

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

**APPLICATIONS OF FRANKLIN MOUNTAIN  
ENERGY 3, LLC (NOW COTERRA ENERGY OPERATING CO.)  
FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NOS. 24898-24901**

**NOTICE OF REVISED EXHIBIT PACKET**

Coterra Energy Operating Co. (“Coterra”), successor in interest to Franklin Mountain Energy 3, LLC, the original applicant, hereby provides this revised exhibit packet and summary of facts supporting Coterra’s request that Coterra be named operator under any orders issued in Case Nos. 24898-24901. As grounds for this request, Coterra states:

1. Coterra acquired Franklin Mountain Energy 3, LLC in January 2025.
2. As part of that acquisition, Coterra acquired the acreage at issue in Case Nos. 24898-24901 (the Rope Wolfcamp cases).
3. Coterra also acquired the acreage at issue in Case Nos. 24457, 24459, and 24479 (the Rope Bone Spring cases), which were companion cases to Case Nos. 24598-24901. Coterra filed a notice of dismissal of the Rope Bone Spring cases because Coterra has reached an agreement with all interest owners in those cases and no longer needs a pooling order in those cases.
4. MRC Permian Company had competing applications, but dismissed those applications and supports Coterra being named operator of the acreage in Case Nos. 24898-24901. See Email from MRC Permian Company’s counsel to the Division dated April 23, 2026.

5. The Division provided guidance to Coterra regarding how to address the change in operator and applicant given that Coterra acquired Franklin Mountain Energy 3, LLC during the pendency of the Division's review of the contested cases.

6. The Division requested that Coterra submit an amended exhibit packet that includes a cover letter summarizing the reason for revising the exhibit packet and details the changes made to the exhibit packet.

7. As noted above, Coterra acquired the acreage at issue in Case Nos. 24898-24901 and intends to assume the applications and the obligations under Division issued orders, provided such orders are issued.

8. Coterra hereby provides notice that it has made the following changes to the exhibit packet filed in Case Nos. 24898-24901:

- a. Table of Contents: Updated to reflect (in italics) revised Compulsory Pooling Application Checklists
- b. Exhibit A: Compulsory Pooling Checklists:
  - Removed Checklists for Case Nos. 24457, 24459, and 24479 as those cases have now been dismissed.
  - Revised Checklists for Case Nos. 24898-24901:
    - Changed Applicant and Operator to reflect Coterra Energy Operating Co. and Coterra Energy Operating Co.'s OGRID.

9. Coterra respectfully requests that orders be issued in Case No. 24898-24901 and that Coterra be granted operatorship under the orders.

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

By: Deana M. Bennett

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Attorneys for Coterra Energy Operating Co.

**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**

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## Map

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  - **Exhibit E-9:** FME3 Reb. 10: FME's Wolfcamp B/D Experience

**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>Hearing Date:</b>	<b>November 20, 2024</b>
Applicant	<b>Coterra Energy Operating Co.</b>
Designated Operator & OGRID (affiliation if applicable)	<b>Coterra Energy Operating Co. OGRID No. 215099</b>
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
Case Title:	Application of Coterra Energy Operating Co. (formerly 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: 5/8/2026 3:39:02 PM 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, as revised 5/6/2026

**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>Hearing Date:</b>	November 20, 2024
Applicant	<b>Coterra Energy Operating Co.</b>
Designated Operator & OGRID (affiliation if applicable)	<b>Coterra Energy Operating Co. OGRID No. 215099</b>
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A
Case Title:	Application of Coterra Energy Operating Co. (formerly 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: 5/8/2026 3:39:02 PM 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, as revised 5/6/2026

**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>Hearing Date:</b>	November 20, 2024
Applicant	<b>Coterra Energy Operating Co.</b>
Designated Operator & OGRID (affiliation if applicable)	<b>Coterra Energy Operating Co. OGRID No. 215099</b>
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A
Case Title:	Application of Coterra Energy Operating Co. (formerly 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: 5/8/2026 3:39:02 PM 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, as revised 5/6/2026

**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>Hearing Date:</b>	November 20, 2024
Applicant	<b>Coterra Energy Operating Co.</b>
Designated Operator & OGRID (affiliation if applicable)	<b>Coterra Energy Operating Co. OGRID No. 215099</b>
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A
Case Title:	Application of Coterra Energy Operating Co. (formerly 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
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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, as revised 5/6/2026

**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.

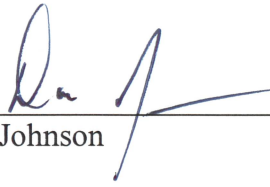
108. Based upon my knowledge of the land matters involved in these cases, education and training, it is my expert opinion that FME3's development plan will protect correlative rights and prevent waste.

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]*

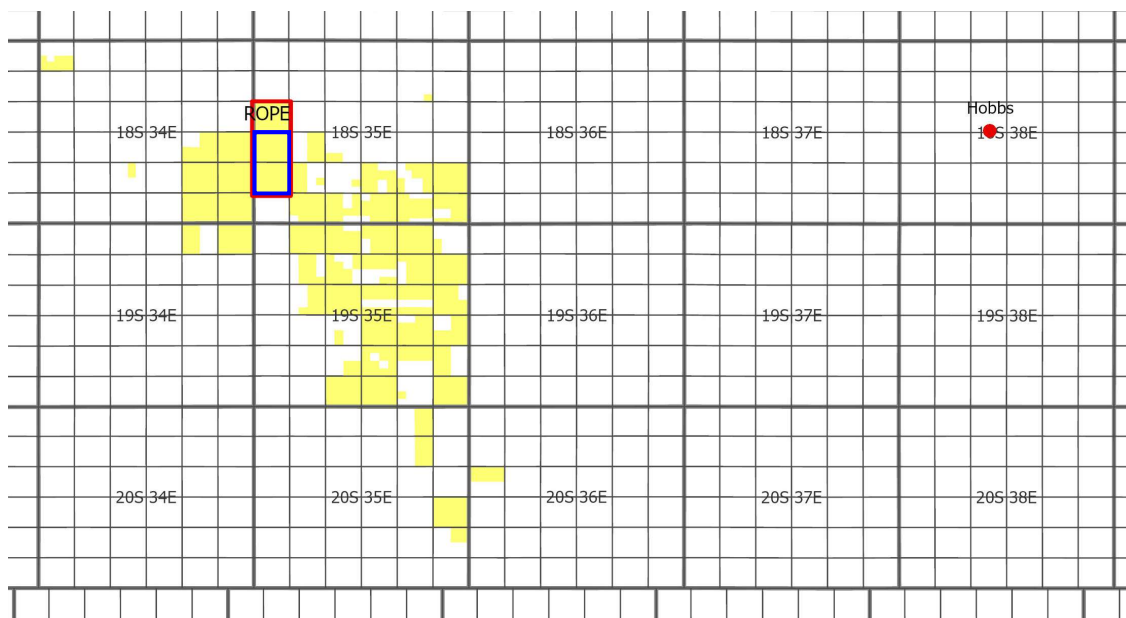
Dated: Nov 13<sup>th</sup>, 2024

  
\_\_\_\_\_  
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

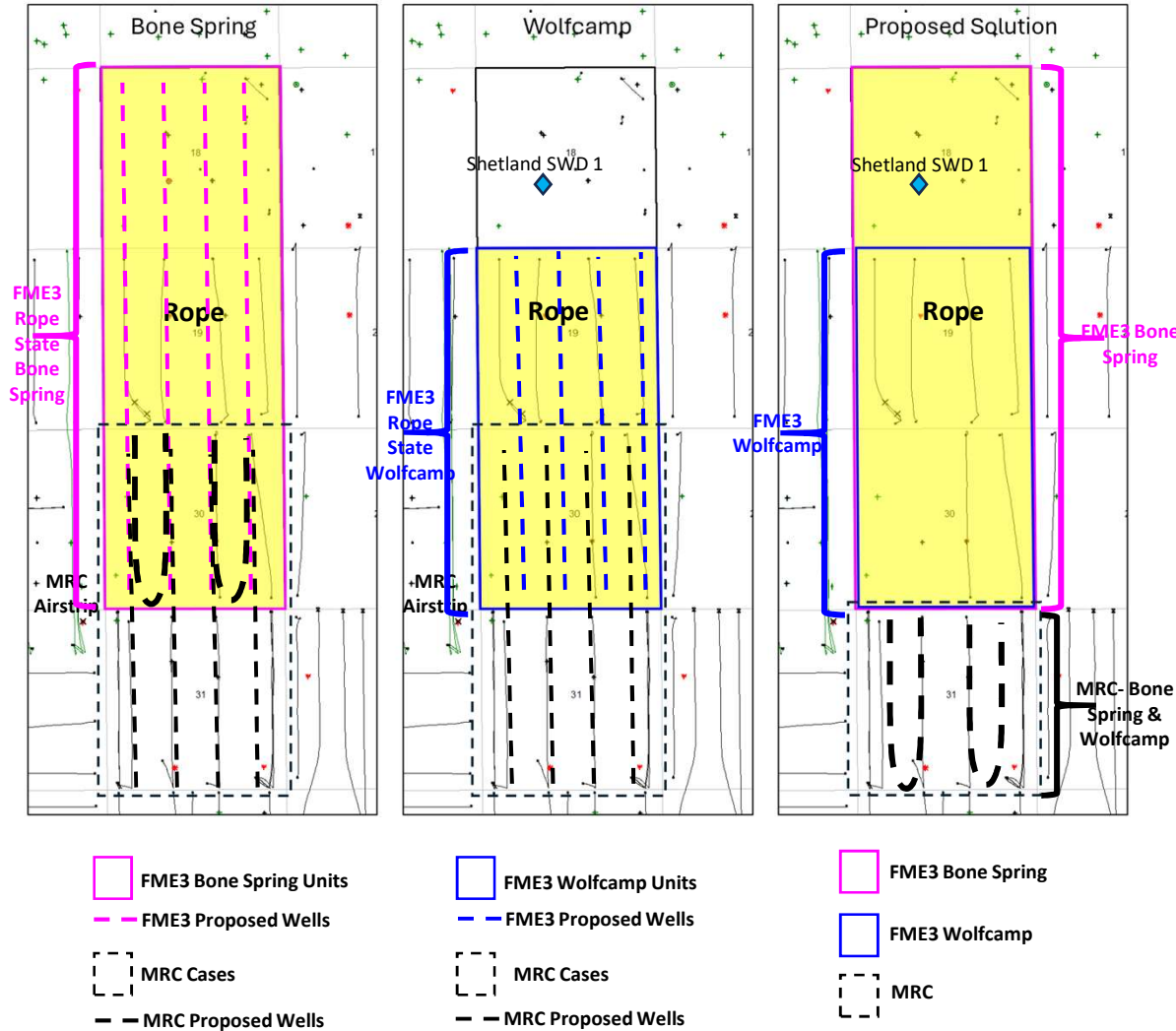
Section 30: All

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 operatorship 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

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

**EXHIBIT A-4**



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

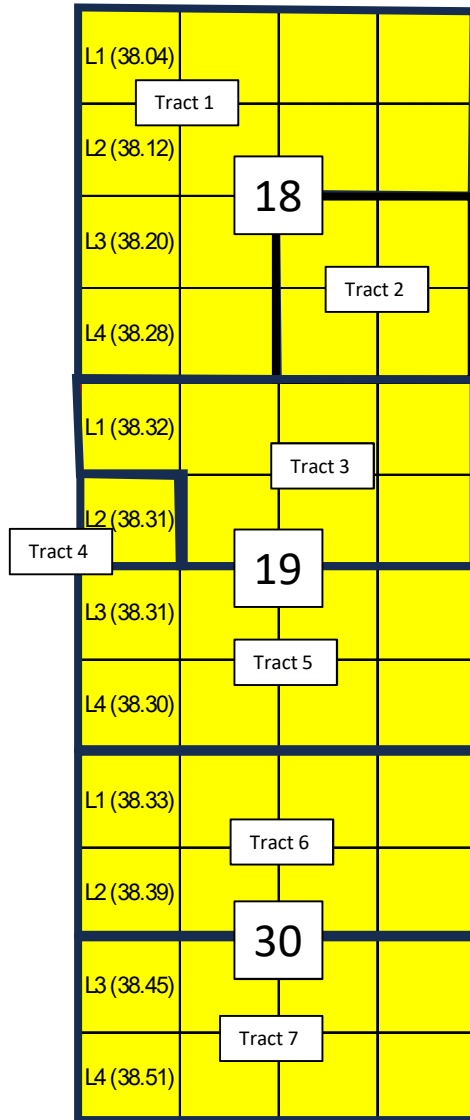
Factor	FME3	MRC	Comments
Working Interest Control	✓	✗	<ul style="list-style-type: none"> <li>FME3 has highest working interest in its proposed Rope Units.</li> <li>FME3 has ownership across 100% of the Rope wellbore paths.</li> </ul>
Risk	✓	✗	<ul style="list-style-type: none"> <li>FME3’s plan is vetted, 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

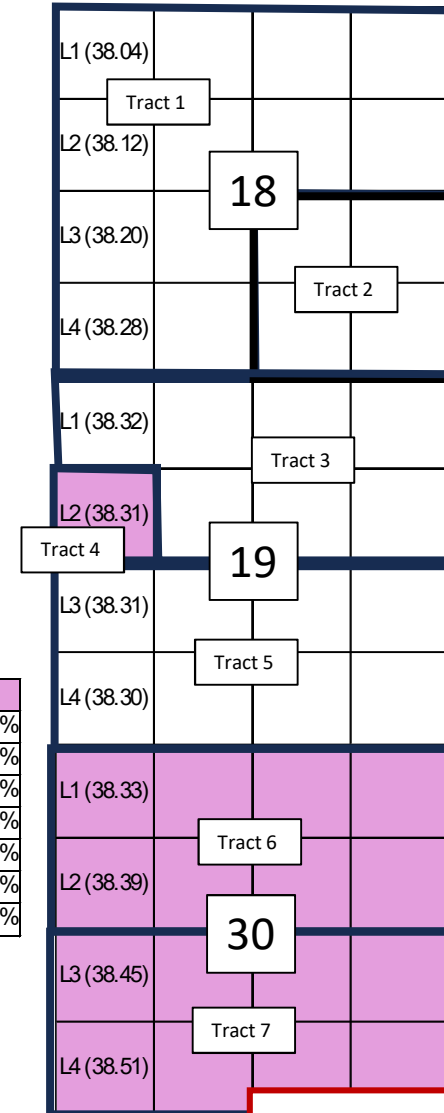
FME3 Total Interest in Rope Units	
Total Interest	52.5974%

MRC Total Interest in Rope Units	
Total Interest	21.6408%

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	MRC 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%

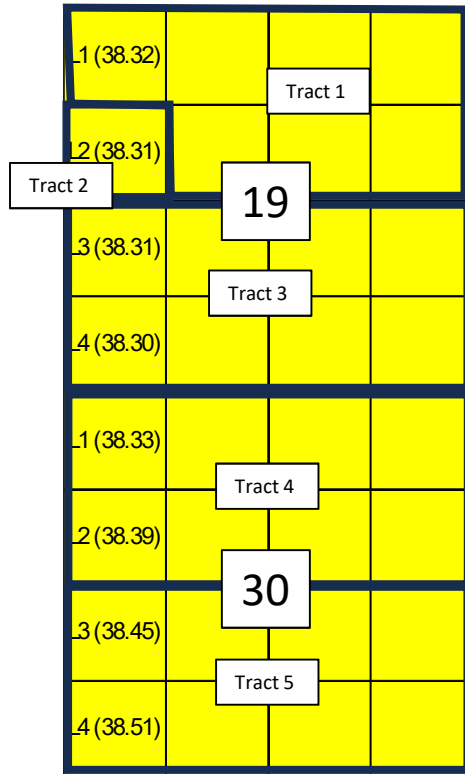
\*includes supporting interests

**EXHIBIT A-7**



# Ownership Comparison Table – Wolfcamp Overview

## FME3 WI



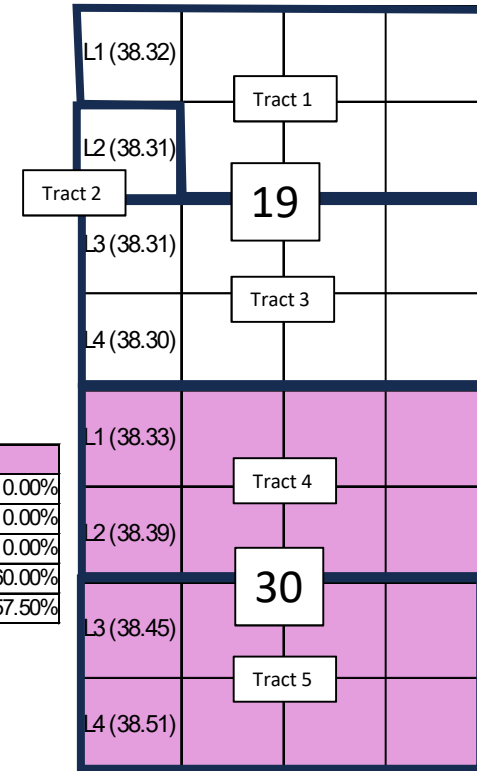
FME3 Total Interest in Rope Units	
Total Interest	66.3783%

