFE: \$14,500,308.95

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

Operator: Franklin Mountain Energy 3, LLC  
 Approved By: Craig Walters Date: 1/4/2024  
 Chief Executive Officer

WI Owner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Approved By: \_\_\_\_\_ Title: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_

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

Case No. 24457 W/2W/2 Bone Spring-Pooled Parties List

**Working Interest Owners to Be Pooled**

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Calvary Resources, LLC  
MRC Permian Company  
Loma Hombre Energy, LLC  
DSD Energy II, LLC  
Axis Energy Corporation

**ORRI to Be Pooled**

Broken Arrow Royalties, LLC  
  
Thomaston, LLC  
Mongoose Minerals LLC  
Marathon Oil Permian LLC  
Good News Minerals, LLC  
Pegasus Resources II, LLC  
Collins & Jones Investments, LLC  
LMC Energy, LLC  
David W. Cromwell  
Oak Valley Mineral and Land, LP  
Crown Oil Partners, LP  
H. Jason Wacker  
Kaleb Smith  
Deane Durham  
Mike Moylett  
Post Oak Mavros II, LLC  
Sortida Resources, LLC

**EXHIBIT A-17-d**



## Summary of Contacts Case No. 24457

- 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 February 14, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- 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 working 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.

<b>Name</b>	<b>Ownership Type</b>	<b>Date Proposal Letter Sent</b>	<b>Proposal Letter Received</b>	<b>Follow Up</b>
Cavalry Resources, LLC	WIO	2/14/2024	2/21/2024	Negotiating JOA
MRC Permian Company	WIO	2/14/2024	2/21/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Loma Hombre Energy, LLC	WIO	2/14/2024	2/20/2024	Elected to Participate
DSD Energy II, LLC	WIO	2/14/2024	2/17/2024	Negotiating JOA
Axis Energy Corporation	WIO	2/14/2024	2/20/2024	Received email stating that they signed a JOA with MRC

**EXHIBIT A-17-e**

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

**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.**

CASE NO. 24459

**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 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. 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 wells thereon.
2. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 303H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and
  - b. **Rope State Com 304H** and **Rope State Com 604H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18.
3. The producing area for the wells is expected to be orthodox.

**EXHIBIT A-18**



4. The completed interval for the **Rope State Com 303H** 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. This proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- a. A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- b. A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- c. A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- d. A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- e. A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- f. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);

- g. A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- h. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- i. A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

6. 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.

7. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing 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 May 2, 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 the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
- B. Approving, to the extent necessary, the proposed overlapping spacing unit;
- C. Designating Franklin as operator of this unit and the wells to be drilled thereon;

- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. 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

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[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24459 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 303H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and **Rope State Com 304H** and **Rope State Com 604H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18. The producing area for the wells is expected to be orthodox. The completed interval for the Rope State Com 303H 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. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

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 west of Hobbs, New Mexico.

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number 30-025-53338	Pool Code 97930	Pool Name WC-025 G-06 S183518A, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 303H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3939.5'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL P	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		338 SOUTH	1193 EAST	32.712398°	-103.492080°	LEA

Bottom Hole Location

UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	18	18S	35E		100 NORTH	1490 EAST	32.754826°	-103.493171°	LEA

Dedicated Acres 640	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers.	Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL O	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		53 SOUTH	1586 EAST	32.711621°	-103.493356°	LEA

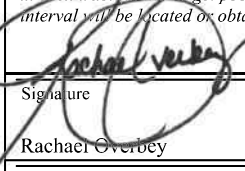
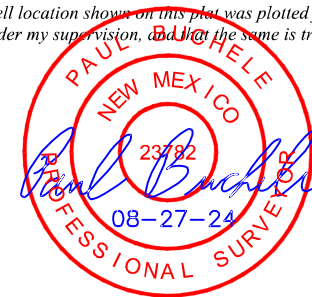
First Take Point (FTP)

UL O	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		622 SOUTH	1514 EAST	32.713184°	-103.493127°	LEA

Last Take Point (LTP)

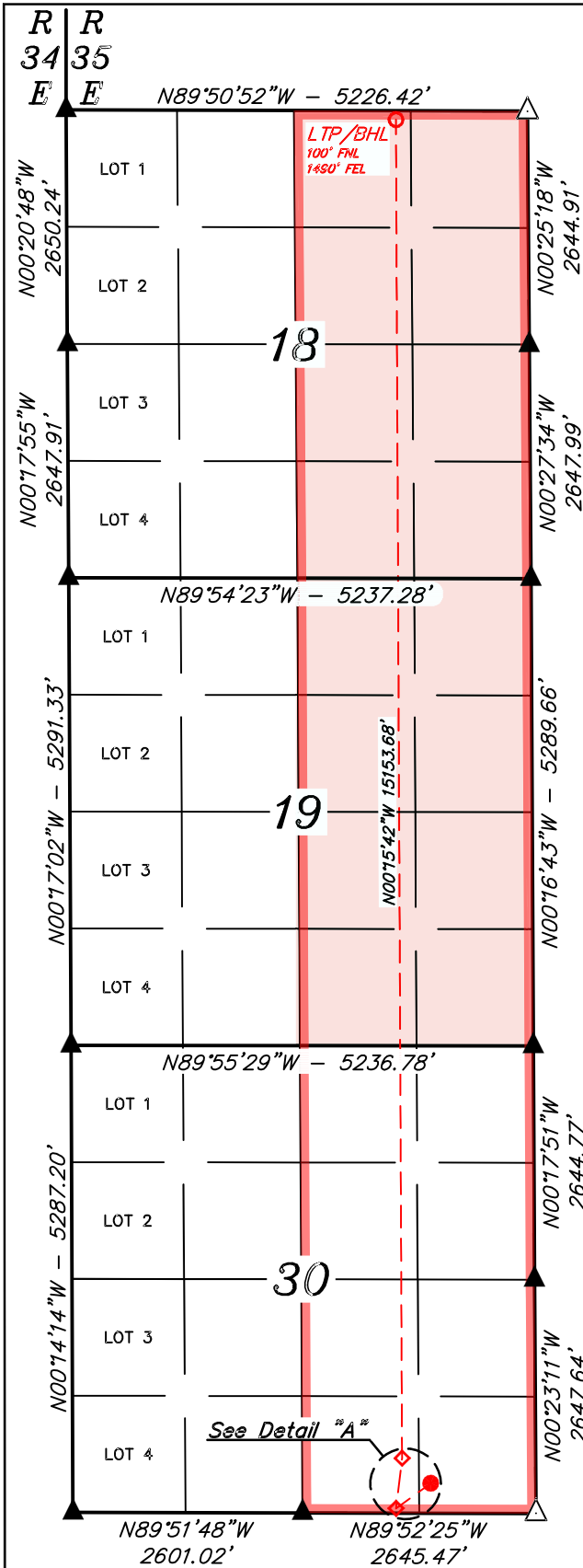
UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	18	18S	35E		100 NORTH	1490 EAST	32.754826°	-103.493171°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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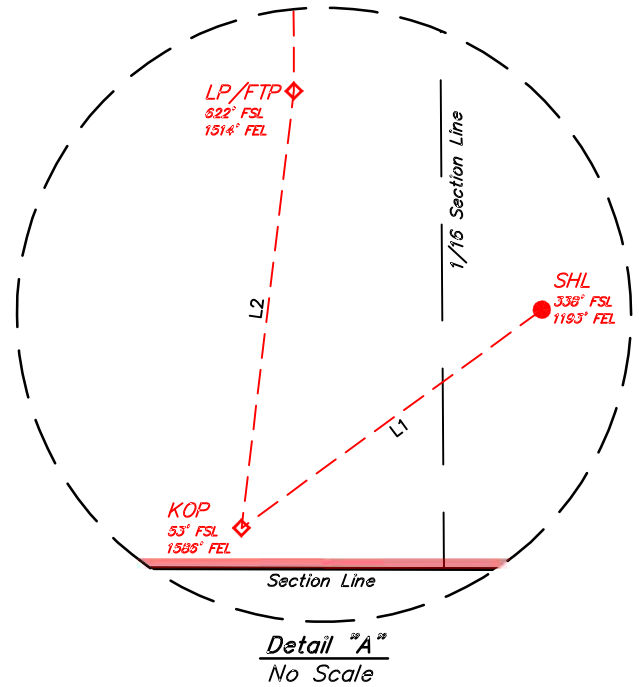
<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">8/29/2024</p> <p>Signature:  Date</p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmelc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor</p> <p>23782      February 21, 2024</p> <p>Certificate Number      Date of Survey</p>
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Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

Property Name ROPE STATE COM	Well Number 303H	Drawn By N.R. 02-23-24	Revised By REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT)
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<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.63" (32.712398°) LONGITUDE = -103°29'31.49" (-103.492080°)	<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.83" (32.711621°) LONGITUDE = -103°29'36.08" (-103.493356°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.19" (32.712274°) LONGITUDE = -103°29'29.71" (-103.491587°)	<b>NAD 27 (KICK OFF POINT)</b> LATITUDE = 32°42'41.39" (32.711497°) LONGITUDE = -103°29'34.30" (-103.492862°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623928.29' E: 800083.30'	<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623642.52' E: 799693.30'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623863.97' E: 758903.57'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623578.20' E: 758513.57'
<b>NAD 83 (LP/FTP)</b> LATITUDE = 32°42'47.46" (32.713184°) LONGITUDE = -103°29'35.26" (-103.493127°)	<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°45'17.37" (32.754826°) LONGITUDE = -103°29'35.41" (-103.493171°)
<b>NAD 27 (LP/FTP)</b> LATITUDE = 32°42'47.01" (32.713060°) LONGITUDE = -103°29'33.48" (-103.492633°)	<b>NAD 27 (LTP/BHL)</b> LATITUDE = 32°45'16.93" (32.754702°) LONGITUDE = -103°29'33.63" (-103.492675°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 624211.68' E: 799759.15'	<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 639362.31' E: 799625.58'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 624147.34' E: 758579.43'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 639297.50' E: 758446.29'

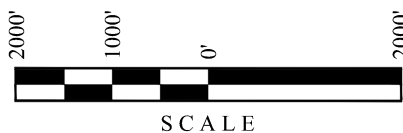


LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S54°00'40"W	483.57'
L2	N06°50'34"E	573.05'

**NOTE:**

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

- = SURFACE HOLE LOCATION
- ◆ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
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<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number 30-025-53338	Pool Code 960	Pool Name AIRSTRIP, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Well Number 303H
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Ground Level Elevation 3939.5'
Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		

Surface Location

UL P	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		338 SOUTH	1193 EAST	32.712398°	-103.492080°	LEA

Bottom Hole Location

UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	18	18S	35E		100 NORTH	1490 EAST	32.754826°	-103.493171°	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL O	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		53 SOUTH	1586 EAST	32.711621°	-103.493356°	LEA

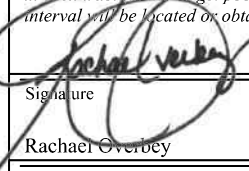
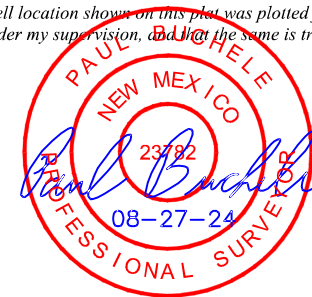
First Take Point (FTP)

UL O	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		622 SOUTH	1514 EAST	32.713184°	-103.493127°	LEA

Last Take Point (LTP)

UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	18	18S	35E		100 NORTH	1490 EAST	32.754826°	-103.493171°	LEA

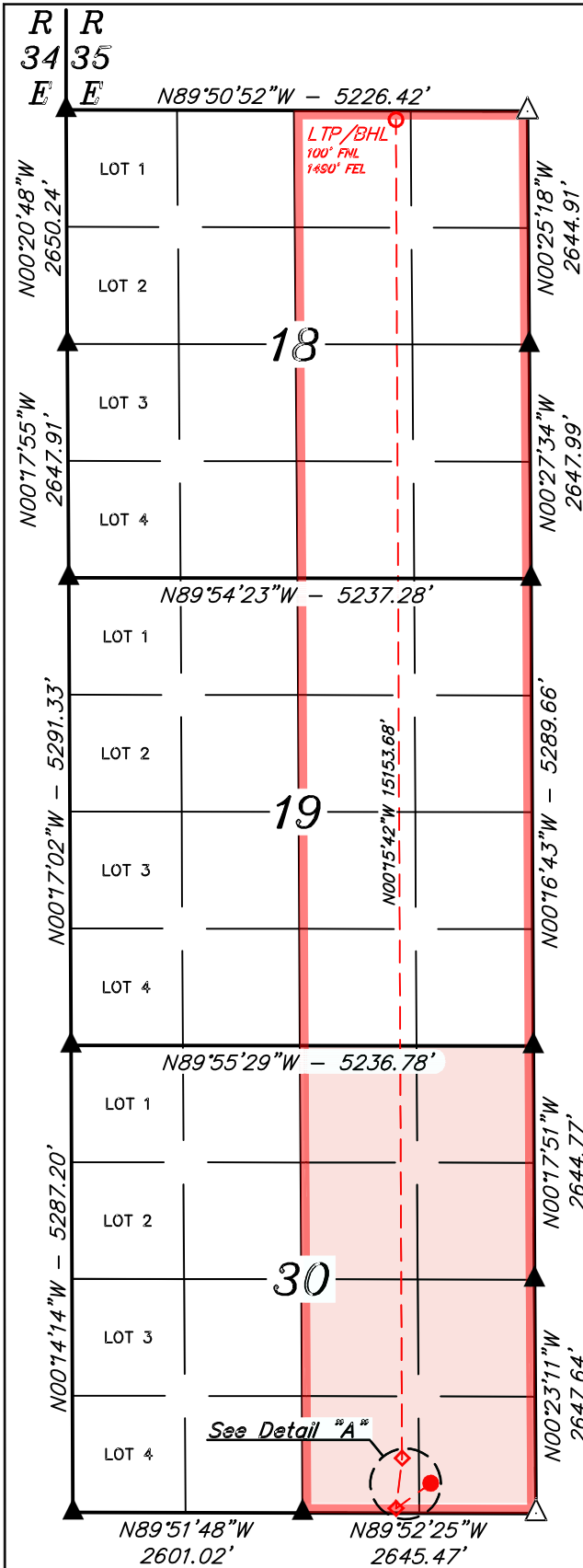
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">8/29/2024</p> <p>Signature:  Date</p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmelc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor</p> <p>23782 February 21, 2024</p> <p>Certificate Number Date of Survey</p>
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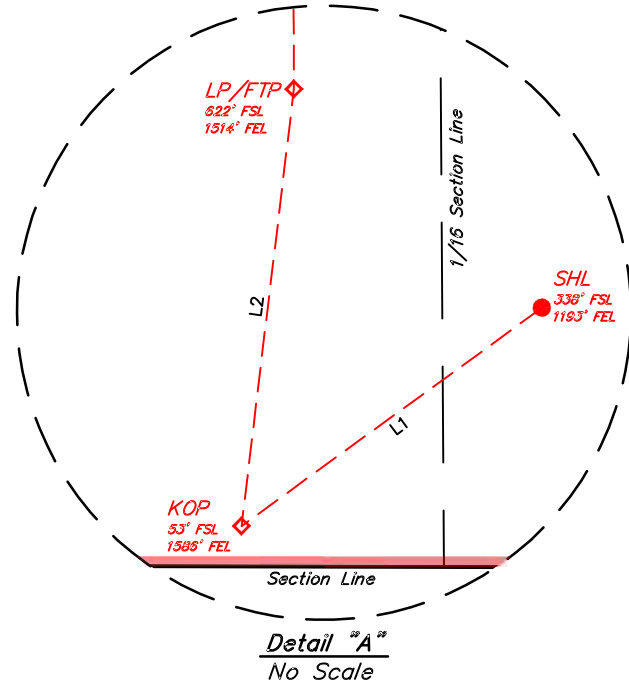
*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*



Property Name ROPE STATE COM	Well Number 303H	Drawn By N.R. 02-23-24	Revised By REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT)
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<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.63" (32.712398°) LONGITUDE = -103°29'31.49" (-103.492080°)	<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.83" (32.711621°) LONGITUDE = -103°29'36.08" (-103.493356°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.19" (32.712274°) LONGITUDE = -103°29'29.71" (-103.491587°)	<b>NAD 27 (KICK OFF POINT)</b> LATITUDE = 32°42'41.39" (32.711497°) LONGITUDE = -103°29'34.30" (-103.492862°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623928.29' E: 800083.30'	<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623642.52' E: 799693.30'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623863.97' E: 758903.57'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623578.20' E: 758513.57'
<b>NAD 83 (LP/FTP)</b> LATITUDE = 32°42'47.46" (32.713184°) LONGITUDE = -103°29'35.26" (-103.493127°)	<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°45'17.37" (32.754826°) LONGITUDE = -103°29'35.41" (-103.493171°)
<b>NAD 27 (LP/FTP)</b> LATITUDE = 32°42'47.01" (32.713060°) LONGITUDE = -103°29'33.48" (-103.492633°)	<b>NAD 27 (LTP/BHL)</b> LATITUDE = 32°45'16.93" (32.754702°) LONGITUDE = -103°29'33.63" (-103.492675°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 624211.68' E: 799759.15'	<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 639362.31' E: 799625.58'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 624147.34' E: 758579.43'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 639297.50' E: 758446.29'

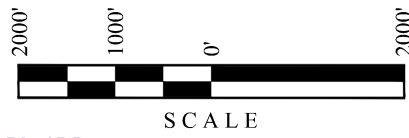


LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S54°00'40"W	483.57'
L2	N06°50'34"E	573.05'

**NOTE:**

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- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number 30-025-53339	Pool Code 97930	Pool Name WC-025 G-06 S183518A, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 304H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3938.8'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		338 SOUTH	1073 EAST	32.712396°	-103.491690°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
B	18	18S	35E		100 NORTH	360 EAST	32.754807°	-103.489496°	LEA

Dedicated Acres 640	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		54 SOUTH	431 EAST	32.711605°	-103.489601°	LEA

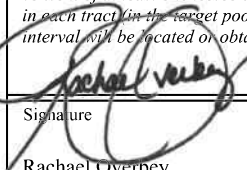
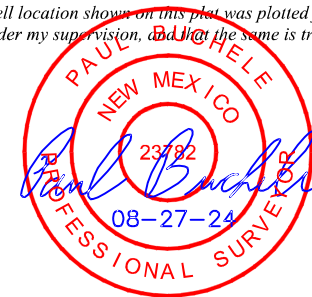

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		625 SOUTH	385 EAST	32.713175°	-103.489456°	LEA

Last Take Point (LTP)

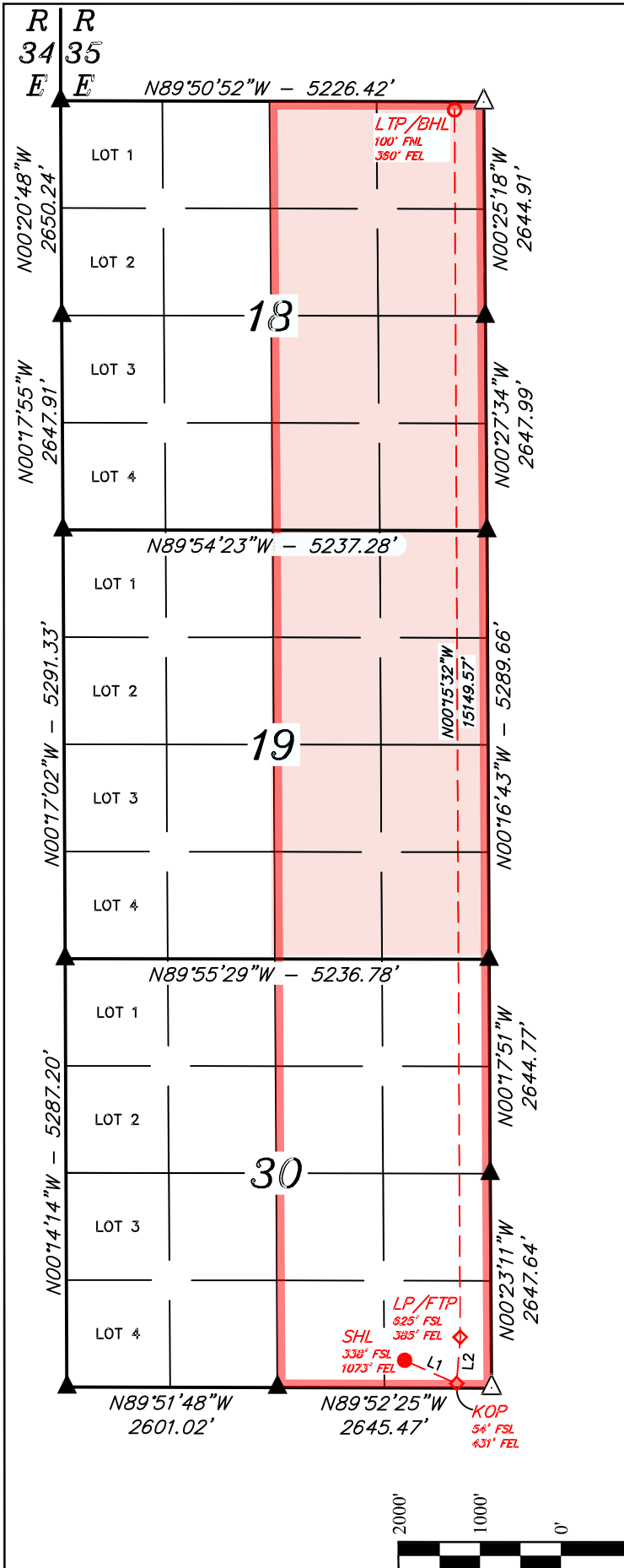
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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Property Name ROPE STATE COM	Well Number 304H	Drawn By N.R. 02-23-24	Revised By REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT)
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<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.63" (32.712396°)
LONGITUDE = -103°29'30.09" (-103.491690°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.18" (32.712272°)
LONGITUDE = -103°29'28.31" (-103.491197°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623928.75' E: 800203.28'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623864.44' E: 759023.55'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.78" (32.711605°)
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LATITUDE = 32°42'41.33" (32.711481°)
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<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623646.02' E: 800848.28'
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<b>NAD 83 (LP/FTP)</b>
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LATITUDE = 32°42'46.98" (32.713051°)
LONGITUDE = -103°29'20.27" (-103.488963°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624217.58' E: 800888.25'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624153.28' E: 759708.52'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°45'17.30" (32.754807°)
LONGITUDE = -103°29'22.18" (-103.489496°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°45'16.86" (32.754683°)
LONGITUDE = -103°29'20.40" (-103.489001°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 639364.11' E: 800755.45'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 639299.34' E: 759576.16'

LINE TABLE		
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L2	N04°14'37"E	573.05'

- NOTE:**
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<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

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UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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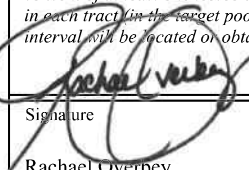
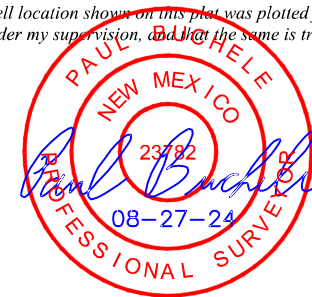
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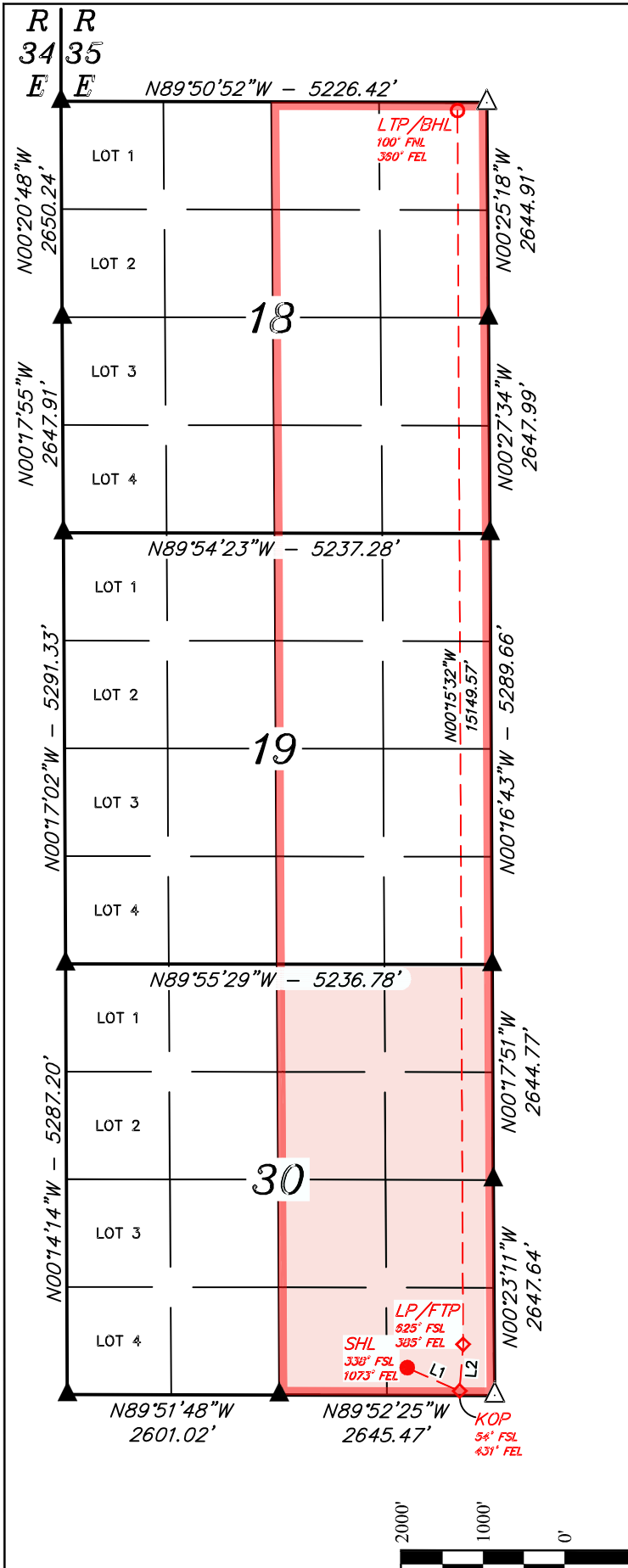
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Property Name ROPE STATE COM	Well Number 304H	Drawn By N.R. 02-23-24	Revised By REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT)
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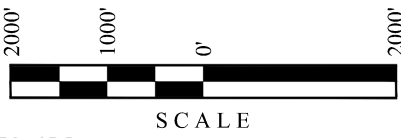
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<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'46.98" (32.713051°)
LONGITUDE = -103°29'20.27" (-103.488963°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624217.58' E: 800888.25'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624153.28' E: 759708.52'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°45'17.30" (32.754807°)
LONGITUDE = -103°29'22.18" (-103.489496°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°45'16.86" (32.754683°)
LONGITUDE = -103°29'20.40" (-103.489001°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 639364.11' E: 800755.45'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 639299.34' E: 759576.16'

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S66°05'13"E	704.36'
L2	N04°14'37"E	573.05'

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

- = SURFACE HOLE LOCATION
- ◆ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number 30-025-53344	Pool Code 97930	Pool Name WC-025 G-06 S183518A, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 604H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3939.1'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		338 SOUTH	1133 EAST	32.712397°	-103.491885°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
A	18	18S	35E		100 NORTH	925 EAST	32.754816°	-103.491333°	LEA

Dedicated Acres 640	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers.	Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		46 SOUTH	927 EAST	32.711592°	-103.491214°	LEA

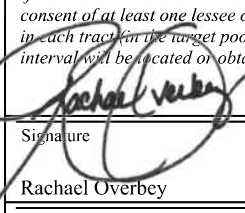
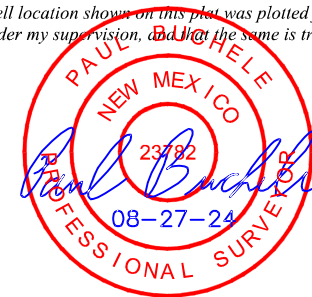
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		619 SOUTH	927 EAST	32.713166°	-103.491218°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
A	18	18S	35E		100 NORTH	925 EAST	32.754816°	-103.491333°	LEA

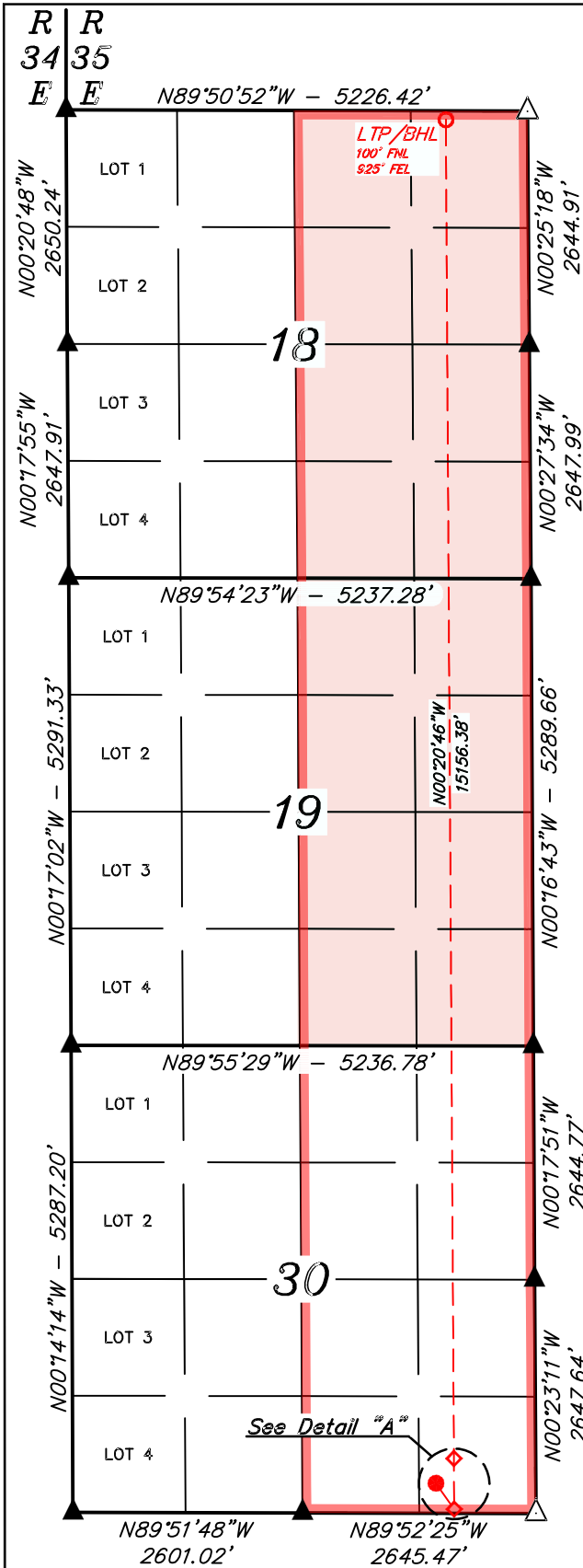
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (or the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">8/29/2024</p> <p>Signature:  Date</p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmllc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor</p> <p>23782 February 21, 2024</p> <p>Certificate Number Date of Survey</p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*



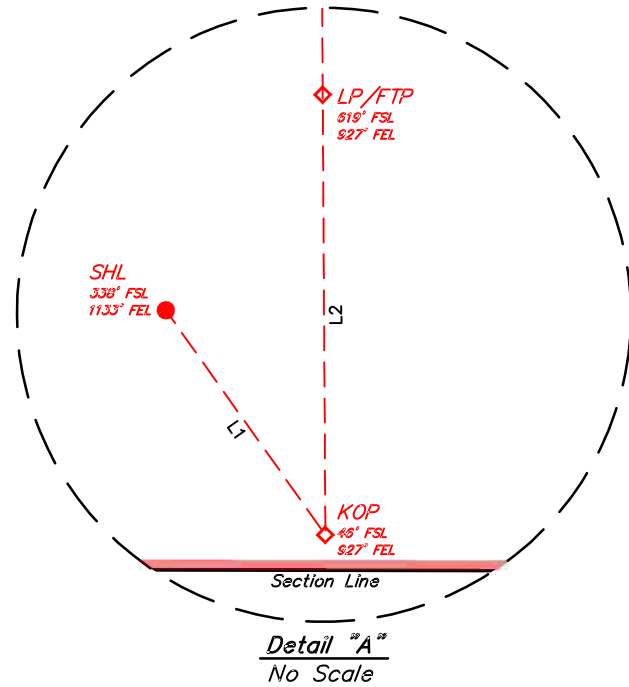
Property Name ROPE STATE COM	Well Number 604H	Drawn By N.R. 02-23-24	Revised By REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT)
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<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.63" (32.712397°) LONGITUDE = -103°29'30.79" (-103.491885°)	<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.73" (32.711592°) LONGITUDE = -103°29'28.37" (-103.491214°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.18" (32.712273°) LONGITUDE = -103°29'29.01" (-103.491392°)	<b>NAD 27 (KICK OFF POINT)</b> LATITUDE = 32°42'41.28" (32.711468°) LONGITUDE = -103°29'26.59" (-103.490720°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623928.52' E: 800143.29'	<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623637.16' E: 800352.28'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623864.21' E: 758963.56'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623572.86' E: 759172.54'

<b>NAD 83 (LP/FTP)</b> LATITUDE = 32°42'47.40" (32.713166°) LONGITUDE = -103°29'28.38" (-103.491218°)	<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°45'17.34" (32.754816°) LONGITUDE = -103°29'28.80" (-103.491333°)
<b>NAD 27 (LP/FTP)</b> LATITUDE = 32°42'46.95" (32.713042°) LONGITUDE = -103°29'26.61" (-103.490724°)	<b>NAD 27 (LTP/BHL)</b> LATITUDE = 32°45'16.89" (32.754693°) LONGITUDE = -103°29'27.02" (-103.490838°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 624210.09' E: 800346.39'	<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 639363.21' E: 800190.51'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 624145.77' E: 759166.67'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 639298.42' E: 759011.22'



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S35°24'31"E	358.62'
L2	N00°20'45"W	573.05'

**NOTE:**

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

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**WELL LOCATION INFORMATION**

API Number 30-025-53344	Pool Code 960	Pool Name AIRSTRIP, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Well Number 604H
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Ground Level Elevation 3939.1'
Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		338 SOUTH	1133 EAST	32.712397°	-103.491885°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
A	18	18S	35E		100 NORTH	925 EAST	32.754816°	-103.491333°	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		46 SOUTH	927 EAST	32.711592°	-103.491214°	LEA

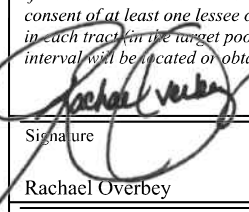
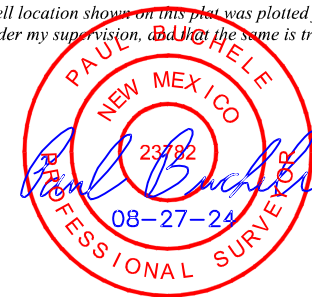
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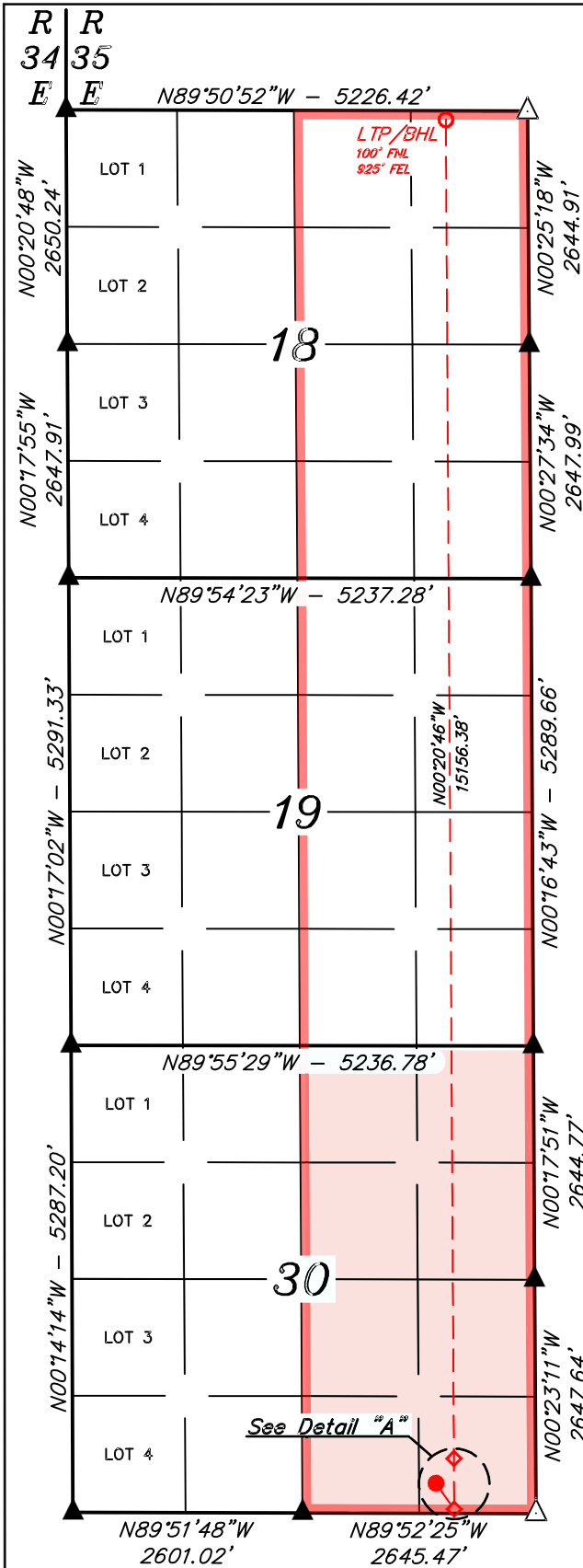
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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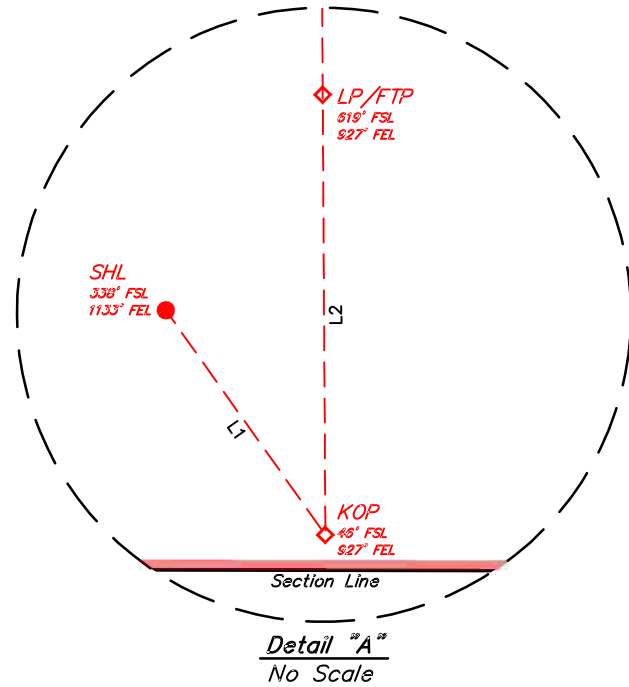
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Property Name ROPE STATE COM	Well Number 604H	Drawn By N.R. 02-23-24	Revised By REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT)
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<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 624145.77' E: 759166.67'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 639298.42' E: 759011.22'

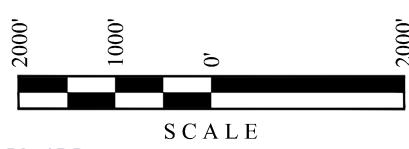


LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S35°24'31"E	358.62'
L2	N00°20'45"W	573.05'

**NOTE:**

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- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT





Case No. 24459 Unit Summary

Case No. 24459  
 E/2 of Sections 18, 19 & 30-T18S-R35E  
 960.00 Acres  
 Rope State Com 303H  
 Rope State Com 304H  
 Rope State Com 604H

(Lot 1) 38.04										
(Lot 2) 38.12										
(Lot 3) 38.2		18								
(Lot 4) 38.28										
(Lot 1) 38.32										
(Lot 2) 38.31										
(Lot 3) 38.31			19							
(Lot 4) 38.30										
(Lot 1) 38.33										
(Lot 2) 38.39										
(Lot 3) 38.45								30		
(Lot 4) 38.51										

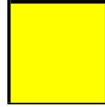
Proposed Bone Spring Unit



Tract 1 (160.00 Acres)



Tract 2 (160.00 Acres)



Tract 3 (160.00 Acres)



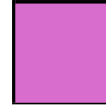
Tract 4 (160.00 Acres)



Tract 5 (160.00 Acres)



Tract 6 (160.00 Acres)



<b>Committed Working Interest</b>	
Franklin Mountain Energy 3, LLC	54.5834%
Committed Interest Total	54.5834%
<b>* Supporting FME3 Working Interest</b>	
Cavalry Resources, LLC	8.3333%
Loma Hombre Energy, LLC	8.3333%
DSD Energy II, LLC	8.3333%
Uncommitted Interest Total	24.9999%
<b>Uncommitted Working Interest</b>	
MRC Permian Company	19.5834%
Axis Energy Corporation	0.8333%
Uncommitted Interest Total	20.4167%
Total:	100.0000%

\* Signed elections and negotiating JOAs

Tract	Lease	%
1	VB-1325	33.3%
2	VB-1499	16.7%
3	VB-1478	16.7%
4	VO-9145	16.7%
5	VB-2312	16.7%

EXHIBIT A-18-b



FRANKLIN MOUNTAIN ENERGY AUTHORITY FOR EXPENDITURE
Well Name: Rope State Com 303H
Location: SHL: Sec 30-T18S-R35E 260 FSL 1190 FEL
Operator: BHL: Sec 18-T18S-R35E 100 FNL 1490 FEL
Purpose: Drill and complete a 15,000' 1BS well.

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

Well #: 303H
County/State: Lea Co., NM
Date Prepared: 1/4/2024
AFE #: DCE231024

Table with 3 columns: Major, Minor, Description, Amount. Section: Intangible Drilling Costs. Rows include ADMINISTRATIVE OVERHEAD, CASING CREW & EQPT, CEMENTING INTERMEDIATE CASING, etc.

Table with 3 columns: Major, Minor, Description, Amount. Section: Tangible Drilling Costs. Rows include INTERMEDIATE CASING & ATTACHMENTS, PACKERS/SLEEVES/PLUGS, etc.

Table with 3 columns: Major, Minor, Description, Amount. Section: Tangible Facility Costs. Rows include FACILITY PIPE/VALVES/FITTINGS, CONTAINMENT, DEHYDRATION, etc.

Total Drill: \$4,835,353.93
Total Completion: \$7,661,798.50
Total Facility: \$866,418.50
Total DC Intangible: \$10,570,052.50
Total DC Tangible: \$1,927,099.93

Total AFE: \$13,363,570.93

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

Operator: Franklin Mountain Energy 3, LLC
Approved By: Craig Walters, Chief Executive Officer

Table with 3 columns: Major, Minor, Description, Amount. Section: Intangible Completion Costs. Rows include ADMINISTRATIVE OVERHEAD, CASED HOLE LOGS & SURVEYS, CASING CREW & EQPT, etc.

Table with 3 columns: Major, Minor, Description, Amount. Section: Tangible Completion Costs. Rows include ARTIFICIAL LIFT, FLOWLINES, FRAC STRING, etc.

Table with 3 columns: Major, Minor, Description, Amount. Section: Intangible Facility Costs. Rows include CONSULTING, COMPANY DIRECT LABOR, DAMAGES/ROW/PERMITS, etc.

Office Use Only:

WI Owner:

Approved By:

Printed Name:

Date:

Title:

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

EXHIBIT A-18-c



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

**FRANKLIN MOUNTAIN ENERGY**  
**AUTHORITY FOR EXPENDITURE**

**Well Name:** Rope State Com 304H  
**Location:** SHL: Sec 30-T18S-R35E 260 FSL 1070 FEL  
 BHL: Sec 18-T18S-R35E 100 FNL 360 FEL  
**Operator:** Franklin Mountain Energy 3, LLC  
**Purpose:** Drill and complete a 15,000' 1BS well.  
 TVD 9,033', MD 24,033'.

