

Before the Oil Conservation Division Examiner Hearing May 16th, 2024

Compulsory Pooling

Case No. 24471: Treble State Com 303H, Treble State Com 503H, Treble State Com 603H

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

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

CASE NO. 24471

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| CONADLU CODY | |
|--------------|-------------------------------|
| COMPULSORY | POOLING APPLICATION CHECKLIS |
| COMPULSORY | POOLING APPLICATION CHECKLIST |

| ALL INFORMATION IN THE APPLICATION MUST BE | SUPPORTED BY SIGNED AFFIDAVITS |
|--|--|
| Case: 24471 | APPLICANT'S RESPONSE |
| Date | May 16, 2024 |
| Applicant | Franklin Mountain Energy 3, LLC |
| Designated Operator & OGRID (affiliation if applicable) | Franklin Mountain Energy 3, LLC OGRID No. 331595 |
| Applicant's Counsel: | Modrall, Sperling, Roehl, Harris, & Sisk, P.A. |
| Case Title: | Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, and, To the Extent Necessary, Approval of an Overlapping Spacing Unit, Lea County, New Mexico. |
| Entries of Appearance/Intervenors: | None. |
| Well Family | Treble State Com |
| Formation/Pool | |
| Formation Name(s) or Vertical Extent: | Bone Spring |
| Primary Product (Oil or Gas): | Oil |
| Pooling this vertical extent: | Bone Spring |
| Pool Name and Pool Code: | Pearl; Bone Spring Pool, (Code 49680); Pearl: Bone Spring, South Pool (Code 49685) |
| Well Location Setback Rules: | State-Wide Rules Apply |
| Spacing Unit | |
| Type (Horizontal/Vertical) | Horizontal |
| Size (Acres) | 320-acres |
| Building Blocks: | 40-acres |
| Orientation: | North/South |
| Description: TRS/County | W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. |
| Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application? | Yes. |
| Other Situations | |
| Depth Severance: Y/N. If yes, description | N/A |
| Proximity Tracts: If yes, description | N/A |
| Proximity Defining Well: if yes, description | N/A |
| Applicant's Ownership in Each Tract | See Exhibit B.3 |
| Well(s) | |
| Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard) | Add wells as needed |
| Well #1: Treble State Com 303H | API No. <i>Pending</i> SHL: 840' FSL & 1699' FEL, (Unit O), Section 22, T19S, R35E BHL: 100' FSL & 1680' FEL, (Unit O) Section 34, T19S, R35E Completion Target: First Bone Spring (Approx. 9,392' TVD) Orientation: North/South |
| Well #2: Treble State Com 503H EXHIBIT | API No. Pending SHL: 740' FSL & 1699' FEL, (Unit O), Section 22, T19S, R35E BHL: 100' FSL & 2080' FEL, (Unit O) Section 34, T19S, R35E Completion Target: Second Bone Spring (Approx. 10,049' TVD) Orientation: North/South |

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|--|--|----------|
| General Location Map (including basin) | Exhibit C.1 | |
| Well Bore Location Map | Exhibit C.2 | |
| Structure Contour Map - Subsea Depth | Exhibit C.3; C.7; C.11 | |
| Cross Section Location Map (including wells) | Exhibit C.4; C.8; C.12 | |
| Cross Section (including Landing Zone) | Exhibit C.5; C.9; C.13 | |
| Additional Information | | |
| Special Provisions/Stipulations | N/A | |
| CERTIFICATION: I hereby certify that the information prov | ided in this checklist is complete and accurate. | |
| Printed Name (Attorney or Party Representative): | Deana M. Bennett | |
| Signed Name (Attorney or Party Representative): | /s/ Deana M. Bennett | |
| Date: | 5/1 | 3/2024 |

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

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

CASE NO. 24471

| STATE OF COLORADO |) |
|-------------------|------|
| |) ss |
| COUNTY OF DENVER |) |

AFFIDAVIT OF DON JOHNSON

Don Johnson, being duly sworn, deposes and states as follows:

- 1. I am over the age of 18, I am a landman for Franklin Mountain Energy 3, LLC ("Franklin"), and I 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 landman were accepted by the Division as a matter of record.
- 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 B.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 all uncommitted interests into the horizontal spacing unit described below, and in the wells to be drilled in the unit. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit.
- 7. No opposition is expected because the 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. In this case, Franklin seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico.
- 9. This spacing unit will be dedicated to the **Treble State Com 303H**, **Treble State Com 503H**, and **Treble State Com 603H** wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34.
 - 10. Attached as **Exhibit B.2** are the proposed C-102s for the wells.
- 11. The C-102s identify the proposed surface hole locations and the bottom hole locations, and the first take points. The C-102s also identify the pools and pool codes.
- 12. The well will develop the Pearl; Bone Spring Pool (Code 49680), and the Pearl; Bone Spring, South (Code 49685).
- 13. The Pearl; Bone Spring Pool and the Pearl; Bone Spring, South Pool are oil pools with 40-acre building blocks.
 - 14. The pools are governed by the state-wide horizontal well rules.
 - 15. The producing areas for the wells are expected to be orthodox.

- 16. There are no depth severances within the proposed spacing unit.
- 17. This proposed horizontal spacing unit will partially overlap with the following existing spacing units:
 - a. A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #002H well (API 30-025-39131); and
 - b. A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 NE/4 (Unit B) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #003H well (API 30-025-25180).
- 18. We have been in contact with Mewbourne Oil Co. and have notified us that they will be plugging and abandoning both Sparrow wells (API 30-025-39131 and 30-025-25180).
- 19. **Exhibit B.3** includes a lease tract map outlining the unit being pooled. Exhibit B.3 also includes the parties being pooled, the nature, and the percent of their interests.
- 20. I have conducted a diligent search of the public records in the county where the wells are 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 the Authorizations for Expenditure.
- 21. In my opinion, Franklin has made a good faith effort to obtain voluntary joinder of the uncommitted mineral interest owners in the proposed wells.
 - 22. **Exhibit B.4** is a summary of my contacts with the working interest owners.
 - 23. **Exhibit B.5** is a list of the parties being pooled for this case.

- 24. **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 wells.
- 25. **Exhibit B.7** contains the Authorizations for Expenditure for the proposed wells. The estimated cost of the wells 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.
- 26. Franklin requests overhead and administrative rates of \$9,000 month for drilling the wells and \$900 month for the producing wells. 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.
- 27. Franklin requests the maximum cost plus 200% risk charge be assessed against nonconsenting working interest owners.
 - 28. Franklin requests that it be designated operator of the wells.
 - 29. The parties Franklin is seeking to pool were notified of this hearing.
- 30. Franklin seeks to pool overriding royalty interest owners, and they were also provided notice of this hearing.
- 31. The attachments to this affidavit were prepared by me, or compiled from company business records, or were prepared at my direction.
- 32. In my opinion, the granting of this application is in the interests of conservation and the prevention of waste.

[Signature page follows]

Dated: May \(\frac{\gamma}{2} \), 2024

State of Colorado

County of Denver

Don Johnson. This record was acknowledged before me on May 8th

[Stamp]

LONI RAYANN BOGENSCHUTZ NOTARY PUBLIC - STATE OF COLORADO NOTARY ID 20204018559 MY COMMISSION EXPIRES MAY 27, 2024

Notary Public in and for the State of _______

Commission Number: 202 040 18559

My Commission Expires:

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

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

CASE NO. 24471

APPLICATION

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 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:

- Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
- 2. Franklin seeks to dedicate the spacing unit to the **Treble State Com 303H**, **Treble State Com 503H**, and **Treble State Com 603H** wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34.
 - 3. The producing area for the wells is expected to be orthodox.
- 4. This proposed horizontal spacing unit will partially overlap with the following existing spacing units:

EXHIBIT

B. I

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- a. A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #002H well (API 30-025-39131); and
- b. A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 NE/4 (Unit B) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #003H well (API 30-025-25180).
- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on May 2, 2024 and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
 - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
 - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;

- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
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500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
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Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24471: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Treble State Com 303H, Treble State Com 503H, and Treble State Com 603H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with the following existing spacing units:

- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #002H well (API 30-025-39131); and
- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 NE/4 (Unit B) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #003H well (API 30-025-25180).

Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 Phone: (575) 393-0161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 <u>District III</u> 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 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

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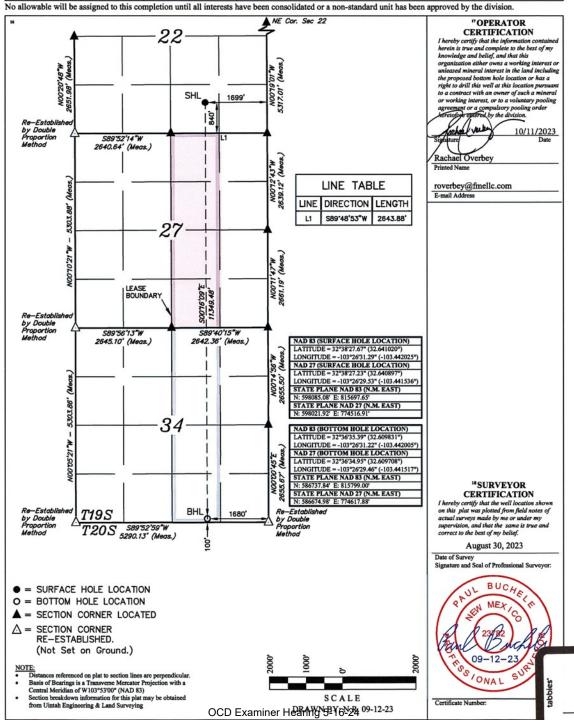
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | ² Pool Code 49680 | ne G (Sec 27) | |
|----------------------------------|---------------------------------|------------------------|-----------------------|
| 4 Property Code | 5 Property TREBLE ST | | 6 Well Number 303H |
| ⁷ OGRID No. 331595 | Operator FRANKLIN MOUNTA | 9 Elevation 3730.7' | |

Surface Location 198 22 SOUTH EAST

| UL or lot no. | Section 34 | Township 19S | Range 35E | Lot Idn | Feet from the 100 | North/South line SOUTH | Feet from the 1680 | East/West line EAST | County LEA |
|-------------------|---------------|-----------------|--------------|----------------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| 12 Dedicated Acro | es nj | oint or Infill | 14 Consc | olidation Code | 15 Order No. | | | | |



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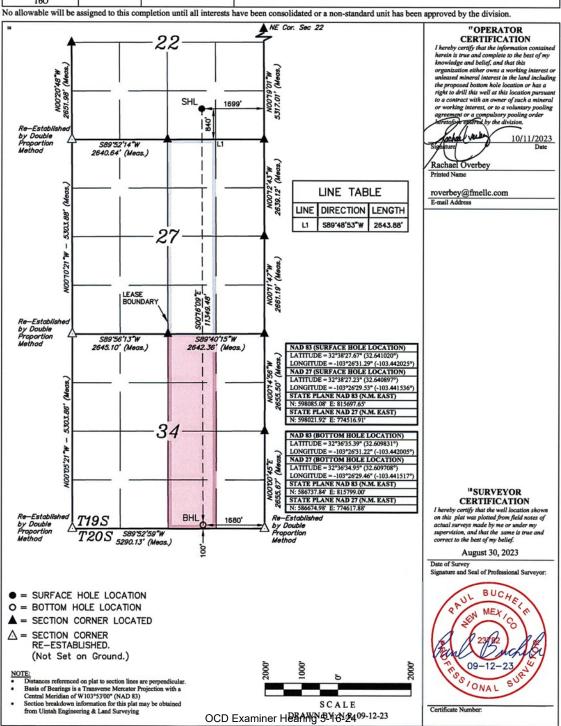
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■ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | 1 Pool Code 3 Pool Name 49685 PEARL;BONE SPRING | | | | |
|-------------------------|---|---|--|--|--|
| Property Code | | ⁵ Property Name TREBLE STATE COM | | | |
| OGRID No. 331595 | *Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC | | | | |

| UL or lot no. | Section 34 | Township 19S | Range 35E | Lot Idn | Feet from the 100 | North/South line SOUTH | Feet from the 1680 | East/West line EAST | County LEA |
|--------------------------|---------------|-----------------|--------------|----------------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| 12 Dedicated Acre 16O | es 13 ; | oint or Infill | 14 Conse | olidation Code | 15 Order No. | | | • | |



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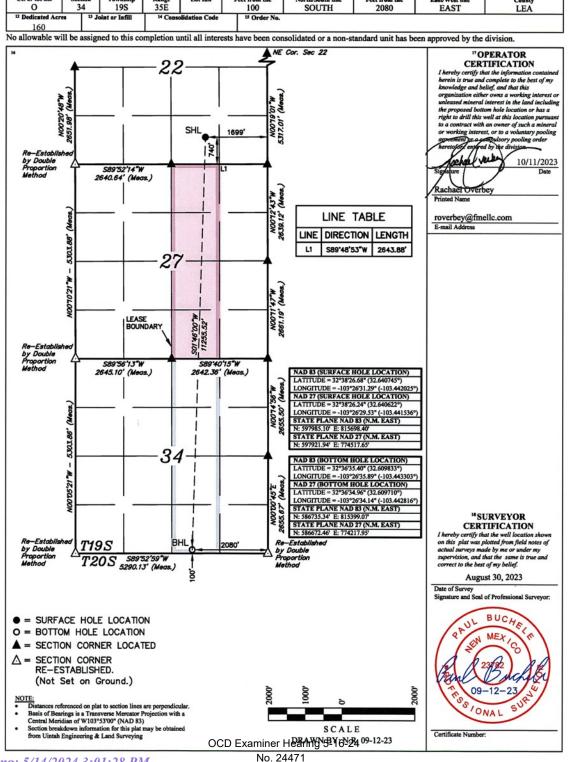
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | ² Pool Code 49680 | ³ Pool Na PEARL;BONE SP | | |
|-------------------------|---------------------------------------|---------------------------------------|--|--|
| 4 Property Code | ⁵ Property N TREBLE STA | | | |
| OGRID No. 331595 | Operator N FRANKLIN MOUNTAIN | Flevation 3730.3' | | |