MRC Total Interest in Rope Units	
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%

## MRC WI



**EXHIBIT A-8**

# Wolfcamp Case Ownership Comparison



## Wolfcamp Cases

Case No.	Formation	Unit Description	FME Working Interest Control	MRC 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%

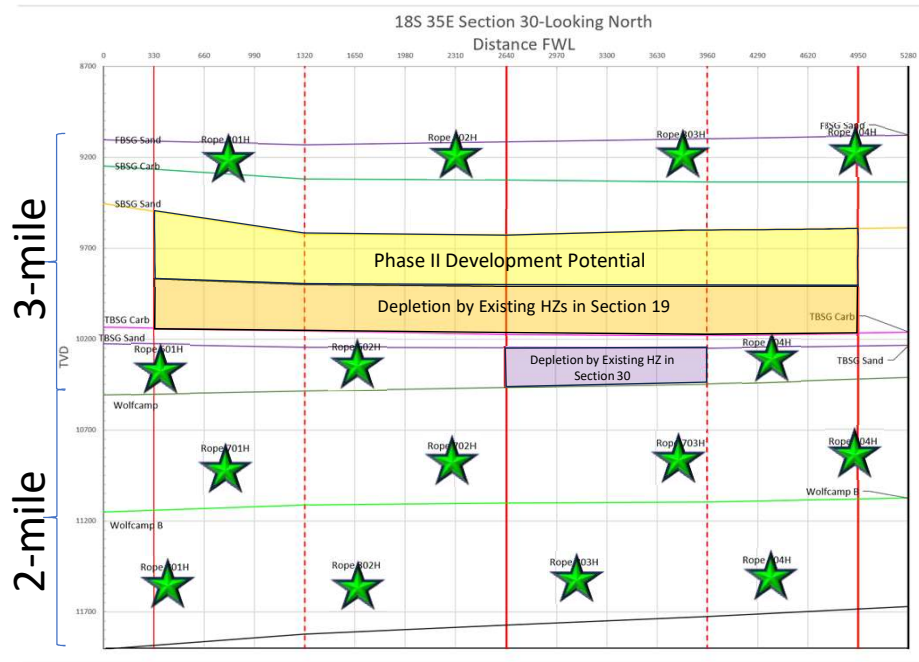
\*includes supporting interests

**EXHIBIT A-9**



# Development Comparison: FME3's Development Plan Is Superior

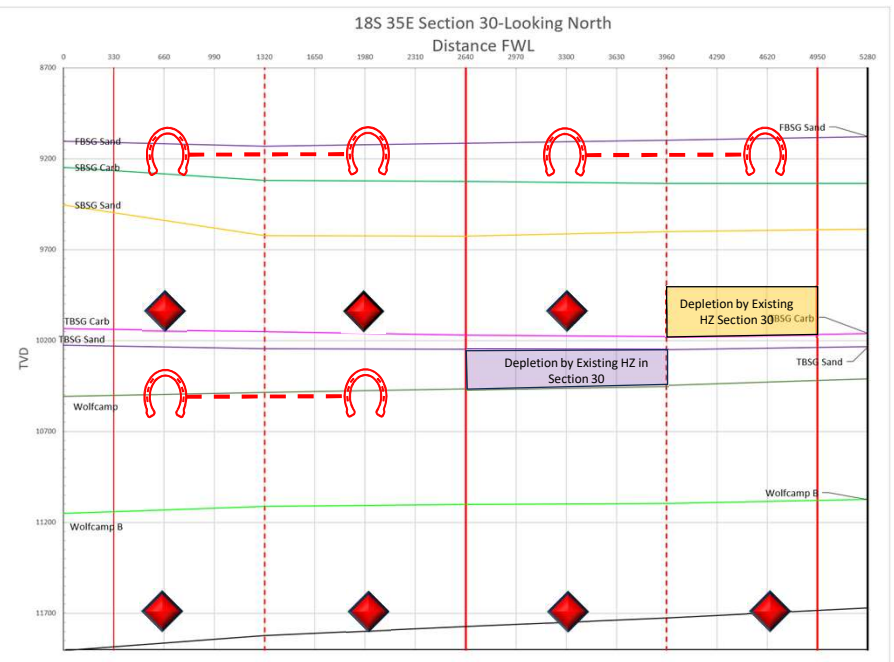
## FME3 Rope Unit (Sections 19 and 30)



★ 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

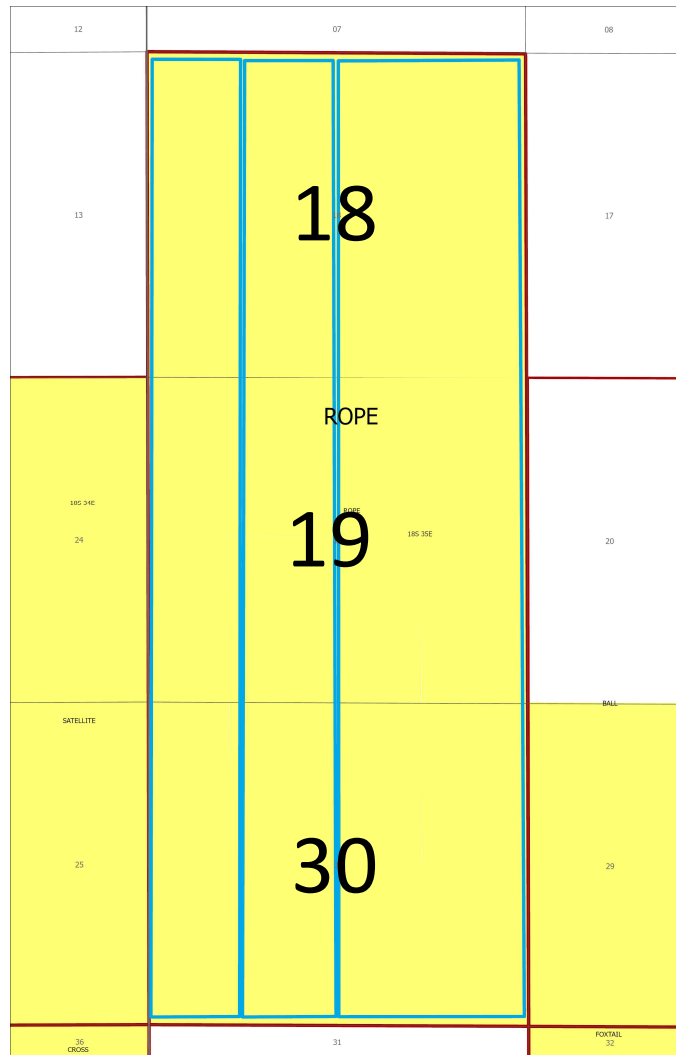
**EXHIBIT A-10**





# 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

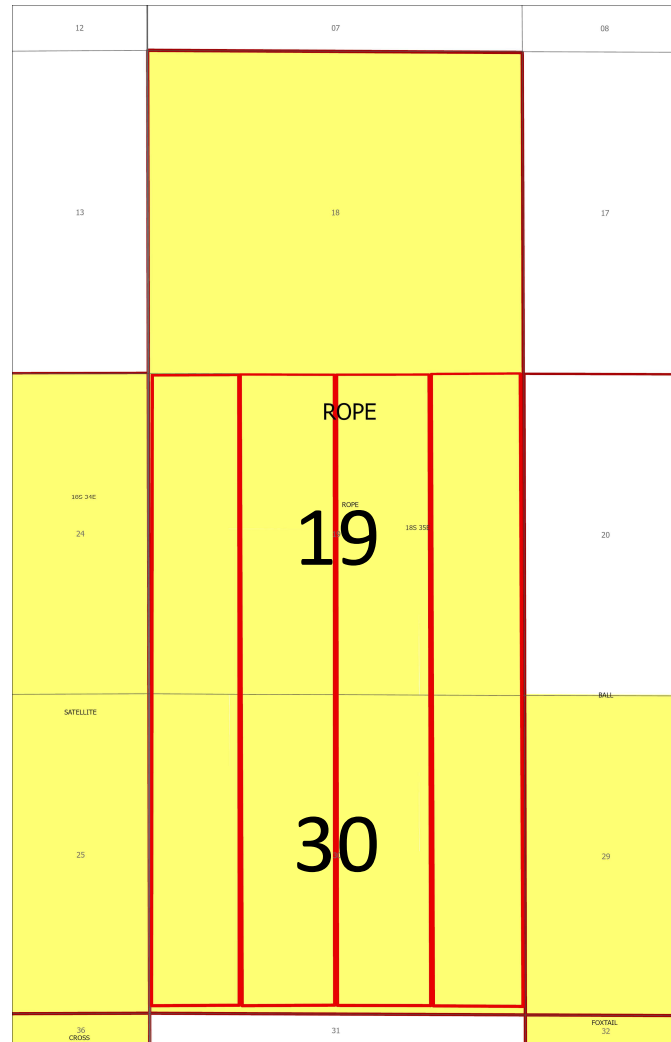
**EXHIBIT A-11**





# 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

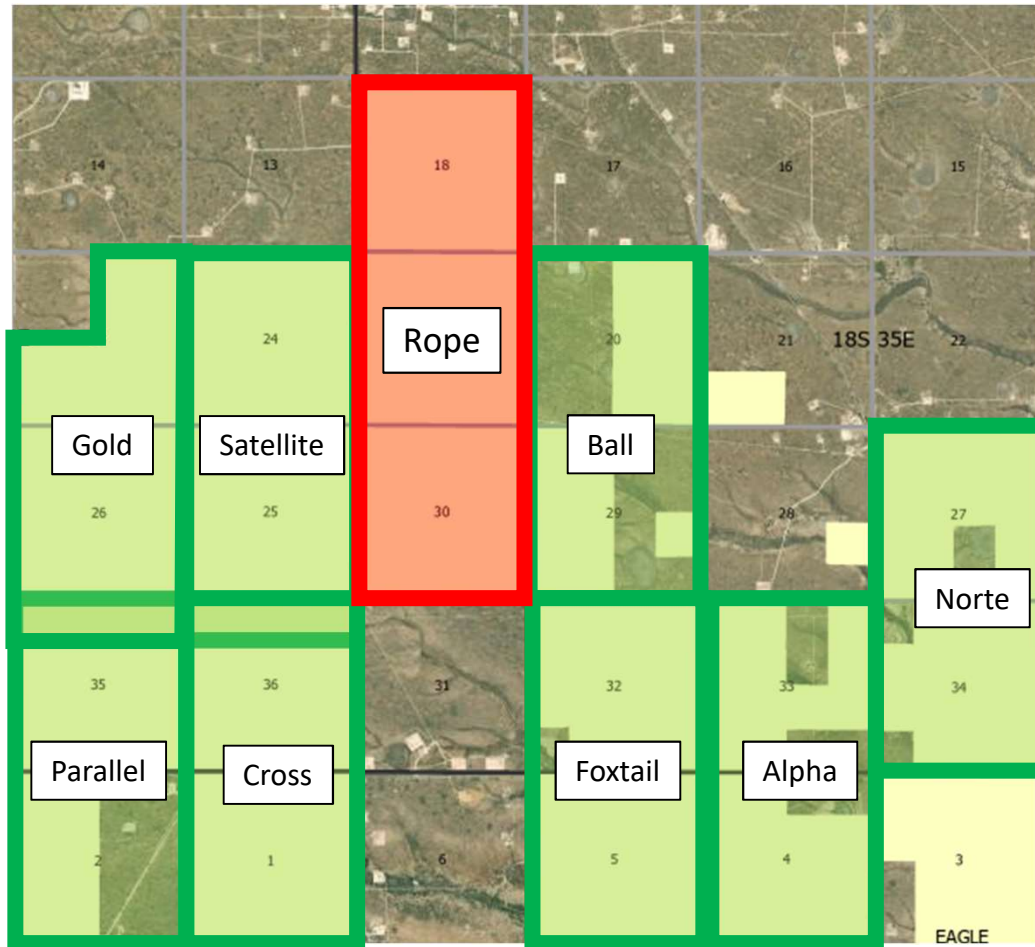
- R-22963
- R-22964
- R-22967
- R-22968

## 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

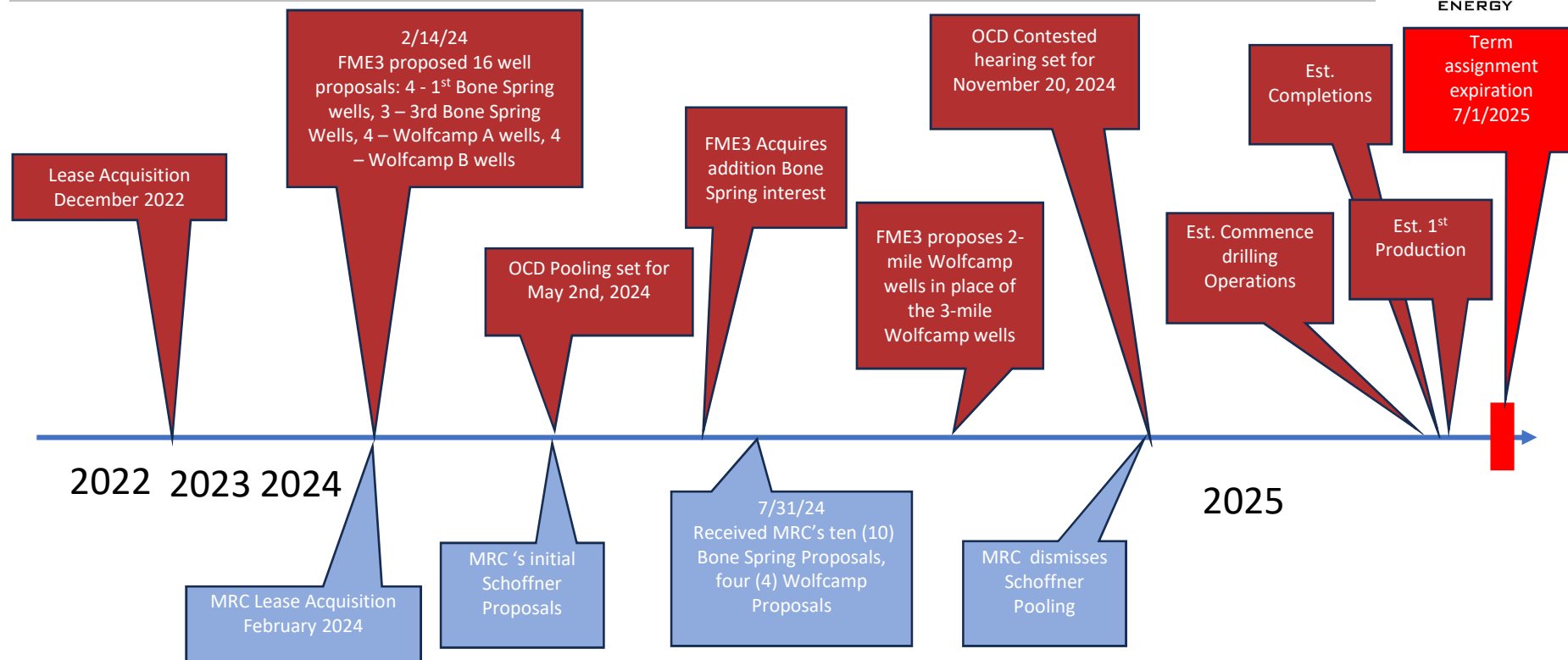
- R-23109
- R-23110
- R-23111
- R-23112
- R-23113
- R-23114
- R-23137
- R-22988