**Well #:** 304H  
**County/State:** Lea Co., NM  
**Date Prepared:** 1/4/2024  
**AFE #:** DCE231025

Intangible Drilling Costs			Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$80,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$40,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$57,500
225	40	CONTRACT LABOR	\$50,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$768,600
225	55	DRILLING - DIRECTIONAL	\$300,000
225	60	DRILLING - FOOTAGE	\$120,000
225	65	DRILLING BITS	\$140,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$250,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$50,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000
225	105	INSURANCE	\$1,700
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$320,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$88,200
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$172,728
225	178	TAXES	\$157,025
225	35	CONTINGENCY COSTS 5%	
<b>Total Intangible Drilling Costs:</b>			<b>\$3,470,253</b>

Tangible Drilling Costs			Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$179,140
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$809,055
230	35	SURFACE CASING & ATTACHMENTS	\$169,740
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000
230	40	TAXES	\$71,166
<b>Total Tangible Drilling Costs:</b>			<b>\$1,365,101</b>

Tangible Facility Costs			Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$14,400
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$94,800
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$75,400
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000
270	110	TANKS & WALKWAYS	\$47,600
270	130	MECHANICAL BATTERY BUILD	\$117,800
270	132	EI&C BATTERY BUILD	\$47,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600
270	136	PRIMARY POWER BUILD	\$15,100
270	138	FLOWLINE INSTALLATION	\$43,500
270	140	SIGNAGE	\$600
270	125	TAXES	\$40,854
<b>Total Tangible Facility Costs:</b>			<b>\$783,654</b>

Total Drill:	\$4,835,353.93
Total Completion:	\$7,661,798.50
Total Facility:	\$866,418.50
Total DC Intangible:	\$10,570,052.50
Total DC Tangible:	\$1,927,099.93

Total AFE: \$13,363,570.93

Intangible Completion Costs			Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EQPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$312,000
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	\$0
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$10,000
240	60	ELECTRICAL POWER/GENERATION	\$0
240	62	ENGINEERING	\$3,600
240	65	ENVIRONMENTAL/CLEANUP	\$0
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$110,000
240	72	FRAC WATER/COMPLETION FLUID	\$816,000
240	75	FUEL, POWER/DIESEL	\$743,500
240	80	HEALTH & SAFETY	\$6,000
240	85	HOUSING AND SUPPORT SERVICES	\$13,000
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$1,400
240	110	P&A/TAX COSTS	\$0
240	115	PERFORATING/WIRELINE SERVICE	\$392,500
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$14,500
240	130	STIMULATION	\$3,543,500
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$45,000
240	140	SUPERVISION	\$136,000
240	145	SURFACE EQUIP RENTAL	\$251,000
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$158,500
240	160	WELDING SERVICES	\$0
240	165	WELL TESTING/FLOWBACK	\$93,500
240	148	TAXES	\$0
240	40	CONTINGENCY COSTS 5%	\$370,000
<b>Total Intangible Completion Costs:</b>			<b>\$7,099,800</b>

Tangible Completion Costs			Amount
245	5	ARTIFICIAL LIFT	\$200,000
245	15	FLOWLINES	\$0
245	25	FRAC STRING	\$0
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$40,000
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	\$0
245	55	PRODUCTION TUBING	\$90,000
245	60	RODS/PUMPS	\$0
245	65	SUBSURFACE EQUIPMENT	\$60,000
245	75	WELLHEAD EQUIPMENT	\$142,700
245	70	TAXES	\$29,299
<b>Total Tangible Completion Costs:</b>			<b>\$561,999</b>

Intangible Facility Costs			Amount
265	5	CONSULTING	\$9,500
265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW/PERMITS, ETC	\$12,700
265	22	PAD/ROAD CONSTRUCTION	\$30,000
265	25	ENGINEERING / SCIENCE	\$13,900
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$5,000
265	45	CONTRACT LABOR & SERVICES	\$0
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$800
265	85	TRANSPORTATION / TRUCKING	\$0
265	83	TAXES	\$4,120
265	10	CONTINGENCY COSTS 5%	\$3,745
<b>Total Intangible Facility Costs:</b>			<b>\$82,765</b>

**Office Use Only:**

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

Operator: Franklin Mountain Energy 3, LLC  
 Approved By: [Signature]  
 Chief Executive Officer

Date: 1/4/2024

WI Owner: \_\_\_\_\_  
 Approved By: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_  
 Title: \_\_\_\_\_

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





Case No. 24459 E/2 Bone Spring-Pooled Parties List

**Working Interest Owners to Be Pooled**

MRC Permian Company  
Axis Energy Corporation  
Cavalry Resources, LLC  
Loma Hombre Energy, LLC  
DSD Energy II, LLC

**ORRI to Be Pooled**

Broken Arrow Royalties, LLC  
Thomaston, LLC  
Mongoose Minerals LLC  
Marathon Oil Permian LLC  
Good News Minerals, LLC  
Pegasus Resources II, LLC  
Collins & Jones Investments, LLC  
LMC Energy, LLC  
David W. Cromwell  
Oak Valley Mineral and Land, LP  
Crown Oil Partners, LP  
H. Jason Wacker  
Kaleb Smith  
Deane Durham  
Mike Moylett  
Post Oak Mavros II, LLC  
Sortida Resources, LLC

**EXHIBIT A-18-d**

## Summary of Contacts Case No. 24459

- 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 February 14, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- 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 working 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.

<b>Name</b>	<b>Ownership Type</b>	<b>Date Proposal Letter Sent</b>	<b>Proposal Letter Received</b>	<b>Follow Up</b>
Cavalry Resources, LLC	WIO	2/14/2024	2/21/2024	Negotiating JOA
MRC Permian Company	WIO	2/14/2024	2/21/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Loma Hombre Energy, LLC	WIO	2/14/2024	2/20/2024	Elected to Participate
DSD Energy II, LLC	WIO	2/14/2024	2/17/2024	Negotiating JOA
Axis Energy Corporation	WIO	2/14/2024	2/20/2024	Received email stating that they signed a JOA with MRC

**EXHIBIT A-18-e**

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

**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.**

CASE NO. 24479

**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 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. 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 wells thereon.
2. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 302H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and
  - b. **Rope State Com 602H** well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18.
3. The producing area for the wells is expected to be orthodox.

**EXHIBIT A-19**



4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676).

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 and approving, to the extent necessary, the overlapping spacing 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 May 2, 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 the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

B. Approving, to the extent necessary, the proposed overlapping spacing unit;

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

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

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

F. 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](mailto:edebrine@modrall.com)

[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)

[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24479 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 302H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and **Rope State Com 602H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). 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 west of Hobbs, New Mexico.

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number 30-025-53337	Pool Code 97930	Pool Name WC-025 G-06 S183518A; BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Well Number 302H
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Ground Level Elevation 3,945.3'
Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
O	30	18S	35E		335 SOUTH	2,493 EAST	32.712412°	-103.496306°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	18	18S	35E		100 NORTH	2,290 WEST	32.754851°	-103.497874°	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		57 SOUTH	2,190 WEST	32.711658°	-103.498134°	LEA

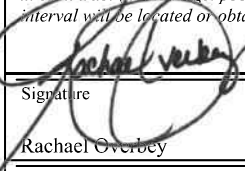

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		626 SOUTH	2,265 WEST	32.713220°	-103.497892°	LEA

Last Take Point (LTP)

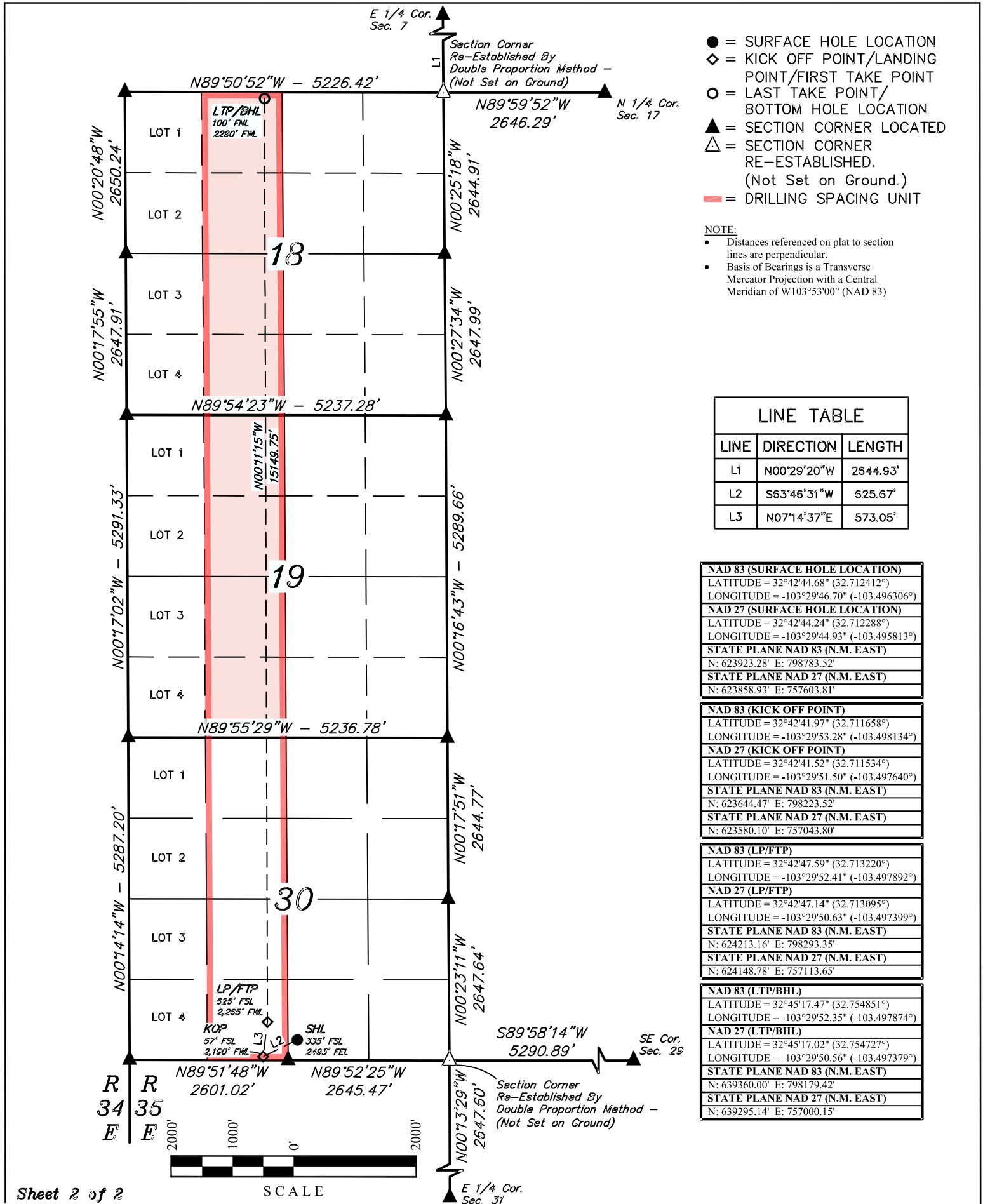
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C	18	18S	35E		100 NORTH	2,290 WEST	32.754851°	-103.497874°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">8/30/2024</p> <p>Signature:  Date</p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmelc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor</p> <p>23782 February 21, 2024</p> <p>Certificate Number Date of Survey</p>
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Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

Property Name ROPE STATE COM	Well Number 302H	Drawn By C.S.C. 02-27-24	Revised By REV. 1 N.R. 08-27-24 (UPDATE TAKE POINTS & C-102 FORMAT)
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<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number 30-025-53337	Pool Code 960	Pool Name AIRSTRIP; BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Well Number 302H
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Ground Level Elevation 3,945.3'
Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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Dedicated Acres 160	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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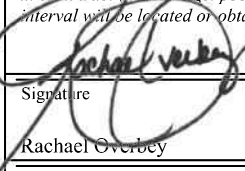

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
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Last Take Point (LTP)

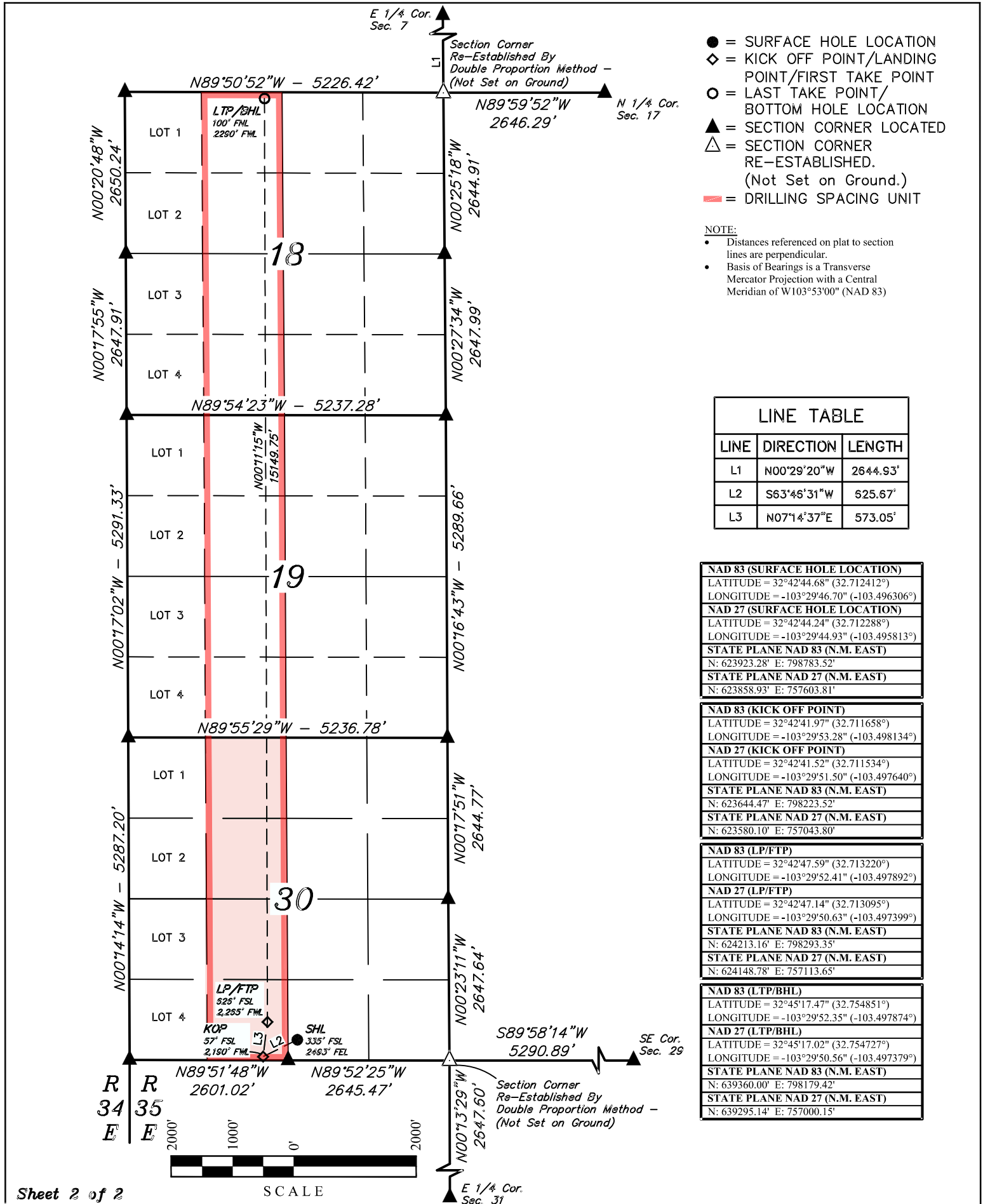
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C	18	18S	35E		100 NORTH	2,290 WEST	32.754851°	-103.497874°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">8/30/2024</p> <p>Signature:  Date</p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmelc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor</p> <p>23782                      February 21, 2024</p> <p>Certificate Number                      Date of Survey</p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*

Property Name ROPE STATE COM	Well Number 302H	Drawn By C.S.C. 02-27-24	Revised By REV. 1 N.R. 08-27-24 (UPDATE TAKE POINTS & C-102 FORMAT)
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- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT

**NOTE:**

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°29'20"W	2644.93'
L2	S63°46'31"W	525.67'
L3	N07°14'37"E	573.05'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.68" (32.712412°)
LONGITUDE = -103°29'46.70" (-103.496306°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.24" (32.712288°)
LONGITUDE = -103°29'44.93" (-103.495813°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623923.28' E: 798783.52'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623858.93' E: 757603.81'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.97" (32.711658°)
LONGITUDE = -103°29'53.28" (-103.498134°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.52" (32.711534°)
LONGITUDE = -103°29'51.50" (-103.497640°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623644.47' E: 798223.52'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623580.10' E: 757043.80'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.59" (32.713220°)
LONGITUDE = -103°29'52.41" (-103.497892°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.14" (32.713095°)
LONGITUDE = -103°29'50.63" (-103.497399°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624213.16' E: 798293.35'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624148.78' E: 757113.65'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°45'17.47" (32.754851°)
LONGITUDE = -103°29'52.35" (-103.497874°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°45'17.02" (32.754727°)
LONGITUDE = -103°29'50.56" (-103.497379°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 639360.00' E: 798179.42'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 639295.14' E: 757000.15'



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number 30-025-53343	Pool Code 97930	Pool Name WC-025 G-06 S83518A, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	Well Number 602H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3951.3'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	1,038 WEST	32.712426°	-103.501880°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	18	18S	35E		100 NORTH	1,660 WEST	32.754862°	-103.499923°	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers.	Pending			
Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		51 SOUTH	1,646 WEST	32.711648°	-103.499904°	LEA

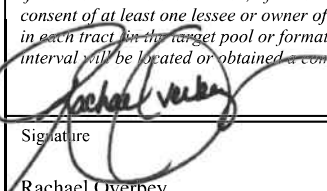
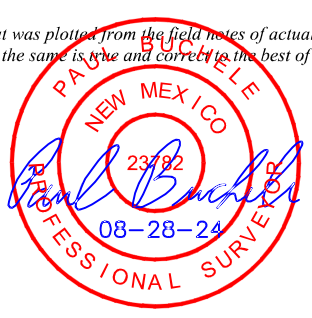
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		623 SOUTH	1,658 WEST	32.713222°	-103.499864°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	18	18S	35E		100 NORTH	1,660 WEST	32.754862°	-103.499923°	LEA

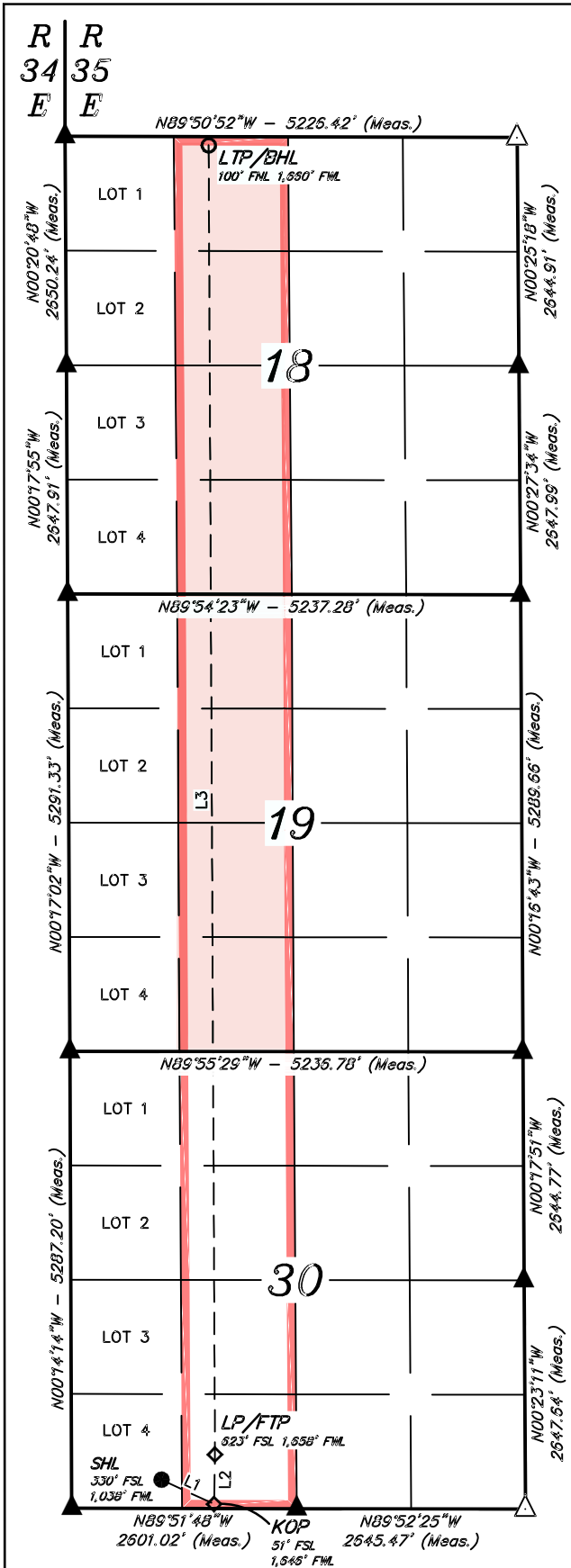
Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract in the target pool or formation in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">                   9/6/2024             </p> <p>Signature _____ Date _____</p> <p>Rachael Overbey</p> <p>Printed Name _____</p> <p>roverbey@fmllc.com</p> <p>Email Address _____</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: right;">  </div> <p style="text-align: right;">                 Signature and Seal of Professional Surveyor                  23782                      February 20, 2024             </p> <p>Certificate Number                      Date of Survey</p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*



Property Name ROPE STATE COM	Well Number 602H	Drawn By N.R. 02-21-24	Revised By REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)
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LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S65°13'56"E	670.59'
L2	N01°02'36"E	573.05'
L3	N00°16'35"W	15152.71'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.73" (32.712426°)
LONGITUDE = -103°30'06.77" (-103.501880°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.29" (32.712302°)
LONGITUDE = -103°30'04.99" (-103.501387°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623914.80' E: 797068.95'
STATE PLANE NAD 27 (N.M. EAST)
N: 623850.40' E: 755889.26'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.93" (32.711648°)
LONGITUDE = -103°29'59.66" (-103.499904°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.49" (32.711524°)
LONGITUDE = -103°29'57.88" (-103.499411°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623636.49' E: 797678.95'
STATE PLANE NAD 27 (N.M. EAST)
N: 623572.11' E: 756499.24'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.60" (32.713222°)
LONGITUDE = -103°29'59.51" (-103.499864°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.15" (32.713098°)
LONGITUDE = -103°29'57.73" (-103.499370°)
STATE PLANE NAD 83 (N.M. EAST)
N: 624209.39' E: 797686.95'
STATE PLANE NAD 27 (N.M. EAST)
N: 624144.99' E: 756507.26'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°45'17.50" (32.754862°)
LONGITUDE = -103°29'59.72" (-103.499923°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°45'17.06" (32.754738°)
LONGITUDE = -103°29'57.94" (-103.499428°)
STATE PLANE NAD 83 (N.M. EAST)
N: 639359.00' E: 797549.50'
STATE PLANE NAD 27 (N.M. EAST)
N: 639294.12' E: 756370.23'

**NOTE:**

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



- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input type="checkbox"/> Initial Submittal <input checked="" type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number 30-025-53343	Pool Code 960	Pool Name AIRSTRIP, BONE SPRING
Property Code 336097	Property Name ROPE STATE COM	
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Well Number 602H
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Ground Level Elevation 3951.3'
Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	1,038 WEST	32.712426°	-103.501880°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	18	18S	35E		100 NORTH	1,660 WEST	32.754862°	-103.499923°	LEA

Dedicated Acres 160	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) Y	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		51 SOUTH	1,646 WEST	32.711648°	-103.499904°	LEA

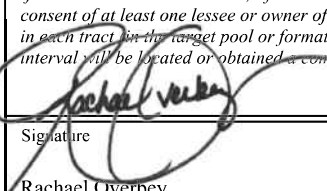
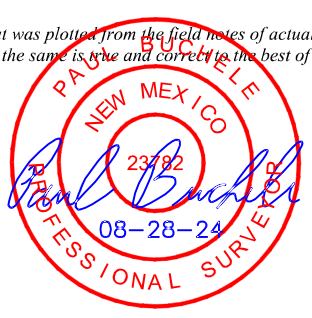
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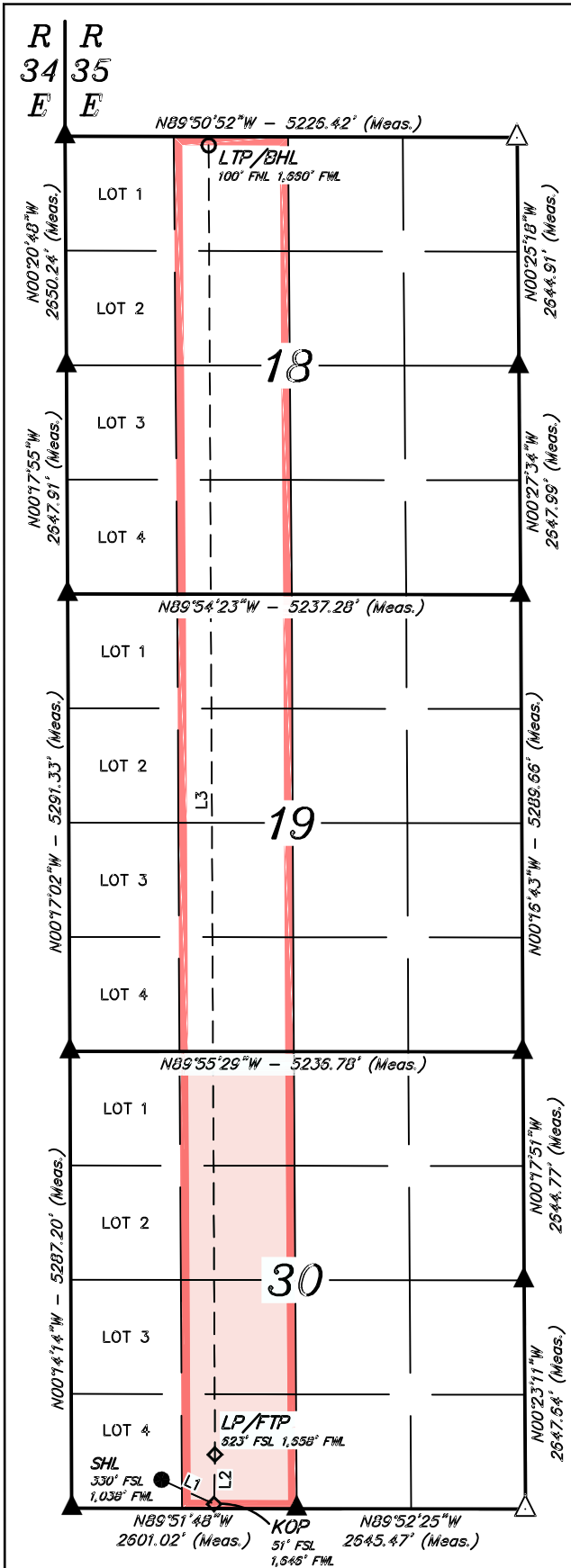
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STATE PLANE NAD 83 (N.M. EAST)
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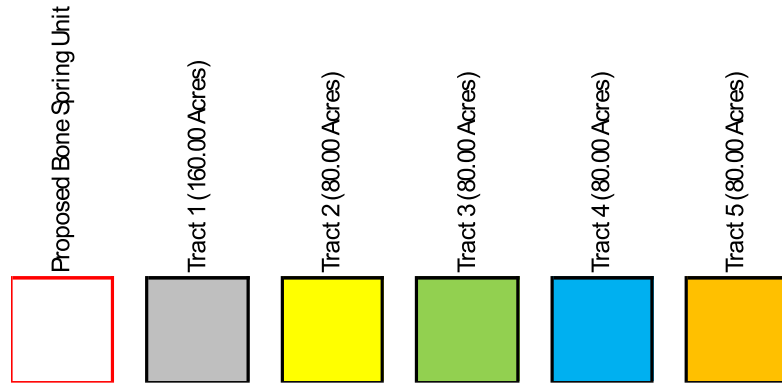
- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



# Case No. 24479 Unit Summary

Case No. 24479  
 E/2W/2 of Sections 18, 19 & 30-T18S-R35E  
 480.00 Acres  
 Rope State Com 302H  
 Rope State Com 602H

(Lot 1) 38.04	18	
(Lot 2) 38.12		
(Lot 3) 38.2		
(Lot 4) 38.28		
(Lot 1) 38.32	19	
(Lot 2) 38.31		
(Lot 3) 38.31		
(Lot 4) 38.30		
(Lot 1) 38.33	30	
(Lot 2) 38.39		
(Lot 3) 38.45		
(Lot 4) 38.51		



Committed Working Interest	
Franklin Mountain Energy 3, LLC	54.5834%
Committed Interest Total	54.5834%
* Supporting FME3 Working Interest	
Cavalry Resources, LLC	8.3333%
Loma Hombre Energy, LLC	8.3333%
DSD Energy II, LLC	8.3333%
Uncommitted Interest Total	24.9999%
Uncommitted Working Interest	
MRC Permian Company	19.5834%
Axis Energy Corporation	0.8333%
Uncommitted Interest Total	20.4167%
Total:	100.0000%

\*Signed elections and negotiating JOAs

Tract	Lease	%
1	VB-1325	33.3%
2	VB-1499	16.7%
3	VB-1478	16.7%
4	V0-9145	16.7%
5	VB-2312	16.7%

EXHIBIT A-19-b



FRANKLIN MOUNTAIN ENERGY

AUTHORITY FOR EXPENDITURE

Well Name: Rope State Com 302H
Location: SHL: Sec 30-T18S-R35E 260 FSL 2490 FEL
Operator: Franklin Mountain Energy 3, LLC
Purpose: Drill and complete a 15,000' 1BS well.

Well #: 302H
County/State: Lea Co., NM
Date Prepared: 1/4/2024
AFE #: DCE231023

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

Table with columns: Major, Minor, Description, Amount. Includes sections for Intangible Drilling Costs and Intangible Completion Costs.

Table with columns: Major, Minor, Description, Amount. Includes section for Tangible Drilling Costs.

Table with columns: Major, Minor, Description, Amount. Includes sections for Tangible Facility Costs and Intangible Facility Costs.

Table with columns: Major, Minor, Description, Amount. Includes section for Office Use Only.

Summary table with rows: Total Drill, Total Completion, Total Facility, Total DC Intangible, Total DC Tangible.

Total AFE: \$13,363,570.93

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

Operator: Franklin Mountain Energy 3, LLC
Approved By: [Signature]
Chief Executive Officer

Date: 1/4/2024

WI Owner:
Approved By:
Printed Name:

Date:
Title:

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

EXHIBIT A-19-c





Case No. 24479 E/2W/2 Bone Spring-Pooled Parties List

**Working Interest Owners to Be Pooled**

MRC Permian Company  
Axis Energy Corporation  
Cavalry Resources, LLC  
Loma Hombre Energy, LLC  
DSD Energy II, LLC

**ORRI to Be Pooled**

Broken Arrow Royalties, LLC  
Thomaston, LLC  
Mongoose Minerals LLC  
Marathon Oil Permian LLC  
Good News Minerals, LLC  
Pegasus Resources II, LLC  
Collins & Jones Investments, LLC  
LMC Energy, LLC  
David W. Cromwell  
Oak Valley Mineral and Land, LP  
Crown Oil Partners, LP  
H. Jason Wacker  
Kaleb Smith  
Deane Durham  
Mike Moylett  
Post Oak Mavros II, LLC  
Sortida Resources, LLC

**EXHIBIT A-19-d**

## Summary of Contacts

### Case No. 24479

- 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 February 14, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- 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 working 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.

<b>Name</b>	<b>Ownership Type</b>	<b>Date Proposal Letter Sent</b>	<b>Proposal Letter Received</b>	<b>Follow Up</b>
Cavalry Resources, LLC	WIO	2/14/2024	2/21/2024	Negotiating JOA
MRC Permian Company	WIO	2/14/2024	2/21/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Loma Hombre Energy, LLC	WIO	2/14/2024	2/20/2024	Elected to Participate
DSD Energy II, LLC	WIO	2/14/2024	2/17/2024	Negotiating JOA
Axis Energy Corporation	WIO	2/14/2024	2/20/2024	Received email stating that they signed a JOA with MRC

**EXHIBIT A-19-e**



**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.** 24898

**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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Franklin seeks to dedicate the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 703H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and
  - b. **Rope State Com 803H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19.

**EXHIBIT A-20**

4. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary.

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 well or to otherwise commit their interests to the well.

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 October 31, 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 the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

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*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24898 : 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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 703H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and **Rope State Com 803H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary. 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 19 miles west of Hobbs, New Mexico.

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number	Pool Code 970	Pool Name AIR STRIP, WOLFCAMP
Property Code	Property Name ROPE STATE COM	Well Number 703H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3939.3'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL P	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		338 SOUTH	1163 EAST	32.712397°	-103.491983°	LEA

Bottom Hole Location

UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	19	18S	35E		100 NORTH	1490 EAST	32.740277°	-103.493102°	LEA

Dedicated Acres 640	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL O	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		50 SOUTH	1491 EAST	32.711611°	-103.493047°	LEA

First Take Point (FTP)

UL O	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	30	18S	35E		623 SOUTH	1491 EAST	32.713186°	-103.493051°	LEA

Last Take Point (LTP)

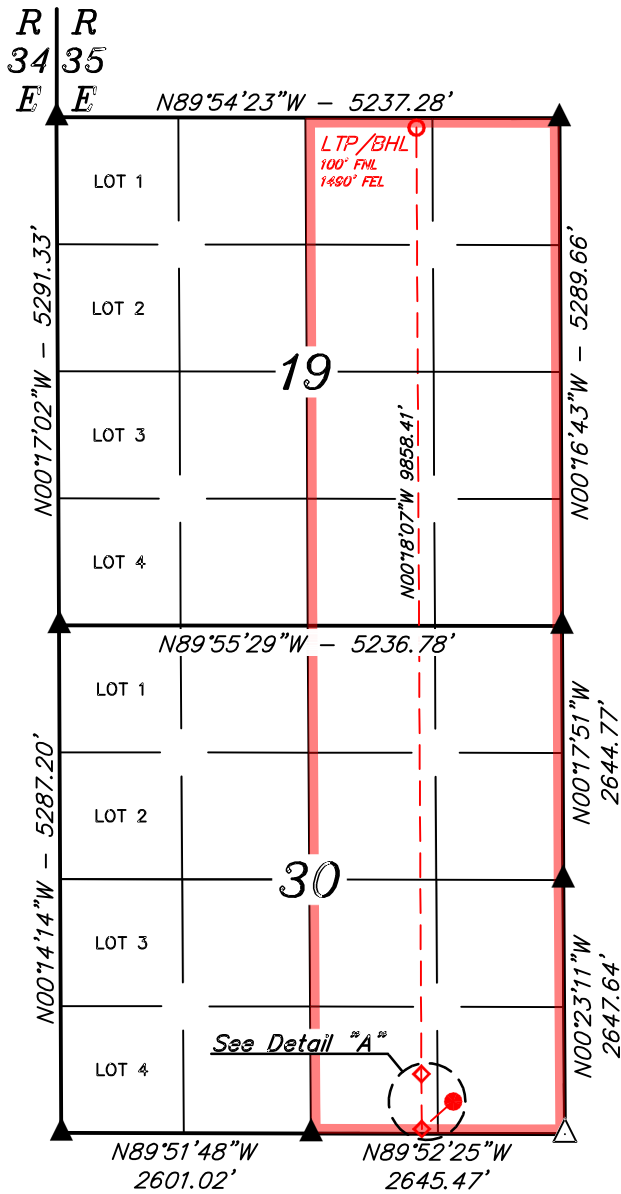
UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	19	18S	35E		100 NORTH	1490 EAST	32.740277°	-103.493102°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">10/29/2024</p> <p>Signature:  Date</p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmelc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;"> </div> <p>Signature and Seal of Professional Surveyor: </p> <p>23782 February 21, 2024</p> <p>Certificate Number Date of Survey</p>
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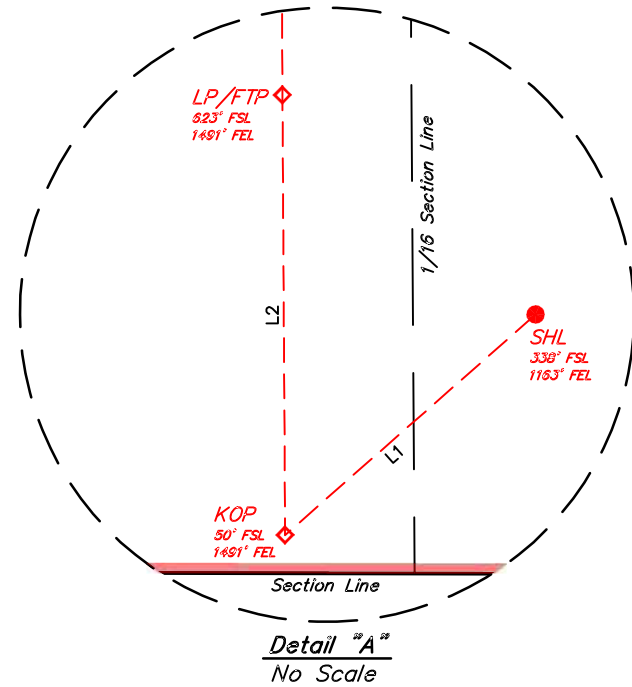
Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

Property Name ROPE STATE COM	Well Number 703H	Drawn By N.R. 02-23-24	Revised By REV: 2 T.I.R. 11-13-24 (UPDATE BHL)
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<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.63" (32.712397°) LONGITUDE = -103°29'31.14" (-103.491983°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.18" (32.712273°) LONGITUDE = -103°29'29.36" (-103.491489°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623928.41' E: 800113.29'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623864.09' E: 758933.56'
<b>NAD 83 (LP/FTP)</b> LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°)
<b>NAD 27 (LP/FTP)</b> LATITUDE = 32°42'47.02" (32.713062°) LONGITUDE = -103°29'33.21" (-103.492558°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 624212.77' E: 799782.36'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 624148.43' E: 758602.64'

<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.80" (32.711611°) LONGITUDE = -103°29'34.97" (-103.493047°)
<b>NAD 27 (KICK OFF POINT)</b> LATITUDE = 32°42'41.35" (32.711487°) LONGITUDE = -103°29'33.19" (-103.492553°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623639.84' E: 799788.29'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623575.52' E: 758608.56'
<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°44'25.00" (32.740277°) LONGITUDE = -103°29'35.17" (-103.493102°)
<b>NAD 27 (LTP/BHL)</b> LATITUDE = 32°44'24.55" (32.740153°) LONGITUDE = -103°29'33.39" (-103.492608°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 634069.13' E: 799688.55'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 634004.47' E: 758509.12'



LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S48°38'30"W	434.69'
L2	N00°20'59"W	573.05'

**NOTE:**

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

- = SURFACE HOLE LOCATION
- ◆ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number	Pool Code 970	Pool Name AIRSTRIP; WOLFCAMP
Property Code	Property Name ROPE STATE COM	Well Number 803H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3,945.0'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
O	30	18S	35E		335 SOUTH	2,433 EAST	32.712412°	-103.496111°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
B	19	18S	35E		100 NORTH	2,190 EAST	32.740288°	-103.495378°	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
O	30	18S	35E		53 SOUTH	2,193 EAST	32.711633°	-103.495329°	LEA



First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
O	30	18S	35E		626 SOUTH	2,192 EAST	32.713207°	-103.495333°	LEA

Last Take Point (LTP)

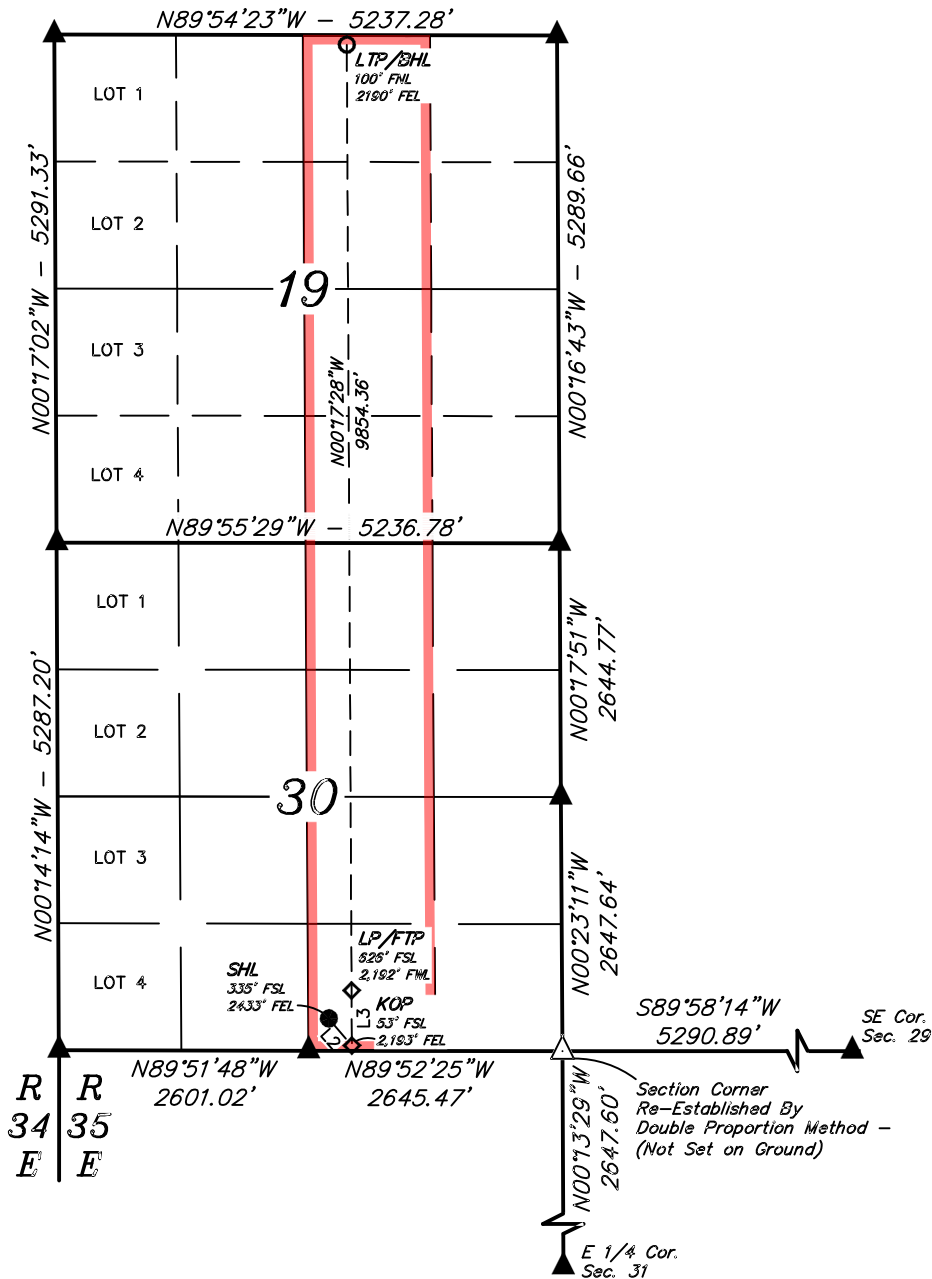
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
B	19	18S	35E		100 NORTH	2,190 EAST	32.740288°	-103.495378°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">                   10/29/2024             </p> <p>Signature _____ Date _____</p> <p>Rachael Overbey</p> <p>Printed Name _____</p> <p>roverbey@fmllc.com</p> <p>Email Address _____</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p style="text-align: right;">                 Signature and Seal of Professional Surveyor                  23782 February 21, 2024             </p> <p>Certificate Number _____ Date of Survey _____</p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*

Property Name ROPE STATE COM	Well Number 803H	Drawn By C.S.C. 02-27-24	Revised By REV. 2 T.I.R. 11-13-24 (UPDATE BHL)
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- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT

**NOTE:**

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°29'20"W	2644.93'
L2	S40°33'05"E	371.85'
L3	N00°20'34"W	573.05'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.68" (32.712412°)
LONGITUDE = -103°29'46.00" (-103.496111°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.23" (32.712287°)
LONGITUDE = -103°29'44.22" (-103.495617°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623923.51' E: 798843.51'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623859.16' E: 757663.79'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.88" (32.711633°)
LONGITUDE = -103°29'43.18" (-103.495329°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.43" (32.711509°)
LONGITUDE = -103°29'41.41" (-103.494835°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623642.05' E: 799086.42'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623577.71' E: 757906.69'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.55" (32.713207°)
LONGITUDE = -103°29'43.20" (-103.495333°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.10" (32.713083°)
LONGITUDE = -103°29'41.42" (-103.494839°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624214.98' E: 799080.56'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624150.62' E: 757900.85'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°44'25.04" (32.740288°)
LONGITUDE = -103°29'43.36" (-103.495378°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°44'24.59" (32.740163°)
LONGITUDE = -103°29'41.58" (-103.494884°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 634067.30' E: 798988.65'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 634002.62' E: 757809.23'





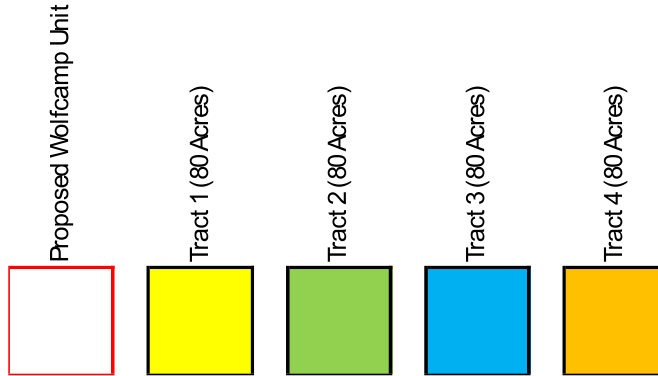


Case No. 24898 Unit Summary

Case No. 24898  
 W/2E/2 of Sections 19 & 30-T18S-R35E  
 320.00 Acres

Rope State Com 703H  
 Rope State Com 803H

(Lot 1) 38.32			
(Lot 2) 38.31			
(Lot 3) 38.31	19		
(Lot 4) 38.30			
(Lot 1) 38.33			
(Lot 2) 38.39		30	
(Lot 3) 38.45			
(Lot 4) 38.51			



Committed Working Interest		Committed Working Interest
Franklin Mountain Energy 3, LLC		69.3750%
Committed Interest Total		69.3750%
Uncommitted Working Interest		
MRC Permian Company		29.3750%
Axis Energy Corporation		1.2500%
Uncommitted Interest Total		30.6250%
Total:		100.0000%

Tract	Lease	%
1	VB-1499	25.0000%
2	VB-1478	25.0000%
3	V0-9145	25.0000%
4	VB-2312	25.0000%

EXHIBIT A-20-b



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

**Well Name:** Rope State Com 703H **Well #:** 703H  
**Location:** SHL: Sec 30-T18S-R35E 338 FSL 1163 FEL **County/State:** Lea Co., NM  
 BHL: Sec 19-T18S-R35E 100 FNL 1490 FEL  
**Operator:** Franklin Mountain Energy 3, LLC **Date Prepared:** 8/13/2024  
**Purpose:** Drill and complete a 10,000' WCA well. **AFE #:** DCE240812  
 TVD 10,862', MD 20,862'

Intangible Drilling Costs			Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$55,000
225	15	CEMENTING INTERMEDIATE CASING	\$28,000
225	16	CEMENTING PRODUCTION CASING	\$85,000
225	20	CEMENTING SURFACE CASING	\$42,000
225	25	COMMUNICATIONS	\$31,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$75,000
225	40	CONTRACT LABOR	\$80,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$654,300
225	55	DRILLING - DIRECTIONAL	\$245,000
225	60	DRILLING - FOOTAGE	\$0
225	65	DRILLING BITS	\$65,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$250,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$80,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$35,000
225	105	INSURANCE	\$3,600
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$210,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$95,000
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$149,229
225	35	CONTINGENCY COSTS 5%	\$138,131
<b>Total Intangible Drilling Costs:</b>			<b>\$2,900,760</b>

Intangible Completion Costs			Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EQPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$186,500
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	\$0
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$15,000
240	60	ELECTRICAL POWER/GENERATION	\$0
240	62	ENGINEERING	\$0
240	65	ENVIRONMENTAL/CLEANUP	\$0
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$99,000
240	72	FRAC WATER/COMPLETION FLUID	\$544,000
240	75	FUEL, POWER/DIESEL	\$464,000
240	80	HEALTH & SAFETY	\$5,500
240	85	HOUSING AND SUPPORT SERVICES	\$11,500
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$6,400
240	110	P&ATA COSTS	\$5,700
240	115	PERFORATING/WIRELINE SERVICE	\$249,000
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$3,500
240	130	STIMULATION	\$2,358,500
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$30,000
240	140	SUPERVISION	\$103,500
240	145	SURFACE EQUIP RENTAL	\$234,500
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$104,500
240	160	WELDING SERVICES	\$0
240	165	WELL TESTING/FLOWBACK	\$120,000
240	148	TAXES	\$0
240	40	CONTINGENCY COSTS 5%	\$231,045
<b>Total Intangible Completion Costs:</b>			<b>\$4,851,945</b>

Tangible Drilling Costs			Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$170,000
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$594,000
230	35	SURFACE CASING & ATTACHMENTS	\$105,000
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$61,000
230	40	TAXES	\$54,780
<b>Total Tangible Drilling Costs:</b>			<b>\$1,050,780</b>

Tangible Completion Costs			Amount
245	5	ARTIFICIAL LIFT	\$175,000
245	15	FLOWLINES	\$20,000
245	25	FRAC STRING	\$0
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$0
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	\$0
245	55	PRODUCTION TUBING	\$150,000
245	60	RODS/PUMPS	\$0
245	65	SUBSURFACE EQUIPMENT	\$50,000
245	75	WELLHEAD EQUIPMENT	\$125,000
245	70	TAXES	\$28,600
<b>Total Tangible Completion Costs:</b>			<b>\$548,600</b>

Tangible Facility Costs			Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$13,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$124,000
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$58,000
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$50,000
270	110	TANKS & WALKWAYS	\$40,000
270	130	MECHANICAL BATTERY BUILD	\$118,000
270	132	EL&C BATTERY BUILD	\$45,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$4,000
270	136	PRIMARY POWER BUILD	\$13,000
270	138	FLOWLINE INSTALLATION	\$27,500
270	140	SIGNAGE	\$250
270	125	TAXES	\$37,314
<b>Total Tangible Facility Costs:</b>			<b>\$716,081</b>

Intangible Facility Costs			Amount
265	5	CONSULTING	\$18,000
265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW/PERMITS, ETC	\$40,000
265	22	PAD/ROAD CONSTRUCTION	\$5,000
265	25	ENGINEERING / SCIENCE	\$13,000
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$0
265	45	CONTRACT LABOR & SERVICES	\$0
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$800
265	85	TRANSPORTATION / TRUCKING	\$0
265	83	TAXES	\$4,389
265	10	CONTINGENCY COSTS 5%	\$3,990
<b>Total Intangible Facility Costs:</b>			<b>\$88,179</b>

Total Drill:	\$3,951,540.25
Total Completion:	\$5,400,545.00
Total Facility:	\$804,260.25
Total DC Intangible:	\$7,752,705.25
Total DC Tangible:	\$1,599,380.00

Total AFE: \$10,156,345.50

**Office Use Only:**

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

Operator: Franklin Mountain Energy 3, LLC  
 Approved By: Date: 8/13/2024  
 Chief Executive Officer

WI Owner: \_\_\_\_\_ Date: \_\_\_\_\_  
 Approved By: \_\_\_\_\_ Title: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FM3





Case No. 24898 W/2E/2 Wolfcamp—Pooled Party list

**Working Interest Owners to Be Pooled**

MRC Permian Company  
Axis Energy Corporation

**ORRI to Be Pooled**

Broken Arrow Royalties, LLC  
Thomaston, LLC  
Mongoose Minerals LLC  
Marathon Oil Permian LLC  
Good News Minerals, LLC  
Pegasus Resources II, LLC  
Collins & Jones Investments, LLC  
LMC Energy, LLC  
David W. Cromwell  
Oak Valley Mineral and Land, LP  
Crown Oil Partners, LP  
H. Jason Wacker  
Kaleb Smith  
Deane Durham  
Mike Moylett  
Post Oak Mavros II, LLC  
Sortida Resources, LLC

**EXHIBIT A-20-d**

## Summary of Contacts Case No. 24898

- 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 August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- 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 working 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
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC



**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. 24899**

**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 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 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 Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 306.92-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 19.
4. The producing area for the wells is expected to be orthodox.

