



Before the Oil Conservation Division  
Examiner Hearing September 23, 2021

Compulsory Pooling

**Case No. 22117:** Breckenridge Fed Com 304H  
& Breckenridge Fed Com 604H

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

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

**CASE NO. 22117**

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- Exhibit 4: Lease Tract Map/Summary of Interests
- Exhibit 5: Notice Affidavit

Tab C: Affidavit of Ben Kessel, Geologist

- Exhibit 6: Locator Map
- Exhibit 7: Wellbore Schematic
- Exhibit 8: Breckenridge Fed Com 304H Geology Study
- Exhibit 9: Breckenridge Fed Com 604H Geology Study
- Exhibit 10: Regional Stress Orientation Justification

# COMPULSORY POOLING APPLICATION CHECKLIST

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

<b>Case: 22117</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date: September 23, 2021</b>	
Applicant	Franklin Mountain Energy, LLC
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy, LLC (373910)
Applicant's Counsel:	Modrall Sperling (Deana Bennett, Jamie Allen)
Case Title:	Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	Colorado
<b>Formation/Pool</b>	
Formation Name(s) or Vertical Extent:	Bone Spring / Wolfbone
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Bone Spring / Wolfbone
Pool Name and Pool Code:	WC-025 G-08 S233528D; MIDDLE BONE SPRING, Pool Code 98294 WC-025 G-09 S243532M; WOLFBONE, Pool Code 98098
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	320 acres
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320 acres
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Y
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N
Applicant's Ownership in Each Tract	Exhibit 4.
<b>Well(s)</b>	



Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Exhibits 2A & 2B. See also Tab B, Declaration of Shelly Albrecht, ¶¶ 16, 18.
Well #1	Breckenridge Fed Com 304H API: 30-025-47027 SHL: 325 feet from the South line and 1233 feet from the East line, Section 9, Township 24 South, Range 35 East, NMPM. BHL: 150 feet from the North line and 350 feet from the East line, Section 4, Township 24 South, Range 35 East, NMPM. Completion Target: Middle Bone Spring at approximately 11,106' TVD. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit 2A for C-102.
Well #2	Breckenridge Fed Com 604H API: 30-025-47117 SHL: 325 feet from the South line and 1303 feet from the East line, Section 9, Township 24 South, Range 35 East, NMPM. BHL: 150 feet from the North line and 350 feet from the East line, Section 4, Township 24 South, Range 35 East, NMPM. Completion Target: Wolfbone at approximately 11,813' TVD. Well Orientation: North/South Completion location: Expected to be standard. See also Exhibit 2B for C-102.
Horizontal Well First and Last Take Points	Exhibits 2A & 2B.
Well #1	Breckridge Fed Com 304H Proposed first take point: 816' FSL, 459' FEL, Proposed last take point: 150' FNL, 350' FEL. See Exhibit 2A.
Well #2	Breckridge Fed Com 604H Proposed first take point: 729' FSL, 459' FEL, Proposed last take point: 150' FNL, 350' FEL. See Exhibit 2B.
Completion Target (Formation, TVD and MD)	See Tab B, Declaration of Shelly Albrecht, ¶¶ 16, 18.
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	N/A
Production Supervision/Month \$	N/A
Justification for Supervision Costs	N/A

Requested Risk Charge	N/A
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit 5
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit 5
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit 5
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit 4
Tract List (including lease numbers and owners)	Exhibit 4
Pooled Parties (including ownership type)	Exhibit 4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	N/A
List of Interest Owners (ie Exhibit A of JOA)	N/A
Chronology of Contact with Non-Joined Working Interests	N/A
Overhead Rates In Proposal Letter	N/A
Cost Estimate to Drill and Complete	N/A
Cost Estimate to Equip Well	N/A
Cost Estimate for Production Facilities	N/A
<b>Geology</b>	
Summary (including special considerations)	Tab C
Spacing Unit Schematic	Exhibit 7
Gunbarrel/Lateral Trajectory Schematic	Exhibit 7
Well Orientation (with rationale)	Exhibit 10
Target Formation	Exhibits 8A through 8D, Exhibits 9A through 9D
HSU Cross Section	Exhibit 8C, Exhibit 9C
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	Exhibit 2A, Exhibit 2B
Tracts	Exhibit 4



Summary of Interests, Unit Recapitulation (Tracts)	Exhibit 4
General Location Map (including basin)	Exhibit 6
Well Bore Location Map	Exhibit 6
Structure Contour Map - Subsea Depth	Exhibit 8A, Exhibit 9A
Cross Section Location Map (including wells)	Exhibit 8B, Exhibit 9B
Cross Section (including Landing Zone)	Exhibit 8C, Exhibit 9C
<b>Additional Information</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):	
<b>Date:</b>	September 21, 2021

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

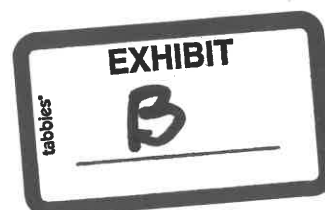
**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY, LLC FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.**

**CASE NO. 22117**

**SELF AFFIRMED DECLARATION OF SHELLY ALBRECHT**

Shelly Albrecht hereby states and declares as follows:

1. I am over the age of 18, I am the Director of Land for Franklin Mountain Energy, LLC ("Franklin"), and I have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division ("Division") and I have been qualified by the Division as an expert petroleum landman.
2. My area of responsibility at Franklin includes the area of Lea County in New Mexico.
3. I am familiar with the application filed by Franklin in this case, which is attached as **Exhibit 1**.
4. I am familiar with the status of the lands that are subject to the application.
5. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling application.
6. The purpose of the application is to force pool only overriding royalty interests into the horizontal spacing unit described below, and in the wells to be drilled in the unit.
7. No opposition is expected because the overriding royalty interest owners being pooled have been contacted regarding the proposed wells, but have failed or refused to voluntarily commit their interests in the wells.



8. The spacing unit and well that Franklin proposes in this case is part of a comprehensive development plan covering Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

9. In this case, Franklin seeks an order from the Division pooling overriding royalty interests within a horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

10. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge 604H wells to be horizontally drilled.

11. Attached as **Exhibit 2** are the proposed C-102s for the wells.

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

13. In preparation for this hearing, I reviewed the well files for the Breckenridge Fed Com 304H and the Breckenridge 604H wells. In my review, I noted that the approved APDs for these wells changed the pool and pool code as follows:

- Breckenridge Fed Com 304H: Changed to WC-025 G-08 S233528D;LWR BONE SPRING (Pool Code 97958). APD attached as **Exhibit 3-A**.
- Breckenridge Fed Com 604H: Changed to WC-025 G-09 S243532M;WOLFBONE (Pool Code 98098). APD attached as **Exhibit 3-B**.

14. Although the pool code for the Breckenridge Fed Com 304H well was changed on the APD to Pool Code 97958, I noticed that on the APDs for Franklin's other Colorado First Bone Spring wells the pool code was changed to Pool Code 98294, WC-025 G-07 S243517D;MIDDLE BONE SPRING. *See, e.g.*, APD for Georgetown 301H well attached as **Exhibit 3-C**. Franklin submitted a sundry notice, attached as **Exhibit 3-D**, to OCD to change the name of the 302H well to 304H and used Pool Code 98294 to be consistent with the pool code as indicated on Franklin's



APDs for its other Colorado First Bone Spring wells. Likewise, the C-102 Franklin has included with its exhibit packet for the Breckenridge Fed Com 304H uses Pool Code 98294 to be consistent with the pool code as indicated on Franklin's APDs for its other Colorado First Bone Spring wells.

15. WC-025 G-07 S243517D;MIDDLE BONE SPRING (Pool Code 98294) is an oil pool with 40-acre building blocks.

16. This pool is governed by the state-wide horizontal well rules. The producing interval for the Breckenridge Fed Com 304H well will be orthodox and will comply with the Division's set back requirements. The TVD for the Breckenridge Fed Com 304H well will be approximately 11,106 feet and the MD will be approximately 20,114 feet.

17. WC-025 G-09 S243532M;WOLFBONE (Pool Code 98098) is an oil pool with 40-acre building blocks.

18. This pool is governed by the state-wide horizontal well rules. The producing interval for the Breckenridge Fed Com 604H well will be orthodox and will comply with the Division's set back requirements. The TVD for the Breckenridge Fed Com 604H well will be approximately 11,813 feet and the MD will be approximately 21,907 feet.

19. It is my understanding that the pool was changed to a Wolfbone pool because of the proximity between the Third Bone Spring and the Upper Wolfcamp in this area. Significantly, there is no ownership difference between the Third Bone Spring and Upper Wolfcamp, and more importantly, Franklin is not seeking to pool any working interest owners and there are no unleased interest owners. Franklin has proposed these wells to its partners and no partners have objected to the drilling of the wells.

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

21. **Exhibit 4** includes a lease tract map outlining the unit being pooled. Franklin only needs to pool overriding interest owners because all working interest owners have agreed to participate in the wells under a JOA. Exhibit 4 also includes the overriding interest owners being pooled and a summary of the percent of their interests.

22. Because Franklin seeks only to pool overrides, Franklin was not required to send proposal letters to them, or Authorization for Expenditures. In addition, because Franklin only seeks to pool overrides, Franklin does not request any overhead or administrative rates or the imposition of a risk charge.

23. I have conducted a diligent search of the public records in the county where the well will be located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification.

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

25. **Exhibit 5** is an affidavit of notice prepared by counsel for Franklin that shows the parties who were notified of this hearing, the status of whether they received notice, and an affidavit of publication from the Hobbs News-Sun newspaper, showing that notice of this hearing was published on August 29, 2021.

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

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

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: September 20, 2021

  
Shelly Albrecht

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

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

CASE NO. 22117

**APPLICATION**

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, 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 overriding royalty owners within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. In support of this application, FME states:

1. FME has an interest in the subject lands and has a right to drill and operate a well thereon.
2. FME seeks to dedicate the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico to form a 320-acre, more or less, spacing unit.
3. FME plans to drill the **Breckenridge Fed Com 304H and Breckenridge Fed Com 604H** wells to a depth sufficient to test the Bone Spring formation.
4. The wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
5. FME has obtained voluntary agreement from all working interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells.



6. FME seeks only to pool overriding royalty interest owners. The pooling of such interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, FME requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 9, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all overriding royalty interest owners in the Bone Spring formation underlying a horizontal spacing unit within the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and

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

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By: Deana M. Bennett  
Deana M. Bennett  
Jamie L. Allen  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
*Attorneys for Applicant*



**CASE NO. \_\_\_\_:** Application of Franklin Mountain Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all overriding royalty interests within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge Fed Com 604H wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to be considered will be designation of Franklin Mountain Energy, LLC as operator of the wells. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

W4124849.DOCX

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-47027	<sup>2</sup> Pool Code 98294	<sup>3</sup> Pool Name WC-025 G-07 S243517D; MIDDLE BONE SPRING
<sup>4</sup> Property Code 327347	<sup>5</sup> Property Name BRECKENRIDGE FED COM	<sup>6</sup> Well Number 304H
<sup>7</sup> OGRID No. 373910	<sup>8</sup> Operator Name FRANKLIN MOUNTAIN ENERGY LLC	<sup>9</sup> Elevation 3374.4'

