



Before the Oil Conservation Division  
Examiner Hearing May 16<sup>th</sup>, 2024

Compulsory Pooling

**Case No. 24473: Treble State Com 304H, Treble  
State Com 504H, Treble State Com 604H**

**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,  
LEA COUNTY, NEW MEXICO**

**CASE NO. 24473**

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**Tab D:** Declaration of Deana M. Bennett

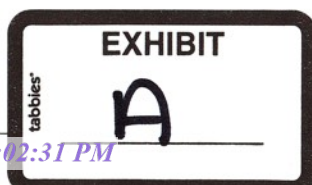
- Exhibit D.1: Sample Notice Letter
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- Exhibit D.3: Certified Mailing Tracking List
- Exhibit D.4: Affidavit of Publication



# COMPULSORY POOLING APPLICATION CHECKLIST

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

<b>Case: 24473</b>	<b>APPLICANT'S RESPONSE</b>
<b>Date</b>	<b>May 16, 2024</b>
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, Lea County, New Mexico.
Entries of Appearance/Intervenors:	None.
Well Family	Treble State Com
<b>Formation/Pool</b>	
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
<b>Spacing Unit</b>	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	E/2 E/2 of Sections 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 <u>and is approval of non-standard unit requested in this application?</u>	Yes.
<b>Other Situations</b>	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	See Exhibit B.3
<b>Well(s)</b>	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Treble State Com 304H	API No. <i>Pending</i> SHL: 840' FSL & 1639' FEL, (Unit O), Section 22, T19S, R35E BHL: 100' FSL & 360' FEL, (Unit P) Section 34, T19S, R35E Completion Target: First Bone Spring (Approx. 9,371' TVD) Orientation: North/South
Well #2: Treble State Com 504H	API No. <i>Pending</i> SHL: 740' FSL & 1609' FEL, (Unit O), Section 22, T19S, R35E BHL: 100' FSL & 680' FEL, (Unit P) Section 34, T19S, R35E Completion Target: Second Bone Spring (Approx. 10,026' TVD) Orientation: North/South



Well #3: Treble State Com 604H	API No. <i>Pending</i> SHL: 740' FSL & 1579' FEL, (Unit O), Section 22, T19S, R35E BHL: 100' FSL & 360' FEL, (Unit P) Section 34, T19S, R35E Completion Target: Third Bone Spring (Approx. 10,351' TVD) Orientation: North/South
Horizontal Well First and Last Take Points	See Exhibit B.2
Completion Target (Formation, TVD and MD)	See Exhibit B.6
<b>AFE Capex and Operating Costs</b>	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	See Exhibit B Paragraph 24
Requested Risk Charge	200%
<b>Notice of Hearing</b>	
Proposed Notice of Hearing	Exhibit D.1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D.2 and D.3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D.4
<b>Ownership Determination</b>	
Land Ownership Schematic of the Spacing Unit	Exhibit B.3
Tract List (including lease numbers and owners)	Exhibit B.3
Approval of Non-Standard Spacing Units requested, Tract List (including lease numbers and owners) of Tracts subject to notice	N/A
Pooled Parties (including ownership type)	Exhibit B.5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
<b>Joinder</b>	
Sample Copy of Proposal Letter	Exhibit B.6
List of Interest Owners (ie Exhibit A of JOA)	Exhibit B.3
Chronology of Contact with Non-Joined Working Interests	Exhibit B.4
Overhead Rates In Proposal Letter	Exhibit B.6
Cost Estimate to Drill and Complete	Exhibit B.7
Cost Estimate to Equip Well	Exhibit B.7
Cost Estimate for Production Facilities	Exhibit B.7
<b>Geology</b>	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C.1
Gunbarrel/Lateral Trajectory Schematic	Exhibit C.1
Well Orientation (with rationale)	Exhibit C.15
Target Formation	Exhibit C.3 to C.6; C.7 to C.10; C.11 to C.14
HSU Cross Section	Exhibit C.4; C.8; C.12
Depth Severance Discussion	N/A
<b>Forms, Figures and Tables</b>	
C-102	See Exhibit B.2
Tracts	Exhibit B.3
Tracts (including lease numbers and owners)	Exhibit B.3



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
<b>Additional Information</b>	
Special Provisions/Stipulations	N/A
<b>CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.</b>	
<b>Printed Name</b> (Attorney or Party Representative):	Deana M. Bennett
<b>Signed Name</b> (Attorney or Party Representative):	/s/ Deana M. Bennett
<b>Date:</b>	5/13/2024

**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**

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.

2. My area of responsibility at Franklin includes the area of Lea County in New Mexico.

3. I am familiar with the application filed by Franklin in this case, which is attached as **Exhibit 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.





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 E/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 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.

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. **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.

18. 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.

19. In my opinion, Franklin has made a good faith effort to obtain voluntary joinder of the uncommitted mineral interest owners in the proposed wells.

20. **Exhibit B.4** is a summary of my contacts with the working interest owners.

21. **Exhibit B.5** is a list of the parties being pooled for this case.

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

23. **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.

24. 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.

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

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

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



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

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

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

*[Signature page follows]*

Dated: May 8, 2024

  
\_\_\_\_\_  
Don Johnson


State of Colorado

County of Denver

This record was acknowledged before me on May 8<sup>th</sup>, 2024, by Don Johnson.

[Stamp]



  
\_\_\_\_\_  
Notary Public in and for the  
State of 20204018559 Colorado  
Commission Number: \_\_\_\_\_

My Commission Expires: 5/27/24



**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**

**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 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.



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

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

[edebrine@modrall.com](mailto:edebrine@modrall.com)

[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)

[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

Attorneys for Franklin Mountain Energy 3, LLC



**CASE NO. 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.

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

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code	<sup>3</sup> Pool Name
	49680	PEARL;BONE SPRING (Sec 27)
<sup>4</sup> Property Code	<sup>5</sup> Property Name	<sup>6</sup> Well Number
	TREBLE STATE COM	304H
<sup>7</sup> OGRID No.	<sup>8</sup> Operator Name	<sup>9</sup> Elevation
331595	FRANKLIN MOUNTAIN ENERGY 3, LLC	3730.8'

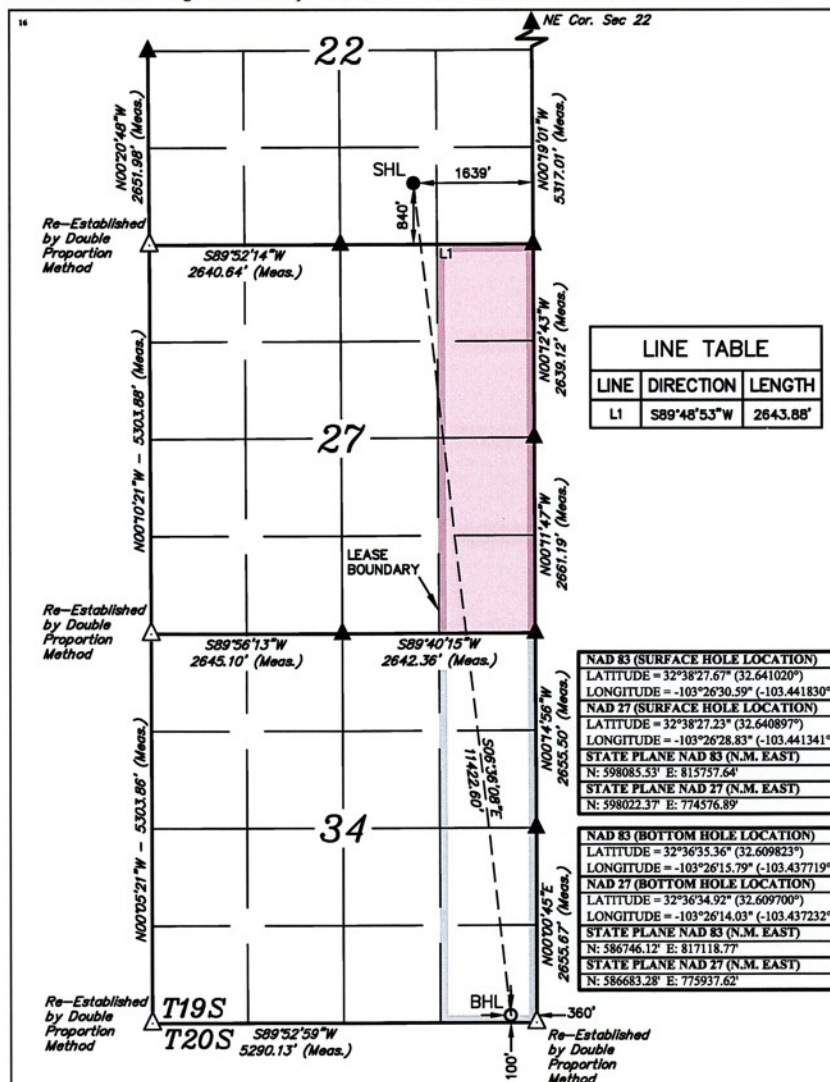
<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	22	19S	35E		840	SOUTH	1639	EAST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	34	19S	35E		100	SOUTH	360	EAST	LEA
<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						
160									