**EXHIBIT A-21**

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 well or to otherwise commit their interests to the well.

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 October 31, 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, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.  
Deana M. Bennett  
Yarithza Peña  
Post Office Box 2168

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Albuquerque, New Mexico 87103-2168  
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[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)  
[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)  
*Attorneys for Franklin Mountain Energy 3, LLC*



**CASE NO. 24899 : 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 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number	Pool Code 970	Pool Name AIRSTRIP, WOLFCAMP
Property Code	Property Name ROPE STATE COM	Well Number 701H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3951.5'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	1,008 WEST	32.712426°	-103.501978°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	19	18S	35E		100 NORTH	800 WEST	32.740320°	-103.502685°	LEA

Dedicated Acres 306.92	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		53 SOUTH	895 WEST	32.711666°	-103.502343°	LEA

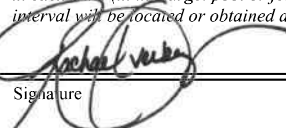
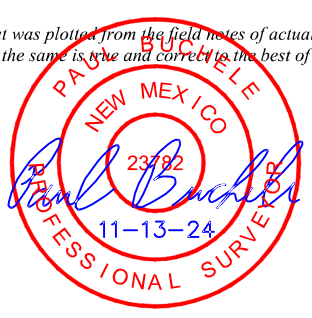
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		621 SOUTH	822 WEST	32.713228°	-103.502581°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	19	18S	35E		100 NORTH	800 WEST	32.740320°	-103.502685°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">                   10/29/2024             </p> <p>Signature _____ Date _____</p> <p>Rachael Overbey</p> <p>Printed Name _____</p> <p>roverbey@fmllc.com</p> <p>Email Address _____</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: right;">  </div> <p style="text-align: right;">                 Signature and Seal of Professional Surveyor                  23782 February 20, 2024             </p> <p>Certificate Number _____ Date of Survey _____</p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*

Property Name ROPE STATE COM	Well Number 701H	Drawn By N.R. 02-21-24	Revised By REV. 2 T.I.R. 11-13-24 (UPDATE BHL)
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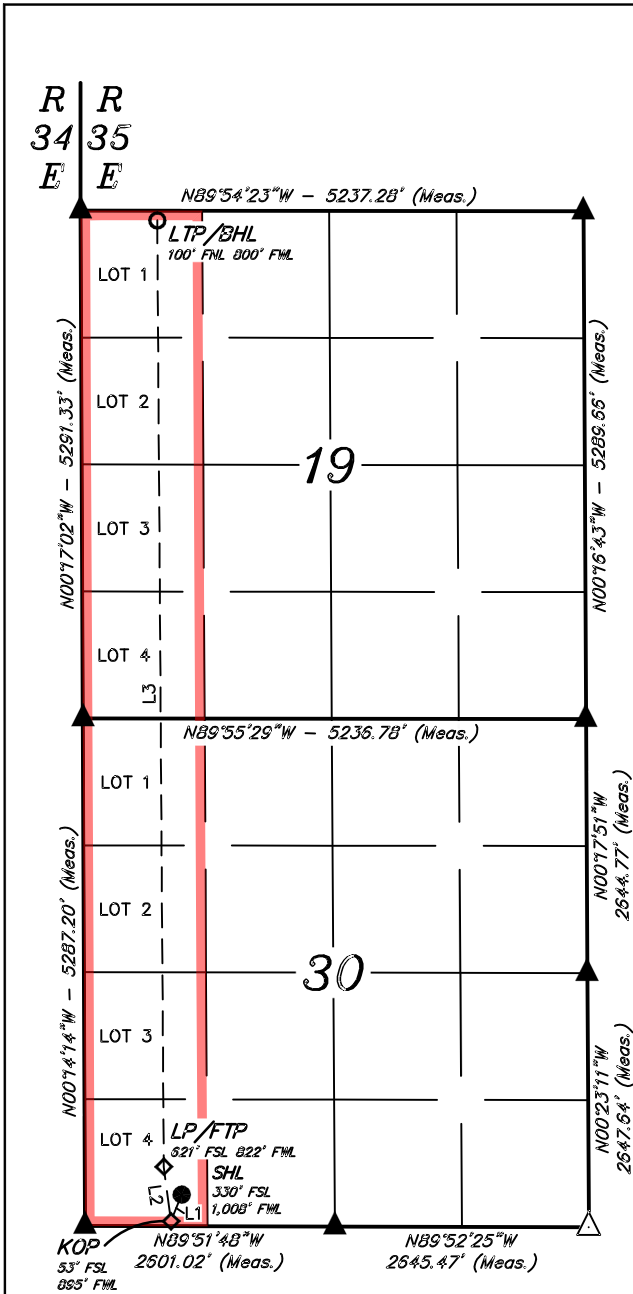
LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S21°52'01"W	298.55'
L2	N07°33'25"W	573.06'
L3	N00°23'33"W	9858.74'

NAD 83 (SURFACE HOLE LOCATION)	
LATITUDE = 32°42'44.74" (32.712426°)	LONGITUDE = -103°30'07.12" (-103.501978°)
NAD 27 (SURFACE HOLE LOCATION)	
LATITUDE = 32°42'44.29" (32.712302°)	LONGITUDE = -103°30'05.34" (-103.501484°)
STATE PLANE NAD 83 (N.M. EAST)	
N: 623914.74' E: 797038.96'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 623850.35' E: 755859.26'	

NAD 83 (KICK OFF POINT)	
LATITUDE = 32°42'42.00" (32.711666°)	LONGITUDE = -103°30'08.43" (-103.502343°)
NAD 27 (KICK OFF POINT)	
LATITUDE = 32°42'41.55" (32.711542°)	LONGITUDE = -103°30'06.66" (-103.501849°)
STATE PLANE NAD 83 (N.M. EAST)	
N: 623637.25' E: 796928.96'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 623572.87' E: 755749.26'	

NAD 83 (LP/FTP)	
LATITUDE = 32°42'47.62" (32.713228°)	LONGITUDE = -103°30'09.29" (-103.502581°)
NAD 27 (LP/FTP)	
LATITUDE = 32°42'47.17" (32.713104°)	LONGITUDE = -103°30'07.51" (-103.502087°)
STATE PLANE NAD 83 (N.M. EAST)	
N: 624204.91' E: 796851.20'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 624140.51' E: 755671.51'	

NAD 83 (LTP/BHL)	
LATITUDE = 32°44'25.15" (32.740320°)	LONGITUDE = -103°30'09.67" (-103.502685°)
NAD 27 (LTP/BHL)	
LATITUDE = 32°44'24.70" (32.740196°)	LONGITUDE = -103°30'07.89" (-103.502190°)
STATE PLANE NAD 83 (N.M. EAST)	
N: 634061.43' E: 796741.82'	
STATE PLANE NAD 27 (N.M. EAST)	
N: 633996.70' E: 755562.41'	



NOTE:

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



- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT

<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number	Pool Code 970	Pool Name AIRSTRIP, WOLFCAMP
Property Code	Property Name ROPE STATE COM	Well Number 801H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3952.0'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	918 WEST	32.712428°	-103.502270°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	19	18S	35E		100 NORTH	400 WEST	32.740326°	-103.503986°	LEA

Dedicated Acres 306.92	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code P
Order Numbers.	Pending			
Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		54 SOUTH	425 WEST	32.711679°	-103.503870°	LEA

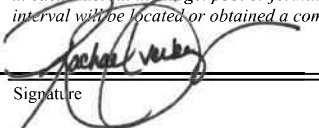
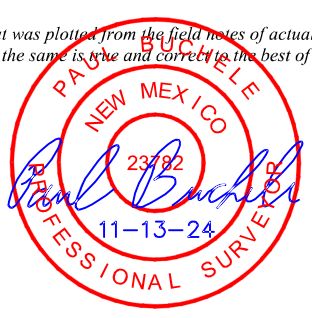
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		625 SOUTH	372 WEST	32.713246°	-103.504044°	LEA

Last Take Point (LTP)

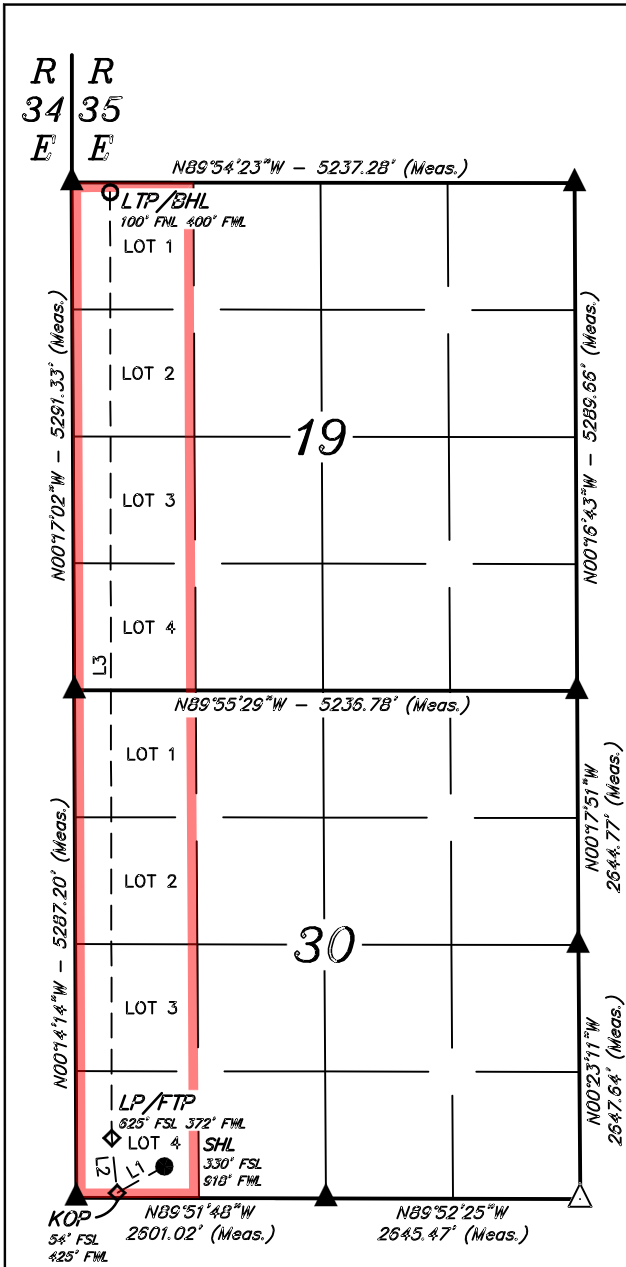
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	19	18S	35E		100 NORTH	400 WEST	32.740326°	-103.503986°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">                   10/29/2024             </p> <p>Signature _____ Date _____</p> <p>Rachael Overbey</p> <p>Printed Name _____</p> <p>roverbey@fmllc.com</p> <p>Email Address _____</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: right;">  </div> <p style="text-align: right;">                 Signature and Seal of Professional Surveyor                  23782 February 20, 2024             </p> <p>Certificate Number _____ Date of Survey _____</p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*

Property Name ROPE STATE COM	Well Number 801H	Drawn By N.R. 02-21-24	Revised By REV. 2 T.I.R. 11-13-24 (UPDATE BHL)
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LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S80°48'25"W	562.73'
L2	N05°33'24"W	573.05'
L3	N00°05'03"W	9854.10'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.74" (32.712428°)
LONGITUDE = -103°30'08.17" (-103.502270°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.29" (32.712304°)
LONGITUDE = -103°30'06.40" (-103.501777°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623914.57' E: 796948.97'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623850.18' E: 755769.28'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'42.04" (32.711679°)
LONGITUDE = -103°30'13.93" (-103.503870°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.60" (32.711554°)
LONGITUDE = -103°30'12.16" (-103.503377°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623638.06' E: 796458.97'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623573.68' E: 755279.27'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.69" (32.713246°)
LONGITUDE = -103°30'14.56" (-103.504044°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.24" (32.713122°)
LONGITUDE = -103°30'12.78" (-103.503550°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624208.08' E: 796401.07'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624143.68' E: 755221.39'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°44'25.17" (32.740326°)
LONGITUDE = -103°30'14.35" (-103.503986°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°44'24.73" (32.740202°)
LONGITUDE = -103°30'12.57" (-103.503491°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 634060.38' E: 796341.88'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 633995.66' E: 755162.48'

NOTE:

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



- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT

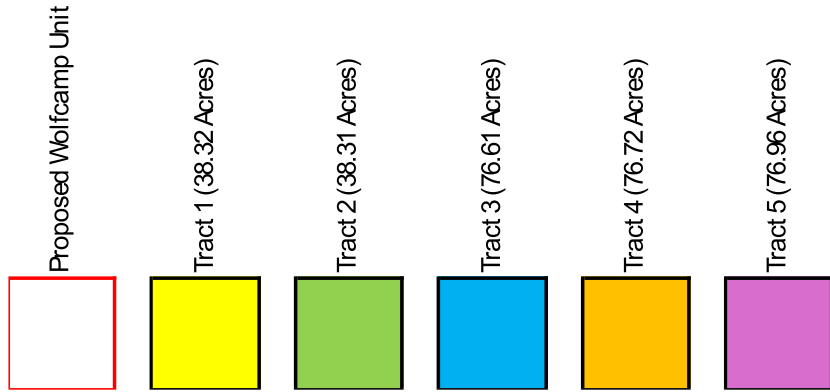


Case No. 24899 Unit Summary

Case No. 24899  
 W/2W/2 of Sections 19 & 30-T18S-R35E  
 306.92 Acres

(Lot 1) 38.32			
(Lot 2) 38.31			
(Lot 3) 38.31		19	
(Lot 4) 38.30			
(Lot 1) 38.33			
(Lot 2) 38.39			
(Lot 3) 38.45		30	
(Lot 4) 38.51			

Rope State Com 701H  
 Rope State Com 801H



Committed Working Interest		
Franklin Mountain Energy 3, LLC		57.0054%
MCM Exploration Company LLC		4.6808%
PBEX, LLC		4.6808%
Committed Interest Total		66.3670%
Uncommitted Working Interest		
MRC Permian Company		29.4161%
Axis Energy Corporation		1.2537%
Open		2.9632%
Uncommitted Interest Total		33.6330%
Total:		100.0000%

Tract	Lease	%
1	VB-1499	12.4853%
2	FEE	12.4821%
3	VB-1478	24.9609%
4	V0-9145	24.9967%
5	VB-2312	25.0749%

EXHIBIT A-21-b





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

Well Name: Rope State Com 701H
Location: SHL Sec 30-T18S-R35E 330 FSL 1008 FWL
Operator: Franklin Mountain Energy 3, LLC
Purpose: Drill and complete a 10,000' WCA well.
Well #: 701H
County/State: Lea Co., NM
Date Prepared: 8/13/2024
AFE #: DCE240810

Table with columns: Major, Minor, Description, Amount. Section: Intangible Drilling Costs. Lists various drilling activities and their associated costs, totaling \$2,900,760.

Table with columns: Major, Minor, Description, Amount. Section: Intangible Completion Costs. Lists various completion activities and their associated costs, totaling \$4,851,945.

Table with columns: Major, Minor, Description, Amount. Section: Tangible Drilling Costs. Lists various drilling materials and equipment costs, totaling \$1,050,780.

Table with columns: Major, Minor, Description, Amount. Section: Tangible Completion Costs. Lists various completion materials and equipment costs, totaling \$548,600.

Table with columns: Major, Minor, Description, Amount. Section: Tangible Facility Costs. Lists various facility construction and equipment costs, totaling \$716,081.

Table with columns: Major, Minor, Description, Amount. Section: Intangible Facility Costs. Lists various facility-related costs, totaling \$88,179.

Summary table with columns: Description, Amount. Totals: Total Drill: \$3,951,540.25; Total Completion: \$5,400,545.00; Total Facility: \$804,260.25; Total DC Intangible: \$7,752,705.25; Total DC Tangible: \$1,599,380.00.

Table with columns: Major, Minor, Description, Amount. Section: Office Use Only. Lists office-related costs, totaling \$88,179.

Total AFE: \$10,156,345.50

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

Operator: Franklin Mountain Energy 3, LLC
Approved By: [Signature]
Chief Executive Officer

Date: 8/13/2024

WI Owner:
Approved By:
Printed Name:

Date:
Title:

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





Case No. 24899 W/2W/2 Wolfcamp-Pooled Parties List

**Working Interest Owners and Unleased Mineral Interest Owners to Be Pooled**

MRC Permian Company  
Axis Energy Corporation  
John Richard Anderson  
The B. Lane Lee, Jr. Trust, Bill Lane Lee, Jr., Trustee  
Melissa Ann Lee Belz  
The RIGA Living Trust, Richard Randolph Lee and Gabriel Agustin Romero Gonzalez, Co-Trustees  
T Over V Ranch Land, LLLP  
Malcom S. Anderson Descendant Trust, dtd 7/2/1998, William Richard Anderson, Trustee  
Michelle M. Wiley Dynasty Trust  
Stephen P. Anderson Dynasty Trust  
Roddy D. and Brookie L. Hughes Revocable Trust, dtd 7/1/2016, Roddy D. Hughes and Brookie Lee  
Hughes, Co-Trustees  
Kinard Resources, LLC  
David P. Sanchez  
Becky Christmas  
Mary Ann Waldrop  
Elizabeth Libby Berry

**ORRI to Be Pooled**

Broken Arrow Royalties, LLC  
Thomaston, LLC  
Mongoose Minerals LLC  
Marathon Oil Permian LLC  
Good News Minerals, LLC  
Pegasus Resources II, LLC  
Collins & Jones Investments, LLC  
LMC Energy, LLC  
David W. Cromwell  
Oak Valley Mineral and Land, LP  
Crown Oil Partners, LP  
H. Jason Wacker  
Kaleb Smith  
Deane Durham  
Mike Moylett  
Post Oak Mavros II, LLC  
Sortida Resources, LLC

**EXHIBIT A-21-d**

## Summary of Contacts Case No. 24899

- 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 August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- 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 working 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.

<b>Name</b>	<b>Ownership Type</b>	<b>Date Proposal Letter Sent</b>	<b>Proposal Letter Received</b>	<b>Follow Up</b>
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC
MCM Exploration Company LLC	WIO	8/15/2024	8/19/2024	Elected to Participate
The B. Lane Lee, Jr. Trust	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Melizza Ann Lee Belz	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
The RIGA Living Trust	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Kinard Resources, LLC	UMI	8/15/2024	8/19/2024	Negotiated OGL terms, sent OGL packet, not returned, no response
David P. Sanchez	UMI	8/15/2024	8/19/2024	No response

**EXHIBIT A-21-e**

John Richard Anderson	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
T Over V Ranch Land, LLLP	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Elizabeth "Libby" Berry, aka Elizabeth Forrest Berry	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Malcom S. Anderson Descendant Trust, dtd 7/2/1998, William Richard Anderson, Trustee  Michelle M. Wiley Dynasty Trust  Stephen P. Anderson Dynasty Trust	UMI	8/15/2024	8/17/2024	Negotiating a JOA
Roddy D. and Brookie L. Hughes Revocable Trust Declaration, dtd 04/07/2016	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Becky Christmas, aka Becky Brooks Lee Christmas	UMI	8/15/2024	8/19/2024	No response
Mary Ann Waldrop, aka Mary Ann Lee	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative

EXHIBIT A-21-e

**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.** 24900

**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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 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 E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 702H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and
  - b. **Rope State Com 802H** well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19.

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

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 well or to otherwise commit their interests to the well.

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 October 31, 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 the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.  
Deana M. Bennett

Yarithza Peña  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
[edebrine@modrall.com](mailto:edebrine@modrall.com)  
[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)  
[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)  
*Attorneys for Franklin Mountain Energy 3, LLC*



**CASE NO. 24900 : 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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 702H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and **Rope State Com 802H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.

C-102 Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>		Revised July 9, 2024
	Submittal Type:	<input checked="" type="checkbox"/> Initial Submittal	
		<input type="checkbox"/> Amended Report	
		<input type="checkbox"/> As Drilled	

**WELL LOCATION INFORMATION**

API Number	Pool Code 970	Pool Name AIRSTRIP; WOLFCAMP
Property Code	Property Name ROPE STATE COM	Well Number 702H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3,945.2'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
O	30	18S	35E		335 SOUTH	2,463 EAST	32.712412°	-103.496209°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	19	18S	35E		100 NORTH	2,290 WEST	32.740299°	-103.497840°	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		53 SOUTH	2,288 WEST	32.711645°	-103.497817°	LEA

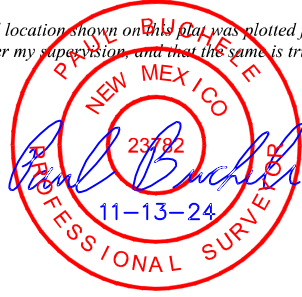
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		626 SOUTH	2,288 WEST	32.713220°	-103.497819°	LEA

Last Take Point (LTP)

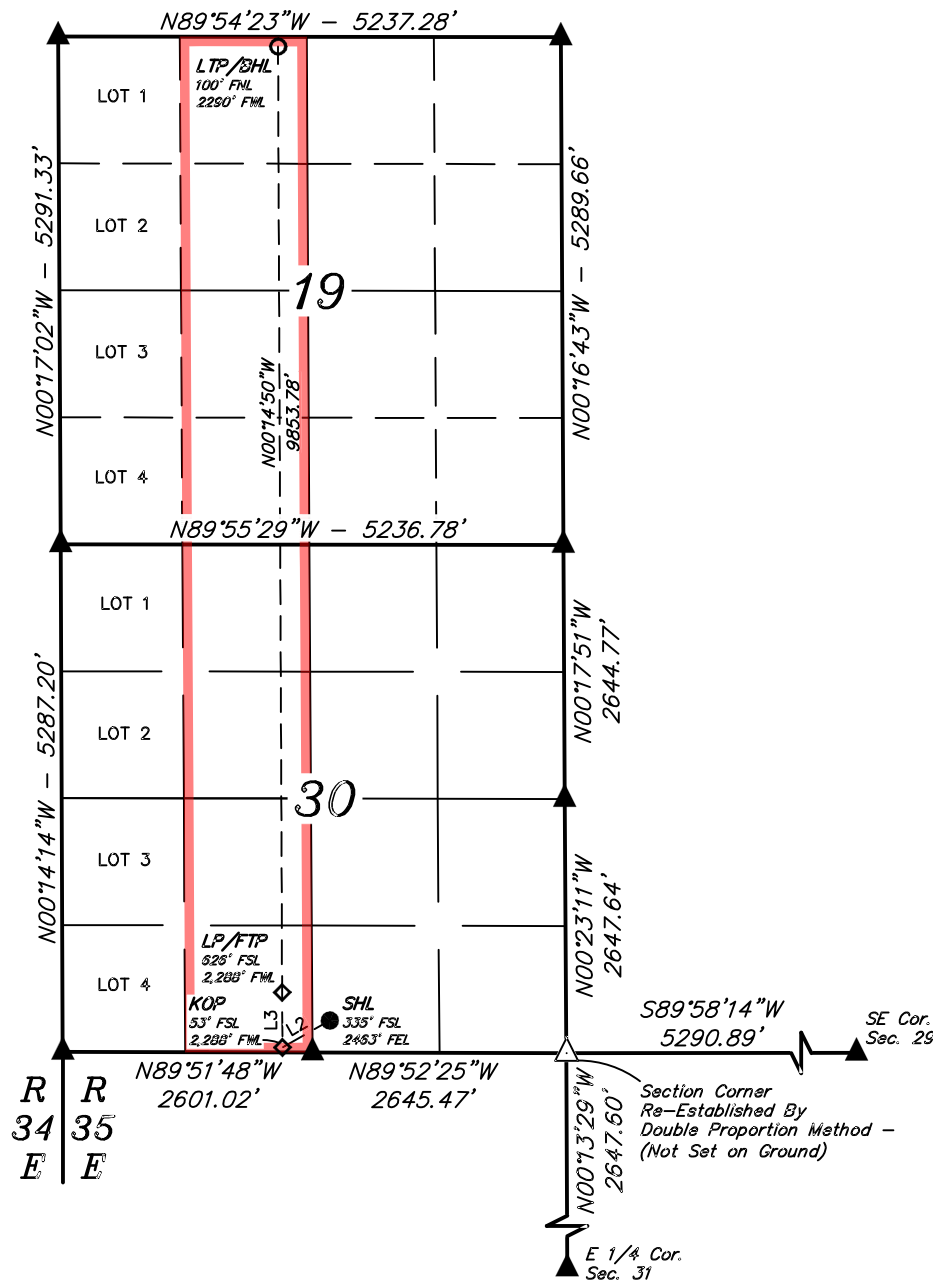
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	19	18S	35E		100 NORTH	2,290 WEST	32.740299°	-103.497840°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p><i>Rachael Overbey</i> 10/29/2024</p> <p>Signature _____ Date _____ Rachael Overbey Printed Name _____ roverbey@fmllc.com Email Address _____</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p><i>Paul Buchler</i> 23782 February 21, 2024</p> <p>Signature and Seal of Professional Surveyor _____ 23782 Certificate Number _____ February 21, 2024 Date of Survey _____</p>
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Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

Property Name ROPE STATE COM	Well Number 702H	Drawn By C.S.C. 02-27-24	Revised By REV. 2 T.I.R. 11-13-24 (UPDATE BHL)
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- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED (Not Set on Ground.)
- = DRILLING SPACING UNIT

**NOTE:**

- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°29'20"W	2644.93'
L2	S60°22'14"W	567.92'
L3	N00°16'22"W	573.05'

<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.68" (32.712412°) LONGITUDE = -103°29'46.35" (-103.496209°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.24" (32.712288°) LONGITUDE = -103°29'44.57" (-103.495715°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623923.40' E: 798813.51'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623859.04' E: 757633.80'

<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.92" (32.711645°) LONGITUDE = -103°29'52.14" (-103.497817°)
<b>NAD 27 (KICK OFF POINT)</b> LATITUDE = 32°42'41.48" (32.711521°) LONGITUDE = -103°29'50.36" (-103.497323°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 623640.58' E: 798321.13'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623576.22' E: 757141.41'

<b>NAD 83 (LP/FTP)</b> LATITUDE = 32°42'47.59" (32.713220°) LONGITUDE = -103°29'52.15" (-103.497819°)
<b>NAD 27 (LP/FTP)</b> LATITUDE = 32°42'47.15" (32.713096°) LONGITUDE = -103°29'50.37" (-103.497325°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 624213.51' E: 798315.97'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 624149.13' E: 757136.27'

<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°44'25.07" (32.740299°) LONGITUDE = -103°29'52.23" (-103.497840°)
<b>NAD 27 (LTP/BHL)</b> LATITUDE = 32°44'24.63" (32.740174°) LONGITUDE = -103°29'50.44" (-103.497346°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b> N: 634065.32' E: 798231.60'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 634000.61' E: 757052.18'



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024  Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled
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**WELL LOCATION INFORMATION**

API Number	Pool Code 970	Pool Name AIRSTRIP, WOLFCAMP
Property Code	Property Name ROPE STATE COM	Well Number 802H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3951.1'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	1,068 WEST	32.712425°	-103.501783°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	19	18S	35E		100 NORTH	1,660 WEST	32.740308°	-103.499889°	LEA

Dedicated Acres 320	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code P
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Order Numbers. **Pending** Well setbacks are under Common Ownership:  Yes  No

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		55 SOUTH	1,742 WEST	32.711658°	-103.499591°	LEA

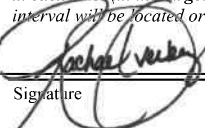
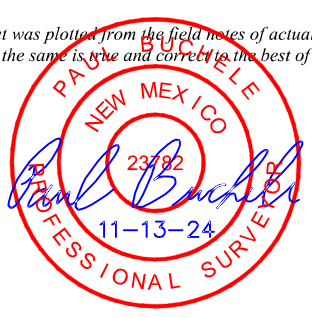
First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
N	30	18S	35E		624 SOUTH	1,677 WEST	32.713223°	-103.499803°	LEA

Last Take Point (LTP)

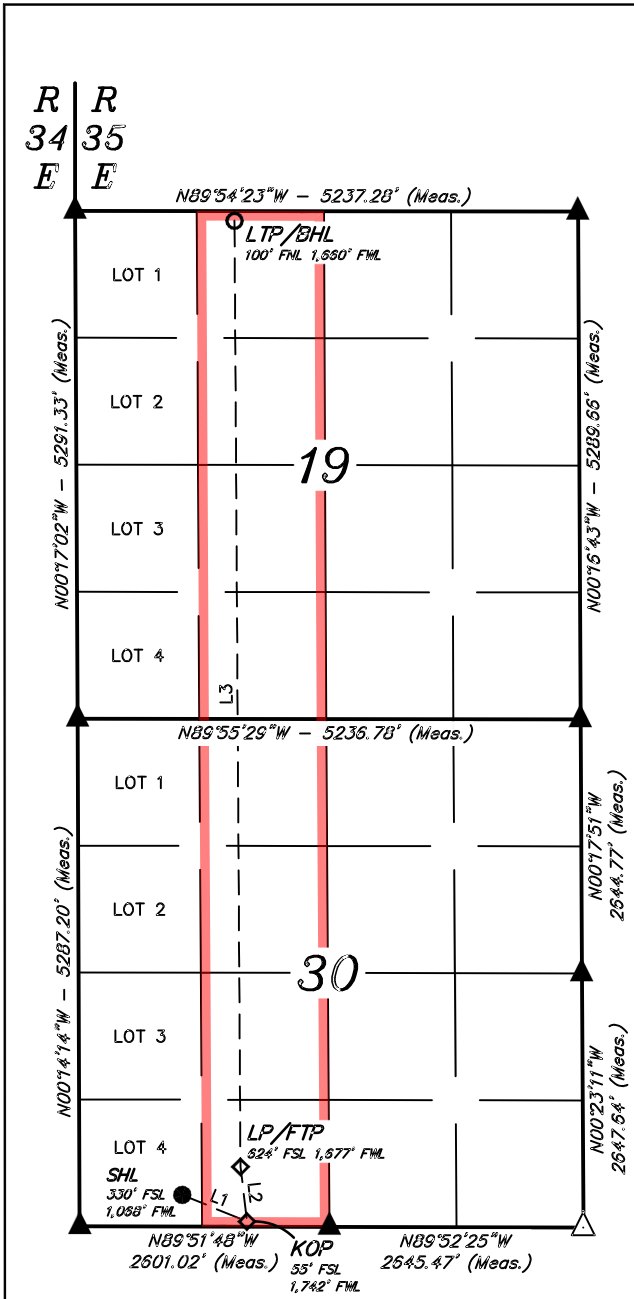
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	19	18S	35E		100 NORTH	1,660 WEST	32.740308°	-103.499889°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;"> 10/29/2024</p> <p>Signature <span style="float: right;">Date</span></p> <p>Rachael Overbey</p> <p>Printed Name</p> <p>roverbey@fmllc.com</p> <p>Email Address</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: right;">  </div> <p style="text-align: right;">Signature and Seal of Professional Surveyor</p> <p>23782 <span style="float: right;">February 20, 2024</span></p> <p>Certificate Number <span style="float: right;">Date of Survey</span></p>
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*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*

Property Name ROPE STATE COM	Well Number 802H	Drawn By N.R. 02-21-24	Revised By REV. 2 T.I.R. 11-13-24 (UPDATE BHL)
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LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S67°43'13"E	729.90'
L2	N06°45'26"W	573.05'
L3	N00°21'39"W	9856.11'

<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.73" (32.712425°)
LONGITUDE = -103°30'06.42" (-103.501783°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.28" (32.712301°)
LONGITUDE = -103°30'04.64" (-103.501289°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623914.85' E: 797098.95'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623850.46' E: 755919.25'

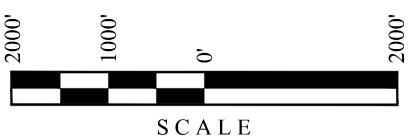
<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.97" (32.711658°)
LONGITUDE = -103°29'58.53" (-103.499591°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.52" (32.711534°)
LONGITUDE = -103°29'56.75" (-103.499097°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623641.04' E: 797775.42'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623576.66' E: 756595.71'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.60" (32.713223°)
LONGITUDE = -103°29'59.29" (-103.499803°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'47.16" (32.713099°)
LONGITUDE = -103°29'57.51" (-103.499309°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624209.73' E: 797705.59'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624145.33' E: 756525.90'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°44'25.11" (32.740308°)
LONGITUDE = -103°29'59.60" (-103.499889°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°44'24.66" (32.740183°)
LONGITUDE = -103°29'57.82" (-103.499394°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 634063.68' E: 797601.69'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 633998.94' E: 756422.28'

**NOTE:**

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



- = SURFACE HOLE LOCATION
- ◇ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT

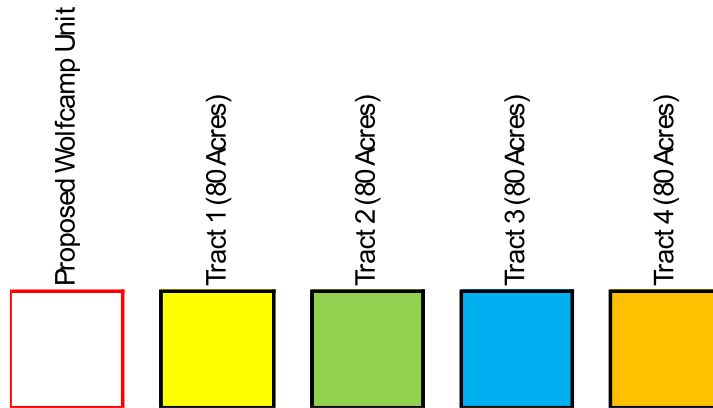


# Case No. 24900 Unit Summary

Case No. 24900  
 E/2W/2 of Sections 19 & 30-T18S-R35E  
 320.00 Acres

Rope State Com 702H  
 Rope State Com 802H

(Lot 1) 38.32	19	
(Lot 2) 38.31		
(Lot 3) 38.31		
(Lot 4) 38.30		
(Lot 1) 38.33	30	
(Lot 2) 38.39		
(Lot 3) 38.45		
(Lot 4) 38.51		



Committed Working Interest	
Franklin Mountain Energy3, LLC	69.3750%
Committed Interest Total	69.3750%
Uncommitted Working Interest	
MRC Permian Company	29.3750%
Axis Energy Corporation	1.2500%
Uncommitted Interest Total	30.6250%
<b>Total:</b>	<b>100.0000%</b>

Tract	Lease	%
1	VB-1499	25.0000%
2	VB-1478	25.0000%
3	V0-9145	25.0000%
4	VB-2312	25.0000%

EXHIBIT A-22-b





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

FRANKLIN MOUNTAIN ENERGY AUTHORITY FOR EXPENDITURE

Well Name: Rope State Com 702H
Location: SHL - Sec 30-T18S-R35E 335 FSL 2463 FEL
Operator: Franklin Mountain Energy 3, LLC
Purpose: Drill and complete a 10,000' WCA well, TVD 10,877', MD 20,877'.

Well #: 702H
County/State: Lea Co., NM
Date Prepared: 8/13/2024
AFE #: DCE240811

Table with 3 columns: Major, Minor, Description, Amount. Intangible Drilling Costs. Includes rows for Administrative Overhead, casing crew, cementing, completion fluids, etc.

Table with 3 columns: Major, Minor, Description, Amount. Intangible Completion Costs. Includes rows for Administrative Overhead, casing logs, coiled tubing, etc.

Table with 3 columns: Major, Minor, Description, Amount. Tangible Drilling Costs. Includes rows for Intermediate casing, packers/sleeves, etc.

Table with 3 columns: Major, Minor, Description, Amount. Tangible Completion Costs. Includes rows for Artificial lift, flowlines, frac string, etc.

Table with 3 columns: Major, Minor, Description, Amount. Tangible Facility Costs. Includes rows for Facility pipe, containment, dehydration, etc.

Table with 3 columns: Major, Minor, Description, Amount. Intangible Facility Costs. Includes rows for Consulting, company labor, damages, etc.

Table with 3 columns: Major, Minor, Description, Amount. Office Use Only. Includes rows for Office use only.

Summary table with 2 columns: Description, Amount. Total Drill, Total Completion, Total Facility, Total DC Intangible, Total DC Tangible.

