



Before the Oil Conservation Division
Examiner Hearing June 2, 2022

Compulsory Pooling

Case No. 22820: PF Fed Com 103H

**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. 22820

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

Case: 22820	APPLICANT'S RESPONSE
Date: June 2, 2022	
Applicant	Franklin Mountain Energy, LLC
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy, LLC (373910)
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris & Sisk, P.A. (Deana Bennett and Bryce Smith)
Case Title:	Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, New Mexico
Entries of Appearance/Intervenors:	None
Well Family	PF Fed Com
Formation/Pool	
Formation Name(s) or Vertical Extent:	Leonard
Primary Product (Oil or Gas):	Oil
Pooling this vertical extent:	Leonard
Pool Name and Pool Code:	DOGIE DRAW; DELAWARE pool (Pool code 97779)
Well Location Setback Rules:	Statewide rules
Spacing Unit Size:	360 acres
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	360 acres
Building Blocks:	40 acres
Orientation:	North-South
Description: TRS/County	W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico
Standard Horizontal Well Spacing Unit (Y/N), If No, describe	Y
Other Situations	
Depth Severance: Y/N. If yes, description	N
Proximity Tracts: If yes, description	N
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	Exhibit B.4
Well(s)	



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Tract List (including lease numbers and owners)	Exhibit B.4
Pooled Parties (including ownership type)	Exhibit B.4
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.4
Chronology of Contact with Non-Joined Working Interests	Exhibit B.5
Overhead Rates In Proposal Letter	See Exhibit B, Para. 24
Cost Estimate to Drill and Complete	Exhibit B.7
Cost Estimate to Equip Well	Exhibit B.7
Cost Estimate for Production Facilities	Exhibit B.7
Geology	
Summary (including special considerations)	See Exhibit C
Spacing Unit Schematic	Exhibit C.2
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.2
Well Orientation (with rationale)	Exhibit C.7; Exhibit C, Paras. 12-13.
Target Formation	Exhibit C.2
HSU Cross Section	Exhibit C.5
Depth Severance Discussion	N/A
Forms, Figures and Tables	
C-102	Exhibit B.3
Tracts	Exhibit B.4
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit B.4
General Location Map (including basin)	Exhibit C.1
Well Bore Location Map	Exhibit C.2
Structure Contour Map - Subsea Depth	Exhibit C.3
Cross Section Location Map (including wells)	Exhibit C.4
Cross Section (including Landing Zone)	Exhibit C.5

Additional Information	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Bryce H. Smith
Signed Name (Attorney or Party Representative):	
Date:	Tuesday, May 31, 2022

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

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

CASE NO. 22820

SELF AFFIRMED DECLARATION OF ILONA HOANG

Ilona Hoang hereby states and declares as follows:

1. I am over the age of 18, I am a landman for Franklin Mountain Energy, LLC (“Franklin”), and I have personal knowledge of the matters stated herein.
2. I graduated from Western Colorado University (WCU) in May 2019 with a BA in Business Administration and Energy Management. While I was a student at WCU I interned as a landman at Antero Resources Corporation in 2016 (Marcellus); QEP Resources in 2017 (Bakken); Centennial Resource Development, Inc. in 2018 (Delaware Basin, New Mexico). Upon graduation in 2019 I joined EOG Resources, Inc. as a landman within EOG’s Denver Division, where I was focused on the Rockies and Bakken development for 2.5 years. In October 2021 I joined Franklin Mountain Energy, Inc. as a landman focusing on Operations Land in New Mexico with a four-rig drilling program. My resume is attached as **Exhibit B.9**.
3. My area of responsibility at Franklin includes the area of Lea County in New Mexico.
4. I am familiar with the application filed by Franklin in this case, which is attached as **Exhibit B.1**.
5. I am familiar with the status of the lands that are subject to the application.



6. I submit the following information pursuant to NMAC 19.15.4.12.A(1) in support of the above referenced compulsory pooling application.

7. The purpose of the application is to force pool all uncommitted interests into the horizontal spacing unit described below, and in the well to be drilled in the unit.

8. No opposition is expected because the interest owners being pooled have been contacted regarding the proposed well, but have failed or refused to voluntarily commit their interests in the well.

9. The spacing unit and well that Franklin is proposing in this case is part of a comprehensive development plan, covering the entirety of Sections 1 and 12, as well as the NW/4 NE/4 and the NE/4 NW/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. The Development Overview is attached as **Exhibit B.2**.

10. In this case, Franklin seeks an order from the Division pooling all uncommitted mineral interests within a 360-acre, more or less, Leonard horizontal spacing unit underlying the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico.

11. This spacing unit will be dedicated to the **PF Fed Com 103H** well to be horizontally drilled.

12. Attached as **Exhibit B.3** is the proposed C-102 for the well.

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

14. The well will develop the DOGIE DRAW; DELAWARE pool (Pool code 97779).

15. This pool 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 wells will be orthodox and will comply with the Division's set back requirements.

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

18. **Exhibit B.4** includes a lease tract map outlining the unit being pooled. Exhibit B.4 also includes the parties being pooled, the nature, and the percent of their interests.

19. I have conducted a diligent search of the public records in the county where the well is located, and conducted phone directory and computer searches to locate contact information for parties entitled to notification, and mailed the working interest owners well proposals, including an Authorization for Expenditure.

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

21. **Exhibit B.5** is a summary of my contacts with the working interest owners.

22. **Exhibit B.6** is a sample of the well proposal letter that was sent to all working interest owners. The proposal letter identifies the proposed surface hole and bottom hole locations and approximate TVD/MD for the well.

23. **Exhibit B.7** contains the Authorization for Expenditure for the proposed well. The estimated cost of the well set forth therein is fair and reasonable, and is comparable to the costs of other wells of similar depths and length drilled in this area of New Mexico.

24. Franklin requests overhead and administrative rates of \$7000.00/month for drilling a well and \$700.00/month for a producing well. These rates are fair, and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico. Franklin requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.

25. Franklin requests the maximum cost plus 200% risk charge be assessed against non-consenting working interest owners.

26. Franklin requests that it be designated operator of the well.

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

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

29. **Exhibit B.8** 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 May 15, 2022.

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

31. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

32. In my opinion, the granting of this 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: May 27, 2022

Ilona Hoang



**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. 22820

APPLICATION

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division ("Division") pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a 360-acre, more or less, Leonard horizontal spacing unit comprising the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. 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. FME seeks to dedicate the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico to form a 360-acre, more or less, Leonard horizontal spacing unit.
3. FME plans to drill the **PF Fed Com 103H** well to a depth sufficient to test the Leonard formation. The well will be horizontally drilled and will be drilled at orthodox locations under the Division's rules.



4. FME sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Leonard formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.

5. The creation of a standard horizontal spacing unit and the pooling of all interests in the Leonard 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 June 2, 2022, and after notice and hearing as required by law, the Division enter its order:

A. Creating an approximated 360-acre, more or less, Leonard horizontal spacing unit comprising the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico;

B. Pooling all mineral interests in the Leonard formation underlying a horizontal spacing unit within the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico;

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

D. Authorizing FME to recover its costs of drilling, equipping and completing the well;

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

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

By: /s/ Bryce H. Smith

Deana M. Bennett

Bryce H. Smith

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

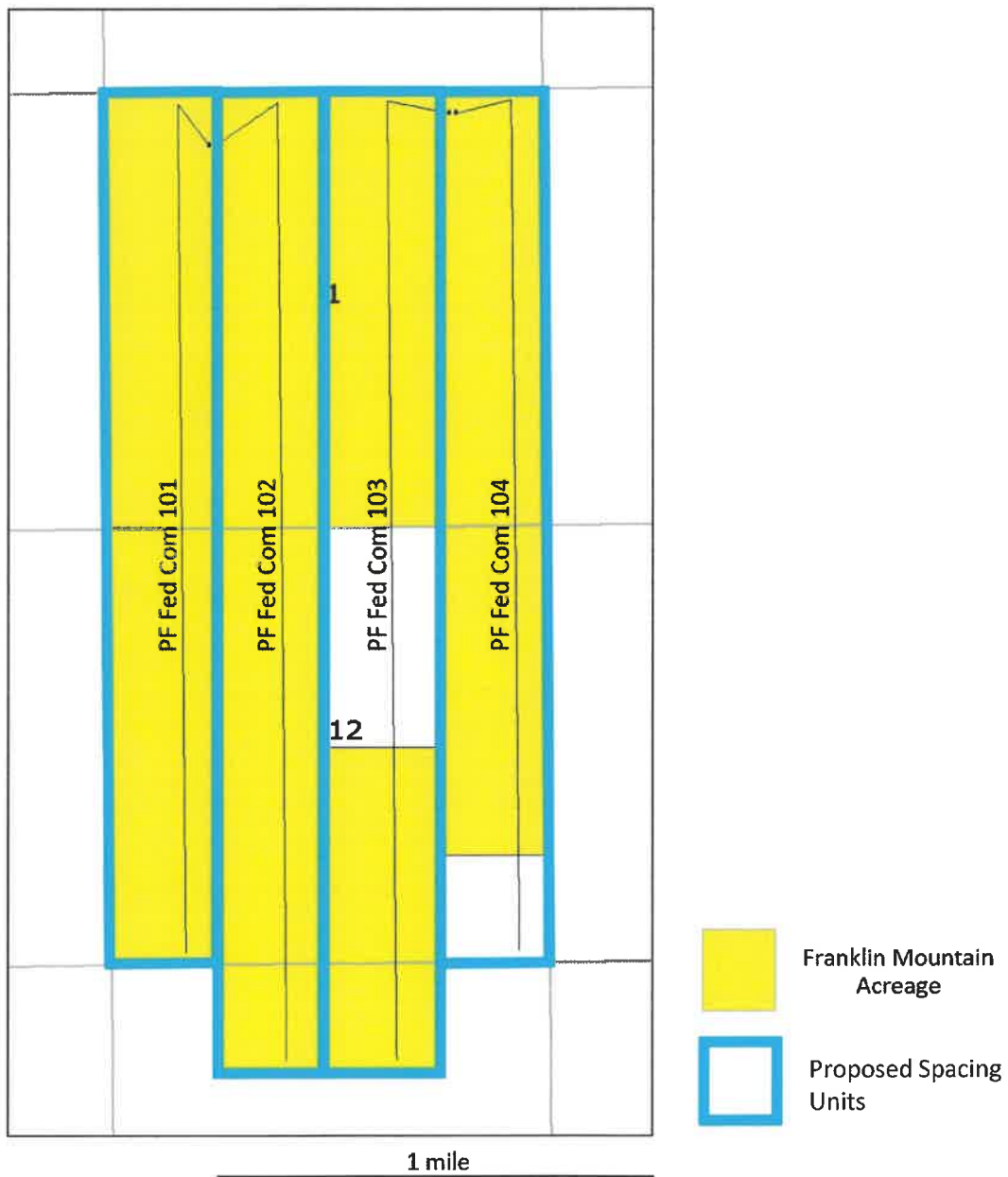
Telephone: 505.848.1800

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 uncommitted mineral interests within a 360-acre, more or less, Leonard horizontal spacing unit underlying the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **PF Fed Com 103H** well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.