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



<sup>17</sup> OPERATOR CERTIFICATION

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

Signature: *Rachael Overbey* Date: 10/11/2023

Printed Name: Rachael Overbey

roverbey@finelc.com  
E-mail Address

<sup>18</sup> SURVEYOR CERTIFICATION

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

August 30, 2023

Date of Survey  
Signature and Seal of Professional Surveyor:



Certificate Number:

EXHIBIT

B.2

OCD Examiner Hearing  
No. 24473  
DRAWN BY: N.R. 09-12-23



District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720  
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WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 49685	<sup>3</sup> Pool Name PEARL-BONE SPRING, SOUTH (Sec 34)
<sup>4</sup> Property Code	<sup>5</sup> Property Name TREBLE STATE COM	<sup>6</sup> Well Number 304H
<sup>7</sup> OGRID No. 331595	<sup>8</sup> Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	<sup>9</sup> Elevation 3730.8'

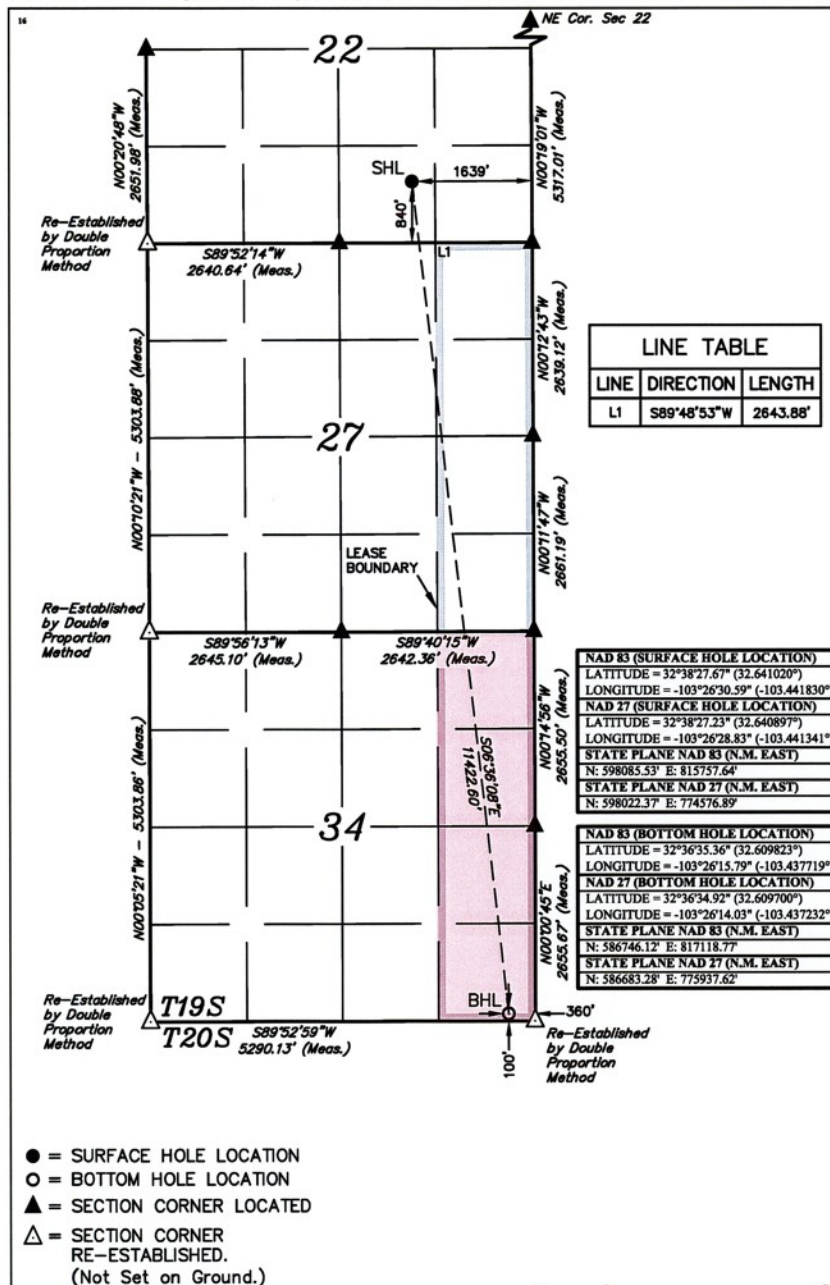
<sup>10</sup> Surface Location

UL or lot no. O	Section 22	Township 19S	Range 35E	Lot Idn	Feet from the 840	North/South line SOUTH	Feet from the 1639	East/West line EAST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. P	Section 34	Township 19S	Range 35E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 360	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acres 160	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

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



<sup>17</sup> OPERATOR  
CERTIFICATION

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

Signature: *Rachael Overbey* Date: 10/11/2023

Rachael Overbey  
Printed Name

roverbey@fmelle.com  
E-mail Address

<sup>18</sup> SURVEYOR  
CERTIFICATION

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

August 30, 2023

Date of Survey  
Signature and Seal of Professional Surveyor:



Certificate Number:

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

OCD Examiner Hearing  
DRAWN BY: N.R. 09-12-23

No. 24473



Form C-102  
Revised August 1, 2011  
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**"OPERATOR  
CERTIFICATION**

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

Signature: Rachael Overbey Date: 10/11/2023

Printed Name: Rachael Overbey

Signature: Rachael Overbey Date: 10/11/2023

Printed Name: Rachael Overbey

E-mail Address: roverbey@fmlle.com

E-mail Address: roverbey@fmlle.com

**LINE TABLE**

LINE	DIRECTION	LENGTH
L1	S89°48'53"W	2843.88'

**NAD 83 (SURFACE HOLE LOCATION)**

LATITUDE = 32°38'26.68" (32.640745°)  
 LONGITUDE = -103°26'30.24" (-103.441733°)

**NAD 27 (SURFACE HOLE LOCATION)**

LATITUDE = 32°38'26.24" (32.640622°)  
 LONGITUDE = -103°26'28.48" (-103.441244°)

**STATE PLANE NAD 83 (N.M. EAST)**

N: 597985.77' E: 815788.38'  
 STATE PLANE NAD 27 (N.M. EAST)  
 N: 597922.61' E: 774607.63'

**NAD 83 (BOTTOM HOLE LOCATION)**

LATITUDE = 32°36'35.37" (32.609825°)  
 LONGITUDE = -103°26'19.53" (-103.438758°)

**NAD 27 (BOTTOM HOLE LOCATION)**

LATITUDE = 32°36'34.93" (32.609702°)  
 LONGITUDE = -103°26'17.77" (-103.438271°)

**STATE PLANE NAD 83 (N.M. EAST)**

N: 586744.12' E: 816798.82'  
 STATE PLANE NAD 27 (N.M. EAST)  
 N: 586681.28' E: 775617.68'

**"SURVEYOR  
CERTIFICATION**

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

August 30, 2023

Date of Survey  
 Signature and Seal of Professional Surveyor:

Certificate Number:

14

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1220 South St. Francis Dr.  
Santa Fe, NM 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 49685	<sup>3</sup> Pool Name PEARL BONE SPRING, SOUTH (Sec 34)
<sup>4</sup> Property Code	<sup>5</sup> Property Name TREBLE STATE COM	<sup>6</sup> Well Number 504H
<sup>7</sup> OGRID No. 331595	<sup>8</sup> Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	<sup>9</sup> Elevation 3730.2'