Summary table with 2 columns: Description, Amount. Total AFE: \$10,156,345.50

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

Operator: Franklin Mountain Energy 3, LLC
Approved By: [Signature]
Chief Executive Officer

Date: 8/13/2024

WI Owner:
Approved By:
Printed Name:

Date:
Title:

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





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

**Well Name:** Rope State Com 802H1 **Well #:** 802H  
**Location:** SHL - Sec 30-T18S-R35E 330 FSL 1068 FWL **County/State:** Lea Co., NM  
 BHL - Sec 19-T18S-R35E 100 FNL 1660 FWL  
**Operator:** Franklin Mountain Energy 3, LLC **Date Prepared:** 8/13/2024  
**Purpose:** Drill and complete a 10,000' WCB well. **AFE #:** DCE240815  
 TVD 11,533', MD 21,533'

Intangible Drilling Costs			Amount
225	5	ADMINISTRATIVE OVERHEAD	\$6,600
225	10	CASING CREW & EQPT	\$60,000
225	15	CEMENTING INTERMEDIATE CASING	\$58,000
225	16	CEMENTING PRODUCTION CASING	\$130,000
225	20	CEMENTING SURFACE CASING	\$42,000
225	25	COMMUNICATIONS	\$36,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$74,651
225	40	CONTRACT LABOR	\$80,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$762,300
225	55	DRILLING - DIRECTIONAL	\$350,000
225	60	DRILLING - FOOTAGE	\$0
225	65	DRILLING BITS	\$120,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$310,000
225	84	EQUIPMENT RENTAL - DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$80,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000
225	105	INSURANCE	\$4,200
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUIT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$350,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$278,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$95,500
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$164,874
225	35	CONTINGENCY COSTS 5%	\$171,131
<b>Total Intangible Drilling Costs:</b>			<b>\$3,593,756</b>

Tangible Drilling Costs			Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$345,000
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$730,248
230	35	SURFACE CASING & ATTACHMENTS	\$105,000
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$61,000
230	40	TAXES	\$71,899
<b>Total Tangible Drilling Costs:</b>			<b>\$1,379,147</b>

Tangible Facility Costs			Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$13,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$124,000
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$58,000
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$50,000
270	110	TANKS & WALKWAYS	\$40,000
270	130	MECHANICAL BATTERY BUILD	\$118,000
270	132	EI&C BATTERY BUILD	\$45,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$4,000
270	136	PRIMARY POWER BUILD	\$13,000
270	138	FLOWLINE INSTALLATION	\$27,500
270	140	SIGNAGE	\$250
270	125	TAXES	\$37,331
<b>Total Tangible Facility Costs:</b>			<b>\$716,081</b>

Total Drill:	\$4,972,902.37
Total Completion:	\$5,400,545.00
Total Facility:	\$804,260.25
Total DC Intangible:	\$8,445,700.73
Total DC Tangible:	\$1,927,746.64

**Total AFE:** \$11,177,707.62

Intangible Completion Costs			Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EQPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$186,500
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	\$0
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$15,000
240	60	ELECTRICAL POWER/GENERATION	\$0
240	62	ENGINEERING	\$0
240	65	ENVIRONMENTAL/CLEANUP	\$0
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$99,000
240	72	FRAC WATER/COMPLETION FLUID	\$544,000
240	75	FUEL, POWER/DIESEL	\$464,000
240	80	HEALTH & SAFETY	\$5,500
240	85	HOUSING AND SUPPORT SERVICES	\$11,500
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$6,400
240	110	P&A/A COSTS	\$5,700
240	115	PERFORATING/WIRELINE SERVICE	\$249,000
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$3,500
240	130	STIMULATION	\$2,358,500
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$30,000
240	140	SUPERVISION	\$103,500
240	145	SURFACE EQUIP RENTAL	\$234,500
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$104,500
240	160	WELDING SERVICES	\$0
240	165	WELL TESTING/FLOWBACK	\$120,000
240	148	TAXES	\$0
240	40	CONTINGENCY COSTS 5%	\$231,045
<b>Total Intangible Completion Costs:</b>			<b>\$4,851,945</b>

Tangible Completion Costs			Amount
245	5	ARTIFICIAL LIFT	\$175,000
245	15	FLOWLINES	\$20,000
245	25	FRAC STRING	\$0
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$0
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	\$0
245	55	PRODUCTION TUBING	\$150,000
245	60	RODS/PUMPS	\$0
245	65	SUBSURFACE EQUIPMENT	\$50,000
245	75	WELLHEAD EQUIPMENT	\$125,000
245	45	TAXES	\$28,600
<b>Total Tangible Completion Costs:</b>			<b>\$548,600</b>

Intangible Facility Costs			Amount
265	5	CONSULTING	\$18,000
265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW/PERMITS, ETC	\$40,000
265	22	PAD/ROAD CONSTRUCTION	\$5,000
265	25	ENGINEERING / SCIENCE	\$13,000
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$0
265	45	CONTRACT LABOR & SERVICES	\$0
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$800
265	85	TRANSPORTATION / TRUCKING	\$0
265	83	TAXES	\$4,389
265	10	CONTINGENCY COSTS 5%	\$3,990
<b>Total Intangible Facility Costs:</b>			<b>\$88,179</b>

**Office Use Only:**

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

Operator: Franklin Mountain Energy 3, LLC  
 Approved By: [Signature] Date: 8/13/2024  
 Chief Executive Officer

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 FME

Case No. 24900 E/2W/2 Wolfcamp—Pooled Party List

**Working Interest Owners to Be Pooled**

MRC Permian Company  
Axis Energy Corporation

**ORRI to Be Pooled**

Broken Arrow Royalties, LLC  
Thomaston, LLC  
Mongoose Minerals LLC  
Marathon Oil Permian LLC  
Good News Minerals, LLC  
Pegasus Resources II, LLC  
Collins & Jones Investments, LLC  
LMC Energy, LLC  
David W. Cromwell  
Oak Valley Mineral and Land, LP  
Crown Oil Partners, LP  
H. Jason Wacker  
Kaleb Smith  
Deane Durham  
Mike Moylett  
Post Oak Mavros II, LLC  
Sortida Resources, LLC

**EXHIBIT A-22-d**

### Summary of Contacts Case No. 24900

- 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 August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- 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 working 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
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC

**EXHIBIT A-22-e**

**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. 24901

**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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 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 E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 704H** and **Rope State Com 804H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19; and
4. The producing area for the wells is expected to be orthodox.

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 well or to otherwise commit their interests to the well.

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 October 31, 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 the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.  
Deana M. Bennett  
Yarithza Peña  
Post Office Box 2168

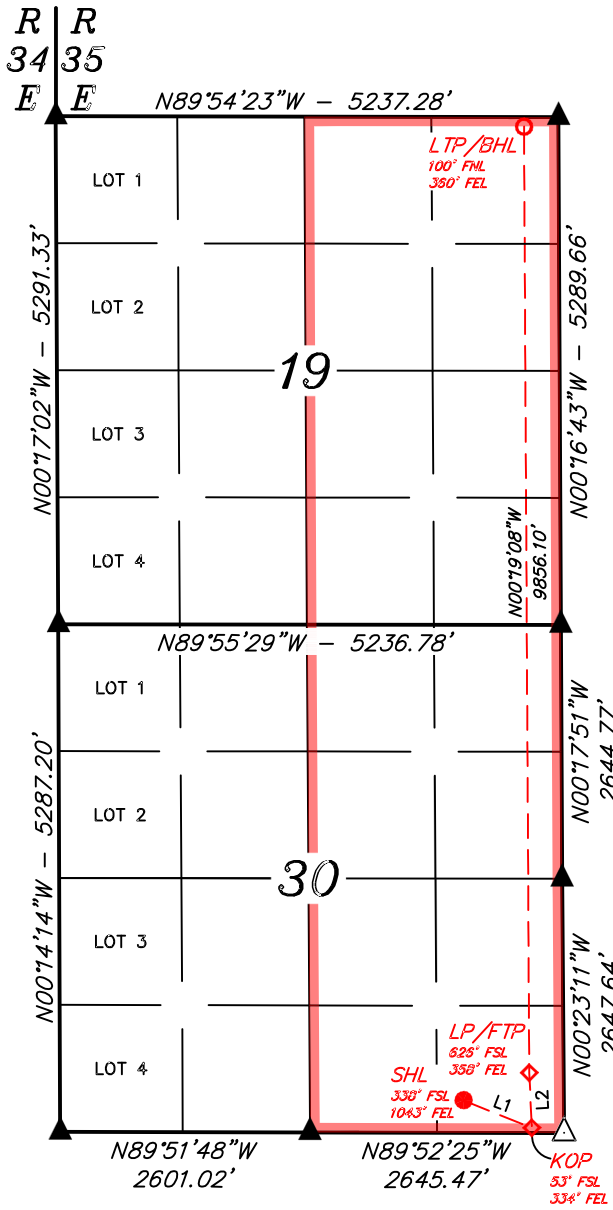
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
[edebrine@modrall.com](mailto:edebrine@modrall.com)  
[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)  
[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)  
*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24901 : 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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 704H** and **Rope State Com 804H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.





Property Name ROPE STATE COM	Well Number 704H	Drawn By N.R. 02-23-24	Revised By REV: 2 T.I.R. 11-13-24 (UPDATE BHL)
---------------------------------	---------------------	---------------------------	---



<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.63" (32.712396°)
LONGITUDE = -103°29'29.73" (-103.491593°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.18" (32.712272°)
LONGITUDE = -103°29'29.96" (-103.491099°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623928.87' E: 800233.27'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623864.56' E: 759053.54'

<b>NAD 83 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.77" (32.711603°)
LONGITUDE = -103°29'21.43" (-103.489286°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.32" (32.711479°)
LONGITUDE = -103°29'19.65" (-103.488793°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623645.89' E: 800945.05'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623581.61' E: 759765.31'

<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.43" (32.713176°)
LONGITUDE = -103°29'21.73" (-103.489369°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'46.99" (32.713052°)
LONGITUDE = -103°29'19.95" (-103.488876°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624218.06' E: 800915.06'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 624153.76' E: 759735.33'

<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°44'24.94" (32.740261°)
LONGITUDE = -103°29'21.94" (-103.489428°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°44'24.49" (32.740137°)
LONGITUDE = -103°29'20.16" (-103.488934°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 634072.08' E: 800818.39'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 634007.47' E: 759638.95'

LINE	DIRECTION	LENGTH
L1	S68°04'33"E	766.09'
L2	N02°45'26"W	573.05'

**NOTE:**

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

- = SURFACE HOLE LOCATION
- ◆ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- ⊙ = LAST TAKE POINT/BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



<b>C-102</b>  Submit Electronically Via OCD Permitting	State of New Mexico Energy, Minerals & Natural Resources Department <b>OIL CONSERVATION DIVISION</b>	Revised July 9, 2024
		Submittal Type: <input checked="" type="checkbox"/> Initial Submittal <input type="checkbox"/> Amended Report <input type="checkbox"/> As Drilled

**WELL LOCATION INFORMATION**

API Number	Pool Code 970	Pool Name AIR STRIP, WOLFCAMP
Property Code	Property Name ROPE STATE COM	Well Number 804H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3939.0'
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Mineral Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal

Surface Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		338 SOUTH	1103 EAST	32.712397°	-103.491788°	LEA

Bottom Hole Location

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
A	19	18S	35E		100 NORTH	925 EAST	32.740269°	-103.491265°	LEA

Dedicated Acres 640	Infill or Defining Well	Defining Well API	Overlapping Spacing Unit (Y/N) N	Consolidation Code P
Order Numbers. Pending		Well setbacks are under Common Ownership: <input type="checkbox"/> Yes <input type="checkbox"/> No		

Kick Off Point (KOP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		55 SOUTH	840 EAST	32.711615°	-103.490930°	LEA

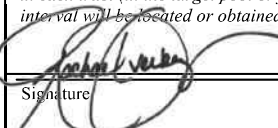
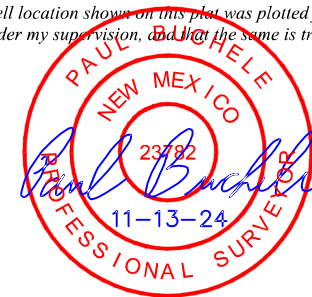

First Take Point (FTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
P	30	18S	35E		623 SOUTH	907 EAST	32.713178°	-103.491155°	LEA

Last Take Point (LTP)

UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
A	19	18S	35E		100 NORTH	925 EAST	32.740269°	-103.491265°	LEA

Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
---	--	-------------------------

<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p><i>If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be located or obtained a compulsory pooling order from the division.</i></p> <p style="text-align: right;">10/29/2024</p> <p>Signature: </p> <p>Printed Name: Rachael Overbey</p> <p>Email Address: roverbey@fmllc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plat was plotted from the 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.</i></p> <div style="text-align: center;">  </div> <p>Signature and Seal of Professional Surveyor: </p> <p>23782 February 21, 2024</p> <p>Certificate Number Date of Survey</p>
---	--

*Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.*



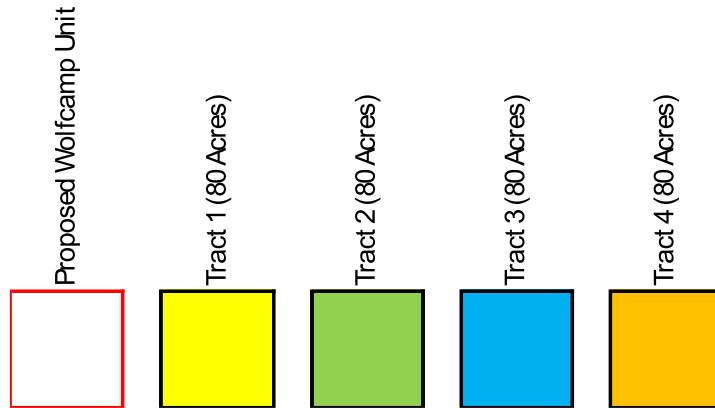


Case No. 24901 Unit Summary

Case No. 24901  
E/2E/2 of Sections 19 & 30-T18S-R35E  
320.00 Acres

Rope State Com 704H  
Rope State Com 804H

(Lot 1) 38.32								
(Lot 2) 38.31								
(Lot 3) 38.31		19						
(Lot 4) 38.30								
(Lot 1) 38.33								
(Lot 2) 38.39								
(Lot 3) 38.45			30					
(Lot 4) 38.51								



Committed Working Interest	
Franklin Mountain Energy 3, LLC	69.3750%
Committed Interest Total	69.3750%
Uncommitted Working Interest	
MRC Permian Company	29.3750%
Axis Energy Corporation	1.2500%
Uncommitted Interest Total	30.6250%
Total:	100.0000%

Tract	Lease	%
1	VB-1499	25.0000%
2	VB-1478	25.0000%
3	V0-9145	25.0000%
4	VB-2312	25.0000%

EXHIBIT A-23-b





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

Well Name: Rope State Com 704H
Location: SHL - See 30-T18S-R35E 338 FSL 1043 FEL
Operator: Franklin Mountain Energy 3, LLC
Purpose: Drill and complete a 10,000' WCA well
Well #: 704H
County/State: Lea Co., NM
Date Prepared: 8/13/2024
AFE #: DCE240813

Intangible Drilling Costs

Table with 4 columns: Major, Minor, Description, Amount. Lists various drilling costs such as Administrative Overhead, Casing Crew & EQPT, Cementing, etc.

Intangible Completion Costs

Table with 4 columns: Major, Minor, Description, Amount. Lists various completion costs such as Administrative Overhead, Cased Hole Logs & Surveys, etc.

Tangible Completion Costs

Table with 4 columns: Major, Minor, Description, Amount. Lists various completion costs such as Artificial Lift, Flowlines, Frac String, etc.

Tangible Drilling Costs

Table with 4 columns: Major, Minor, Description, Amount. Lists various drilling costs such as Intermediate casing & attachments, Packers/sleeves/plugs, etc.

Intangible Facility Costs

Table with 4 columns: Major, Minor, Description, Amount. Lists various facility costs such as Consulting, Company Direct Labor, etc.

Tangible Facility Costs

Table with 4 columns: Major, Minor, Description, Amount. Lists various facility costs such as Facility pipe/valves/fittings, Containment, etc.

Office Use Only:

Table with 4 columns: Major, Minor, Description, Amount. Lists office use costs such as Consulting, Company Direct Labor, etc.

Summary table with 2 columns: Category, Amount. Includes Total Drill, Total Completion, Total Facility, etc.

Total AFE: \$10,156,345.30

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

Operator: Franklin Mountain Energy 3, LLC
Approved By: [Signature]
Chief Executive Officer

Date: 8/13/2024

WI Owner:
Approved By:
Printed Name:

Date:
Title:

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





Case No. 24901 E/2E/2 Wolfcamp—Pooled Party list

**Working Interest Owners to Be Pooled**

MRC Permian Company  
Axis Energy Corporation

**ORRI to Be Pooled**

Broken Arrow Royalties, LLC  
Thomaston, LLC  
Mongoose Minerals LLC  
Marathon Oil Permian LLC  
Good News Minerals, LLC  
Pegasus Resources II, LLC  
Collins & Jones Investments, LLC  
LMC Energy, LLC  
David W. Cromwell  
Oak Valley Mineral and Land, LP  
Crown Oil Partners, LP  
H. Jason Wacker  
Kaleb Smith  
Deane Durham  
Mike Moylett  
Post Oak Mavros II, LLC  
Sortida Resources, LLC

**EXHIBIT A-23-d**

## Summary of Contacts Case No. 24901

- 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 August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- 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 working 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
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC

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

**APPLICATIONS OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO** **CASE NOS. 24457, 24459, 24479**

**APPLICATIONS OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO** **CASE NOS. 24898-24901**

**APPLICATIONS OF MRC PERMIAN  
COMPANY FOR APPROVAL OF AN  
OVERLAPPING HORIZONTAL WELL  
SPACING UNIT AND COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO** **CASE NOS. 24778-24783**

**APPLICATIONS OF MRC PERMIAN COMPANY  
FOR APPROVAL COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO** **CASE NOS. 24784-24786**

**SELF-AFFIRMED STATEMENT OF CORY MCCOY**

Cory McCoy hereby states and declares as follows:

1. I am over the age of 18, I am a Reservoir Engineer for Franklin Mountain Energy, LLC (“FME”), and have personal knowledge of the matters stated herein.
2. I have previously testified before the Oil Conservation Division (“Division”) and my credentials were accepted as a matter of record.
3. My work for FME3 includes the Permian Basin and Lea County.
4. I am familiar with the applications FME3 filed in Case Nos. 24557, 24459, 24479, and Case Nos. 24898-24901. I am also familiar with the applications filed by MRC Permian Company (“MRC”) in Case Nos. 24778-24786. I am familiar with the land matters involved in these cases.

**EXHIBIT B**

5. In my opinion, FME3's proposed development plan is more efficient and effective than MRC's plan, has less risk than MRC's plan, and will result in the protection of correlative rights and the prevention of waste.

6. **Exhibit B-1** outlines how FME3's development plan minimizes surface disturbance and reduces waste. FME3's plan reduces waste because the Rope State Com development will utilize centralized drill pads and a shared central tank battery ("CTB") to reduce overall surface footprint.

7. Consolidating production into the Rope CTB creates a single point for third party connections, which in turn means less equipment required by third parties, less pipeline infrastructure and surface disturbance by third parties.

8. As shown on **Exhibit B-2**, FME has received or submitted permits necessary to commence development.

9. FME3 understands the take-away constraints in this area and is taking steps to proactively address them.

10. **Exhibit B-3** provides an overview of FME3's current and planned efforts to address gas, water takeaway, and grid power constraints. **Exhibits B-4 to -7** provide greater detail on the constraints and FME3's proactive approach to resolve them.

11. **Exhibit B-4** discusses water takeaway constraints and steps FME3 is taking to address those constraints, including investing \$24 million of capital. FME3 is investing to expand the pipeline system to increase capacity. Approximately 25 miles of new pipeline infrastructure has been placed into service over the last 16 months.

12. **Exhibit B-5** discusses gas takeaway constraints and FME3's approach to address them. FME3 is investing approximately \$20 million to address the gas takeaway constraints. FME3

is investing in gathering to gather gas to a single point, which has several benefits. It increases the appeal for third-party midstream operators and allows multiple third parties to connect, increasing flow assurance to prevent waste. Approximately 16 miles of new pipeline infrastructure and two H2S central treatment points have been placed in service over last 16 months.

13. FME3 also signed an acreage dedication with Northwind to facilitate Northwind's buildout to reach FME3's operated acreage.

14. **Exhibit B-6** demonstrates FME3's reliable oil pipeline solution. FME3 signed an acreage dedication with Plains to ensure oil pipeline takeaway would be in place day one for FME3's new development projects, including Rope.

15. **Exhibit B-7** demonstrates how FME3 is addressing grid power constraints. FME3 has constructed an infield power distribution system to support development. This system is more efficient, reduces waste and allows a future utility connection to be integrated in a shorter amount of time. FME is investing \$3mm of capital and goal is to add 15 miles of new powerline.

16. **Exhibit B-8** outlines FME3's recent activity in this area. FME3 has been active in the area and is committed to developing its acreage in this area. FME3 has turned on production 27 wells between October 2023 and November 2024.

17. FME3 has 3 completion fleets on the Alpha (6) and Foxtail (5) well project as of November 2024.

18. Conversely, MRC's last well drilled and completed in this area was in 2019.

19. **Exhibit B-9** compares and contrasts FME3's plans with MRC's plans. The primary differences between FME3's Rope State Com development plans and MRC's Airstrip plans are:

- FME3 has proposed 3-mile Bone Spring laterals, whereas MRC has proposed a combination of U-turn wells and 2-mile wells.

- In my opinion and based on my experience, 3-mile Bone Spring development is more economical and will recover more reserves than 1-mile U-turn wells.
- Under MRC's plan, MRC does not intend to develop the Bone Spring in Section 18, which will also leave reserves behind.
- In the Wolfcamp, FME3 has proposed four Wolfcamp A wells, whereas MRC has not proposed any.
- Based off offset data, the WCA formation is proven inventory. FME3 estimates 530,000 recoverable BO from the WCA per 10,000' lateral. This is an additional 1.6 MM BO that MRC overlooked and left behind in the Airstrip development

20. As shown in **Exhibit B-10**, FME3's plan is superior to MRC's because FME3 is proposing a wine rack development whereas MRC is proposing stacked development.

21. Micro seismic studies show well spacing is critical to maximize stimulated rock volume. Studies have shown rock fractures grow in all directions with dominate vertical growth. FME3's wine rack development plan has taken consideration of this effect and has properly spaced wells to allow more growth and access to increased reservoir volumes

22. Conversely, the completion interaction between the stacked 2<sup>nd</sup> Bone Spring and 3<sup>rd</sup> Bone Spring presents risk that less reservoir will be accessed during the completion

23. FME3 is targeting reserves that MRC is leaving behind. FME3's proposal protects correlative rights and prevents waste because FME3 is targeting additional benches with a superior development plan.

24. The Wolfcamp A is a proven target based on offsets, which is demonstrated by **Exhibit B-11**. Yet, MRC is leaving these proven reserves behind.

25. In my opinion, as shown on **Exhibit B-12**, FME3's AFE costs are both lower and more accurate to the area due to FME3's activity level in the basin. FME3 continues to push performance with drilling and completions. This has allowed FME3 to continue to refine AFE proposals. FME3 is a prudent operator that is disciplined and efficient with capital expenditures.

26. Attached as **Exhibit B-13** is the backup data supporting Exhibit B-12.

27. Based on FME3's experience in this area, and in my opinion, FME3's development plan is superior to MRC's and FME3 should be designated operator of the Rope State Com Development Area.

28. To conclude, in my opinion, FME3 is able to prudently operate the property, and FME3's plan will prevent waste because FME3 will be targeting reserves that MRC is not.

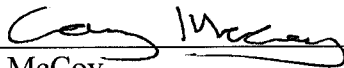
29. The exhibits to my self-affirmed statement were prepared by me or under my direction or supervision.

30. I attest under penalty of perjury the laws of the State of New Mexico that the information provided herein is correct, true, and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

*[Signature page follows]*



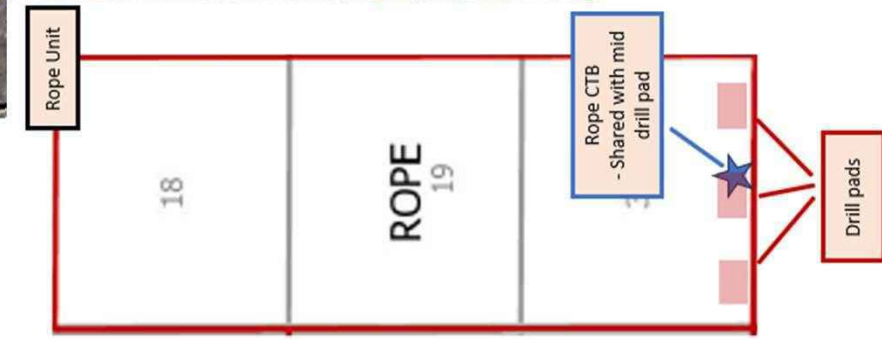
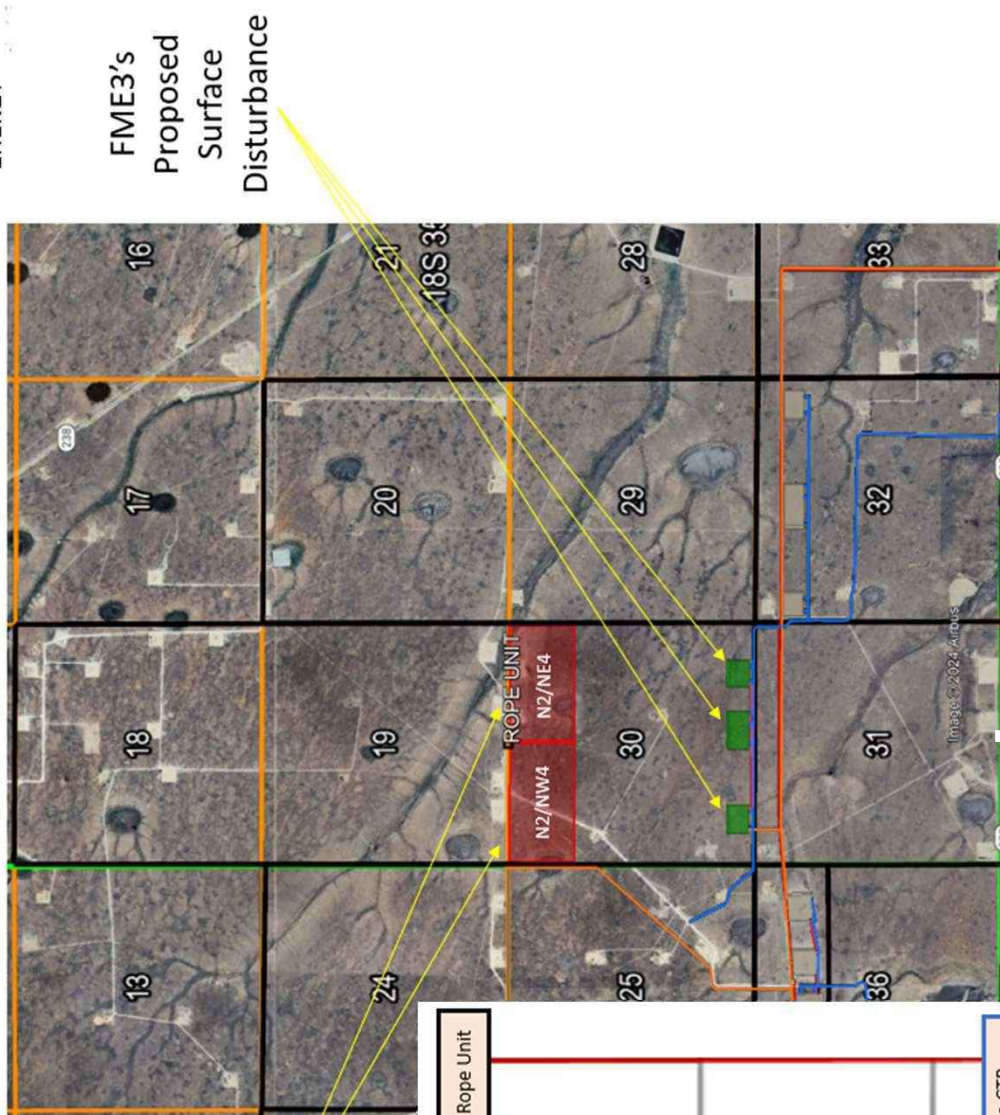
Dated: 11/13, 2024

  
Cory McCoy



# FME3's Development Plan Reduces Surface Disturbances

- FME3's plan reduces waste as it utilizes centralized drill pads and shares locations with the Central Tank Battery to reduce overall surface footprint
- Consolidating production into the Rope CTB creates a single point for 3<sup>rd</sup> Party connections:
  - Less equipment by 3<sup>rd</sup> parties
  - Less pipeline infrastructure and disturbance by 3<sup>rd</sup> parties
  - Reduces 3<sup>rd</sup> party surface disturbances



**EXHIBIT B-1**





FME3 has received or submitted permits necessary to commence development

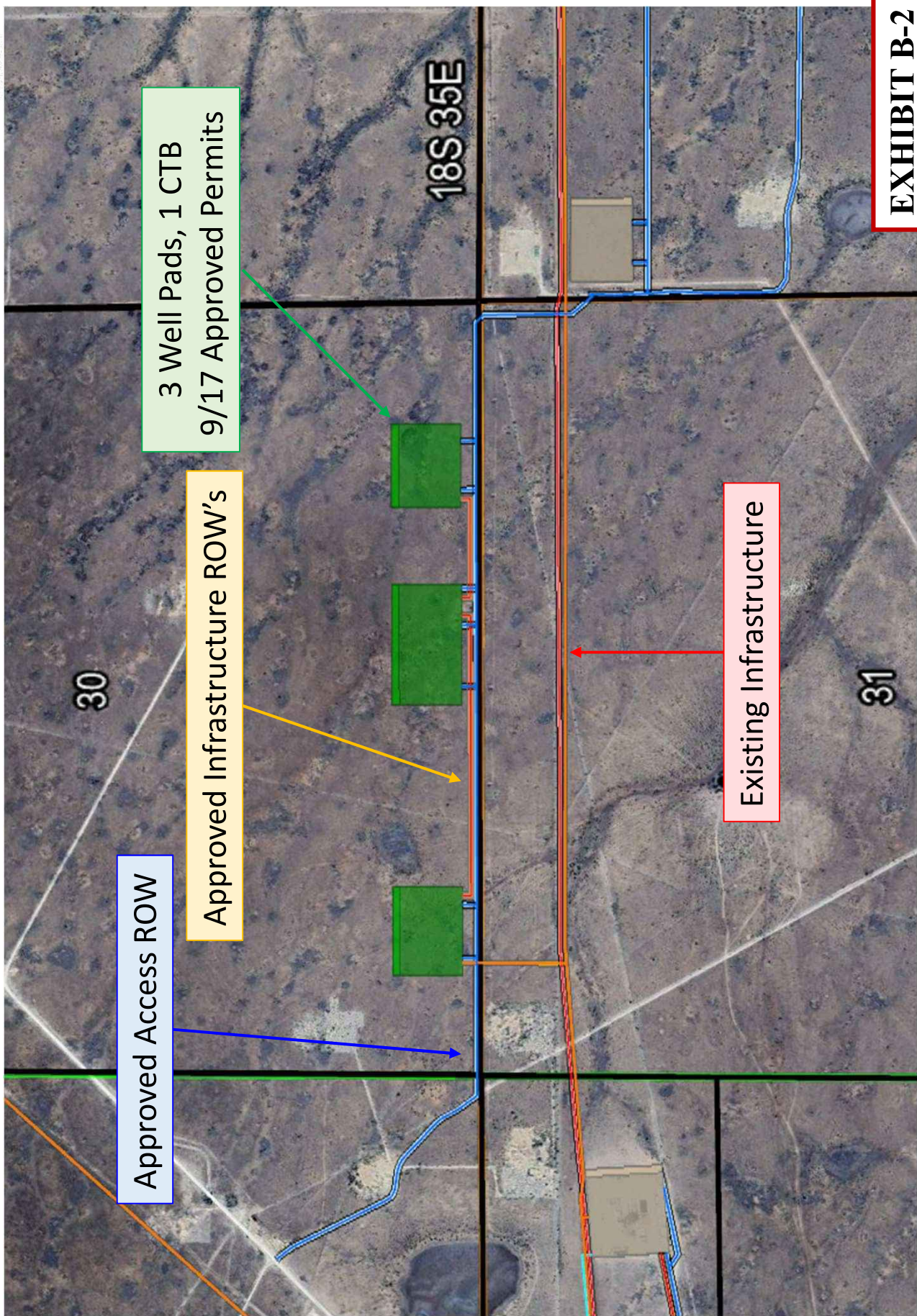
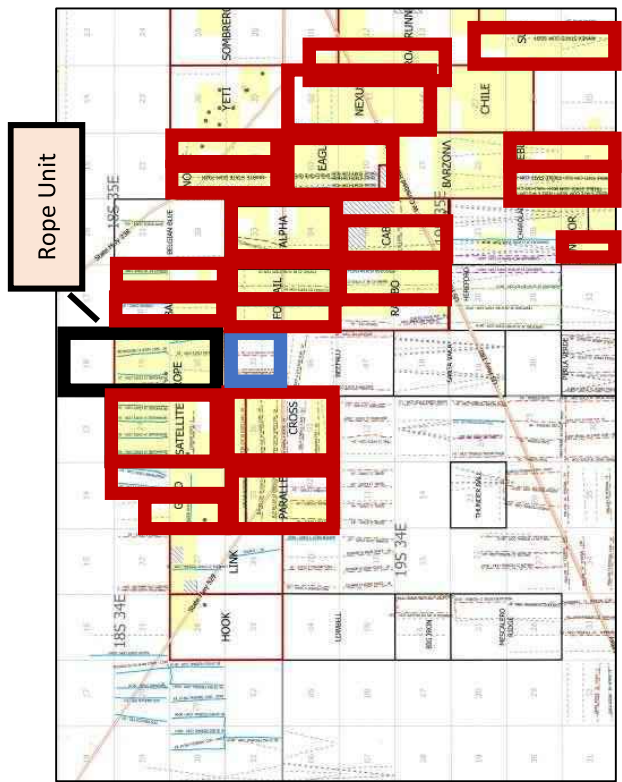




EXHIBIT B-2



# FME3 Is Addressing Gas and Water Takeaway Constraints

- FME3 is investing significant capital into gas and water infrastructure to ensure pipeline solutions are in place
  - \$44mm of approved projects
    - 2024 budget of \$37mm
    - \$43mm invested to date, \$44mm by the end of 2024
  - FME3's consolidated position supports FME3's significant investment in infrastructure
- Existing infrastructure is not sized to support a 16-well horizontal project
  - Investments in pipelines are necessary
- 3<sup>rd</sup> party gas and water midstream companies are reluctant to spend the necessary capital
  - Operators need to be willing to help with the solution to foster development and prevent waste



 = MRC Operated Project  
 = FME3 Operated Projects

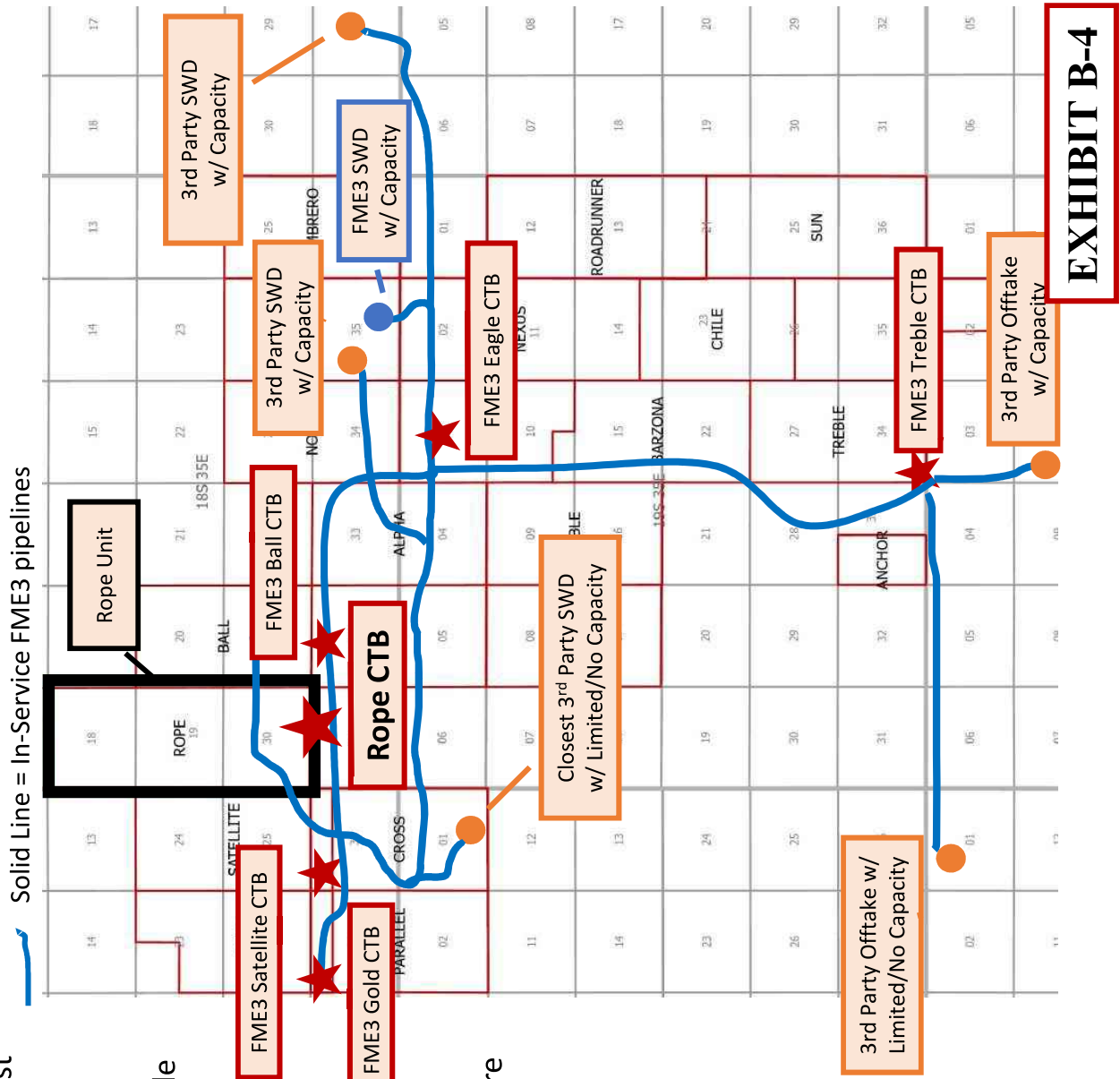
**EXHIBIT B-3**





# FME3 Is Investing \$24mm of Capital to Solve Water Takeaway Constraints

- Adequate water takeaway does not exist to support large horizontal projects
  - Closest 3<sup>rd</sup> Party SWD to project has limited to no capacity
  - FME3's recent projects at Eagle, Treble and Gold have pushed 3<sup>rd</sup> party capacities
- FME3 has existing company owned capacity and is investing to expand capacity
  - \$24mm of approved projects
  - 25 miles of new pipeline infrastructure in-service over last 16 months
  - FME3 has tied in 4 CTBs over last 12 months



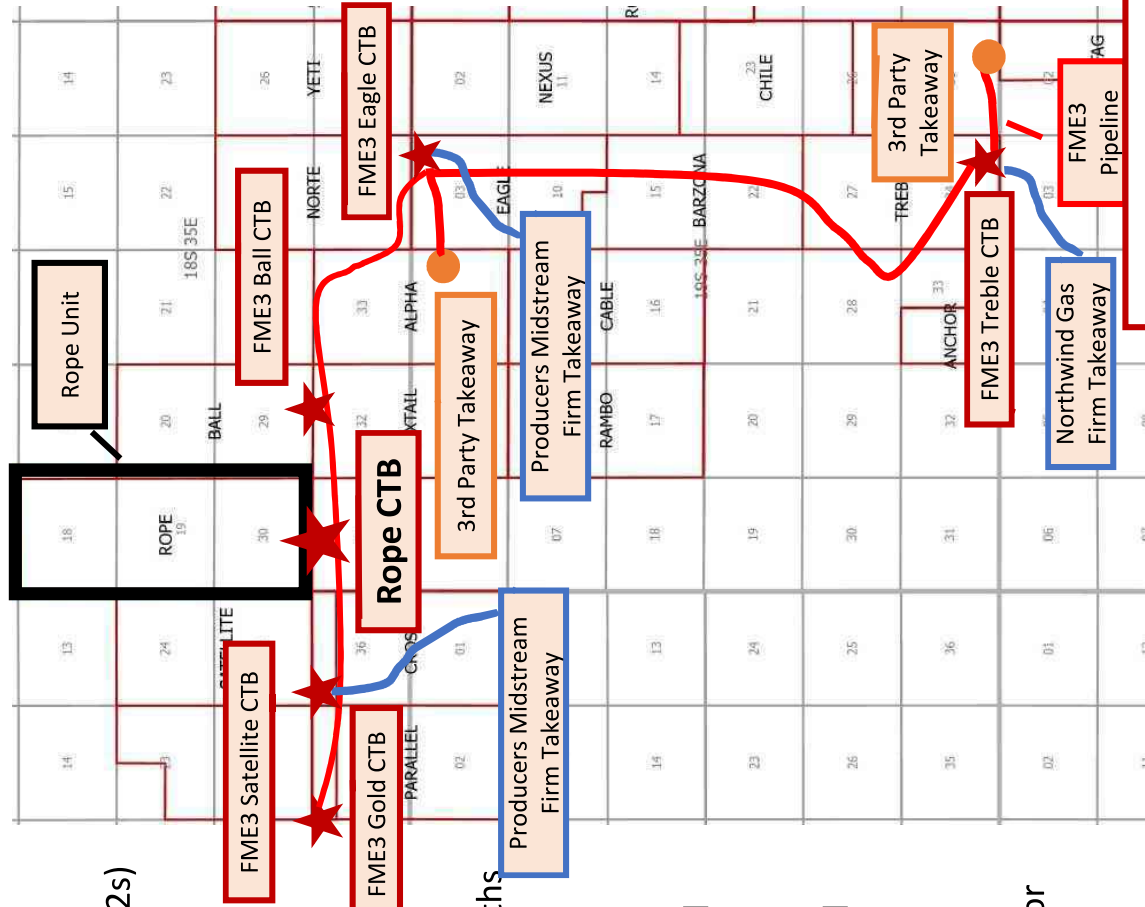
- FME3 disposal access will include:
  - FME3 owned SWD
  - Firm takeaway contracts
  - Interruptible takeaway contracts



# FME3 Is Investing \$20mm of Capital to Solve Gas Takeaway Constraints

- Adequate gas takeaway does not exist to support large horizontal projects
  - FME3's recent projects at Eagle, Treble and Gold have maxed out 3<sup>rd</sup> party capacities
  - Existing capacity is for sweet gas (no hydrogen sulfide, h2s)
    - Shallower 1BS/2BS zones expected to have h2s
- FME3 is investing in gathering gas to a single point
  - Increases appeal for 3<sup>rd</sup> party midstream companies
  - Allows multiple 3<sup>rd</sup> parties to connect, increasing flow assurance to prevent waste
  - \$20mm of approved projects
    - 16 miles of new pipeline infrastructure and two H2S central treatment points in-service over last 16 months
- 3<sup>rd</sup> Party Investment is required:
  - Northwind is a new build, will gather h2s gas
    - FME3 is anchor customer for this area
    - FME3 signed an acreage dedication to facilitate build
  - Producers Midstream is a new build, will gather h2s gas
    - FME3 is anchor customer for this area
    - FME3 signed an acreage dedication to facilitate build
- FME3 gas takeaway will include:
  - Firm Northwind offload with 100% capacity for FME3 forecasted volumes
  - Firm Producers Midstream offload with 100% capacity for FME3 forecasted volumes
  - Interruptible offloads
  - Potential for other options for flow assurance

— Solid Line = In-Service FME3 pipelines



**EXHIBIT B-5**

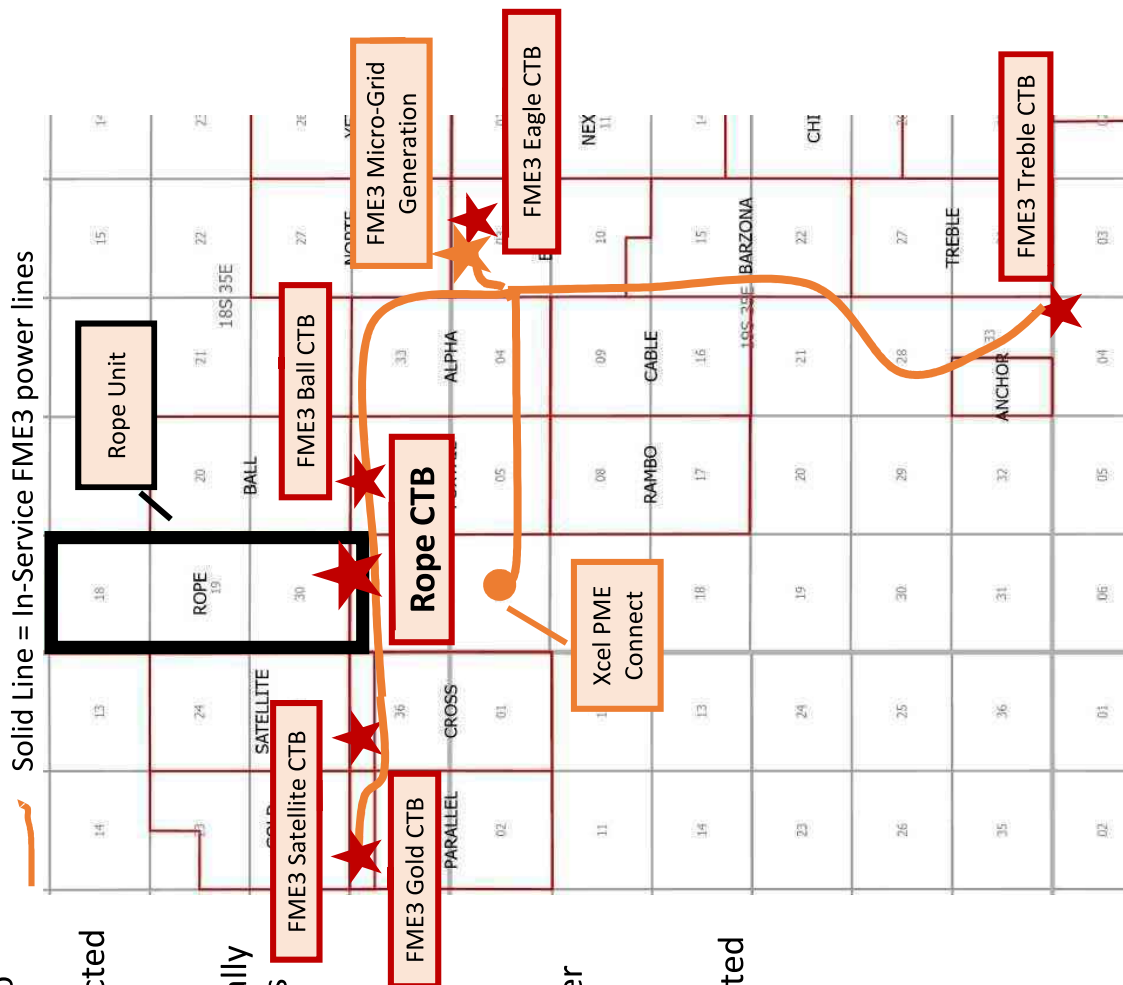






## FME3 Is Addressing Grid Power Constraints

- Adequate grid power does not exist to support development
  - Current utility expansions are projected to be completed in 2027-2028
- Without grid power, companies typically utilize smaller diesel or gas generators which lead to increased waste
  - Less efficient
  - More expensive
  - Increase emissions
- FME3 has constructed an infield power distribution system to support development. This system is more efficient, reduces waste and allows a future utility connection to be integrated in a shorter amount of time
  - \$3mm of investment
  - 15 miles of new powerline