Surface Location UL or lot no. Range 35E LEA 740 SOUTH EAST

| UL or lot no. | Section 34 | Township 19S | Range 35E | Lot Idn | Feet from the 100 | North/South line SOUTH | Feet from the 2080 | East/West line EAST | County LEA |
|--------------------------|---------------|-----------------|--------------|----------------|----------------------|---------------------------|--------------------|------------------------|---------------|
| 12 Dedicated Acre 160 | es 12 | Joint or Infill | 14 Conse | olidation Code | 15 Order No. | | | | |



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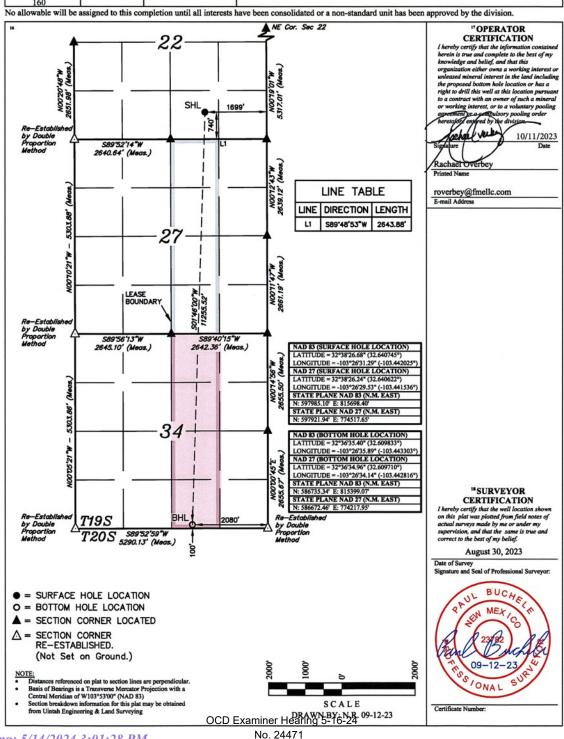
WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Number | ² Pool Code 49685 | | | |
|-------------------------|---------------------------------|---|--|--|
| 4 Property Code | | Property Name 'Well Num LE STATE COM 503H | | |
| OGRID No. 331595 | FRANKLIN MOUN | 9 Elevation 3730.3' | | |

Surface Location

| UL or lot no. | Section 22 | Township 19S | Range 35E | Lot Idn | Feet from the 740 | North/South line SOUTH | Feet from the 1699 | East/West line EAST | County LEA |
|---------------|---------------|-----------------|--------------|--------------------------|----------------------|---------------------------|----------------------------|------------------------|---------------|
| | | | | Transition of the second | Services Transport | Secretary secretary | Assessed the second second | | |

| UL or lot no. | Section 34 | Township 19S | Range 35E | Lot Idn | Feet from the 100 | North/South line SOUTH | Feet from the 2080 | East/West line EAST | County LEA |
|--------------------------|---------------|-----------------|--------------|----------------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| 12 Dedicated Acre 160 | B 13. | oint or Infill | 14 Conse | olidation Code | 15 Order No. | | | | |



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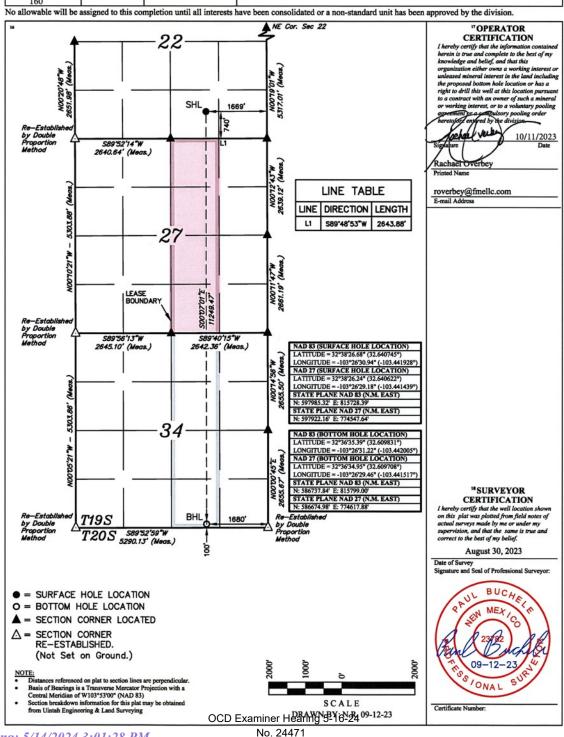
WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 API Number | ² Pool Code | ² Pool Code ³ Pool Name | | |
|----------------------------------|------------------------|---|-----------------------|--|
| | 49680 | PEARL;BONE SPRING (Sec 27) | | |
| 4 Property Code | | perty Name E STATE COM | 6 Well Number 603H | |
| ⁷ OGRID No. 331595 | *Ope FRANKLIN MOU | * Elevation 3730.7' | | |

"Surface Location Range 35E Feet from the County EAST 22 198 740 SOUTH

¹¹ Bottom Hole Location If Different From Surface

| UL or lot no. | Section 34 | Township 19S | Range 35E | Lot Idn | Feet from the 100 | North/South line SOUTH | Feet from the 1680 | East/West line EAST | County LEA |
|--------------------------|---------------|-----------------|--------------|----------------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| 12 Dedicated Acre 160 | es 13 J | oint or Infill | 14 Consc | olidation Code | 15 Order No. | | | | |



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WELL LOCATION AND ACREAGE DEDICATION PLAT

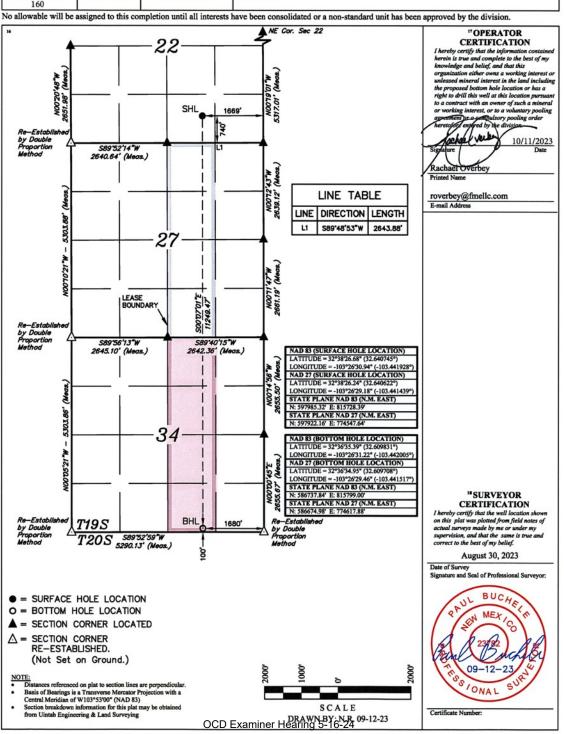
| ¹ API Number | ² Pool Code 49685 | ³ Pool Name PEARL;BONE SPRING, SOUTH (Sec 34) | |
|-------------------------|---------------------------------|--|------------------------|
| 4 Property Code | | Property Name LE STATE COM 603H | |
| OGRID No. 331595 | | ator Name ITAIN ENERGY 3, LLC | 9 Elevation 3730.7' |

Surface Location

| UL or lot no. O | Section 22 | Township 19S | Range 35E | Lot Idn | Feet from the 740 | North/South line SOUTH | Feet from the 1669 | East/West line EAST | County LEA |
|--------------------|---------------|-----------------|--------------|--|--|--|--|------------------------|--|
| | | | | Survey of the State of the Stat | Annual Control of the | 1 march 100 marc | The state of the s | V-1 | ATTION AND ADDRESS OF THE PARTY |

¹¹ Bottom Hole Location If Different From Surface

| O O | 34 | 19S | 35E | Lot Idn | 100 | SOUTH | 1680 | East/West line EAST | LEA |
|---------------------------|-------|----------------|----------|----------------|--------------|-------|------|------------------------|-----|
| 12 Dedicated Acres 160 | 13 J. | oint or Infill | 14 Conse | olidation Code | 15 Order No. | | | | |



Development Overview

Case Nos. 24471



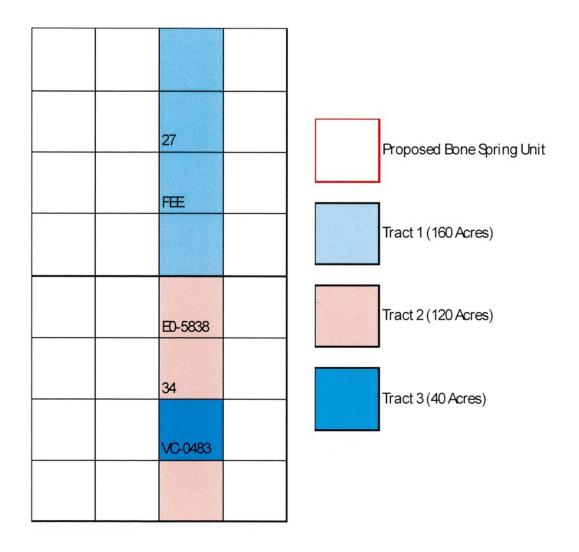
1 mile

EXHIBIT

B.3

Lease Tract Map Case No. 24471

W2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres Treble State Com 303H, Treble State Com 503H, Treble State Com 603H





Summary of Interests Case No. 24471

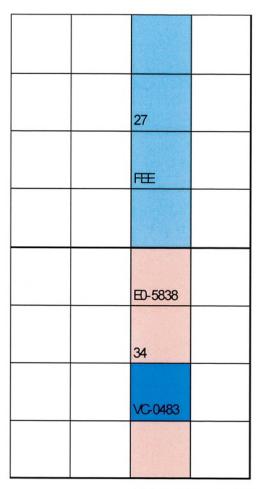
W2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres Treble State Com 303H, Treble State Com 503H, Treble State Com 603H

| Commited Working | gInterest |
|---------------------------------|-------------|
| Franklin Mountain Energy 3, LLC | 84.062500% |
| | |
| | |
| Uncommited Worki | ngInterest |
| WPX Energy Permian, LLC | 7.500000% |
| Northern Oil and Gas, Inc. | 4.687500% |
| Marathon Oil Permian, LLC | 3.750000% |
| | |
| Total: | 100.000000% |



Unit Recapitulation Case No. 24471

W2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres Treble State Com 303H, Treble State Com 503H, Treble State Com 603H



| Tract | Lease |
|-------|---------|
| 1 | FEE . |
| 2 | ED-5838 |
| 3 | VC-0483 |

| Commited Working Inte | rest |
|---------------------------------|-------------|
| Franklin Mountain Energy 3, LLC | 84.062500% |
| | |
| Uncommited Working Inte | erest |
| WPX Energy Permian, LLC | 7.500000% |
| Northern Oil and Gas, Inc. | 4.687500% |
| Marathon Oil Permian, LLC | 3.750000% |
| Total: | 100.000000% |



Summary of Contacts (W/2E/2: Case Nos. 24471)

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around February 8, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters sent to working interest owners.
- Franklin had multiple communications with the uncommitted owners, which I have outlined in the chart below.
- Franklin filed the application to force pool unleased mineral interest owners who had not entered
 in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

| Name | Ownership Type | Date Proposal Letter Sent | Proposal Letter Received | Follow Up |
|------------------------------|-------------------|---------------------------------|-----------------------------|---|
| WPX Energy Permian, LLC | WI | 2/8/2024 | 2/14/2024 | Email from Peggy Buller noting WPX received the election, WPX has not asked for any additional information, JOA form, or returned election. |
| Northern Oil and Gas, Inc. | WI | 2/8/2024 | 2/15/2024 | Elected to Participate |
| Marathon Oil Permian, LLC | WI | 2/8/2024 | 2/14/2024 | No contact from Marathon |