Development Overview

Case Nos. 22818, 22819, 22820, 22821



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

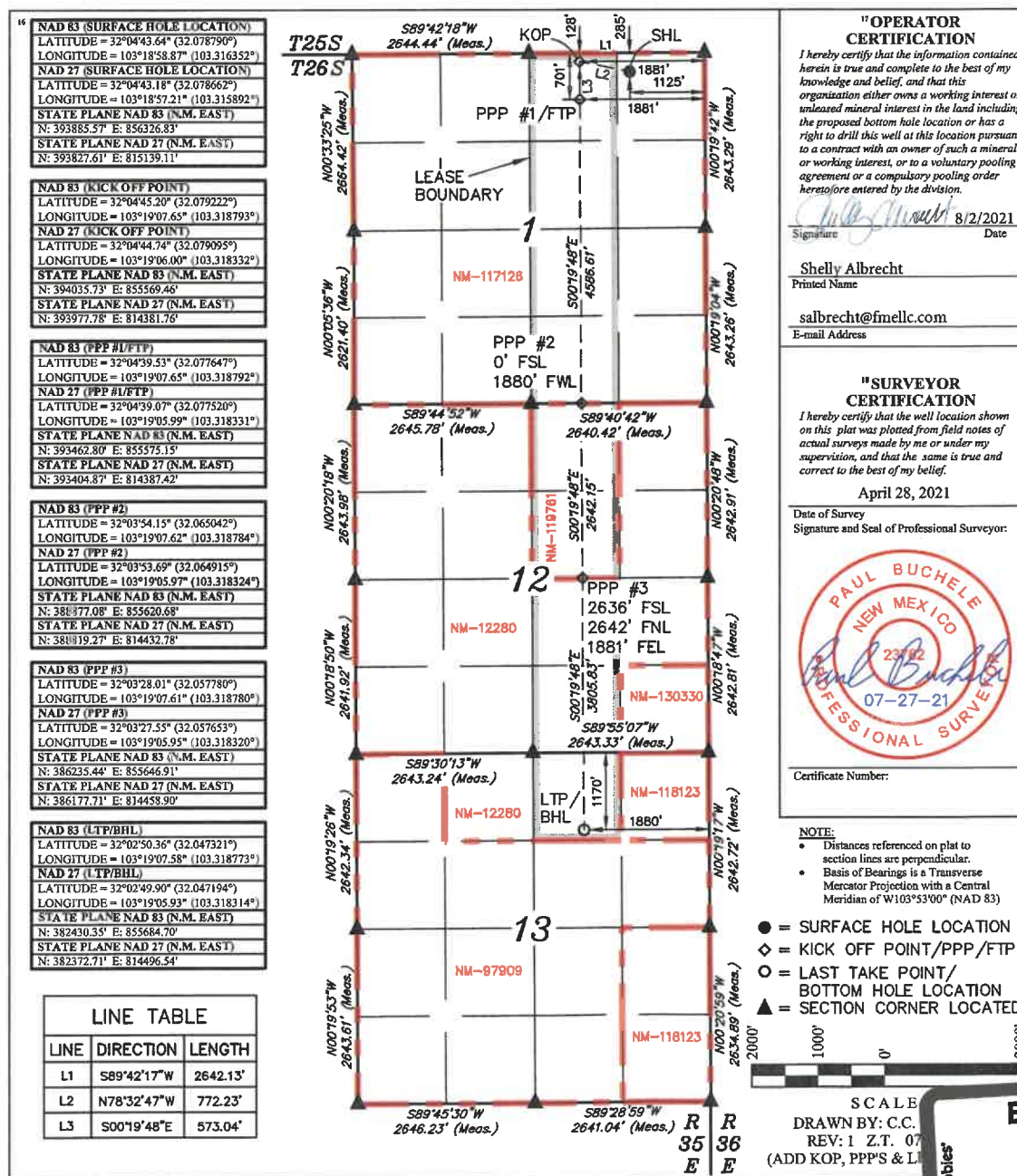
1 API Number		2 Pool Code 97779		3 Pool Name DOGIE DRAW, DELAWARE	
4 Property Code		5 Property Name PF FED COM		6 Well Number 103H	
7 OGRID No. 373910		8 Operator Name FRANKLIN MOUNTAIN ENERGY LLC		9 Elevation 3031.3'	

10 Surface Location								
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line
A	1	26S	35E		285	NORTH	1125	EAST
County LEA								

11 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
B	13	26S	35E		1170	NORTH	1880	EAST
County LEA								

12 Dedicated Acres 360 13 Joint or Infill 14 Consolidation Code 15 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.

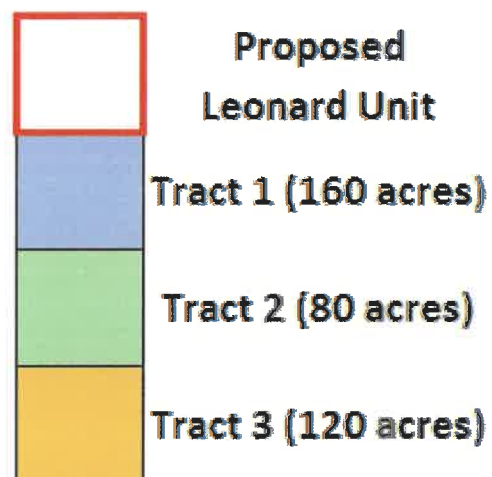
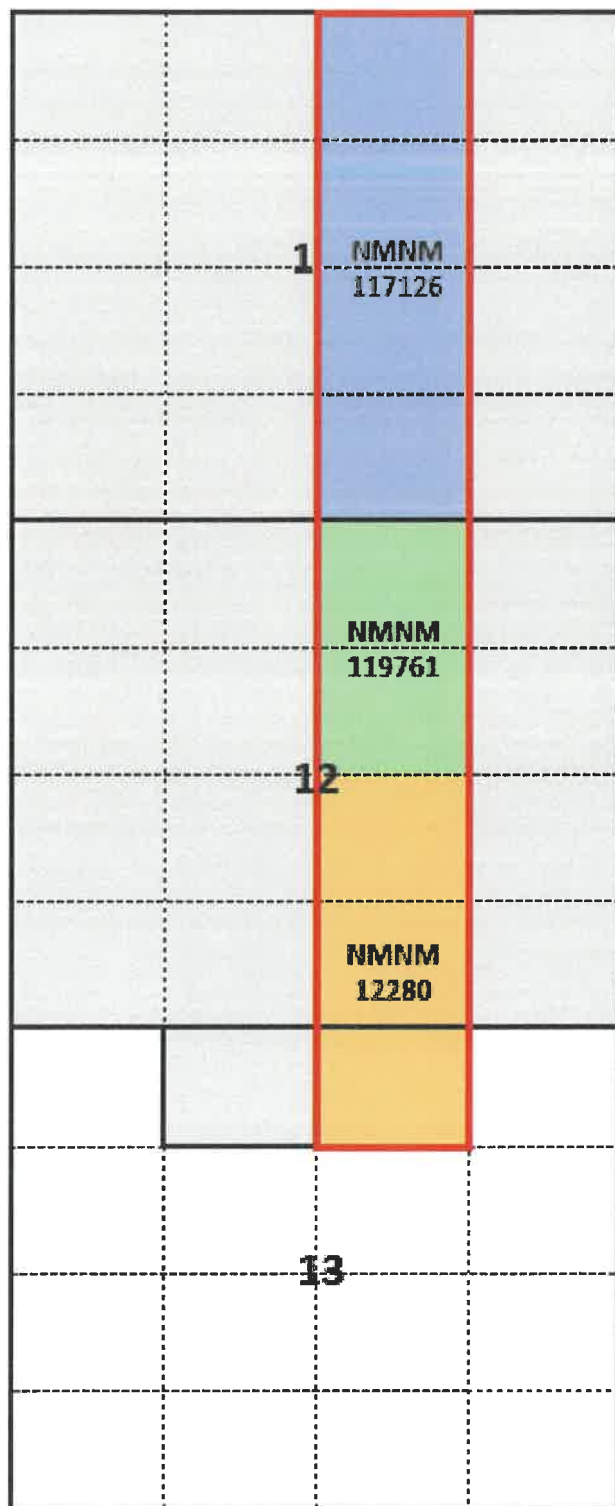


Lease Tract Map

Case No. 22820

W/2E/2 of Sections 1 & 12, NWNE of Sec 13-T26S-R35E, 360 Gross Acres

PF Fed Com 103H

**EXHIBIT**

tabbles*

B.4

W/2E/2 of Sections 1 & 12, NWNE of Sec 13-T26S-R35E. 360 Gross Acres
PF Fed Com 103H

Committed Working Interest	
Franklin Mountain Energy, LLC	40.000000%
Uncommitted Working Interest	
COG Operating LLC	31.111111%
COG Production, LLC	22.222222%
Chevron U.S.A. Inc.	6.666667%
TOTAL:	100.000000%

Category	NMNM Value
1	117126
12	119761
13	12280

Tract	Lease
	NMNM 117126
	NMNM 119761
	NMNM 12280



Summary of Interests

Case No. 22820

W/2E/2 of Sections 1 & 12, NWNE of Sec 13-T26S-R35E, 360 Gross Acres
PF Fed Com 103H

Committed Working Interest	
Franklin Mountain Energy, LLC	40.000000%
Uncommitted Working Interest	
COG Operating LLC	31.111111%
COG Production, LLC	22.222222%
Chevron U.S.A. Inc.	6.666667%
TOTAL:	100.000000%



Parties to Be Pooled

Case No. 22820

Name	Interest
COG Operating LLC	WIO
COG Production, LLC	WIO
Chevron U.S.A. Inc.	WIO
Devon Energy Production Company, LP	ORRI
Green Ribbon, Inc.	ORRI
Bernard A. Winer and Grace S. Winer, Trustees of the Bernard and Grace Winer Living Trust	ORRI
Grimes 710, LLC	ORRI
Lacy Dinsmoor Roop 1999 Revocable Management Trust	ORRI
Doris Earline Freeman	ORRI
Mongoose Minerals, LLC	ORRI
Young Minerals Company	ORRI
Eleanor Jeane Hopper	ORRI

Summary of Contacts

- Franklin Mountain Energy 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 by certified mail and by email in March 2022, which included AFEs and noted that Franklin would be sending its proposed Operating Agreements (OA).
- Franklin emailed COG, Chevron, and Marathon the proposed OA.
- Franklin had multiple communications with COG, Chevron, and Marathon between mid-March and May 2, 2022, when the applications were filed.
- Franklin continued to have multiple communications with COG, Chevron, and Marathon after the pooling applications were filed, including communications about the JOA and about the June 2 hearing date.
- Franklin filed an application to force pool the parties who had not entered in to an agreement.
- Franklin provided addresses of the uncommitted working interest owners and overriding royalty owners to Franklin's counsel, who sent notices of the force pooling applications to the uncommitted interest owners provided by Franklin.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.