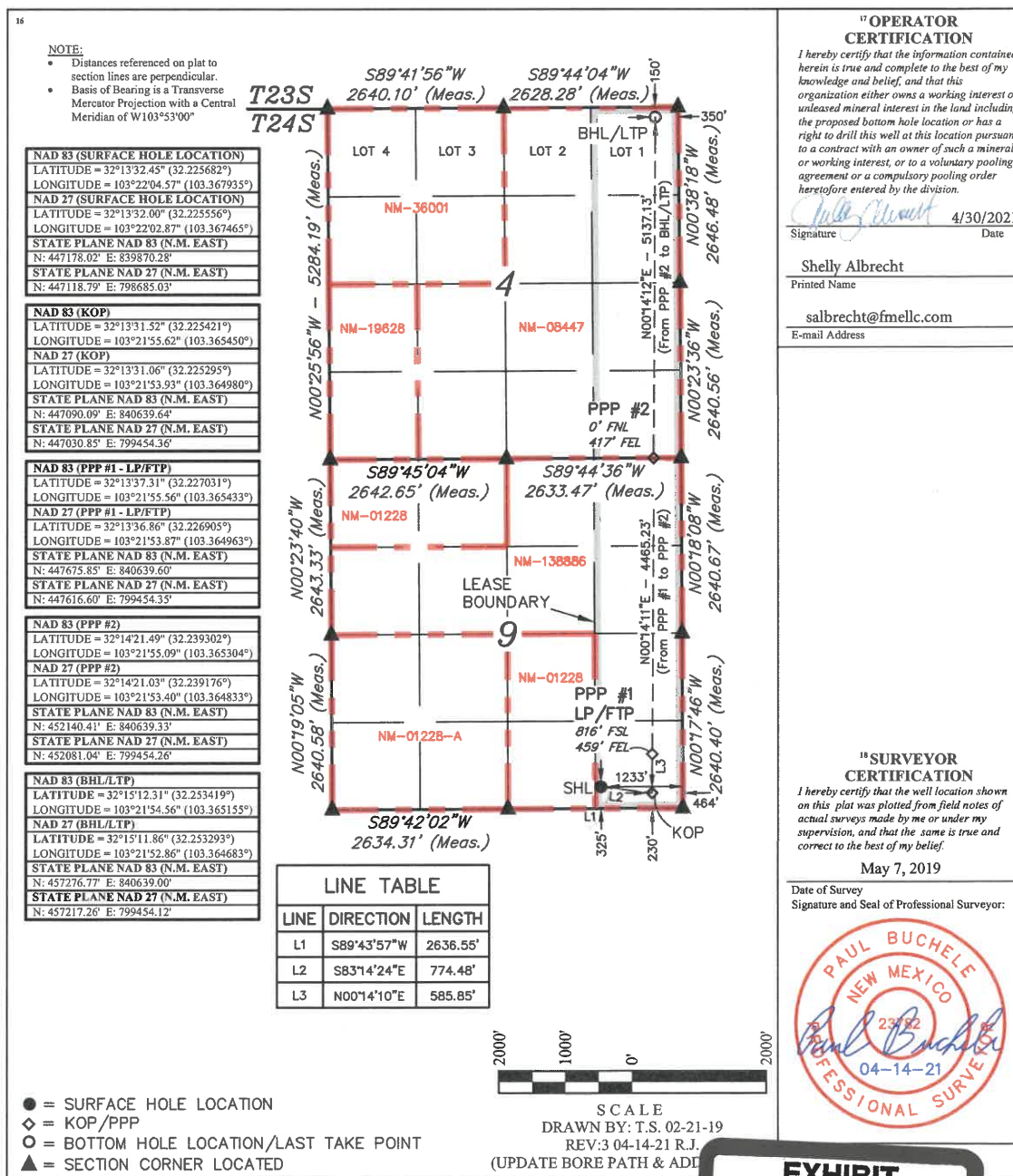
<sup>10</sup> Surface Location

UL or lot no. P	Section 9	Township 24S	Range 35E	Lot Ida	Feet from the 325	North/South line SOUTH	Feet from the 1233	East/West line EAST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. 1	Section 4	Township 24S	Range 35E	Lot Ida	Feet from the 150	North/South line NORTH	Feet from the 350	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acres 320.19	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

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



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number 30-025-47117	<sup>2</sup> Pool Code 98098	<sup>3</sup> Pool Name WC-025 G-09 S243532M; WOLFBONE
<sup>4</sup> Property Code 327347	<sup>5</sup> Property Name BRECKENRIDGE FED COM	<sup>6</sup> Well Number 604H
<sup>7</sup> OGRID No. 373910	<sup>8</sup> Operator Name FRANKLIN MOUNTAIN ENERGY LLC	<sup>9</sup> Elevation 3374.7'

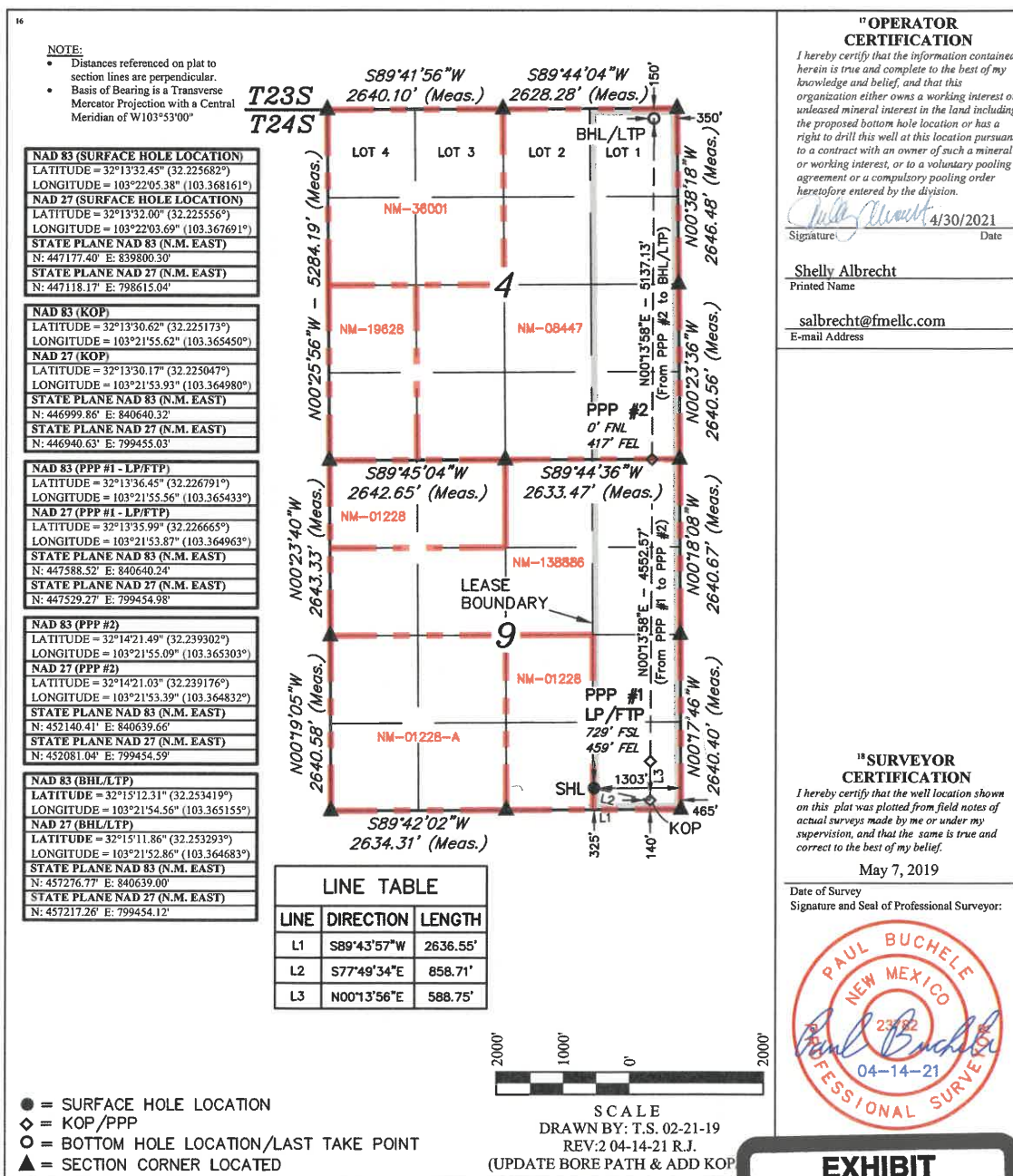
<sup>10</sup> Surface Location

UL or lot no. P	Section 9	Township 24S	Range 35E	Lot Idn	Feet from the 325	North/South line SOUTH	Feet from the 1303	East/West line EAST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. 1	Section 4	Township 24S	Range 35E	Lot Idn	Feet from the 150	North/South line NORTH	Feet from the 350	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acres 320.19	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

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





Form 3160-3  
(June 2015)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR REENTER

OCD - HOBBS  
03/24/2020  
RECEIVEDFORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM138886
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No.
2. Name of Operator FRANKLIN MOUNTAIN ENERGY LLC 373910		8. Lease Name and Well No. BRECKENRIDGE FED COM 327347 302H
3a. Address 2401 E 2nd Avenue, Suite 300, Denver, CO 80206	3b. Phone No. (include area code) (720) 414-7868	9. API Well No. 97958
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE / 325 FSL / 1233 FEL / LAT 32.225682 / LONG -103.367935 At proposed prod. zone LOT 1 / 150 FNL / 350 FEL / LAT 32.253419 / LONG -103.365155		10. Field and Pool, or Exploratory ON SHORE, BONE SPRING SOUTH XX
11. Sec., T, R, M. or Blk. and Survey or Area SEC 9/T24S/R35E/NMP		
14. Distance in miles and direction from nearest town or post office* 18 miles		12. County or Parish LEA
13. State NM		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 325 feet	16. No of acres in lease 320	17. Spacing Unit dedicated to this well 320.0
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 35 feet	19. Proposed Depth 9892 feet / 19965 feet	20. BLM/BIA Bond No. in file FED: NMB001761
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3374 feet	22. Approximate date work will start* 12/01/2019	23. Estimated duration 30 days
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be requested by the BLM.            |

25. Signature (Electronic Submission)	Name (Printed/Typed) Rachael Overbey / Ph: (720) 414-7868	Date 10/15/2019
Title by Director Operations Planning and Regulatory		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Christopher Walls / Ph: (575) 234-2234	Date 03/12/2020
Title Petroleum Engineer	Office Carlsbad Field Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GCP REC 03/24/2020

APPROVED WITH CONDITIONS

KZ  
03/27/2020EXHIBIT  
3.A

SL

(Continued on page 2)

Form 3160-3  
(June 2015)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTOCD - HOBBS  
04/22/2020  
RECEIVEDFORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

## APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM138886
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No.
2. Name of Operator FRANKLIN MOUNTAIN ENERGY LLC [7377]		8. Lease Name and Well No. BRECKENRIDGE FED COM [327347] 604H
3a. Address 2401 E 2nd Avenue, Suite 300, Denver, CO 80206	3b. Phone No. (include area code) (720) 414-7868	9. API Well No. 30-025-47117
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SESE / 325 FSL / 1303 FEL / LAT 32.225682 / LONG -103.368161 At proposed prod. zone LOT 1 / 150 FNL / 350 FEL / LAT 32.253419 / LONG -103.365155		10. Field and Pool, or Exploratory [98098] OJO CHISO, BONE SPRING SOUTH/OJ
11. Sec., T. R. M. or Blk. and Survey or Area SEC 9/T24S/R35E/NMP		
14. Distance in miles and direction from nearest town or post office* 18 miles		12. County or Parish LEA
13. State NM		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 325 feet	16. No of acres in lease 320	17. Spacing Unit dedicated to this well 320.0
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 35 feet	19. Proposed Depth 11548 feet / 21667 feet	20. BLM/BIA Bond No. in file FED: NMB001761
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3374 feet	22. Approximate date work will start* 12/01/2019	23. Estimated duration 30 days
24. Attachments		

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be requested by the BLM.            |

25. Signature (Electronic Submission)	Name (Printed/Typed) Rachael Overbey / Ph: (720) 414-7868	Date 10/15/2019
Title pý Director Operations Planning and Regulatory		
Approved by (Signature) (Electronic Submission)	Name (Printed/Typed) Cody Layton / Ph: (575) 234-5959	Date 04/21/2020
Title Assistant Field Manager Lands & Minerals	Office Carlsbad Field Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GCP Rec 04/22/2020

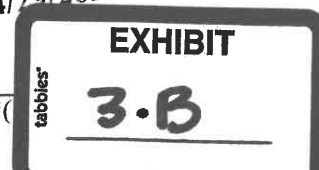
SL

(Continued on page 2)

Released to Imaging: 9/22/2021 8:27:08 AM



Approval Date: 04/21/2020

KZ  
04/29/2020



Form 3160-3  
(June 2015)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR REENTER

OCD - HOBBS  
05/27/2020  
RECEIVEDFORM APPROVED  
OMB No. 1004-0137  
Expires: January 31, 2018