EXHIBIT
8.4

| Name | Street | City | State | Zip | Ownership Type |
|--|--------------------------------|---------------|-------|-------|----------------|
| Marathon Oil Permian, LLC | 990 Town and Country Blvd | Houston | TX | 77024 | WI |
| WPX Energy Permian, LLC | 333 W Sheridan Avenue | Oklahoma City | OK | 73102 | WI |
| Northern Oil and Gas, Inc. | 4350 Baker Road | Minnetonka | MN | 55343 | WI |
| Rutter & Wilbanks Corporation | 301 SOUTH MAIN STREET | MIDLAND | TX | 79701 | ORRI |
| Victor J. Sirgo | 3405 CHOATE PLACE | MIDLAND | TX | 79707 | ORRI |
| Chi Energy, Inc. | PO BOX 1799 | MIDLAND | TX | 79702 | ORRI |
| Edna and Curtis Anderson Rev Trust Dtd 8.31.21 | 9314 CHERRY BROOK LANE | FRISCO | TX | 75033 | ORRI |
| Charles Wiggins and Deborah Wiggins | PO BOX 10862 | MIDLAND | TX | 79702 | ORRI |
| Enerlex, Inc. | 18452 EAST 111TH STREET | BROKEN ARROW | OK | 74011 | ORRI |
| Castle Royalties, LLC | 15601 DALLAS PARKWAY | ADDISON | TX | 75001 | ORRI |
| | SUITE 900 | | | | |
| Stroube Energy Corporation | 18208 Preston Rd, #D9249 | Dallas | TX | 75252 | ORRI |
| J.D. Sutton, Inc. | HC 64 BOX 100 | LOCO | ОК | 73442 | ORRI |
| Curtis Mewbourne, Trustee | PO BOX 7698 | TYLER | TX | 75711 | ORRI |
| Prospector, LLC | PO BOX 429 | ROSWELL | NM | 88202 | ORRI |
| Ridge Runner Resources Operating | 4000 N. Big Spring Street, Ste | Midland | TX | 79701 | ORRI |
| | 210 | | | | |
| Coert Holdings 1, LLC | 20 HORSENECK LANE | GREENWICH | CT | 06830 | ORRI |
| Muirfield Resources Company | PO Box 3166 | Tulsa | OK | 74101 | ORRI |
| Caprock Resources, LLC | PO Box 180573 | Dallas | TX | 75218 | ORRI |
| Thunder Moon Resources, LLC | PO Box 670581 | Dallas | TX | 75367 | ORRI |
| Petro Tiger I, Ltd | PO Box 3166 | Tulsa | OK | 74101 | ORRI |
| State of New Mexico, by and through its Commissioner of Public Lands | PO Box 1148 | Santa Fe | NM | 87540 | RI |

EXHIBIT

B.S



Sent via USPS: 9405536105536322495047

February 8, 2024

Marathon Oil Permian, LLC 990 Town and County Blvd Houston, TX 77024 Attn: Land Dept, Permian Basin

RE: Well Proposals

Township 19 South, Range 35 East

Section 27: W2E2 Section 34: W2E2

Lea County, New Mexico 320.00 acres, more or less

Dear Working Interest Owner:

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

| Well Name | Target Formation | Total Vertical Depth | Measured Depth | SHL | BHL | Total AFE | Order |
|-----------------------------|---------------------|----------------------------|-------------------|---|---|-----------------|-------|
| Treble State Com 303H | 1BS | 9,392' | 21,892' | Sec 22- T19S-R35E 830 FSL 1700 FEL | Sec 34- T19S-R35E 100 FSL 1680 FEL | \$11,183,950.44 | N/A |
| Treble State Com 503H | 2BS | 10,049' | 19,049' | Sec 22- T19S-R35E 730 FSL 1700 FEL | Sec 34- T19S-R35E 100 FSL 2080 FEL | \$11,183,950.44 | N/A |
| Treble State Com 603H | 3BS | 10,364' | 20,364' | Sec 22- T19S-R35E 730 FSL 1670 FEL | Sec 34- T19S-R35E 100 FSL 1680 FEL | \$11,797,546.84 | N/A |
| Treble State Com 703H | WCA | 10,860' | 20,860' | Sec 22- T19S-R35E 730 FSL 1730 FEL | Sec 34- T19S-R35E 100 FSL 2290 FEL | \$11,797,546.84 | N/A |
| Treble State Com 803H | WCB | 11,392' | 21,392' | Sec 22- T19S-R35E 830 FSL 1670 FEL | Sec 34- T19S-R35E 100 FSL 1680 FEL | \$12,164,281.44 | N/A |

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

44 Cook Street | Suite 1000 | Denver, CO 80206



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

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

Should you be interested in participating under an Operating Agreement, with your working interest, FME3 will send you our proposed form.

Please indicate your election in the space provided on the following page, sign and return this letter, along with a signed copy of the enclosed AFE. If you do not wish to participate, FME3 proposes a term assignment or lease at the following terms:

The foregoing offer is non-binding in nature until a definitive agreement and/or conveyance documents are negotiated and agreed to by each party. FME3 is under no obligation to negotiate, lease or purchase your interest.

Please return your signed documents to Jon Rutledge at <u>jrutledge@fmellc.com</u> or to the address provided below at your earliest convenience.

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

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

Respectfully,

Franklin Mountain Energy 3, LLC

Huttedge

Jon Rutledge

Landman



| Treble State Com 303H: |
|---|
| I/We hereby elect to participate in the Treble State Com 303H well. I/We hereby elect NOT to participate in the Treble State Com 303H well. |
| Treble State Com 503H: |
| I/We hereby elect to participate in the Treble State Com 503H well. I/We hereby elect NOT to participate in the Treble State Com 503H well. |
| Treble State Com 603H: |
| I/We hereby elect to participate in the Treble State Com 603H well. I/We hereby elect NOT to participate in the Treble State Com 603H well. |
| Treble State Com 703H: |
| I/We hereby elect to participate in the Treble State Com 703H well. I/We hereby elect NOT to participate in the Treble State Com 703H well. |
| Treble State Com 803H: |
| I/We hereby elect to participate in the Treble State Com 803H well. I/We hereby elect NOT to participate in the Treble State Com 803H well. |
| Owner: Marathon Oil Permian, LLC |
| By: |
| Printed Name: |
| Title: |
| Date: |



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

> \$10,300 \$7,500 \$0 \$276,500 \$2,500

\$32,500 \$25,000 \$10,000 \$30 \$3,600 \$3,600 \$495,500 \$495,500 \$5,500 \$5,500 \$262,000 \$11,000 \$2,365,000 \$13,000 \$13,000 \$13,000 \$13,000 \$136,500 \$116,500 \$116,500

> \$93,600 \$0 \$281,280

| | | Intangible Drilling Costs | | | | Intangible Completion Costs |
|-------|-------|----------------------------------|-------------|-------|-------|------------------------------------|
| Major | Minor | Description | Amount | Major | Minor | Description |
| 225 | 5 | ADMINISTRATIVE OVERHEAD | \$4,000 | 240 | 5 | ADMINISTRATIVE OVERHEAD |
| 225 | 10 | CASING CREW & EOPT | \$80,000 | 240 | 10 | CASED HOLE LOGS & SURVEYS |
| 225 | 15 | CEMENTING INTERMEDIATE CASING | \$50,000 | 240 | 15 | CASING CREW & EQPT |
| 225 | 16 | CEMENTING PRODUCTION CASING | \$150,000 | 240 | 20 | COILED TUBING/SNUBBING UNIT |
| 225 | 20 | CEMENTING SUFACE CASING | \$50,000 | 240 | 25 | COMMUNICATIONS |
| 225 | 25 | COMMUNICATIONS | \$40,000 | 240 | 30 | COMPANY DIRECT LABOR |
| 225 | 30 | COMPLETION FLUIDS | \$6,000 | 240 | 35 | COMPLETION/WORKOVER RIG |
| 225 | 34 | CONSTRUCTION/LOCATION & ROAD | \$45,000 | 240 | 45 | CONTRACT LABOR/ROUSTABOUTS |
| 225 | 40 | CONTRACT LABOR | \$50,000 | 240 | 50 | DAMAGES/RECLAMATION |
| 225 | 45 | DAMAGES | \$15,000 | 240 | 55 | DISPOSAL SOLIDS |
| 225 | 50 | DAYWORK CONTRACT | \$653,000 | 240 | 60 | ELECTRICAL POWER\GENERATION |
| 225 | 55 | DRILLING - DIRECTIONAL | \$300,000 | 240 | 62 | ENGINEERING |
| 225 | 60 | DRILLING - FOOTAGE | \$120,000 | 240 | 65 | ENVIRONMENTAL/CLEANUP |
| 225 | 65 | DRILLING BITS | \$140,000 | 240 | 70 | FISHING TOOLS / SERVICES |
| 225 | 70 | ELECTRICAL POWER\GENERATION | \$0 | 240 | 71 | FLUIDS/HAULING/DISPOSAL |
| 225 | 75 | ENGINEERING | \$20,000 | 240 | 72 | FRAC WATER/COMPLETION FLUID |
| 225 | 80 | ENVIRONMENTAL SERVICES | \$250,000 | 240 | 75 | FUEL, POWER/DIESEL |
| 225 | 84 | EQUIPMENT RENTAL DOWNHOLE | \$60,000 | 240 | 80 | HEALTH & SAFETY |
| 225 | 85 | EOUIPMENT RENTAL | \$50,000 | 240 | 85 | HOUSING AND SUPPORT SERVICES |
| 225 | 90 | FISHING TOOLS/SERVICES | \$0 | 240 | 90 | MATERIALS & SUPPLIES |
| 225 | 95 | HEALTH & SAFETY | \$7,000 | 240 | 95 | MISCELLANEOUS |
| 225 | 100 | HOUSING AND SUPPORT SERVICES | \$45,000 | 240 | 100 | MUD & CHEMICALS |
| 225 | 105 | INSURANCE | \$1,700 | 240 | 110 | P&A/TA COSTS |
| 225 | 106 | INSPECTIONS | \$15,000 | 240 | 115 | PERFORATING/WIRELINE SERVICE |
| 225 | 110 | LEGAL, TITLE SERVICES | \$6,000 | 240 | 120 | PIPE INSPECTION |
| 225 | 115 | MATERIALS & SUPPLIES | \$5,000 | 240 | 125 | ROAD, LOCATIONS REPAIRS |
| 225 | 120 | MISCELLANEOUS | \$5,000 | 240 | 130 | STIMULATION |
| 225 | 125 | MOUSE/RATHOLE/CONDUCT PIPE | \$31,000 | 240 | 135 | SUBSURFACE EQUIPMENTAL RENTAL |
| 225 | 130 | MUD & CHEMICALS | \$320,000 | 240 | 140 | SUPERVISION |
| 225 | 140 | OPENHOLE LOGGING | \$0 | 240 | 145 | SURFACE EQUIP RENTAL |
| 225 | 141 | CASED HOLE LOGGING | 50 | 240 | 150 | TRANSPORTATION/TRUCKING |
| 225 | 145 | PERMITS, LICENSES, ETC | \$20,000 | 240 | 155 | WATER TRANSFER |
| 225 | 150 | POWER FUEL & WATER HAULING | \$200,000 | 240 | 160 | WELDING SERVICES |
| 225 | 155 | RIG MOVE & RACKING COSTS | \$91,500 | 240 | 165 | WELL TESTING/FLOWBACK |
| 225 | 160 | RIG UP TEAR OUT & STANDBY | \$0 | 240 | 148 | TAXES |
| 225 | 163 | SITE RESTORATION | \$10,000 | 240 | 40 | CONTINGENCY COSTS 5% |
| 225 | 165 | STAKING & SURVEYING | \$6,000 | - | | Total Intangible Completion Costs: |
| 225 | 170 | SUPERVISION | \$85,000 | | | |
| 225 | 175 | SUPERVISION - GEOLOGICAL | \$39,000 | | | Tangible Completion Costs |
| 225 | 180 | TRANSPORTATION/TRUCKING | \$39,000 | Major | Minor | Description |
| 225 | 178 | TAXES | \$165,506 | 245 | 5 | ARTIFICIAL LIFT |
| 225 | 35 | CONTINGENCY COSTS 5% | \$150,460 | 245 | 15 | FLOWLINES |
| | 33 | Total Intangible Drilling Costs: | \$3,325,166 | 245 | 25 | FRAC STRING |
| | | . June | 45,525,100 | 1 | | PAGERAGE PERFECTIVE COLUMN TANDE |

| Tangible Drilling Costs | | | |
|-------------------------|-------|-----------------------------------|-------------|
| Major | Minor | Description | Amount |
| 230 | 10 | INTERMEDIATE CASING & ATTACHMENTS | \$380,000 |
| 230 | 20 | PACKERS/SLEEVES/PLUGS | \$66,000 |
| 230 | 25 | PRODUCTION CASING & ATTACHMENTS | \$699,177 |
| 230 | 35 | SURFACE CASING & ATTACHMENTS | \$169,740 |
| 230 | 45 | WELLHEAD EQUIPMENT/CASING BOWL | \$70,000 |
| 230 | 40 | TAXES | \$76,170 |
| | | Total Tangible Drilling Costs: | \$1,461,087 |

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

Intangible Facility Costs

| Major | Minor | Description | Amount |
|-------|-------|---------------------------------------|-----------|
| 270 | 10 | FACILITY PIPE/VALVES/FITTINGS | \$147,000 |
| 270 | 15 | CONTAINMENT | \$0 |
| 270 | 25 | DEHYDRATION | SC |
| 270 | 30 | PRIMARY POWER MATERIALS | \$14,400 |
| 270 | 50 | FLOWLINES / PIPELINE / HOOKUP | \$76,000 |
| 270 | 60 | H2S TREATING EQUIPMENT | \$0 |
| 270 | 65 | SEPARATION EQUIPMENT | \$94,800 |
| 270 | 66 | ROAD/LOCATION/FENCING/REPAIRS | \$0 |
| 270 | 75 | PRE-FABRICATED SKIDS | SC |
| 270 | 86 | FACILITY SURFACE EQUIPMENT | \$75,400 |
| 270 | 90 | H2S SAFETY SYSTEM | \$4,000 |
| 270 | 100 | CONTROL / INSTRUMENT / METERS / SCADA | \$57,000 |
| 270 | 110 | TANKS & WALKWAYS | \$47,60 |
| 270 | 130 | MECHANICAL BATTERY BUILD | \$117,80 |
| 270 | 132 | EI&C BATTERY BUILD | \$47,00 |
| 270 | 134 | CONTROLS AND SCADA BATTERY BUILD | \$2,60 |
| 270 | 136 | PRIMARY POWER BUILD | \$15,10 |
| 270 | 138 | FLOWLINE INSTALLATION | \$43,50 |
| 270 | 140 | SIGNAGE | \$60 |
| 270 | 125 | TAXES | \$40,85 |
| | | Total Tangible Facility Costs: | \$783,65 |

| Major | Minor | Description | Amount |
|-------|-------|----------------------------------|----------|
| 265 | 5 | CONSULTING | \$9,500 |
| 265 | 12 | COMPANY DIRECT LABOR | \$0 |
| 265 | 20 | DAMAGES/ROW/PERMITS, ETC | \$12,700 |
| 265 | 22 | PAD/ROAD CONSTRUCTION | \$30,000 |
| 265 | 25 | ENGINEERING / SCIENCE | \$13,900 |
| 265 | 40 | HEALTH/SAFETY/ENVIRONMENTAL | \$5,000 |
| 265 | 45 | CONTRACT LABOR & SERVICES | \$0 |
| 265 | 60 | OVERHEAD | \$3,000 |
| 265 | 80 | SURVEY / PLATS / STAKINGS | \$800 |
| 265 | 85 | TRANSPORTATION / TRUCKING | \$0 |
| 265 | 83 | TAXES | \$4,120 |
| 265 | 10 | CONTINGENCY COSTS 5% | \$3,745 |
| | | Total Intangible Facility Costs: | \$82,763 |