Sent via Fedex and email
Tracking No. 776299614707
<ScottSabrsula@chevron.com>

March 15, 2022

Chevron U.S.A. Inc.
6301 Deauville Blvd.
Midland, TX 79706
Attn: Land Dept., Delaware Basin

RE: Paul Foster Fed Com Well Proposals
Township 26 South, Range 35 East
Sections 1 & 12: W/2 E/2 & 13: NW/4 NE/4
360 acres, more or less
Lea County, New Mexico

Dear Working Interest Owner:

Franklin Mountain Energy, LLC ("FME"), as Operator, hereby proposes the drilling, completing, and equipping of the following wells located in the W/2E/2 of Sections 1 & 12 and 13: NW/4 NE/4, Township 26 South, Range 35 East, Lea County, NM:

<u>Well Name</u>	<u>Legal Description</u>	<u>Formation</u>	<u>TVD</u>	<u>MD</u>	<u>AFE</u>
Paul Foster Fed Com 103H	T26S-R35E Sec 1 & 12: W/2 E/2 & Sec 13: NW/4 NE/4, 360 acres, m/l SHL in Sec 1-26S-35E: 285' FNL 1125' FEL BHL in Sec 13-26S-35E: 1170' FNL 1880' FEL	Leonard	8,480'	19,899'	\$12,090,260.52
Paul Foster Fed Com 503H	T26S-R35E Sec 1 & 12: W/2 E/2 & Sec 13: NW/4 NE/4, 360 acres, m/l SHL in Sec 1-26S-35E: 285' FNL 1100' FEL BHL in Sec 13-26S-35E: 1170' FNL 1880' FEL	Bone Spring	10,418'	21,923'	\$12,413,398.52

A copy of the FME's proposed Operating Agreement ("OA") will be forthcoming.

FME 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. Should there be any modifications to the plans listed above, FME will notify you.





Please indicate your elections on the following page and return to FME at your earliest convenience. Should you elect to participate, please also return executed versions of the AFE enclosed.

If you do NOT wish to participate, FME proposes to acquire your interest at the following terms, on a mutually agreeable conveyance form:

FME looks forward to working with your company on this proposed development and encourages you to call with any questions pertaining to these plans. Please be advised that FME will file an application for compulsory pooling to pool any uncommitted working interest owners in the near future.

Should you have any questions, please contact the undersigned at (720) 414-7868 or at ihoang@fmellc.com.

Respectfully,

Franklin Mountain Energy, LLC

Ilona T. Hoang
Landman



Enclosures



Paul Foster Fed Com 103H:

_____ I/We hereby elect to participate in the **Paul Foster Fed Com 103H** well.
_____ I/We hereby elect **NOT** to participate in the **Paul Foster Fed Com 103H** well.

Paul Foster Fed Com 503H:

_____ I/We hereby elect to participate in the **Paul Foster Fed Com 503H** well.
_____ I/We hereby elect **NOT** to participate in the **Paul Foster Fed Com 503H** well.

_____ I/We hereby elect to sell our interest.

Working Interest Owner: _____

By: _____

Printed Name: _____

Title: _____

Date: _____



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

AUTHORITY FOR EXPENDITURE

Well Name: **PE 5nd Com 103H**
Location: **SHL Sec 1-T26S-R35E 28S FNL 112S FEL**
BHL Sec 13-T26S-R35E 1170' FNL 1880' FEL
Operator: **Franklin Mountain Energy, LLC**
Purpose: **Drill and complete a 11,000' Leonard well**
TVD 8,480', MD 19,899'

Well #: **103H**
County/State: **Lea Co., NM**
Date Prepared: **3/9/2022**
AFE #: **DCE220322**

Intangible Drilling Costs			Amount
225	5	ADMINISTRATIVE OVERHEAD	\$18,000
225	10	CASING CREW & EQPT	\$50,000
225	15	CEMENTING INTERMEDIATE CASING	\$75,000
225	16	CEMENTING PRODUCTION CASING	\$35,000
225	20	CEMENTING SURFACE CASING	\$26,000
225	25	COMMUNICATIONS	\$19,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$45,000
225	40	CONTRACT LABOR	\$50,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$450,000
225	55	DRILLING - DIRECTIONAL	\$210,000
225	60	DRILLING - FOOTAGE	\$80,000
225	65	DRILLING BITS	\$90,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$21,000
225	80	ENVIRONMENTAL SERVICES	\$200,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$65,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$16,000
225	100	HOUSING AND SUPPORT SERVICES	\$22,000
225	105	INSURANCE	\$18,000
225	106	INSPECTIONS	\$18,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$10,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$25,000
225	130	MUD & CHEMICALS	\$200,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$160,000
225	155	RIG MOVE & RACKING COSTS	\$130,000
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$65,000
225	175	SUPERVISION - GEOLOGICAL	\$36,000
225	180	TRANSPORTATION/TRUCKING	\$20,000
225	178	TAXES	\$126,610
225	35	CONTINGENCY COSTS 5%	\$115,100
Total Intangible Drilling Costs:			\$2,543,710
Tangible Drilling Costs			Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$80,000
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$900,000
230	35	SURFACE CASING & ATTACHMENTS	\$91,000
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$81,000
230	40	TAXES	\$108,790
Total Tangible Drilling Costs:			\$2,786,790
Tangible Facility Costs			Amount
270	10	FACILITY PIPE VALVES/FITTINGS	\$150,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$75,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$69,063
270	60	H2S TREATING EQUIPMENT	\$510,000
270	65	SEPARATION EQUIPMENT	\$175,000
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$141,600
270	90	H2S SAFETY SYSTEM	\$9,000
270	100	CONTROL / INSTRUMENT - METERS / SCADA	\$88,231
270	110	TANKS & WALKWAYS	\$33,440
270	130	MECHANICAL BATTERY BUILD	\$60,473
270	132	EI&C BATTERY BUILD	\$34,446
270	134	CONTROLS AND SCADA BATTERY BUILD	\$1,000
270	136	PRIMARY POWER BUILD	\$75,000
270	138	FLOWLINE INSTALLATION	\$32,175
270	140	SIGNAGE	\$250
270	125	TAXES	\$80,062
Total Tangible Facility Costs:			\$1,335,740
Intangible Completion Costs			Amount
240	5	ADMINISTRATIVE OVERHEAD	\$12,000
240	10	CASED HOLE LOGS & SURVEYS	\$9,500
240	15	CASING CREW & EQPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$213,750
240	25	COMMUNICATIONS	\$5,800
240	30	COMPANY DIRECT LABOR	\$0
240	35	COMPLETION/WORKOVER RIG	\$30,000
240	45	CONTRACT LABOR/ROUSTABOUTS	\$33,500
240	50	DAMAGES/RECLAMATION	\$2,000
240	55	DISPOSAL SOLIDS	\$1,000
240	60	ELECTRICAL POWER/GENERATION	\$0
240	62	ENGINEERING	\$2,000
240	65	ENVIRONMENTAL/CLEANUP	\$0
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$236,250
240	72	FRAC WATER COMPLETION FLUID	\$506,250
240	75	FUEL, POWER/OILSKEL	\$697,500
240	80	HEALTH & SAFETY	\$2,500
240	85	HOUSING AND SUPPORT SERVICES	\$9,500
240	90	MATERIALS & SUPPLIES	\$1,000
240	95	MISCELLANEOUS	\$2,000
240	100	MUD & CHEMICALS	\$270,000
240	110	PLATA COSTS	\$0
240	115	PERFORATING/WIRELINE SERVICE	\$253,125
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$2,000
240	130	STIMULATION	\$2,100,000
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$49,000
240	140	SUPERVISION	\$55,000
240	145	SURFACE EQUIP RENTAL	\$185,000
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$82,000
240	160	WELDING SERVICES	\$5,000
240	165	WELL TESTING/FLOWBACK	\$85,000
240	148	TAXES	\$266,842
240	40	CONTINGENCY COSTS 5%	\$242,584
Total Intangible Completion Costs:			\$5,361,101
Tangible Completion Costs			Amount
245	5	ARTIFICIAL LIFT	\$100,000
245	15	FLOWLINES	\$20,000
245	25	FRAC STRING	\$0
245	40	PACKERS/SLEEVES/PLUGS/ GL MANDRELS	\$75,000
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	\$0
245	55	PRODUCTION TUBING	\$120,000
245	60	RODS/PUMPS	\$0
245	65	SUBSURFACE EQUIPMENT	\$50,000
245	75	WELLHEAD EQUIPMENT	\$100,000
245	70	TAXES	\$25,575
Total Tangible Completion Costs:			\$490,575
Intangible Facility Costs			Amount
265	5	CONSULTING	\$15,000
265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW PERMITS, ETC	\$10,970
265	22	PAID/ROAD CONSTRUCTION	\$22,700
265	25	ENGINEERING / SCIENCE	\$12,000
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$0
265	45	CONTRACT LABOR & SERVICES	\$0
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$960
265	85	TRANSPORTATION / TRUCKING	\$0
265	83	TAXES	\$3,601
265	10	CONTINGENCY COSTS 3%	\$3,274
Total Intangible Facility Costs:			\$72,344
Office Use Only:			Amount
Total Drill:			\$4,630,500.00
Total Completion:			\$5,851,675.88
Total Facility:			\$1,608,084.64
Total DC Intangible:			\$7,904,810.88
Total DC Tangible:			\$2,577,365.00
Total AFE:			\$12,290,200.52

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

Operator: **Franklin Mountain Energy, LLC**

Approved By: **Jeff Stevens**
Chief Executive Officer

Date: **3/9/2022**

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 OF



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

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

CASE NOS. 22818-22821

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 mailed May 12, 2022, 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 May 15, 2022, as reflected in the attached Affidavit of Publication.