## Norte

- R-23499
- R-23500
- R-23506
- R-24454
- R-23419
- R-23418
- R-23242

**EXHIBIT A-13**

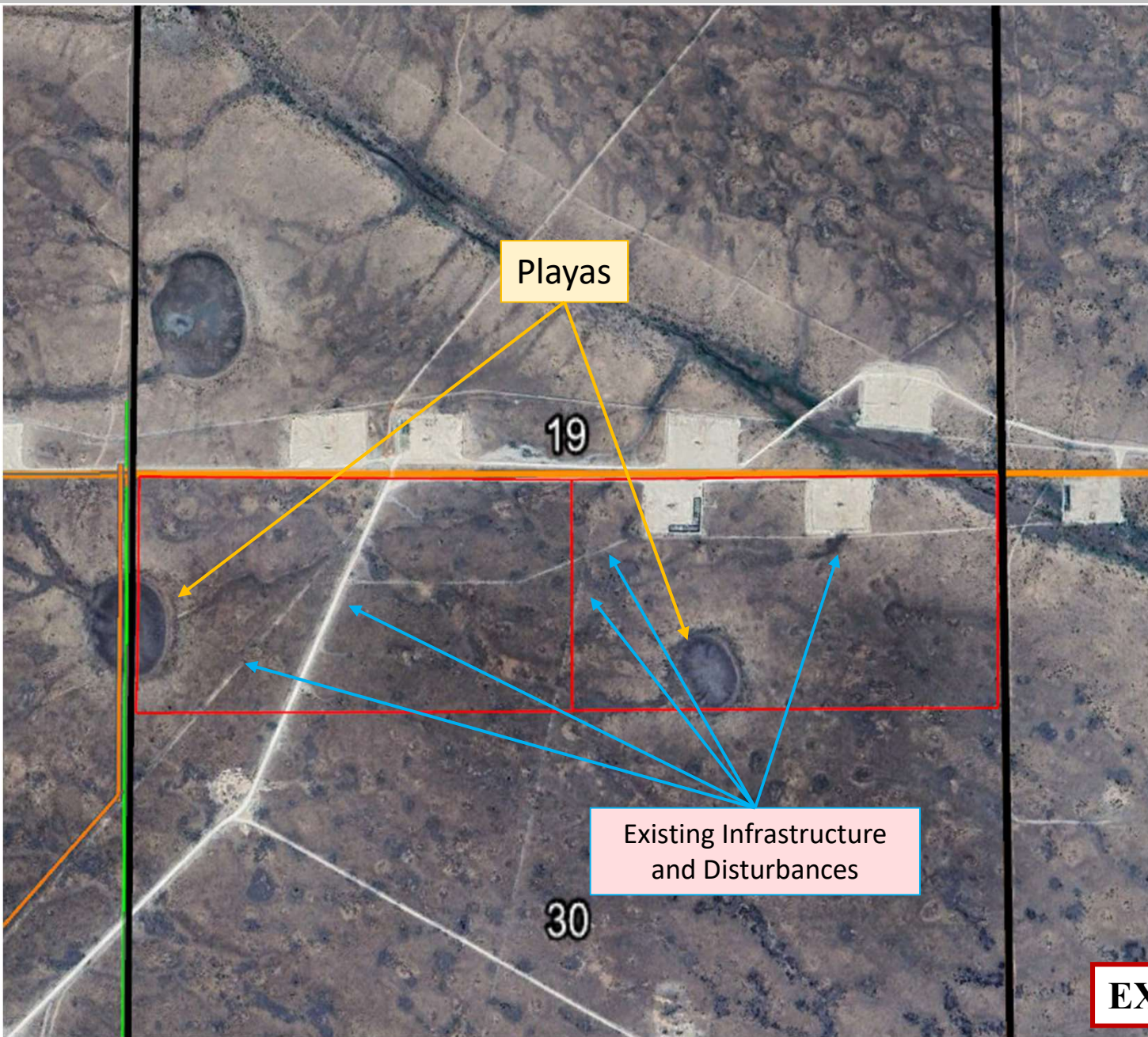
# FME3's Timeline of Rope Development



- 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**

# Surface Restrictions N2 Sec 30



Proposed  
MRC  
Locations

**EXHIBIT A-15**



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@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 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:

- 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@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 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

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@fmelc.com](mailto:jrutledge@fmelc.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 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:



- 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@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 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.



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:

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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 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:

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

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Please return your signed documents to Jon Rutledge at [jrutledge@fme3.com](mailto:jrutledge@fme3.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:



- 100/300% Non-Consenting Penalty
- \$9,000/\$900 Drilling and Producing Rate
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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)

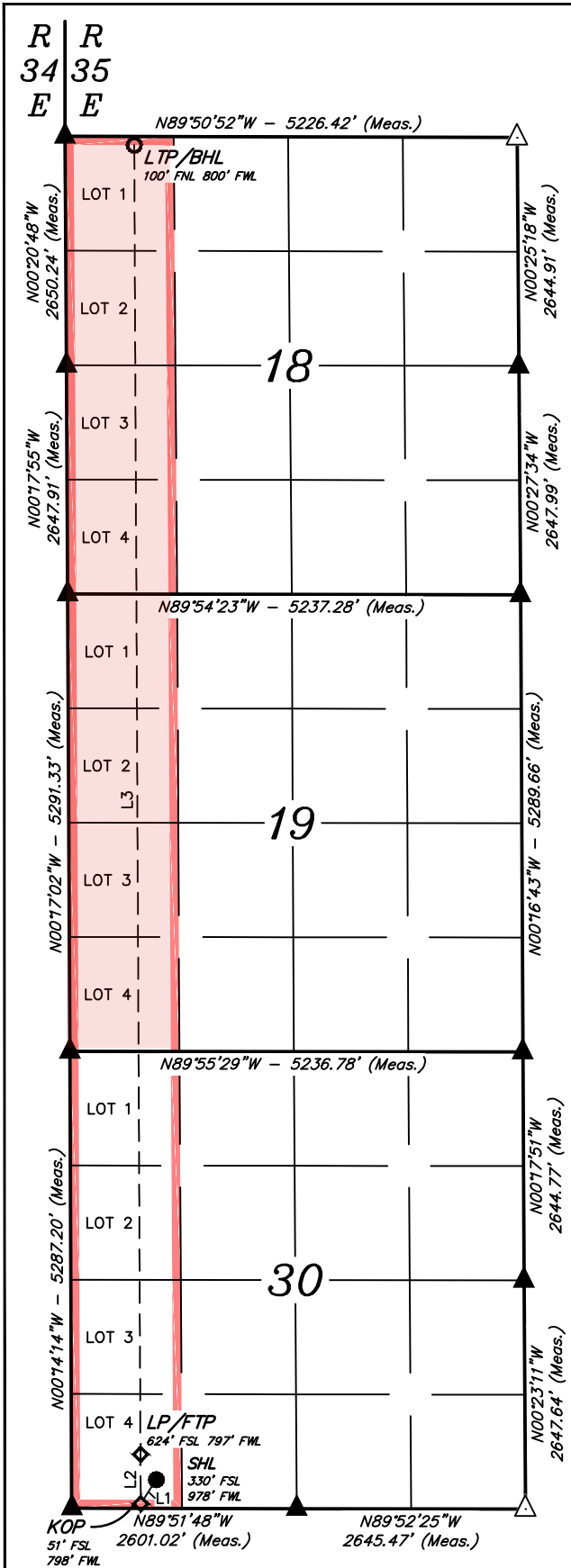
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	18	18S	35E		100 NORTH	800 WEST	32.754877°	-103.502720°	LEA

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@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: 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 TABLE		
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



<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

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 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
4	30	18S	35E		51 SOUTH	798 WEST	32.711664°	-103.502660°	LEA

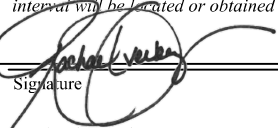

First Take Point (FTP)

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)

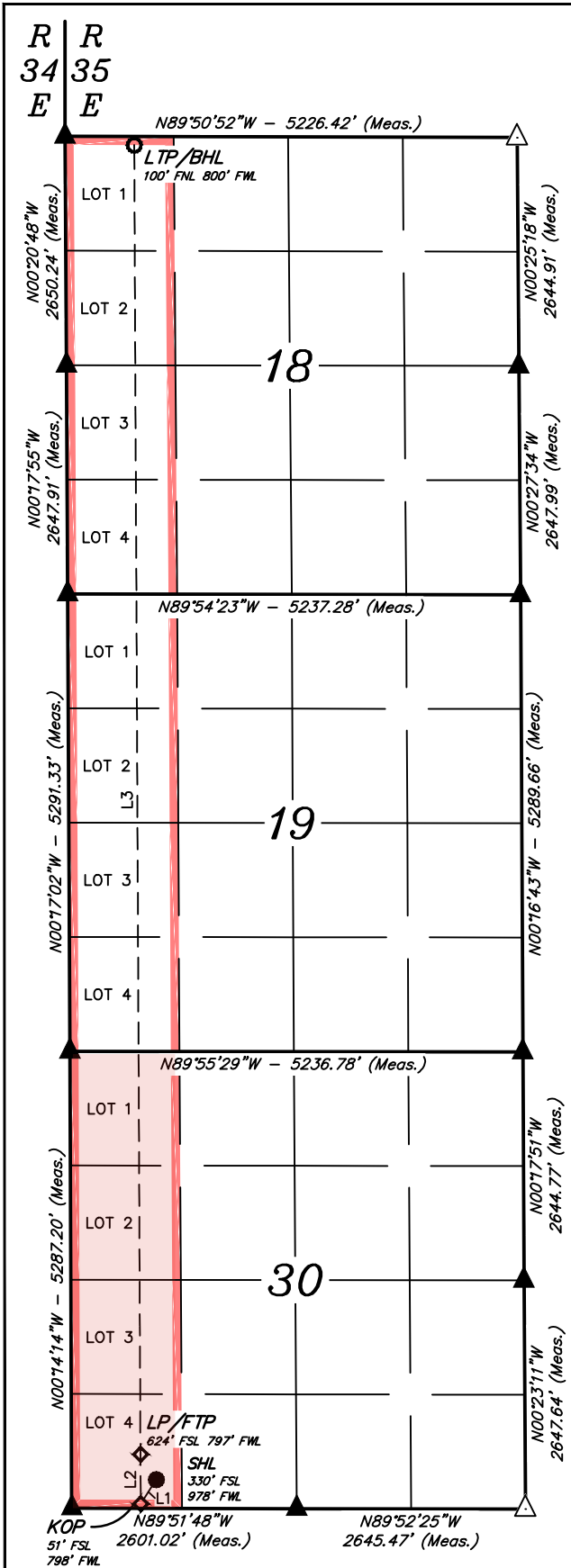
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	18	18S	35E		100 NORTH	800 WEST	32.754877°	-103.502720°	LEA

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@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: 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°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623914.68' E: 797008.96'
STATE PLANE NAD 27 (N.M. EAST)
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°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623635.51' E: 796831.26'
STATE PLANE NAD 27 (N.M. EAST)
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°)
STATE PLANE NAD 83 (N.M. EAST)
N: 624208.44' E: 796826.10'
STATE PLANE NAD 27 (N.M. EAST)
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°)
STATE PLANE NAD 83 (N.M. EAST)
N: 639357.63' E: 796689.61'
STATE PLANE NAD 27 (N.M. EAST)
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

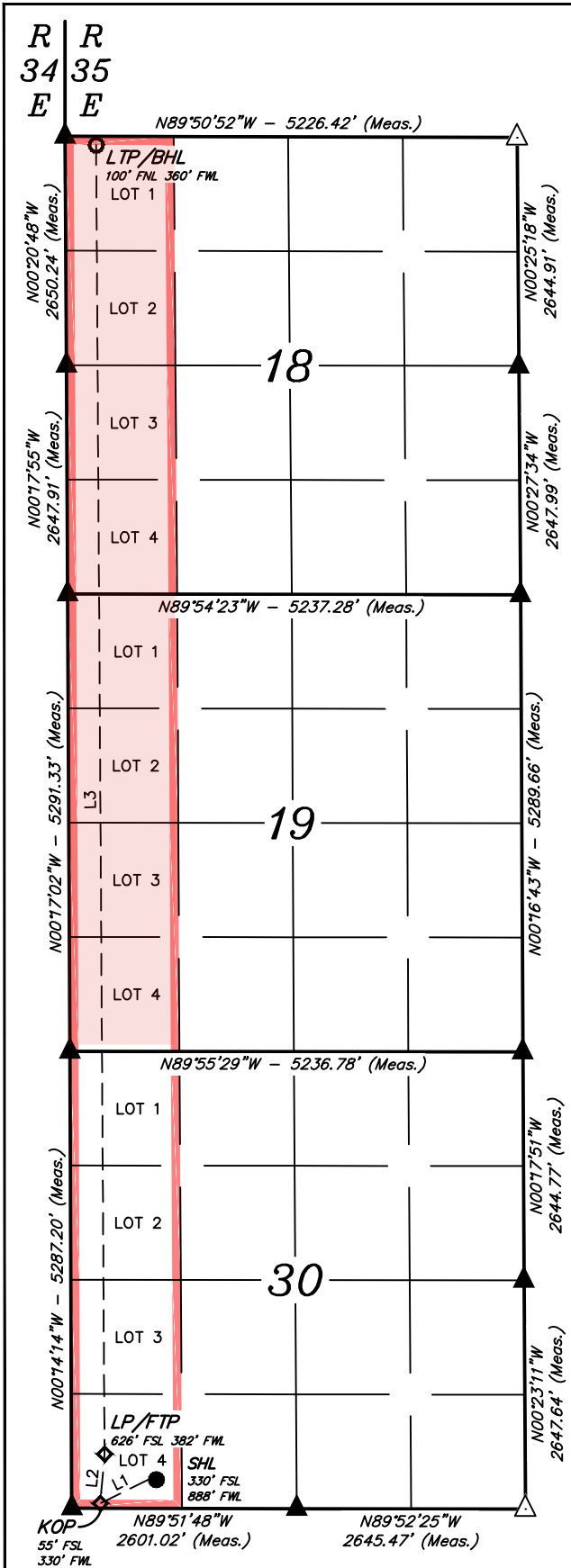


**NOTE:**

- 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.



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	DIRECTION	LENGTH
L1	S63°47'15\"W	620.02'
L2	N04°56'37\"E	573.05'
L3	N00°22'00\"W	15150.90'

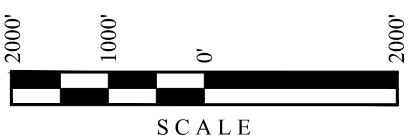
<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.74\" (32.712428°)
LONGITUDE = -103°30'08.52\" (-103.502368°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.30\" (32.712304°)
LONGITUDE = -103°30'06.75\" (-103.501874°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623914.52' E: 796918.98'
<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
- ◆ = 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  <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 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
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 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
4	30	18S	35E		55 SOUTH	330 WEST	32.711681°	-103.504179°	LEA

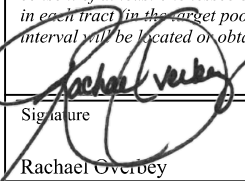

First Take Point (FTP)

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)

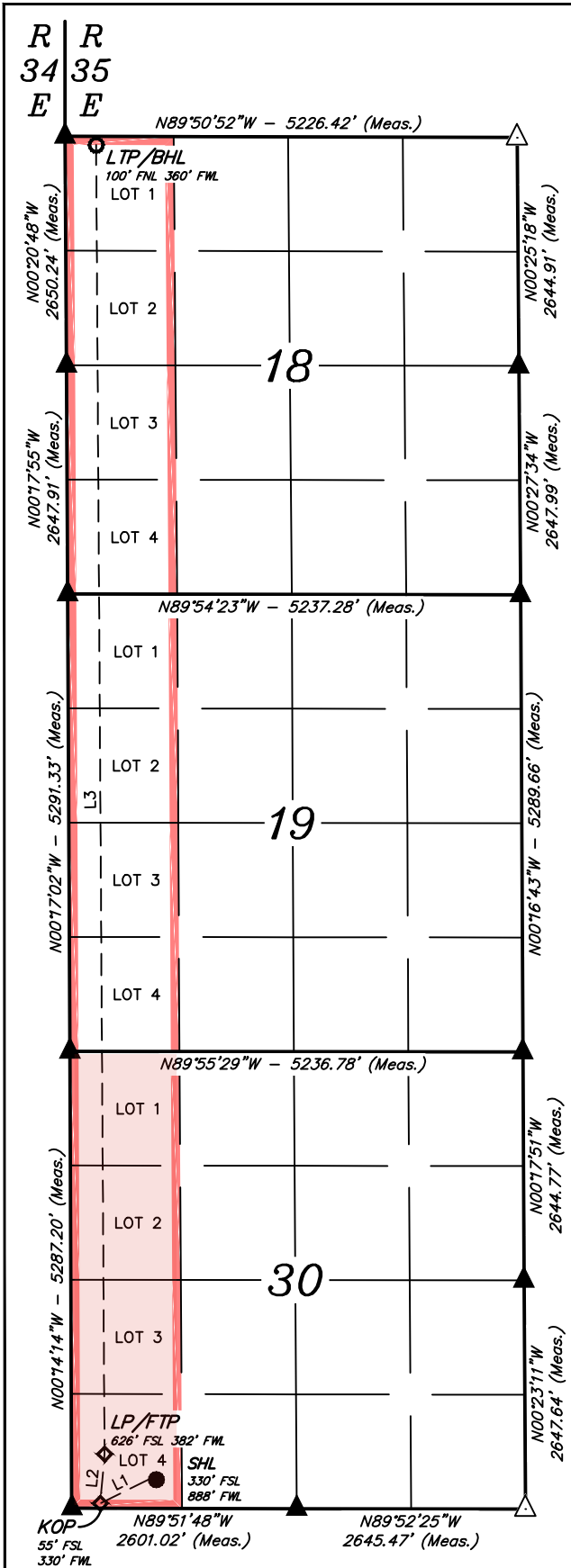
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	18	18S	35E		100 NORTH	360 WEST	32.754885°	-103.504151°	LEA

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;">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 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>
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<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>
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LATITUDE = 32°42'47.25" (32.713126°)
LONGITUDE = -103°30'12.67" (-103.503518°)
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N: 624144.97' E: 755231.25'

<b>NAD 83 (LTP/BHL)</b>
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<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'

**NOTE:**

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



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- = DRILLING SPACING UNIT



# 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	<b>18</b>		
(Lot 2) 38.12			
(Lot 3) 38.2			
(Lot 4) 38.28			
(Lot 1) 38.32	<b>19</b>		
(Lot 2) 38.31			
(Lot 3) 38.31			
(Lot 4) 38.30			
(Lot 1) 38.33	<b>30</b>		
(Lot 2) 38.39			
(Lot 3) 38.45			
(Lot 4) 38.51			

- Proposed Bone Spring Unit
- Tract 1 (152.64 Acres)
- Tract 2 (38.32 Acres)
- Tract 3 (38.31 Acres)
- Tract 4 (76.61 Acres)
- Tract 5 (76.72 Acres)
- Tract 6 (76.96 Acres)

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%
<b>Total:</b>	<b>100.0000%</b>

\* 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 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 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' IBS well.  
 TVD 9,192', MD 24,192'.