 Total Drill:
 \$4,786,253.44

 Total Completion:
 \$5,531,278.50

 Total Facility:
 \$366,418.50

 Total DC Intangible:
 \$8,294,446.00

 Total DC Tangible:
 \$2,023,085.94

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

Operator:
Approved By:

WI Owner:

Approved By:

Date:

Date:

Date:

Title:

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

B.7



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

> \$7,500 \$0 \$276,500 \$2,500 \$0 \$32,500 \$25,000 \$500 \$10,000

> \$3,600 \$3,600 \$0 \$110,000 \$544,000 \$495,500 \$6,100

\$500 \$0 \$1,400 \$0 \$262,000 \$0 \$11,000 \$2,365,000

\$31,000 \$31,000 \$96,500 \$186,500 \$1,000 \$106,000

\$13,900

| 4200 | | Intangible Drilling Costs | | | | Intangible Completion Costs |
|-------|-------|--|-------------|-------|-------|------------------------------------|
| Major | | Description | Amount | Major | | Description |
| 225 | 5 | ADMINISTRATIVE OVERHEAD | \$4,000 | 240 | 5 | ADMINISTRATIVE OVERHEAD |
| 225 | 10 | CASING CREW & EQPT | \$80,000 | 240 | 10 | CASED HOLE LOGS & SURVEYS |
| 225 | 15 | CEMENTING INTERMEDIATE CASING | \$50,000 | 240 | 15 | CASING CREW & EQPT |
| 225 | 16 | CEMENTING PRODUCTION CASING | \$150,000 | 240 | 20 | COILED TUBING/SNUBBING UNIT |
| 225 | 20 | CEMENTING SUFACE CASING | \$50,000 | 240 | 25 | COMMUNICATIONS |
| 225 | 25 | COMMUNICATIONS | \$40,000 | 240 | 30 | COMPANY DIRECT LABOR |
| 225 | 30 | COMPLETION FLUIDS | \$6,000 | 240 | 35 | COMPLETION/WORKOVER RIG |
| 225 | 34 | CONSTRUCTION/LOCATION & ROAD | \$45,000 | 240 | 45 | CONTRACT LABOR/ROUSTABOUTS |
| 225 | 40 | CONTRACT LABOR | \$50,000 | 240 | 50 | DAMAGES/RECLAMATION |
| 225 | 45 | DAMAGES | \$15,000 | 240 | 55 | DISPOSAL SOLIDS |
| 225 | 50 | DAYWORK CONTRACT | \$653,000 | 240 | 60 | ELECTRICAL POWER\GENERATION |
| 225 | 55 | DRILLING - DIRECTIONAL | \$300,000 | 240 | 62 | ENGINEERING |
| 225 | 60 | DRILLING - FOOTAGE | \$120,000 | 240 | 65 | ENVIRONMENTAL/CLEANUP |
| 225 | 65 | DRILLING BITS | \$140,000 | 240 | 70 | FISHING TOOLS / SERVICES |
| 225 | 70 | ELECTRICAL POWER\GENERATION | 50 | 240 | 71 | FLUIDS/HAULING/DISPOSAL |
| 225 | 75 | ENGINEERING | \$20,000 | 240 | 72 | FRAC WATER/COMPLETION FLUID |
| 225 | 80 | ENVIRONMENTAL SERVICES | \$250,000 | 240 | 75 | FUEL, POWER/DIESEL |
| 225 | 84 | EQUIPMENT RENTAL DOWNHOLE | \$60,000 | 240 | 80 | HEALTH & SAFETY |
| 225 | 85 | EQUIPMENT RENTAL | \$50,000 | 240 | 85 | HOUSING AND SUPPORT SERVICES |
| 225 | 90 | FISHING TOOLS/SERVICES | \$0 | 240 | 90 | MATERIALS & SUPPLIES |
| 225 | 95 | HEALTH & SAFETY | \$7,000 | 240 | 95 | MISCELLANEOUS |
| 225 | 100 | HOUSING AND SUPPORT SERVICES | \$45,000 | 240 | 100 | MUD & CHEMICALS |
| 225 | 105 | INSURANCE | \$1,700 | 240 | 110 | P&A/TA COSTS |
| 225 | 106 | INSPECTIONS | \$15,000 | 240 | 115 | PERFORATING/WIRELINE SERVICE |
| 225 | 110 | LEGAL, TITLE SERVICES | \$6,000 | 240 | 120 | PIPE INSPECTION |
| 225 | 115 | MATERIALS & SUPPLIES | \$5,000 | 240 | 125 | ROAD, LOCATIONS REPAIRS |
| 225 | 120 | MISCELLANEOUS | \$5,000 | 240 | 130 | STIMULATION |
| 225 | 125 | MOUSE/RATHOLE/CONDUCT PIPE | \$31,000 | 240 | 135 | SUBSURFACE EQUIPMENTAL RENTAL |
| 225 | 130 | MUD & CHEMICALS | \$320,000 | 240 | 140 | SUPERVISION |
| 225 | | OPENHOLE LOGGING | \$0 | 240 | 145 | SURFACE EQUIP RENTAL |
| 225 | | CASED HOLE LOGGING | 50 | 240 | 150 | TRANSPORTATION/TRUCKING |
| 225 | | PERMITS, LICENSES, ETC | \$20,000 | 240 | 155 | WATER TRANSFER |
| 225 | | POWER FUEL & WATER HAULING | \$200,000 | 240 | 160 | WELDING SERVICES |
| 225 | | RIG MOVE & RACKING COSTS | \$91,500 | 240 | 165 | WELL TESTING/FLOWBACK |
| 225 | 160 | RIG UP TEAR OUT & STANDBY | 20 | 240 | 148 | TAXES |
| 225 | 163 | SITE RESTORATION | \$10,000 | 240 | 40 | CONTINGENCY COSTS 5% |
| 225 | 165 | STAKING & SURVEYING | \$6,000 | | | Total Intangible Completion Costs: |
| 225 | 170 | | \$85,000 | | | |
| 225 | 175 | SUPERVISION - GEOLOGICAL | \$39,000 | | | Tangible Completion Costs |
| 225 | | TRANSPORTATION/TRUCKING | \$39,000 | Major | Minor | Description |
| 225 | 178 | TAXES | \$165,506 | 245 | 5 | ARTIFICIAL LIFT |
| 225 | 35 | CONTINGENCY COSTS 5% | \$150,460 | 245 | 15 | FLOWLINES |
| | 33 | Total Intangible Drilling Costs: | \$3,325,166 | 245 | 25 | FRAC STRING |
| - | - | The state of the s | 40,000,100 | 245 | 40 | PACKERS/SLEEVES/PLUGS/GL MANDRELS |
| | | Tangible Drilling Costs | | 245 | 45 | PRODUCTION LINER |
| Inio- | Miner | Description Description | Amount | 245 | 50 | PRODUCTION PROCESSING FACILITY |
| rajor | wimor | Description | £280 000 | 245 | 55 | PRODUCTION TURNIC |

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

Description
CONSULTING
COMPANY DIRECT LABOR
DAMAGES/ROW/PERMITS, ETC
PAD/ROAD CONSTRUCTION

HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES

ENGINEERING / SCIENCE

| 265 | 60 | OVERHEAD | \$3,000 |
|------|----|----------------------------------|----------|
| 265 | 80 | SURVEY / PLATS / STAKINGS | \$800 |
| 265 | 85 | TRANSPORTATION / TRUCKING | \$0 |
| 265 | 83 | TAXES | \$4,120 |
| 265 | 10 | CONTINGENCY COSTS 5% | \$3,745 |
| | | Total Intangible Facility Costs: | \$82,765 |
| | _ | Office Use Only: | |
| 1000 | | | |
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| | | | |

 Total Drill:
 \$4,786,253.44

 Total Completion:
 \$3,531,278.50

 Total Facility:
 \$886,418.50

 Total DC Intangible:
 \$8,294,446.00

 Total DC Tangible:
 \$2,023,085.94

 Total AFE:
 \$11,183.950.44

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

265 265

265

Approved By:

Craig R. Walny's
Chief Executive Officer

WI Owner:

Approved By:

Date:

Printed Name:

Title:

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



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

County/State: Lea Co., NM Date Prepared: 1/23/2024

| Major | Minor | Description | Amount |
|-------|-------|----------------------------------|-------------|
| 225 | 5 | ADMINISTRATIVE OVERHEAD | \$4,000 |
| 225 | 10 | CASING CREW & EQPT | \$80,000 |
| 225 | 15 | CEMENTING INTERMEDIATE CASING | \$50,000 |
| 225 | 16 | CEMENTING PRODUCTION CASING | \$150,000 |
| 225 | 20 | CEMENTING SUFACE CASING | \$50,000 |
| 225 | 25 | COMMUNICATIONS | \$40,000 |
| 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 | \$762,300 |
| 225 | 55 | DRILLING - DIRECTIONAL | \$320,000 |
| 225 | 60 | DRILLING - FOOTAGE | \$120,000 |
| 225 | 65 | DRILLING BITS | \$140,000 |
| 225 | 70 | ELECTRICAL POWER\GENERATION | 50 |
| 225 | 75 | ENGINEERING | \$20,000 |
| 225 | 80 | ENVIRONMENTAL SERVICES | \$250,000 |
| 225 | 84 | EQUIPMENT RENTAL DOWNHOLE | \$60,000 |
| 225 | 85 | EOUIPMENT RENTAL | \$50,000 |
| 225 | 90 | FISHING TOOLS/SERVICES | 50 |
| 225 | 95 | HEALTH & SAFETY | \$7,000 |
| 225 | 100 | HOUSING AND SUPPORT SERVICES | \$45,000 |
| 225 | 105 | INSURANCE | \$1,700 |
| 225 | 106 | INSPECTIONS | \$15,000 |
| 225 | 110 | LEGAL, TITLE SERVICES | \$6,000 |
| 225 | 115 | MATERIALS & SUPPLIES | \$5,000 |
| 225 | 120 | MISCELLANEOUS | \$5,000 |
| 225 | 125 | MOUSE/RATHOLE/CONDUCT PIPE | \$31,000 |
| 225 | 130 | MUD & CHEMICALS | \$320,000 |
| 225 | 140 | OPENHOLE LOGGING | 02 |
| 225 | 141 | CASED HOLE LOGGING | \$0 |
| 225 | 145 | PERMITS, LICENSES, ETC | \$20,000 |
| 225 | 150 | POWER FUEL & WATER HAULING | \$200,000 |
| 225 | 155 | RIG MOVE & RACKING COSTS | \$91,500 |
| 225 | 160 | RIG UP TEAR OUT & STANDBY | \$0 |
| 225 | 163 | SITE RESTORATION | \$10,000 |
| 225 | 165 | STAKING & SURVEYING | \$6,000 |
| 225 | 170 | SUPERVISION | \$85,000 |
| 225 | 175 | SUPERVISION - GEOLOGICAL | \$39,000 |
| 225 | 180 | TRANSPORTATION/TRUCKING | \$39,000 |
| 225 | 178 | TAXES | \$164,874 |
| 225 | 35 | CONTINGENCY COSTS 5% | \$149,885 |
| | 3.5 | Total Intangible Drilling Costs: | \$3,453,259 |

| Major | Minor | Description | Amount |
|-------|-------|------------------------------------|-------------|
| 240 | 5 | ADMINISTRATIVE OVERHEAD | \$10,300 |
| 240 | 10 | CASED HOLE LOGS & SURVEYS | \$7,500 |
| 240 | 15 | CASING CREW & EQPT | \$0 |
| 240 | 20 | COILED TUBING/SNUBBING UNIT | \$276,500 |
| 240 | 25 | COMMUNICATIONS | \$2,500 |
| 240 | 30 | COMPANY DIRECT LABOR | \$0 |
| 240 | 35 | COMPLETION/WORKOVER RIG | \$32,500 |
| 240 | 45 | CONTRACT LABOR/ROUSTABOUTS | \$25,000 |
| 240 | 50 | DAMAGES/RECLAMATION | \$500 |
| 240 | 55 | DISPOSAL SOLIDS | \$10,000 |
| 240 | 60 | ELECTRICAL POWER\GENERATION | \$0 |
| 240 | 62 | ENGINEERING | \$3,600 |
| 240 | 65 | ENVIRONMENTAL/CLEANUP | \$0 |
| 240 | 70 | FISHING TOOLS / SERVICES | \$0 |
| 240 | 71 | FLUIDS/HAULING/DISPOSAL | \$110,000 |
| 240 | 72 | FRAC WATER/COMPLETION FLUID | \$544,000 |
| 240 | 75 | FUEL, POWER/DIESEL | \$574,000 |
| 240 | 80 | HEALTH & SAFETY | \$6,100 |
| 240 | 85 | HOUSING AND SUPPORT SERVICES | \$9,500 |
| 240 | 90 | MATERIALS & SUPPLIES | \$500 |
| 240 | 95 | MISCELLANEOUS | SC |
| 240 | 100 | MUD & CHEMICALS | \$1,400 |
| 240 | 110 | P&A/TA COSTS | \$0 |
| 240 | 115 | PERFORATING/WIRELINE SERVICE | \$262,000 |
| 240 | 120 | PIPE INSPECTION | \$0 |
| 240 | 125 | ROAD, LOCATIONS REPAIRS | \$11,000 |
| 240 | 130 | STIMULATION | \$2,859,000 |
| 240 | 135 | SUBSURFACE EQUIPMENTAL RENTAL | \$31,000 |
| 240 | 140 | SUPERVISION | \$96,500 |
| 240 | 145 | SURFACE EQUIP RENTAL | \$186,500 |
| 240 | 150 | TRANSPORTATION/TRUCKING | \$1,000 |
| 240 | 155 | WATER TRANSFER | \$106,000 |
| 240 | 160 | WELDING SERVICES | \$0 |
| 240 | 165 | WELL TESTING/FLOWBACK | \$93,600 |
| 240 | 148 | TAXES | \$0 |
| 240 | 40 | CONTINGENCY COSTS 5% | \$315,630 |
| | | Total Intangible Completion Costs: | \$5,576,130 |