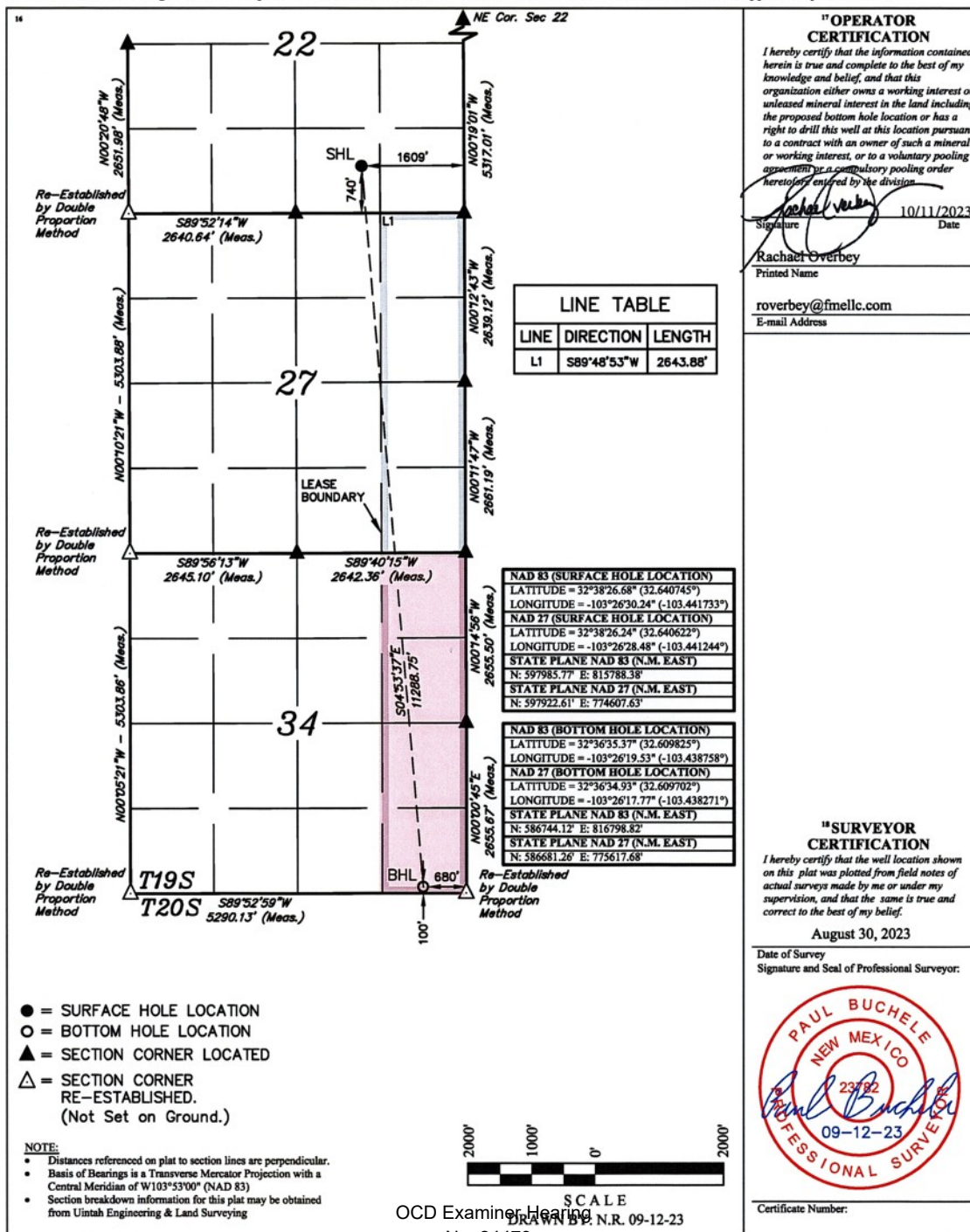
<sup>10</sup> Surface Location

UL or lot no. O	Section 22	Township 19S	Range 35E	Lot Idn	Feet from the 740	North/South line SOUTH	Feet from the 1609	East/West line EAST	County LEA
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<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no. P	Section 34	Township 19S	Range 35E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 680	East/West line EAST	County LEA
<sup>12</sup> Dedicated Acres 1.60	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

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





**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone: (575) 393-6161 Fax: (575) 393-0720

**District II**  
811 S. First St., Artesia, NM 88210  
Phone: (575) 748-1283 Fax: (575) 748-9720

**District III**  
1000 Rio Brazos Road, Aztec, NM 87410  
Phone: (505) 334-6178 Fax: (505) 334-6170

**District IV**  
1220 S. St. Francis Dr., Santa Fe, NM 87505  
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 49680		3 Pool Name PEARL;BONE SPRING (Sec 27)	
4 Property Code		5 Property Name TREBLE STATE COM			6 Well Number 604H
7 OGRID No. 331595		8 Operator Name FRANKLIN MOUNTAIN ENERGY 3. LLC			9 Elevation 3730.4'

<sup>10</sup>Surface Location

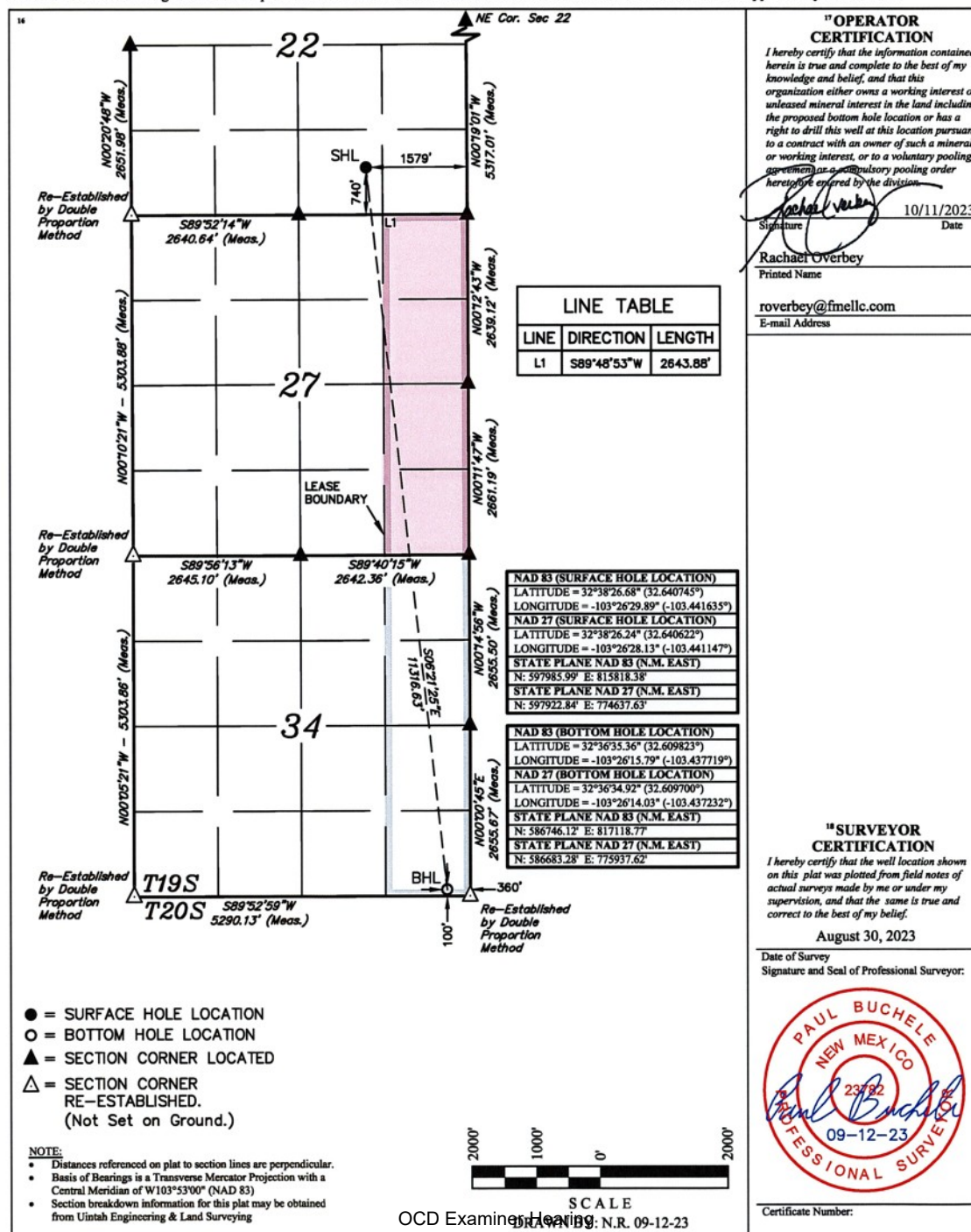
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Q	22	19S	35E		740	SOUTH	1579	EAST	LEA

**" Bottom Hole Location If Different From Surface**

UL or lot no. P	Section 34	Township 19S	Range 35E	Lot Idn	Feet from the 100	North/South line SOUTH	Feet from the 360	East/West line EAST	County LEA
--------------------	---------------	-----------------	--------------	---------	----------------------	---------------------------	----------------------	------------------------	---------------