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

Intangible Drilling Costs			Amount
Major	Minor	Description	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	35	CONTINGENCY COSTS 5%	\$157,025
<b>Total Intangible Drilling Costs:</b>			<b>\$3,410,000</b>

Intangible Completion Costs			Amount
Major	Minor	Description	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/TA 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 Drilling Costs			Amount
Major	Minor	Description	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 Completion Costs			Amount
Major	Minor	Description	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>\$501,000</b>

Tangible Facility Costs			Amount
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>\$783,654</b>

Intangible Facility Costs			Amount
Major	Minor	Description	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>\$82,000</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

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

**AUTHORITY FOR EXPENDITURE**

**Well Name:** Rope State Com 601H  
**Location:** SHL: Sec 30-T18S-R35E 270 FSL 835 FWL  
 BHL: Sec 18-T18S-R35E 100 FNL 360 FWL  
**Operator:** Franklin Mountain Energy 3, LLC  
**Purpose:** Drill and complete a 15,000' 3BS well.  
 TVD 10,346', MD 25,346'.

**Well #:** 601H  
**County/State:** Lea Co., NM  
**Date Prepared:** 1/4/2024  
**AFE #:** DCE240117

**Intangible Drilling Costs**

Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$84,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$45,000
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	\$878,400
225	55	DRILLING - DIRECTIONAL	\$320,000
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	\$275,000
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	\$360,000
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	\$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>\$783,654</b>

**Intangible Completion Costs**

Major	Minor	Description	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	\$861,500
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/TA COSTS	\$0
240	115	PERFORATING/WIRELINE SERVICE	\$392,500
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$14,500
240	130	STIMULATION	\$4,285,000
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	\$417,500
240	40	CONTINGENCY COSTS 5%	\$8,006,800
<b>Total Intangible Completion Costs:</b>			<b>\$8,006,800</b>

**Tangible Completion Costs**

Major	Minor	Description	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**

Major	Minor	Description	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:**

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 PROPORINATE 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: \_\_\_\_\_  
 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. 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

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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.

<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 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

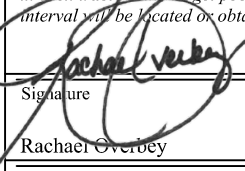
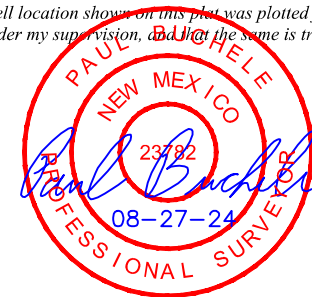
First Take Point (FTP)

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)

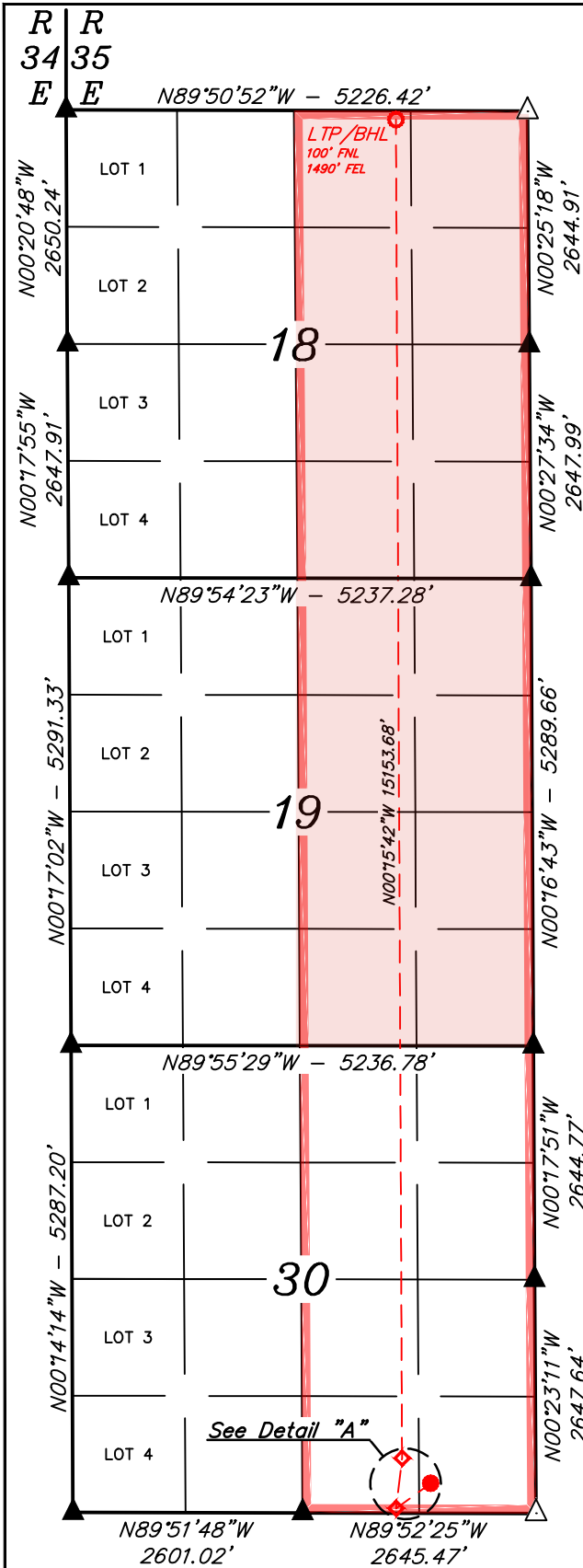
UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	18	18S	35E		100 NORTH	1490 EAST	32.754826°	-103.493171°	LEA

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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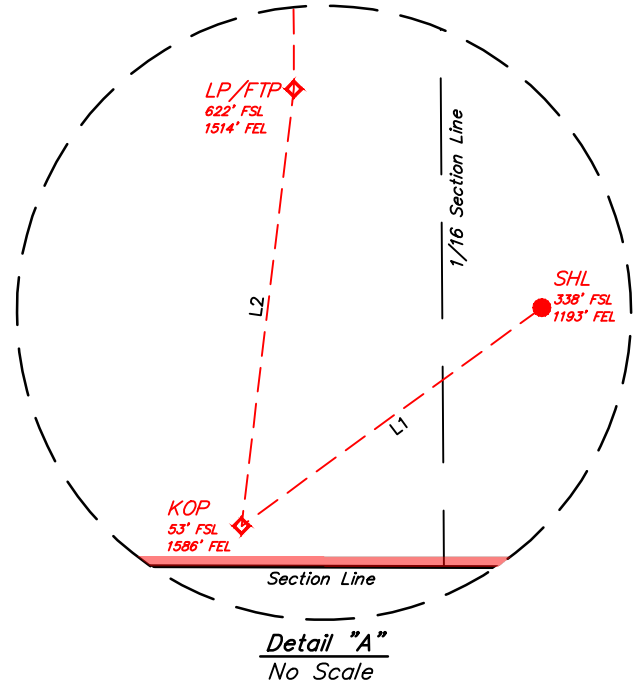
<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the 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 plot 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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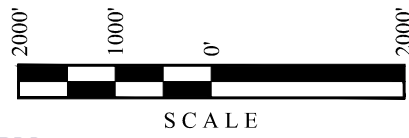
<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.63" (32.712398°) LONGITUDE = -103°29'31.49" (-103.492080°)	<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.83" (32.711621°) LONGITUDE = -103°29'36.08" (-103.493356°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.19" (32.712274°) 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
- △ = 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 30-025-53338	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

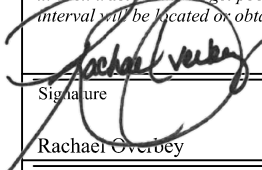
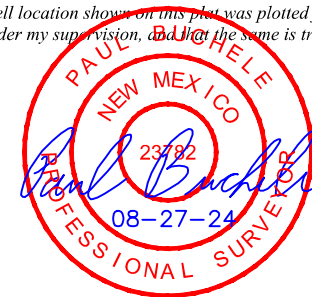
First Take Point (FTP)

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)

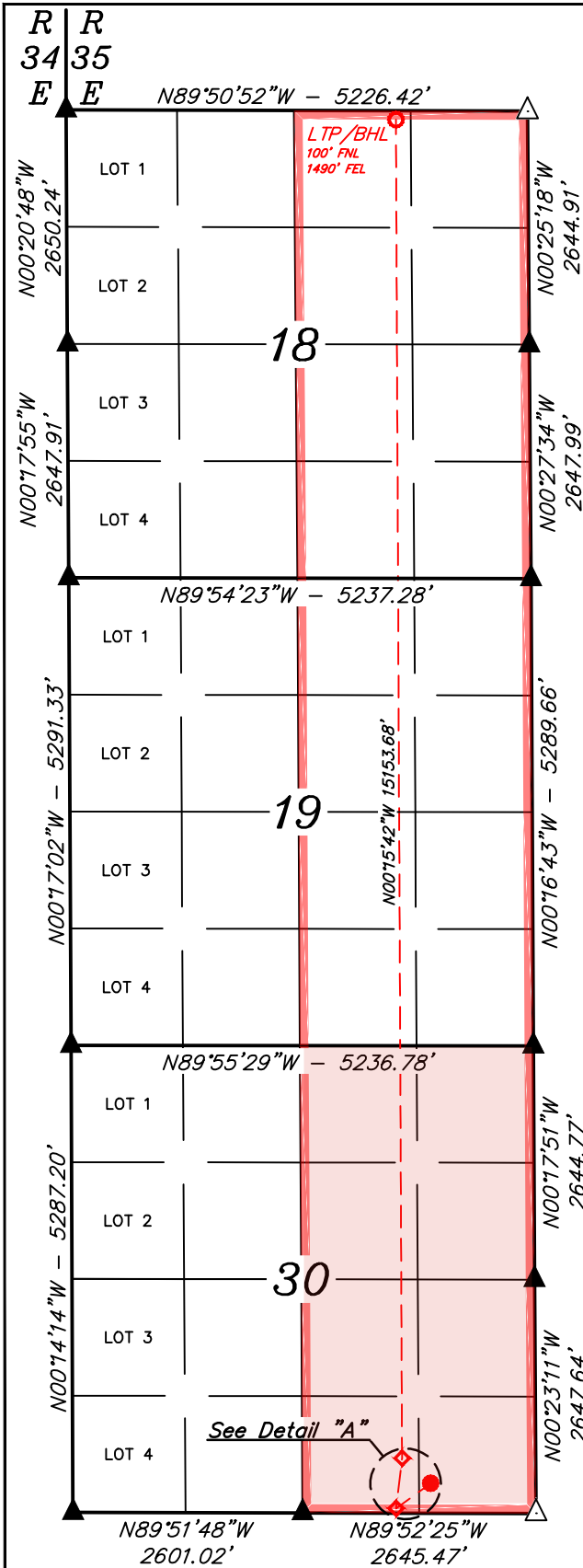
UL B	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
	18	18S	35E		100 NORTH	1490 EAST	32.754826°	-103.493171°	LEA

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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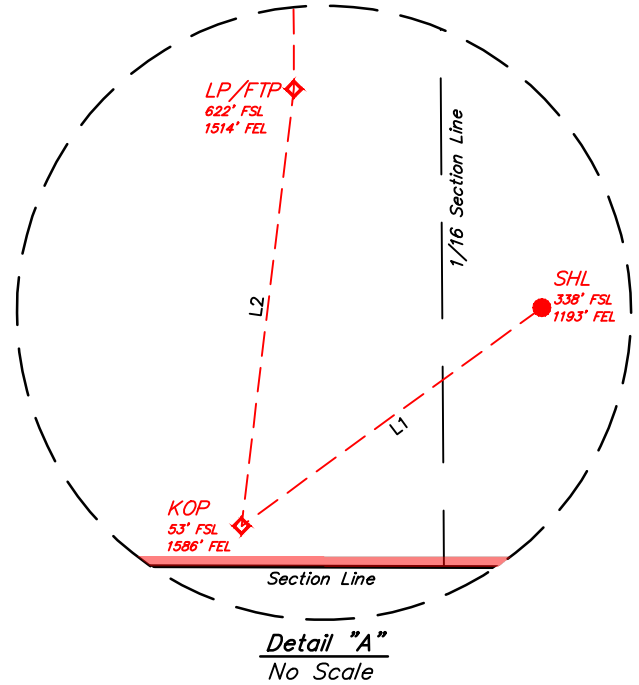
<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the 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@fmllc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plot 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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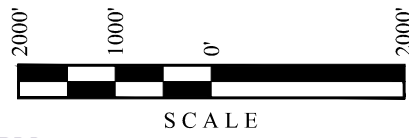
<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.63" (32.712398°) LONGITUDE = -103°29'31.49" (-103.492080°)	<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.83" (32.711621°) LONGITUDE = -103°29'36.08" (-103.493356°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.19" (32.712274°) 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
- △ = 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 30-025-53339	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

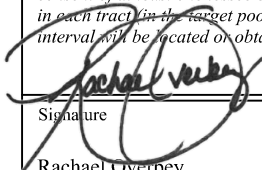
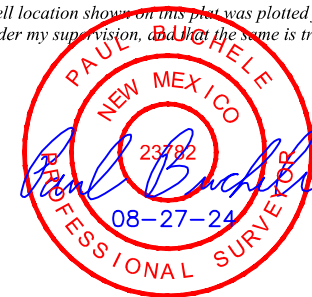
First Take Point (FTP)

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)

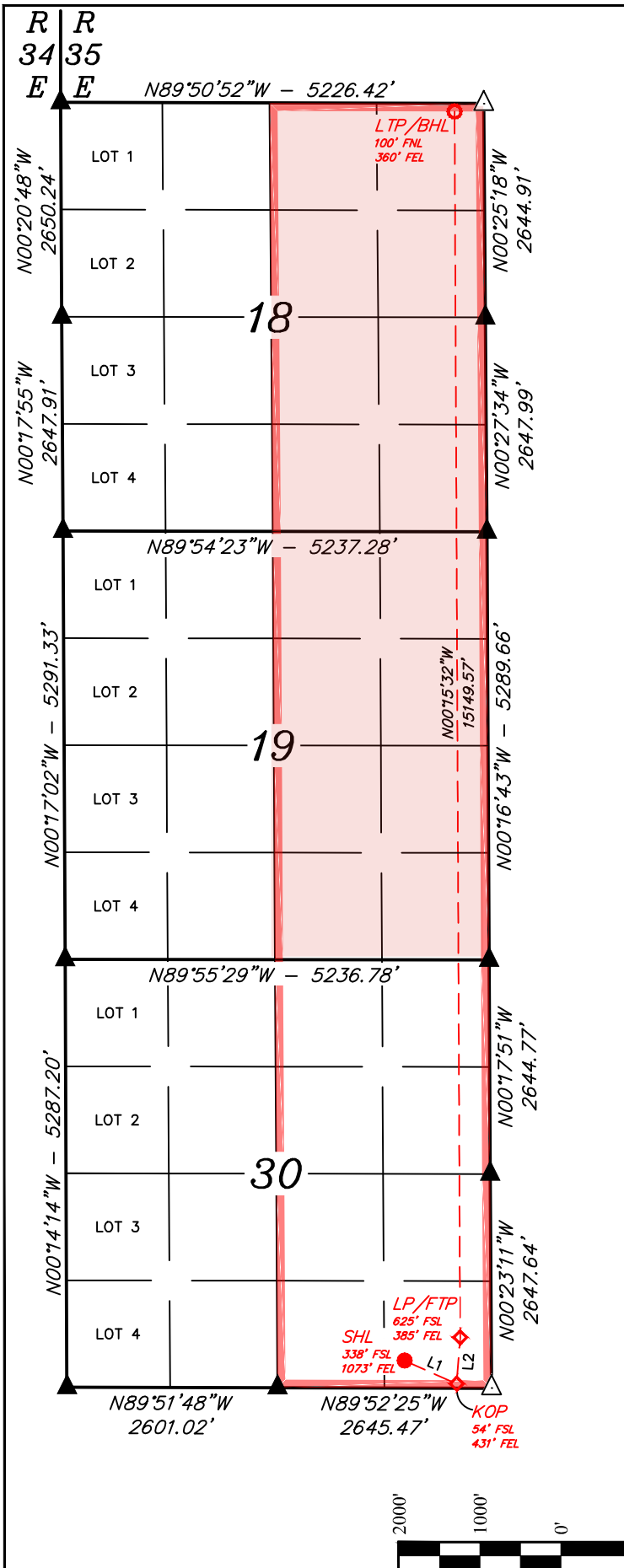
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
B	18	18S	35E		100 NORTH	360 EAST	32.754807°	-103.489496°	LEA