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NMNM0001228
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
1c. Type of Completion: <input type="checkbox"/> Hydraulic Fracturing <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. If Unit or CA Agreement, Name and No.
2. Name of Operator FRANKLIN MOUNTAIN ENERGY LLC [373910]		8. Lease Name and Well No. GEORGETOWN FED COM [328251] 301H
3a. Address 2401 E 2nd Avenue, Suite 300, Denver, CO 80206	3b. Phone No. (include area code) (720) 414-7868	9. API Well No. 30-025-47263
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWSW / 325 FSL / 1150 FWL / LAT 32.22568 / LONG -103.377272 At proposed prod. zone NWNW / 150 FNL / 350 FWL / LAT 32.253417 / LONG -103.379931		10. Field and Pool, or Exploratory [98294] NWN BONE SPRIN [98185] WC-025 G-05
14. Distance in miles and direction from nearest town or post office* 18 miles		11. Sec., T. R. M. or Blk. and Survey or Area SEC 9/T24S/R35E/NMP
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 325 feet	16. No of acres in lease 560	12. County or Parish LEA
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 35 feet	17. Spacing Unit dedicated to this well 320.0	13. State NM
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3392 feet	19. Proposed Depth 9948 feet / 20008 feet	20. BLM/BIA Bond No. in file FED: NMB001761
22. Approximate date work will start* 12/01/2019	23. Estimated duration 30 days	24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

- |  |   |
|--|---|
| 1. Well plat certified by a registered surveyor.   | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan.  | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be requested by the BLM.            |

25. Signature (Electronic Submission)	Name (Printed/Typed) Rachael Overbey / Ph: (720) 414-7868	Date 10/11/2019
Title py Director Operations Planning and Regulatory		
Approved by (Signature)	Name (Printed/Typed)	Date
Title Office		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

GCP Rec 05/27/2020

SL

(Continued on page 2)

K2  
06/11/2020

\*(Instructions on page 2)

Submit 1 Copy To Appropriate District Office

District I – (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II – (575) 748-1283

811 S. First St., Artesia, NM 88210

District III – (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV – (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM

87505

State of New Mexico  
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103

Revised July 18, 2013

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-47027
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator FRANKLIN MOUNTAIN ENERGY, LLC		6. State Oil & Gas Lease No.
3. Address of Operator 44 COOK STREET, SUITE 1000, DENVER, CO 80206		7. Lease Name or Unit Agreement Name BRECKENRIDGE FEDERAL COM
4. Well Location Unit Letter _____ P _____ : _____ 325 _____ feet from the _____ South _____ line and _____ 1233 _____ feet from the _____ East _____ line Section _____ 9 _____ Township _____ 24S _____ Range _____ 35E _____ NMPM _____ County _____ Lea _____		8. Well Number 302H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3374		9. OGRID Number 373910
10. Pool name or Wildcat WC-025 G-08 S233528D; LWR BONE SPRING		

## 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

## NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐  
 DOWNHOLE COMMINGLE ☐  
 CLOSED-LOOP SYSTEM ☐  
 OTHER: ☒

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☐ P AND A ☐  
 CASING/CEMENT JOB ☐  
 OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Franklin Mountain Energy, LLC (FME), Operator of the above captioned well, respectfully requests approval to change the name of the well from Breckenridge Fed Com 302H to BRECKENRIDGE FED COM 304H.  
 Revised C-102 attached for OCD record.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE



TITLE Dir. Ops Planning &amp; Regulatory

DATE 8/2/2021

Type or print name Rachael Overbey

E-mail address: roverbey@fmccl.com

For State Use Only

APPROVED BY:

TITLE

EXHIBIT

3-D

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
District II  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

Form C-102  
Revised August 1, 2011  
Submit one copy to appropriate  
District Office

☒ AMENDED REPORT

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

<sup>1</sup> API Number 30-025-47027	<sup>2</sup> Pool Code 98294	<sup>3</sup> Pool Name WC-025 G-07 S243517D; MIDDLE BONE SPRING
<sup>4</sup> Property Code 327347	<sup>5</sup> Property Name BRECKENRIDGE FED COM	<sup>6</sup> Well Number 304H
<sup>7</sup> OGRID No. 373910	<sup>8</sup> Operator Name FRANKLIN MOUNTAIN ENERGY LLC	<sup>9</sup> Elevation 3374.4'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	9	24S	35E		325	SOUTH	1233	EAST	LEA

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	4	24S	35E		150	NORTH	350	EAST	LEA
<sup>12</sup> Dedicated Acres 320.19	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

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

<sup>16</sup>

**NOTE:**

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

**NAD 83 (SURFACE HOLE LOCATION)**  
LATITUDE = 32°13'32.45" (32.225682°)  
LONGITUDE = 103°22'04.57" (103.367935°)  
**NAD 27 (SURFACE HOLE LOCATION)**  
LATITUDE = 32°13'32.00" (32.225556°)  
LONGITUDE = 103°22'02.87" (103.367465°)  
**STATE PLANE NAD 83 (N.M. EAST)**  
N: 447178.02' E: 839870.28'  
**STATE PLANE NAD 27 (N.M. EAST)**  
N: 447118.79' E: 798685.03'

**NAD 83 (KOP)**  
LATITUDE = 32°13'31.52" (32.225421°)  
LONGITUDE = 103°21'55.62" (103.365450°)  
**NAD 27 (KOP)**  
LATITUDE = 32°13'31.06" (32.225295°)  
LONGITUDE = 103°21'53.93" (103.364980°)  
**STATE PLANE NAD 83 (N.M. EAST)**  
N: 447090.09' E: 840639.64'  
**STATE PLANE NAD 27 (N.M. EAST)**  
N: 447030.85' E: 799454.36'

**NAD 83 (PPP #1 - LP/FTP)**  
LATITUDE = 32°13'37.31" (32.227031°)  
LONGITUDE = 103°21'55.56" (103.365433°)  
**NAD 27 (PPP #1 - LP/FTP)**  
LATITUDE = 32°13'36.86" (32.226905°)  
LONGITUDE = 103°21'53.87" (103.364963°)  
**STATE PLANE NAD 83 (N.M. EAST)**  
N: 447675.85' E: 840639.60'  
**STATE PLANE NAD 27 (N.M. EAST)**  
N: 447616.60' E: 799454.35'

**NAD 83 (PPP #2)**  
LATITUDE = 32°14'21.49" (32.239302°)  
LONGITUDE = 103°21'55.09" (103.365304°)  
**NAD 27 (PPP #2)**  
LATITUDE = 32°14'21.03" (32.239176°)  
LONGITUDE = 103°21'53.40" (103.364833°)  
**STATE PLANE NAD 83 (N.M. EAST)**  
N: 452140.41' E: 840639.33'  
**STATE PLANE NAD 27 (N.M. EAST)**  
N: 452081.04' E: 799454.26'

**NAD 83 (BHL/LTP)**  
LATITUDE = 32°15'12.31" (32.253419°)  
LONGITUDE = 103°21'54.56" (103.365155°)  
**NAD 27 (BHL/LTP)**  
LATITUDE = 32°15'11.86" (32.253203°)  
LONGITUDE = 103°21'54.16" (103.364882°)

The plat shows a 4-lot section (T23S, T24S, R35E, S9) with a lease boundary. Well locations are marked with bearings and distances: KOP (320' from SHL), SHL (1233' from L1), L1 (325' from SHL), L2 (230' from SHL). Various other well locations are shown with bearings and distances, including NM-36001, NM-19628, NM-08447, NM-01228, NM-138886, NM-01228-A, and NM-01228-B. The plat also shows the location of the well relative to the section lines and the pool code.

**<sup>17</sup> OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: *Shelly Albrecht* Date: 4/30/2021

Printed Name: Shelly Albrecht

salbrecht@fmellc.com

E-mail Address

**<sup>18</sup> SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.



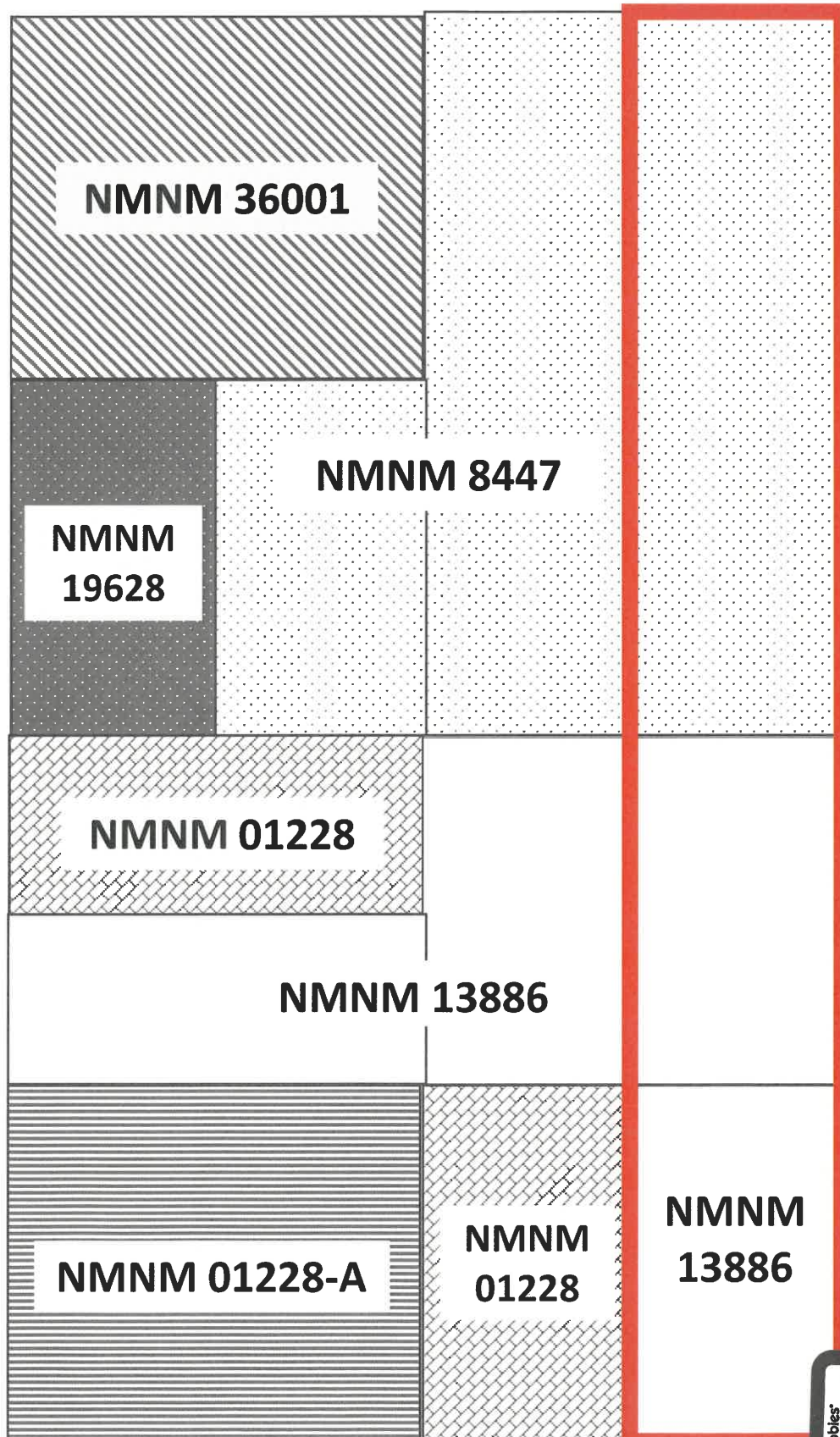
**Lease Tract Map**

Case No. 22117

E/2E/2 of Sections 4 & 9-24S-35E- 320.19 Gross Acres

Breckenridge Fed Com 304H

Breckenridge Fed Com 604H



## Summary of Interests

Case No. 22117

E/2E/2 of Sections 4 & 9-24S-35E- 320.19 Gross Acres

Breckenridge Fed Com 304H

Breckenridge Fed Com 604H

### ORRI Owners (Totaling 12.5% Net Revenue Interest):

Franklin Mountain Royalty Investments, LLC

Prevail Energy, LLC

Free Ride LLC

Rheiner Holdings LLC

Paul Slayton

Monticello Minerals, LLC

Stewart Heighten

TD Minerals LLC

Cathleen Ann Adams, Trustee of the Cathleen ann Adams Revocable Trust dated 9/25/2020, as amended and restated

Occidental Permian LP

McKay Petroleum Corporation

Susan Arrott aka Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 4/8/2019, as amended and restated

St. Clair of Texas, LLC

Depke Trust

DMA Inc

C. Richard Overly

Charmar LLC

BPL Fish Pond LLC

Richard C. Deason

Millis Jeffrey Oakes

Thomas D. Deason

Stephen William Oakes

Ronald H. Mayer

Elizabeth Ann Cline

SAP, LLC

Benjamin Jacob Oakes

Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999

Matthew David Oakes

Pony Oil Operating LLC

Olin Brett Dalton

MerPel, LLC

David Trent Dalton

Bryan Bell Family, LLC

Milton R. Fry

Magnum Hunter Production Inc

Featherstone Development Corp.