12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109	110	111	112	113	114	115	116	117	118	119	120	121	122	123	124	125	126	127	128	129	130	131	132	133	134	135	136	137	138	139	140	141	142	143	144	145	146	147	148	149	150	151	152	153	154	155	156	157	158	159	160	161	162	163	164	165	166	167	168	169	170	171	172	173	174	175	176	177	178	179	180	181	182	183	184	185	186	187	188	189	190	191	192	193	194	195	196	197	198	199	200	201	202	203	204	205	206	207	208	209	210	211	212	213	214	215	216	217	218	219	220	221	222	223	224	225	226	227	228	229	230	231	232	233	234	235	236	237	238	239	240	241	242	243	244	245	246	247	248	249	250	251	252	253	254	255	256	257	258	259	260	261	262	263	264	265	266	267	268	269	270	271	272	273	274	275	276	277	278	279	280	281	282	283	284	285	286	287	288	289	290	291	292	293	294	295	296	297	298	299	300	301	302	303	304	305	306	307	308	309	310	311	312	313	314	315	316	317	318	319	320	321	322	323	324	325	326	327	328	329	330	331	332	333	334	335	336	337	338	339	340	341	342	343	344	345	346	347	348	349	350	351	352	353	354	355	356	357	358	359	360	361	362	363	364	365	366	367	368	369	370	371	372	373	374	375	376	377	378	379	380	381	382	383	384	385	386	387	388	389	390	391	392	393	394	395	396	397	398	399	400	401	402	403	404	405	406	407	408	409	410	411	412	413	414	415	416	417	418	419	420	421	422	423	424	425	426	427	428	429	430	431	432	433	434	435	436	437	438	439	440	441	442	443	444	445	446	447	448	449	450	451	452	453	454	455	456	457	458	459	460	461	462	463	464	465	466	467	468	469	470	471	472	473	474	475
12 Dedicated Acres 160		13 Joint or Infill		14 Consolidation Code				15 Order No.																																																																																																																																																																																																																																																																																																																																																																																																																																																																							

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





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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number	<sup>2</sup> Pool Code 49685	<sup>3</sup> Pool Name PEARL;BONE SPRING, SOUTH (Sec 34)
<sup>4</sup> Property Code	<sup>5</sup> Property Name TREBLE STATE COM	<sup>6</sup> Well Number 604H
<sup>7</sup> OGRID No. 331595	<sup>8</sup> Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	<sup>9</sup> Elevation 3730.4'

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	22	19S	35E		740	SOUTH	1579	EAST	LEA

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

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	34	19S	35E		100	SOUTH	360	EAST	LEA
<sup>12</sup> Dedicated Acres 1.60	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.						

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

<sup>16</sup>

**LINE TABLE**

LINE	DIRECTION	LENGTH
L1	S89°48'53"W	2643.88'

**NAD 83 (SURFACE HOLE LOCATION)**  
LATITUDE = 32°38'26.68" (32.640745°)  
LONGITUDE = -103°26'29.89" (-103.441635°)

**NAD 27 (SURFACE HOLE LOCATION)**  
LATITUDE = 32°38'26.24" (32.640622°)  
LONGITUDE = -103°26'28.13" (-103.441147°)

**STATE PLANE NAD 83 (N.M. EAST)**  
N: 597985.99' E: 815818.38'

**STATE PLANE NAD 27 (N.M. EAST)**  
N: 597922.84' E: 774637.63'

**NAD 83 (BOTTOM HOLE LOCATION)**  
LATITUDE = 32°36'35.36" (32.609823°)  
LONGITUDE = -103°26'15.79" (-103.437719°)

**NAD 27 (BOTTOM HOLE LOCATION)**  
LATITUDE = 32°36'34.92" (32.609700°)  
LONGITUDE = -103°26'14.03" (-103.437232°)

**STATE PLANE NAD 83 (N.M. EAST)**  
N: 586746.12' E: 817118.77'

**STATE PLANE NAD 27 (N.M. EAST)**  
N: 586683.28' E: 775937.62'

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

**SCALE**  
2000' 1000' 0' 1000' 2000'

OCD Examiner Hearing  
No. 24473  
DRAWN BY: N.R. 09-12-23

**17**

**17 OPERATOR CERTIFICATION**

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

Signature: *Rachael Overbey* Date: 10/11/2023

Printed Name: Rachael Overbey

roverbey@fmelle.com  
E-mail Address

**18 SURVEYOR CERTIFICATION**

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

August 30, 2023

Date of Survey  
Signature and Seal of Professional Surveyor:



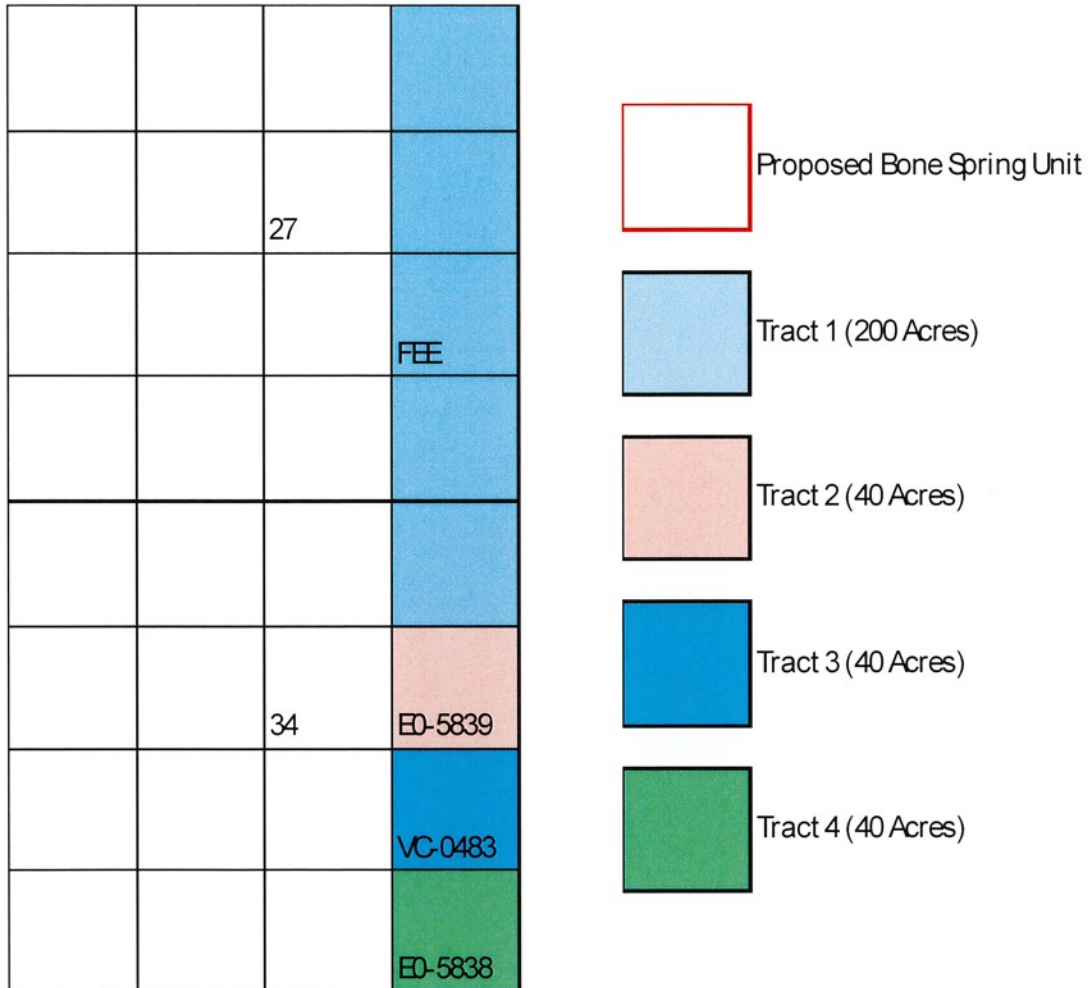
Certificate Number:

## Development Overview

Case Nos. 24473



**Lease Tract Map**  
**Case No. 24473**  
**E2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres**  
**Treble State Com 304H, Treble State Com 504H, Treble State Com 604H**





**Summary of Interests**  
**Case No. 24473**  
**E2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres**  
**Treble State Com 304H, Treble State Com 504H, Treble State Com 604H**

Committed Working Interest	
Franklin Mountain Energy 3, LLC	95.312500%
Uncommitted Working Interest	
Northern Oil and Gas, Inc.	4.687500%
Total:	100.000000%



**Unit Recapitulation**  
**Case No. 24473**  
**E2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres**  
**Treble State Com 304H, Treble State Com 504H, Treble State Com 604H**

		27	
			FEE
		34	EO-5839
			VC-0483
			EO-5838

Tract	Lease
1	FEE
2	EO-5839
3	VC-0483
4	EO-5838

Committed Working Interest	
Franklin Mountain Energy 3, LLC	95.312500%
Uncommitted Working Interest	
Northern Oil and Gas, Inc.	4.687500%
Total:	100.000000%



