

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

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

CASE NO. \_\_\_\_\_

**APPLICATION**

Franklin Mountain Energy, LLC (“Franklin”), OGRID Number 373910, through its undersigned attorneys, hereby files this amended application with the Oil Conservation Division (“Division”) pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2E/2 of Sections 16 and 21, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
2. Franklin seeks to dedicate the E/2E/2 of Sections 16 and 21, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Bone Spring horizontal spacing unit.
3. Franklin plans to drill the **Remington Fed Com 304H and Remington Fed Com 504H wells** to a depth sufficient to test the Bone Spring formation. The wells will be horizontally drilled, and the producing area for the wells is expected to be orthodox.

4. This proposed horizontal spacing unit will overlap with an existing 160-acre horizontal Bone Spring spacing unit comprised of the E/2E/2 of Section 16, Township 24 South, Range 35 East, dedicated to COG Operating LLC's Angus State 24-35-16 #456H well (API 30-025-44607).

5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.

6. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approval of the overlapping spacing unit, to the extent necessary, will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on March 7, 2024 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2E/2 of Sections 16 and 21, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

C. Approving, to the extent necessary, the proposed overlapping spacing unit.

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

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**CASE NO. \_\_\_\_\_: Application of Franklin Mountain Energy, LLC for Compulsory Pooling, Lea County, to the Extent Necessary, Approval of an Overlapping Spacing Unit, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2E/2 of Sections 16 and 21, Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Remington Fed Com 304H and the Remington Fed Com 504H wells**, to be horizontally drilled. Applicant also seeks, to the extent necessary, approval of an overlapping spacing unit. This proposed horizontal spacing unit will overlap with an existing 160-acre horizontal Bone Spring spacing unit comprised of the E/2E/2 of Section 16, Township 24 South, Range 35 East, dedicated to COG Operating LLC's Angus State 24-35-16 #456H well (API 30-025-44607). The producing area for the wells is expected to be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 12 miles northwest of Jal, New Mexico.