Patrick J. McClellan

Covey Energy Partners LP

Regan A. Burrows

Cayuga Royalties, LLLC

Elliott-Hall Company





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

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

**CASE NO. 22117, 22120,  
22121**

**AFFIDAVIT**

STATE OF NEW MEXICO            )  
  ) ss.  
COUNTY OF BERNALILLO        )

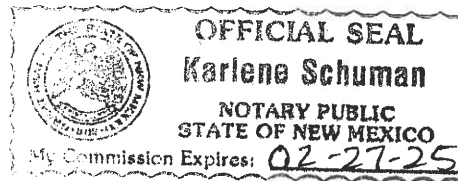
Deana M. Bennett, attorney in fact and authorized representative of Franklin Mountain Energy, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under a notice letter, attached, and that proof of receipt is attached hereto. I also state that notice of the hearing was published in the Hobbs News-Sun on August 29, 2021, as reflected in the attached Affidavit of Publication.

Deana M. Bennett

SUBSCRIBED AND SWORN to before me this 21st day of September, 2021 by Deana M. Bennett.

Notary Public

My commission expires: 02-27-25





MODRALL SPERLING  
L A W Y E R S

August 19, 2021

Deana M. Bennett  
505.848.1834  
[Deana.Bennett@modrall.com](mailto:Deana.Bennett@modrall.com)

**VIA CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC TO  
AMEND ORDER NO. R-20945, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22116**

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

**CASE NO. 22117**

**Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC TO  
AMEND ORDER O. R-20944, LEA COUNTY, NEW MEXICO.**

**CASE NO. 22120**

**TO: AFFECTED PARTIES**

This letter is to advise you that Franklin Mountain Energy, LLC ("FME") has filed the above-listed applications.

In Case No. 22116, FME seeks an order from the Division amending Order No. R-20945 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20945 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

In Case No. 22117, FME seeks an order from the Division pooling all overriding royalty interests within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge Fed Com 604H wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to

Modrall Sperling  
Roehl Harris & Sisk P.A.  
500 Fourth Street NW  
Suite 1000  
Albuquerque,  
New Mexico 87102  
PO Box 2168  
Albuquerque,  
New Mexico 87103-2168  
Tel: 505.848.1800  
[www.modrall.com](http://www.modrall.com)

Page 2

be considered will be designation of Franklin Mountain Energy, LLC as operator of the wells. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

In Case No. 22120, FME seeks an order from the Division amending Order No. R-20944 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

**During the COVID-19 Public Health Emergency, state buildings are closed to the public and hearings will be conducted remotely. The hearing will be conducted on Sept. 9, 2021 beginning at 8:15 a.m. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <http://www.emnrd.state.nm.us/OCD/hearings.html>.**

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

You are further notified that if you desire to appear in these cases, then you are requested to file a Pre-Hearing Statement with the Division at least four business days in advance of a scheduled hearing before the Division or the Commission, but in no event later than 5:00 p.m. mountain time, on the Thursday preceding the scheduled hearing date, with a copy delivered to the undersigned.

Sincerely,



Deana M. Bennett

*Attorney for Applicant*

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

**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY, LLC TO AMEND ORDER NO. R-20945,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 22116  
ORDER NO. R-20945  
(Re-Open)**

**APPLICATION**

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, through its undersigned attorneys, files this application with the Oil Conservation Division ("Division") for the limited purpose of amending Order No. R-20945 to allow for an extension of time for drilling the initial well under the Order. In support of this application, FME states as follows:

1. FME has an interest in the subject lands and has a right to drill and operate a well thereon.
2. The Division entered Order No. R-20945 in Case No. 20776 on October 31, 2019.
3. Order No. R-20945 is one of several orders (the "Colorado Orders") relating to FME's "Colorado" well group and FME's "Colorado" units.
4. Order No. R-20945 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.
5. Order No. R-20945 designated FME as the operator of the wells and the unit.
6. On August 18, 2020, FME submitted a written request to OCD an extension of time to spud the initial well under Order R-20945. FME submitted this written request under the

then existing form of order which allowed requests for extensions of time to be submitted by letter to OCD, rather than by an application for hearing.

7. OCD granted FME's request for an extension of time, through October 31, 2021.

8. Since the issuance of the Colorado Orders, FME has determined to batch drill the wells that are the subject of the Colorado Orders to facilitate efficient drilling of the wells.

9. FME requests that Order No. R-20945 be re-opened again and amended to allow FME additional time to commence drilling the initial well under the Order.

10. Good cause exists for FME's request for an extension of time.

11. As FME indicated in its August 18, 2020 letter, there had been changes in FME's drilling schedule due to COVID-19 and the then-existing market conditions.

12. FME's operations and drilling activity have continued to be impacted by COVID-19 and oil and gas market conditions.

13. In addition, FME has determined to batch drill the wells subject to this Order, along with the wells subject to the other Colorado Orders.

14. In addition to filing this request for an extension of time, FME is requesting extensions of time with respect to all of the Colorado Orders to enable FME to batch drill the wells, which will be more efficient.

15. It is FME's intent to develop the acreage in this unit, as well as the other Colorado units, and to drill the wells thereon. Given the delays occasioned by COVID-19, and Franklin's decision to batch drill the wells, FME requires additional time to commence drilling.

16. FME asks that the deadline to commence drilling the initial well be extended for a year from October 31, 2021 to October 31, 2022.



WHEREFORE, FME requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 9, 2021, and after notice and hearing as required by law, the Division:

A. Amend Order No. R-20945 to extend the time for FME to commence drilling the initial well under the Order for a year, through October 31, 2022.

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

By: Deana M. Bennett  
Deana M. Bennett  
Jamie L. Allen  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
*Attorneys for Applicant*

•

**CASE NO. \_\_\_\_\_ : (Re-Open) Application of Franklin Mountain Energy, LLC to Amend Order No. R-20945, Lea County, New Mexico.** Applicant seeks an order from the Division amending Order No. R-20945 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20945 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

W4125628.DOCX

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

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

CASE NO. 22117

**APPLICATION**

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, 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 overriding royalty owners within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. In support of this application, FME states:

1. FME has an interest in the subject lands and has a right to drill and operate a well thereon.
2. FME seeks to dedicate the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico to form a 320-acre, more or less, spacing unit.
3. FME plans to drill the **Breckenridge Fed Com 304H and Breckenridge Fed Com 604H** wells to a depth sufficient to test the Bone Spring formation.
4. The wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.
5. FME has obtained voluntary agreement from all working interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells.

6. FME seeks only to pool overriding royalty interest owners. The pooling of such interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, FME requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 9, 2021, and after notice and hearing as required by law, the Division enter its order:

A. Pooling all overriding royalty interest owners in the Bone Spring formation underlying a horizontal spacing unit within the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico; and

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

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By: Deana M. Bennett

Deana M. Bennett  
Jamie L. Allen  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
*Attorneys for Applicant*

**CASE NO. \_\_\_\_:** Application of Franklin Mountain Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all overriding royalty interests within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge Fed Com 604H wells to be horizontally drilled. The producing area for the wells will be orthodox. Also to be considered will be designation of Franklin Mountain Energy, LLC as operator of the wells. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

W4124849.DOCX

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

**APPLICATION OF FRANKLIN MOUNTAIN  
ENERGY, LLC TO AMEND ORDER NO. R-20944,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 22120  
ORDER NO. R-20944  
(Re-Open)**

**APPLICATION**

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, through its undersigned attorneys, files this application with the Oil Conservation Division ("Division") to amend Order No. R-20944 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for an extension of time for drilling the initial well under the Order. In support of this application, FME states as follows:

1. FME has an interest in the subject lands and has a right to drill and operate a well thereon.
2. The Division entered Order No. R-20944 in Case No. 20775 on October 31, 2019.
3. Order No. R-20944 is one of several orders (the "Colorado Orders") relating to FME's "Colorado" well group and FME's "Colorado" units.
4. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.
5. Order No. R-20944 dedicate the above-described spacing unit to the Golden Fed Com 603H well.
6. Order No. R-20944 designated FME as the operator of the well and the unit.



7. On August 18, 2020, FME submitted a written request to OCD an extension of time to spud the initial well under Order R-20944. FME submitted this written request under the then-existing form of order which allowed requests for extensions of time to be submitted by letter to OCD, rather than by an application for hearing.

8. OCD granted FME's request for an extension of time, through October 31, 2021.

9. Since the issuance of the Colorado Orders, FME has determined to batch drill the wells that are the subject of the Colorado Orders to facilitate efficient drilling of the wells.

10. Since entry of Order No. R-20944, FME has determined that prior to the commencement of drilling it is prudent to add the following additional initial Bone Spring well to the approved spacing unit: the Golden Fed Com 303H. This well will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.

11. FME has sent revised well proposal letters to the mineral interest owners pooled under Order No. R-20944 and will notify them of this hearing.

12. FME also requests that Order No. R-20944 be amended to allow FME additional time to commence drilling the initial well under the Order.

13. Good cause exists for FME's request for an extension of time.

14. As FME indicated in its August 18, 2020 letter, there had been changes in FME's drilling schedule due to COVID-19 and the then-existing market conditions.

15. FME's operations and drilling activity have continued to be impacted by COVID-19 and oil and gas market conditions.

16. In addition, FME has determined to batch drill the wells subject to this Order, along with the wells subject to the other Colorado Orders.

17. In addition to filing this request for an extension of time, FME is requesting extensions of time with respect to all of the Colorado Orders to enable FME to batch drill the wells, which will be more efficient.

18. It is FME's intent to develop the acreage in this unit, as well as the other Colorado units, and to drill the wells thereon. Given the delays occasioned by COVID-19, and Franklin's decision to batch drill the wells, FME requires additional time to commence drilling.

19. FME asks that the deadline to commence drilling the initial well be extended for a year from October 31, 2021 to October 31, 2022.

WHEREFORE, FME requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 9, 2021, and after notice and hearing as required by law, the Division:

A. Amend Order No. R-20944 to add the well identified herein to the approved horizontal spacing unit;

B. Amend Order No. R-20944 to extend the time for FME to commence drilling the initial well under the Order for a year, through October 31, 2022.