### Summary of Contacts (W/2E/2: Case Nos. 24473)

- 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
Northern Oil and Gas, Inc.	WI	2/8/2024	2/15/2024	Elected to Participate





Name	Street	City	State	Zip	Ownership Type
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 SUITE 900	ADDISON	TX	75001	ORRI
Stroube Energy Corporation	18208 Preston Rd, #D9249	Dallas	TX	75252	ORRI
J.D. Sutton, Inc.	HC 64 BOX 100	LOCO	OK	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 210	Midland	TX	79701	ORRI
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





Sent via USPS: 9405536105536322495641

February 8, 2024

Mewbourne Development Corporation  
 500 West Texas, Suite 1020  
 Midland, TX 79701  
 Attn: Land Dept, Permian Basin

RE: **Well Proposals**  
 Township 19 South, Range 35 East  
 Section 27: E2E2  
 Section 34: E2E2  
 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 304H	1BS	9,371'	18,371'	Sec 22-T19S-R35E 830 FSL 1640 FEL	Sec 34-T19S-R35E 100 FSL 360 FEL	\$11,183,950.44	N/A
Treble State Com 504H	2BS	10,026'	19,026'	Sec 22-T19S-R35E 730 FSL 1610 FEL	Sec 34-T19S-R35E 100 FSL 680 FEL	\$11,183,950.44	N/A
Treble State Com 604H	3BS	10,351'	20,351'	Sec 22-T19S-R35E 730 FSL 1580 FEL	Sec 34-T19S-R35E 100 FSL 360 FEL	\$11,797,546.84	N/A
Treble State Com 704H	WCA	10,821'	20,821'	Sec 22-T19S-R35E 730 FSL 1640 FEL	Sec 34-T19S-R35E 100 FSL 360 FEL	\$11,797,546.84	N/A
Treble State Com 804H	WCB	11,371'	21,371'	Sec 22-T19S-R35E 830 FSL 1610 FEL	Sec 34-T19S-R35E 100 FSL 360 FEL	\$12,164,281.44	N/A

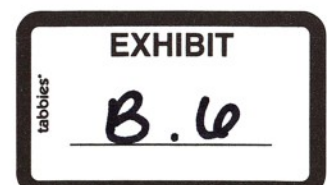
FME3 reserves the right to modify the locations and drilling plans described above in order to comply with any requirements from a governing regulatory agency or to address any topography, environmental and/or cultural concerns.

44 Cook Street | Suite 1000 | Denver, CO 80206

OCD Examiner Hearing

No. 24473

24





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

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

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

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

-  
-

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

Please return your signed documents to Jon Rutledge at [jrutledge@fmelc.com](mailto:jrutledge@fmelc.com) or to the address provided below at your earliest convenience.

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

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

Respectfully,

Franklin Mountain Energy 3, LLC

Jon Rutledge  
Landman





**Treble State Com 304H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Treble State Com 304H** well.  
\_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Treble State Com 304H** well.

**Treble State Com 504H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Treble State Com 504H** well.  
\_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Treble State Com 504H** well.

**Treble State Com 604H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Treble State Com 604H** well.  
\_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Treble State Com 604H** well.

**Treble State Com 704H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Treble State Com 704H** well.  
\_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Treble State Com 704H** well.

**Treble State Com 804H:**

\_\_\_\_\_ I/We hereby elect to participate in the **Treble State Com 804H** well.  
\_\_\_\_\_ I/We hereby elect **NOT** to participate in the **Treble State Com 804H** well.

Owner: Mewbourne Development Corporation

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



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

Well Name: Treble State Com 304H  
Location: SHL: Sec 22-T19S-R35E 830 FSL 1640 FEL  
BHL: Sec 34-T19S-R35E 100 FSL 360 FEL  
Operator: Franklin Mountain Energy 3, LLC  
Purpose: Drill and complete a 10,000' 1BS well.  
TVD 9,371', MD 18,371'.

Well #: 304H  
County/State: Lea Co., NM  
Date Prepared: 1/23/2024  
AFE #: DCE230309

Intangible Drilling Costs			
Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$80,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$40,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$45,000
225	40	CONTRACT LABOR	\$50,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$653,000
225	55	DRILLING - DIRECTIONAL	\$300,000
225	60	DRILLING - FOOTAGE	\$120,000
225	65	DRILLING BITS	\$140,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$250,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$50,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000
225	105	INSURANCE	\$1,700
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$320,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$85,000
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$165,506
225	35	CONTINGENCY COSTS 5%	\$150,460
Total Intangible Drilling Costs:			\$3,325,160

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

Tangible Facility Costs			
Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$14,400
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$94,800
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$75,400
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000
270	110	TANKS & WALKWAYS	\$47,600
270	130	MECHANICAL BATTERY BUILD	\$117,800
270	132	EL&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 Tangible Facility Costs:			\$783,654

Total Drill:	\$4,786,253.44
Total Completion:	\$5,531,278.50
Total Facility:	\$866,418.50
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 PROPORTIONATE SHARE OF THE ACTUAL INVOICE COSTS.

Operator: Franklin Mountain Energy 3, LLC  
Approved By:   
Craig R. Wyffers  
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 FME3

OCD Examiner Hearing

No. 24473

27

EXHIBIT

B.7





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

Well Name: Treble State Com 504H  
Location: SHL: Sec 22-T19S-R35E 730 FSL 1610 FEL  
BHL: Sec 34-T19S-R35E 100 FSL 680 FEL  
Operator: Franklin Mountain Energy 3, LLC  
Purpose: Drill and complete a 10,000' 2BS well.  
TVD 10,026', MD 19,026'.

Well #: 504H  
County/State: Lea Co., NM  
Date Prepared: 1/23/2024  
AFE #: DCE230311

Intangible Drilling Costs				Intangible Completion Costs			
Major	Minor	Description	Amount	Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000	240	5	ADMINISTRATIVE OVERHEAD	\$10,300
225	10	CASING CREW & EQPT	\$80,000	240	10	CASED HOLE LOGS & SURVEYS	\$7,500
225	15	CEMENTING INTERMEDIATE CASING	\$50,000	240	15	CASING CREW & EQPT	\$0
225	16	CEMENTING PRODUCTION CASING	\$150,000	240	20	COILED TUBING/SNUBBING UNIT	\$276,500
225	20	CEMENTING SURFACE CASING	\$50,000	240	25	COMMUNICATIONS	\$2,500
225	25	COMMUNICATIONS	\$40,000	240	30	COMPANY DIRECT LABOR	\$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$32,500
225	34	CONSTRUCTION/LOCATION & ROAD	\$45,000	240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
225	40	CONTRACT LABOR	\$50,000	240	50	DAMAGES/RECLAMATION	\$500
225	45	DAMAGES	\$653,000	240	55	DISPOSAL SOLIDS	\$10,000
225	50	DAYWORK CONTRACT	\$300,000	240	60	ELECTRICAL POWER/GENERATION	\$0
225	55	DRILLING - DIRECTIONAL	\$120,000	240	62	ENGINEERING	\$3,600
225	60	DRILLING - FOOTAGE	\$140,000	240	65	ENVIRONMENTAL/CLEANUP	\$0
225	65	DRILLING BITS	\$0	240	70	FISHING TOOLS / SERVICES	\$0
225	70	ELECTRICAL POWER/GENERATION	\$20,000	240	71	FLUIDS/HAULING/DISPOSAL	\$110,000
225	75	ENGINEERING	\$250,000	240	72	FRAC WATER/COMPLETION FLUID	\$544,000
225	80	ENVIRONMENTAL SERVICES	\$60,000	240	75	FUEL, POWER/DIESEL	\$495,500
225	84	EQUIPMENT RENTAL DOWNHOLE	\$50,000	240	80	HEALTH & SAFETY	\$6,100
225	85	EQUIPMENT RENTAL	\$0	240	85	HOUSING AND SUPPORT SERVICES	\$9,500
225	90	FISHING TOOLS/SERVICES	\$7,000	240	90	MATERIALS & SUPPLIES	\$500
225	95	HEALTH & SAFETY	\$45,000	240	95	MISCELLANEOUS	\$1,400
225	100	HOUSING AND SUPPORT SERVICES	\$1,700	240	100	MUD & CHEMICALS	\$0
225	105	INSURANCE	\$15,000	240	110	P&A/TA COSTS	\$262,000
225	106	INSPECTIONS	\$6,000	240	115	PERFORATING/WIRELINE SERVICE	\$0
225	110	LEGAL, TITLE SERVICES	\$5,000	240	120	PIPE INSPECTION	\$0
225	115	MATERIALS & SUPPLIES	\$5,000	240	125	ROAD, LOCATIONS REPAIRS	\$11,000
225	120	MISCELLANEOUS	\$31,000	240	130	STIMULATION	\$2,365,000
225	125	MOUSERATHOLE/CONDUCT PIPE	\$320,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$31,000
225	130	MUD & CHEMICALS	\$0	240	140	SUPERVISION	\$96,500
225	140	OPENHOLE LOGGING	\$0	240	145	SURFACE EQUIP RENTAL	\$186,500
225	141	CASED HOLE LOGGING	\$0	240	150	TRANSPORTATION/TRUCKING	\$1,000
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$106,000
225	150	POWER FUEL & WATER HAULING	\$200,000	240	160	WELDING SERVICES	\$0
225	155	RIG MOVE & RACKING COSTS	\$91,500	240	165	WELL TESTING/FLOWBACK	\$93,600
225	160	RIG UP TEAR OUT & STANDBY	\$0	240	148	TAXES	\$0
225	163	SITE RESTORATION	\$10,000	240	40	CONTINGENCY COSTS 5%	\$281,280
225	165	STAKING & SURVEYING	\$6,000			<b>Total Intangible Completion Costs:</b>	<b>\$4,969,280</b>
225	170	SUPERVISION	\$85,000				
225	175	SUPERVISION - GEOLOGICAL	\$39,000				
225	180	TRANSPORTATION/TRUCKING	\$39,000				
225	178	TAXES	\$165,506				
225	35	CONTINGENCY COSTS 5%	\$150,460				
		<b>Total Intangible Drilling Costs:</b>	<b>\$3,325,166</b>				