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

Intangible Facility Costs

Tangible Completion Costs

| Tangible Drilling Costs | | | | |
|-------------------------|-------|-----------------------------------|-------------|--|
| Major | Minor | Description | Amount | |
| 230 | 10 | INTERMEDIATE CASING & ATTACHMENTS | \$173,758 | |
| 230 | 20 | PACKERS/SLEEVES/PLUGS | \$66,000 | |
| 230 | 25 | PRODUCTION CASING & ATTACHMENTS | \$790,399 | |
| 230 | 35 | SURFACE CASING & ATTACHMENTS | \$169,740 | |
| 230 | 45 | WELLHEAD EQUIPMENT/CASING BOWL | \$70,000 | |
| 230 | 40 | TAXES | \$69,844 | |
| | | Total Tangible Drilling Costs: | \$1,339,741 | |

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

| Total Drill: | \$4,792,999.84 |
|----------------------|----------------|
| Total Completion: | \$6,138,128.50 |
| Total Facility: | \$866,418.50 |
| Total DC Intangible: | \$9,029,388.50 |
| Total DC Tangible: | \$1,901,739.84 |

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

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

| Operator: Approved By: | Franklin Modfhain Ensery 3, LLC Craig R. Walters Chief Executive Officer | Date: | 1/23/2024 |
|---------------------------|---|--------|---------------|
| WI Owner: | | | |
| Approved By: | | Date: | |
| Printed Name: | | Title: | |
| | | | |

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

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

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

| CA | CL | NO | . 24471 | |
|------------|----|------|---------|--|
| \cup_{A} | | INU. | . 444/1 | |

| STATE OF COLORADO |) |
|-------------------|------|
| |) ss |
| COUNTY OF DENVER |) |

AFFIDAVIT OF BEN KESSEL

Ben Kessel, being duly sworn, deposes and states as follows:

- 1. I am over the age of 18, I am a geologist for Franklin Mountain Energy 3, 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.
- 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.
- Exhibit C.3 through Exhibit C.6 are the geology study I prepared for the Treble
 State Com 303H well, which will target the First Bone Spring formation.

EXHIBIT

C

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- 7. **Exhibit C.3** is a structure map of the First Bone Spring formation. The proposed spacing unit is identified by a pink box. The Treble State Com 303H well proposed in this case is identified by the black-dashed line. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southwest.
- 8. **Exhibit C.4** is a cross-section reference map that identifies five wells in the vicinity of the proposed Treble State Com 303H well, shown by a line of cross-section running from A to A'.
- 9. Exhibit C.5 is a stratigraphic cross-section, and the well logs shown on the crosssection give a representative sample of the First Bone Spring formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified where the proposed well falls within the wells I used for the cross-section.
- 10. Exhibit C.6 an Isochore map of the First Bone Spring formation. The gross interval thickness increases slightly to the south.
- 11. **Exhibit C.7** through **Exhibit C.10** are the geology study I prepared for the Treble State Com 503H well, which will target the Second Bone Spring formation.
- 12. **Exhibit C.7** is a structure map of the Second Bone Spring formation. The proposed spacing unit is identified by a pink box. The Treble State Com 503H well proposed in this case is identified by the black-dashed line. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southwest.
- 13. **Exhibit C.8** is a cross-section reference map that identifies five wells in the vicinity of the proposed Treble State Com 503H well, shown by a line of cross-section running from A to A'.

- 14. **Exhibit C.9** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Second Bone Spring 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.
- 15. **Exhibit C.10** is an Isochore map of the Second Bone Spring formation. The gross interval thickness increases slightly to the southwest.
- 16. Exhibit C.11 through Exhibit C.14 are the geology study I prepared for the Treble State Com 603H well, which will target the Third Bone Spring formation.
- 17. **Exhibit C.11** is a structure map of the Third Bone Spring formation. The proposed spacing unit is identified by a pink box. The Treble State Com 603H well proposed in this case is identified by the black-dashed line. The contour interval used in this exhibit is 25 feet. This exhibit shows that the structure dips gently to the southwest.
- 18. **Exhibit C.12** is a cross-section reference map that identifies five wells in the vicinity of the proposed Treble State Com 603H well, shown by a line of cross-section running from A to A'.
- 19. **Exhibit C.13** is a stratigraphic cross-section, and the well logs shown on the cross-section give a representative sample of the Third Bone Spring 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.
- 20. **Exhibit C.14** is an Isochore map of the Third Bone Spring formation. The gross interval thickness increases slightly to the south.
 - 21. I conclude from the geology studies referenced above that:
 - a. The horizontal spacing unit is justified from a geologic standpoint.

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- There are no structural impediments or faulting that will interfere with horizontal development.
- Each quarter-quarter section in the proposed unit will contribute more or less equally to production.
- 22. **Exhibit C.15** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.
- 23. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to S_{Hmax} , optimal for inducted fracture propagation. This is because the S_{Hmax} is at approximately 255 degrees ENE in this area of Lea County.
- 24. In my opinion, the granting of Franklin's application is in the interests of conservation and the prevention of waste.
- 25. The attachments to this affidavit were prepared by me, or compiled from company business records, or were prepared at my direction.

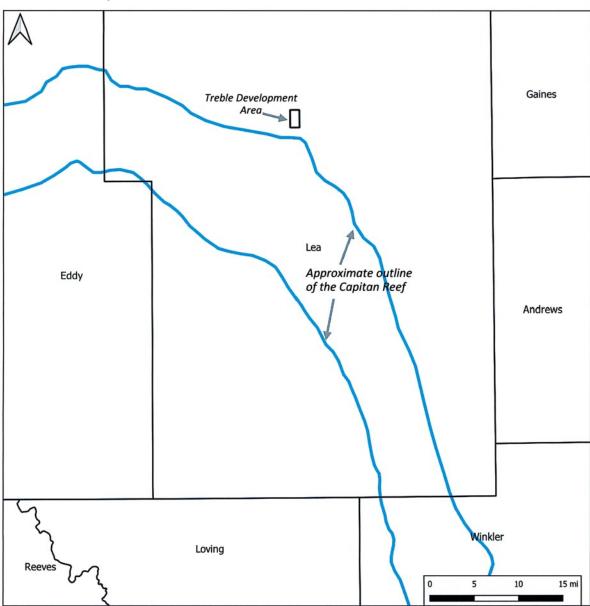
[Signature page follows]

| Dated: May 1, 2024 | |
|--|---|
| | Ben Kessel |
| State of Colorado County of Derver | \ |
| County of Derver | |
| This record was acknowledged before. | ore me on May 9, _2024, by |
| [Stamp] CRYSTAL MCCLAIN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20234007312 MY COMMISSION EXPIRES FEBRUARY 23, 2027 | Notary Public in and for the State of Colored |
| | Commission Number: 2023400731 |
| My Commission Expires: 2/23/27 | |

Treble Development



Locator Map



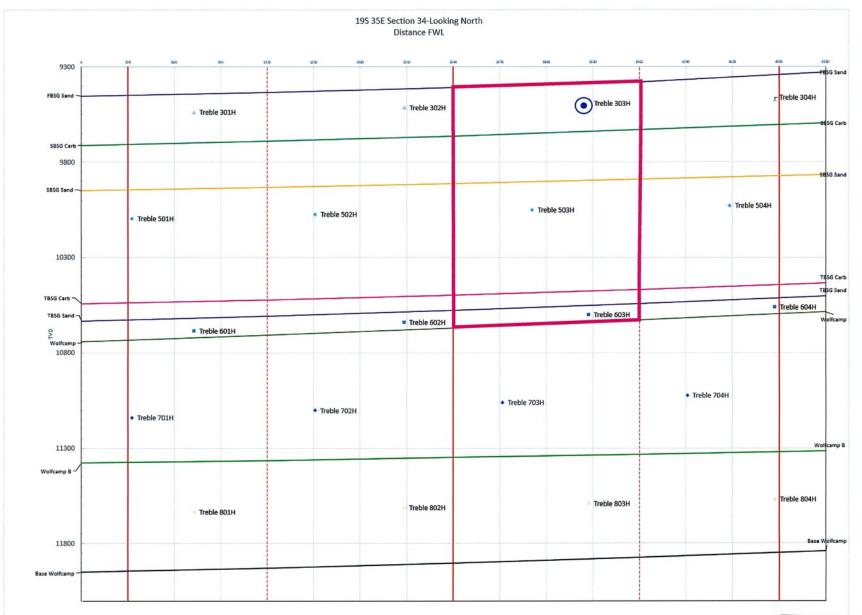
- Black box shows the location of the Treble development area
- Planned wells are located outside of the eastern edge of the Capitan Reef





Wellbore Schematic

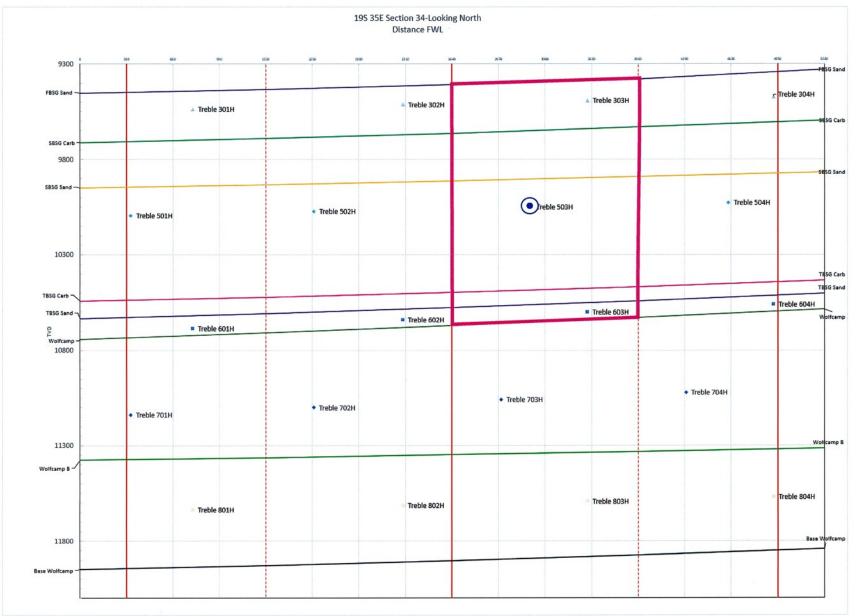




Proposed Laterals
 CD Examiner Hearing 5 16-24

Bone Spring Spacing Unit

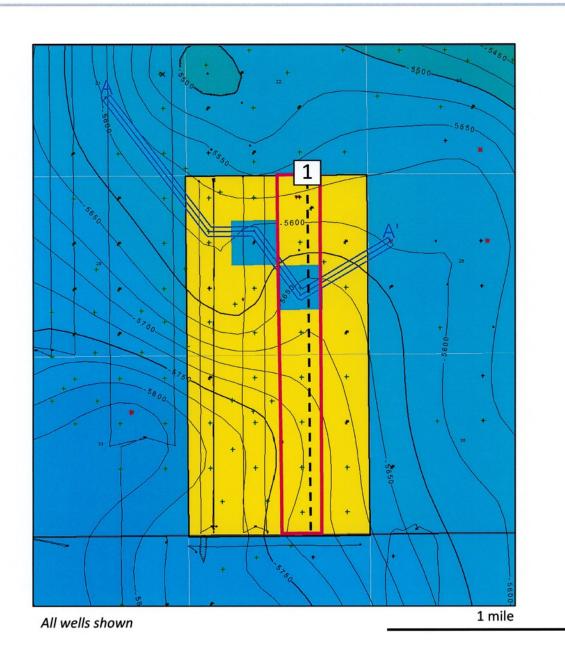
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First Bone Spring Structure Map