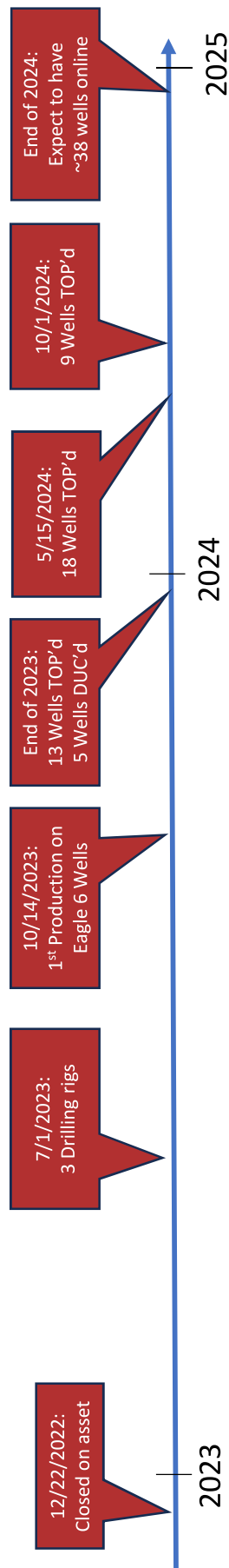


**EXHIBIT B-7**



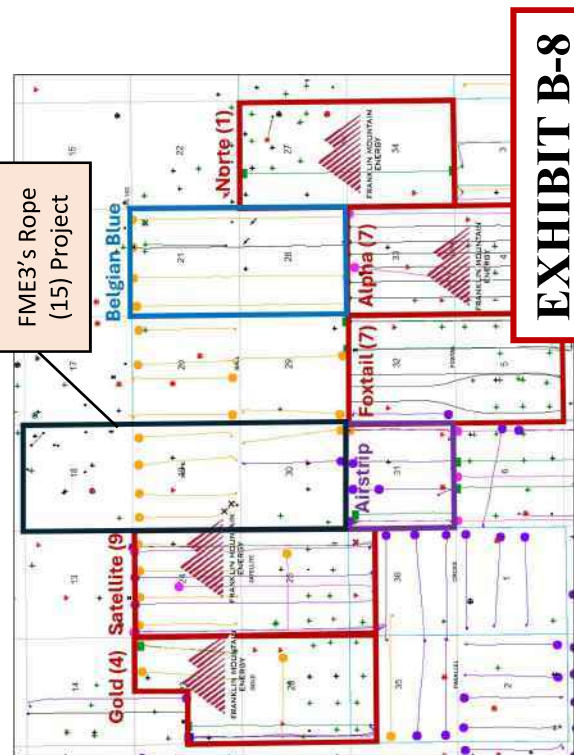
## FME3 Is All Systems Go

- FME3 is active in the of Rope Development Area
- **FME3 has turned on production 27 wells between October 2023 and November 2024**
- FME3 has 3 completion fleets on the Alpha (6) and Foxtail (5) well project as of November 2024
- FME3 has turned on production (TOP'ed) the Satellite (9) well project October 2024
- **MRC's last well drilled and completed was 2019 (Airstrip)**



## FME3's Offset Operations

Operator	Unit	Horizontal		
		Producers	Permits	DUCs
FME3	Satellite	9	11	-
FME3	Gold	4	17	-
FME3	Norte	1	15	-
FME3	Foxtail	2	13	5
FME3	Alpha	1	14	6
<b>Total</b>		<b>17</b>	<b>70</b>	<b>11</b>
Mewbourne	Belgian Blue	4	-	-
MRC	Airstrip	9	-	-



**EXHIBIT B-8**



## FME3 Full Field Rope Development vs MRC's Development

- In the Bone Springs, FME3 has proposed a straightforward 3-mile lateral development whereas MRC has proposed a mixture of both 2-mile straight laterals and 1-mile U-turn laterals. FME3's 3-mile Bone Springs development is more economical and will recover more reserves
- In the Wolfcamp, FME3 has proposed (4) WCA wells whereas MRC did not
- Based off offset data, the WCA formation is proven inventory. FME3 estimates 530,000 recoverable BO from the WCA per 10,000' lateral. This is an additional 1.6 MIM BO that MRC overlooked and left behind in the Airstrip development

Formation	Planned Well Count		
	Rope Phase 1	Rope Phase 2	Airstrip
1BS	4	-	2
2BS	-	4	3
3BS	3	-	1
WCA	4	-	<b>0</b>
WCB*	4	-	4
Total	15	4	10

\*FME3's WCB and MRC's WCD are targeting the same formation

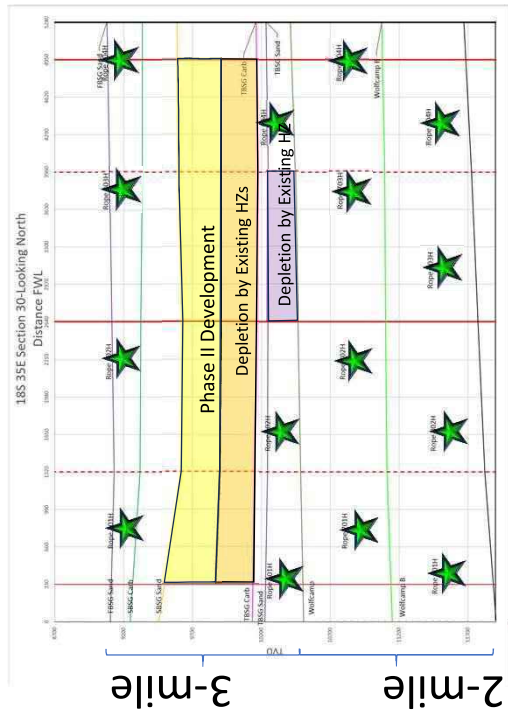
**EXHIBIT B-9**



# FME3's Optimized Development Plan

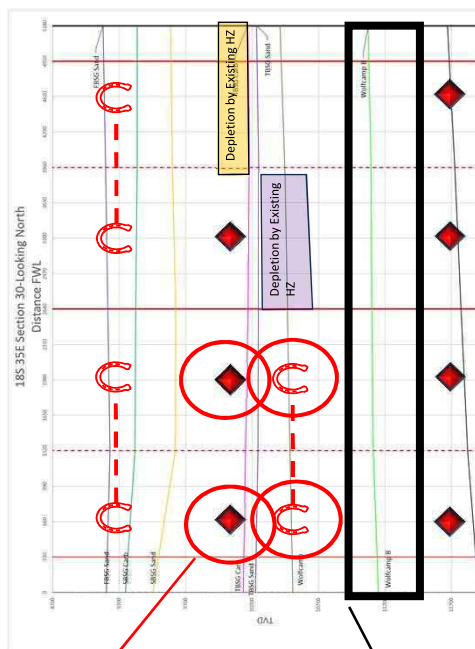
- FME3's **Wine Rack** Development
  - Micro seismic studies show well spacing is critical to maximize stimulated rock volume. Studies have shown rock fractures grow in all directions with dominate vertical growth.
  - FME3's wine rack development plan has taken consideration of this effect and has properly spaced wells to allow more growth and access to increased reservoir volumes

## FME3 Rope



Rope-Well Proposals

## MRC Airstrip Development



Airstrip 2-mile Proposals (North to South, sec 30/31)

MRC's stacked plan is expected to have overlap of frac growth

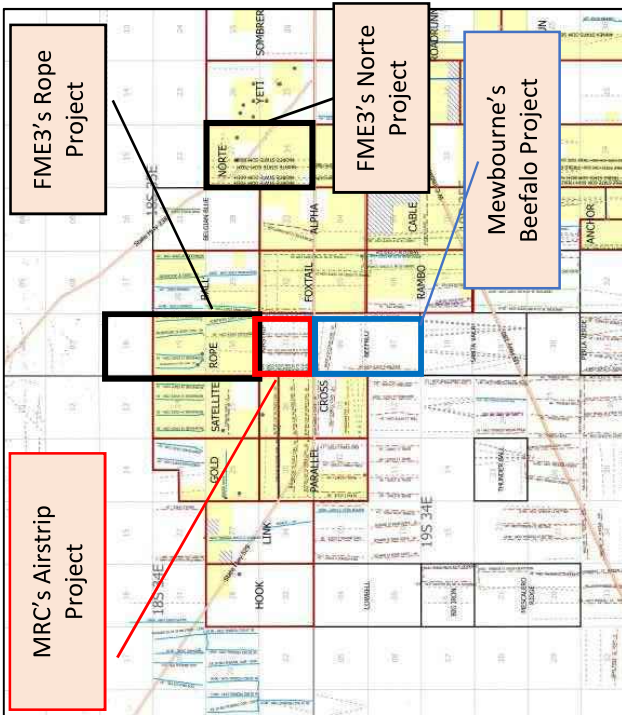
MRC did not propose WCA and will lease reserves behind

- MRC's **Stacked** Development
  - In section 30, completion interaction between the stacked 2<sup>nd</sup> Bone Spring and 3<sup>rd</sup> Bone Spring presents risk that less reservoir will be accessed during the completion.
  - This proposed co-developed stacked development was proven unsuccessful in the 2019 Airstrip development
  - In section 31, MRC's plans to stack (3) 2<sup>nd</sup> Bone Spring wells over (3) existing 3<sup>rd</sup> Bone Spring wells

# EXHIBIT B-10



## Airstrip & Beefalo & Norte Supports WCA Development in Rope



- MRC's Airstrip and Mewbourne's Beefalo developments are south offsets of FME3's Rope development
- Airstrip and Beefalo well performance gives confidence in Wolfcamp A (WCA). Beefalo's development (4) wells/section supports FME3's well density
- MRC's WCA proposals are absent and therefore will leave proven reserves behind

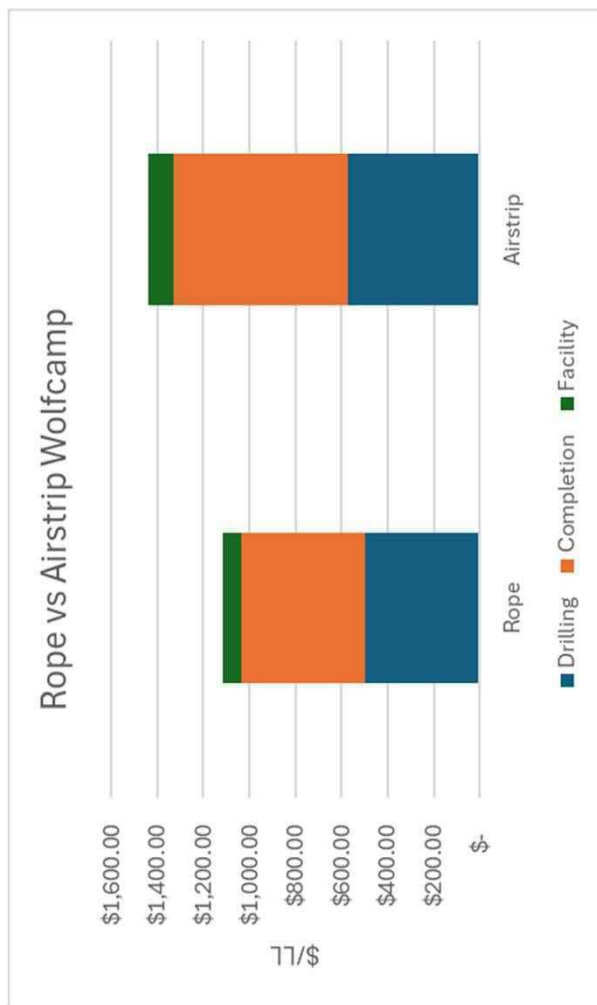
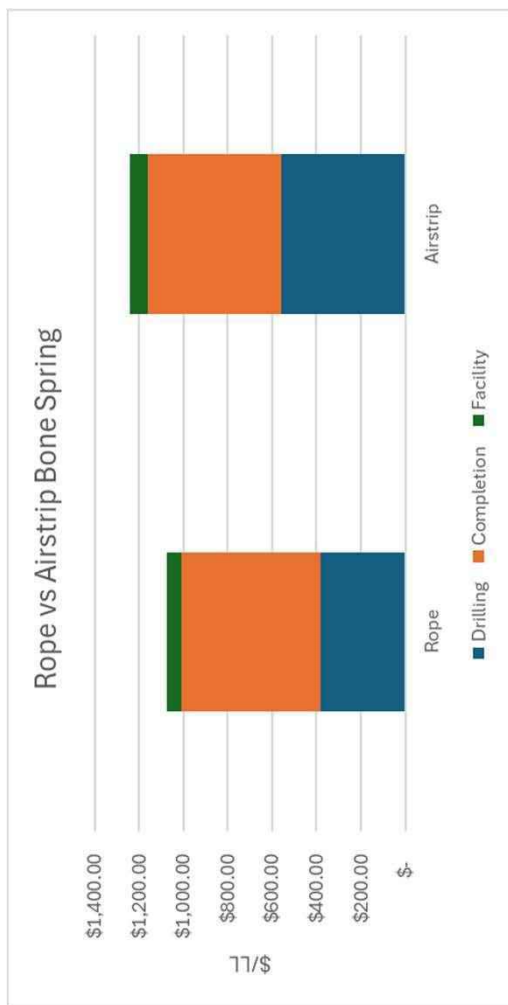
Formation	EUR BO/ft			Planned Well Count		
	Airstrip	Beefalo	Norte	Rope Phase 1	Rope Phase 2	Airstrip
1BS	69	77		4	-	2
2BS	53			-	4	3
3BS	86			3	-	1
WCA	47	70	53	4	-	-
WCB	83			4	-	4
Total				15	4	10

**EXHIBIT B-11**



## FME3's Budget is Lower and FME3's Excellence in Execution

- The aggregate Bone Spring AFE between MRC's Airstrip and FME3's Rope normalized by well count and represented in \$/LL
  - MRC's AFE Budget = \$1,240/LL
  - FME3's AFE Budget = \$1,077/LL
  - FME3 is \$162/LL less than MRC's Bone Spring Airstrip
- The aggregate Wolfcamp B AFE between MRC's Airstrip and FME3's Rope normalized by well count and represented in \$/LL
  - MRC's AFE Budget = \$1,442/LL
  - FME3's AFE Budget = \$1,017/LL
  - FME3 is \$324/LL less than MRC's Wolfcamp



**EXHIBIT B-12**



Well	API	Current Operator	Formation	LL	#/ft	Fluid/ft	TOP
AIRSTRIP 31 18 35 RN STATE COM 111H	300254502 5	MRC	1BSS	4,663	2,74 4	43	Oct-18
AIRSTRIP 31 18 35 RN STATE COM 114H	300254543 6	MRC	1BSS	4,643	2,59 3	52	Apr-19
AIRSTRIP 31 18 35 RN STATE COM 124H	300254543 7	MRC	Lower 2BS	5,051	2,60 0	52	Apr-19
AIRSTRIP 31 18 35 RN STATE COM 134H	300254543 8	MRC	3BSS	4,662	2,57 3	51	Apr-19
AIRSTRIP 31 18 35 RN STATE COM 133H	300254432 3	MRC	3BSS	4,388	2,38 4	35	Mar-18
AIRSTRIP 31 18 35 RN STATE COM 132H	300254381 6	MRC	3BSS	4,360	2,83 8	39	Aug-17
AIRSTRIP 31 18 35 RN STATE COM 131H	300254450 9	MRC	3BSS	4,955	2,37 7	35	Oct-18
AIRSTRIP 31 18 35 RN STATE COM 201H	300254339 5	MRC	WCA	4,110	3,35 7	81	Jan-17
BEEFALO 7 6 STATE COM 716H	300255134 8	MEWBOURN E OIL	WCA	10,45 9	2373	58	Jan-24
BEEFALO 7 6 STATE COM 713H	300255134 7	MEWBOURN E OIL	WCA	10,46 0	2380	58	Jan-24
GOLD STATE COM 601H	300255166 7	FME3	3BS	8,549	2500	50	Mar-24



Sky Dweller 14 State Com 607H	300255152 8	LARIO OIL & GAS COMPANY	3BS	7,620	2,45 4	67	Jan-24
Norte 702H	300255116 5	FME3	WCA	9649	2500	50	Oct-23
CHIEF 30 STATE 007H	3002543468	CTRA	WCB	4,734	1,689	25	2017-04
CHIEF 30 STATE 009H	3002544908	CTRA	WCB	4,039	1,707	33	2018-11
Gold State Com 801H	3002551669	FME3	WCB	8,403	2500	50	2024- 08
IGLOO 19 STATE 003H	3002542357	CAZA	WCB	4,600	1,587	31	2016-11
LEA UNIT 200H	3002545212	AVANT	WCB	4,880	1,097	31	2019-03
STRATOJET 31 STATE COM 002H	3002540970	COP	WCB	4,247	723	14	2013-07
STRATOJET 31 STATE COM 007H	3002543792	COP	WCB	4,132	2,023	44	2018-04
Treble State Com 801H	3002551111	FME3	WCB	9,783	2500	50	2024- 08

<b>EXHIBIT B-13</b>
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**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING, AND, TO THE EXTENT NECESSARY, APPROVAL OF AN OVERLAPPING SPACING UNIT, LEA COUNTY, NEW MEXICO** **CASE NOS. 24457, 24459, 24479**

**APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO** **CASE NOS. 24898-24901**

**APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO** **CASE NOS. 24778-24783**

**APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL COMPULSORY POOLING, LEA COUNTY, NEW MEXICO** **CASE NOS. 24784-24786**

**SELF-AFFIRMED STATEMENT OF BEN KESSEL**

Ben Kessel hereby states and declares as follows:

1. I am over the age of 18, I am the Director of Geology for Franklin Mountain Energy 3, LLC (“FME3”), and have personal knowledge of the matters stated herein.
2. I have testified before the New Mexico Oil Conservation Division (the “Division”) and my credentials were accepted as a matter of record.
3. My work for FME3 includes the Permian Basin and Lea County.
4. I am familiar with the applications FME3 filed in Case Nos.24457, 24459, 24479, and 24898-24901. I am also familiar with the applications filed by MRC Permian Company (“MRC”) in Case Nos. 24778-24786
5. I conducted a geological study of the Bone Spring and Wolfcamp formations underlying FME3’s Rope State Com Development Area (“Rope Development Area”).

**EXHIBIT C**

6. **Exhibit C-1** is a locator map, which identifies the general location of the Rope Development Area within the Permian Basin.

7. **Exhibit C-2** is an excerpt from Snee & Zoback, 2018, identifying the horizontal stress orientation in this area. The preferred well orientation in this area is North South due to the  $S_{Hmax}$  direction.

**BONE SPRING GEOLOGY STUDY—CASES 24457, 24459 & 24479**

8. The exhibits behind **Exhibit C-3** are the geology study I prepared for the Bone Spring formation. In case numbers 24457, 24459 and 24479, FME3 proposes to drill a total of seven wells—four First Bone Spring wells and three Third Bone Spring wells. I have prepared two separate sets of slides for each target formation.

9. **Exhibit C-3-a** is the First Bone Spring Structure map. The Rope Development Area is identified by the pink box and the approximate location of the First Bone Spring wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the structure dips gently to the south. This map also identifies the seven wells I used for the cross-section, running from A to A' and Exhibit C-3-a also includes a separate Cross Section Locater Map.

10. **Exhibit C-3-b** is a stratigraphic cross section of the First Bone Spring. In my opinion, the well logs on the cross-section give a representative sample of the First Bone Spring formation in the area. The target zone is identified by a bracket and the words “Producing Interval.” I have also identified approximately where the Rope wells fall within the wells I used for the cross-section. Based on the cross section, I conclude that the First Bone Spring is present and porous in the Rope Development Area.

11. **Exhibit C-3-c** is a First Bone Spring Isopach, which shows that the gross reservoir thins mid-development area, and then thickens again slightly to the north.

12. **Exhibit C-3-d** is the Third Bone Spring structure map. The Rope Development Area is identified by the pink box and the approximate location of the Third Bone Spring wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the reservoir dips gently to the south. This map also identifies the seven wells I used for the cross-section, running from A to A' and Exhibit C-3-d also includes a separate Cross Section Locater Map.

13. **Exhibit C-3-e** is a stratigraphic cross section of the Third Bone Spring. In my opinion, the well logs on the cross-section give a representative sample of the Third Bone Spring Sand formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified where the proposed Rope wells fall within the wells I used for the cross-section. Based on the cross section, I conclude that the Third Bone Spring Sand is present and porous in the Rope Development Area.

14. **Exhibit C-3-f** is a Third Bone Spring Isopach, which shows that the reservoir thickens to the southwest

15. I conclude from the Bone Spring geology study that:
- a. The horizontal spacing units are 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 units will contribute more or less equally to production.

**WOLFCAMP GEOLOGY STUDY—CASES 24898 - 24901**

16. The exhibits behind **Exhibit C-4** are the geology study I prepared for the Wolfcamp formation. In case numbers 24898 to 24901, FME 3 is proposing a total of eight wells— four Wolfcamp A wells and four Wolfcamp B wells. I have prepared two separate sets of slides for each target formation.

17. **Exhibit C-4-a** is the Wolfcamp A Structure map. The Rope Development Area is identified by the blue box and the approximate location of the Wolfcamp A wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the reservoir dips slightly to the southeast. This map also identifies the seven wells I used for the cross-section, running from A to A' and Exhibit C-4-a also includes a separate Cross Section Locater Map.

18. **Exhibit C-4-b** is a stratigraphic cross section of the Wolfcamp A. In my opinion, the well logs on the cross-section 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 Rope wells fall within the wells I used for the cross-section. Based on the cross section, I conclude that the Wolfcamp A is present and porous in the Rope Development Area.

19. **Exhibit C-4-c** is a Wolfcamp A Isopach, which shows that the reservoir thickens to the southwest.

20. **Exhibit C-4-d** is the Wolfcamp B Structure map. The Rope Development Area is identified by the blue box and the approximate location of the Wolfcamp B wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the reservoir dips slightly to the southwest. This map also identifies the seven

wells I used for the cross-section, running from A to A' and Exhibit C-4-d also includes a separate Cross Section Locater Map.

21. **Exhibit C-4-e** is a stratigraphic cross section of the Wolfcamp B. In my opinion, the well logs on the cross-section give a representative sample of the Wolfcamp B formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified where the proposed Rope wells falls within the wells I used for the cross-section. Based on the cross section, I conclude that the Wolfcamp B is present and porous in the Rope Development Area.

22. **Exhibit C-4-f** is a Wolfcamp B Isopach, which shows that the reservoir thickens to the west.

23. I conclude from the Wolfcamp geology study that:

- a. The horizontal spacing units are 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 units will contribute more or less equally to production.

24. In my opinion, FME3's Rope State development plan prevents waste and protects correlative rights.

25. **Exhibit C-5** identifies existing well bores and areas without existing horizontal wells within Sections 18, 19, 30, and 31. In my opinion, FME3's Rope development plan maximizes well contact with untapped reservoir whereas MRC's development plan does not.

26. The attachments to my self-affirmed statement were prepared by me or compiled under my direction or supervision.

27. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is true, correct and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

*[Signature page follows]*



Dated: November 12th, 2024



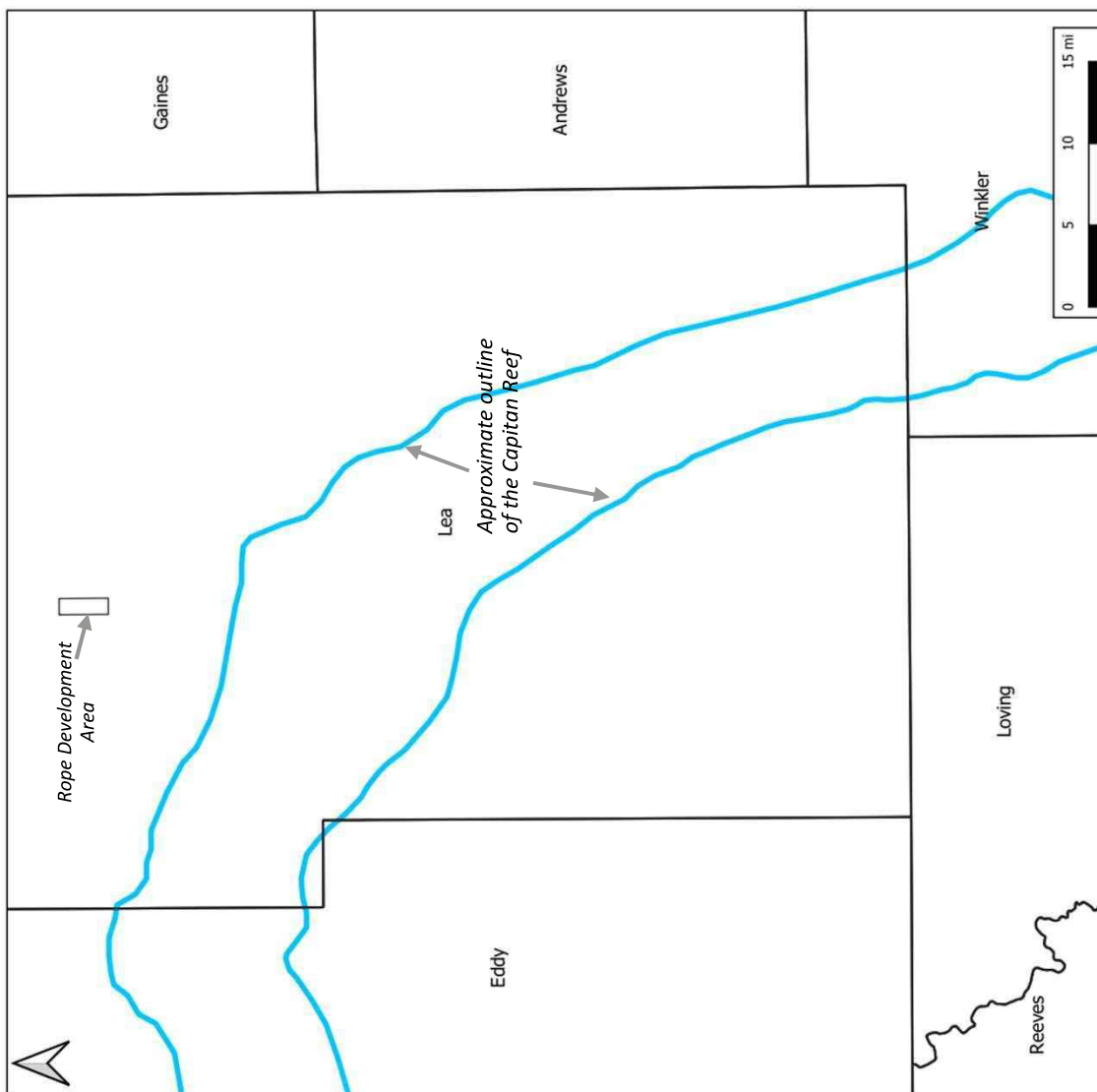
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Ben Kessel



# Ball Development

## Locator Map



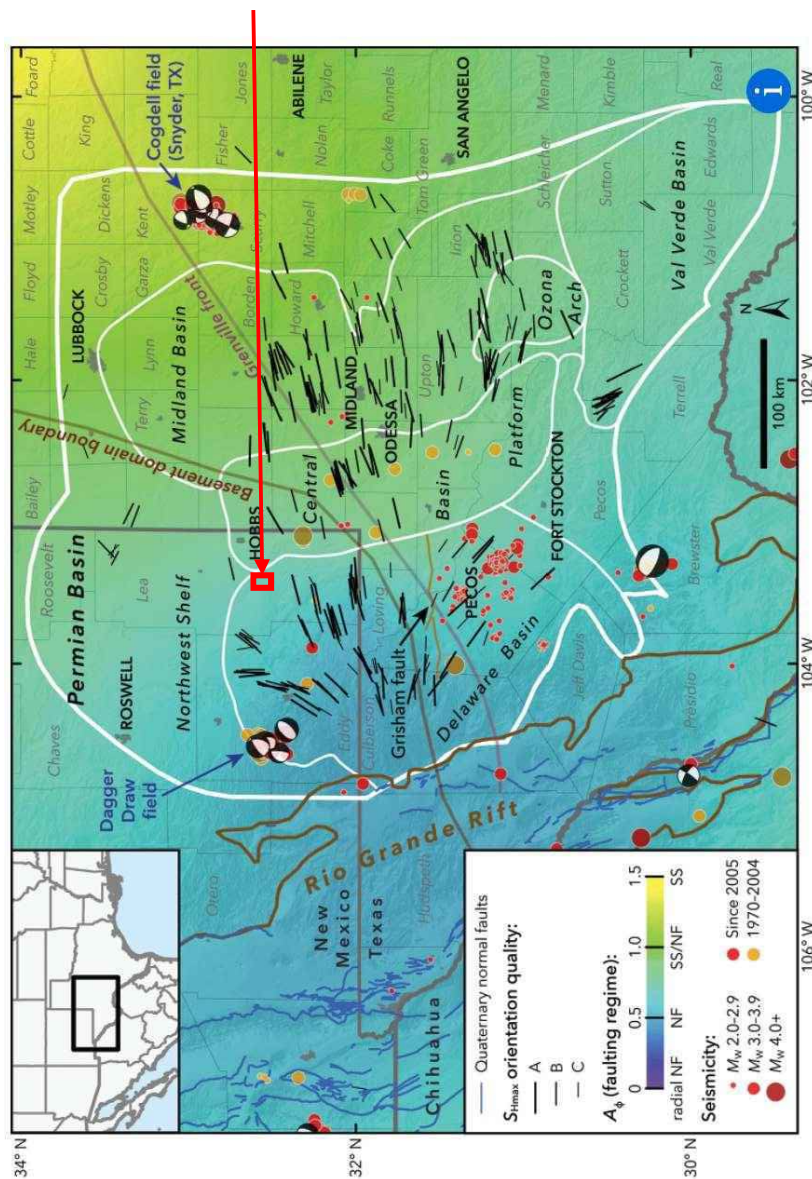
- Black box shows the location of the Rope development area
- Planned wells are located outside of the eastern edge of the Capitan Reef

**EXHIBIT C-1**

[https://www.twdb.texas.gov/publications/reports/contracted\\_reports/doc/0804830794CapitanReef/Final%20Revised%20Capitan%20PDF%20w\\_Seals.pdf](https://www.twdb.texas.gov/publications/reports/contracted_reports/doc/0804830794CapitanReef/Final%20Revised%20Capitan%20PDF%20w_Seals.pdf)



# Regional Stress



- Red box shows the approximate location of the Rope development
- Reported local S<sub>Hmax</sub> (Snee and Zoback, 2018) direction is ENE, around 255°
- The Rope State wells are planned to drill N-S, nearly orthogonal to S<sub>Hmax</sub>; optimal for induced fracture propagation
- In this area, E-W wells or E-W trending portions of U-Turn wells are parallel to the direction of S<sub>Hmax</sub>; reducing completion efficiency and promoting waste.

Snee, J.L. and Zoback, M.D., 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, 37, no. 2

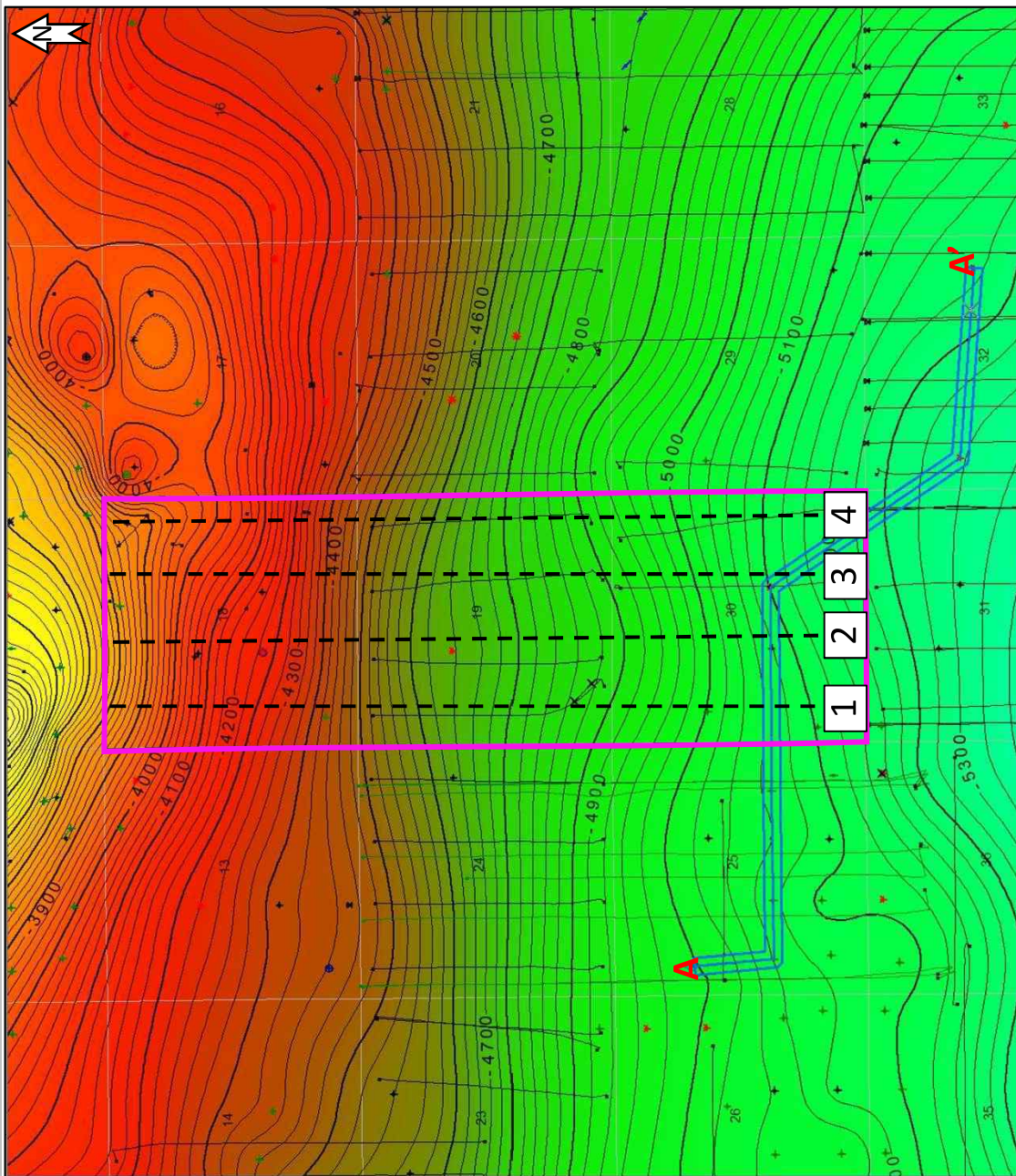
[http://www.tleonline.org/theleadingedge/february\\_2018/MobilePagedArticle.action?articleId=1331603#articleId1331603](http://www.tleonline.org/theleadingedge/february_2018/MobilePagedArticle.action?articleId=1331603#articleId1331603)

**EXHIBIT C-2**









# First Bone Spring Structure



 Rope Development

 Proposed Horizontal Location

-  1 Rope State Com 301H
-  2 Rope State Com 302H
-  3 Rope State Com 303H
-  4 Rope State Com 304H

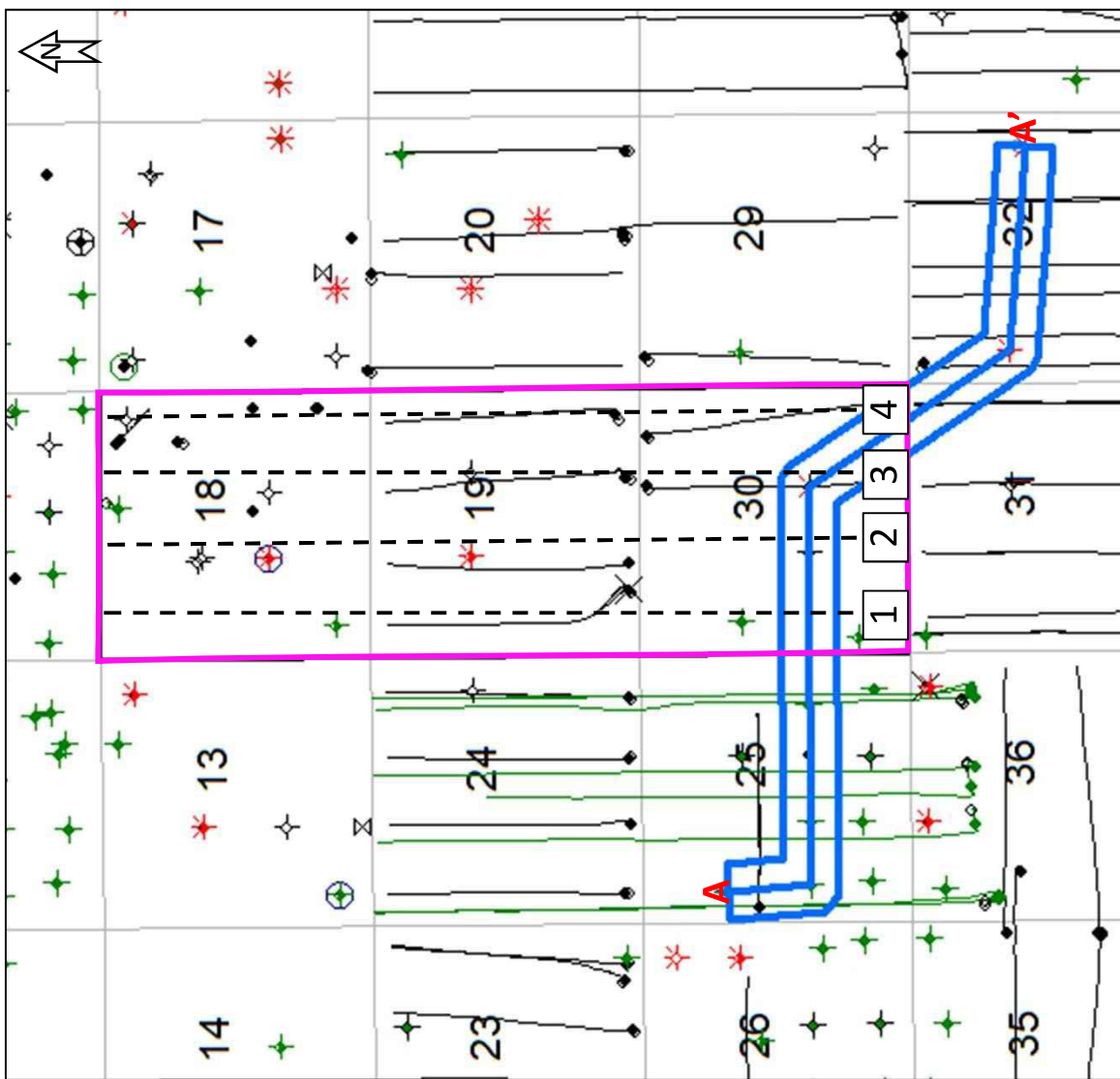
1 mile

All wells shown

**EXHIBIT C-3-a**



# Cross Section Locater Map



All wells shown

1 mile



Rope Development

Proposed Horizontal Location

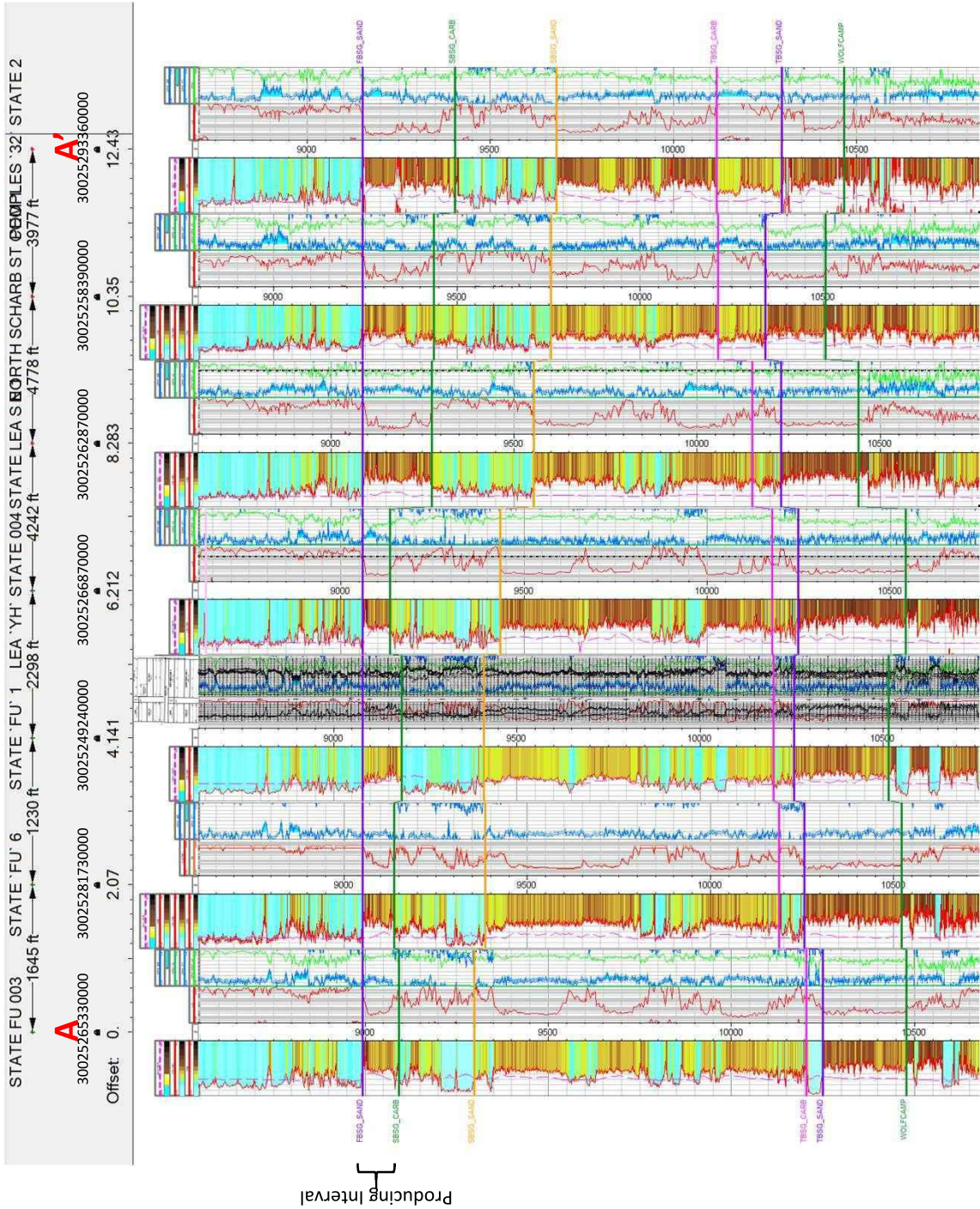
- 1 Rope State Com 301H
- 2 Rope State Com 302H
- 3 Rope State Com 303H
- 4 Rope State Com 304H

**EXHIBIT C-3-a (cont)**





# First Bone Spring Cross Section

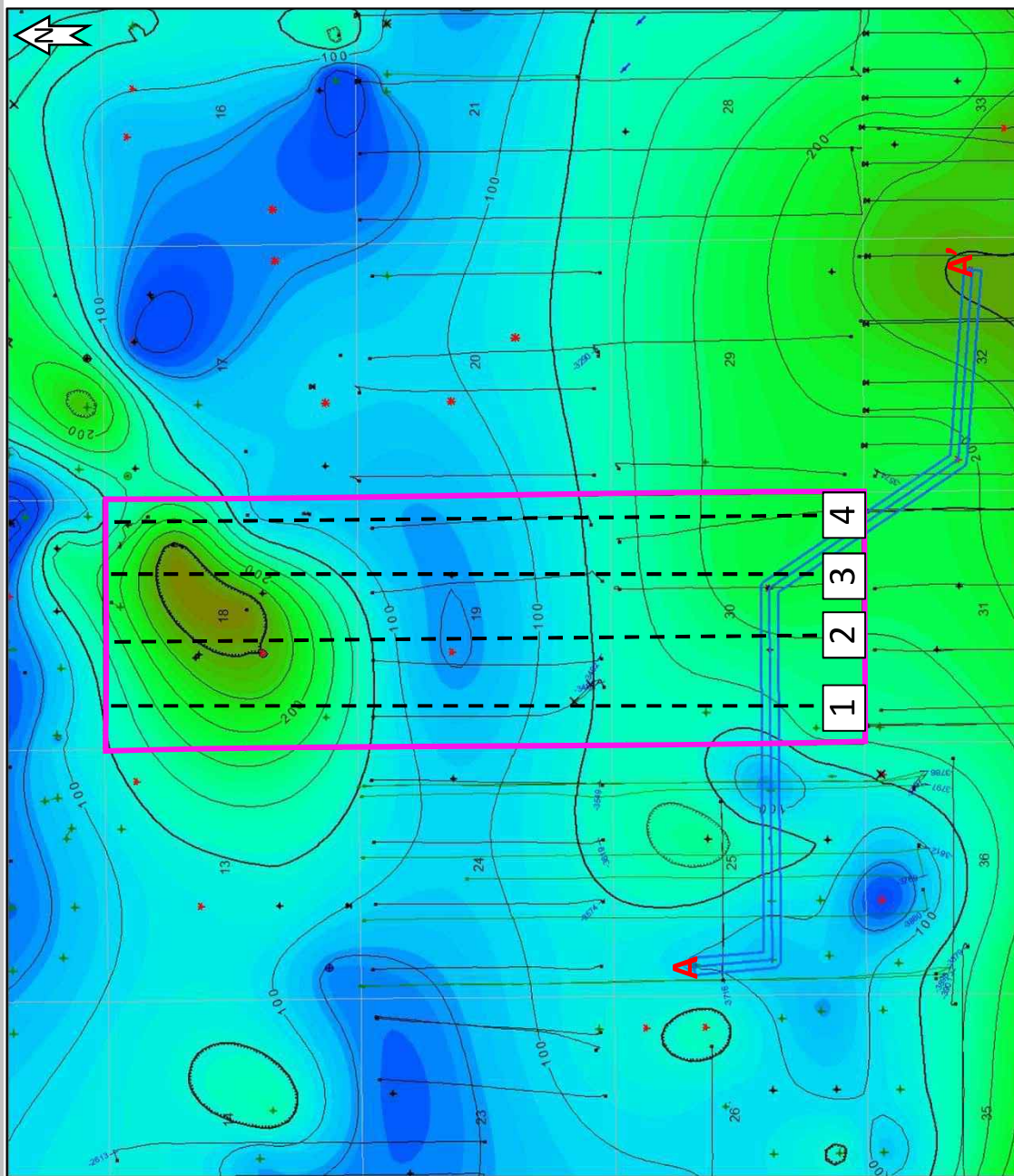


Rope Development

EXHIBIT C-3-b



# First Bone Spring Isopach



Rope Development

Proposed Horizontal Location

- 1 Rope State Com 301H
- 2 Rope State Com 302H
- 3 Rope State Com 303H
- 4 Rope State Com 304H