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
		<b>Total Tangible Drilling Costs:</b>	<b>\$1,461,087</b>

Tangible Facility Costs			
Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	FACILITY SURFACE EQUIPMENT	\$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	EL&C BATTERY BUILD	\$47,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600
270	136	PRIMARY POWER BUILD	\$15,100
270	138	FLOWLINE INSTALLATION	\$43,500
270	140	SIGNAGE	\$600
270	125	TAXES	\$40,854
		<b>Total Tangible Facility Costs:</b>	<b>\$783,654</b>

Total Drill:	\$4,786,253.44
Total Completion:	\$5,531,278.50
Total Facility:	\$866,418.50
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 PROPORTIONATE SHARE OF THE ACTUAL INVOICE COSTS.

Operator: Franklin Mountain Energy 3, LLC

Approved By:   
Craig R. Walker  
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 FME3

OCD Examiner Hearing

No. 24473





**FRANKLIN MOUNTAIN ENERGY**  
**AUTHORITY FOR EXPENDITURE**  
 Well Name: Treble State Com 604H  
 Location: SHL: Sec 22-T19S-R35E 730 FSL 1580 FEL  
 BHL: Sec 34-T19S-R35E 100 FSL 360 FEL  
 Operator: Franklin Mountain Energy 3, LLC  
 Purpose: Drill and complete a 10,000' 3BS well.  
 TVD 10,351', MD 20,351'

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

Well #: 604H  
 County/State: Lea Co., NM  
 Date Prepared: 1/23/2024  
 AFE #: DCE230313

Intangible Drilling Costs			
Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$80,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$40,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$45,000
225	40	CONTRACT LABOR	\$50,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$762,300
225	55	DRILLING - DIRECTIONAL	\$120,000
225	60	DRILLING - FOOTAGE	\$120,000
225	65	DRILLING BITS	\$140,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$250,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$50,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000
225	105	INSURANCE	\$1,700
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$320,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$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
Total Intangible Drilling Costs:			\$3,453,259

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	\$60,844
Total Tangible Drilling Costs:			\$1,339,741

Tangible Facility Costs			
Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$14,400
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$94,800
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$75,400
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000
270	110	TANKS & WALKWAYS	\$47,600
270	130	MECHANICAL BATTERY BUILD	\$117,800
270	132	EI&C BATTERY BUILD	\$47,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600
270	136	PRIMARY POWER BUILD	\$15,100
270	138	FLOWLINE INSTALLATION	\$43,500
270	140	SIGNAGE	\$600
270	125	TAXES	\$40,854
Total Tangible Facility Costs:			\$783,654

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

Total AFE: \$11,797,546.84

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

Operator: Franklin Mountain Energy 3, LLC  
 Approved By: Craig R. Walters  
 Chief Executive Officer

Date: 1/23/2024

WI Owner: \_\_\_\_\_

Approved By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

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

**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**

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.

2. My area of responsibility at Franklin includes the area of Lea County in New Mexico.

3. I am familiar with the application filed by Franklin in this case.

4. **Exhibit C.1** is a locator map showing the approximate location of the proposed unit in relation to the Capitan Reef.

5. **Exhibit C.2** is a wellbore schematic showing Franklin’s development plan.

6. **Exhibit C.3** through **Exhibit C.6** are the geology study I prepared for the Treble State Com 304H well, which will target the First Bone Spring formation.

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 304H 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 304H 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 cross-section 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 504H 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 504H 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 504H 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 604H 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 604H 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 604H 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.
- b. There are no structural impediments or faulting that will interfere with horizontal development.

- c. Each quarter-quarter section in the proposed unit will contribute more or less equally to production.

22. **Exhibit C.15** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.

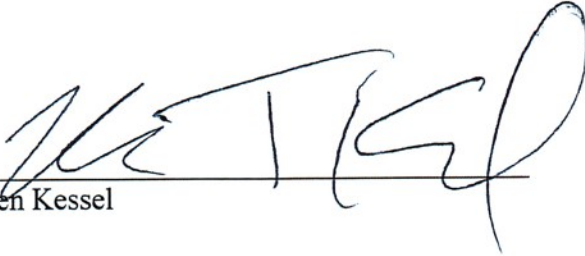
23. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to  $S_{Hmax}$ , optimal for induced fracture propagation. This is because the  $S_{Hmax}$  is at approximately 255 degrees ENE in this area of Lea County.

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 9<sup>th</sup>, 2024

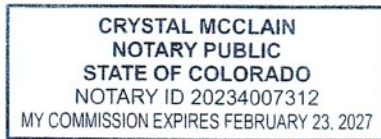
  
Ben Kessel

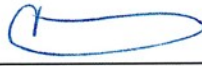
State of Colorado

County of Denver

This record was acknowledged before me on May 9, 2024, by Ben Kessel.

[Stamp]



  
Notary Public in and for the  
State of Colorado  
Commission Number: 20234007312