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

By: Deana M. Bennett

Deana M. Bennett  
Jamie L. Allen  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
*Attorneys for Applicant*

CASE NO. \_\_\_\_\_: (Re-Open) Application of Franklin Mountain Energy, LLC to Amend Order No. R-20944, Lea County, New Mexico. Applicant seeks an order from the Division amending Order No. R-20944 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

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PS Form 3877  
Type of Mailing: CERTIFIED MAIL  
08/19/2021

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

Firm Mailing Book ID: 213677

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0085 6761 87	XTO Holdings, LLC 22777 Springwoods Village Pkwy #115 Spring TX 77389	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
2	9314 8699 0430 0085 6761 94	United States of America 301 Dinosaur Trail Santa Fe NM 87508	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
3	9314 8699 0430 0085 6762 00	Free Ride LLC PO Box 429 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
4	9314 8699 0430 0085 6762 17	Paul Slayton PO Box 2035 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
5	9314 8699 0430 0085 6762 24	Stewart Heights PO Box 686 Graham TX 76450	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
6	9314 8699 0430 0085 6762 31	TD Minerals LLC 8111 Westchester Drive, Suite 900 Dallas TX 75225	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
7	9314 8699 0430 0085 6762 48	Occidental Permian LP 5 Greenway Plaza, suite 110 Houston TX 77046	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
8	9314 8699 0430 0085 6762 55	McKay Petroleum Corporation PO Box 2204 Roswell NM 88201	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
9	9314 8699 0430 0085 6762 62	St. Clair of Texas, LLC O Box 5950 Lubbock TX 79408	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
10	9314 8699 0430 0085 6762 79	Depke Trust 2027 County Field Drive Chesterfield MO 63017	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
11	9314 8699 0430 0085 6762 86	C. Richard Overly 11410 Shadow Way Houston TX 77024	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
12	9314 8699 0430 0085 6762 93	BPL Fish Pond LLC PO Box 92032 Southlake TX 76092	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
13	9314 8699 0430 0085 6763 09	Millis Jeffrey Oakes 3434 Amber Forest Drive Houston TX 77068	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
14	9314 8699 0430 0085 6763 16	Stephen William Oakes 4700 Spanish Moss McKinney TX 75070	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
15	9314 8699 0430 0085 6763 23	Stephen William Oakes 4700 Spanish Moss McKinney TX 75070	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice

Karlene Schuman  
Modrall Sperling Roehl Harris & Sisk P.A.  
500 Fourth Street, Suite 1000  
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Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
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17	9314 8699 0430 0085 6763 47	Benjamin Jacob Oakes 3214 Hickory Grove Lane Pearland TX 77584	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
18	9314 8699 0430 0085 6763 54	Matthew David Oakes 116 N Johnson Ave San Marcos TX 78666	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
19	9314 8699 0430 0085 6763 61	Olin Brett Dalton 335 Granite Row Marble Falls TX 78654	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
20	9314 8699 0430 0085 6763 78	David Trent Dalton 1025 Bald Eagle Dr. Nolanville TX 76559	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
21	9314 8699 0430 0085 6763 85	Milton R. Fry 11014 Hidden Bend Drive Houston TX 77064	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
22	9314 8699 0430 0085 6763 92	Featherstone Development Corp. P.O. Box 429 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
23	9314 8699 0430 0085 6764 08	Covey Energy Partners LP 3300 N A Street, Building 8, Suite 220 Midland TX 79705	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
24	9314 8699 0430 0085 6764 15	Cayuga Royalties, LLC P.O. Box 540711 Houston TX 77254	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
25	9314 8699 0430 0085 6764 22	Prevail Energy, LLC 521 Dexter St. Denver CO 80220	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
26	9314 8699 0430 0085 6764 39	Rheiner Holdings LLC P.O. Box 980552 Houston TX 77098	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
27	9314 8699 0430 0085 6764 46	Monticello Minerals, LLC 4128 Bryn Mawr Dr. Dallas TX 75225	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
28	9314 8699 0430 0085 6764 53	Cathleen Ann Adams, Trustee of the Cathleen Adams Rev Trust dated 9/25/20 P.O. Box 45807 Rio Rancho NM 87174	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
29	9314 8699 0430 0085 6764 60	Susan Arrott aka Susan Carol Arrott, Trustee of Arrott Family Rev Trust of 4/8/19 P.O. Box 95074 North Little Rock AR 72295	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
30	9314 8699 0430 0085 6764 77	DMA Inc P.O. Box 1496 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice



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

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Type of Mailing: CERTIFIED MAIL  
08/19/2021

Firm Mailing Book ID: 213677

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
31	9314 8699 0430 0085 6764 84	Charnar LLC 4815 Vista Del Oso Court NE Albuquerque NM 87109	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
32	9314 8699 0430 0085 6764 91	Richard C. Deason 1301 N. Havenhurst #217 West Hollywood CA 90046	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
33	9314 8699 0430 0085 6765 07	Thomas D. Deason 6402 CR 7420 Lubbock TX 79424	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
34	9314 8699 0430 0085 6765 14	Ronald H. Mayer P.O. Box 2391 Roswell NM 88202	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
35	9314 8699 0430 0085 6765 21	SAP, LLC 4901 Whitney Lane Roswell NM 88203	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
36	9314 8699 0430 0085 6765 38	Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Rev Trust dated 3-16-99 P.O. Box 1968 Albuquerque NM 87103	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
37	9314 8699 0430 0085 6765 45	Pony Oil Operating LLC 4925 Greenville Ave., Suite 915 Dallas TX 75206	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
38	9314 8699 0430 0085 6765 52	MerPel, LLC 4245 N. Central Expy., Suite 320 Box 109 Dallas TX 75205	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
39	9314 8699 0430 0085 6765 69	Bryan Bell Family, LLC 1331 Third Street New Orleans LA 70130	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
40	9314 8699 0430 0085 6765 76	Magnum Hunter Production Inc 600 N. Marientfeld Street, Suite 600 Midland TX 79701	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
41	9314 8699 0430 0085 6765 83	Patrick J. McClellan 2 Cape Cod Lane Houston TX 77024	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
42	9314 8699 0430 0085 6765 90	Regan A. Burrows 831 Ashland St. Houston TX 77007	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
43	9314 8699 0430 0085 6766 06	Elliot-Hall Company P.O. Box 1231 Ogden UT 84402	\$1.40	\$3.60	\$1.75	\$0.00	10154. 16, 17, 20. Notice
<b>Totals:</b>			<b>\$60.20</b>	<b>\$154.80</b>	<b>\$75.25</b>	<b>\$0.00</b>	
			<b>Grand Total:</b>		<b>\$290.25</b>		

List Number of Pieces Received at Post Office      Total Number of Pieces Received at Post Office      Postmaster: Name of receiving employee      Dated:

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USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
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					Spring	TX			Return Receipt - Electronic, Certified Mail	2021-08-24 9:18 AM

**Affidavit of Publication**STATE OF NEW MEXICO  
COUNTY OF LEA

I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement thereof for a period of 1 issue(s).

Beginning with the issue dated  
August 29, 2021  
and ending with the issue dated  
August 29, 2021.

*Daniel Russell*  
Publisher

Sworn and subscribed to before me this  
29th day of August 2021.

*Gussie Black*  
Business Manager



This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said

LEGAL NOTICE  
AUGUST 29, 2021

CASE NO. 22116: Notice to all affected parties, as well as the heirs and devisees of XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millie Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Preval Energy, LLC; Rheiner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20945, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20945 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20945 pooled the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

CASE NO. 22117: Notice to all affected parties, as well as the heirs and devisees of XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millie Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Preval Energy, LLC; Rheiner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company of Franklin Mountain Energy, LLC's application for compulsory pooling, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division pooling all overriding royalty interests within a Bone Spring horizontal spacing unit underlying the E/2E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 304H and the Breckenridge Fed Com 604H wells to be horizontally drilled. The producing area for the wells will be orthodoxy. Also to be considered will be designation of Franklin Mountain Energy, LLC as operator of the wells. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

CASE NO. 22118: Notice to all affected parties, as well as the heirs and devisees of Chevron USA, Inc.; XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millie Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Preval Energy, LLC; Rheiner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 4/8/19, as amended; DMA Inc.; Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; KJ Fell & Marie A. Fell; BTA Oil Producers, LLC; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company; Frank O. Elliott of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20942, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20942 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20942 pooled uncommitted interest owners in a 640-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

CASE NO. 22119: Notice to all affected parties, as well as the heirs and devisees of Chevron USA, Inc.; XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millie Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; KJ Fell & Marie A. Fell; BTA Oil Producers, LLC; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company; Frank O. Elliott of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20943, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20943 to allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20943 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

CASE NO. 22120: Notice to all affected parties, as well as the heirs and devisees of XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millie Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Preval Energy, LLC; Rheiner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20944, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20944 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20944 pooled uncommitted interest owners in a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

CASE NO. 22121: Notice to all affected parties, as well as the heirs and devisees of Chevron USA, Inc.; XTO Holdings, LLC; United States of America; Free Ride LLC; Paul Slayton; Stewart Heighten; TD Minerals LLC; Occidental Permian LP; McKay Petroleum Corporation; St. Clair of Texas, LLC; Depke Trust; C. Richard Overly; BPL Fish Pond LLC; Millie Jeffrey Oakes; Stephen William Oakes; Elizabeth Ann Cline; Benjamin Jacob Oakes; Matthew David Oakes; Olin Brett Dalton; David Trent Dalton; Milton R. Fry; Featherstone Development Corp.; Covey Energy Partners LP; Cayuga Royalties, LLC; Preval Energy, LLC; Rheiner Holdings LLC; Monticello Minerals, LLC; Cathleen Ann Adams, Trustee of the Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 9/25/20, as amended and restated; Susan Arrott aka Susan Carol Arrott, Trustee of the Arrott Family Revocable Trust dated 4/8/19, as amended; DMA Inc.; Chamar LLC; Richard C. Deason; Thomas D. Deason; Ronald H. Mayer; SAP, LLC; Wells Fargo Bank, N.A., Trustee of the Robert N. Enfield Revocable Trust dated March 16, 1999; Pony Oil Operating LLC; MerPel, LLC; Bryan Bell Family, LLC; Magnum Hunter Production Inc.; KJ Fell & Marie A. Fell; BTA Oil Producers, LLC; Patrick J. McClellan; Regan A. Burrows; Elliott Hall Company; Frank O. Elliott of Franklin Mountain Energy, LLC's Application to Amend Order No. R-20946, Lea County, New Mexico. The State of New Mexico, through its Oil Conservation Division, hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on September 9, 2021, to consider this application. Applicant seeks an order from the Division amending Order No. R-20946 to (1) add an additional initial well to the approved horizontal spacing unit; and (2) allow for a one-year extension of time to commence drilling the initial well under the Order. Order No. R-20946 pooled the E/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

#36895



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

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

**CASE NO. 22117**

**SELF AFFIRMED DECLARATION OF BEN KESSEL**

Ben Kessel hereby states and declares as follows:

1. I am over the age of 18, I am a geologist for Franklin Mountain Energy, LLC (“Franklin”), and have personal knowledge of the matters stated herein. I have previously testified before the Oil Conservation Division (“Division”) and my credentials as an expert petroleum geologist were accepted by the Division as a matter of record.
2. My area of responsibility at Franklin includes the area of Lea County in New Mexico.
3. I am familiar with the application filed by Franklin in this case.
4. **Exhibit 6** is a locator map showing the approximate location of the proposed Colorado units in relation to the Capitan Reef. Franklin’s proposed units are slightly within the boundary of the Capitan Reef. Franklin’s well bore design, including the well bore casing design, is sufficient to protect against any potential leakage or migration into the Capitan Reef.
5. **Exhibit 7** is a wellbore schematic showing Franklin’s development plan, which includes the wells at issue in this case and the wells that are the subject of Franklin’s other Colorado orders.



6. The exhibits behind **Tab 8** are the geology study I prepared for the Breckenridge Fed Com 304H well, which I have identified as a First Bone Spring well. In preparing for this hearing, we learned that OCD had changed the pool and pool code for the Breckenridge Fed Com 304H well to WC-025 G-08 S233528D;LWR BONE SPRING (Pool Code 97958). This change in pool and pool code does not impact the conclusions in my geology study—the change in pool and pool code does not affect the geology, the Breckenridge Fed Com 304H well’s productivity, or the justifications for the spacing unit. For purposes of my geology study, I refer to the target formation as the First Bone Spring Sand.

7. **Exhibit 8-A** is structure map of the top of the First Bone Spring Sand. The proposed spacing unit is identified by a pink box. The Breckenridge Fed Com 304H is identified by an orange dashed line identified by the box labeled “1”. The contour interval used this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southwest.

8. **Exhibit 8-B** is a cross section reference map that identifies five wells in the vicinity of the proposed well, shown by a line of cross-section running from B to B’.

9. **Exhibit 8-C** is a stratigraphic cross section hung on the Mid First Bone Spring. The well logs on the cross-section give a representative sample of the First Bone Spring Sand formation in the area. The target zone is identified by a bracket and the words “Producing Interval”. I have also identified where the Breckenridge Fed Com 304H well falls within the wells I used for the cross-section.

10. In my opinion, the gross interval thickness thickens slightly from north to the south.

11. **Exhibit 8-D** is a Gross Interval Isochore of the First Bone Spring Sand to Second Bone Spring Carb. The gross interval thickness thickens slightly from north to the south across the unit and thickens slightly from northeast to southwest regionally.



12. The exhibits behind **Tab 9** are the geology study I prepared for the Breckenridge Fed Com 604H well, which I have identified as a First Bone Spring well. In preparing for this hearing, we learned that OCD had changed the pool and pool code for the Breckenridge Fed Com 604H well to WC-025 G-09 S243532M;WOLFBONE (Pool Code 98098). This change in pool and pool code does not impact the conclusions in my geology study—the change in pool and pool code does not affect the geology, the Breckenridge Fed Com 604H well’s productivity, or the justifications for the spacing unit. For purposes of my geology study, I refer to the target formation as the Third Bone Spring Sand.