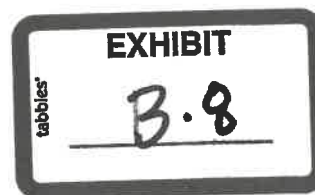

Deana M. Bennett

SUBSCRIBED AND SWORN to before me this 31st day of May, 2022 by Deana M. Bennett.


Notary Public

My commission expires: 02-27-25

STATE OF NEW MEXICO
NOTARY PUBLIC
Karlene Schuman
Commission No. 1101248
February 27, 2025



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

PS Form 3877

Type of Mailing: CERTIFIED MAIL
05/12/2022

Firm Mailing Book ID: 227644

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0095 2175 47	New Mexico State Land Office 310 Old Santa Fe Trail Santa Fe NM 87501	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
2	9314 8699 0430 0095 2175 54	Marathon Oil Production Company, LP 2100 McKinney Ave., Suite 1770 Dallas TX 75201	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
3	9314 8699 0430 0095 2175 61	COG Operating LLC 600 W. Illinois Ave. Midland TX 79701	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
4	9314 8699 0430 0095 2175 78	COG Production, LLC 600 W. Illinois Ave. Midland TX 79701	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
5	9314 8699 0430 0095 2175 85	United States of America, BLM 301 Dinosaur Trail Santa Fe NM 87508	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
6	9314 8699 0430 0095 2175 92	Chevron USA, Inc. 6301 Deaubille Blvd. Midland TX 79706	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
7	9314 8699 0430 0095 2176 08	Devon Energy Production Company, LP 333 West Sheridan Ave. Oklahoma City OK 73102	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
8	9314 8699 0430 0095 2176 15	Green Ribbon, Inc. 828 East Edgehill Rd. Salt Lake City UT 84103	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
9	9314 8699 0430 0095 2176 22	Bernard A. Winder and Grace S. Winer, Trustees of Bernard and Grace Winer Living Trust 4758 SW Eddy St. Seattle WA 98136	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
10	9314 8699 0430 0095 2176 39	Grimes 710, LLC PO Box 2006 Midland TX 79702	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
11	9314 8699 0430 0095 2176 46	Lacy Dinsmoor Roop 1999 Revocable Management Trust 3109 C.R. 264 Breckenridge TX 76424	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
12	9314 8699 0430 0095 2176 53	Doris Earline Freeman 505 Apple Tree Court Saginaw TX 76179	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
13	9314 8699 0430 0095 2176 60	Mongoose Minerals, LLC PO Box 3011 Midland TX 79702	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
14	9314 8699 0430 0095 2176 77	Young Minerals Company 750 W. Fifth St. Fort Worth TX 76102	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice



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

PS Form 3877

Type of Mailing: CERTIFIED MAIL
05/12/2022

Firm Mailing Book ID: 227644

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
15	9314 8699 0430 0095 2176 84	VPD New Mexico Royalty, LLC 2100 McKinney Ave., Suite 1770 Dallas TX 75201	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
16	9314 8699 0430 0095 2176 91	Malaga Royalty, LLC P.O. Box 2064 Midland TX 79702	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
17	9314 8699 0430 0095 2177 07	Malaga EF7, LLC PO Box 2064 Midland TX 79702	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
18	9314 8699 0430 0095 2177 14	Crown Oil Partners, LP PO Box 50820 Midland TX 79710	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
19	9314 8699 0430 0095 2177 21	Post Oak Crowck IV-B, LLC 34 S. Wynden Drive Houston TX 77056	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
20	9314 8699 0430 0095 2177 38	Post Oak IV, LLC 34 S. Wynden Drive Houston TX 77056	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
21	9314 8699 0430 0095 2177 45	Collins & Jones Investments, LLC 508 W. Wall Street, Suite 1200 Midland TX 79701	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
22	9314 8699 0430 0095 2177 52	Mavros Minerals, LLC PO Box 50820 Midland TX 79710	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
23	9314 8699 0430 0095 2177 69	LMC Energy, LLC 550 W. Texas Ave., Ste 945 Midland TX 79701	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
24	9314 8699 0430 0095 2177 76	Gerard G. Vavrek 1521 2nd Ave. #1604 Seattle WA 98101	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
25	9314 8699 0430 0095 2177 83	Jesse A. Faught, Jr. 4307 Crestgate Ave. Midland TX 79707	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
26	9314 8699 0430 0095 2177 90	H. Jason Wacker 5601 Hillcrest Midland TX 79707	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
27	9314 8699 0430 0095 2178 06	Oak Valley Mineral and Land, LP 4000 N. Big Spring, Suite 310 Midland TX 79705	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
28	9314 8699 0430 0095 2178 13	David W. Cromwell 2008 Country Club Dr. Midland TX 79701	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
29	9314 8699 0430 0095 2178 20	Kaleb Smith PO Box 50820 Midland TX 79710	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice



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

PS Form 3877

Type of Mailing: CERTIFIED MAIL
 05/12/2022

Firm Mailing Book ID: 227644

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
30	9314 8699 0430 0095 2178 37	Mike Moylett PO Box 50820 Midland TX 79710	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
31	9314 8699 0430 0095 2178 44	Deane Durham PO Box 50820 Midland TX 79710	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
32	9314 8699 0430 0095 2178 51	Eleanor Jean Hopper 3102 Sentinel Dr. Midland TX 79701	\$1.56	\$3.75	\$1.85	\$0.00	10154.0001 PF Notice
Totals:			\$49.92	\$120.00	\$59.20	\$0.00	
			Grand Total:		\$229.12		

List Number of Pieces
Listed by Sender

Total Number of Pieces
Received at Post Office

Postmaster:
Name of receiving employee

Dated:

32



Transaction Report Details - CertifiedPro.net

Firm Mail Book ID: 227644

Generated: 5/27/2022 12:51:39 PM

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	Address1	City	State	Zip	Mailing Status
9314869904300095217851	2022-05-12 9:12 AM	10154.0001 PF	Eleanor Jean Hopper		3102 Sentinel Dr.	Midland	TX	79701	Undelivered
9314869904300095217844	2022-05-12 9:12 AM	10154.0001 PF	Deane Durham		PO Box 50820	Midland	TX	79710	Delivered
9314869904300095217837	2022-05-12 9:12 AM	10154.0001 PF	Mike Moylett		PO Box 50820	Midland	TX	79710	Delivered
9314869904300095217820	2022-05-12 9:12 AM	10154.0001 PF	Kaleb Smith		PO Box 50820	Midland	TX	79710	Delivered
9314869904300095217813	2022-05-12 9:12 AM	10154.0001 PF	David W. Cromwell		2008 Country Club Dr.	Midland	TX	79701	Delivered
9314869904300095217806	2022-05-12 9:12 AM	10154.0001 PF	Oak Valley Mineral and Land, LP		4000 N. Big Spring, Suite 310	Midland	TX	79705	Delivered
9314869904300095217790	2022-05-12 9:12 AM	10154.0001 PF	H. Jason Wacker		5601 Hillcrest	Midland	TX	79707	Undelivered
9314869904300095217783	2022-05-12 9:12 AM	10154.0001 PF	Jesse A. Faught, Jr.		4307 Crestgate Ave.	Midland	TX	79707	Delivered
9314869904300095217776	2022-05-12 9:12 AM	10154.0001 PF	Gerard G. Vavrek		1521 2nd Ave. #1604	Seattle	WA	98101	Delivered
9314869904300095217769	2022-05-12 9:12 AM	10154.0001 PF	LMC Energy, LLC		550 W. Texas Ave., Ste 945	Midland	TX	79701	Delivered
9314869904300095217752	2022-05-12 9:12 AM	10154.0001 PF	Mavros Minerals, LLC		PO Box 50820	Midland	TX	79710	Delivered
9314869904300095217745	2022-05-12 9:12 AM	10154.0001 PF	Collins & Jones Investments, LLC		508 W. Wall Street, Suite 1200	Midland	TX	79701	Undelivered
9314869904300095217738	2022-05-12 9:12 AM	10154.0001 PF	Post Oak IV, LLC		34 S. Wynden Drive	Houston	TX	77056	Undelivered
9314869904300095217721	2022-05-12 9:12 AM	10154.0001 PF	Post Oak Crowck IV-B, LLC		34 S. Wynden Drive	Houston	TX	77056	Undelivered
9314869904300095217714	2022-05-12 9:12 AM	10154.0001 PF	Crown Oil Partners, LP		PO Box 50820	Midland	TX	79710	Delivered
9314869904300095217707	2022-05-12 9:12 AM	10154.0001 PF	Malaga EF7, LLC		PO Box 2064	Midland	TX	79702	Delivered
9314869904300095217691	2022-05-12 9:12 AM	10154.0001 PF	Malaga Royalty, LLC		P.O. Box 2064	Midland	TX	79702	Delivered
9314869904300095217684	2022-05-12 9:12 AM	10154.0001 PF	VPD New Mexico Royalty, LLC		2100 McKinney Ave., Suite 1770	Dallas	TX	75201	Delivered
9314869904300095217677	2022-05-12 9:12 AM	10154.0001 PF	Young Minerals Company		750 W. Fifth St.	Fort Worth	TX	76102	Delivered
9314869904300095217660	2022-05-12 9:12 AM	10154.0001 PF	Mongoose Minerals, LLC		PO Box 3011	Midland	TX	79702	Undelivered
9314869904300095217653	2022-05-12 9:12 AM	10154.0001 PF	Doris Earline Freeman		505 Apple Tree Court	Saginaw	TX	76179	Delivered
9314869904300095217646	2022-05-12 9:12 AM	10154.0001 PF	Lacy Dinsmoor Roop 1999 Revocable Management Trust		3109 C.R. 264	Breckenridge	TX	76424	Delivered
9314869904300095217639	2022-05-12 9:12 AM	10154.0001 PF	Grimes 710, LLC		PO Box 2006	Midland	TX	79702	Delivered
9314869904300095217622	2022-05-12 9:12 AM	10154.0001 PF	Bernard A. Winder and Grace S. Winer, Trustees of	Bernard and Grace Winer Living Trust	4758 SW Eddy St.	Seattle	WA	98136	Delivered
9314869904300095217615	2022-05-12 9:12 AM	10154.0001 PF	Green Ribbon, Inc.		828 East Edgehill Rd.	Salt Lake City	UT	84103	Delivered
9314869904300095217608	2022-05-12 9:12 AM	10154.0001 PF	Devon Energy Production Company, LP		333 West Sheridan Ave.	Okalahoma City	OK	73102	Delivered
9314869904300095217592	2022-05-12 9:12 AM	10154.0001 PF	Chevron USA, Inc.		5301 Deaubille Blvd.	Midland	TX	79706	Undelivered
9314869904300095217585	2022-05-12 9:12 AM	10154.0001 PF	United States of America, BLM		301 Dinosaur Trail	Santa Fe	NM	87508	Delivered
9314869904300095217578	2022-05-12 9:12 AM	10154.0001 PF	COG Production, LLC		600 W. Illinois Ave.	Midland	TX	79701	Delivered
9314869904300095217561	2022-05-12 9:12 AM	10154.0001 PF	COG Operating LLC		500 W. Illinois Ave.	Midland	TX	79701	Delivered
9314869904300095217554	2022-05-12 9:12 AM	10154.0001 PF	Marathon Oil Production Company, LP		2100 McKinney Ave., Suite 1770	Dallas	TX	75201	Delivered
9314869904300095217547	2022-05-12 9:12 AM	10154.0001 PF	New Mexico State Land Office		310 Old Santa Fe Trail	Santa Fe	NM	87501	Delivered