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                  8/29/2024                  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 plot 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                  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 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°)
LONGITUDE = -103°29'22.56" (-103.489601°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.33" (32.711481°)
LONGITUDE = -103°29'20.79" (-103.489107°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623646.02' E: 800848.28'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623581.74' E: 759668.54'

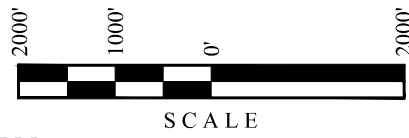
<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.43" (32.713175°)
LONGITUDE = -103°29'22.04" (-103.489456°)
<b>NAD 27 (LP/FTP)</b>
LATITUDE = 32°42'46.98" (32.713051°)
LONGITUDE = -103°29'20.27" (-103.488963°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 624217.58' E: 800888.25'
<b>STATE PLANE NAD 27 (N.M. EAST)</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 30-025-53339	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 304H
Surface Owner: <input checked="" type="checkbox"/> State <input type="checkbox"/> Fee <input type="checkbox"/> Tribal <input type="checkbox"/> Federal		Ground Level Elevation 3938.8'
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 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		54 SOUTH	431 EAST	32.711605°	-103.489601°	LEA

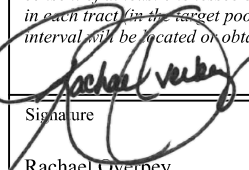
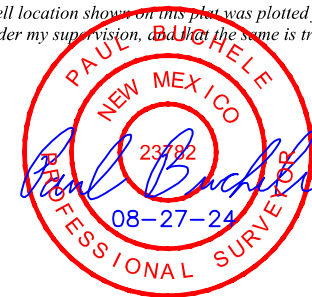
First Take Point (FTP)

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)

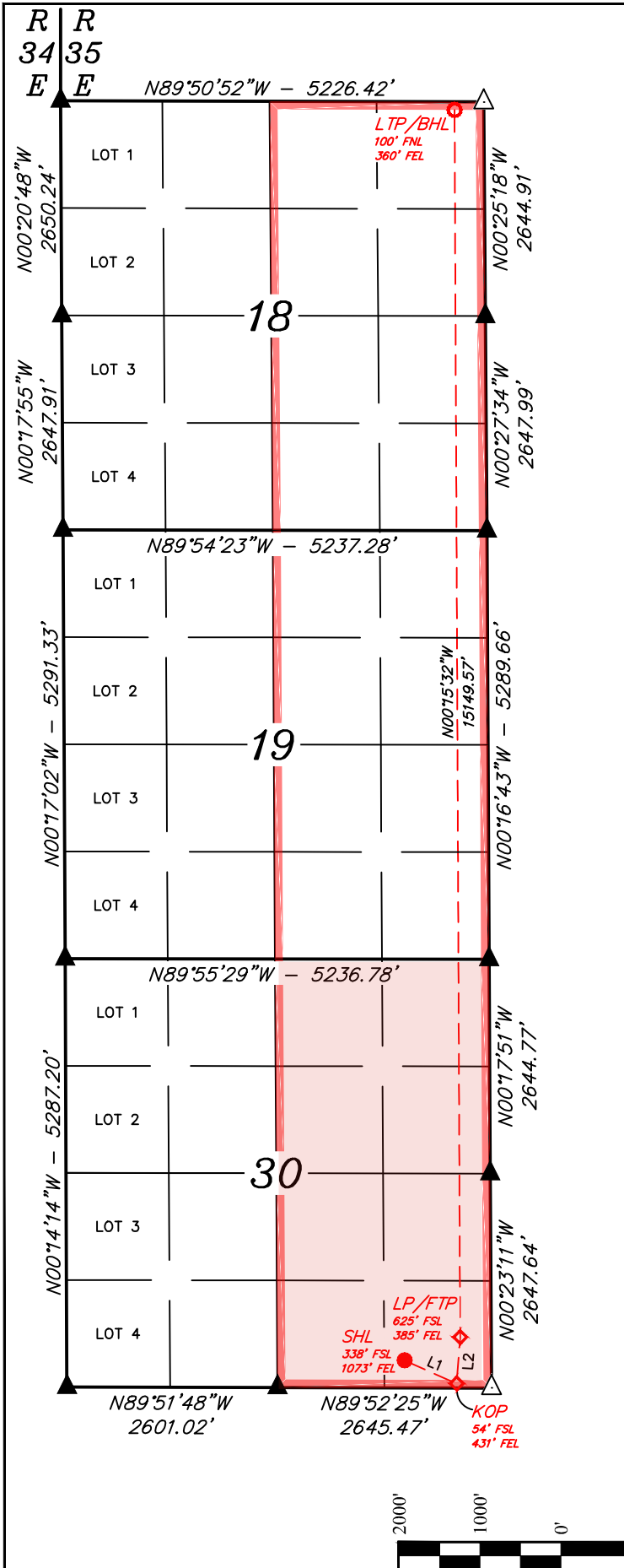
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
B	18	18S	35E		100 NORTH	360 EAST	32.754807°	-103.489496°	LEA

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                  8/29/2024                  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 plot 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                  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 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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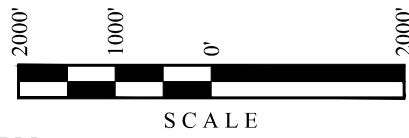
<b>NAD 83 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.63" (32.712396°)
LONGITUDE = -103°29'30.09" (-103.491690°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b>
LATITUDE = 32°42'44.18" (32.712272°)
LONGITUDE = -103°29'28.31" (-103.491197°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623928.75' E: 800203.28'
<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°)
LONGITUDE = -103°29'22.56" (-103.489601°)
<b>NAD 27 (KICK OFF POINT)</b>
LATITUDE = 32°42'41.33" (32.711481°)
LONGITUDE = -103°29'20.79" (-103.489107°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 623646.02' E: 800848.28'
<b>STATE PLANE NAD 27 (N.M. EAST)</b>
N: 623581.74' E: 759668.54'
<b>NAD 83 (LP/FTP)</b>
LATITUDE = 32°42'47.43" (32.713175°)
LONGITUDE = -103°29'22.04" (-103.489456°)
<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:**

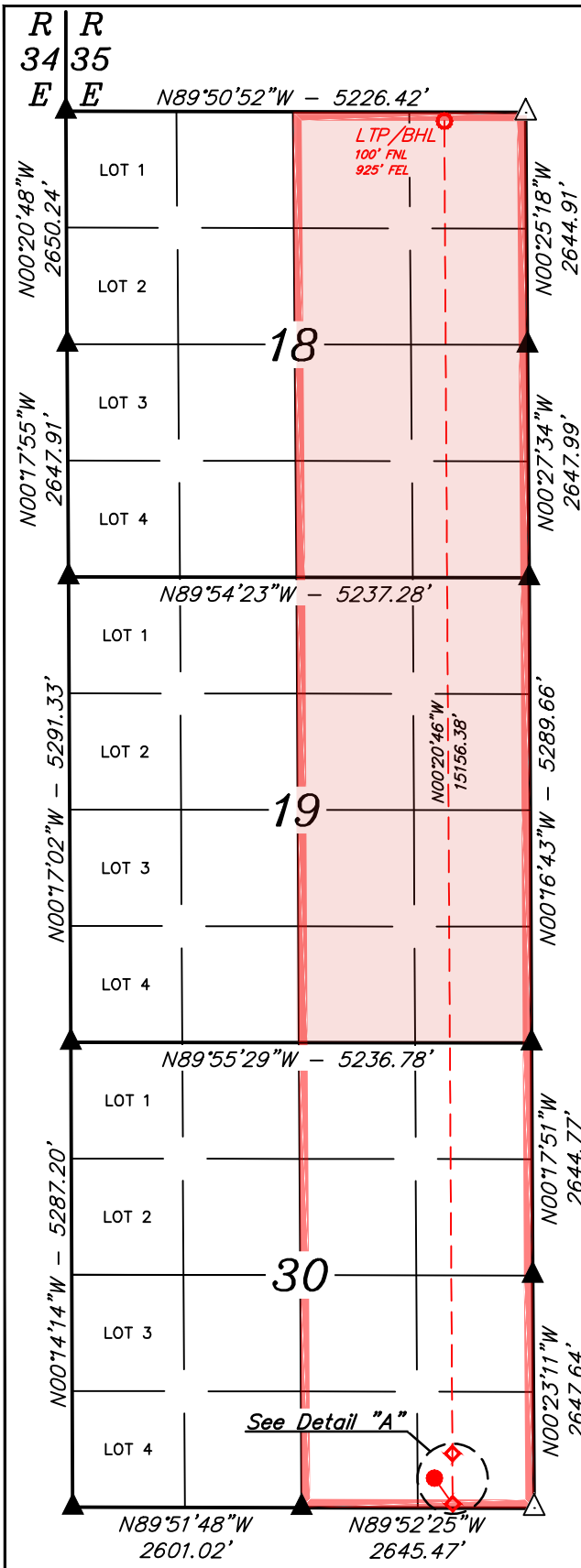
- Distances referenced on plat to section lines are perpendicular.
- Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
- Section breakdown information for this plan may be obtained from Uintah Engineering and Land Surveying.

- = 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

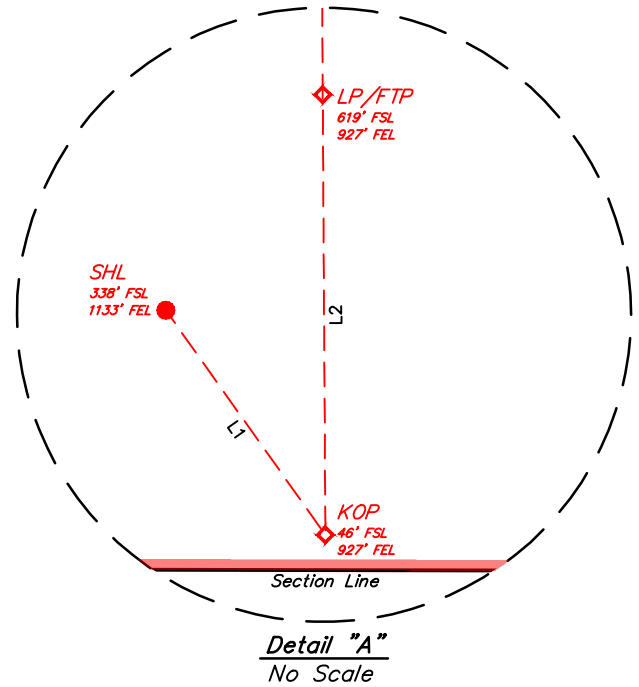




Property Name ROPE STATE COM	Well Number 604H	Drawn By N.R. 02-23-24	Revised By REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT)
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<b>NAD 83 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.63" (32.712397°) LONGITUDE = -103°29'30.79" (-103.491885°)	<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'

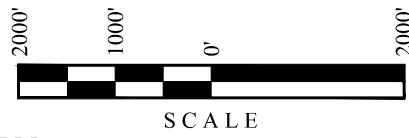


LINE	DIRECTION	LENGTH
L1	S35°24'31"E	358.62'
L2	N00°20'45"W	573.05'

**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**

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

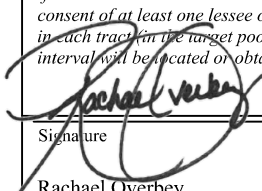
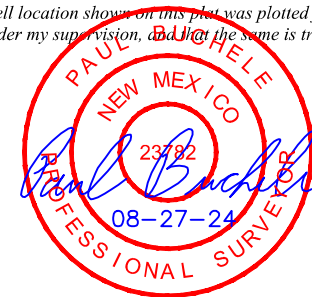
First Take Point (FTP)

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)

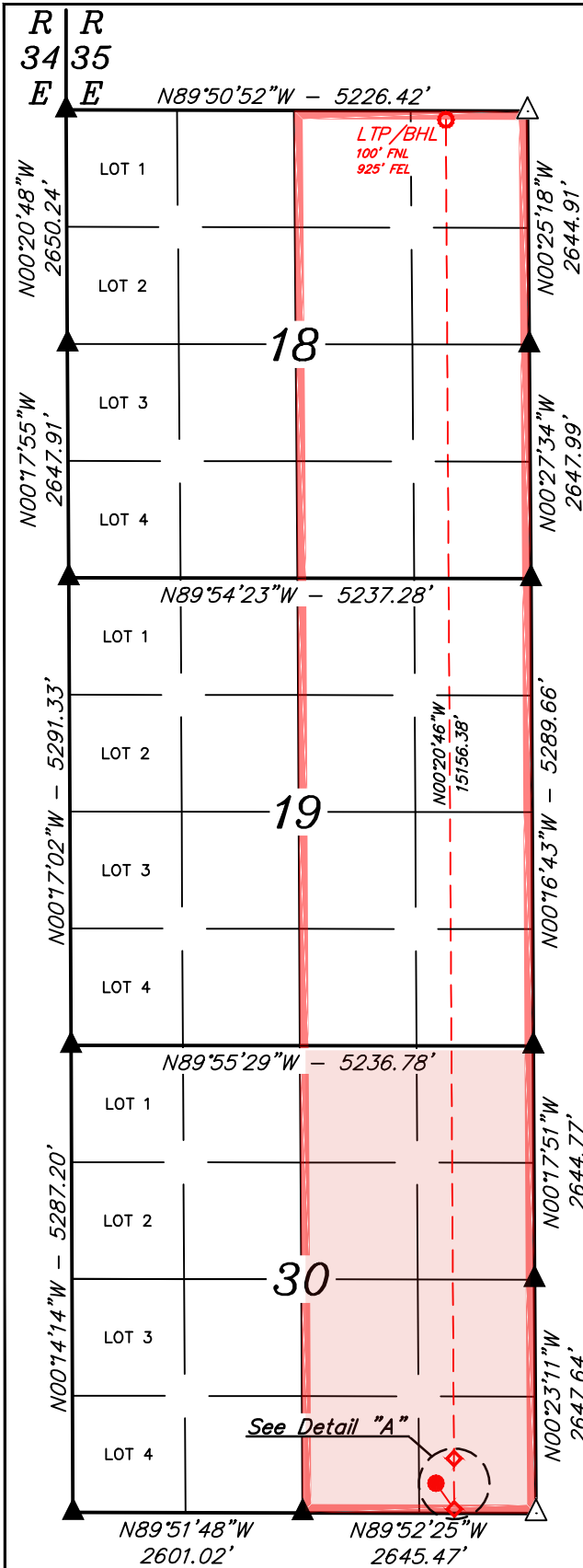
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A	18	18S	35E		100 NORTH	925 EAST	32.754816°	-103.491333°	LEA

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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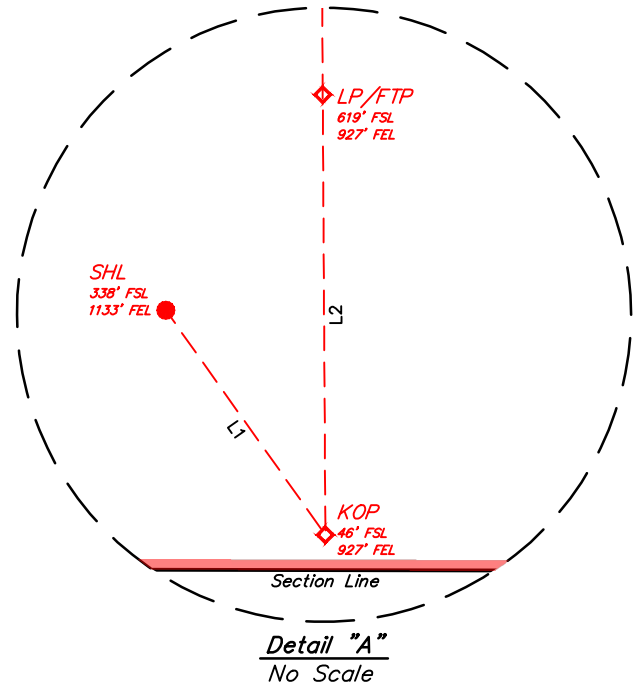
<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the 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 (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@fmllc.com</p>	<p><b>SURVEYOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the well location shown on this plot 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 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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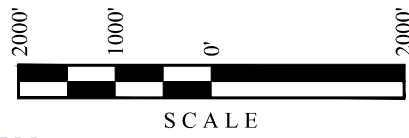
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<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.18" (32.712273°) LONGITUDE = -103°29'29.01" (-103.491392°)	<b>NAD 27 (KICK OFF POINT)</b> LATITUDE = 32°42'41.28" (32.711468°) LONGITUDE = -103°29'26.59" (-103.490720°)
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<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°)
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LINE TABLE		
LINE	DIRECTION	LENGTH
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L2	N00°20'45"W	573.05'