1 mile

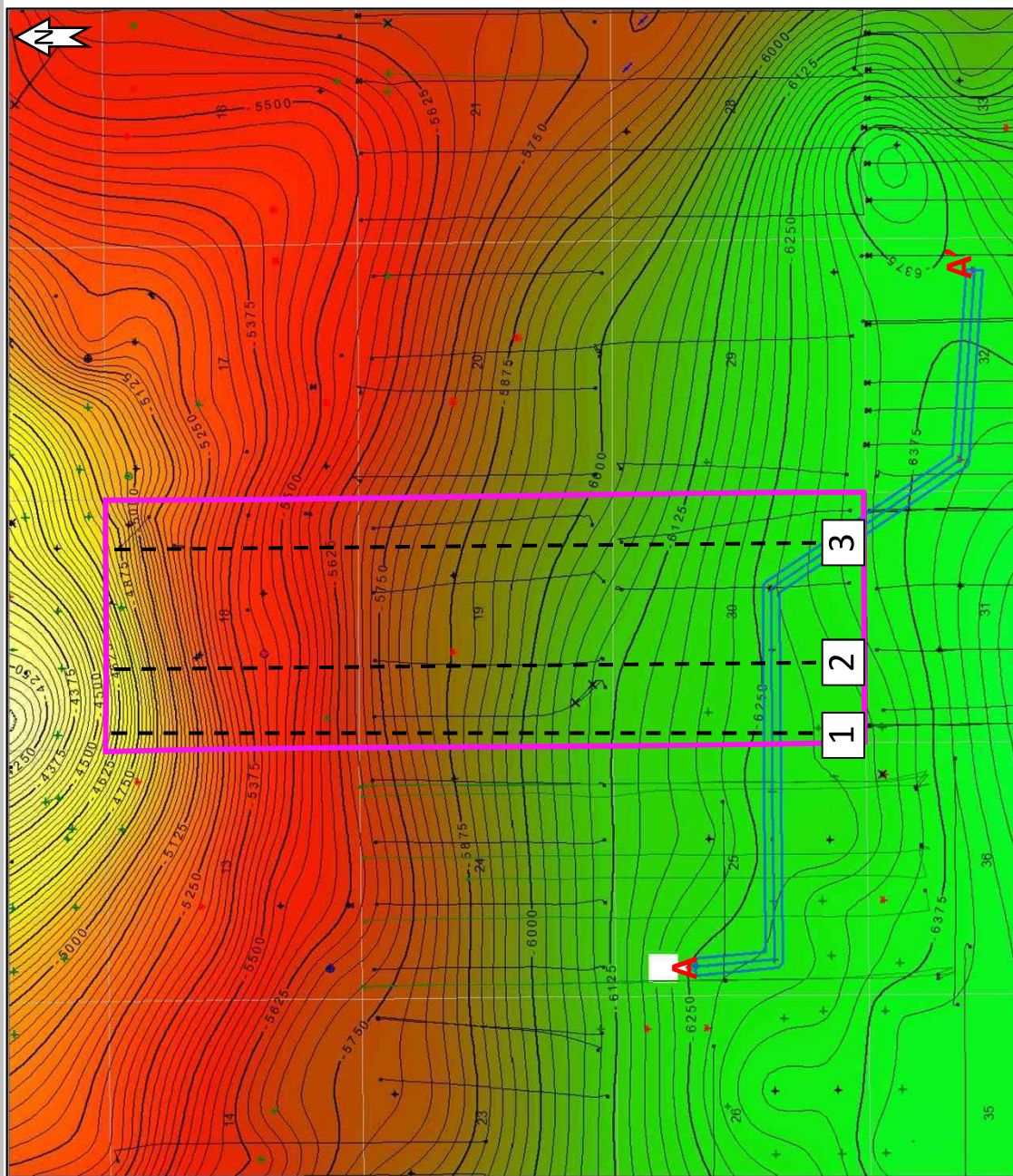
All wells shown

**EXHIBIT C-3-C**

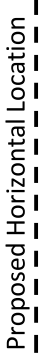







# Third Bone Spring Structure



 Rope Development

 Proposed Horizontal Location

-  1 Rope State Com 601H
-  2 Rope State Com 602H
-  3 Rope State Com 604H

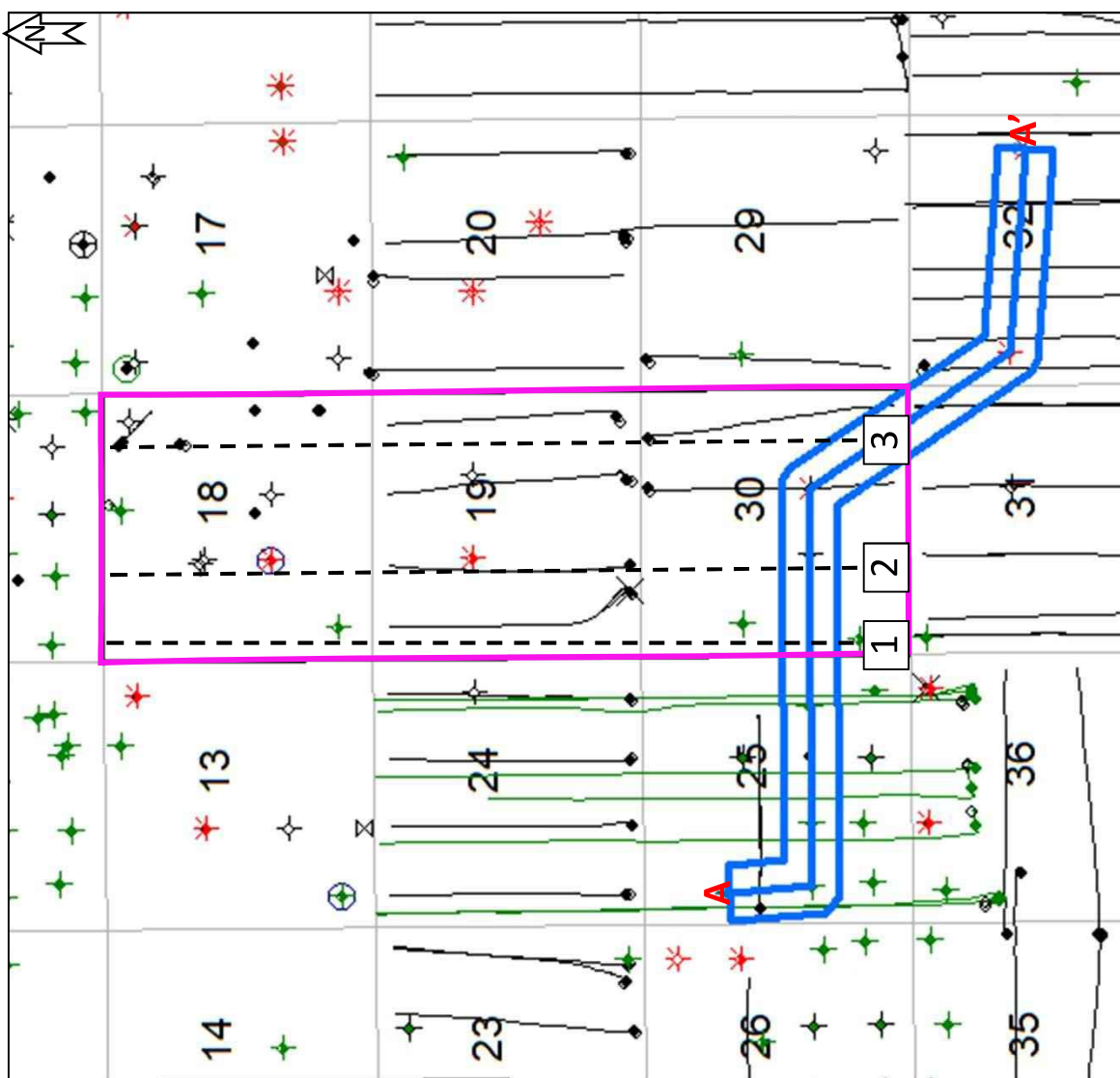
1 mile

All wells shown

**EXHIBIT C-3-d**



# Cross Section Locater Map



Rope Development

Proposed Horizontal Location

- 1 Rope State Com 601H
- 2 Rope State Com 602H
- 3 Rope State Com 604H

1 mile

All wells shown

**EXHIBIT C-3-d (cont)**





# Third Bone Spring Cross Section

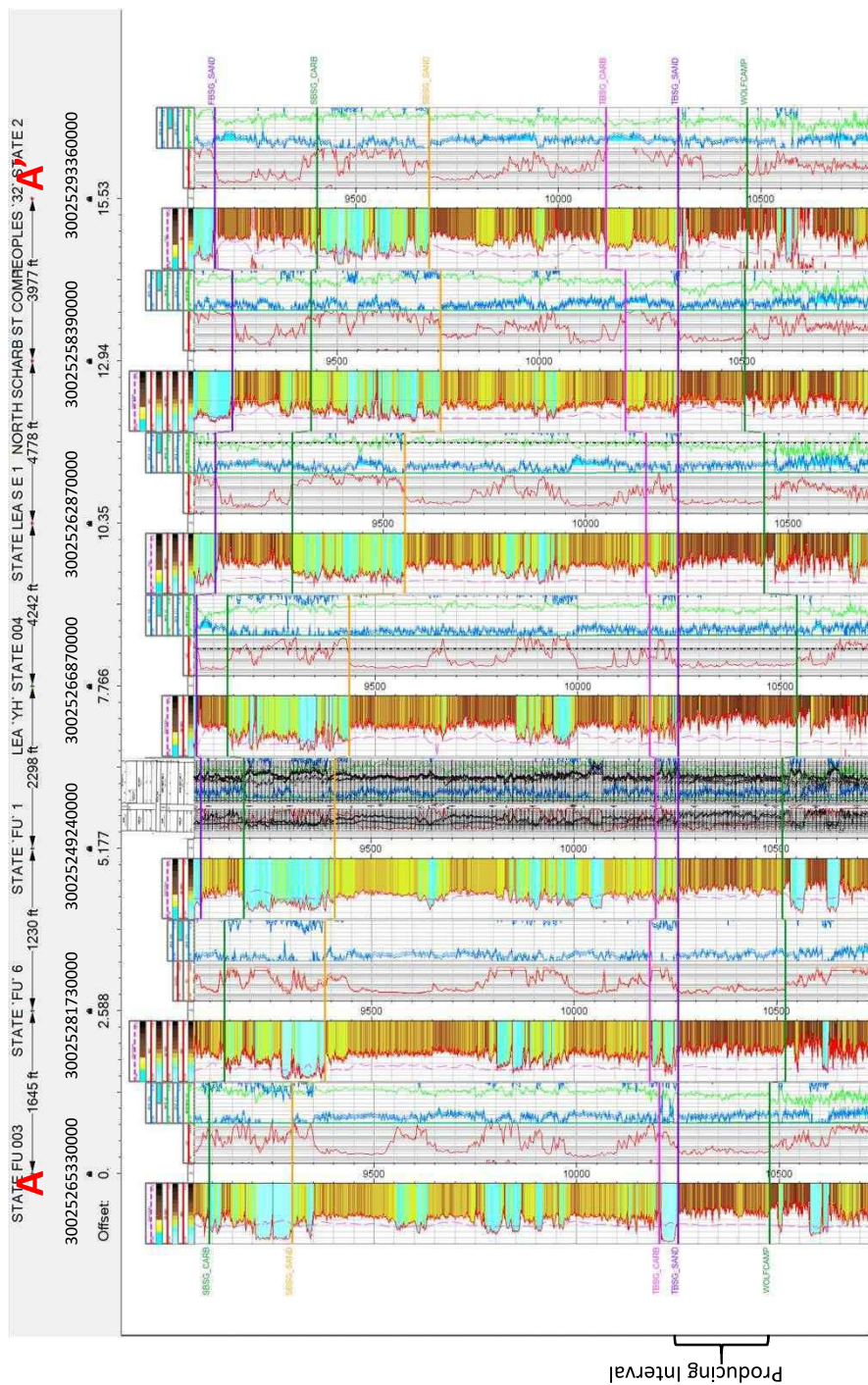
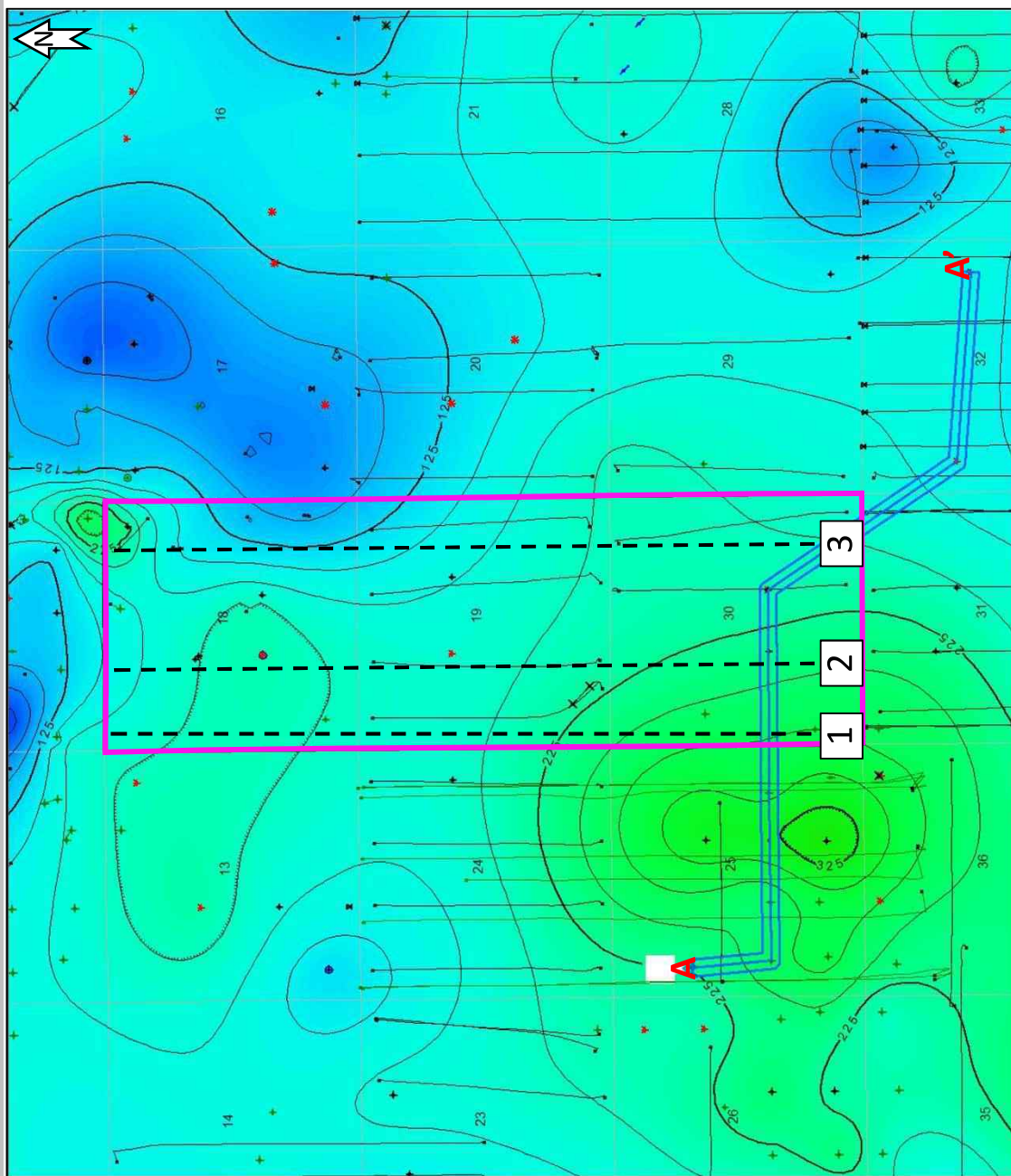


EXHIBIT C-3-e






# Third Bone Spring Isopach



 Rope Development

 Proposed Horizontal Location

-  1 Rope State Com 601H
-  2 Rope State Com 602H
-  3 Rope State Com 604H

1 mile

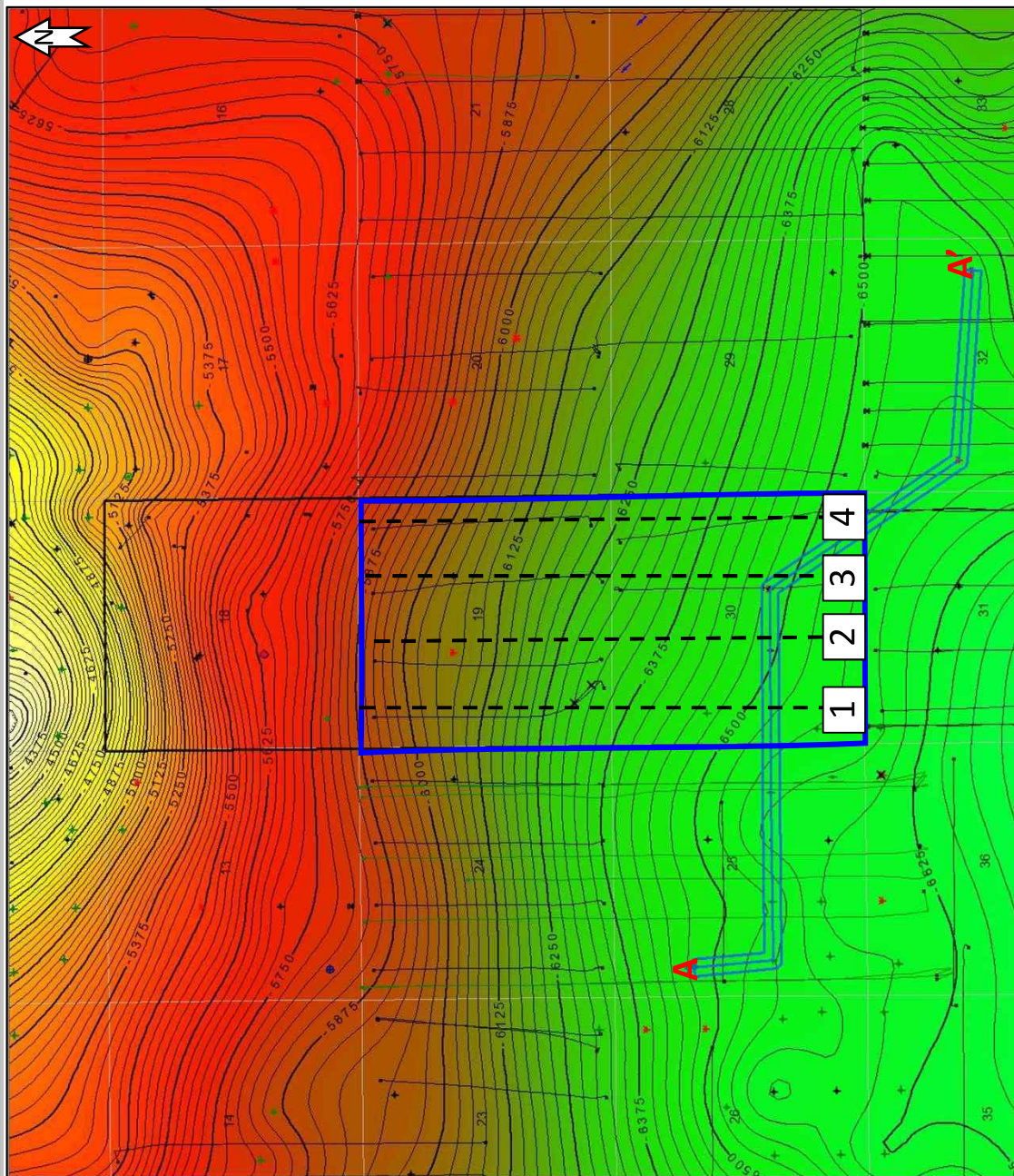
All wells shown

**EXHIBIT C-3-f**





# Wolfcamp Structure



Rope Development



Proposed Horizontal Location

- 1 Rope State Com 701H
- 2 Rope State Com 702H
- 3 Rope State Com 703H
- 4 Rope State Com 704H

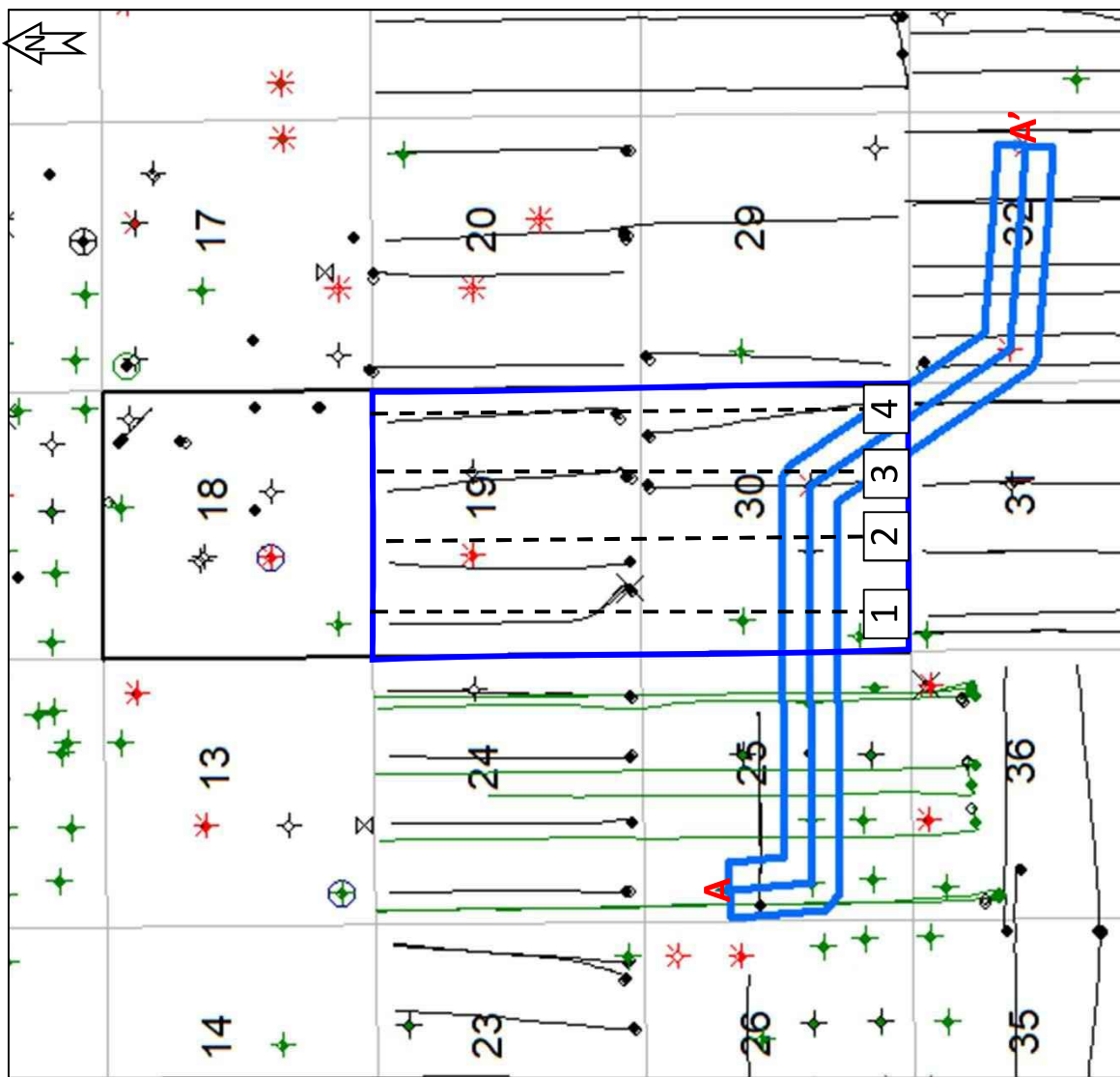
1 mile

All wells shown

**EXHIBIT C-4-a**



# Cross Section Locater Map



Rope Development

Proposed Horizontal Location

- 1 Rope State Com 701H
- 2 Rope State Com 702H
- 3 Rope State Com 703H
- 4 Rope State Com 704H

1 mile

All wells shown

**EXHIBIT C-4-a (cont)**





# Wolfcamp Cross Section

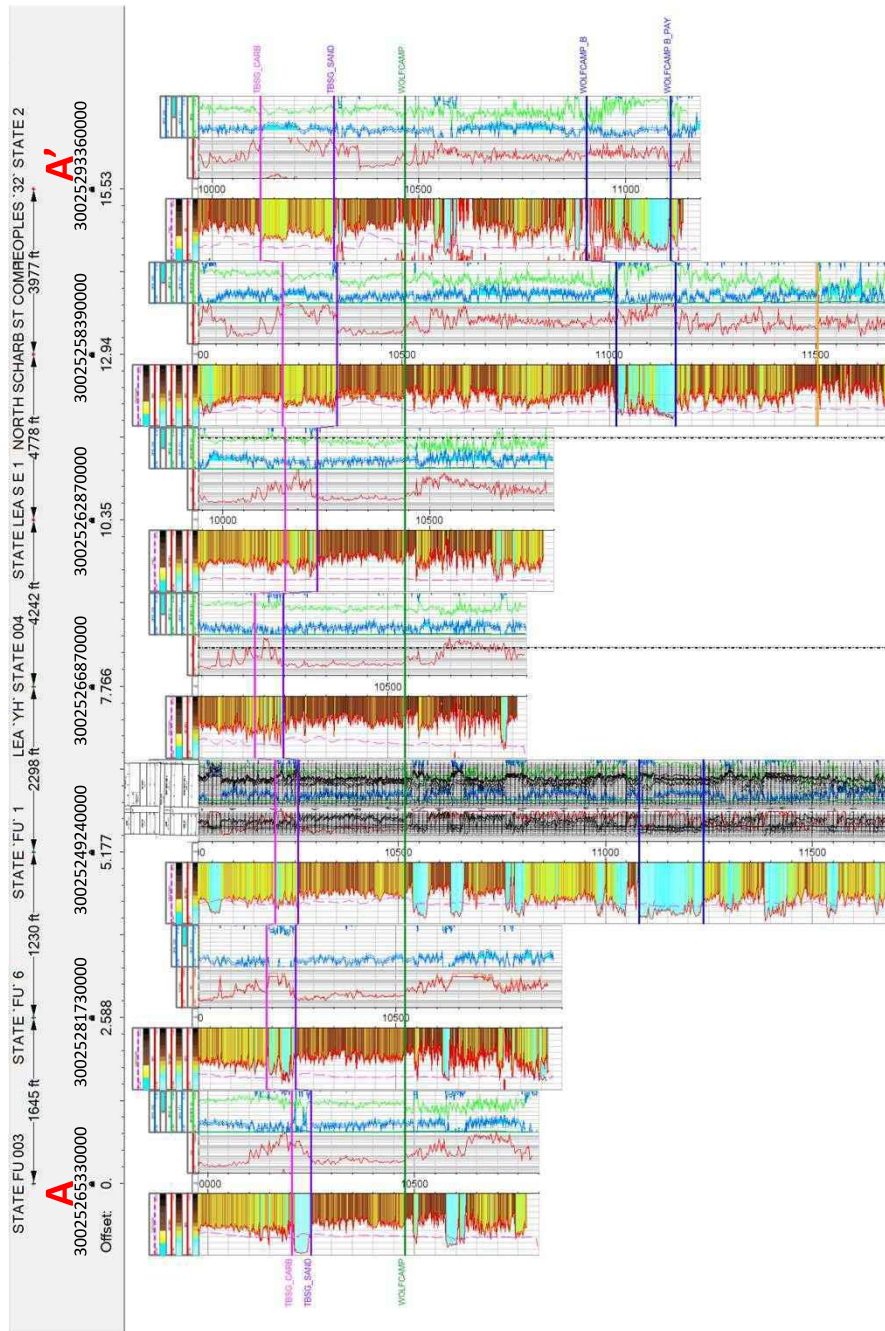
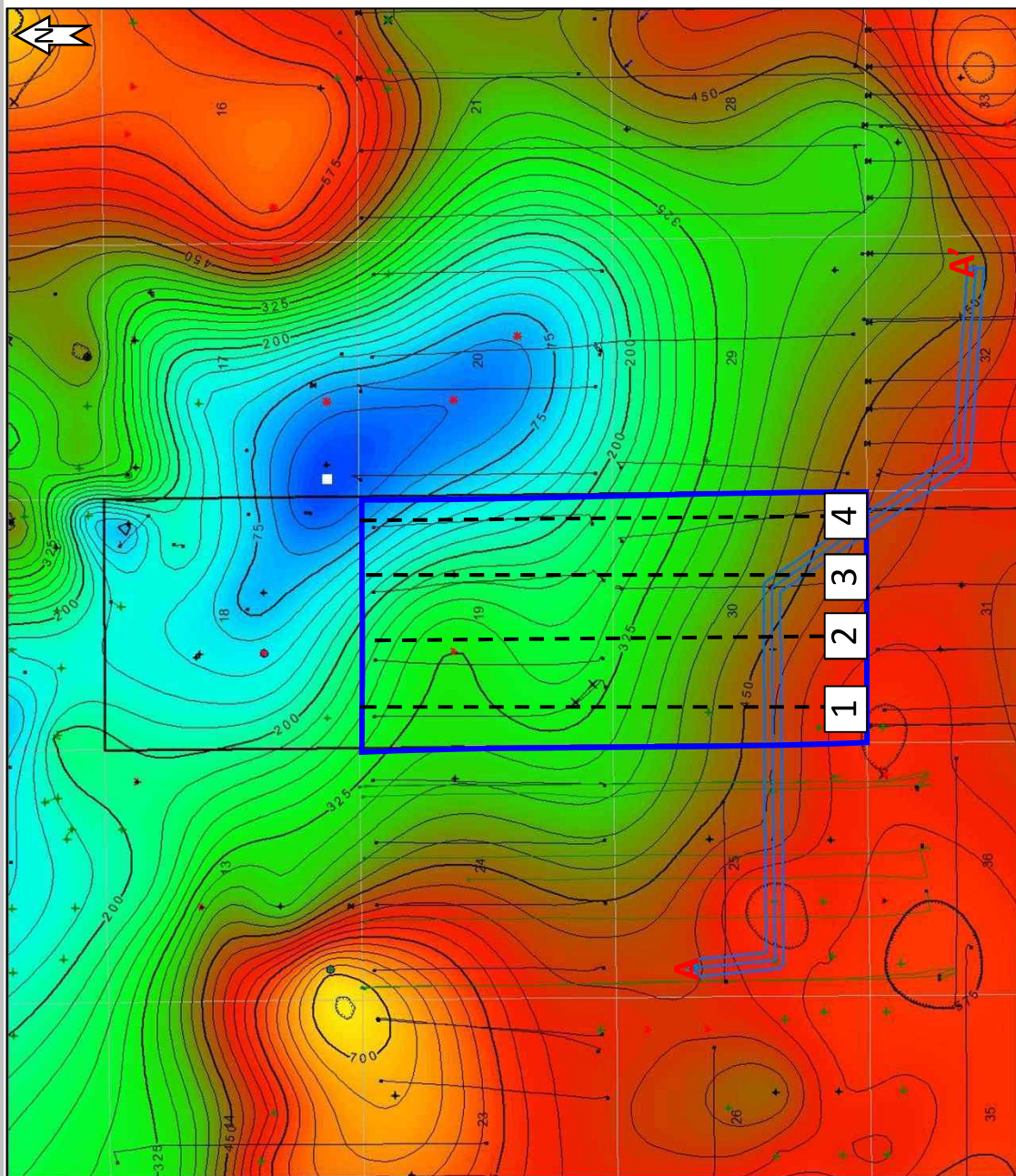


EXHIBIT C-4-b









# Wolfcamp Isopach



 Rope Development

 Proposed Horizontal Location

-  1 Rope State Com 701H
-  2 Rope State Com 702H
-  3 Rope State Com 703H
-  4 Rope State Com 704H

1 mile

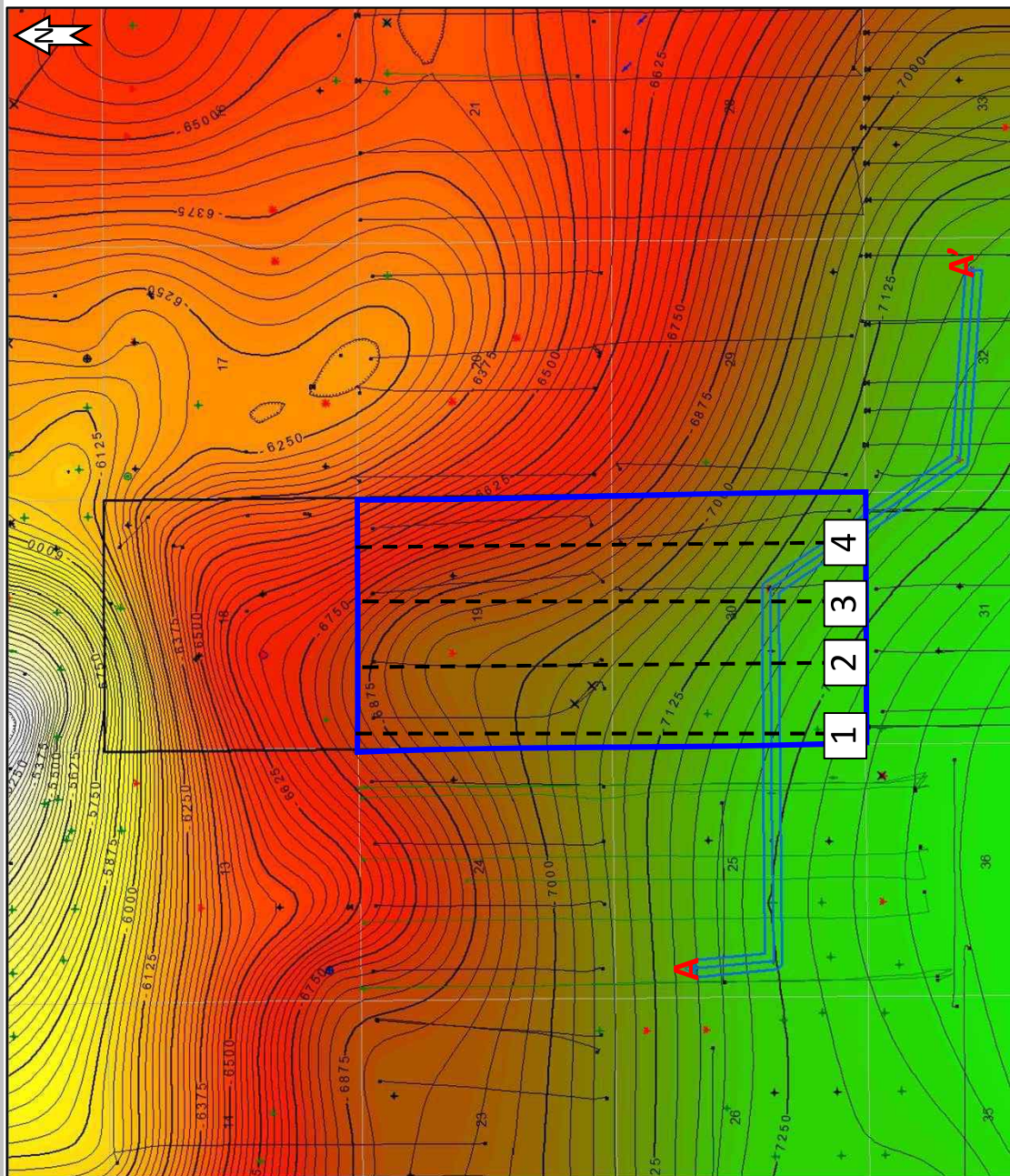
All wells shown

**EXHIBIT C-4-c**





# Wolfcamp B Structure



Rope Development

Proposed Horizontal Location

- 1 Rope State Com 801H
- 2 Rope State Com 802H
- 3 Rope State Com 803H
- 4 Rope State Com 804H

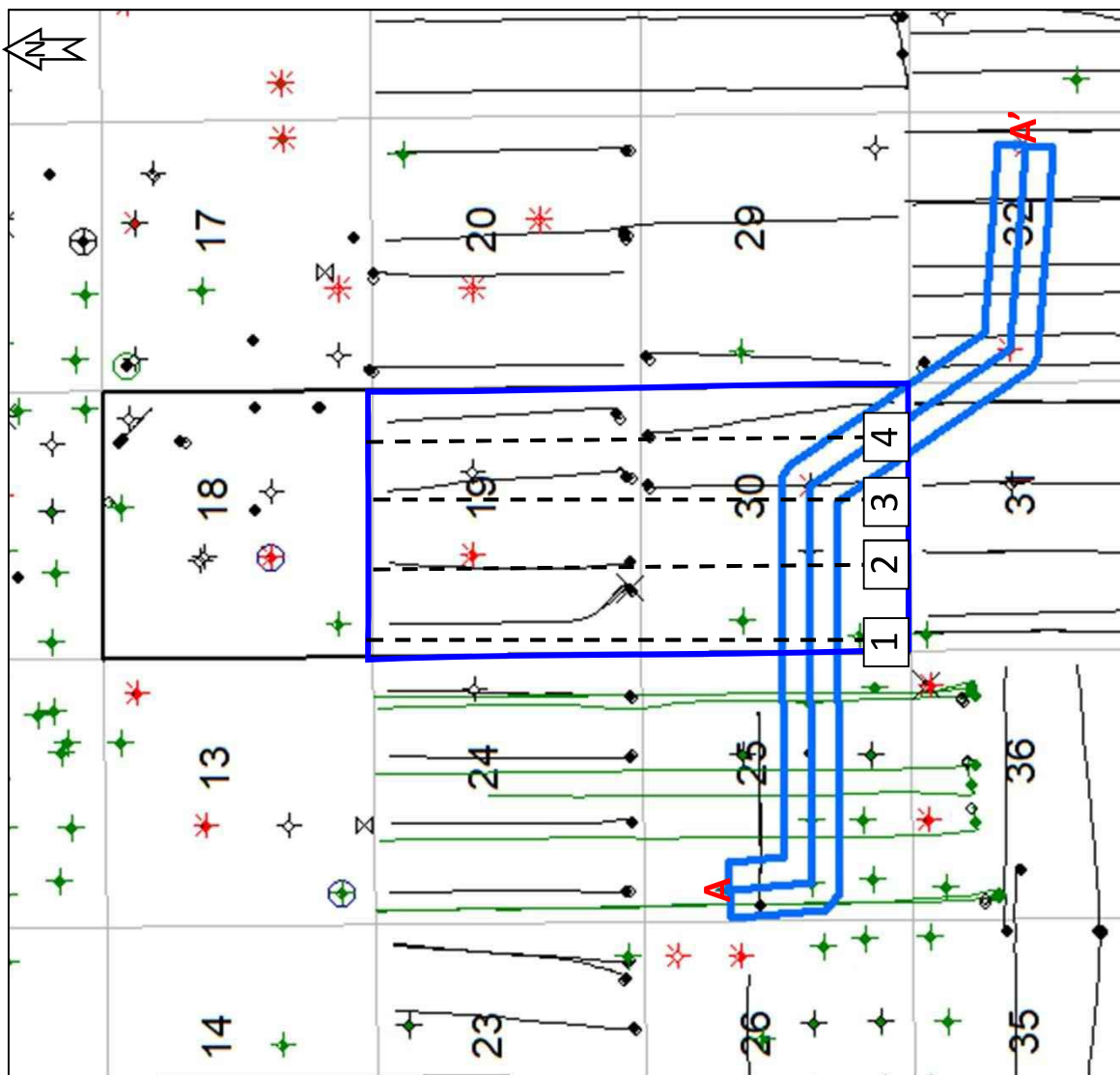
1 mile

All wells shown

**EXHIBIT C-4-d**



# Cross Section Locater Map



Rope Development

Proposed Horizontal Location

- 1 Rope State Com 801H
- 2 Rope State Com 802H
- 3 Rope State Com 803H
- 4 Rope State Com 804H

1 mile

All wells shown

**EXHIBIT C-4-d (cont)**





# Wolfcamp Cross Section

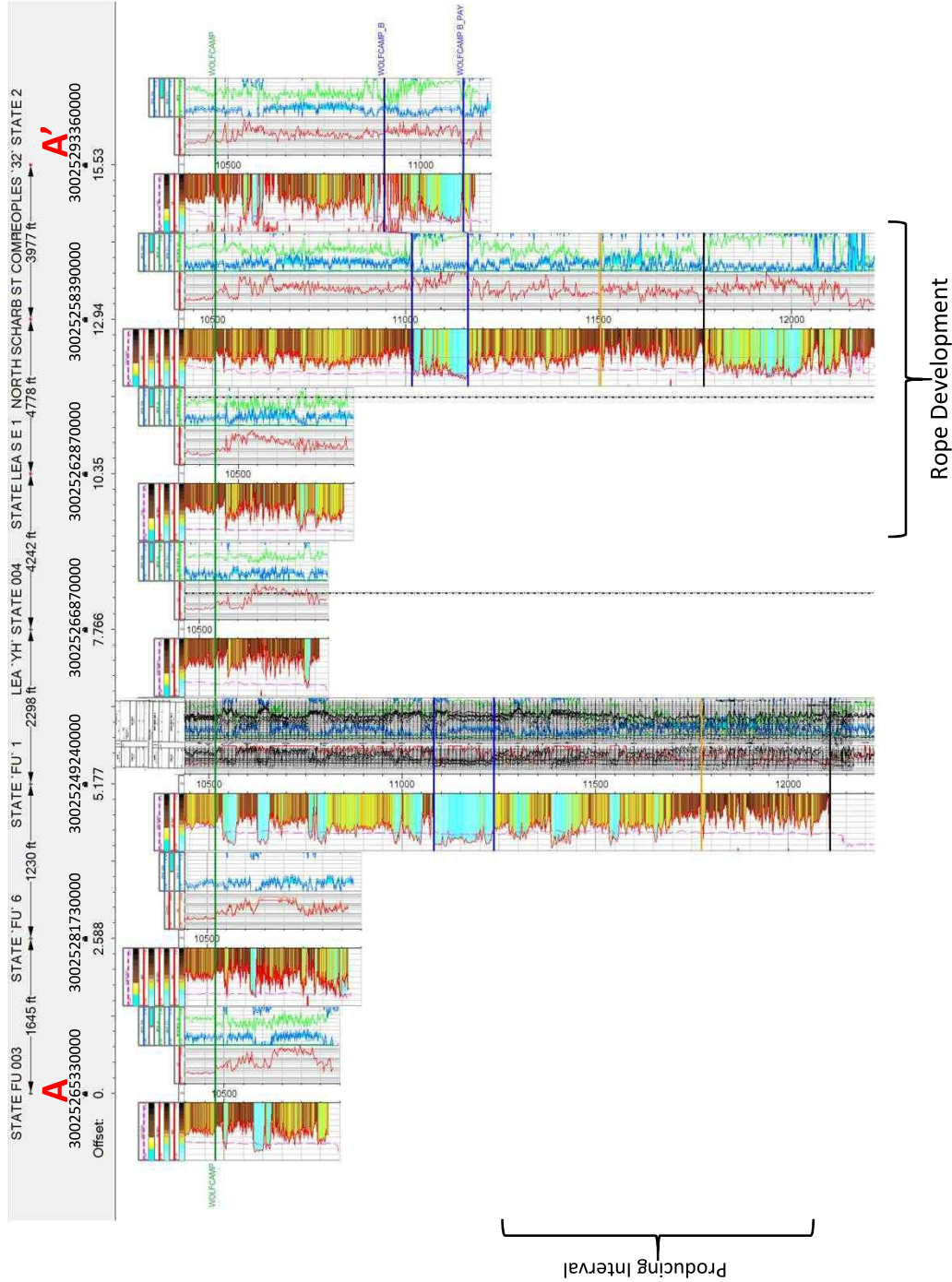
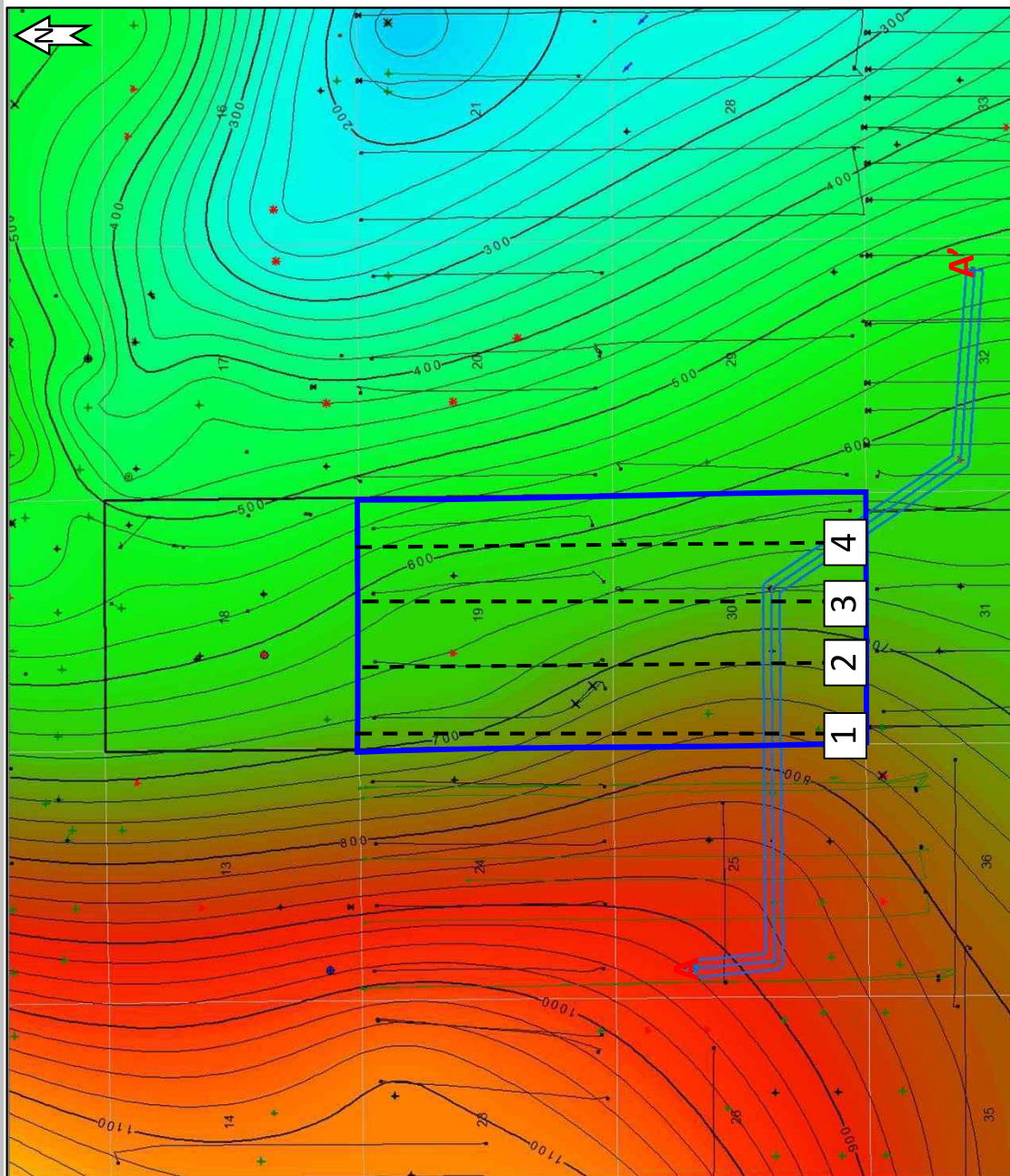