Affidavit of Publication


STATE OF NEW MEXICO
COUNTY OF LEA

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

Beginning with the issue dated
May 15, 2022
and ending with the issue dated
May 15, 2022.


Publisher

Sworn and subscribed to before me this
15th day of May 2022.


Business Manager

My commission expires
January 29, 2023
(Seal)

GUSSIE BLACK
Notary Public - State of New Mexico
Commission # 1087526
My Comm. Expires Jan 29, 2023

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 May 15, 2022

CASE NO. 22818: Notice to all affected parties, as well as the heirs and devisees of New Mexico State Land Office; Marathon Oil Production Company, LP; COG Operating LLC; COG Production, LLC; United States of America, BLM; Chevron USA, Inc.; Devon Energy Production Company, LP; Green Ribbon, Inc.; Bernard A. Winder and Grace S. Winer, Trustees of Bernard and Grace Winder Living Trust; Grimes 710, LLC; Lacy Dinsmoor Roop 1999 Revocable Management Trust; Doris Earline Freeman; Mongoose Minerals, LLC; Young Minerals Company; VPD New Mexico Royalty, LLC; Malaga Royalty, LLC; Malaga EF7, LLC; Crown Oil Partners, LP; Post Oak Crowck IV-B, LLC; Post Oak IV, LLC; Collins & Jones Investments, LLC; Mavros Minerals, LLC; LMC Energy, LLC; Gerard G. Vavrek; Jesse A. Faught, Jr.; H. Jason Wacker; Oak Valley Mineral and Land, LP; David W. Cromwell; Kaleb Smith, Mike Moylett; Deanne Durham, Eleanor Jean Hopper 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 8:51 a.m. on June 2, 2022, to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Leonard horizontal spacing unit underlying the W/2 W/2 of Sections 1 and 12, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the PF Fed Com 101H well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.

CASE NO. 22819: Notice to all affected parties, as well as the heirs and devisees of New Mexico State Land Office; Marathon Oil Production Company, LP; COG Operating LLC; COG Production, LLC; United States of America, BLM; Chevron USA, Inc.; Devon Energy Production Company, LP; Green Ribbon, Inc.; Bernard A. Winder and Grace S. Winer, Trustees of Bernard and Grace Winder Living Trust; Grimes 710, LLC; Lacy Dinsmoor Roop 1999 Revocable Management Trust; Doris Earline Freeman; Mongoose Minerals, LLC; Young Minerals Company; VPD New Mexico Royalty, LLC; Malaga Royalty, LLC; Malaga EF7, LLC; Crown Oil Partners, LP; Post Oak Crowck IV-B, LLC; Post Oak IV, LLC; Collins & Jones Investments, LLC; Mavros Minerals, LLC; LMC Energy, LLC; Gerard G. Vavrek; Jesse A. Faught, Jr.; H. Jason Wacker; Oak Valley Mineral and Land, LP; David W. Cromwell; Kaleb Smith, Mike Moylett; Deanne Durham, Eleanor Jean Hopper 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 8:51 a.m. on June 2, 2022, to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 360-acre, more or less, Leonard horizontal spacing unit underlying the E/2 W/2 of Sections 1 and 12, and the NE/4 NW/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the PF Fed Com 102H well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.

CASE NO. 22820: Notice to all affected parties, as well as the heirs and devisees of New Mexico State Land Office; Marathon Oil Production Company, LP; COG Operating LLC; COG Production, LLC; United States of America, BLM; Chevron USA, Inc.; Devon Energy Production Company, LP; Green Ribbon, Inc.; Bernard A. Winder and Grace S. Winer, Trustees of Bernard and Grace Winder Living Trust; Grimes 710, LLC; Lacy Dinsmoor Roop 1999 Revocable Management Trust; Doris Earline Freeman; Mongoose Minerals, LLC; Young Minerals Company; VPD New Mexico Royalty, LLC; Malaga Royalty, LLC; Malaga EF7, LLC; Crown Oil Partners, LP; Post Oak Crowck IV-B, LLC; Post Oak IV, LLC; Collins & Jones Investments, LLC; Mavros Minerals, LLC; LMC Energy, LLC; Gerard G. Vavrek; Jesse A. Faught, Jr.; H. Jason Wacker; Oak Valley Mineral and Land, LP; David W. Cromwell; Kaleb Smith, Mike Moylett; Deanne Durham, Eleanor Jean Hopper 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 8:51 a.m. on June 2, 2022, to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 360-acre, more or less, Leonard horizontal spacing unit underlying the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the PF Fed Com 103H well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.

CASE NO. 22821: Notice to all affected parties, as well as the heirs and devisees of New Mexico State Land Office; Marathon Oil Production Company, LP; COG Operating LLC; COG Production, LLC; United States of America, BLM; Chevron USA, Inc.; Devon Energy Production Company, LP; Green Ribbon, Inc.; Bernard A. Winder and Grace S. Winer, Trustees of Bernard and Grace Winder Living Trust; Grimes 710, LLC; Lacy Dinsmoor Roop 1999 Revocable Management Trust; Doris Earline Freeman; Mongoose Minerals, LLC; Young Minerals Company; VPD New Mexico Royalty, LLC; Malaga Royalty, LLC; Malaga EF7, LLC; Crown Oil Partners, LP; Post Oak Crowck IV-B, LLC; Post Oak IV, LLC; Collins & Jones Investments, LLC; Mavros Minerals, LLC; LMC Energy, LLC; Gerard G. Vavrek; Jesse A. Faught, Jr.; H. Jason Wacker; Oak Valley Mineral and Land, LP; David W. Cromwell; Kaleb Smith, Mike Moylett; Deanne Durham, Eleanor Jean Hopper 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 8:51 a.m. on June 2, 2022, to consider this application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Leonard horizontal spacing unit underlying the E/2 E/2 of Sections 1 and 12, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the PF Fed Com 104H well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.
#37657



MODRALL SPERLING

L A W Y E R S

May 12, 2022

Deana M. Bennett
505.848.1834
Deana.Bennett@modrall.com

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

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

CASE NO. 22818

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

CASE NO. 222819

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

CASE NO. 22820

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

CASE NO. 22821

TO: AFFECTED PARTIES

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

In Case No. 22818, FME seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Leonard horizontal spacing unit underlying the W/2 W/2 of Sections 1 and 12, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the PF Fed Com 101H well, to be horizontally drilled. The producing area for the well will 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

Modrall Sperling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
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New Mexico 87103-2168

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Mountain Energy, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.

In Case No. 22819, FME seeks an order from the Division pooling all uncommitted mineral interests within a 360-acre, more or less, Leonard horizontal spacing unit underlying the E/2 W/2 of Sections 1 and 12, and the NE/4 NW/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **PF Fed Com 102H** well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.

In Case No. 22820, FME seeks an order from the Division pooling all uncommitted mineral interests within a 360-acre, more or less, Leonard horizontal spacing unit underlying the W/2 E/2 of Sections 1 and 12, and the NW/4 NE/4 of Section 13, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **PF Fed Com 103H** well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from Jal, New Mexico.

In Case No. 22821, FME seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Leonard horizontal spacing unit underlying the E/2 E/2 of Sections 1 and 12, Township 26 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the **PF Fed Com 104H** well, to be horizontally drilled. The producing area for the well will 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, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles Southwest from 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 June 2, 2022 beginning at 8:15 a.m. To participate in

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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,

A handwritten signature in black ink that reads "Deana M. Bennett". The signature is written in a cursive, flowing style.

Deana M. Bennett

Attorney for Applicant

ILONA T. HOANG

M: 970-901-2200 | email: ihoang@fmellc.com

PRIMARY WORK EXPERIENCE**FRANKLIN MOUNTAIN ENERGY, LLC**

Denver, CO

*Private equity-backed Upstream Oil and Gas - Delaware Basin*Landman

October 2021 – Present

- Efficiently collaborating with cross-functional team members (G&G, drilling, completions, facilities, and regulatory) on planning and execution of a 4-rig drilling program (\$1.5B+ in gross DC&E)
- Ensuring regulatory and legal compliance through working closely with in-house Regulatory and Legal departments, as well as State and Federal agencies
- Responsible for operations Land functions including title examination, lease acquisitions, obtaining abstracts and drilling and division order title opinions, curative
- Negotiating and drafting legal agreements (Operating Agreements, Communitization Agreements, Designations of Pooled Unit, MSA)

EOG RESOURCES, INC.