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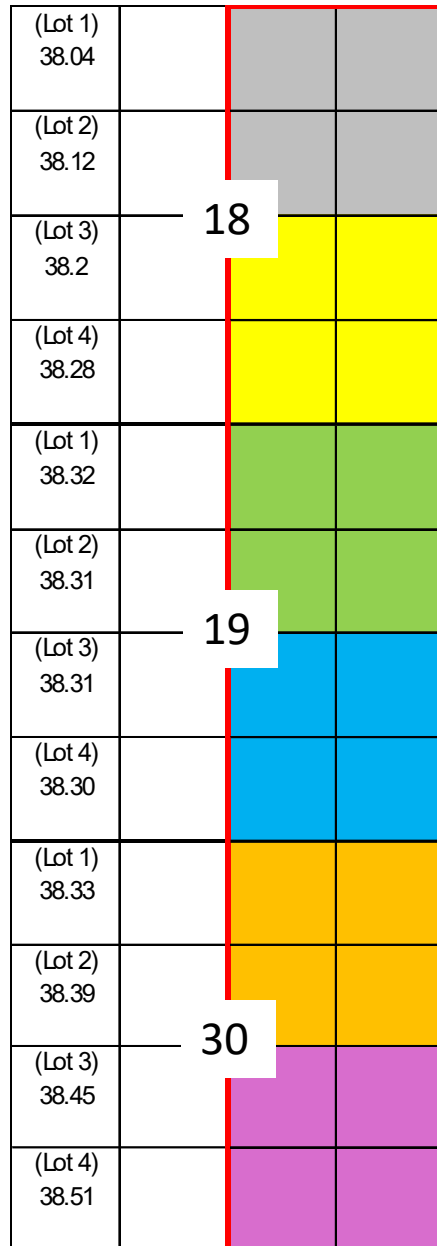
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- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT





# 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



- 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)

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%
<b>Total:</b>	<b>100.0000%</b>

\* 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-18-b**



**FRANKLIN MOUNTAIN ENERGY**

**AUTHORITY FOR EXPENDITURE**

**Well Name:** Rope State Com 303H  
**Location:** SHL: Sec 30-T18S-R35E 260 FSL 1190 FEL  
 BHL: Sec 18-T18S-R35E 100 FNL 1490 FEL  
**Operator:** FranklinMountain Energy 3, LLC  
**Purpose:** Drill and complete a 15,000' 1BS well.  
 TVD 9,162', MD 24,162'.

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

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

**Intangible Drilling Costs**

Major	Minor	Description	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	35	CONTINGENCY COSTS 5%	\$157,025
<b>Total Intangible Drilling Costs:</b>			<b>\$3,470,253</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	\$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**

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>\$1,033,654</b>

**Intangible Completion Costs**

Major	Minor	Description	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	\$816,500
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/TA 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>\$7,997,800</b>

**Tangible Completion Costs**

Major	Minor	Description	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**

Major	Minor	Description	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>\$62,100</b>

**Office Use Only:**

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 PROPORTIONATE 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 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' IBS well.  
 TVD 9,033', MD 24,033'.

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

**Intangible Drilling Costs**

Major	Minor	Description	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	35	CONTINGENCY COSTS 5%	\$157,025
<b>Total Intangible Drilling Costs:</b>			<b>\$3,470,253</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	\$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**

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>\$783,654</b>

**Intangible Completion Costs**

Major	Minor	Description	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/TA 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**

Major	Minor	Description	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**

Major	Minor	Description	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:**

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 COST ESTIMATES. BILLING WILL REFLECT YOUR PROPORINATE 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: \_\_\_\_\_  
 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



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

**Well Name:** Rope State Com 604H **Well #:** 604H  
**Location:** SHL: Sec 30-T18S-R35E 260 FSL 1130 FEL BHL: Sec 18-T18S-R35E 100 FNL 925 FEL **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. **AFE #:** DCE240119

Intangible Drilling Costs			Amount
Major	Minor	Description	
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$84,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$45,000
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	\$878,400
225	55	DRILLING - DIRECTIONAL	\$320,000
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	\$275,000
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	\$360,000
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	\$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>

Intangible Completion Costs			Amount
Major	Minor	Description	
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	\$861,500
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/TA COSTS	\$0
240	115	PERFORATING/WIRELINE SERVICE	\$392,500
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$14,500
240	130	STIMULATION	\$4,285,000
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%	\$417,500
<b>Total Intangible Completion Costs:</b>			<b>\$8,006,800</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	\$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 Completion Costs			Amount
Major	Minor	Description	
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>

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>\$783,654</b>

Intangible Facility Costs			Amount
Major	Minor	Description	
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>

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

**Total AFE:** \$14,500,308.95

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: Craig Walters  
 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	Well Number 302H
OGRID No. 331595	Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	Ground Level Elevation 3,945.3'
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
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

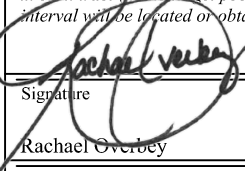

First Take Point (FTP)

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)

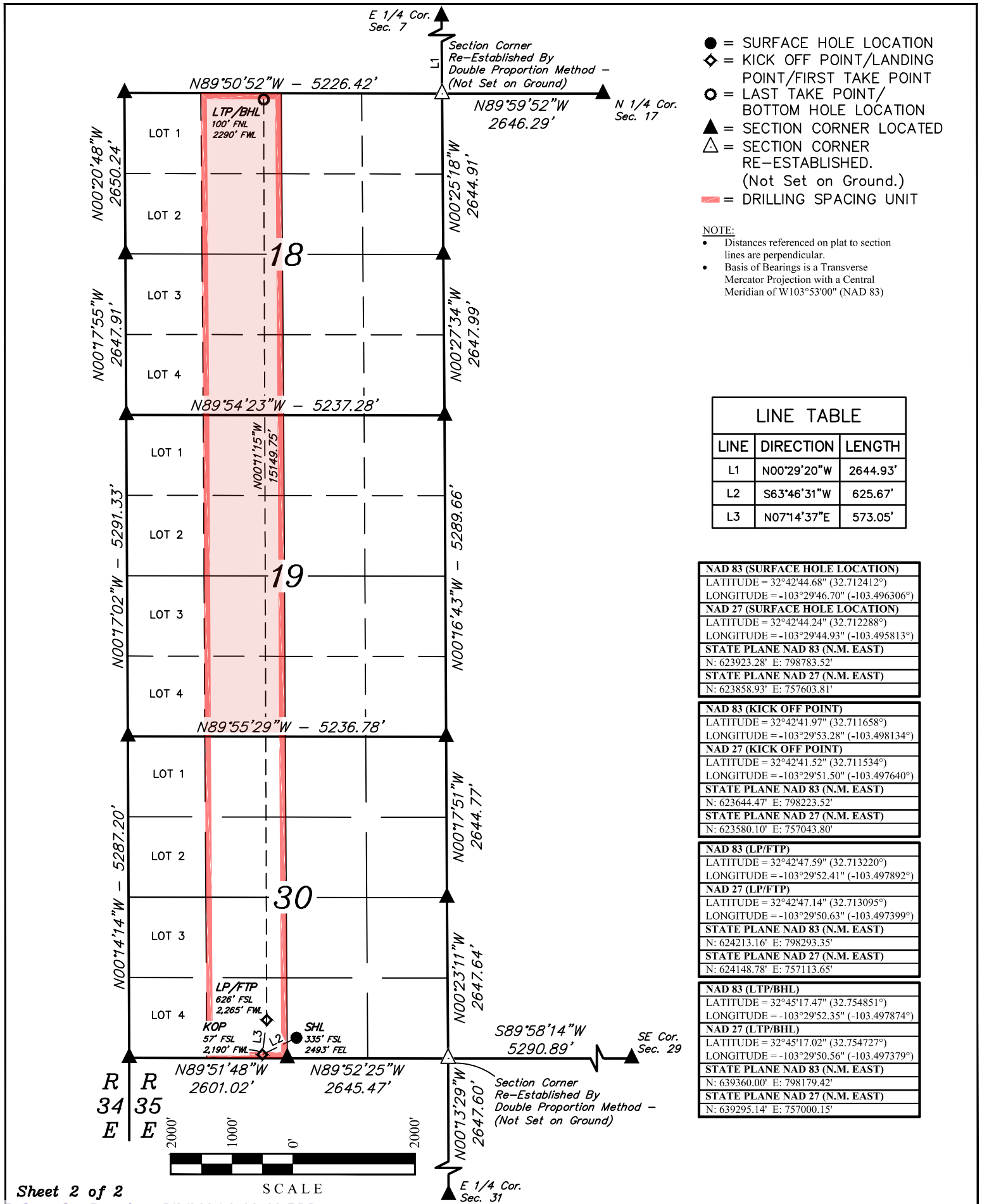
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
C	18	18S	35E		100 NORTH	2,290 WEST	32.754851°	-103.497874°	LEA

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 <span style="margin-left: 150px;">Date</span>                  8/30/2024                  Rachael Overbey                  Printed Name                  roverbey@fmelc.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 style="text-align: right;">                 Signature and Seal of Professional Surveyor                  23782 <span style="margin-left: 100px;">February 21, 2024</span>                  Certificate Number <span style="margin-left: 100px;">Date of Survey</span> </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.*

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	625.67'
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 30-025-53337	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
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 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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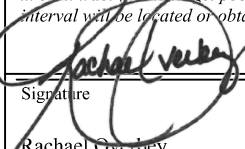

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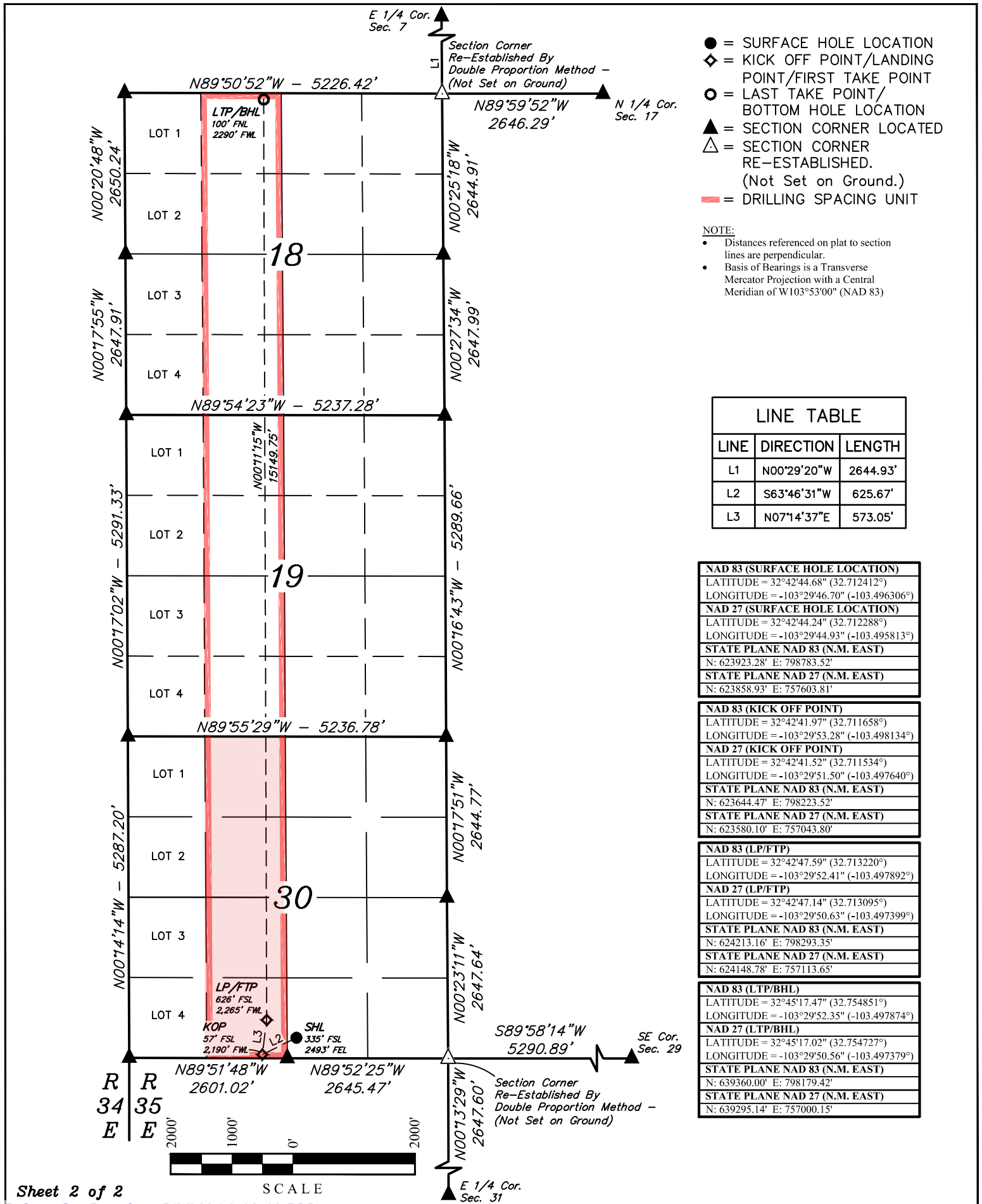
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS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

*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
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- = 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)

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L3	N07°14'37"E	573.05'

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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

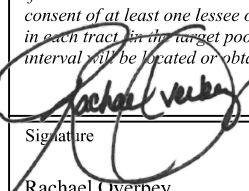
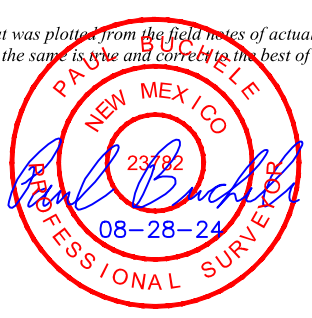
First Take Point (FTP)

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)

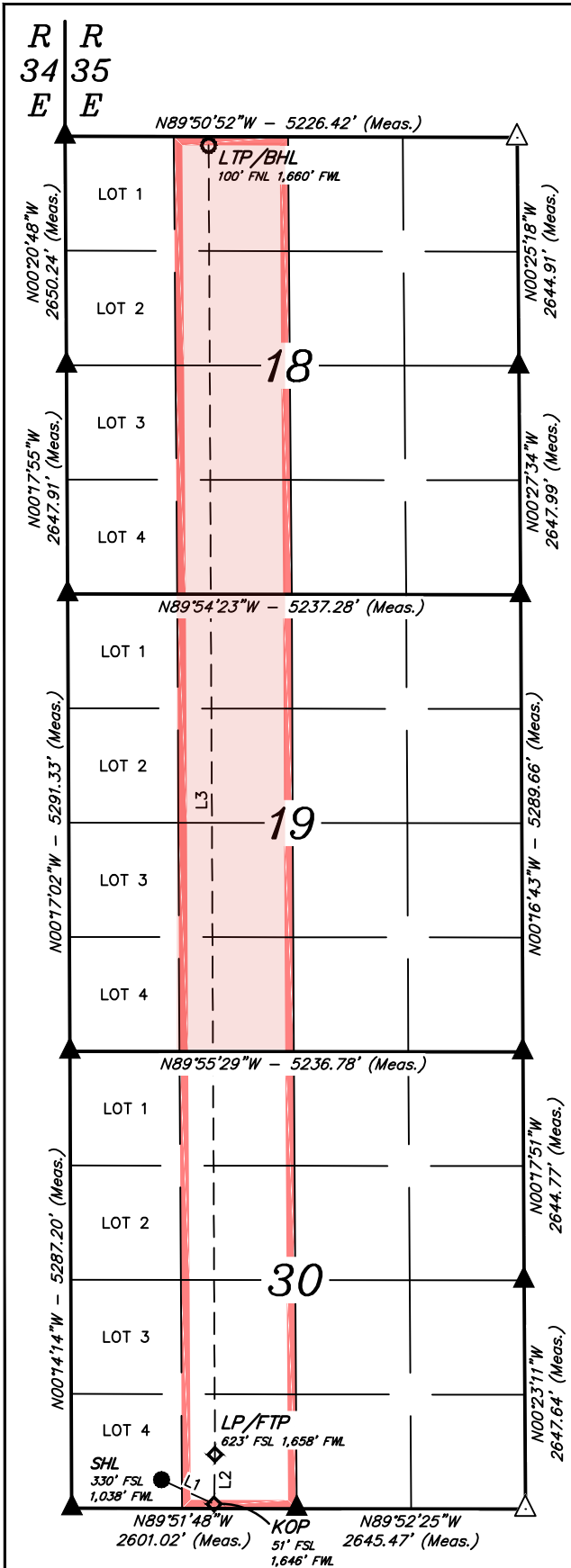
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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<p><b>OPERATOR CERTIFICATIONS</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 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'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623850.40' E: 755889.26'