Franklin Mountain
Acreage

Bone Spring
Spacing Unit

Proposed Horizontal Location

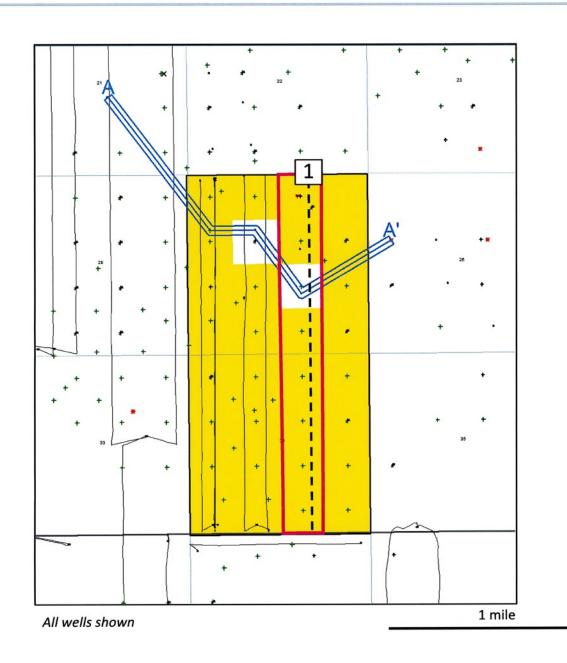
1 Treble State Com 303H

EXHIBIT

C. 3

Tross Section Reference Map





Franklin Mountain
Acreage

Bone Spring
Spacing Unit

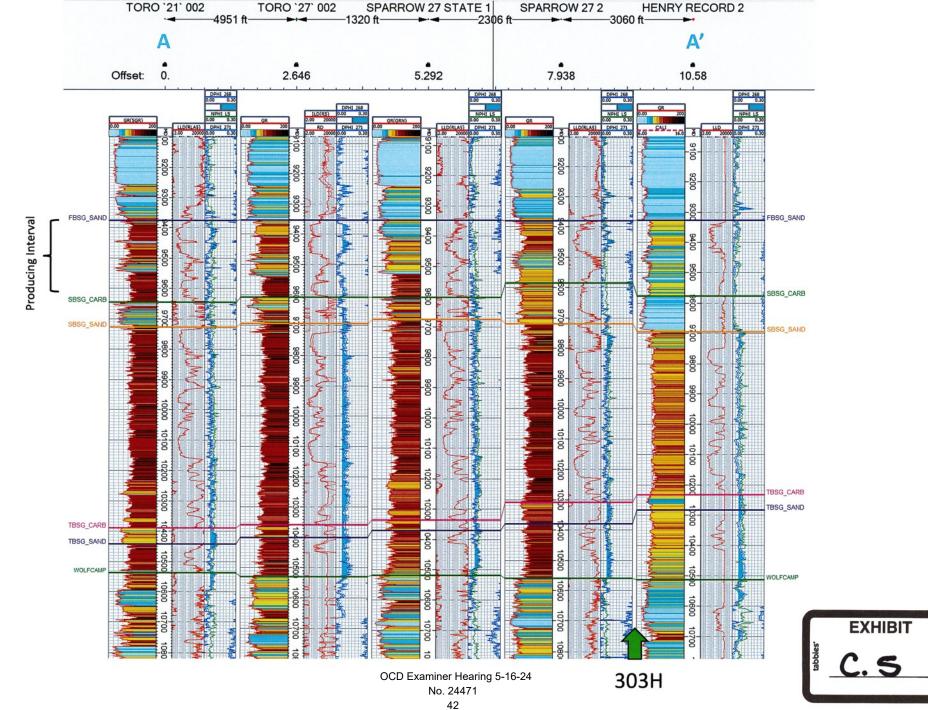
Proposed Horizontal Location

1 Treble State Com 303H



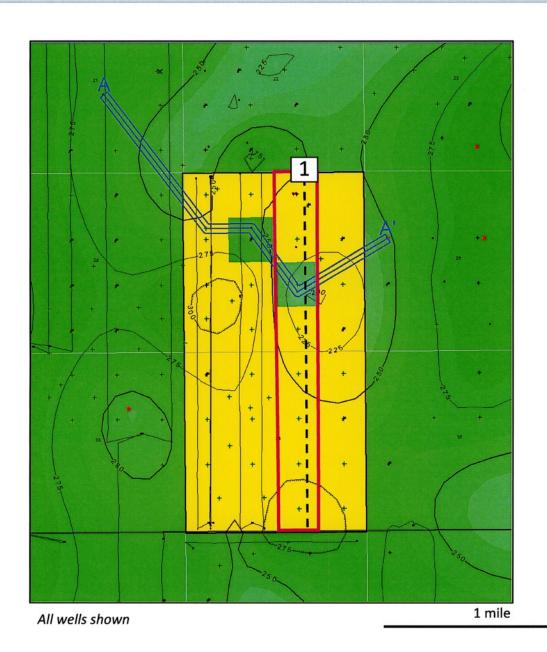
First Bone Spring Cross Section





First Bone Spring Isochore Map





Franklin Mountain
Acreage

Bone Spring
Spacing Unit

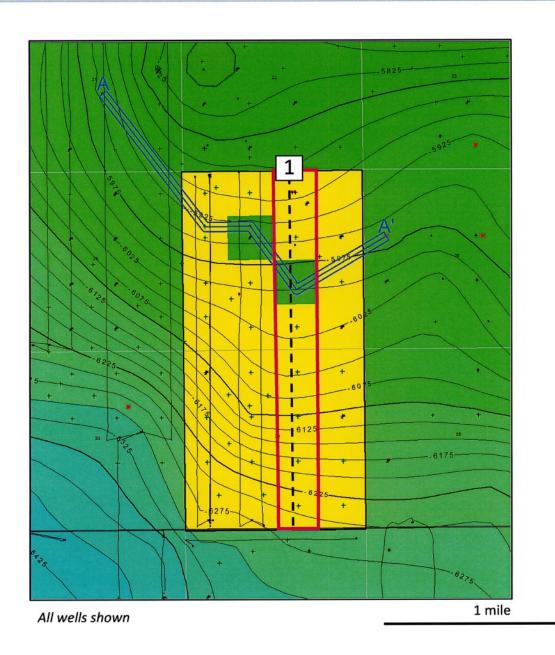
Proposed Horizontal Location

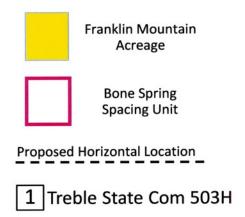
Treble State Com 303H



Second Bone Spring Sand Structure Map



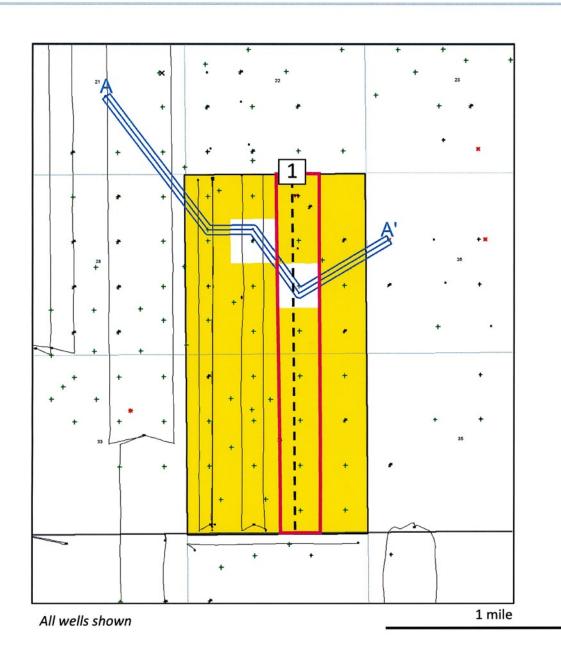






Cross Section Reference Map



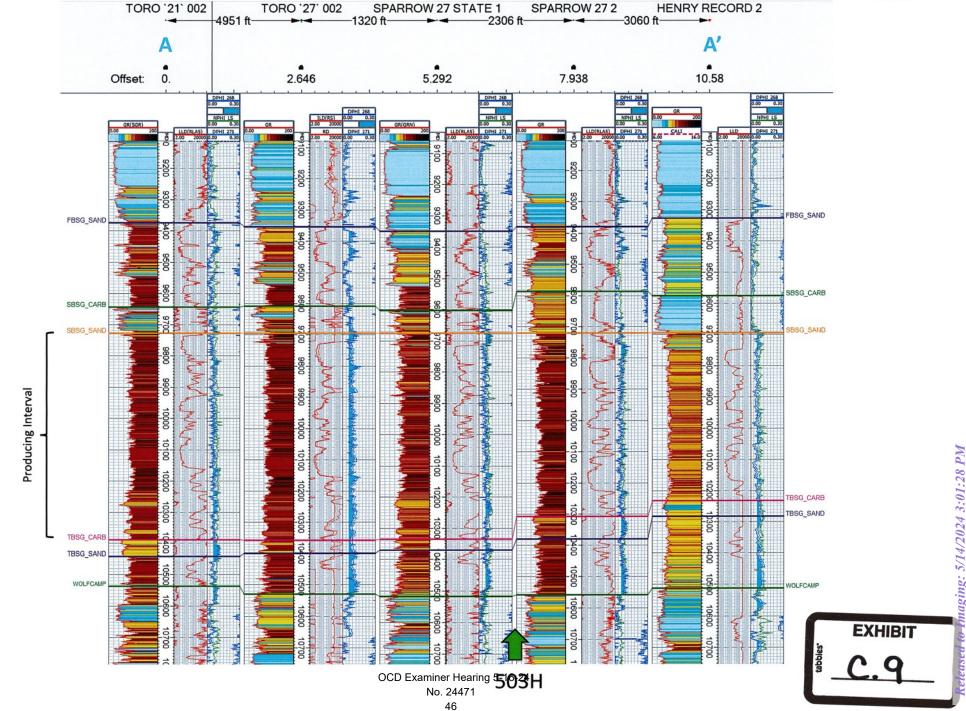


Franklin Mountain Acreage **Bone Spring Spacing Unit Proposed Horizontal Location** 1 Treble State Com 503H

> Imaging: 5/14/2024 3:01:28 PM **EXHIBIT**

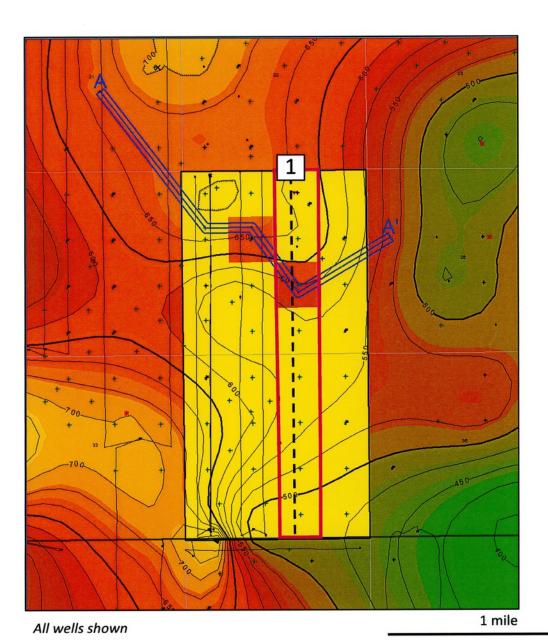
Second Bone Spring Cross Section





Second Bone Spring Sand Isochore Map





Bone Spring Spacing Unit

Proposed Horizontal Location

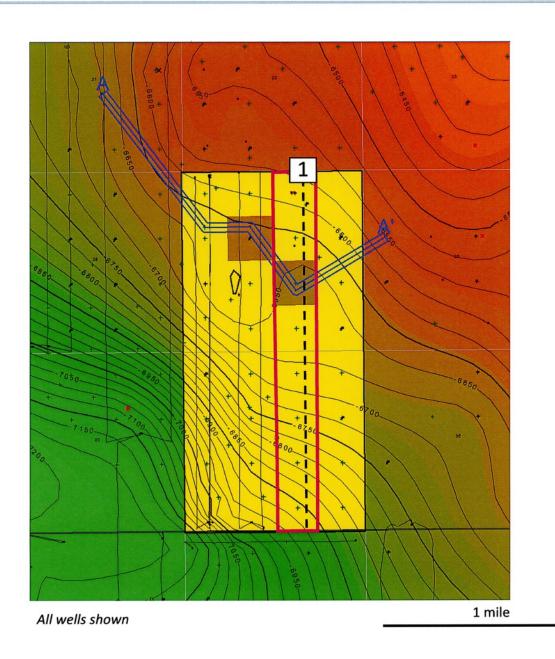
Treble State Com 503H

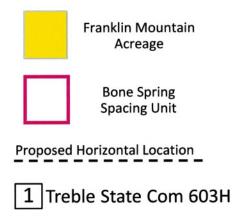
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OCD Examiner Hearing 5-16-24 No. 24471