13. **Exhibit 9-A** is structure map of the top of the Third Bone Spring Sand. The proposed spacing unit is identified by a pink box. The Breckenridge Fed Com 604H is identified by a blue dashed line and identified by the box labeled “1”. The contour interval used this exhibit is 25 feet. This exhibit shows that the structure dips gently to the south.

14. **Exhibit 9-B** is a cross section reference map that identifies seven wells in the vicinity of the proposed well, shown by a line of cross-section running from C to C’.

15. **Exhibit 9-C** is a stratigraphic cross section hung on the Wolfcamp top. The well logs on the cross-section give a representative sample of the Third Bone Spring Sand formation in the area. The target zone is identified by a bracket and the words “Producing Interval”. I have also identified where the Breckenridge Fed Com 604H well falls within the wells I used for the cross-section.

16. In my opinion, the gross interval thickness thickens slightly from north to the south.

17. **Exhibit 9-D** is a Gross Interval Isochore of the Third Bone Spring Sand. The gross interval thickness thickens slightly from north to the south across the unit and thickens slightly from northeast to southwest regionally.

18. I conclude from the maps that:
  - a. The horizontal spacing unit is justified from a geologic standpoint.
  - b. There are no structural impediments or faulting that will interfere with horizontal development.
  - c. Each quarter quarter section in the proposed unit will contribute more or less equally to production.
19. **Exhibit 10** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.
20. The preferred well orientation in this area is either north/south or south/north. This is because the  $S_{Hmax}$  is at approximately 265 degrees ENE in this area of Lea County.
21. Exhibits 6-10 were prepared by me or under my supervision or compiled from company business records.
22. In my opinion, the granting of Franklin's application is in the interests of conservation and the prevention of waste.

*[Signature page follows]*

I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: September 20th, 2021

  
\_\_\_\_\_  
Ben Kessel

# Colorado Development

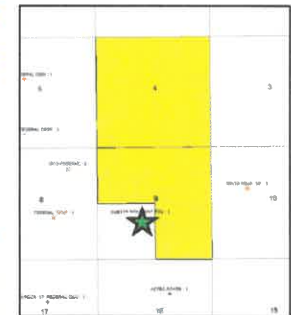
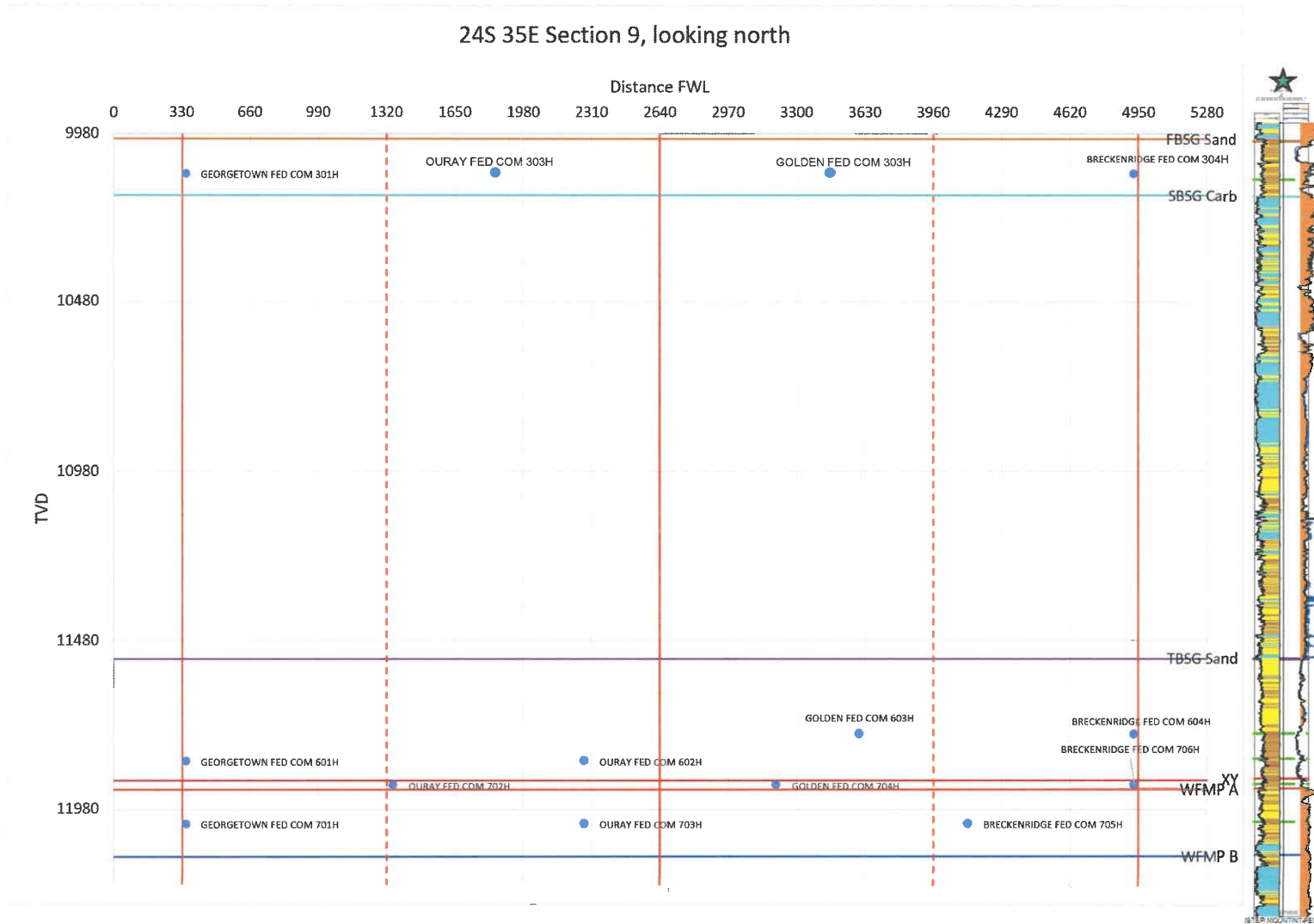
## Locator Map



- Black box shows the location of Colorado development area
- Planned wells are located on the western edge of the Capitan Reef



# Colorado + First Bone Sand



FME plans a strategic co-development of locally proven, hydrocarbon bearing reservoirs

EXHIBIT

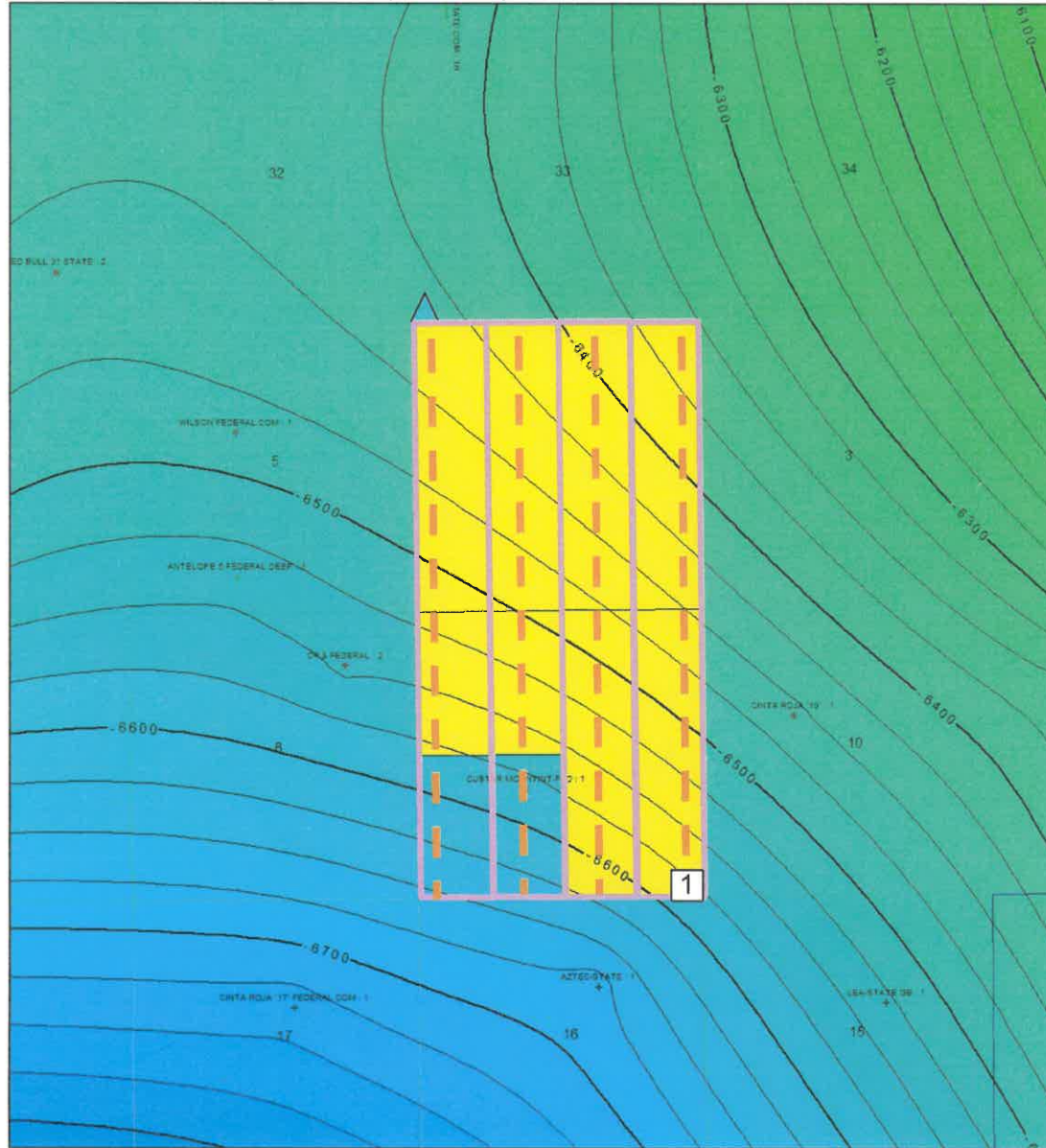
7

tabbles



# Breckenridge Fed Com 304H

## Structure Map – Top First Bone Spring Sand (SSTVD)

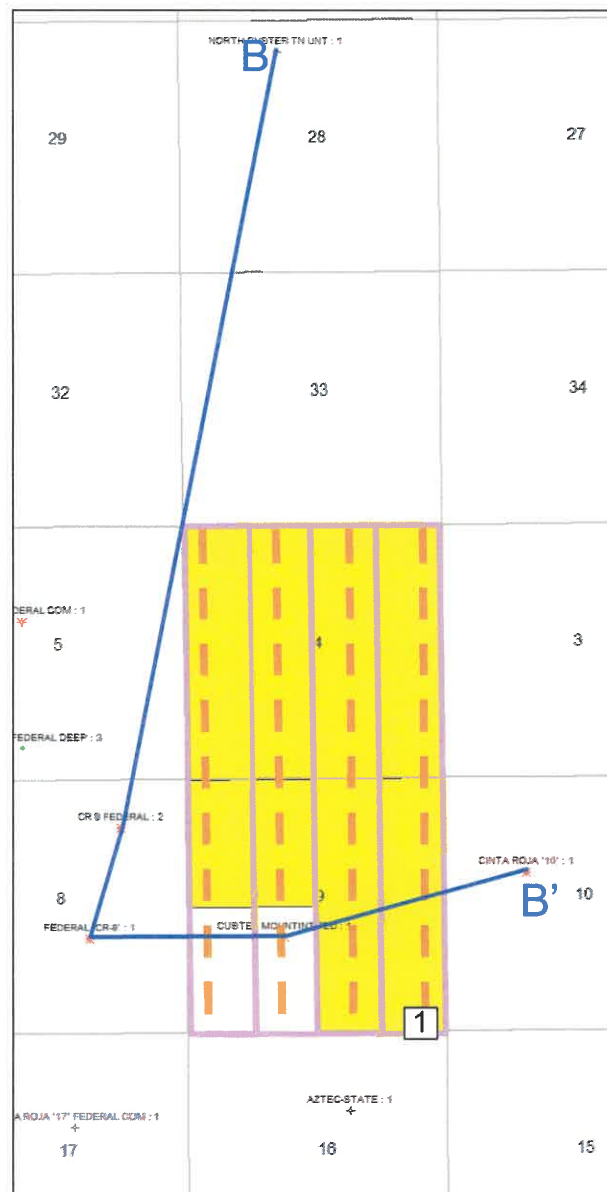


First Bone Spring Data Wells Shown

- FME Lateral
- FME Acreage
- Development Area
- Breckenridge Fed Com 304H
- C.I = 25'
- 1 mile
- Offset First Bone Spring Lateral (SHL)