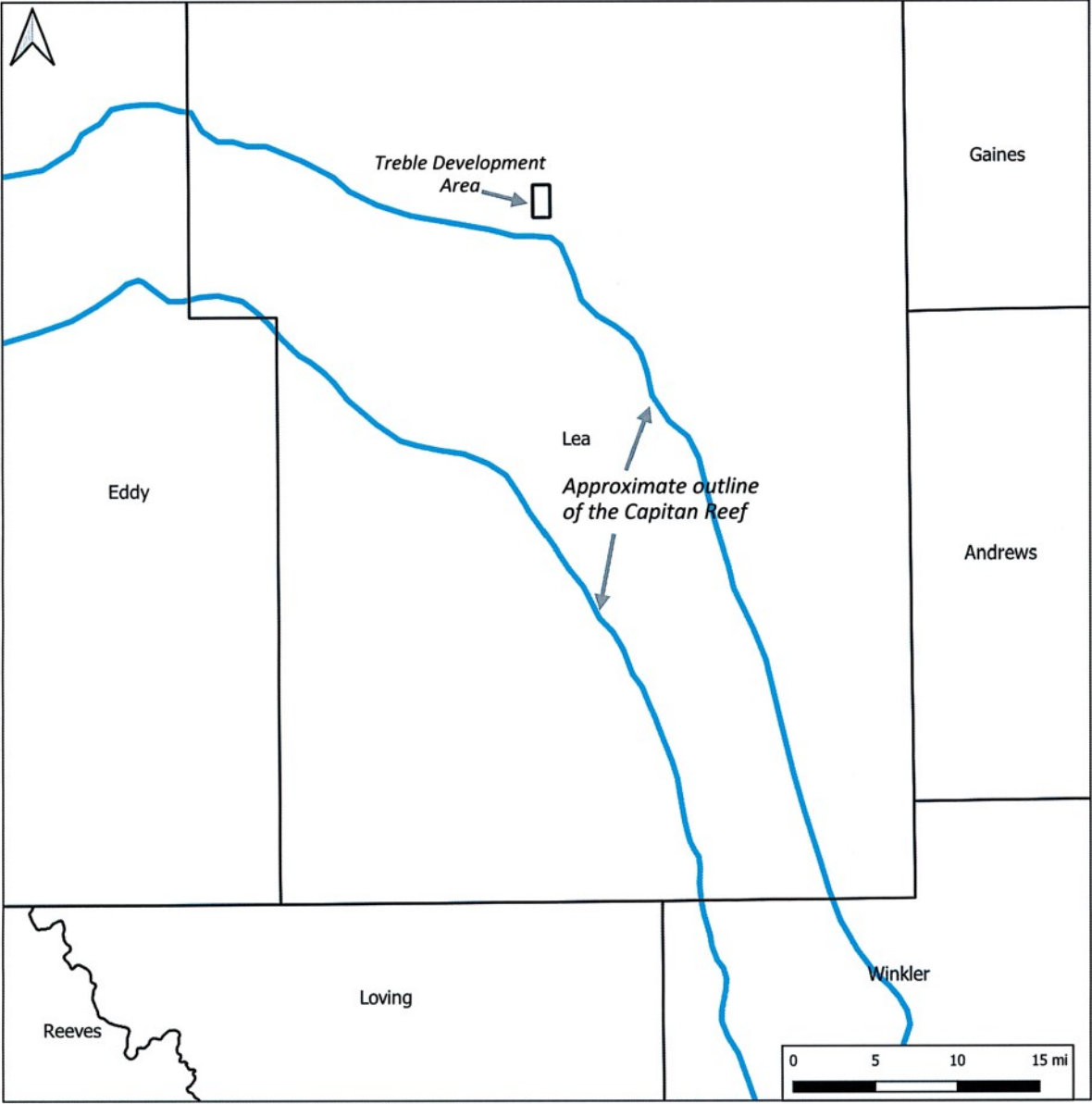
My Commission Expires: 2/23/27



# Treble Development



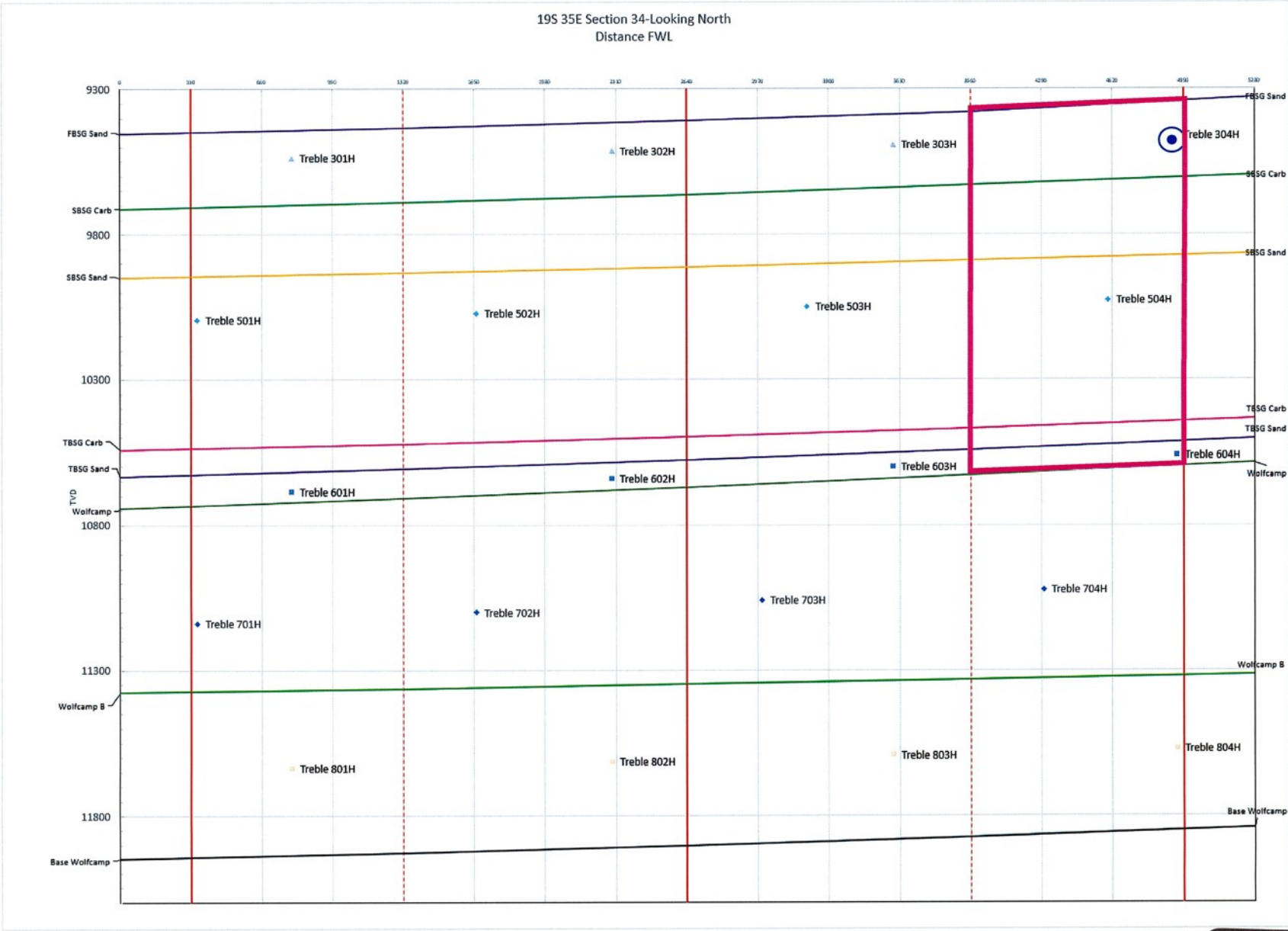
## Locator Map



- 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      ■ Bone Spring Spacing Unit

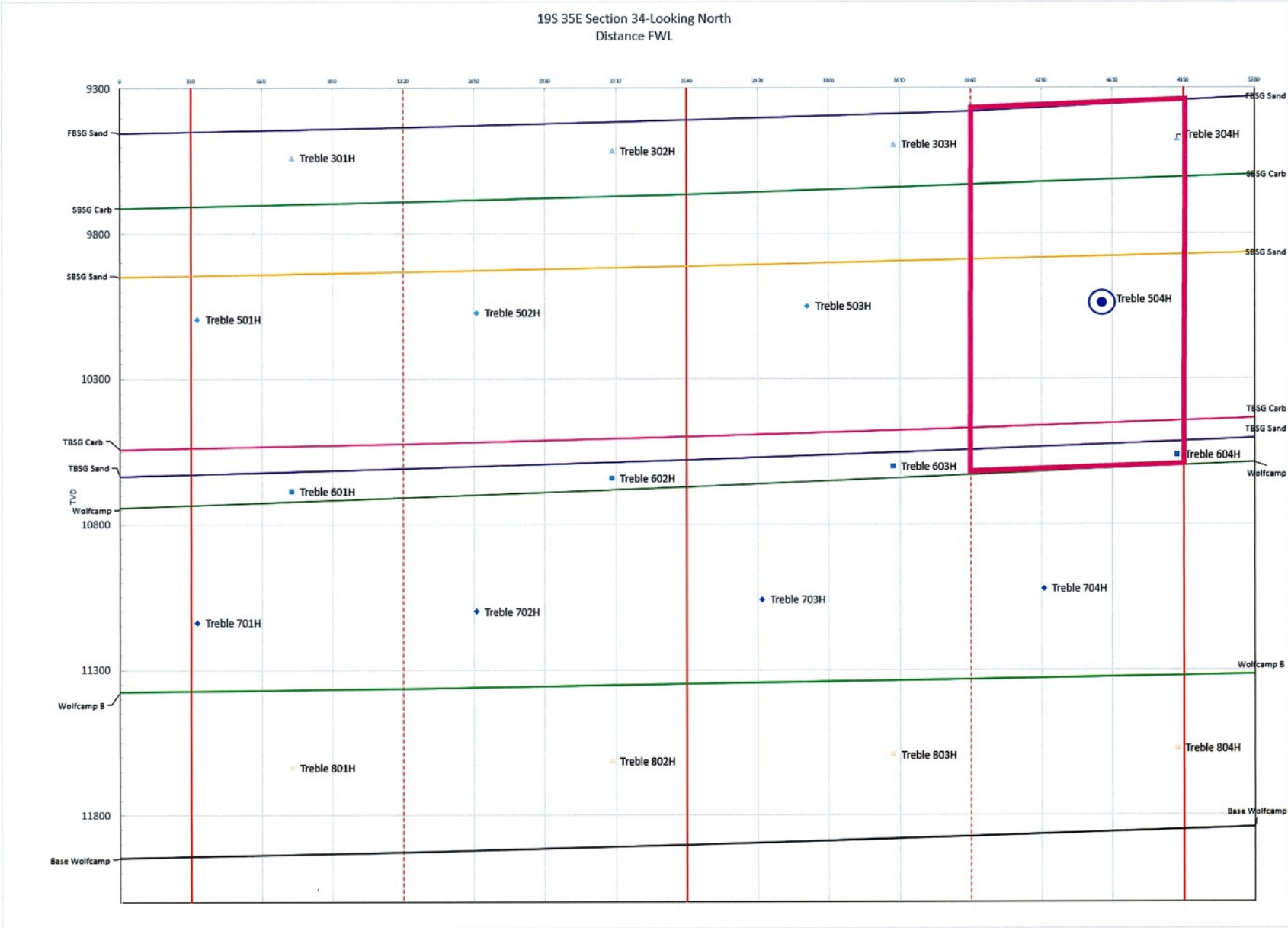
OCD Examiner Hearing  
No. 24473

EXHIBIT

C. 2

tabbles'