Denver, CO

*Publicly Traded Upstream Oil and Gas - Denver Division - Rockies and Bakken*Landman

May 2019 - October 2021

- Successfully trained and led a team of two in the 2-rig program; brought 96 wells online in 18 months
- Worked with IT and land administration to build a database / application to track at-risk Federal acreage in the Powder River Basin
- Collaborated with a team of engineers, geologists, and geophysicists to create a project management app to help push through federal permits for 1K+ locations in 6 months, securing 1K+ drilling locations
- Provided full Division of Interest for 50+ wells in the DJ Basin (200 owners average per DSU)
- Divested of ~10M in non-core acreage in the Bakken

ANTERO RESOURCES (2016); QEP RESOURCES (2017); CDEV INC. (2018)

Denver, CO

*Upstream Oil and Gas - Marcellus, Bakken, and Delaware Basins respectively*Landman Intern

May 2016 - May 2018

- Prepared and reviewed divestiture documents and exhibits for EnergyNet non-op acreage sales
- Finished summer projects ahead of time (owner suspense review and escheat) and took on extra projects at QEP
- Acted as a full-time landman in senior year internship at CDEV under the mentorship of a Sr. Landman

EDUCATION**WESTERN COLORADO UNIVERSITY**

Gunnison, CO

Bachelor of Business Administration: Emphasis in Energy Management (GPA: 3.94); Summa Cum Laude

Graduated 2019

- Dean's List; received 14 merit scholarships; Outstanding Senior Scholarship (sole recipient of ~400 seniors)
- Helped peers secure internships, coordinated with recruiters, led interview / resume workshops
- Teaching Assistant for the Energy Seminar
- Awarded 2nd place in Daniels Fund Business Ethics Case Competition in 2018 (~70 participants)

BELARUSIAN STATE UNIVERSITY

Minsk, Belarus

Specialist Diploma: International Law (2 of 5 years)

2014

- One of ten recipients of full-ride academic scholarship (0.1% of class); basketball team point guard

PROFESSIONAL AFFILIATIONS

- **American Association of Professional Landmen:** Active Member since 2016
- **Denver Association of Professional Landmen:** Active Member since 2016

ADDITIONAL

- **Languages:** Russian (native speaker), Belarusian (native speaker), Vietnamese (native speaker)
- **Activities:** Volunteering for Habitat for Humanity for >7 years; Crested Butte Music Festival: interpreter for Russian-speaking international musicians and their staff



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. 22820

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 C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.
5. **Exhibit C.2** is a wellbore schematic showing Franklin's development plan, which includes the wells proposed in Case Numbers 22818 through 22821, including this case.
6. **Exhibit C.3** is structure map of the Leonard formation. The proposed spacing unit is identified by a blue box. The PF Fed Com 103H well is the black 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.



7. **Exhibit C.4** is a cross section reference map that identifies six wells in the vicinity of the proposed well, shown by a line of cross-section running from A to A'.

8. **Exhibit C.5** is a stratigraphic cross section hung on the top of the Leonard formation. The well logs on the cross-section give a representative sample of the Leonard formation in the area. The target zone is identified by a bracket and the words "Producing Interval". I have also identified where the proposed well falls within the wells I used for the cross-section.

9. In my opinion, the gross interval thickness increases slightly to the southeast.

10. **Exhibit C.6** is an Isopach of the Leonard formation. The gross interval thickness increases slightly to the southeast.

11. 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.

12. **Exhibit C.7** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.

13. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to S_{Hmax} , optimal for induced fracture propagation. This is because the S_{Hmax} is at approximately 265 degrees ENE in this area of Lea County.

14. I attest that the information provided herein is correct and complete to the best of my knowledge and belief.

15. 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: May 27th, 2022

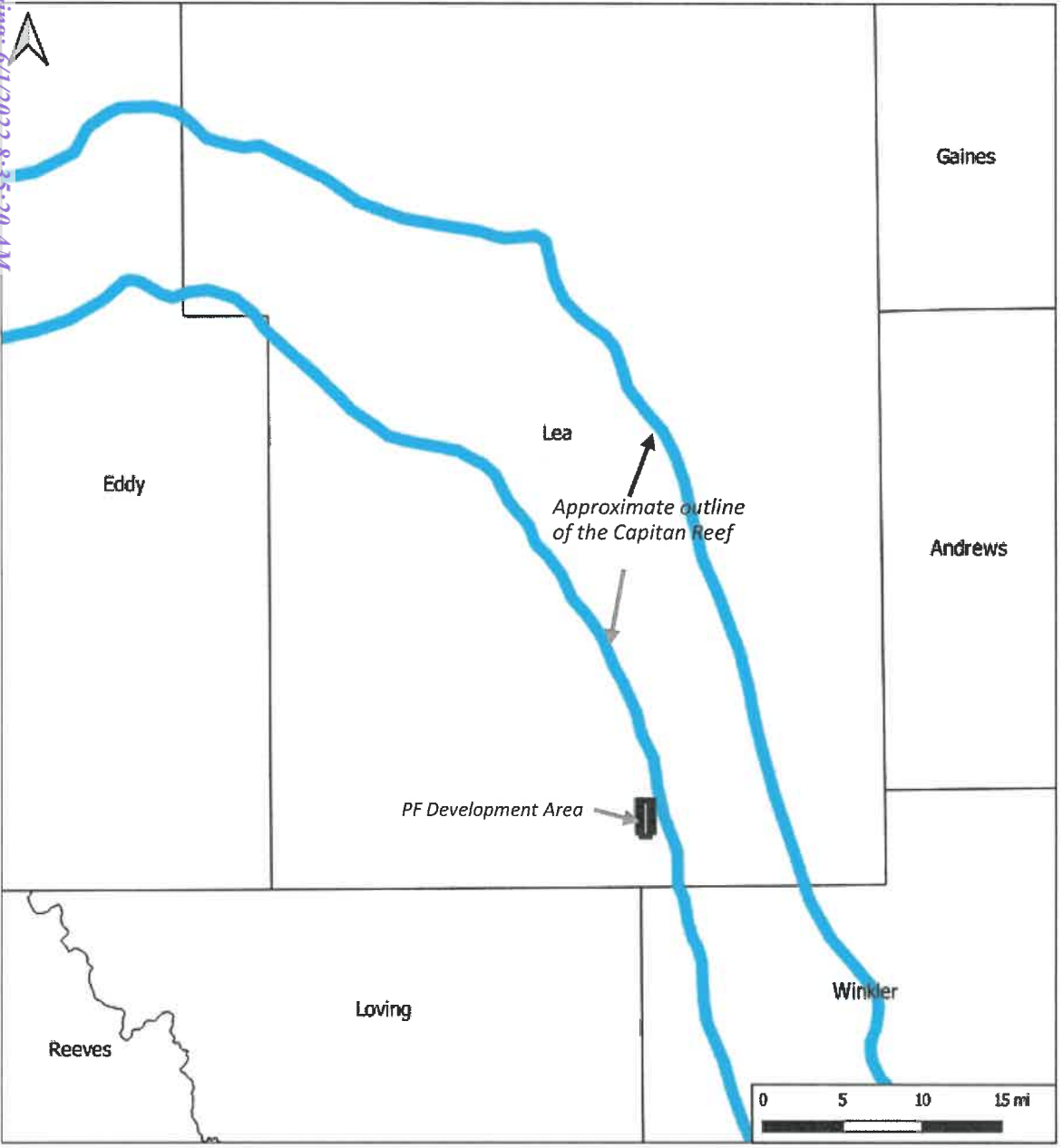
A handwritten signature in black ink, appearing to read 'Ben Kessel', written over a horizontal line.

Ben Kessel

PF Development



Locator Map



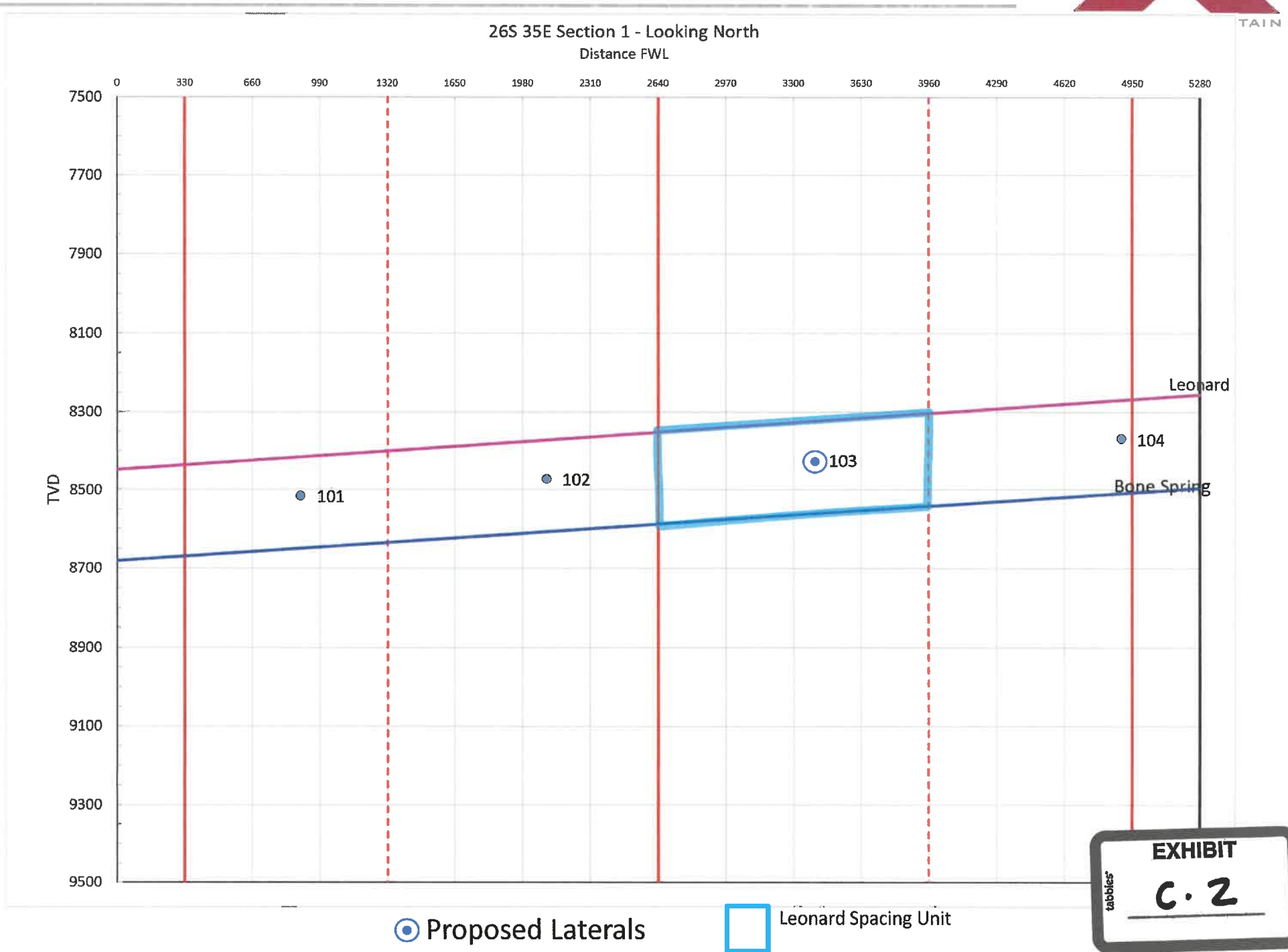
- Black box shows the location of PF development area
- Planned wells are located outside of the western edge of the Capitan Reef