## Breckenridge Fed Com 304H: First Bone Spring Cross Section Reference Map



First Bone Spring Data Wells Shown

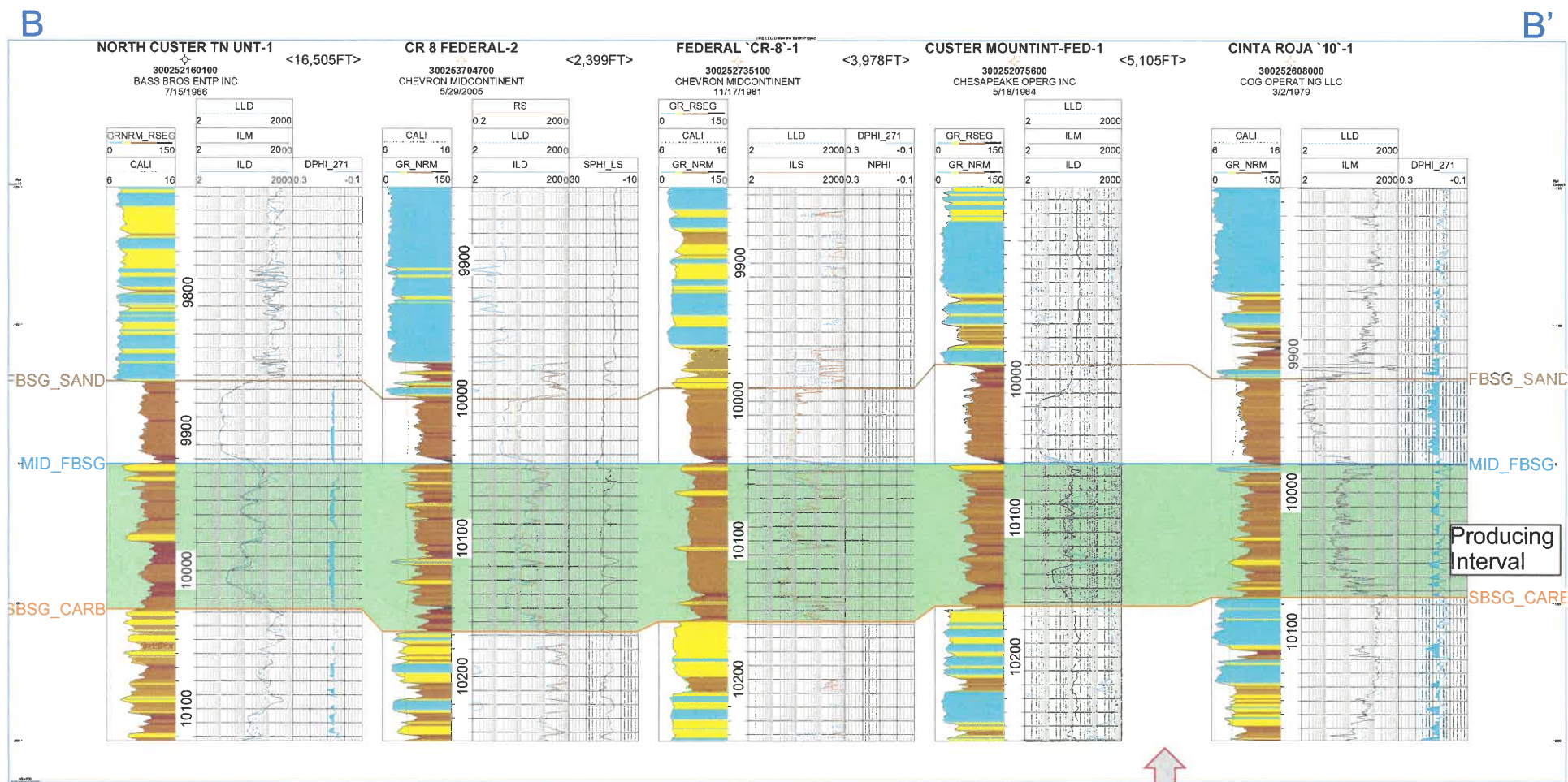
- Cross Section Line
- FME FBSG Lateral
- FME Acreage
- Development Area
- Breckenridge Fed Com 304H

1 mile



# Breckenridge Fed Com 304H

## Stratigraphic Cross Section (Mid First Bone Spring Sand Datum)



Breckenridge Fed Com 304H





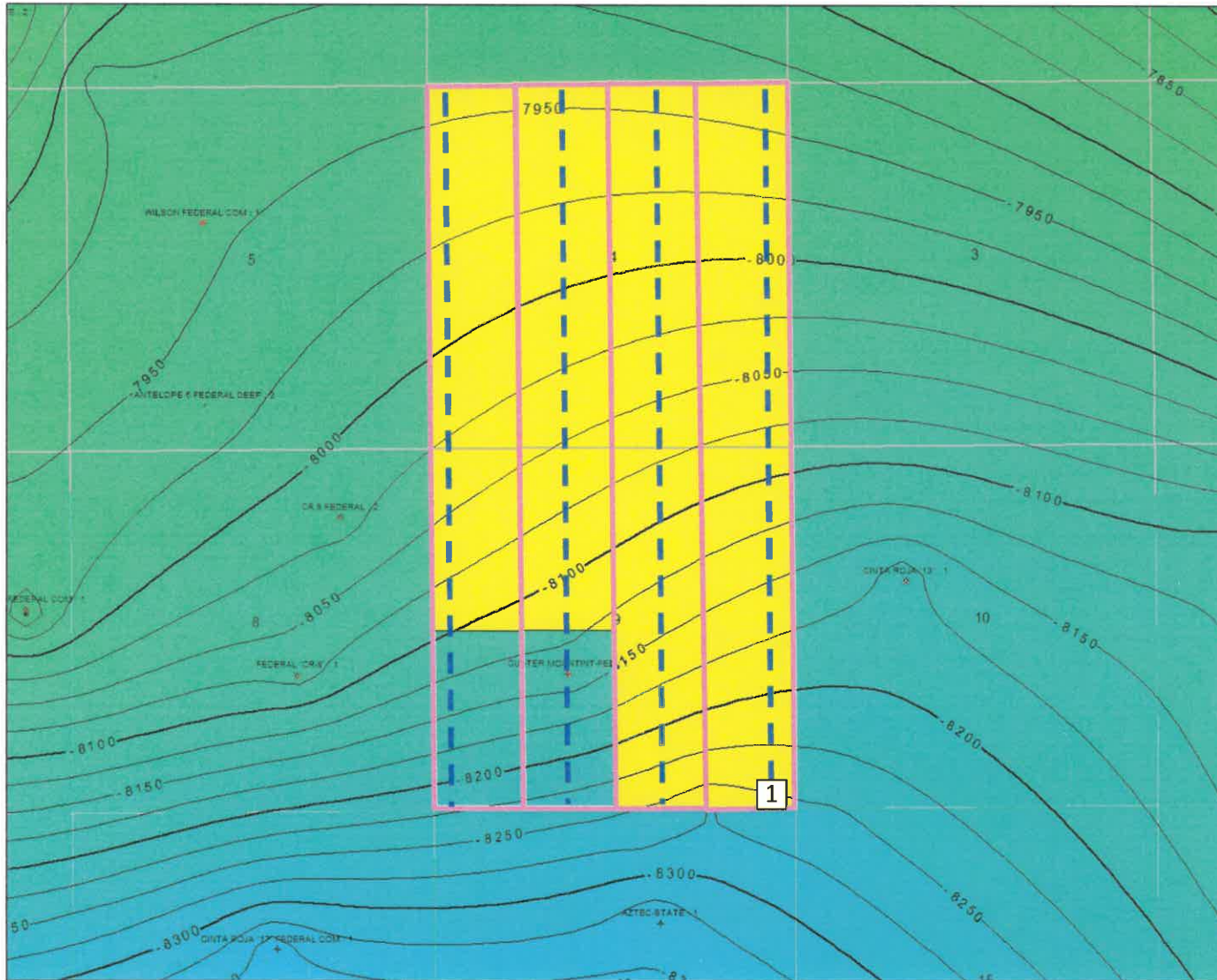
*Gross Interval Isochore Map – First Bone Spring Sand to Second Bone Spring Carb*