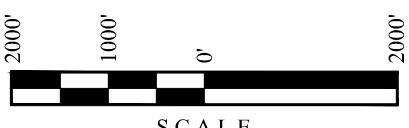
<b>NAD 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.93" (32.711648°) LONGITUDE = -103°29'59.66" (-103.499904°)
<b>NAD 27 (KICK OFF POINT)</b> LATITUDE = 32°42'41.49" (32.711524°) LONGITUDE = -103°29'57.88" (-103.499411°) STATE PLANE NAD 83 (N.M. EAST) N: 623636.49' E: 797678.95'
<b>STATE PLANE NAD 27 (N.M. EAST)</b> 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°)
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<b>STATE PLANE NAD 27 (N.M. EAST)</b> 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°)
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<b>STATE PLANE NAD 27 (N.M. EAST)</b> 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
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- ▲ = 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	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
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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 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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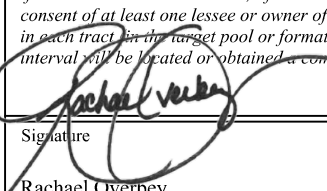
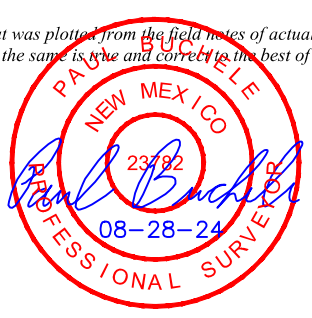
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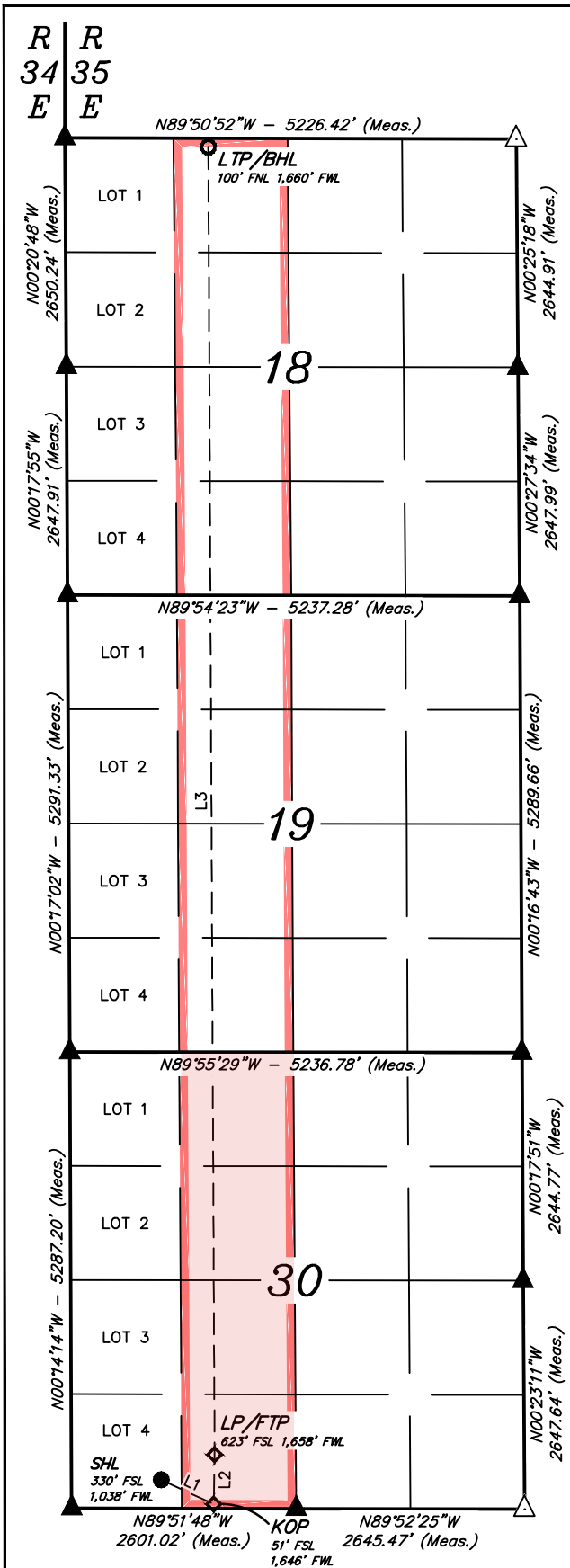
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- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



# 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	30		
(Lot 1) 38.33			
(Lot 2) 38.39			
(Lot 3) 38.45			
(Lot 4) 38.51			

- Proposed Bone Spring Unit
- Tract 1 (160.00 Acres)
- Tract 2 (80.00 Acres)
- Tract 3 (80.00 Acres)
- Tract 4 (80.00 Acres)
- Tract 5 (80.00 Acres)

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

\* 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 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 302H  
**Location:** SHL: Sec 30-T18S-R35E 260 FSL 2490 FEL  
 BHL: Sec 18-T18S-R35E 100 FNL 2290 FWL  
**Operator:** Franklin Mountain Energy 3, LLC  
**Purpose:** Drill and complete a 15,000' 1BS well.  
 TVD 9,177', MD 24,177'.

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

Intangible Drilling Costs			Amount
Major	Minor	Description	
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	35	CONTINGENCY COSTS 5%	\$157,025
<b>Total Intangible Drilling Costs:</b>			<b>\$3,470,253</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>\$783,654</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**

THIS AUTHORITY FOR EXPENDITURE IS BASED ON COST ESTIMATES. BILLING WILL REFLECT YOUR PROPORINATE 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-19-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 602H  
**Location:** SHL: Sec 30-T18S-R35E 270 FSL 865 FWL  
 BHL: Sec 18-T18S-R35E 100 FNL 1660 FWL  
**Operator:** Franklin Mountain Energy 3, LLC  
**Purpose:** Drill and complete a 15,000' 3BS well.  
 TVD 10,333', MD 25,333'.

**Well #:** 602H  
**County/State:** Lea Co., NM  
**Date Prepared:** 1/4/2024  
**AFE #:** DCE240118

**Intangible Drilling Costs**

Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$84,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$45,000
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	\$878,400
225	55	DRILLING - DIRECTIONAL	\$320,000
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	\$275,000
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
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225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$360,000
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	\$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>\$783,654</b>

**Intangible Completion Costs**

Major	Minor	Description	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	\$861,500
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/TA COSTS	\$0
240	115	PERFORATING/WIRELINE SERVICE	\$392,500
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$14,500
240	130	STIMULATION	\$4,285,000
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%	\$417,500
<b>Total Intangible Completion Costs:</b>			<b>\$8,006,800</b>

**Tangible Completion Costs**

Major	Minor	Description	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**

Major	Minor	Description	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:**

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
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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: \_\_\_\_\_  
 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. 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

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

UL B	Section 19	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 1490 EAST	Latitude (NAD 83) 32.740277°	Longitude (NAD 83) -103.493102°	County LEA
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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 30	Township 18S	Range 35E	Lot	Ft. from N/S 50 SOUTH	Ft. from E/W 1491 EAST	Latitude (NAD 83) 32.711611°	Longitude (NAD 83) -103.493047°	County LEA
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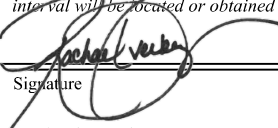
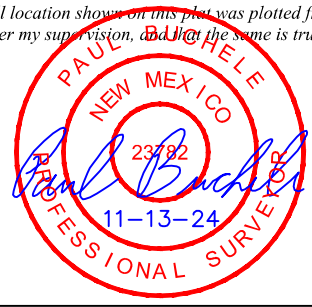

First Take Point (FTP)

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

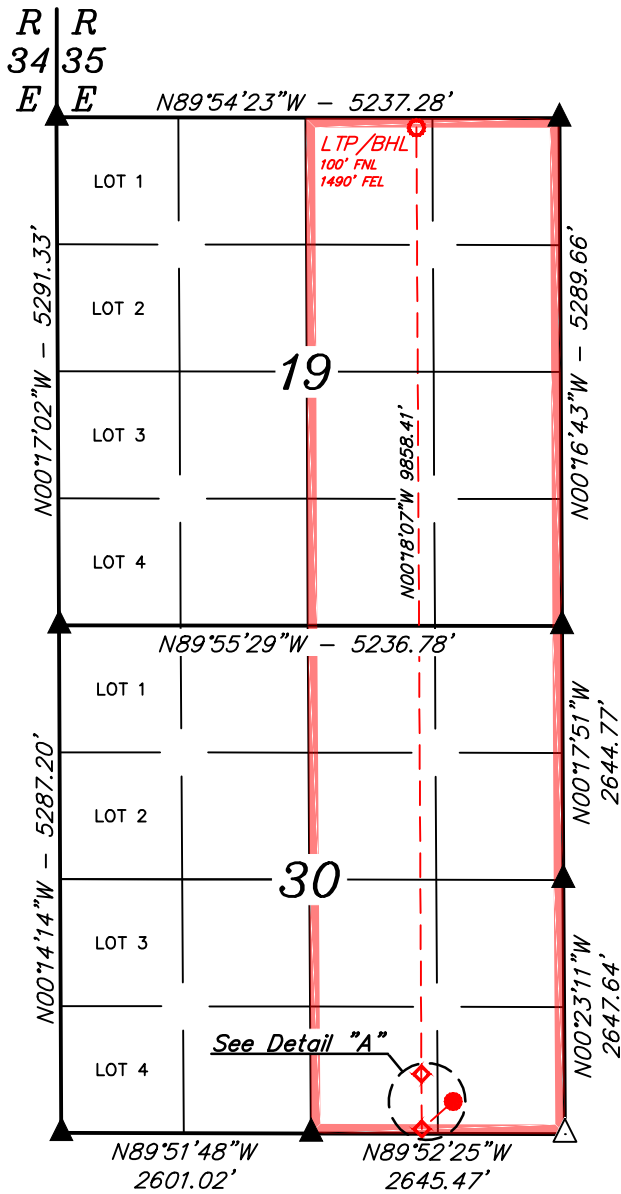
UL B	Section 19	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 1490 EAST	Latitude (NAD 83) 32.740277°	Longitude (NAD 83) -103.493102°	County LEA
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Unitized Area or Area of Uniform Interest	Spacing Unit Type <input checked="" type="checkbox"/> Horizontal <input type="checkbox"/> Vertical	Ground Floor Elevation:
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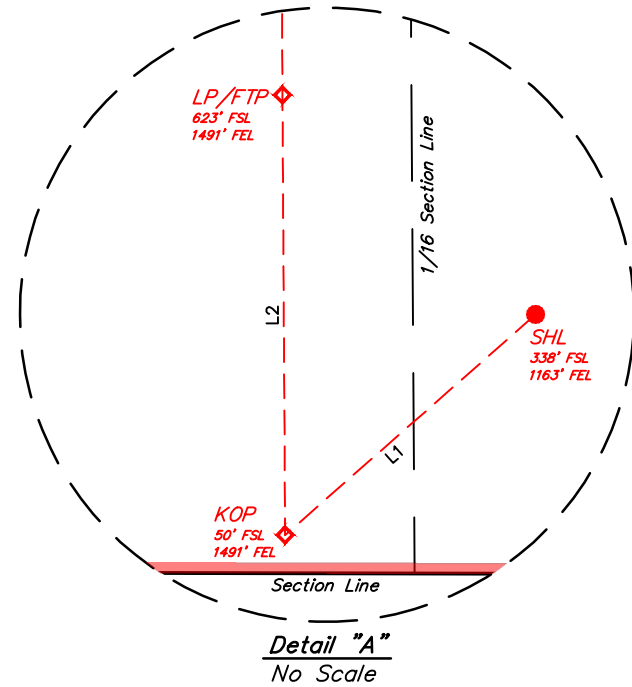
<p><b>OPERATOR CERTIFICATIONS</b></p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the 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 plot 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 83 (KICK OFF POINT)</b> LATITUDE = 32°42'41.80" (32.711611°) LONGITUDE = -103°29'34.97" (-103.493047°)
<b>NAD 27 (SURFACE HOLE LOCATION)</b> LATITUDE = 32°42'44.18" (32.712273°) LONGITUDE = -103°29'29.36" (-103.491489°)	<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: 623928.41' E: 800113.29'	<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: 623864.09' E: 758933.56'	<b>STATE PLANE NAD 27 (N.M. EAST)</b> N: 623575.52' E: 758608.56'
<b>NAD 83 (LP/FTP)</b> LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°)	<b>NAD 83 (LTP/BHL)</b> LATITUDE = 32°44'25.00" (32.740277°) LONGITUDE = -103°29'35.17" (-103.493102°)
<b>NAD 27 (LP/FTP)</b> LATITUDE = 32°42'47.02" (32.713062°) LONGITUDE = -103°29'33.21" (-103.492558°)	<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: 624212.77' E: 799782.36'	<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: 624148.43' E: 758602.64'	<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



SCALE

<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 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

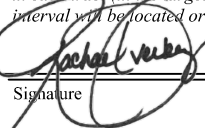

First Take Point (FTP)

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)

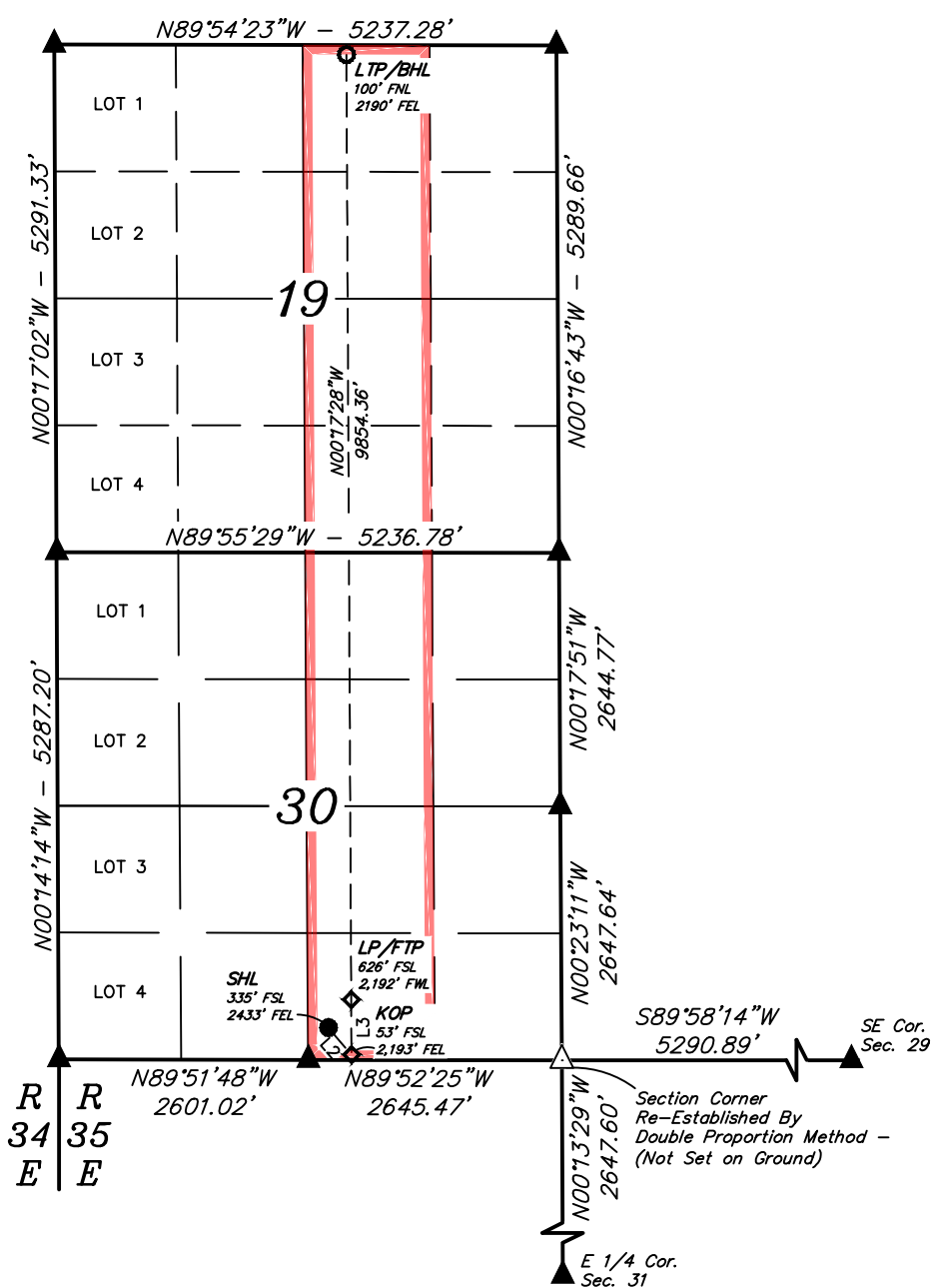
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
B	19	18S	35E		100 NORTH	2,190 EAST	32.740288°	-103.495378°	LEA