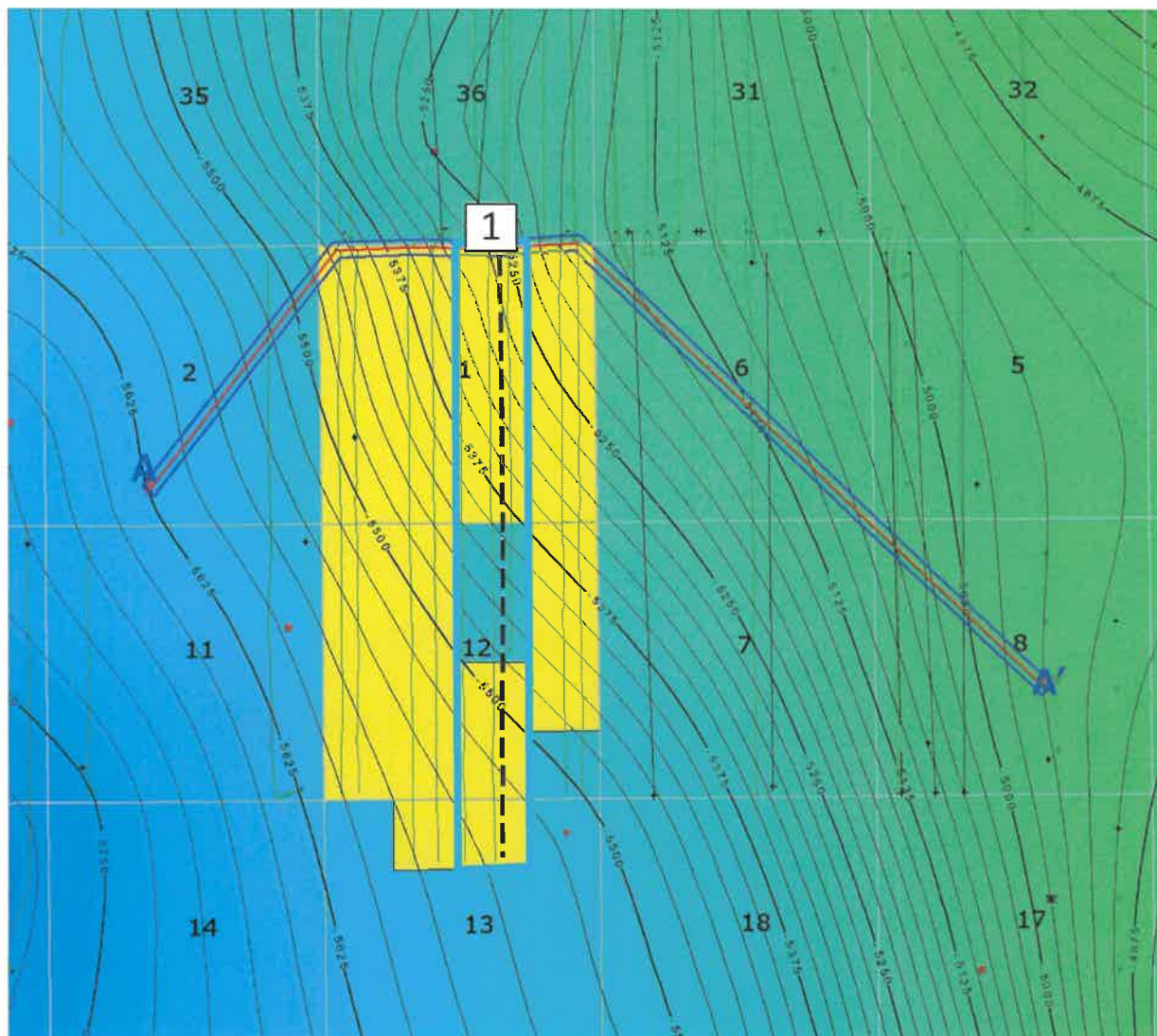
Wellbore Schematic

Released to Imaging: 6/1/2022 8:35:20 AM

Received by OCD: 5/31/2022 4:49:59 PM



Leonard Structure



C.I. = 25'