EXHIBIT C-4-e



# Wolfcamp B Structure



Rope Development

Proposed Horizontal Location

- 1 Rope State Com 801H
- 2 Rope State Com 802H
- 3 Rope State Com 803H
- 4 Rope State Com 804H

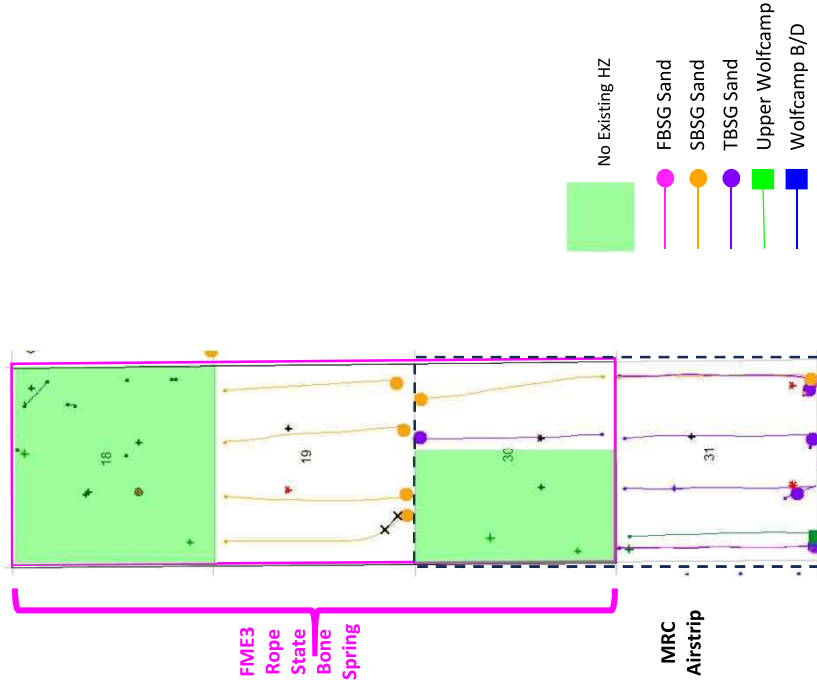
1 mile

All wells shown

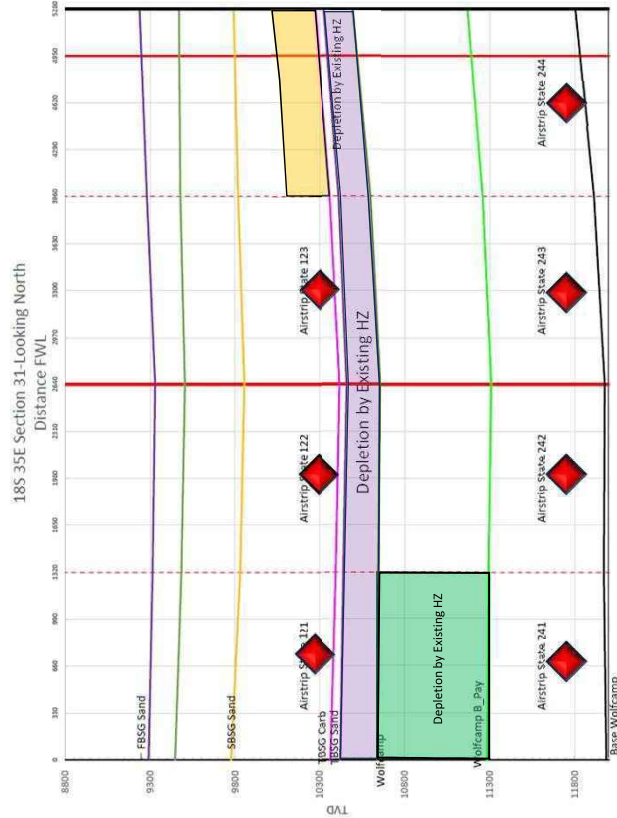
**EXHIBIT C-4-f**



# Development Comparison: MRC's Development Plan Introduces More Depletion



## MRC-Airstrip Wells (Section 31)



- Section 31 has existing horizontal wells, shown by the purple, yellow, and green shading
- Production from MRC's two-mile Bone Spring wells could be reduced by virtue of proximity to previously fracked rock

- FME3's Rope Development maximizes well contact with untapped reservoir
- Existing horizontal well density in section 31 negatively impacts FME3's interest in section 30

**EXHIBIT C-5**



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

**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO**

**CASE NOS. 24457, 24459, 24479**

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

**CASE NOS. 24898-24901**

**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 Applications for No. 24457 and 24459 were provided under notice letter, dated April 22, 2024, and Application for No. 24479 was provided under notice letter, dated May 1, 2024 and attached hereto. Applications for No. 24898-24901 were provided under notice letters, dated October 10, 2024, and attached hereto, as Exhibit D.1.

2) Exhibit D.2 is the mailing list for Case Nos. 24457, 24459, 24479, which show the notice letters were delivered to the USPS for mailing on April 22, 2024 and May 1, 2024 and the notice letters for 24898-24901 were delivered to the USPS for mailing on October 10, 2024.

3) Exhibit D.3 is the certified mailing tracking information, which is automatically compiled 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 May 16, 2024 hearing was published on April 28, 2024 for Case Nos. 24457 and 24459,

**EXHIBIT D**

and the Affidavit of Publication for Case No. 24479, published May 2, 2024, and the Affidavit of Publication for Cases 24898-24901 from the Hobbs News-Sun, confirming that notice of the October 31, 2024 hearing was published on October 13, 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: November 13, 2024

A handwritten signature in blue ink that reads "Deana M. Bennett". The signature is written in a cursive style.

---

Deana M. Bennett



MODRALL SPERLING  
LAWYERS

April 22, 2024

Deana M. Bennett  
505.848.1834  
dmb@modrall.com

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC  
FOR COMPULSORY POOLING, AND TO THE EXTENT  
NECESSARY, APPROVAL OF OVERLAPPING SPACING  
UNIT, LEA COUNTY, NEW MEXICO**

**CASE NO. 24457**

TO: AFFECTED PARTIES

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

In Case No. 24457, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the **Rope State Com 301H** and **Rope State Com 601H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC’s Ironhouse 19 State Com #004H well (API 30-025-41245). 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 west of Hobbs, New Mexico.

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**EXHIBIT D.1**

Page 2

The hearing is set for May 16, 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, 1<sup>st</sup> 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 this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the applications. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett  
*Attorney for Applicant*

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

**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC FOR COMPULSORY POOLING,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.**

CASE NO. 24457

**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 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. 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 wells thereon.
2. Franklin seeks to dedicate the spacing unit to the **Rope State Com 301H** and **Rope State Com 601H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18.
3. The producing area for the wells is expected to be orthodox.
4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of

irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245).

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 and approving, to the extent necessary, the overlapping spacing 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 May 2, 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, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

B. Approving, to the extent necessary, the proposed overlapping spacing unit;

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

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

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

F. 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

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*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24457 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the **Rope State Com 301H and Rope State Com 601H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245). 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 west of Hobbs, New Mexico.



MODRALL SPERLING  
LAWYERS

April 22, 2024

Deana M. Bennett  
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dmb@modrall.com

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC  
FOR COMPULSORY POOLING, AND TO THE EXTENT  
NECESSARY, APPROVAL OF OVERLAPPING SPACING  
UNIT, LEA COUNTY, NEW MEXICO**

**CASE NO. 24458**

**APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC  
FOR COMPULSORY POOLING, AND TO THE EXTENT  
NECESSARY, APPROVAL OF OVERLAPPING SPACING  
UNIT, LEA COUNTY, NEW MEXICO**

**CASE NO. 24459**

TO: AFFECTED PARTIES

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

In Case No. 24458, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 302H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and **Rope State Com 602H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). Also to be

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Page 2

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 west of Hobbs, New Mexico.

In Case No. 24459, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 303H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and **Rope State Com 304H** and **Rope State Com 604H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18. The producing area for the wells is expected to be orthodox. The completed interval for the Rope State Com 303H 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. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);

Page 3

- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

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 west of Hobbs, New Mexico.

**The hearing is set for May 16, 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, 1<sup>st</sup> 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 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,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.**

CASE NO. 24458

**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 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. 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 wells thereon.
2. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 302H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and
  - b. **Rope State Com 602H** well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18.
3. The producing area for the wells is expected to be orthodox.



4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676).

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 and approving, to the extent necessary, the overlapping spacing 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 May 2, 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 the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

B. Approving, to the extent necessary, the proposed overlapping spacing unit;

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

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

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

F. 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

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*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24458**: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 302H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and **Rope State Com 602H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). 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 west 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,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.**

CASE NO. 24459

**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 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. 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 wells thereon.
2. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 303H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and
  - b. **Rope State Com 304H** and **Rope State Com 604H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18.
3. The producing area for the wells is expected to be orthodox.

4. The completed interval for the **Rope State Com 303H** 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. This proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- a. A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- b. A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- c. A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- d. A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- e. A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- f. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);

- g. A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- h. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- i. A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

6. 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.

7. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing 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 May 2, 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 the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
- B. Approving, to the extent necessary, the proposed overlapping spacing unit;
- C. Designating Franklin as operator of this unit and the wells to be drilled thereon;



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

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

F. 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

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*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24459** : **Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 303H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and **Rope State Com 304H** and **Rope State Com 604H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18. The producing area for the wells is expected to be orthodox. The completed interval for the **Rope State Com 303H** 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. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

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 west of Hobbs, New Mexico.



MODRALL SPERLING  
L A W Y E R S

May 1, 2024

Deana M. Bennett  
505.848.1834  
dmb@modrall.com

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC  
FOR COMPULSORY POOLING, AND TO THE EXTENT  
NECESSARY, APPROVAL OF OVERLAPPING SPACING  
UNIT, LEA COUNTY, NEW MEXICO**

**CASE NO. 24479**

**TO: AFFECTED PARTIES**

This letter is to advise you that Franklin Mountain Energy 3, LLC ("Franklin Mountain Energy 3") has filed the enclosed application in place of Case No. 24458, which had a typographical error.

In Case No. 24479, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 302H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and **Rope State Com 602H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). 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 west of Hobbs, New Mexico.

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Page 2

The hearing is set for May 16, 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, 1<sup>st</sup> 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 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,  
AND, TO THE EXTENT NECESSARY, APPROVAL OF AN  
OVERLAPPING SPACING UNIT,  
LEA COUNTY, NEW MEXICO.**

CASE NO. 24479

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 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. 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 wells thereon.
2. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 302H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and
  - b. **Rope State Com 602H** well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18.
3. The producing area for the wells is expected to be orthodox.



4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676).

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 and approving, to the extent necessary, the overlapping spacing 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 May 2, 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 the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

B. Approving, to the extent necessary, the proposed overlapping spacing unit;

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

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

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

F. 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

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[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24479 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 302H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and **Rope State Com 602H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). 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 west of Hobbs, New Mexico.



MODRALL SPERLING  
LAWYERS

October 10, 2024

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Deana M. Bennett  
505.848.1834  
dmb@modrall.com

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

**CASE NO. 24898**

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

**CASE NO. 24900**

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

**CASE NO. 24901**

**TO: AFFECTED PARTIES**

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

In Case No. 24898, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 703H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and **Rope State Com 803H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary. 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

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Page 2

200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

In Case No. 24900, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 702H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and **Rope State Com 802H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.

In Case No. 24901, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 704H** and **Rope State Com 804H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.

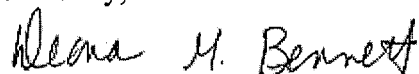
**The hearing is set for October 31, 2024 beginning at 8:30 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1<sup>st</sup> Floor, Santa Fe, NM 87505 and via a 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/>.**

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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 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,

A handwritten signature in cursive script that reads "Deana M. Bennett".

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. 24898

**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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Franklin seeks to dedicate the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 703H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and
  - b. **Rope State Com 803H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19.

4. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary.

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 well or to otherwise commit their interests to the well.

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 October 31, 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 the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

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*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24898 : 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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 703H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and **Rope State Com 803H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary. 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 19 miles west 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.**

CASE NO. 24900

**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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 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 E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 702H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and
  - b. **Rope State Com 802H** well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19.

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

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 well or to otherwise commit their interests to the well.

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 October 31, 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 the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.  
Deana M. Bennett



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[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)  
*Attorneys for Franklin Mountain Energy 3, LLC*

CASE NO. 24900: **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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 702H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and **Rope State Com 802H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19. The producing area for the wells 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 19 miles west 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.

CASE NO. 24901

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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 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 E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the following wells:
  - a. **Rope State Com 704H** and **Rope State Com 804H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19; and
4. The producing area for the wells is expected to be orthodox.

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 well or to otherwise commit their interests to the well.

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 October 31, 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 the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.  
Deana M. Bennett  
Yarithza Peña  
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[varithza.pena@modrall.com](mailto:varithza.pena@modrall.com)  
*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24901 : 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 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 704H** and **Rope State Com 804H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.





MODRALL SPERLING

L A W Y E R S

October 10, 2024

Deana M. Bennett  
505.848.1834  
dmb@modrall.com

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

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

**CASE NO. 24899**

**TO: AFFECTED PARTIES**

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

In Case No. 24899, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.

**The hearing is set for October 31, 2024 beginning at 8:30 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, 1<sup>st</sup> Floor, Santa Fe, NM 87505 and via a 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/>.**

Modrall Sperling  
Roehl Harris & Sisk P.A.

500 Fourth Street NW  
Suite 1000  
Albuquerque,  
New Mexico 87102

PO Box 2168  
Albuquerque,  
New Mexico 87103-2168

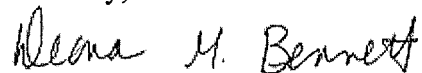
Tel: 505.848.1800  
www.modrall.com

Page 2

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

You are further notified that if you desire to appear in this case, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett

*Attorney for Applicant*

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

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

**CASE NO. 24899**

**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 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 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 Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 306.92-acre, more or less, Wolfcamp horizontal spacing unit.
3. Franklin seeks to dedicate the spacing unit to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 19.
4. The producing area for the wells is expected to be orthodox.

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 well or to otherwise commit their interests to the well.

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 October 31, 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, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.  
Deana M. Bennett  
Yarithza Peña  
Post Office Box 2168

500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
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[edebrine@modrall.com](mailto:edebrine@modrall.com)  
[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)  
[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)  
*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 24899 : 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 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.



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

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
04/22/2024

Firm Mailing Book ID: 264851

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0120 2533 42	MRC Permian Company 5400 LBJ Freeway, Ste 1500 Dallas TX 75240	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
2	9314 8699 0430 0120 2533 59	Continental Land Resources, LLC P.O. Box 2170 Edmond OK 73083	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
3	9314 8699 0430 0120 2533 66	Devon Energy Production Company, LP 333 West Sheridan Oklahoma City OK 73102	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
4	9314 8699 0430 0120 2533 73	COG Operating, LLC 600 W. Illinois Avenue Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
5	9314 8699 0430 0120 2533 80	Axis Energy Corporation 121 W 3rd Street Roswell NM 88201	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
6	9314 8699 0430 0120 2533 97	Loma Hombre Energy, LLC P.O. Box 50187 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
7	9314 8699 0430 0120 2534 03	DSD Energy II, LLC 1150 N. Kimball Avenue, Suite 100 Southlake TX 76092	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
8	9314 8699 0430 0120 2534 10	Cavalry Resources, LLC P.O. Box 5442 Midland TX 79704	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
9	9314 8699 0430 0120 2534 27	Broken Arrow Royalties, LLC P.O. Box 960 Artesia NM 88211	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
10	9314 8699 0430 0120 2534 34	Thomaston, LLC 1819 Denver West Drive, Suite 260 Lakewood CO 80401	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
11	9314 8699 0430 0120 2534 41	Mongoose Minerals LLC 600 W. Illinois Avenue Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
12	9314 8699 0430 0120 2534 58	Marathon Oil Permian LLC 990 Town and Country Blvd Houston TX 77024	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
13	9314 8699 0430 0120 2534 65	Good News Minerals, LLC P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
14	9314 8699 0430 0120 2534 72	Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
15	9314 8699 0430 0120 2534 89	Collins & Jones Investments, LLC 508 W. Wall Street, Suite 1200 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice

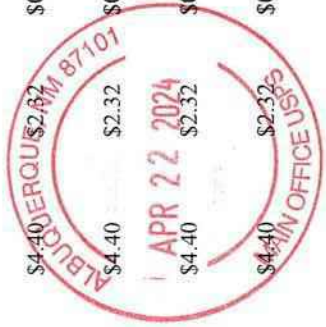


EXHIBIT D.2

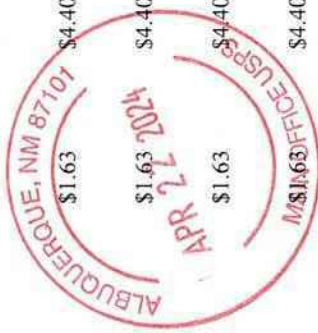
PS Form 3877

Type of Mailing: CERTIFIED MAIL  
04/22/2024

Firm Mailing Book ID: 264851

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

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0120 2534 96	LMC Energy, LLC 550 W. Texas Ave., Suite 945 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
17	9314 8699 0430 0120 2535 02	David W. Cromwell P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
18	9314 8699 0430 0120 2535 19	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
19	9314 8699 0430 0120 2535 26	Crown Oil Partners, LP P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
20	9314 8699 0430 0120 2535 33	H. Jason Wacker 5601 Hillcrest Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
21	9314 8699 0430 0120 2535 40	Kaleb Smith P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
22	9314 8699 0430 0120 2535 57	Deane Durham P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
23	9314 8699 0430 0120 2535 64	Mike Moylett P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
24	9314 8699 0430 0120 2535 71	Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
25	9314 8699 0430 0120 2535 88	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
26	9314 8699 0430 0120 2535 95	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	\$1.63	\$4.40	\$2.32	\$0.00	10154.001.24457. Notice
<b>Totals:</b>			<b>\$42.38</b>	<b>\$114.40</b>	<b>\$60.32</b>	<b>\$0.00</b>	<b>Grand Total: \$217.10</b>



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Postmaster: Name of receiving employee  
Dated:



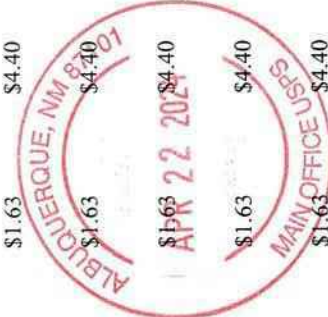
PS Form 3877

Firm Mailing Book ID: 264852

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

Type of Mailing: CERTIFIED MAIL  
04/22/2024

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0120 2537 55	COG Operating, LLC 600 W. Illinois Avenue Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
2	9314 8699 0430 0120 2537 62	Axis Energy Corporation 121 W 3rd Street Roswell NM 88201	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
3	9314 8699 0430 0120 2537 79	Loma Hombre Energy, LLC P.O. Box 50187 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
4	9314 8699 0430 0120 2537 86	DSD Energy II, LLC 1150 N. Kimball Avenue, Suite 100 Southlake TX 76092	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
5	9314 8699 0430 0120 2537 93	Cavalry Resources, LLC P.O. Box 5442 Midland TX 79704	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
6	9314 8699 0430 0120 2538 09	Broken Arrow Royalties, LLC P.O. Box 960 Artesia NM 88211	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
7	9314 8699 0430 0120 2538 16	Thomaston, LLC 1819 Denver West Drive, Suite 260 Lakewood CO 80401	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
8	9314 8699 0430 0120 2538 23	Mongoose Minerals LLC 600 W. Illinois Avenue Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
9	9314 8699 0430 0120 2538 30	Marathon Oil Permian LLC 990 Town and Country Blvd Houston TX 77024	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
10	9314 8699 0430 0120 2538 47	Good News Minerals, LLC P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
11	9314 8699 0430 0120 2538 54	Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
12	9314 8699 0430 0120 2538 61	Collins & Jones Investments, LLC 508 W. Wall Street, Suite 1200 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
13	9314 8699 0430 0120 2538 78	LMC Energy, LLC 550 W. Texas Ave., Suite 945 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
14	9314 8699 0430 0120 2538 85	David W. Cromwell P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
15	9314 8699 0430 0120 2538 92	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice



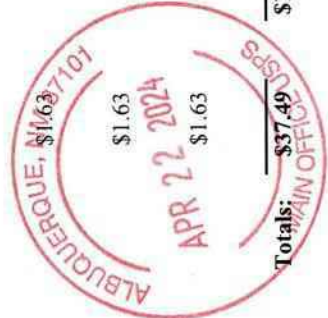
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500 Fourth Street, Suite 1000  
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Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0120 2539 08	Crown Oil Partners, LP P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
17	9314 8699 0430 0120 2539 15	H. Jason Wacker 5601 Hillcrest Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
18	9314 8699 0430 0120 2539 22	Kaleb Smith P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
19	9314 8699 0430 0120 2539 39	Deane Durham P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
20	9314 8699 0430 0120 2539 46	Mike Moylett P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
21	9314 8699 0430 0120 2539 53	Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
22	9314 8699 0430 0120 2539 60	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
23	9314 8699 0430 0120 2539 77	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	\$1.63	\$4.40	\$2.32	\$0.00	10154.1.24458,59. Notice
			<b>Totals:</b>	<b>\$101.20</b>	<b>\$53.36</b>	<b>\$0.00</b>	
				<b>Grand Total:</b>	<b>\$192.05</b>		



List Number of Pieces Received at Post Office: 23  
Postmaster: Name of receiving employee  
Dated:

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

PS Form 3877

Type of Mailing: CERTIFIED MAIL  
05/01/2024

Firm Mailing Book ID: 265391

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
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3	9314 8699 0430 0120 6035 43	Loma Hombre Energy, LLC P.O. Box 50187 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
4	9314 8699 0430 0120 6035 50	DSD Energy II, LLC 1150 N. Kimball Avenue, Suite 100 Southlake TX 76092	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
5	9314 8699 0430 0120 6035 67	Cavalry Resources, LLC P.O. Box 5442 Midland TX 79704	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
6	9314 8699 0430 0120 6035 74	Broken Arrow Royalties, LLC P.O. Box 960 Artesia NM 88211	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
7	9314 8699 0430 0120 6035 81	Thomaston, LLC 1819 Denver West Drive, Suite 260 Lakewood CO 80401	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
8	9314 8699 0430 0120 6035 98	Mongoose Minerals LLC 600 W. Illinois Avenue Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
9	9314 8699 0430 0120 6036 04	Marathon Oil Permian LLC 990 Town and Country Blvd Houston TX 77024	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
10	9314 8699 0430 0120 6036 11	Good News Minerals, LLC P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
11	9314 8699 0430 0120 6036 28	Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
12	9314 8699 0430 0120 6036 35	Collins & Jones Investments, LLC 508 W. Wall Street, Suite 1200 Midland TX 79701	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
13	9314 8699 0430 0120 6036 42	LMC Energy, LLC 550 W. Texas Ave., Suite 945 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
14	9314 8699 0430 0120 6036 59	David W. Cromwell P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
15	9314 8699 0430 0120 6036 66	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice





PS Form 3877

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

Type of Mailing: CERTIFIED MAIL  
 05/01/2024

Firm Mailing Book ID: 265391

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0120 6036 73	Crown Oil Partners, LP P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
17	9314 8699 0430 0120 6036 80	H. Jason Wacker 5601 Hillcrest Midland TX 79707	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
18	9314 8699 0430 0120 6036 97	Kaleb Smith P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
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21	9314 8699 0430 0120 6037 27	Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
22	9314 8699 0430 0120 6037 34	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
23	9314 8699 0430 0120 6037 41	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001.24479. Notice
<b>Totals:</b>			<b>\$37.49</b>	<b>\$101.20</b>	<b>\$53.36</b>	<b>\$0.00</b>	<b>Grand Total: \$192.05</b>



Dated:

Postmaster:  
 Name of receiving employee

List Number of Pieces  
 Listed by Sender

Total Number of Pieces  
 Received at Post Office



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Firm Mailing Book ID: 274344

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

Type of Mailing: CERTIFIED MAIL  
10/10/2024

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0127 2442 51	MRC Permian Company 5400 LBJ Freeway, Ste 1500 Dallas TX 75240	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
2	9314 8699 0430 0127 2442 75	Axis Energy Corporation 121 W 3rd Street Roswell NM 88201	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
3	9314 8699 0430 0127 2442 82	Ventana Minerals, LLC P.O. Box 359 Artesia NM 88211	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
4	9314 8699 0430 0127 2442 99	DiaKan Minerals, LLC P.O. Box 693 Artesia NM 88211	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
5	9314 8699 0430 0127 2443 05	Chase Oil Corporation P.O. Box 1767 Artesia NM 88211	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
6	9314 8699 0430 0127 2443 12	RDC Minerals, LLC P.O. Box 297 Artesia NM 88211	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
7	9314 8699 0430 0127 2443 29	Broken Arrow Royalties, LLC P.O. Box 960 Artesia NM 88211	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
8	9314 8699 0430 0127 2443 36	Thomaston, LLC 1819 Denver West Drive, Suite 260 Lakewood CO 80401	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
9	9314 8699 0430 0127 2443 43	Mongoose Minerals LLC 600 W. Illinois Avenue Midland TX 79701	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
10	9314 8699 0430 0127 2443 50	Marathon Oil Permian LLC 990 Town and Country Blvd Houston TX 77024	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
11	9314 8699 0430 0127 2443 67	Good News Minerals, LLC P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
12	9314 8699 0430 0127 2443 74	Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
13	9314 8699 0430 0127 2443 81	Collins & Jones Investments, LLC 508 W. Wall Street, Suite 1200 Midland TX 79701	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
14	9314 8699 0430 0127 2443 98	LMC Energy, LLC 550 W. Texas Ave., Suite 945 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
15	9314 8699 0430 0127 2444 04	David W. Cromwell P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice



PS Form 3877

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

Type of Mailing: CERTIFIED MAIL  
 10/10/2024

Firm Mailing Book ID: 274344

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
16	9314 8699 0430 0127 2444 11	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
17	9314 8699 0430 0127 2444 28	Crown Oil Partners, LP P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
18	9314 8699 0430 0127 2444 35	H. Jason Wacker 5601 Hillcrest Midland TX 79707	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
19	9314 8699 0430 0127 2444 42	Kaleb Smith P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
20	9314 8699 0430 0127 2444 59	Deane Durham P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
21	9314 8699 0430 0127 2444 66	Mike Moylett P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
22	9314 8699 0430 0127 2444 73	Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
23	9314 8699 0430 0127 2444 80	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
24	9314 8699 0430 0127 2445 03	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	\$2.04	\$4.85	\$2.62	\$0.00	10154.0008 rope Notice
<b>Totals:</b>			<b>\$48.96</b>	<b>\$116.40</b>	<b>\$62.88</b>	<b>\$0.00</b>	<b>Grand Total: \$228.24</b>



List Number of Pieces Received at Post Office: \_\_\_\_\_ Postmaster: \_\_\_\_\_ Dated: \_\_\_\_\_  
 Name of receiving employee

PS Form 3877

Firm Mailing Book ID: 274346

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

Type of Mailing: CERTIFIED MAIL  
10/10/2024

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0127 2451 97	Continental Land Resources, LLC P.O. Box 2170 Edmond OK 73083	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
2	9314 8699 0430 0127 2452 03	Devon Energy Production Company, LP 333 West Sheridan Oklahoma City OK 73102	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
3	9314 8699 0430 0127 2452 10	MRC Permian Company 5400 LBJ Freeway, Ste 1500 Dallas TX 75240	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
4	9314 8699 0430 0127 2452 27	Axis Energy Corporation 121 W 3rd Street Roswell NM 88201	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
5	9314 8699 0430 0127 2452 34	Scharbauer Minerals, LP 300 N Marienfeld Street, Ste 700 Midland TX 79701	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
6	9314 8699 0430 0127 2452 41	John Richard Anderson P.O. Box 136 Gail TX 79738	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
7	9314 8699 0430 0127 2452 58	The B. Lane Lee, Jr. Trust, Bill Lee, Jr., Trustee 11363 Corsica Mist Avenue Las Vegas NV 89135	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
8	9314 8699 0430 0127 2452 72	Melissa Ann Lee Belz 137 R. D. Lee Road Lovington NM 88260	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
9	9314 8699 0430 0127 2452 89	The RIGA Living Trust, Richard Randolph Lee and Gabriel Agustin Romero Gonzalez 11363 Corsica Mist Avenue Las Vegas NV 89135	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
10	9314 8699 0430 0127 2452 96	T Over V Ranch Land, LLLP P.O. Box 160 Eunice NM 88231	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
11	9314 8699 0430 0127 2453 02	Malcom S. Anderson Descendant Trust, did 7/2/1998 William R. Anderson, Trustee 2035 Meander Road Windsor CO 80550	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
12	9314 8699 0430 0127 2453 19	Roddy D. and Brookie L. Hughes Revocable Trust Roddy & Brookie Hughes, co-tees 2814 Emerson Place Midland TX 79705	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
13	9314 8699 0430 0127 2453 26	Kinard Resources, LLC 3732 Summercrest Drive Fort Worth TX 76109	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
14	9314 8699 0430 0127 2453 33	David P. Sanchez 600 Goliad Court NW Albuquerque NM 87107	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice





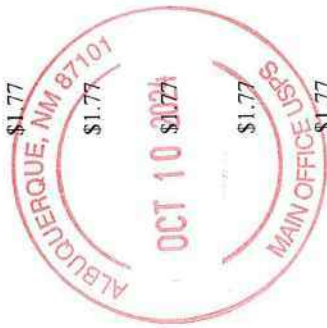
PS Form 3877

Type of Mailing: CERTIFIED MAIL  
10/10/2024

Firm Mailing Book ID: 274346

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

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
15	9314 8699 0430 0127 2453 40	Becky Christmas P.O. Box 173 Wagon Mound NM 87752	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
16	9314 8699 0430 0127 2453 57	Mary Ann Waldrop 3974 Herbert Road San Angelo TX 76905	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
17	9314 8699 0430 0127 2453 64	Elizabeth Libby Berry P.O. Box 160 Eunice NM 88231	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
18	9314 8699 0430 0127 2453 71	Ventana Minerals, LLC P.O. Box 359 Artesia NM 88211	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
19	9314 8699 0430 0127 2453 88	DiaKan Minerals, LLC P.O. Box 693 Artesia NM 88211	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
20	9314 8699 0430 0127 2453 95	Chase Oil Corporation P.O. Box 1767 Artesia NM 88211	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
21	9314 8699 0430 0127 2454 01	RDC Minerals, LLC P.O. Box 297 Artesia NM 88211	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
22	9314 8699 0430 0127 2454 18	Broken Arrow Royalties, LLC P.O. Box 960 Artesia NM 88211	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
23	9314 8699 0430 0127 2454 25	Thomaston, LLC 1819 Denver West Drive, Suite 260 Lakewood CO 80401	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
24	9314 8699 0430 0127 2454 32	Mongoose Minerals LLC 600 W. Illinois Avenue Midland TX 79701	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
25	9314 8699 0430 0127 2454 49	Marathon Oil Permian LLC 990 Town and Country Blvd Houston TX 77024	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
26	9314 8699 0430 0127 2454 56	Good News Minerals, LLC P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
27	9314 8699 0430 0127 2454 63	Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
28	9314 8699 0430 0127 2454 70	Collins & Jones Investments, LLC 508 W. Wall Street, Suite 1200 Midland TX 79701	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
29	9314 8699 0430 0127 2454 87	LMC Energy, LLC 550 W. Texas Ave., Suite 945 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice



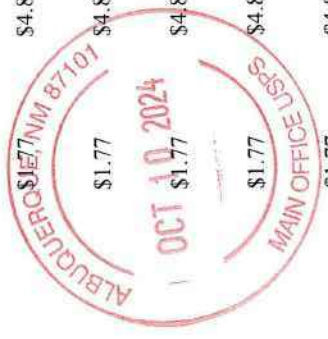
PS Form 3877

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

Type of Mailing: CERTIFIED MAIL  
 10/10/2024

Firm Mailing Book ID: 274346

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
30	9314 8699 0430 0127 2454 94	David W. Cromwell P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
31	9314 8699 0430 0127 2455 00	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
32	9314 8699 0430 0127 2455 17	Crown Oil Partners, LP P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
33	9314 8699 0430 0127 2455 31	H. Jason Wacker 5601 Hillcrest Midland TX 79707	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
34	9314 8699 0430 0127 2455 48	Kaleb Smith P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
35	9314 8699 0430 0127 2455 55	Deane Durham P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
36	9314 8699 0430 0127 2455 62	Mike Moylett P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
37	9314 8699 0430 0127 2455 79	Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
38	9314 8699 0430 0127 2455 86	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice
39	9314 8699 0430 0127 2455 93	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	\$1.77	\$4.85	\$2.62	\$0.00	10154.0008.24899. Notice



Totals: \$69.03 \$189.15 \$102.18 \$0.00  
 Grand Total: \$360.36

List Number of Pieces Received at Post Office  
 Total Number of Pieces Received at Post Office  
 Postmaster: Name of receiving employee  
 Dated:

EXHIBIT D.3

Transaction Report Details - CertifiedPro.net  
 Firm Mail Book ID= 264851  
 Generated: 11/12/2024 12:56:52 PM

USPS Article Number	Date Created	Reference Number	Name 1	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300120253595	2024-04-22 2:34 PM	10154.001.24457	State of New Mexico	Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-24 7:44 AM
9314869904300120253588	2024-04-22 2:34 PM	10154.001.24457	Sortida Resources, LLC	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253571	2024-04-22 2:34 PM	10154.001.24457	Post Oak Mavros II, LLC	Houston	TX	77056	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 1:00 PM
9314869904300120253564	2024-04-22 2:34 PM	10154.001.24457	Mike Moylett	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253577	2024-04-22 2:34 PM	10154.001.24457	Deane Durham	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253540	2024-04-22 2:34 PM	10154.001.24457	Kaleb Smith	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253533	2024-04-22 2:34 PM	10154.001.24457	H. Jason Wacker	Midland	TX	79707	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253526	2024-04-22 2:34 PM	10154.001.24457	Crown Oil Partners, LP	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253519	2024-04-22 2:34 PM	10154.001.24457	Oak Valley Mineral and Land, LP	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253502	2024-04-22 2:34 PM	10154.001.24457	David W. Cromwell	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253496	2024-04-22 2:34 PM	10154.001.24457	LMC Energy, LLC	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253489	2024-04-22 2:34 PM	10154.001.24457	Collins & Jones Investments, LLC	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 2:14 PM
9314869904300120253472	2024-04-22 2:34 PM	10154.001.24457	Pegasus Resources II, LLC	Fort Worth	TX	76147	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 8:22 AM
9314869904300120253465	2024-04-22 2:34 PM	10154.001.24457	Good News Minerals, LLC	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253458	2024-04-22 2:34 PM	10154.001.24457	Marathon Oil Permian LLC	Houston	TX	77024	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 11:45 AM
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9314869904300120253434	2024-04-22 2:34 PM	10154.001.24457	Thomaston, LLC	Lakewood	CO	80401	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 12:34 PM
9314869904300120253427	2024-04-22 2:34 PM	10154.001.24457	Broken Arrow Royalties, LLC	Artesia	NM	88211	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 11:31 AM
9314869904300120253410	2024-04-22 2:34 PM	10154.001.24457	Cavalry Resources, LLC	Midland	TX	79704	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-29 1:52 PM
9314869904300120253403	2024-04-22 2:34 PM	10154.001.24457	DSD Energy II, LLC	Southlake	TX	76092	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-29 2:57 PM
9314869904300120253397	2024-04-22 2:34 PM	10154.001.24457	Loma Hombre Energy, LLC	Midland	TX	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253380	2024-04-22 2:34 PM	10154.001.24457	Axis Energy Corporation	Roswell	NM	88201	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 3:29 PM
9314869904300120253373	2024-04-22 2:34 PM	10154.001.24457	COG Operating, LLC	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 7:47 AM
9314869904300120253366	2024-04-22 2:34 PM	10154.001.24457	Devon Energy Production Company, LP	Oklahoma City	OK	73102	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 7:02 AM
9314869904300120253359	2024-04-22 2:34 PM	10154.001.24457	Continental Land Resources, LLC	Edmond	OK	73083	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 10:34 AM
9314869904300120253342	2024-04-22 2:34 PM	10154.001.24457	MRC Permian Company	Dallas	TX	75240	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 12:18 PM



Transaction Report Details - CertifiedPro.net  
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USPS Article Number	Date Created	Reference Number	Name 1	City	State	Zip	Postage	Fees	Firm MailBook ID	Mailing Status	Services Options	Mail Delivery Date
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9314869904300120253908	2024-04-22 2:41 PM	10154.1.24458.59.	Crown Oil Partners, LP	Midland	TX	79710	1.63	6.72	264852	Lost	Return Receipt - Electronic, Certified Mail	
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9314869904300120253885	2024-04-22 2:41 PM	10154.1.24458.59.	David W. Cromwell	Midland	TX	79710	1.63	6.72	264852	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253878	2024-04-22 2:41 PM	10154.1.24458.59.	LMC Energy, LLC	Midland	TX	79710	1.63	6.72	264852	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253861	2024-04-22 2:41 PM	10154.1.24458.59.	Collins & Jones Investments, LLC	Midland	TX	79701	1.63	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 2:14 PM
9314869904300120253854	2024-04-22 2:41 PM	10154.1.24458.59.	Pegasus Resources II, LLC	Fort Worth	TX	76147	1.63	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 8:22 AM
9314869904300120253847	2024-04-22 2:41 PM	10154.1.24458.59.	Good News Minerals, LLC	Midland	TX	79710	1.63	6.72	264852	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253830	2024-04-22 2:41 PM	10154.1.24458.59.	Marathon Oil Permian LLC	Houston	TX	77024	1.63	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 11:45 AM
9314869904300120253823	2024-04-22 2:41 PM	10154.1.24458.59.	Mongoose Minerals LLC	Midland	TX	79701	1.63	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 7:47 AM
9314869904300120253816	2024-04-22 2:41 PM	10154.1.24458.59.	Thomaston, LLC	Lakewood	CO	80401	1.63	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 12:30 PM
9314869904300120253809	2024-04-22 2:41 PM	10154.1.24458.59.	Broken Arrow Royalties, LLC	Artesia	NM	88211	1.63	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 11:31 AM
9314869904300120253793	2024-04-22 2:41 PM	10154.1.24458.59.	Cavalry Resources, LLC	Midland	TX	79704	1.63	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-06 9:04 AM
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9314869904300120603741	2024-05-01 12:46 PM	10154.0001.24479.	State of New Mexico	Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-07 7:35 AM
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9314869904300120603529	2024-05-01 12:46 PM	10154.0001.24479.	COG Operating, LLC	Midland	TX	79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-06 7:52 AM

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			Axis Energy Corporation	Roswell	NM	88201	Delivered	Return Receipt - Electronic, Certified Mail	2024-10-15 12:01 PM
			MRC Permian Company	Dallas	TX	75240	Delivered	Return Receipt - Electronic, Certified Mail	2024-10-15 12:07 PM

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9314869904300127245487	2024-10-10 1:58 PM	10154.0008.24899	LMC Energy, LLC		Midland	TX	79710	Undelivered - To Be Returned	Return Receipt - Electronic, Certified Mail	2024-10-15 12:00 AM
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9314869904300127245340	2024-10-10 1:58 PM	10154.0008.24899	Becky Christmas		Wagon Mound	NM	87752	Delivered	Return Receipt - Electronic, Certified Mail	2024-10-15 9:51 AM
9314869904300127245333	2024-10-10 1:58 PM	10154.0008.24899	David P. Sanchez		Albuquerque	NM	87107	Delivered	Return Receipt - Electronic, Certified Mail	2024-10-12 4:52 PM
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9314869904300127245319	2024-10-10 1:58 PM	10154.0008.24899	Roddy D. and Brookie L. Hughes Revocable Trust	Roddy & Brookie Hughes, co-tees	Midland	TX	79705	Delivered	Return Receipt - Electronic, Certified Mail	2024-10-15 11:55 AM
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9314869904300127245289	2024-10-10 1:58 PM	10154.0008.24899	The RICA Living Trust, Richard Randolph Lee and	Gabriel Agustín Romero Gonzalez	Las Vegas	NV	89135	Delivered	Return Receipt - Electronic, Certified Mail	2024-10-16 12:56 PM
9314869904300127245272	2024-10-10 1:58 PM	10154.0008.24899	Melissa Ann Lee Belz		Lovington	NM	88260	Lost	Return Receipt - Electronic, Certified Mail	2024-10-16 2:20 PM
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9314869904300127245197	2024-10-10 1:58 PM	10154.0008.24899	Continental Land Resources, LLC		Edmond	OK	73083	Delivered	Return Receipt - Electronic, Certified Mail	2024-10-16 10:32 AM



# 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  
April 28, 2024  
and ending with the issue dated  
April 28, 2024.

  
\_\_\_\_\_  
Publisher

Sworn and subscribed to before me this  
28th day of April 2024.

  
\_\_\_\_\_  
Business Manager

My commission expires

January 29, 2027

STATE OF NEW MEXICO  
NOTARY PUBLIC  
GUSSIE RUTH BLACK  
COMMISSION # 1087526  
COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws 1937 and payment of fees for said publica has been made.

## LEGAL NOTICE April 28, 2024

**CASE NO. 24457: Notice to all affected parties, as well as heirs and devisees of: MRC Permian Company; Continental Land Resources, LLC; Devon Energy Production Company, LP; COG Operating, LLC; Axis Energy Corporation; Loma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **May 16, 2024** to consider this application. 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the **Rope State Com 301H** and **Rope State Com 601H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245). 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 west of Hobbs, New Mexico.

**CASE NO. 24458: Notice to all affected parties, as well as heirs and devisees of: COG Operating, LLC; Axis Energy Corporation; Loma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **May 16, 2024** to consider this application. 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 302H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and **Rope State Com 602H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). 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 west of Hobbs, New Mexico.

**CASE NO. 24459: Notice to all affected parties, as well as heirs and devisees of: COG Operating, LLC; Axis Energy Corporation; Loma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico.** The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on **May 16, 2024** to consider this application. 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 303H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and **Rope State Com 304H** and **Rope State Com 604H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18. The producing area for the wells is expected to be orthodox. The completed interval for the Rope State Com 303H 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. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

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 west of Hobbs, New Mexico.