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@fmelc.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°33'06"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'

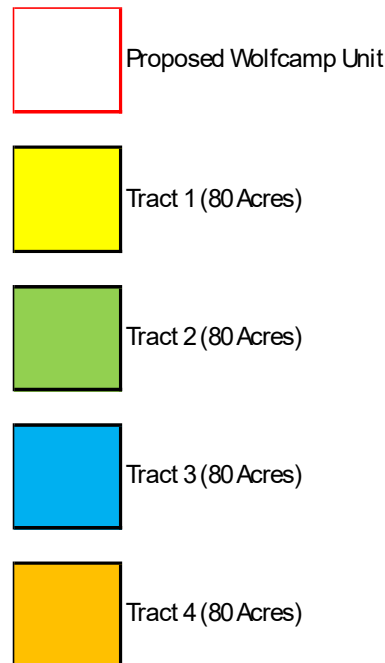
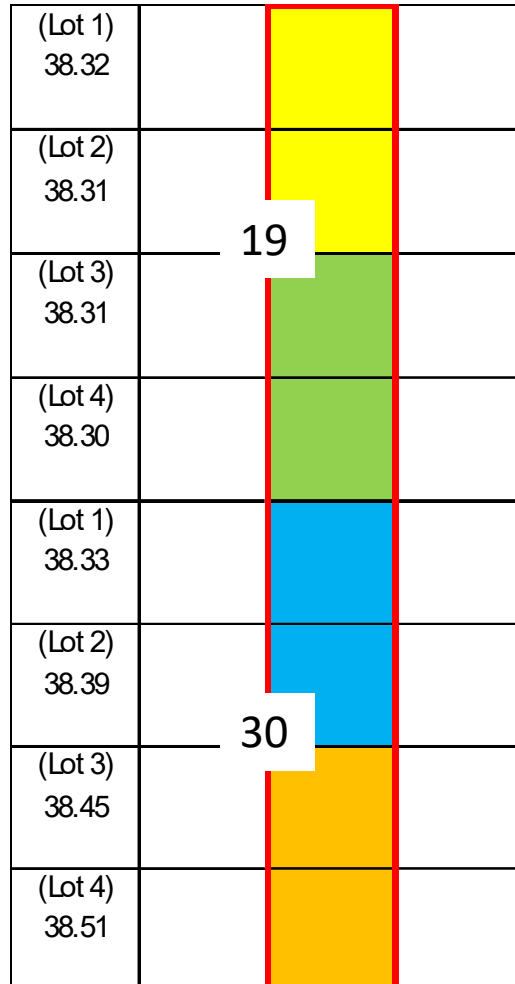
<b>NAD 83 (LTP/BHL)</b>
LATITUDE = 32°44'25.04" (32.740288°)
LONGITUDE = -103°29'43.36" (-103.495378°)
<b>NAD 27 (LTP/BHL)</b>
LATITUDE = 32°44'24.59" (32.740163°)
LONGITUDE = -103°29'41.58" (-103.494884°)
<b>STATE PLANE NAD 83 (N.M. EAST)</b>
N: 634067.30' E: 798988.65'
<b>STATE PLANE NAD 27 (N.M. EAST)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



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

Tract	Lease	%
1	VB-1499	25.0000%
2	VB-1478	25.0000%
3	VO-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 803H  
**Location:** SHL: Sec 30-T18S-R35E 335 FSL 2433 FEL  
 BHL: Sec 19-T18S-R35E 100 FNL 2190 FEL  
**Operator:** Franklin Mountain Energy 3, LLC  
**Purpose:** Drill and complete a 10,000' WCB well.  
 TVD 11,519', MD 21,519'.

**Well #:** 803H  
**County/State:** Lea Co., NM  
**Date Prepared:** 8/13/2024  
**AFE #:** DCE240816

Intangible Drilling Costs			Amount
Major	Minor	Description	
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/CONDUCT 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>

Intangible Completion Costs			Amount
Major	Minor	Description	
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	PR&TA 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>\$4,857,945</b>

Tangible Drilling Costs			Amount
Major	Minor	Description	
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 Completion Costs			Amount
Major	Minor	Description	
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
Major	Minor	Description	
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>

Intangible Facility Costs			Amount
Major	Minor	Description	
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:	\$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

**Office Use Only:**

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: 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 FMEI

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.

<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

**EXHIBIT A-20-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.** 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

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. 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

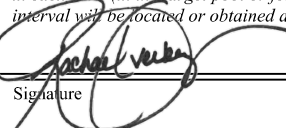
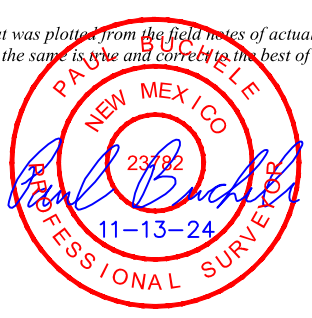
First Take Point (FTP)

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)

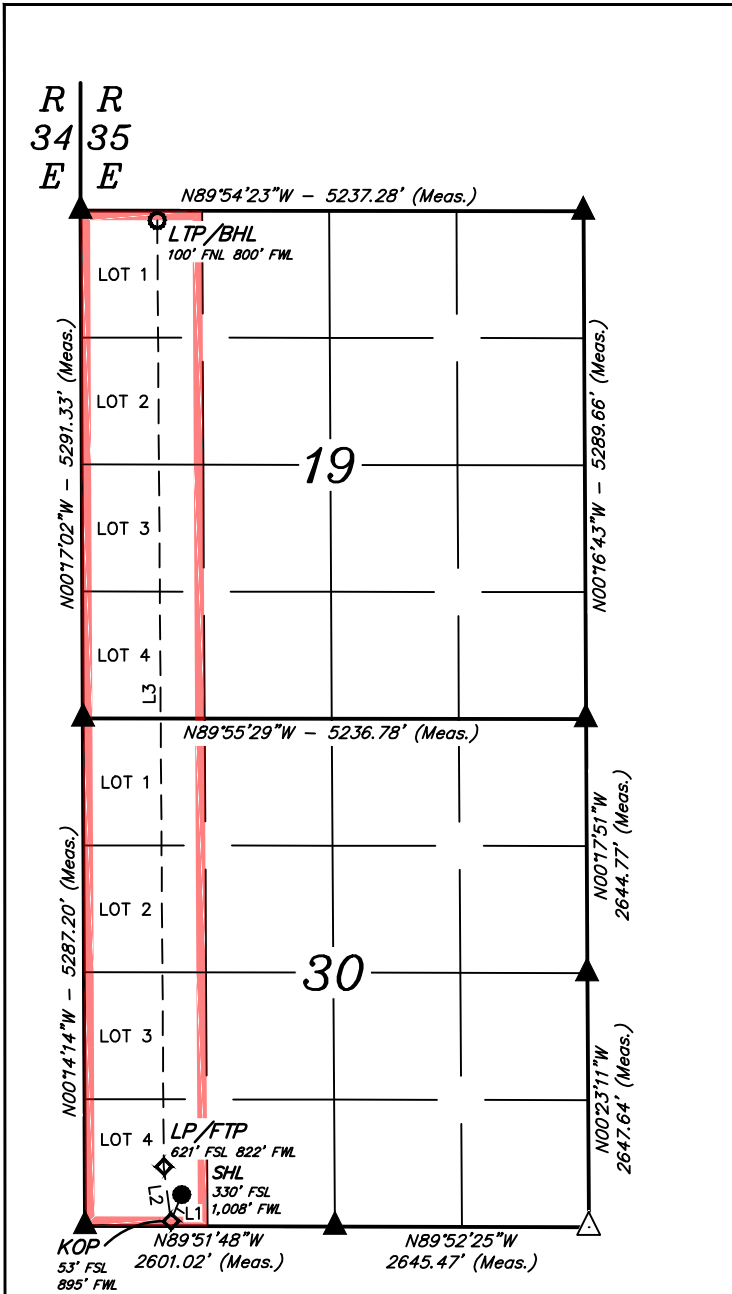
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)	Longitude (NAD 83)	County
1	19	18S	35E		100 NORTH	800 WEST	32.740320°	-103.502685°	LEA

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

<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                  10/29/2024             </p> <p>                 Printed Name                  rachael@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 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'	

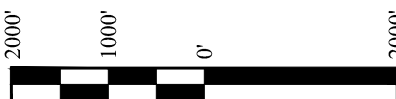
NAD 83 (KICK OFF POINT)	
LATITUDE = 32°42'42.00" (32.711666°)	LONGITUDE = -103°30'08.43" (-103.502343°)
NAD 27 (KICK OFF POINT)	
LATITUDE = 32°42'41.55" (32.711542°)	LONGITUDE = -103°30'06.66" (-103.501849°)
STATE PLANE NAD 83 (N.M. EAST)	
N: 623637.25' E: 796928.96'	
STATE PLANE NAD 27 (N.M. EAST)	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

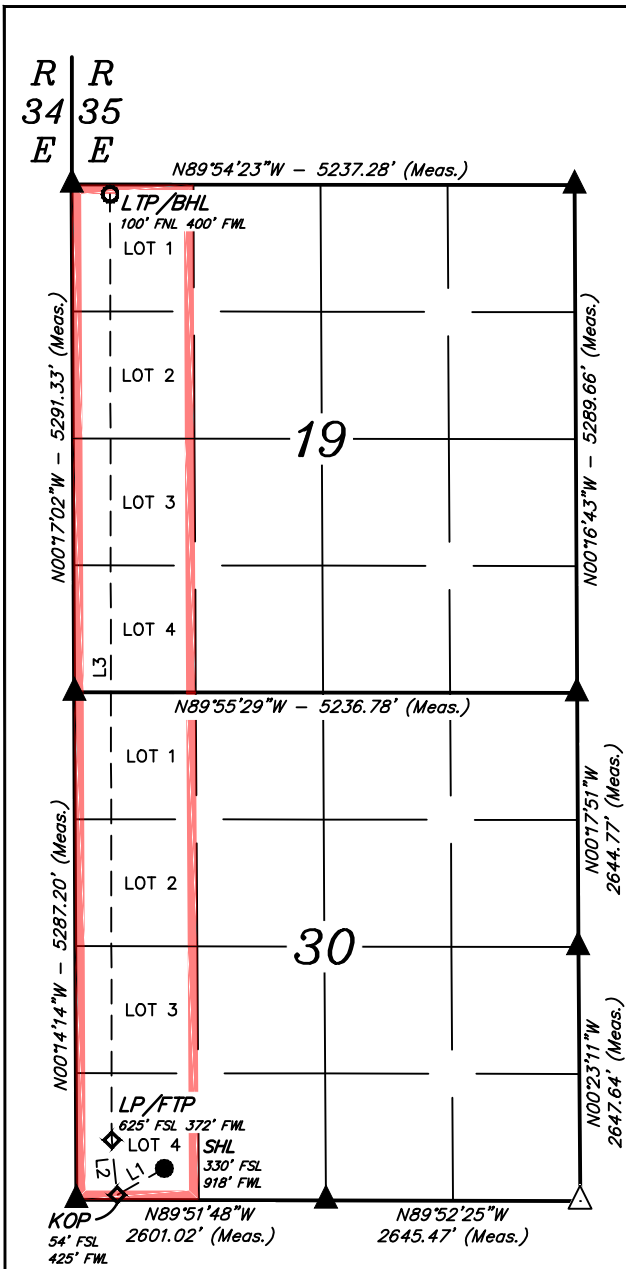


SCALE

- = 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



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	S60°48'25"W	562.73'
L2	N05°33'24"W	573.05'
L3	N00°06'03"W	9854.10'

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

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

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

NAD 83 (LTP/BHL)	
LATITUDE = 32°44'25.17" (32.740326°)	LONGITUDE = -103°30'14.35" (-103.503986°)
NAD 27 (LTP/BHL)	
LATITUDE = 32°44'24.73" (32.740202°)	LONGITUDE = -103°30'12.57" (-103.503491°)
STATE PLANE NAD 83 (N.M. EAST)	
N: 634060.38'	E: 796341.88'
STATE PLANE NAD 27 (N.M. EAST)	
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 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. 24899 Unit Summary

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

Rope State Com 701H  
 Rope State Com 801H

(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 Wolfcamp Unit
- Tract 1 (38.32 Acres)
- Tract 2 (38.31 Acres)
- Tract 3 (76.61 Acres)
- Tract 4 (76.72 Acres)
- Tract 5 (76.96 Acres)

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%
<b>Total:</b>	<b>100.0000%</b>

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 **Well #:** 701H  
**Location:** SHL Sec 30-T18S-R35E 330 FSL 1008 FWL **County/State:** Lea Co., NM  
 BHL Sec 19-T18S-R35E 100 FNL 800 FWL  
**Operator:** Franklin Mountain Energy 3, LLC **Date Prepared:** 8/13/2024  
**Purpose:** Drill and complete a 10,000' WCA well. **AFE #:** DCE240810  
 TVD 10,892', MD 20,892'.

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	\$55,000	240	10	CASED HOLE LOGS & SURVEYS	\$7,500
225	15	CEMENTING INTERMEDIATE CASING	\$28,000	240	15	CASING CREW & EQPT	\$0
225	16	CEMENTING PRODUCTION CASING	\$85,000	240	20	COILED TUBING/SNUBBING UNIT	\$186,500
225	20	CEMENTING SUFACE CASING	\$42,000	240	25	COMMUNICATIONS	\$2,500
225	25	COMMUNICATIONS	\$31,000	240	30	COMPANY DIRECT LABOR	\$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$32,500
225	34	CONSTRUCTION/LOCATION & ROAD	\$75,000	240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
225	40	CONTRACT LABOR	\$80,000	240	50	DAMAGES/RECLAMATION	\$500
225	45	DAMAGES	\$15,000	240	55	DISPOSAL SOLIDS	\$15,000
225	50	DAYWORK CONTRACT	\$654,300	240	60	ELECTRICAL POWER/GENERATION	\$0
225	55	DRILLING - DIRECTIONAL	\$245,000	240	62	ENGINEERING	\$0
225	60	DRILLING - FOOTAGE	\$0	240	65	ENVIRONMENTAL/CLEANUP	\$0
225	65	DRILLING BITS	\$65,000	240	70	FISHING TOOLS / SERVICES	\$0
225	70	ELECTRICAL POWER/GENERATION	\$0	240	71	FLUIDS/HAULING/DISPOSAL	\$99,000
225	75	ENGINEERING	\$20,000	240	72	FRAC WATER/COMPLETION FLUID	\$544,000
225	80	ENVIRONMENTAL SERVICES	\$250,000	240	75	FUEL, POWER/DIESEL	\$464,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY	\$5,500
225	85	EQUIPMENT RENTAL	\$80,000	240	85	HOUSING AND SUPPORT SERVICES	\$11,500
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	\$35,000	240	100	MUD & CHEMICALS	\$6,400
225	105	INSURANCE	\$3,600	240	110	P&A/TA COSTS	\$5,700
225	106	INSPECTIONS	\$15,000	240	115	PERFORATING/WIRELINE SERVICE	\$249,000
225	110	LEGAL, TITLE SERVICES	\$6,000	240	120	PIPE INSPECTION	\$0
225	115	MATERIALS & SUPPLIES	\$5,000	240	125	ROAD, LOCATIONS REPAIRS	\$3,500
225	120	MISCELLANEOUS	\$5,000	240	130	STIMULATION	\$2,358,500
225	125	MOUSERATHOLE/CONDUCT PIPE	\$31,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$10,000
225	130	MUD & CHEMICALS	\$210,000	240	140	SUPERVISION	\$30,000
225	140	OPENHOLE LOGGING	\$0	240	145	SURFACE EQUIP RENTAL	\$103,500
225	141	CASED HOLE LOGGING	\$0	240	150	TRANSPORTATION/TRUCKING	\$234,500
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$104,500
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	\$120,000
225	160	RIG UP TEAR OUT & STANDBY	\$0	240	148	TAXES	\$0
225	163	SITE RESTORATION	\$10,000	240	40	CONTINGENCY COSTS 5%	\$231,045
225	165	STAKING & SURVEYING	\$6,000			<b>Total Intangible Completion Costs:</b>	<b>\$4,851,945</b>
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>				

Tangible Drilling Costs			
Major	Minor	Description	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			
Major	Minor	Description	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>

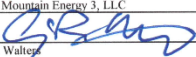
Tangible Facility Costs			
Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$13,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$124,000
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>

Intangible Facility Costs			
Major	Minor	Description	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	\$0
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

Office Use Only:			
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:   
 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.

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
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