1 mile



Franklin Mountain Acreage

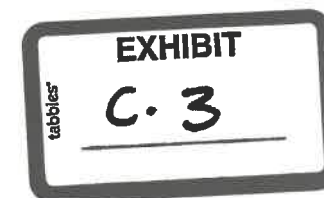


Leonard Spacing Unit

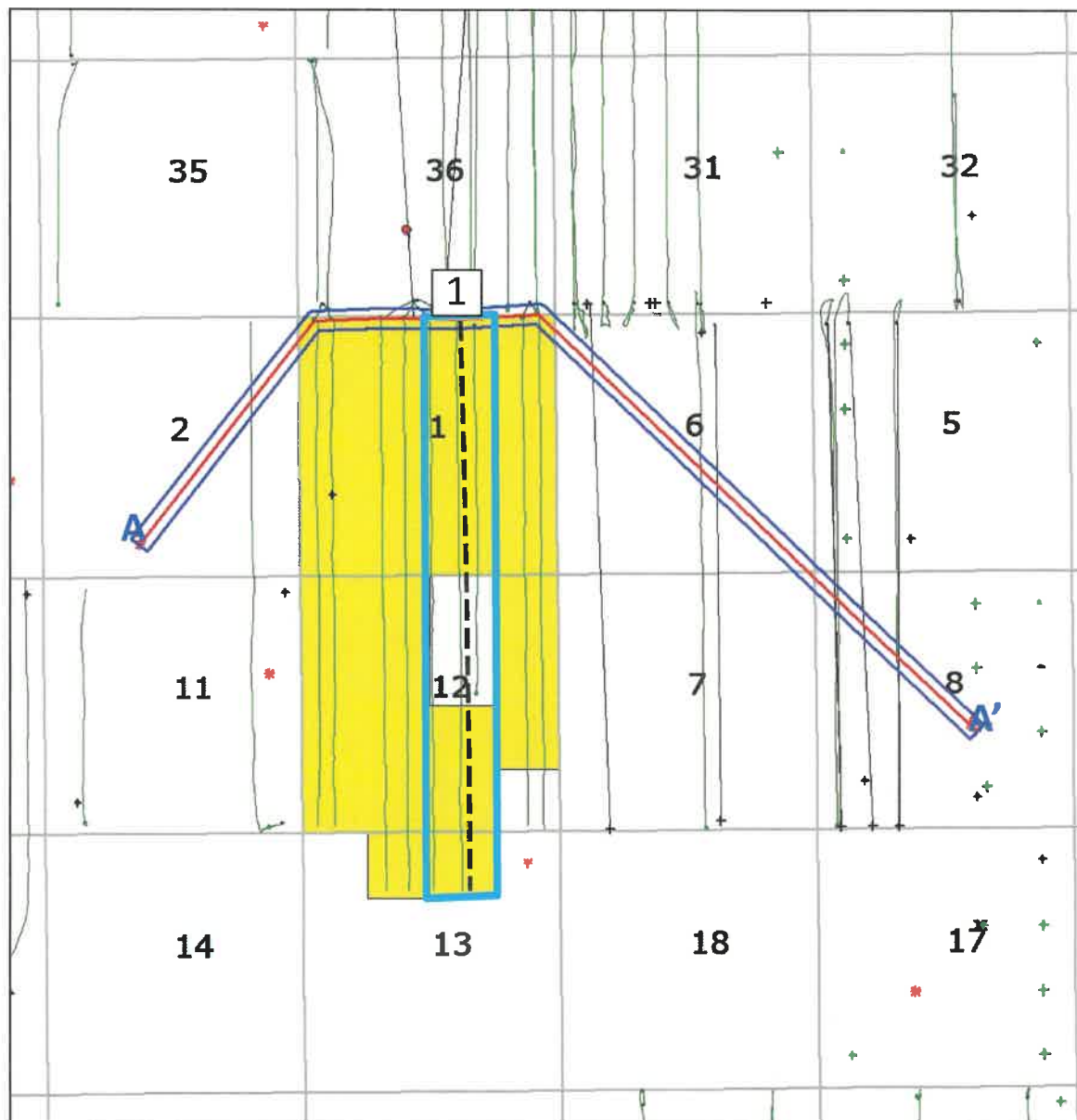
Proposed Horizontal Location



PF Fed Com 103H



Leonard Cross Section Reference Map



All wells shown

1 mile

- Franklin Mountain Acreage
- Leonard Spacing Unit

Proposed Horizontal Location

1 PF Fed Com 103H



Leonard Cross Section

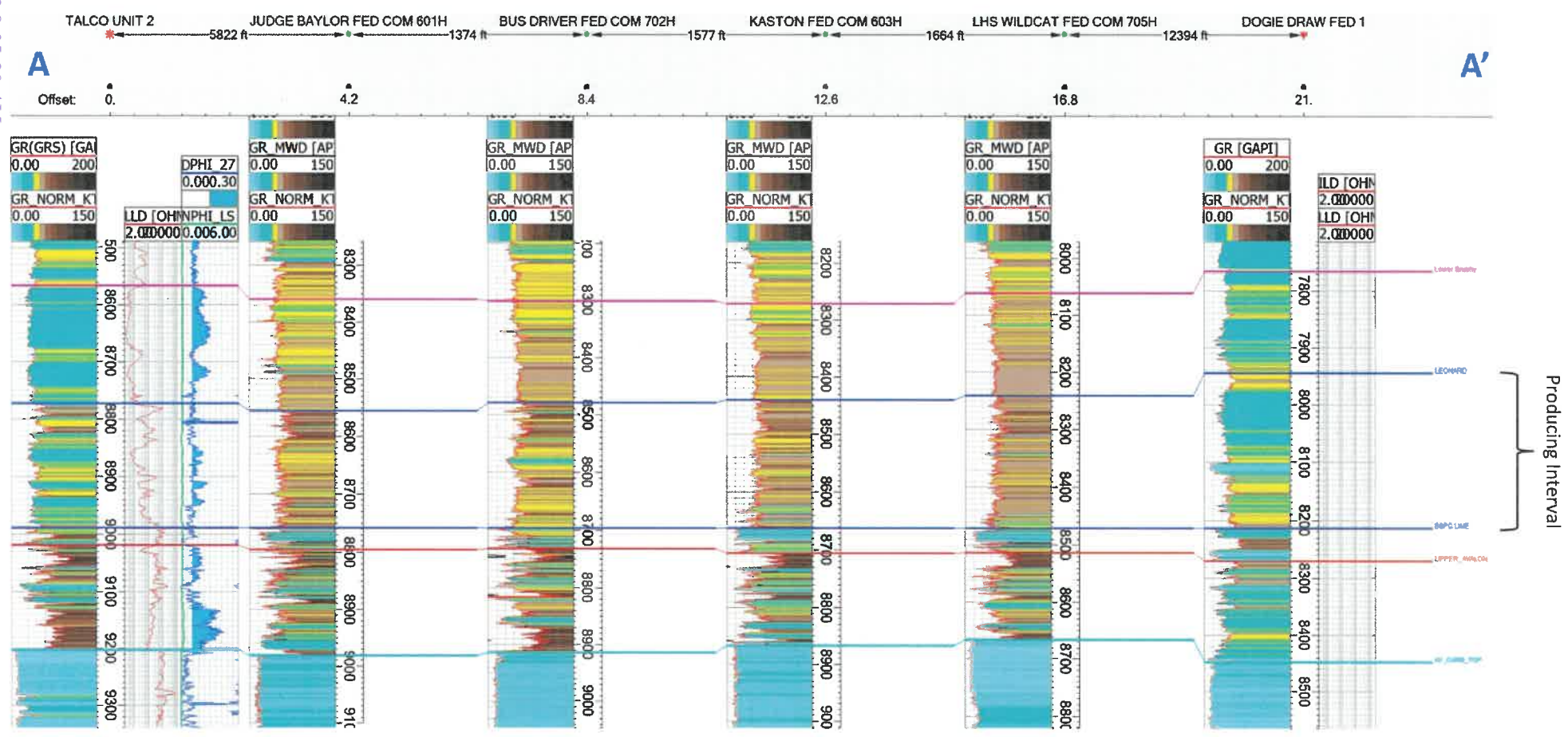
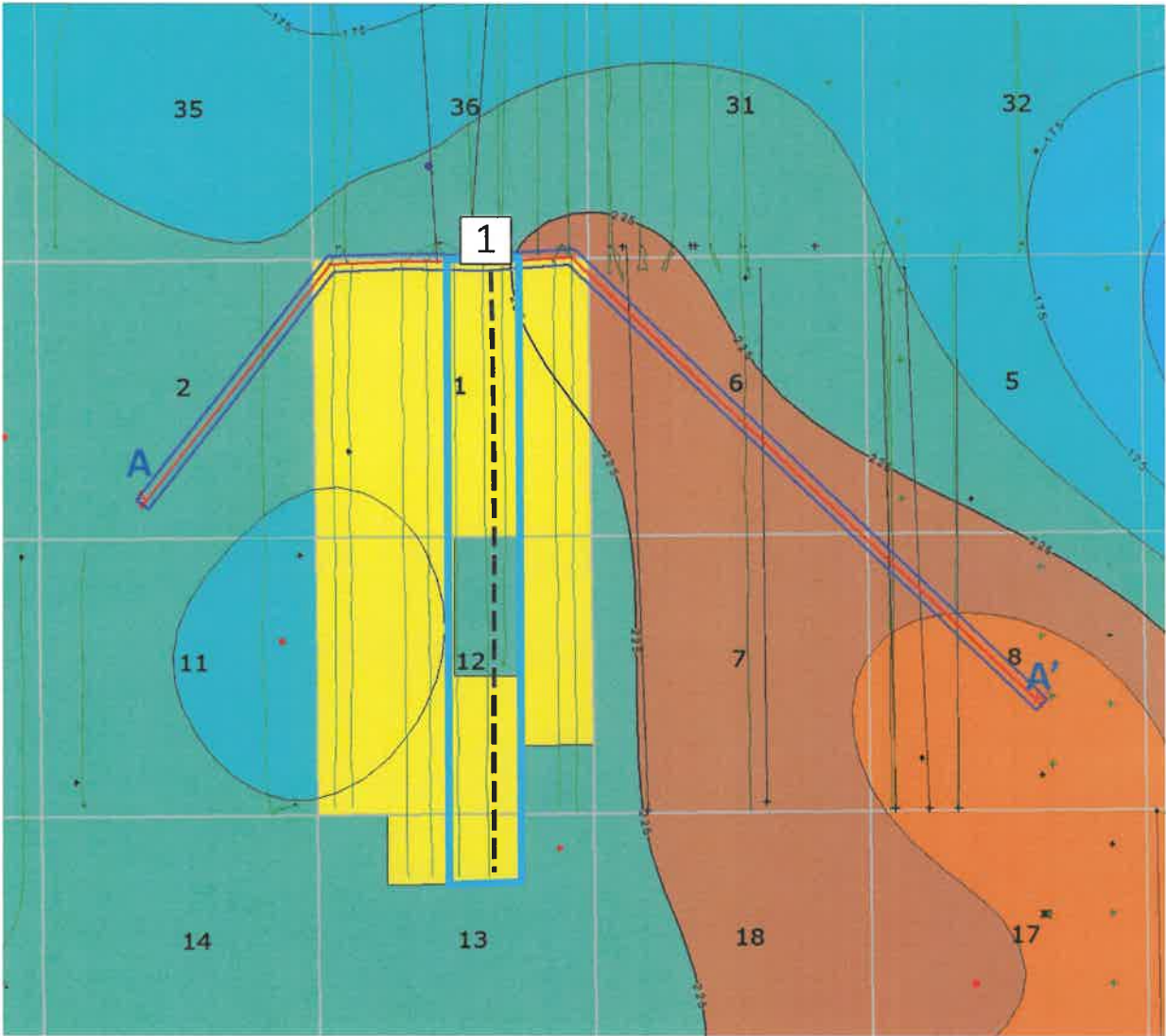


EXHIBIT
C-5

Leonard Isopach



C.I. = 25'

1 mile

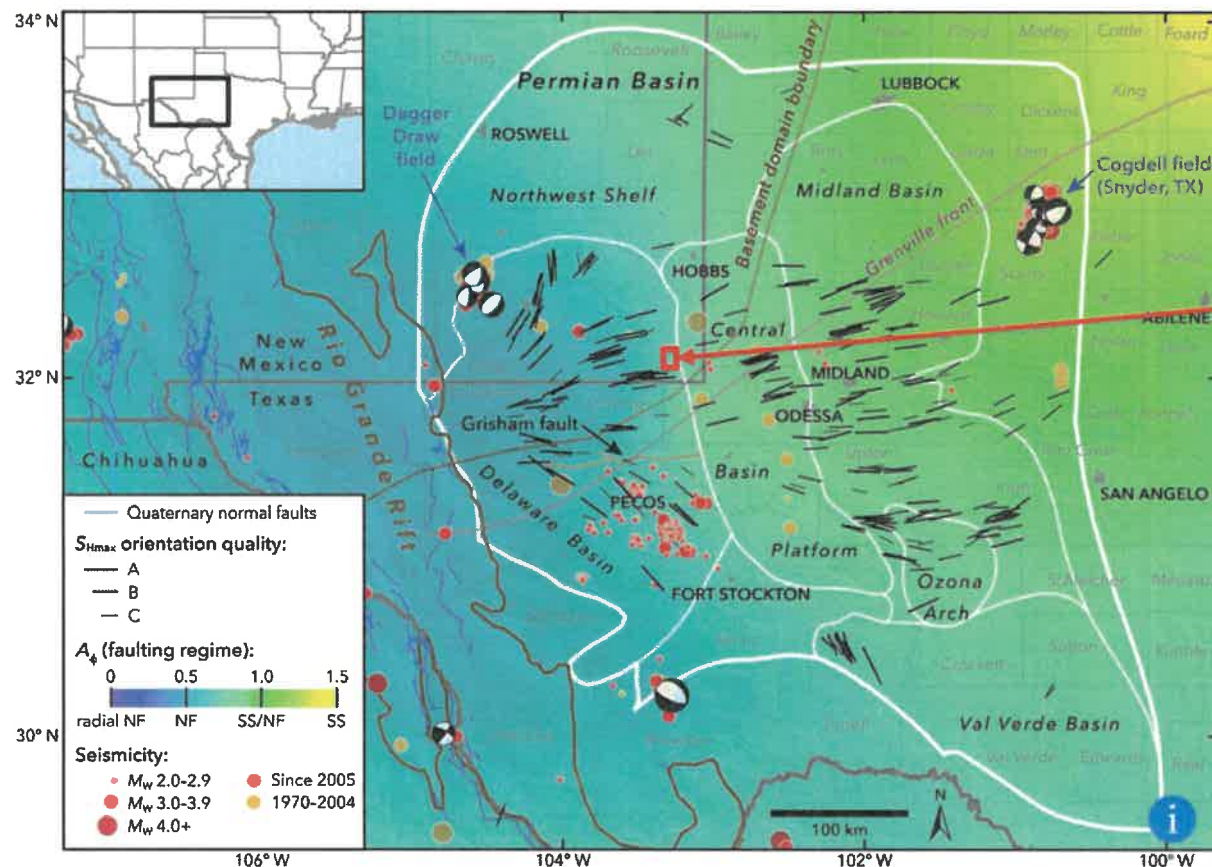
- Franklin Mountain Acreage
- Leonard Spacing Unit

Proposed Horizontal Location

1 PF Fed Com 103H



Regional Stress



- Red box shows the approximate location of the PF development
- Reported local S_{Hmax} (Snee and Zoback, 2018) direction is ENE, around 265°
- The PF Fed Com 103 well is 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