#00289570

EXHIBIT D.4



# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

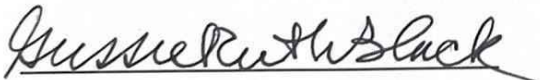
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
May 02, 2024  
and ending with the issue dated  
May 02, 2024.



Publisher

Sworn and subscribed to before me this  
2nd day of May 2024.



Business Manager

My commission expires  
January 29, 2027

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

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

LEGAL                      LEGAL                      LEGAL

**LEGAL NOTICE**  
May 2, 2024

**CASE NO. 24479: Notice to all affected parties, as well as heirs and devisees of: COG Operating, LLC; Axis Energy Corporation; Loma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 16, 2024 to consider this application. 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: **Rope State Com 302H** well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and **Rope State Com 602H** well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). 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 west of Hobbs, New Mexico.  
#00289944**

01104570

00289944

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



# Affidavit of Publication

STATE OF NEW MEXICO  
COUNTY OF LEA

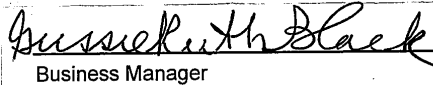
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
October 13, 2024  
and ending with the issue dated  
October 13, 2024.



Publisher

Sworn and subscribed to before me this  
13th day of October 2024.



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**

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publication has been made.

**CASE NO. 24898: Notice to all affected parties, as well as heirs and devisees of: MRC Permian Company; Axis Energy Corporation; Ventana Minerals, LLC; DiaKan Minerals, LLC; Chase Oil Corporation; RDC Minerals, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals, LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LLC; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico.** The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on **October 31, 2024** to consider this application. 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 a 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N1/4, N1/2, Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 703H** well to be horizontally drilled from a surface hole location in the SE/4/SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4/NE/4 (Unit B) of Section 19 and **Rope State Com 803H** well to be horizontally drilled from a surface hole location in the SW/4/SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4/NE/4 (Unit B) of Section 19. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary. 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 19 miles west of Hobbs, New Mexico.

**CASE NO. 24899: Notice to all affected parties, as well as heirs and devisees of: Continental Land Resources, LLC; Devon Energy Production Company, LP; MRC Permian Company; Axis Energy Corporation; Scharbauer Minerals, LP; John Richard Anderson; The B. Lane Lee, Jr. Trust; Bill Lane Lee, Jr., Trustee; Melissa Ann Lee Belz; The RIGA Living Trust; Richard Randolph Lee and Gabriel Agustin Romero Gonzalez; Co-Trustees; T. Over V. Ranch Land, LLLP; Malcom S. Anderson Descendant Trust, dtd 7/2/1998; William Richard Anderson, Trustee; Roddy D. and Brooke L. Hughes Revocable Trust, dtd 7/1/2016; Roddy D. Hughes and Brooke L. Hughes, Co-Trustees; Kinard Resources, LLC; David P. Sanchez; Becky Christmas; Mary Ann Waldrop; Elizabeth Libby Berry; Ventana Minerals, LLC; DiaKan Minerals, LLC; Chase Oil Corporation; RDC Minerals, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals, LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico.** The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on **October 31, 2024** to consider this application. 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 a 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of Irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N1/4, N1/2, Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4/SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4/NW/4 (Lot 1) of Section 18. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.

**CASE NO. 24900: Notice to all affected parties, as well as heirs and devisees of: MRC Permian Company; Axis Energy Corporation; Ventana Minerals, LLC; DiaKan Minerals, LLC; Chase Oil Corporation; RDC Minerals, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals, LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LLC; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico.** The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on **October 31, 2024** to consider this application. 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 a 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2, W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N1/4, N1/2, Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 702H** well to be horizontally drilled from a surface hole location in the SW/4/SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4/NE/4 (Unit C) of Section 19 and **Rope State Com 802H** well to be horizontally drilled from a surface hole location in the SW/4/SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4/NE/4 (Unit C) of Section 19. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.

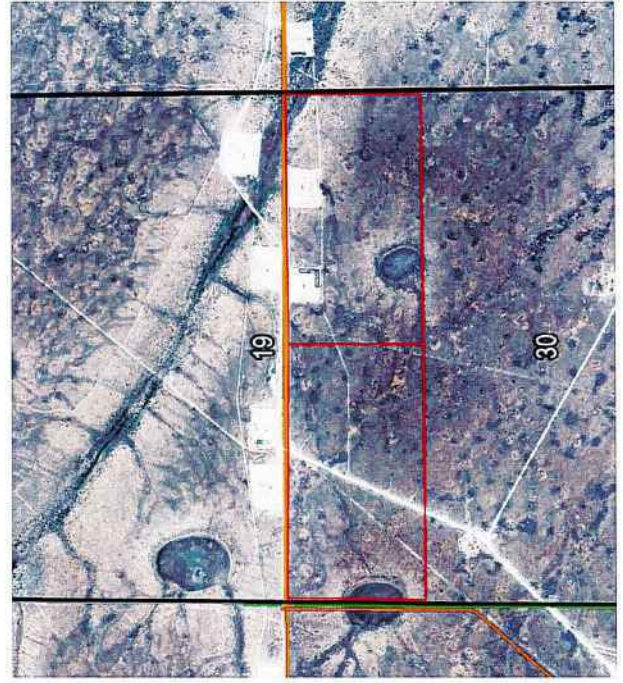
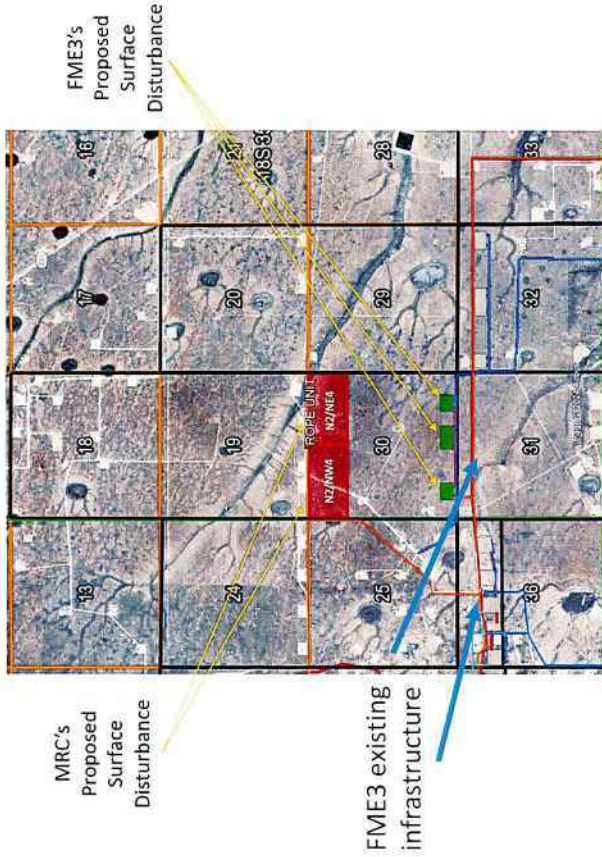
**CASE NO. 24901: Notice to all affected parties, as well as heirs and devisees of: MRC Permian Company; Axis Energy Corporation; Ventana Minerals, LLC; DiaKan Minerals, LLC; Chase Oil Corporation; RDC Minerals, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals, LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LLC; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico.** The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on **October 31, 2024** to consider this application. 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 a 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/>. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N1/4, N1/2, Lea County, New Mexico. This spacing unit will be dedicated to the following wells: **Rope State Com 704H** and **Rope State Com 804H** wells to be horizontally drilled from a surface hole location in the SE/4/SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4/NE/4 (Unit A) of Section 19. The producing area for the wells 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 19 miles west of Hobbs, New Mexico.  
#00295111





## Section 30 Is Key for FME3's Development

- FME3's access to Section 30 is pivotal to FME3's development plan.
- FME3's infrastructure and corridor is in Section 31 as shown on the map to the right.
- Contrary to MRC's testimony, operating section 18/19 is not a workable option
  - Wolfcamp development is not possible in Section 18 due to existing saltwater disposal well injection in Wolfcamp formation in Section 18
  - S/2 of Section 19 is not only taken with existing pads but also has environmental risk as there are both playas and a ravine as shown on the map to the right.



41. As discussed above, MRC has proposed multiple options to Franklin Mountain where MRC could operate Sections 30 and 31 as proposed under MRC's application, and Franklin Mountain could operate two-mile wells in Section 18 and 19. This solution would (i) allow MRC to operate Section 30 where MRC has the majority working interest control, (ii) allow each operator to operate those sections where it already has existing producing horizontal wells, and (iii) allow all four sections involved in these cases (Sections 18, 19, 30 and 31) to be developed with two mile wells where existing producing wells allow.

FME3 Reb. 1

EXHIBIT E-1

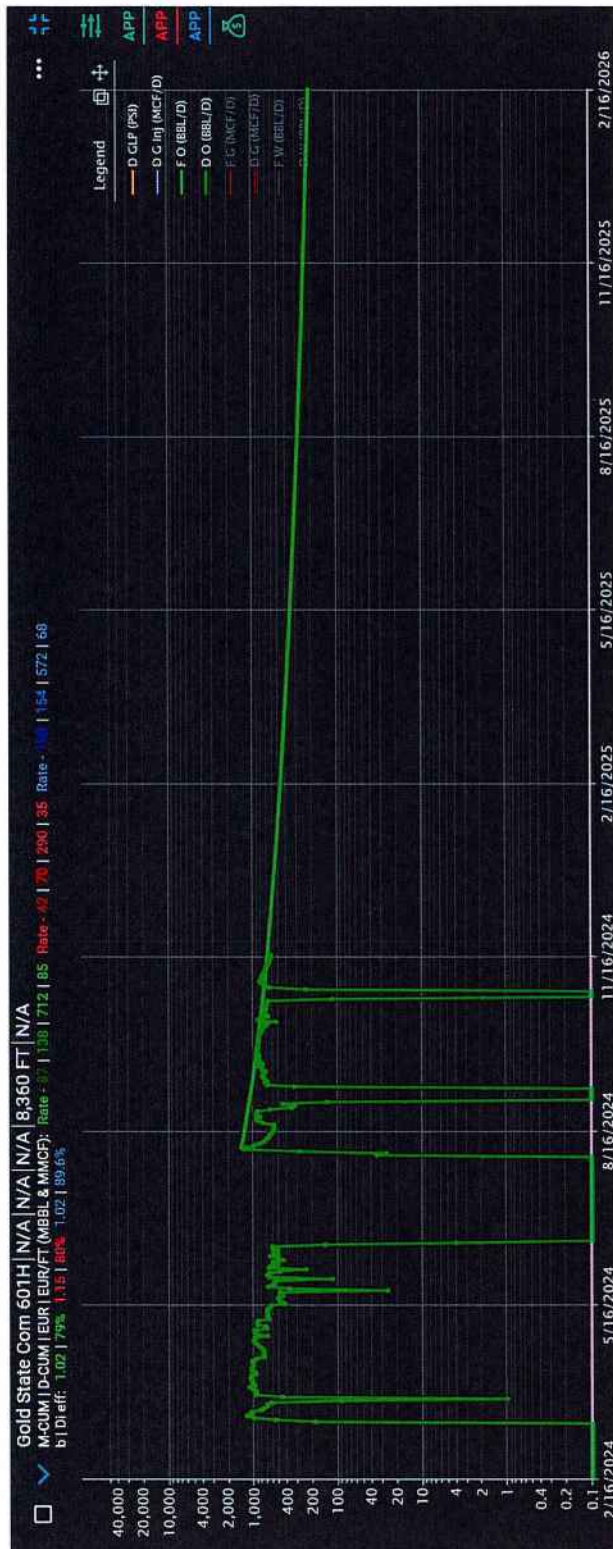




### MRC is misrepresenting production

- MRC is partners in our Gold development and receives daily production
- Gold 601 was shut in for 50 days due to gas takeaway constraints
- These 3<sup>rd</sup> party takeaway issues have been resolved
- Removing the down days, Gold 601 has a cumulative (180 days on) normalized of 15,462 BO/1000' LL
- FME3 has forecasted this well to be an 85 BO/ft well

Well	Shut-in Days	Normalized (180 days on) BO/1000' LL	MRC 6-Month BO/1000'
Gold 601	50	15,462	10,200
Gold 301	20	14,565	Left out of analysis
Gold 801	113	4,832	2,500
Eagle 301	44	8,222	5,807



FME3 Reb. 2

EXHIBIT E-2



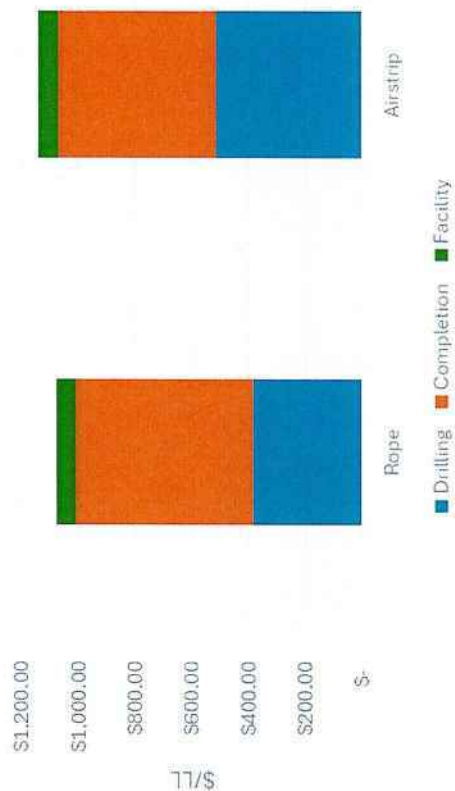
## Revised Based on Updated MRC AFEs: FME3's Budget Is Lower and FME3's Excellence in Execution

- The aggregate Bone Spring AFE between MRC's Airstrip and FME3's Rope normalized by well count and represented in \$/LL

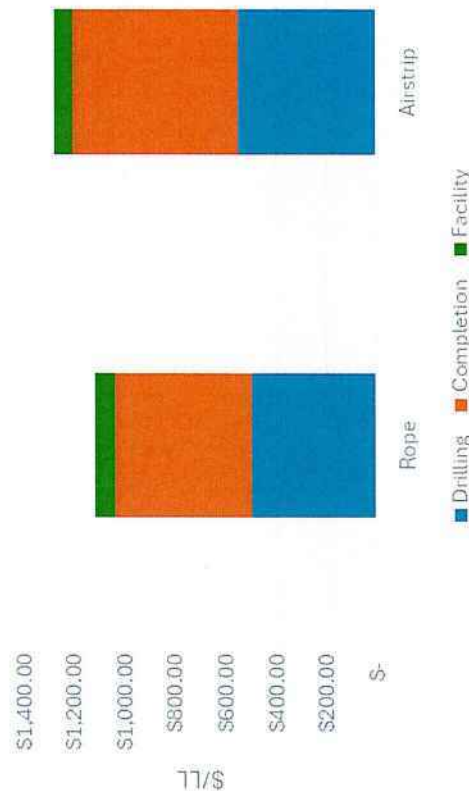
  - MRC's November 7 Budget = \$ 1,140/LL
  - FME3's AFE Budget = \$1,077/LL
  - FME3 is \$63/LL less than MRC's Bone Spring Airstrip
- The aggregate Wolfcamp B AFE between MRC's Airstrip and FME3's Rope normalized by well count and represented in \$/LL

  - MRC's November Budget = \$1,279/LL
  - FME3's AFE Budget = \$1,117/LL
  - FME3 is \$162/LL less than MRC's Wolfcamp

Rope vs Airstrip Bone Spring



Rope vs Airstrip Wolfcamp

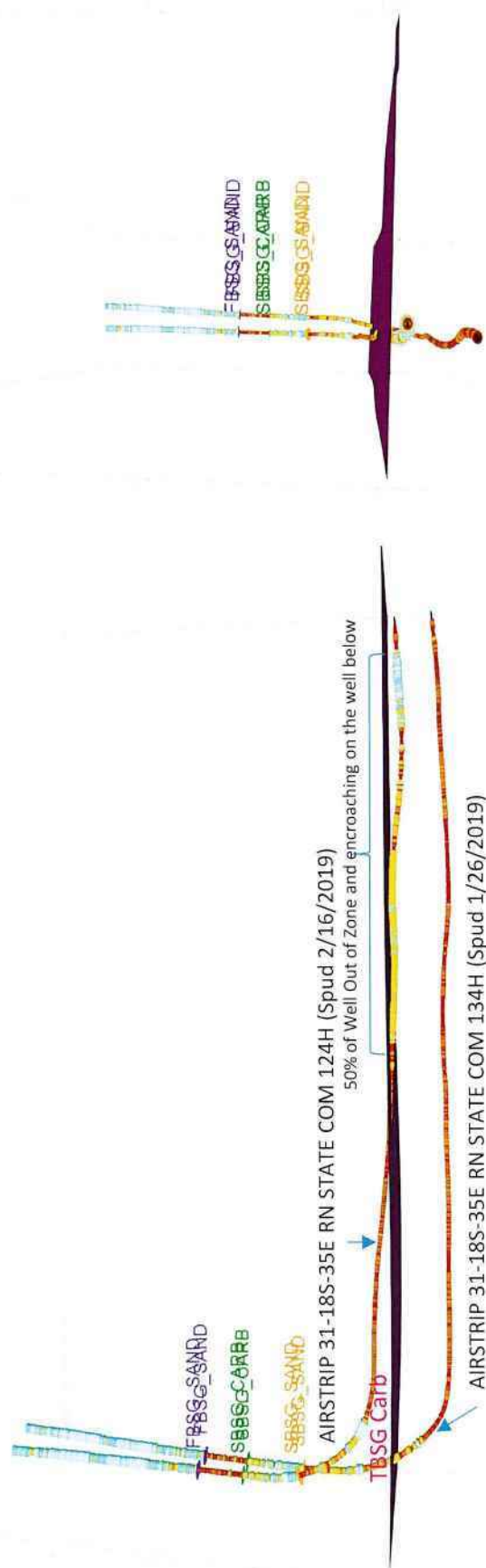


FME3 Reb. 4

EXHIBIT E-3



# MRC has drilled significantly out of zone as recently as 2019 Airstrip 124H vs 134H



Rebuttal to Andrew Parker Testimony Paragraphs 34-39 regarding MRC’s “Superior Operating Ability”

FME3 Reb. 5

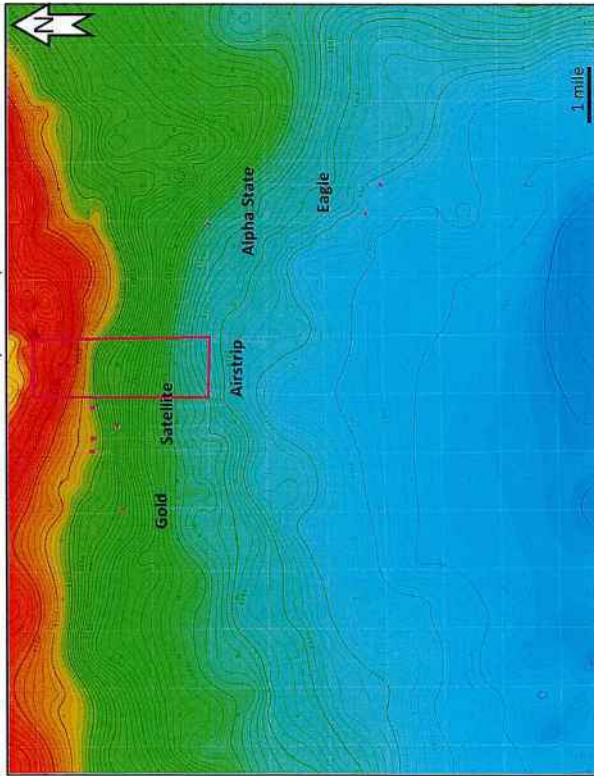
EXHIBIT E-4



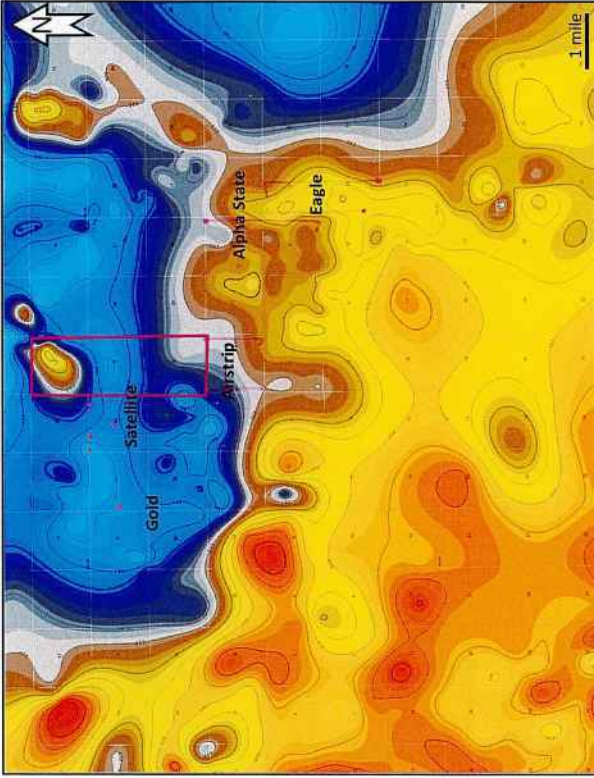


**FBSG Sand: MRC is omitting analog wells that don't work in their favor**

FBSG Sand Structure (SSTVD)



FBSG Sand Isopach



- MRC excluded Gold State 301H (in which they are partners and privy to the data) in their FBSG Comparison, presumably because it makes FME3 look worse
  - Gold 301H was shut in for 2 weeks due to gas takeaway constraints
  - Despite this hinderance the well's first six months are strong (14,565 barrels/1000')
- Despite MRC's attempts to disparage the Alpha State 304H, it is a high performing well
- FME3's Satellite State 301H, 302H, 303H and 304H wells are flowing back with very encouraging results

Well Name	Operator	Date of First Prod	Sum 6 Month Oil CUM	Lateral Length (ft)	6 Month Oil CUM/1000'
Gold State Com 301H	Franklin Mountain Energy	3/20/2024	126234	8667	14565

Rebuttal MRC Exhibits C8 & C9

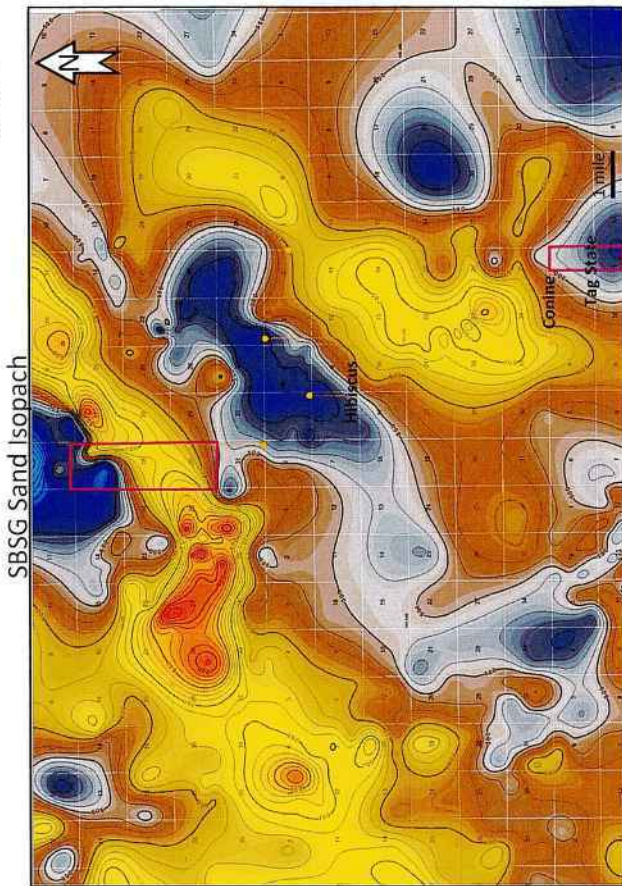
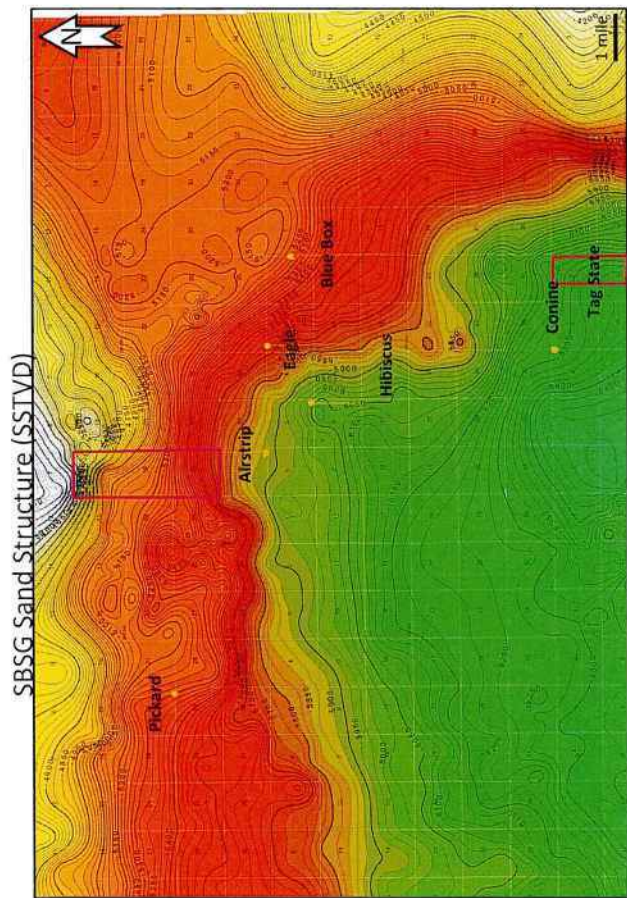
FME3 Reb. 6

EXHIBIT E-5





**SBSG Sand: FME3 is approaching with caution while MRC is selectively choosing analog wells that skew data in its favor**



- FME3's regional understanding of geologic drivers, landing zones, wells per bench and depletion all factor into cautiously approaching the Second Bone Spring Sand
- FME3's drilled wells, analyses and research has led us to understand that there are very different geologic factors driving well performance in SE vs NW
- FME3 is planning on drilling the Second Bone, but also drilling and/or proposing test wells for increased density spacing and multi-bench tests
  - Example: FME3's Tag State (currently drilling 2 SBSG Sand wells in multiple benches at increased density)
- MRC omits the Hibiscus 08 19 35 RN State Com 124H (3,087 barrels) and the Conine 03 20 35 RN 121H (9,738 barrels) SBSG Sand wells which:
  - Would have lowered MRC's average to 8,432 barrels/1000'

Well Name	Operator	Date of First Prod	Sum 6 Month Oil CUM	Lateral Length (ft)	6 Month Oil CUM/1000'
Conine 03 20 35 RN 121H	MATADOR RESOURCES	12/31/2015	44610	4581	9738
Hibiscus 08 19 35 RN State Com 124H	MATADOR RESOURCES	11/30/2015	15645	5068	3087

FME3 Reb. 7

Rebuttal to MRC Exhibits C10 & C11

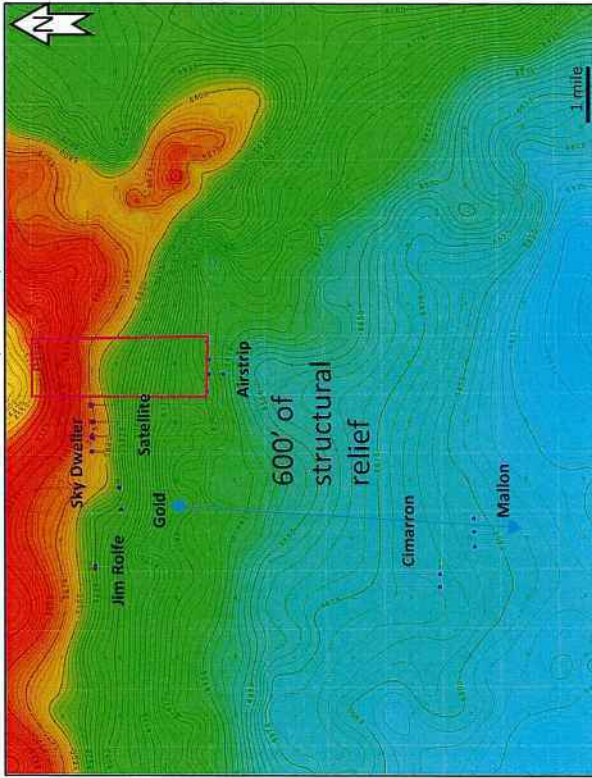
EXHIBIT E-6



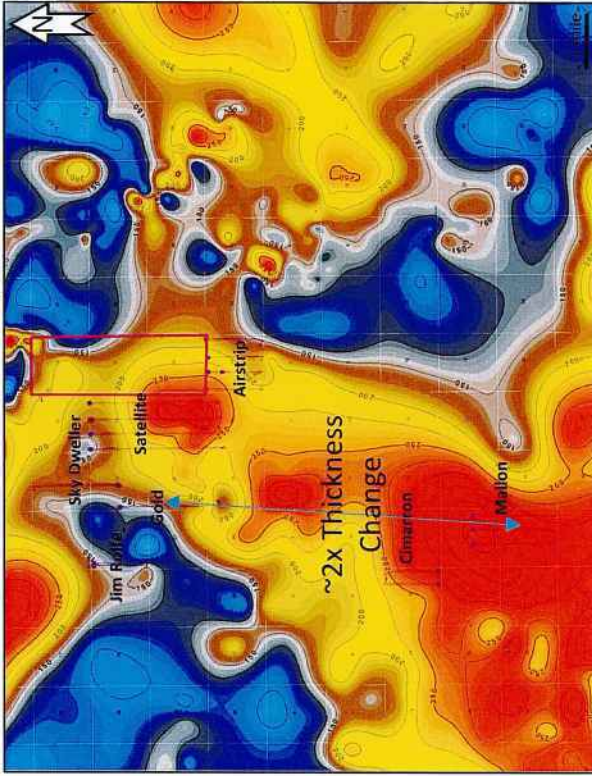


**TBSG Sand: MRC is selectively choosing analog wells that skew data in its favor**

TBSG Sand Structure (SSTVD)



TBSG Sand Isopach



- MRC includes Mallon and Cimarron wells in its comparison with FME3's Third Bone Sand wells on MRC exhibits C12 and C13
  - Mallon and Cimarron wells are approximately 4 miles south of Gold and Rope development areas, as shown on the map above
  - Mallon and Cimarron are 600' deeper than the Gold State 601H
  - Greater depths increase pressure dramatically and in extremely different geology in the heart of the TBSG Sand channel, meaning these wells are not a fair comparison to the FME3 Gold 601 well and skew the data to make MRC look better
- MRC omits the Jim Rolfe 22 18 34 RN State 131Y TBSG Sand well which:
  - As shown on the map above, is significantly closer to the Rope Development and in a similar geologic setting
  - Removing Cimarron and Mallon and adding Jim Rolfe would have lowered MRC's average to 12,479 barrels/1000'
  - FME's first six months of production is better than MRC's Jim Rolfe well, and after normalizing FME3's 601H for downtime, the production of 15,462,200 barrels/1000' is competitive with MRC's Airstrip TBSG wells
- Despite MRC's attempts to cast doubt on the Gold State 601H it remains a strong performing well
  - Gold 601H was shut in for 50 days due to gas constraints
- FME3's recent Satellite State 601H, 602H, 603H, and 604H are showing favorable initial results
- Avant/Lario's Sky Dweller 607H is located closer to Rope, and is also strong

**Rebuttal to MRC Exhibits C12 & C13**

FME3 Reb. 8

EXHIBIT E-7

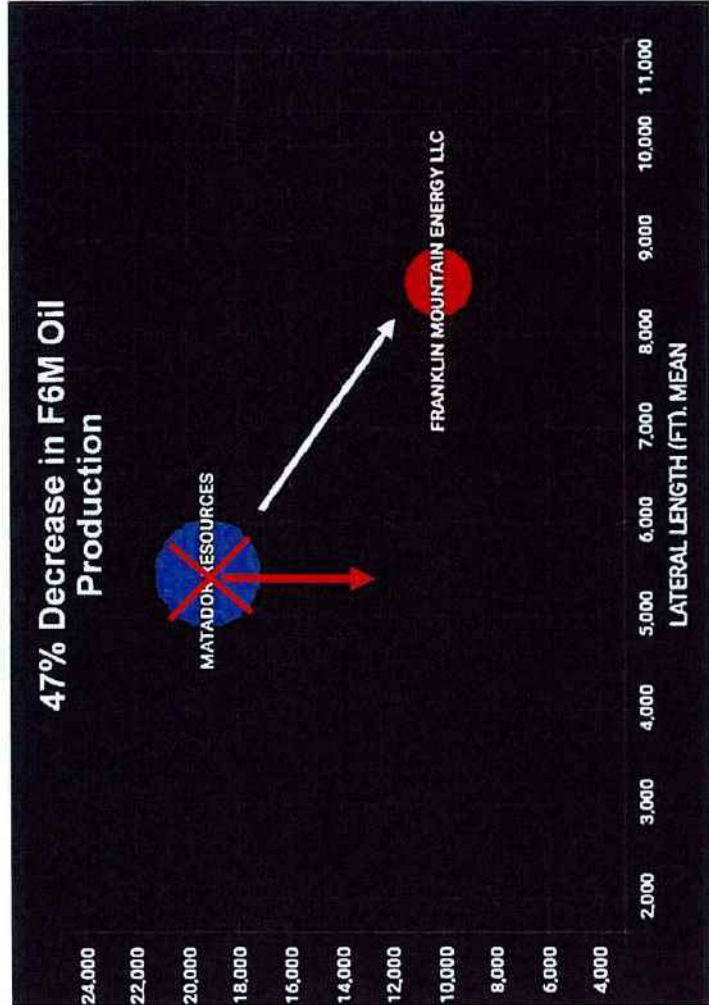


# TBSG Sand Data Table

## MRC Average After Removing MRC Mallon and Cimarron, and adding Jim Rolf

UW	Well Name	Operator	Date of First Pr	Sum 6 M	Lateral L	6 Month Oil CUM	Reservoir	Commei
30-025-42057	Jim Rolf 22 18 34 RN State 131Y	MATADOR RESOURCES	10/1/2014	10237	3934	2602	TBSG Sand	Add
30-025-45438	AIRSTRIP 3118 35 RN STATE COM 134H	MATADOR RESOURCES	4/1/2019	51445	4,566	11,267	TBSG Sand	
30-025-44509	AIRSTRIP 3118 35 RN STATE COM 131H	MATADOR RESOURCES	10/1/2018	66947	4557	14691	TBSG Sand	
30-025-43816	AIRSTRIP 3118 35 RN STATE COM 132H	MATADOR RESOURCES	8/1/2017	80523	4376	18401	TBSG Sand	
30-025-44323	AIRSTRIP 3118 35 RN STATE COM 133H	MATADOR RESOURCES	3/1/2018	67843	4396	15433	TBSG Sand	

12478.83721



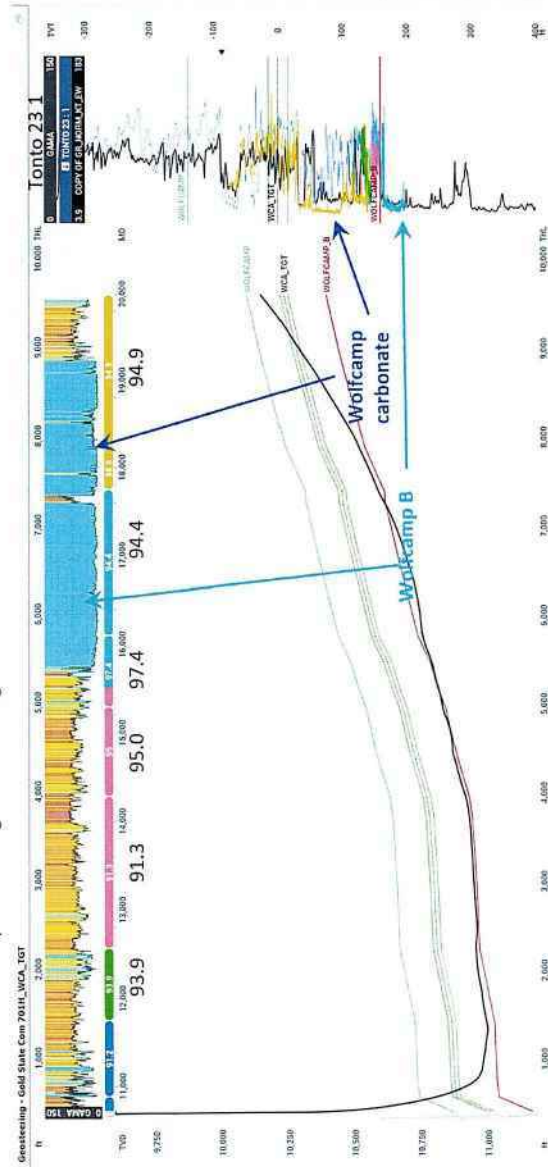
Rebuttal to MRC Exhibits C12 & C13 (cont)

FME3 Reb. 8 (cont)

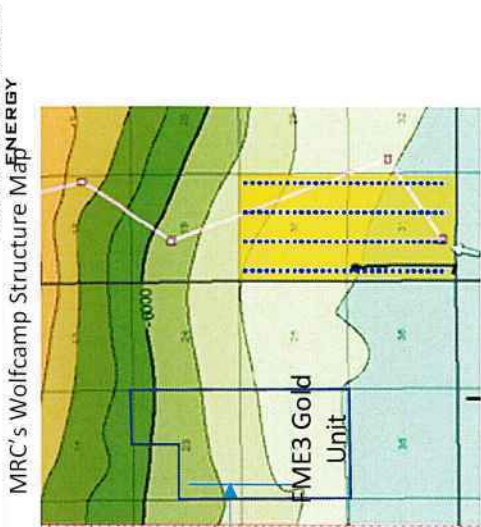


# Gold 701H-FME3's Strength is in it's Experience

- FME3 employs internal geosteering experts, consultants in geosteering and geophysics, 3D seismic and careful geologic interpretations to ensure 24/7 operations on active rigs are executed and on plan
- FME3's Gold 701 was landed in the Wolfcamp A, we disagree with MRC's interpretation of the Wolfcamp B top
- FME3 also disagrees with MRC's geosteering interpretation of Gold 701H
  - MRC's interpretation relies on significant dips in upwards of 100° in the toe of the lateral
  - The dips in MRC's interpretation seem to disagree with their own Wolfcamp structure map; simple trigonometric analysis of MRC's map suggest dips between 94-95°
- MRC incorrectly places the well path in the Wolfcamp B and the Wolfcamp A Carbonate
- FME3 used Careful examination of the MWD log while using multiple type logs from wells at the heel and north of the toe reveals low gamma limestones in the toe half of the well aren't present in the curve landing
- Carbonate content in the toe half of the Gold 701H increased abruptly along depositional dip during drilling, this change is interpreted as a lateral facies change in the target zone of the lower Wolfcamp A
- Regional structural dip from FME3's interpretation agrees with both structural mapping from well formation tops and 3D seismic review
- FME3 has applied these lessons learned to our seismic calibration and is better positioned to handle the abrupt challenges of drilling in the northern Delaware Basin than MRC

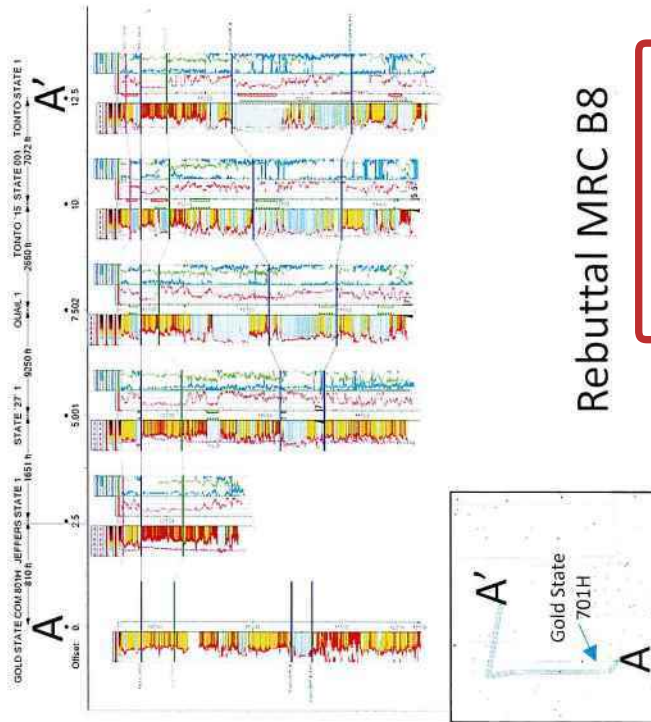


## FME3 Reb. 9



Estimated toe half of Gold 701H (400' of elevation in 5280')

BEFORE THE OIL CONSERVATION DIVISION  
 Santa Fe, New Mexico  
 Exhibit No. B-4  
 Submitted by: Matador Production Company  
 Hearing Date: November 20, 2024  
 Case Nos. 24778-24786



Rebuttal MRC B8

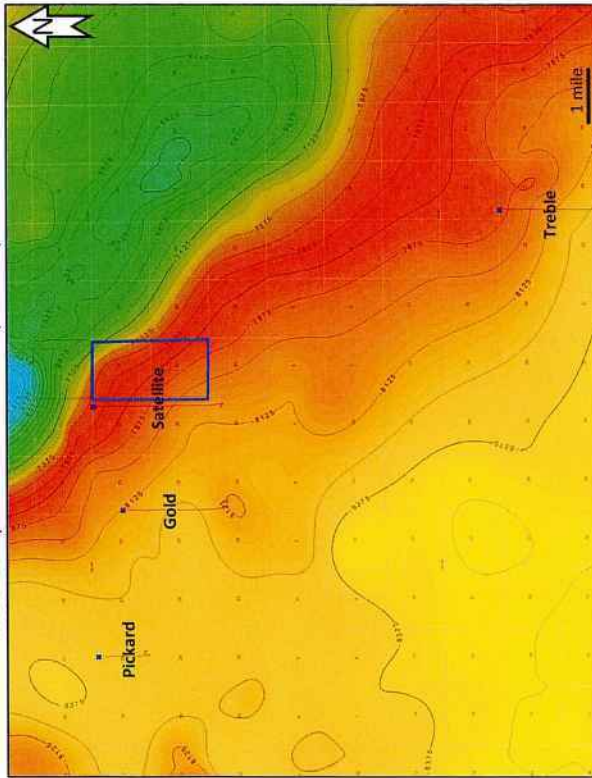
EXHIBIT E-8



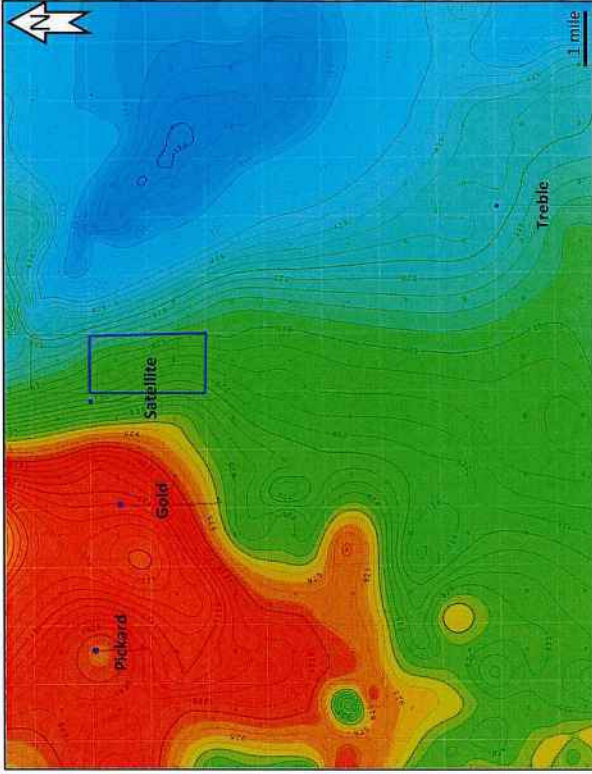


# FME3 is actively testing the emerging Wolfcamp B/D target-while MRC is dormant

Wolfcamp Base Structure (SSTVD)



Wolfcamp B/D Isopach



- FME3 recently drilled and completed the Satellite State 804H in the Wolfcamp D-deepening the target landing zone by >100' relative to Treble and Gold
  - Results of the Satellite State 804H are encouraging thus far
- MRC Compares their one western well drilled in 2014 with FME3 wells without noting the to the westerly change in structural dip and thickness, and the difference in landing zone targets.
- MRC touted the Wolfcamp D over a decade ago, yet MRC hasn't touched this zone in 10 years, where have they been?

• MRC Investor Report from Oct 14, 2014 "This initial test result on the Pickard State 20-18-24 #2H well, while modest when compared to Matador's Wolfcamp "A" results in Loving County, is still considered by the Company to be an important and positive... Given these positive and indicative results, Matador expects to continue to explore and test the Wolfcamp "D" in future wells in the northern Delaware Basin."

<https://www.matadorresources.com/news-releases/news-release-details/matador-resources-company-provides-operational-update-and>

Rebuttal to MRC Exhs. C16 & C17

FME3 Reb. 10

EXHIBIT E-9