Third Bone Spring Sand Structure Map









Cross Section Reference Map



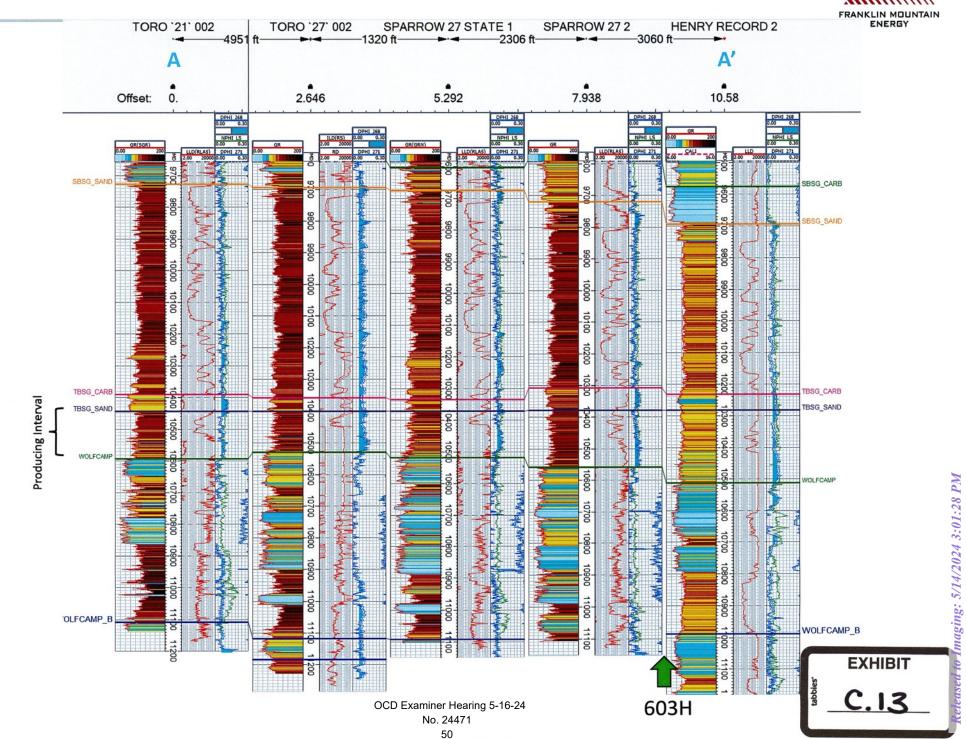




EXHIBIT C.12

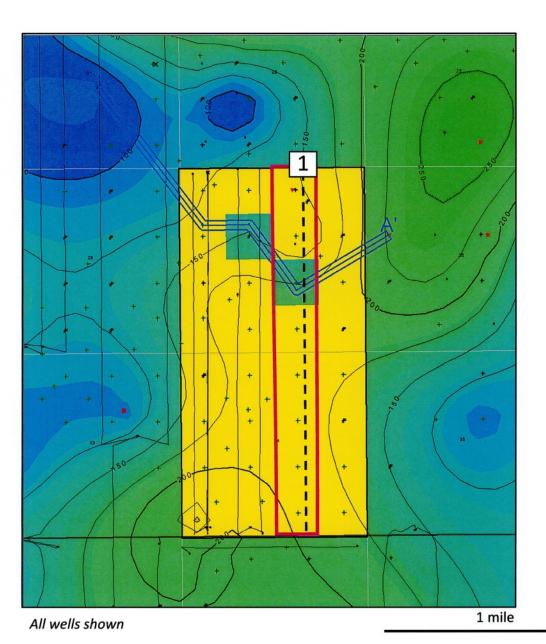
Third Bone Spring Cross Section





Third Bone Spring Sand Isochore Map





Franklin Mountain
Acreage

Bone Spring
Spacing Unit

Proposed Horizontal Location

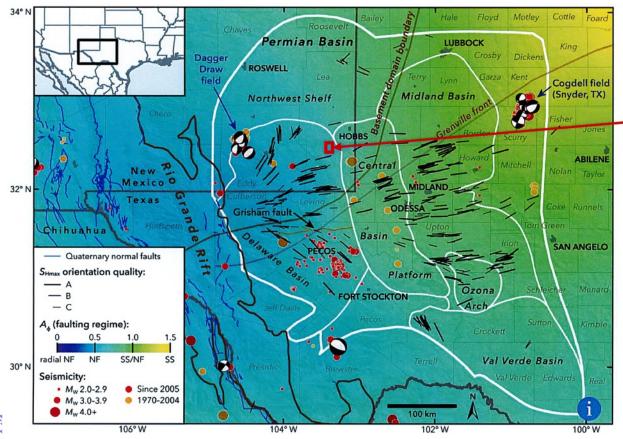
1 Treble State Com 603H



OCD Examiner Hearing 5-16-24 No. 24471

Regional Stress





- Red box shows the approximate location of the Treble development
- Reported local S_{Hmax} (Snee and Zoback, 2018) direction is ENE, around 255°
- The Treble State Com 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/MobilePagedArtic le.action?articleId=1331603#articleId1331603



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

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

CASE NO. 24471, 24472

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

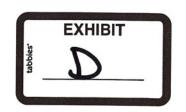
CASE NO. 24473, 24474

SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Franklin Mountain Energy 3, LLC, the Applicant herein, declares as follows:

- The above-referenced Applications were provided under notice letter, dated April 22,
 and attached hereto, as Exhibit D.1.
- Exhibit D.2 is the mailing list, which show the notice letters were delivered to the USPS for mailing on April 22, 2024.
- 3) Exhibit D.3 is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. This shows the names and addresses of the parties to whom notice was sent and proof of delivery.
- 4) Exhibit D.4 is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the May 16, 2024 hearing was published on April 25, 2024.
- 5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: May 9, 2024



Deena H. Bennett

Deana M. Bennett



April 22, 2024

Deana M. Bennett 505.848.1834 <u>dmb@modrall.com</u>

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

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

CASE NO. 24471

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

CASE NO. 24472

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

CASE NO. 24473

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

CASE NO. 24474

EXHIBIT

TO: AFFECTED PARTIES

This letter is to advise you that Franklin Mountain Energy 3, LLC ("Franklin Mountain Energy 3") has filed the enclosed applications.

In Case No. 24471, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the **Treble State Com 303H**, **Treble State Com 503H**, and **Treble State Com 603H**

Modrall Sperling Roehl Harris & Sisk P.A.

500 Fourth Street NW Suite 1000 Albuquerque, New Mexico 87102

PO Box 2168 Albuquerque, New Mexico 87103-2168

Tel: 505.848.1800 www.modrall.com

Page 2

wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with the following existing spacing units:

- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #002H well (API 30-025-39131); and
- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 NE/4 (Unit B) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #003H well (API 30-025-25180).

Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

In Case No. 24472, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Treble State Com 703H and Treble State Com 803H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Wolfcamp spacing unit dedicated to a 40-acre vertical spacing unit comprised of the SW/4 NE/4 (Unit G) of Section 27, dedicated to North Fork Operating, LP's Toro 27 #005H well (API 30-025-35425). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

In Case No. 24473, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Treble State Com 304H**, **Treble State Com 504H**, and **Treble State Com 604H** wells to

Page 3

be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. 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 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

In Case No. 24474, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Treble State Com 704H** and **Treble State Com 804H** wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. 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 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

The hearing is set for May 16, 2024 beginning at 8:15 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/.

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

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

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Sincerely,

Deana M. Bennett

Attorney for Applicant

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

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

CASE NO. 24471

<u>APPLICATION</u>

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
- 2. Franklin seeks to dedicate the spacing unit to the **Treble State Com 303H**, **Treble State Com 503H**, and **Treble State Com 603H** wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34.
 - 3. The producing area for the wells is expected to be orthodox.
- 4. This proposed horizontal spacing unit will partially overlap with the following existing spacing units:

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a. A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 27, dedicated to Mewbourne

Oil Co's Sparrow 27 #002H well (API 30-025-39131); and

b. A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit

comprised of the NW/4 NE/4 (Unit B) of Section 27, dedicated to Mewbourne

Oil Co's Sparrow 27 #003H well (API 30-025-25180).

5. Franklin sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Bone Spring formation underlying the proposed spacing unit to participate

in the drilling of the wells or to otherwise commit their interests to the wells.

6. The pooling of all interests in the Bone Spring formation underlying the proposed

unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling

of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of

the Oil Conservation Division on May 2, 2024 and after notice and hearing as required by law, the

Division enter its order:

A. Pooling all uncommitted interests in the Bone Spring formation underlying a

horizontal spacing unit within the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35

East, N.M.P.M., Lea County, New Mexico;

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

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

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

wells;

- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
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Attorneys for Franklin Mountain Energy 3, LLC

case No. 24471: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Treble State Com 303H, Treble State Com 503H, and Treble State Com 603H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with the following existing spacing units:

- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #002H well (API 30-025-39131); and
- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 NE/4 (Unit B) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #003H well (API 30-025-25180).

Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

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

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

CASE NO. 24472

APPLICATION

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
- 2. Franklin seeks to dedicate the spacing unit to the **Treble State Com 703H** and **Treble State Com 803H** wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34.
 - 3. The producing area for the wells is expected to be orthodox.
- 4. This proposed horizontal spacing unit will partially overlap with a Wolfcamp spacing unit dedicated to a 40-acre vertical spacing unit comprised of the SW/4 NE/4 (Unit G) of Section 27, dedicated to North Fork Operating, LP's Toro 27 #005H well (API 30-025-35425).

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5. Franklin sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in

the drilling of the wells or to otherwise commit their interests to the wells.

6. The pooling of all interests in the Wolfcamp formation underlying the proposed

unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling

of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of

the Oil Conservation Division on May 2, 2024 and after notice and hearing as required by law, the

Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a

horizontal spacing unit within the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35

East, N.M.P.M., Lea County, New Mexico;

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

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

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

wells;

E. Approving actual operating charges and costs charged for supervision, together

with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

F. Setting a 200% charge for the risk involved in drilling and completing the wells in

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

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:/s/ Deana M. Bennett

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Earl E. DeBrine, Jr.
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deana.bennett@modrall.com
yarithza.pena@modrall.com
Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24472: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Treble State Com 703H and Treble State Com 803H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 34. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Wolfcamp spacing unit dedicated to a 40-acre vertical spacing unit comprised of the SW/4 NE/4 (Unit G) of Section 27, dedicated to North Fork Operating, LP's Toro 27 #005H well (API 30-025-35425). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

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

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

CASE NO. 24473

<u>APPLICATION</u>

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
- 2. Franklin seeks to dedicate the spacing unit to the **Treble State Com 304H**, **Treble State Com 504H**, and **Treble State Com 604H** wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34.
 - 3. The producing area for the wells is expected to be orthodox.
- 4. 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.
- 5. The pooling of all interests in the Bone Spring formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on May 2, 2024 and after notice and hearing as required by law, the

Division enter its order:

A. Pooling all uncommitted interests in the Bone Spring formation underlying a

horizontal spacing unit within the E/2 E/2 of Sections 27 and 34, Township 19 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. Authorizing Franklin to recover its costs of drilling, equipping and completing the

wells;

D. Approving actual operating charges and costs charged for supervision, together

with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

E. Setting a 200% charge for the risk involved in drilling and completing the wells in

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

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

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Attorneys for Franklin Mountain Energy 3, LLC

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CASE NO. 24473: Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Treble State Com 304H, Treble State Com 504H, and Treble State Com 604H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. 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 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

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

CASE NO. 24474

APPLICATION

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
- 2. Franklin seeks to dedicate the spacing unit to the **Treble State Com 704H** and **Treble State Com 804H** wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34.
 - 3. The producing area for the wells is expected to be orthodox.
- 4. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 5. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on May 2, 2024 and after notice and hearing as required by law, the

Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a

horizontal spacing unit within the E/2 E/2 of Sections 27 and 34, Township 19 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. Authorizing Franklin to recover its costs of drilling, equipping and completing the

wells;

D. Approving actual operating charges and costs charged for supervision, together

with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

E. Setting a 200% charge for the risk involved in drilling and completing the wells in

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

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

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yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

case No. 24474: Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Treble State Com 704H and Treble State Com 804H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. 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 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

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PS Form 3877

Type of Mailing: CERTIFIED MAIL 04/22/2024

| | numan erling Roehl Harris & Sisk P.A. Street Suite 1000 | PS For | | | | | | |
|---|---|---|---------|-------------|--------|------------------------------|----------------------------|--|
| 0 Fourth Street, Suite 1000 buquerque NM 87102 | | Type of Mailing: CERTIFIED MAI 04/22/2024 | | | | Firm Mailing Book ID: 264821 | | |
| Line | USPS Article Number | Name, Street, City, State, Zip | Postage | Service Fee | RR Fee | Rest.Del.Fee | Reference Contents | |
| 1 | 9314 8699 0430 0120 2393 46 | Marathon Oil Permian, LLC 990 Town and Country Blvd. Houston TX 77024 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 2 | 9314 8699 0430 0120 2393 53 | WPX Energy Permian, LLC 333 W Sheridan Avenue Oklahoma City OK 73102 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 3 | 9314 8699 0430 0120 2393 60 | Mewbourne Development Corporation 500 West Texas, Suite 1020 Midland TX 79701 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 4 | 9314 8699 0430 0120 2393 77 | Mewbourne Oil Company 500 West Texas, Suite 1020 Midland TX 79701 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 5 | 9314 8699 0430 0120 2393 84 | Alpha Energy Partners, LLC P.O. Box 10701 Midland TX 78702 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 6 | 9314 8699 0430 0120 2393 91 | Northern Oil and Gas, Inc. 4350 Baker Road Minnetonka MN 55343 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 7 | 9314 8699 0430 0120 2394 07 | Rutter & Wilbanks Corporation | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 8 | 9314 8699 0430 0120 2394 14 | MIDLAND TX 79701 Victor J. Sirgo 3405 CHOATE PLACE MIDLAND TX 79707 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 9 | 9314 8699 0430 0120 2394 21 | Chi Energy, Inc. PO BOX 1799 MIDLAND TX 79702 APR 22 20 | 31.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 10 | 9314 8699 0430 0120 2394 38 | Edna and Curtis Anderson Rev Trust Dtd 8.31.21 9314 CHERRY BROOK LANE | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 11 | 9314 8699 0430 0120 2394 45 | Charles Wiggins and Deborah Wiggins OFFICE USP PO BOX 10862 MIDLAND TX 79702 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 12 | 9314 8699 0430 0120 2394 52 | | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 13 | 9314 8699 0430 0120 2394 69 | Castle Royalties, LLC 15601 DALLAS PARKWAY SUITE 900 ADDISON TX 75001 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 14 | 9314 8699 0430 0120 2394 76 | Stroube Energy Corporation 18208 Preston Rd, #D9249 Dallas TX 75252 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 15 | 9314 8699 0430 0120 2394 83 | J.D. Sutton, Inc. HC 64 BOX 100 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble | |

OCD Examiner Hearing 5-16-24 No. 24471

2024 Walz CertifiedPro.net

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PS Form 3877

Type of Mailing: CERTIFIED MAIL 04/22/2024

| Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102 Line USPS Article Number 16 9314 8699 0430 0120 2394 90 17 9314 8699 0430 0120 2395 06 18 9314 8699 0430 0120 2395 13 | | PS Form 3877 Type of Mailing: CERTIFIED MAIL 04/22/2024 | | | | | Firm Mailing Book ID: 264821 | | |
|--|-----------------------------|---|-----------------|-------------------|-------------|---------|------------------------------|----------------------------|--|
| Line | USPS Article Number | Name, Street, City, State, Zip | | Postage | Service Fee | RR Fee | Rest.Del.Fee | Reference Contents | |
| 16 | 9314 8699 0430 0120 2394 90 | Curtis Mewbourne, Trustee PO BOX 7698 TYLER TX 75711 | | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 17 | 9314 8699 0430 0120 2395 06 | Prospector, LLC PO BOX 429 ROSWELL NM 88202 | | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 18 | 9314 8699 0430 0120 2395 13 | Ridge Runner Resources Operating 4000 N. Big Spring Street, Ste 210 Midland TX 79701 | | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 19 | 9314 8699 0430 0120 2395 20 | Coert Holdings 1, LLC 20 HORSENECK LANE GREENWICH CT 06830 | | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 20 | 9314 8699 0430 0120 2395 37 | Muirfield Resources Company PO Box 3166 Tulsa OK 74101 | | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 21 | 9314 8699 0430 0120 2395 44 | Caprock Resources, LLC PO Box 180573 Dallas TX 75218 | ABUQUERO | UE,\$1,87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 22 | 9314 8699 0430 0120 2395 51 | Thunder Moon Resources, LLC PO Box 670581 Dallas TX 75367 | APR 2 | \$1.07 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 23 | 9314 8699 0430 0120 2395 68 | Petro Tiger I, Ltd PO Box 3166 Tulsa OK 74101 | 1 | \$1.87 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| 24 | 9314 8699 0430 0120 2395 75 | State of New Mexico, by and throu Commissioner of Public Lands PO Box 1148 Santa Fe NM 87540 | ngh its | \$1.83 CE USP3 | \$4.40 | \$2.32 | \$0.00 | 10154.0001Treble Notice | |
| | | | Totals: | \$44.88 | \$105.60 | \$55.68 | \$0.00 | | |
| | | | | | Grand | Total: | \$206.16 | | |

| List Number of Pieces | Total Number of Pieces | Postmaster: | Dated: |
|-----------------------|-------------------------------|----------------------------|--------|
| Listed by Sender | Received at Post Office | Name of receiving employee | |

Received by OCD: 5/14/2024 2:37:57 PM

Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 264821 Generated: 5/13/2024 9:46:15 AM

| CONTRACTOR OF THE PROPERTY OF | | | | | | | | | | |
|---|---------------------|------------------|--|------------------------------|---------------|-------|-------|-------------------------|---|---------------------|
| USPS Article Number | Date Created | Reference Number | Name 1 | Name 2 | City | State | Zip | Mailing Status | Service Options | Mail Delivery Date |
| 9314869904300120239575 | 2024-04-22 10:47 AM | 10154.0001Treble | State of New Mexico, by and through its | Commissioner of Public Lands | Santa Fe | NM | 87540 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-24 7:44 AM |
| 9314869904300120239568 | 2024-04-22 10:47 AM | 10154.0001Treble | Petro Tiger I, Ltd | | Tulsa | OK | 74101 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 9:12 AM |
| 9314869904300120239551 | 2024-04-22 10:47 AM | 10154.0001Treble | Thunder Moon Resources, LLC | | Dallas | TX | 75367 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-26 6:39 PM |
| 9314869904300120239544 | 2024-04-22 10:47 AM | 10154.0001Treble | Caprock Resources, LLC | | Dallas | TX | 75218 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-27 10:00 AM |
| 9314869904300120239537 | 2024-04-22 10:47 AM | 10154.0001Treble | Muirfield Resources Company | | Tulsa | OK | 74101 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 9:12 AM |
| 9314869904300120239520 | 2024-04-22 10:47 AM | 10154.0001Treble | Coert Holdings 1, LLC | | GREENWICH | CT | 06830 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-29 12:49 PM |
| 9314869904300120239513 | 2024-04-22 10:47 AM | 10154.0001Treble | Ridge Runner Resources Operating | | Midland | TX | 79701 | Undelivered | Return Receipt - Electronic, Certified Mail | |
| 9314869904300120239506 | 2024-04-22 10:47 AM | 10154.0001Treble | Prospector, LLC | | ROSWELL | NM | 88202 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-29 11:24 AM |
| 9314869904300120239490 | 2024-04-22 10:47 AM | 10154.0001Treble | Curtis Mewbourne, Trustee | | TYLER | TX | 75711 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-26 12:48 PM |
| 9314869904300120239483 | 2024-04-22 10:47 AM | 10154.0001Treble | J.D. Sutton, Inc. | | LOCO | OK | 73442 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 9:25 AM |
| 9314869904300120239476 | 2024-04-22 10:47 AM | 10154.0001Treble | Stroube Energy Corporation | | Dallas | TX | 75252 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 2:10 PM |
| 9314869904300120239469 | 2024-04-22 10:47 AM | 10154.0001Treble | Castle Royalties, LLC | | ADDISON | TX | 75001 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 9:41 AM |
| 9314869904300120239452 | 2024-04-22 10:47 AM | 10154.0001Treble | Enerlex, Inc. | | Broken Arrow | OK | 74011 | Delivered | Return Receipt - Electronic, Certified Mail | |
| 9314869904300120239445 | 2024-04-22 10:47 AM | 10154.0001Treble | Charles Wiggins and Deborah Wiggins | | MIDLAND | TX | 79702 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-26 9:53 AM |
| 9314869904300120239438 | 2024-04-22 10:47 AM | 10154.0001Treble | Edna and Curtis Anderson Rev Trust Dtd 8.31.21 | | FRISCO | TX | 75033 | Undelivered - Forwarded | Return Receipt - Electronic, Certified Mail | |
| 9314869904300120239421 | 2024-04-22 10:47 AM | 10154.0001Treble | Chi Energy, Inc. | | MIDLAND | TX | 79702 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-29 10:14 AM |
| 9314869904300120239414 | 2024-04-22 10:47 AM | 10154.0001Treble | Victor J. Sirgo | | MIDLAND | TX | 79707 | Undelivered | Return Receipt - Electronic, Certified Mail | |
| 9314869904300120239407 | 2024-04-22 10:47 AM | 10154.0001Treble | Rutter & Wilbanks Corporation | | MIDLAND | TX | 79701 | Undelivered | Return Receipt - Electronic, Certified Mail | |
| 9314869904300120239391 | 2024-04-22 10:47 AM | 10154.0001Treble | Northern Oil and Gas, Inc. | | Minnetonka | MN | 55343 | Delivered | Return Receipt - Electronic, Certified Mail | |
| 9314869904300120239384 | 2024-04-22 10:47 AM | 10154.0001Treble | Alpha Energy Partners, LLC | | Midland | TX | 78702 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 1:03 PM |
| 9314869904300120239377 | 2024-04-22 10:47 AM | 10154.0001Treble | Mewbourne Oil Company | | Midland | TX | 79701 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 1:48 PM |
| 9314869904300120239360 | 2024-04-22 10:47 AM | 10154.0001Treble | Mewbourne Development Corporation | | Midland | TX | 79701 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 1:48 PM |
| 9314869904300120239353 | 2024-04-22 10:47 AM | 10154.0001Treble | WPX Energy Permian, LLC | | Oklahoma City | OK | 73102 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 7:02 AM |
| 9314869904300120239346 | 2024-04-22 10:47 AM | 10154.0001Treble | Marathon Oil Permian, LLC | | Houston | TX | 77024 | Delivered | Return Receipt - Electronic, Certified Mail | 2024-04-25 11:45 AM |



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Affidavit of Publicatio

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 tha the clipping attached hereto was publish in the regular and entire issue of said newspaper, and not a supplement there for a period of 1 issue(s).

> Beginning with the issue dated April 25, 2024 and ending with the issue dated April 25, 2024.

Sworn and subscribed to before me this 25th day of April 2024.

Mussell

My commission expires

CASE NO. 24471: Notice to all affected parties, as well as heirs and devisees of: Marathon Oil Permian, LLC; Prospector, LLC; WPX Energy Permian, LLC; Mewbourne Development Corporation; Mewbourne Oil Company; Alpha Energy Partners, LLC; Northern Oil and Gas, Inc.; Rutter & Wilbanks Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Charles Wiggins and Deborah Wiggins; Enerlex, Inc.; Castle Royalties, LLC; Stroube Energy Corporation; JD. Sutton, Inc.; Curtis Mewbourne, Trustee; Ridge Runner Resources Operating; Coert Holdings 1, LLC; Muirfield Resources Company; Caprock Resources, LLC; Thunder Moon Resources, LLC; Petro Tiger I, Ltd.; State of New Mexico, by and through its Commissioner of Public Lands of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 16, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emrnd.mm.gov/ocd/hearing-info/. Applicant seeks an order from the Division pooling/all uncommitted mineral interests within a 320-acre, more or less. Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, NM.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Treble State Com 303H, Treble State Com 503H, and Treble State Com 609H wells to be horizontally drilled from a surface

LEGAL NOTICE April 25, 2024

- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #002H well (API 30-025-39131); and
- A Bone Spring spacing unit dedicated to a 40-acre vertical spacing unit comprised of the NW/4 NE/4 (Unit B) of Section 27, dedicated to Mewbourne Oil Co's Sparrow 27 #003H well (API 30-025-25180).

Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

case No. 24472: Notice to all affected parties, as well as heirs and devisees of: Marathon Oil Permian, LLC: Prospector, LLC; WPX Energy Permian, LLC; Mewbourne Development Corporation; Mewbourne Oil Company; Alpha Energy Partners, LLC; Northern Oil and Gas, Inc.; Rutter & Wilbanks Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Currlis Anderson Rev Trust dtd 8-31-21; Charles Wiggins and Deborah Wiggins; Enerlex, Inc.; Castle Royalties, LLC; Stroube Energy Corporation; J.D. Sutton, Inc.; Curtls Mewbourne, Trustee; Ridge Runner Resources Operating; Coert Holdings 1, LLC; Mulrfield Resources Company; Caprock Resources Operating; Coert Holdings 1, LLC; Mulrfield Resources Company; Caprock Resources, LLC; Thunder Moon Resources, LLC; Petro Tiger I, Ltd.; State of New Mexico, by and through its Commissioner of Public Lands of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 16, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the-docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit. This spacing unit will be dedicated to the Treble State Com 703H and Treble State Com 803H wells to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 27 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 27. dedicated to North Fork

Mexico.

CASE NO. 24473: Notice to all affected parties, as well as heirs and devisees of: Marathon Oil Permian, LLC; Prospector, LLC; WPX Energy Permian, LLC; Mewbourne Development Corporation; Mewbourne Oil Company; Alpha Energy Permian, LLC; Mewbourne Development Corporation; Mewbourne Oil Company; Alpha Energy Permian, LLC; Mewbourne Development Corporation; Mewbourne Oil Company; Alpha Energy Permian, LLC; Mewbourne Development Corporation; Mewbourne Oil Company; Alpha Energy Permian, LLC; Mewbourne Division and Gas, Inc.; Rutter & Wilbanks; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna

CASE NO. 24474: Notice to all affected parties, as well as heirs and devisees of: Marathon Oil Permian, LLC; Prospector, LLC; WPX Energy Permian, LLC; Mewbourne Development Corporation; Mewbourne Oil Company; Alpha Energy Partners, LLC; Northern Oil and Gas, Inc.; Rutter & Wilbanks. Corporation; Victor J. Sirgo; Chi Energy, Inc.; Edna and Curtis Anderson Rev Trust dtd 8-31-21; Charles Wiggins and Deborah Wiggins; Enerlex, Inc.; Castle Royalties, LLC; Stroube Energy Corporation; J.D. Sutton, Inc.; Curtis Mewbourne, Trustee; Ridge Runner Resources Operating; Coert Holdings 1, LLC; Mulrfield Resources Company; Caprock Resources, LLC; Thunder Moon Resources, LLC; Petro Tiger I, Ltd.; State of New Mexico, by and through its Commissioner of Public Lands of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emrd.mm.gov/cod/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 not a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. 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 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18