## FME wells target a similar First Bone Spring thickness as successful offset laterals

tabbies' 8D

### Structure Map – Top Third Bone Spring Sand (SSTVD)

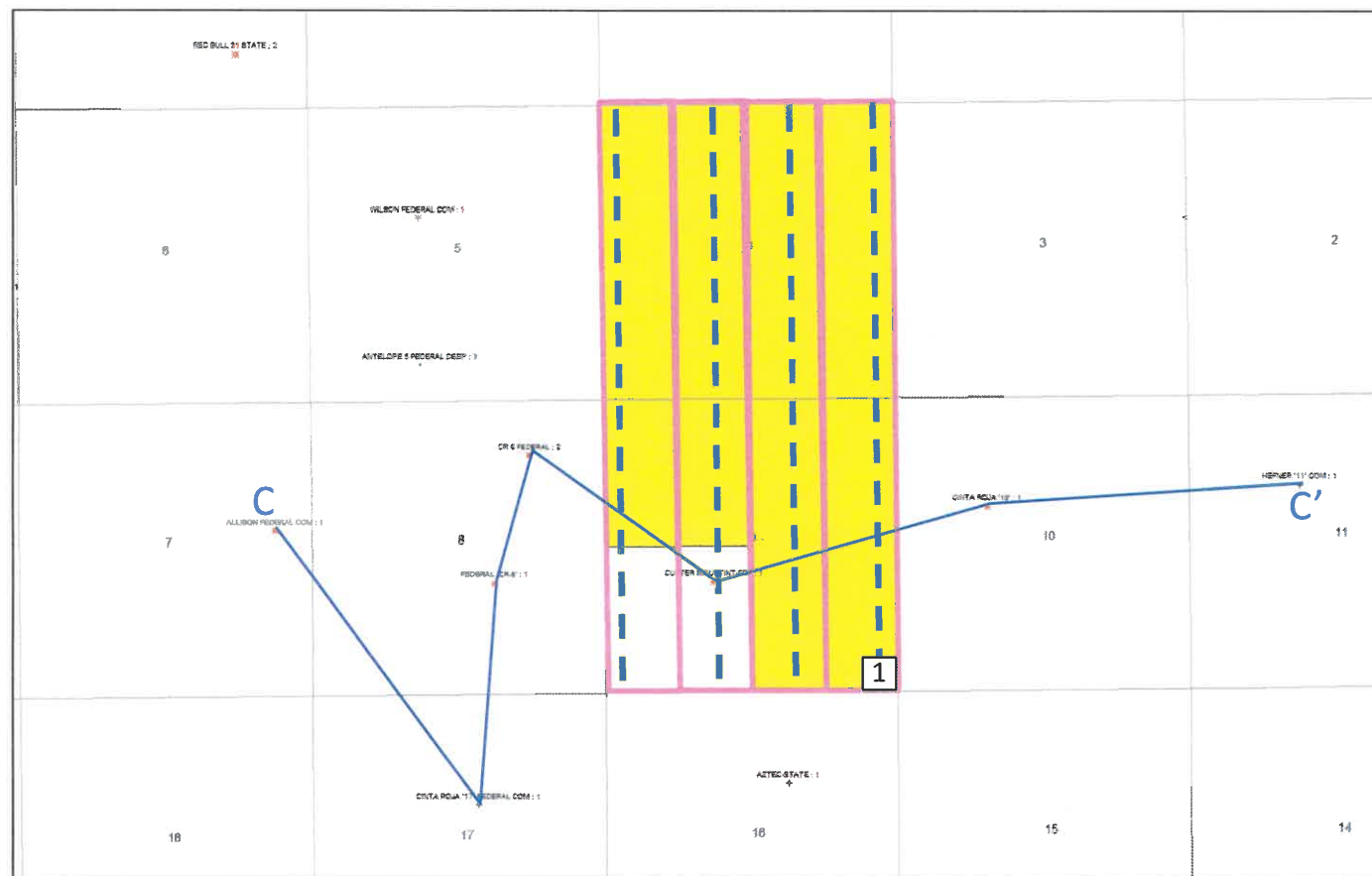


1 mile





# Breckenridge Fed Com 604H: Third Bone Spring Cross Section Reference Map



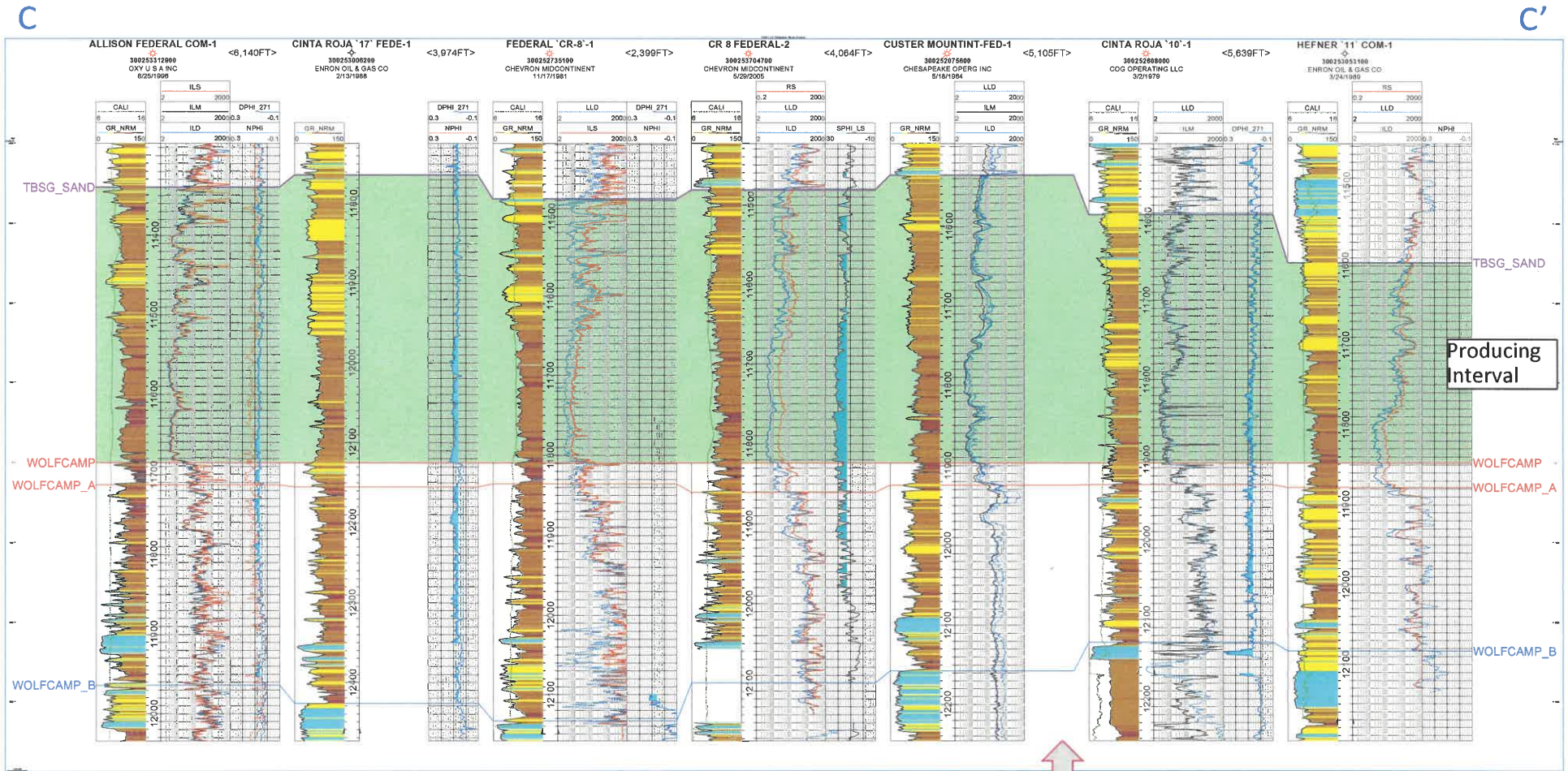
- Cross Section Line
- FME TBSG Lateral
- FME Acreage
- Development Area

**1** Breckenridge Fed Com 604H

1 mile

# Breckenridge Fed Com 604H

## Stratigraphic Cross Section (Wolfcamp Datum)



Breckenridge Fed Com 604H

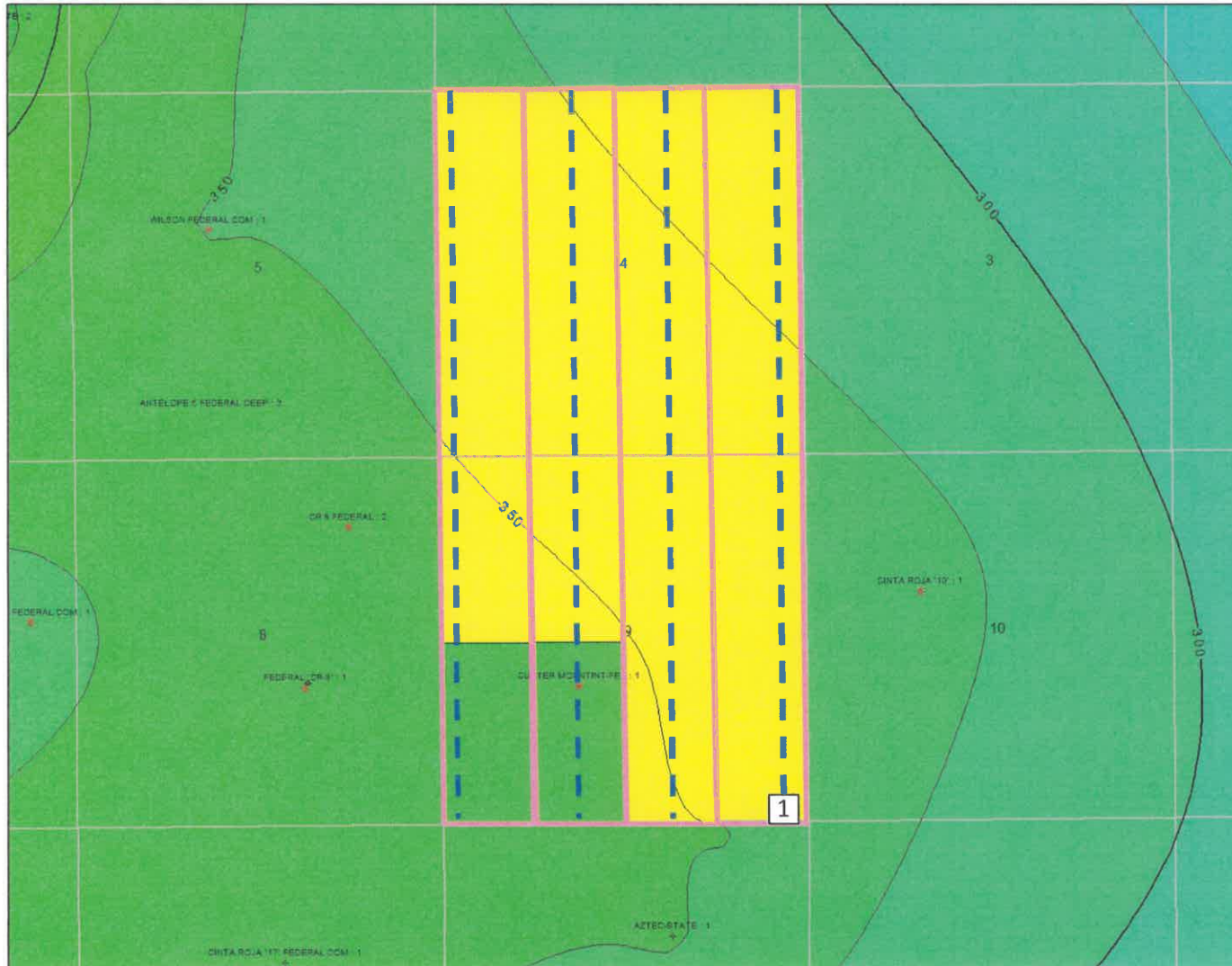
- Slight overall thinning of Third Bone Spring Sand from west to east





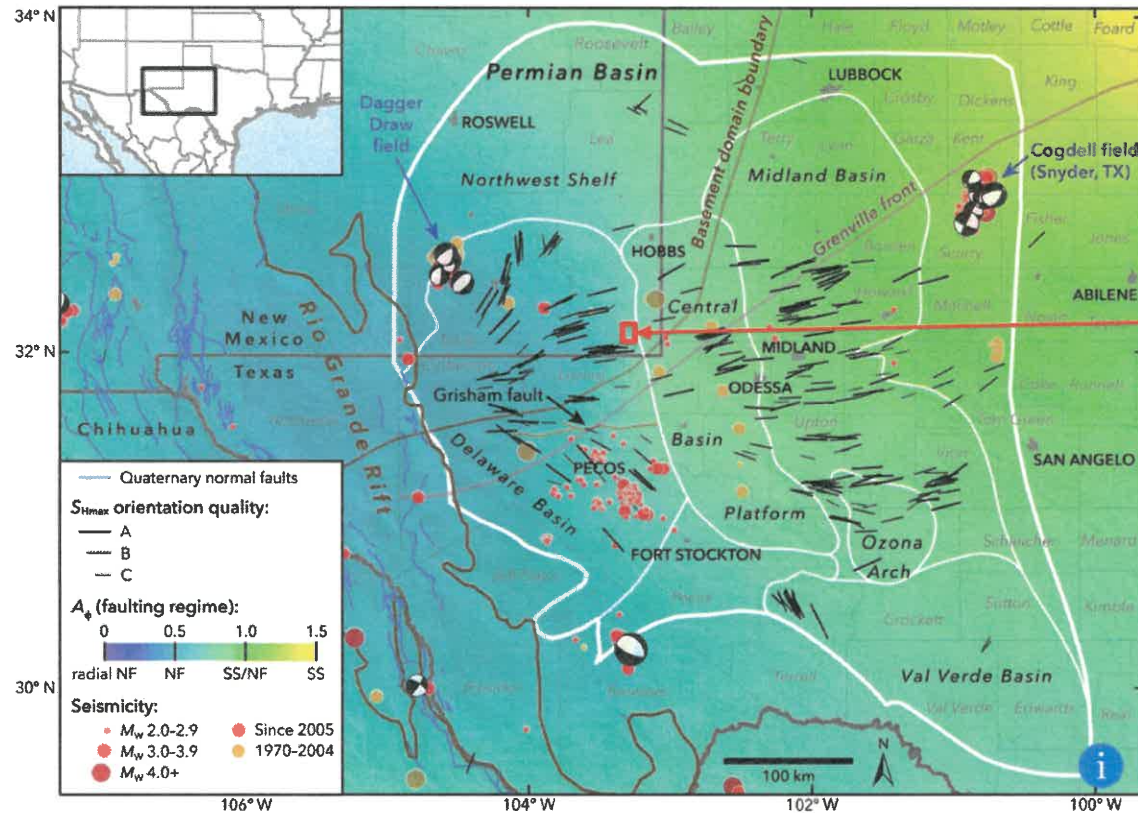
# Breckenridge Fed Com 604H

## Gross Interval Isochore Map – Third Bone Spring Sand to Wolfcamp



- FME TBSG Lateral
- FME Acreage
- Development Area
- Breckenridge Fed Com 604H
- C.I = 25'
- 1 mile

# Regional Stress



- Red box shows the approximate location of the Colorado development
- Reported local  $S_{Hmax}$  (Snee and Zoback, 2018) direction is ENE, around  $265^\circ$
- The Breckenridge Fed Com 304H and 604H wells are planned to drill N-S, nearly orthogonal to  $S_{Hmax}$ , optimal for induced fracture propagation

Snee, J.L. and Zoback, M.D., 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, 37, no. 2

[http://www.tleonline.org/theleadingedge/february\\_2018/MobilePagedArticle.action?articleId=1331603#articleId1331603](http://www.tleonline.org/theleadingedge/february_2018/MobilePagedArticle.action?articleId=1331603#articleId1331603)

EXHIBIT

10

tabbles