# Wellbore Schematic

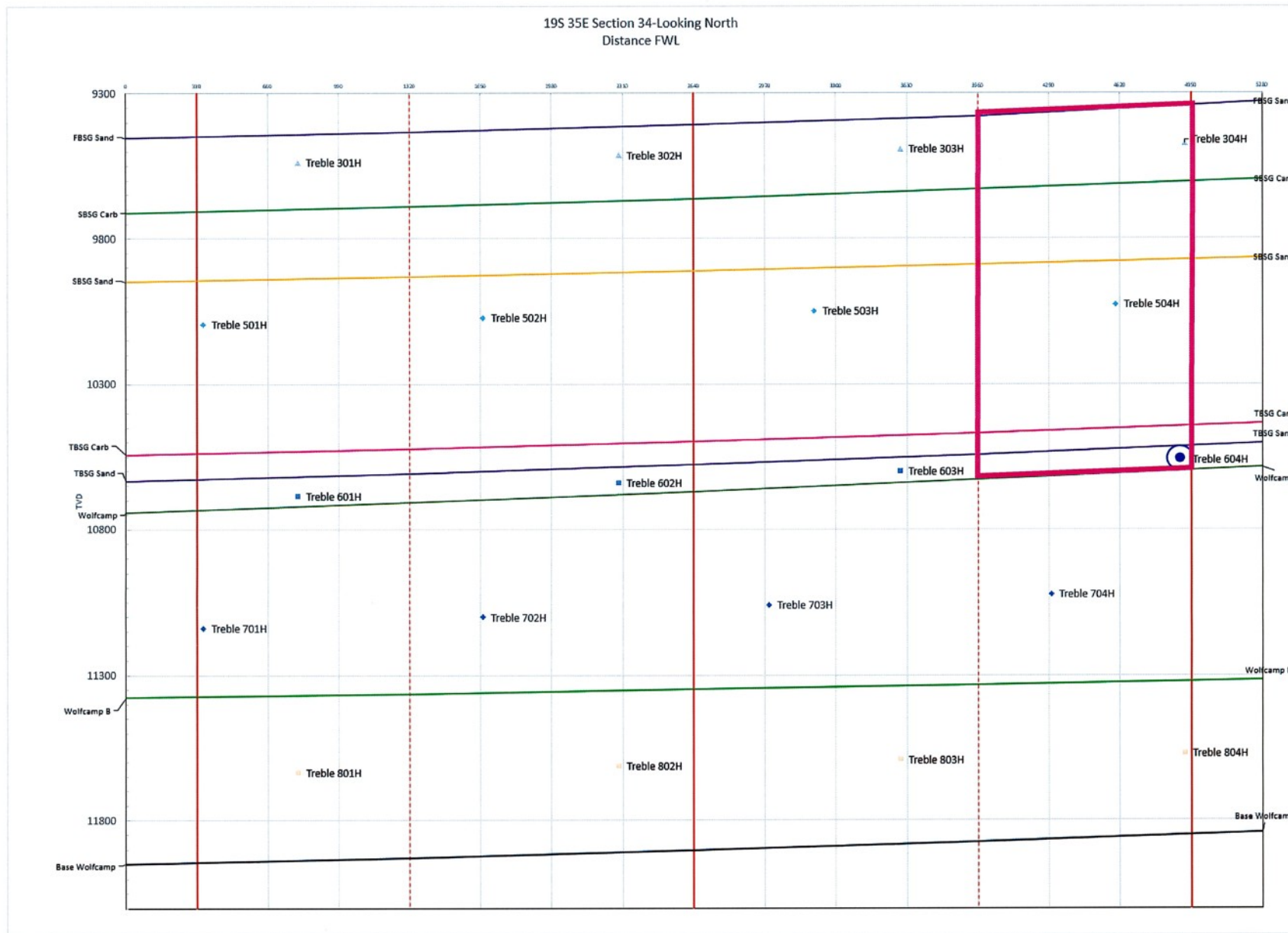


Proposed Laterals Bone Spring Spacing Unit

OCD Examiner Hearing  
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# Wellbore Schematic



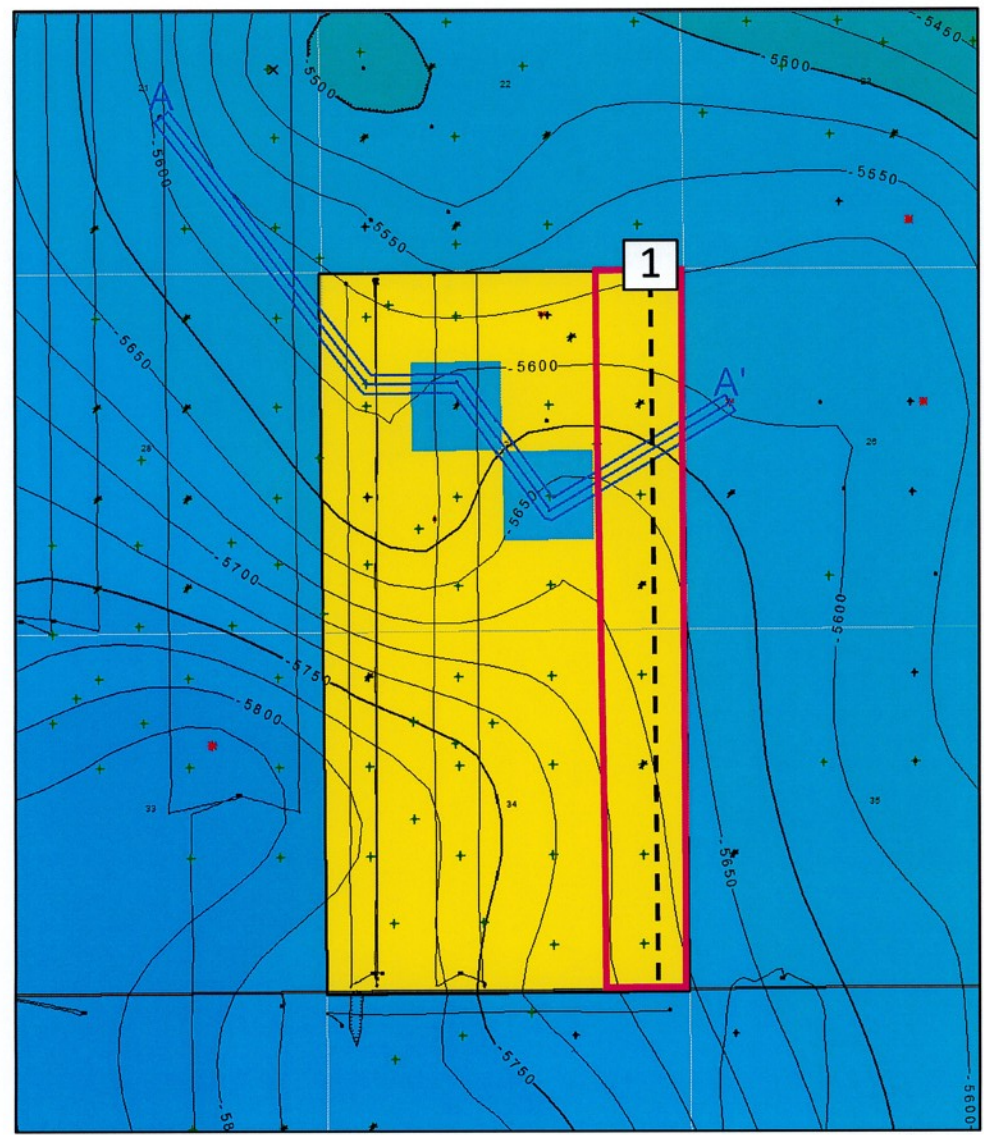
● Proposed Laterals



□ Bone Spring Spacing Unit

OCD Examiner Hearing  
No. 24473

# First Bone Spring Structure Map



- Franklin Mountain Acreage
- Bone Spring Spacing Unit

Proposed Horizontal Location

1 Treble State Com 304H

All wells shown

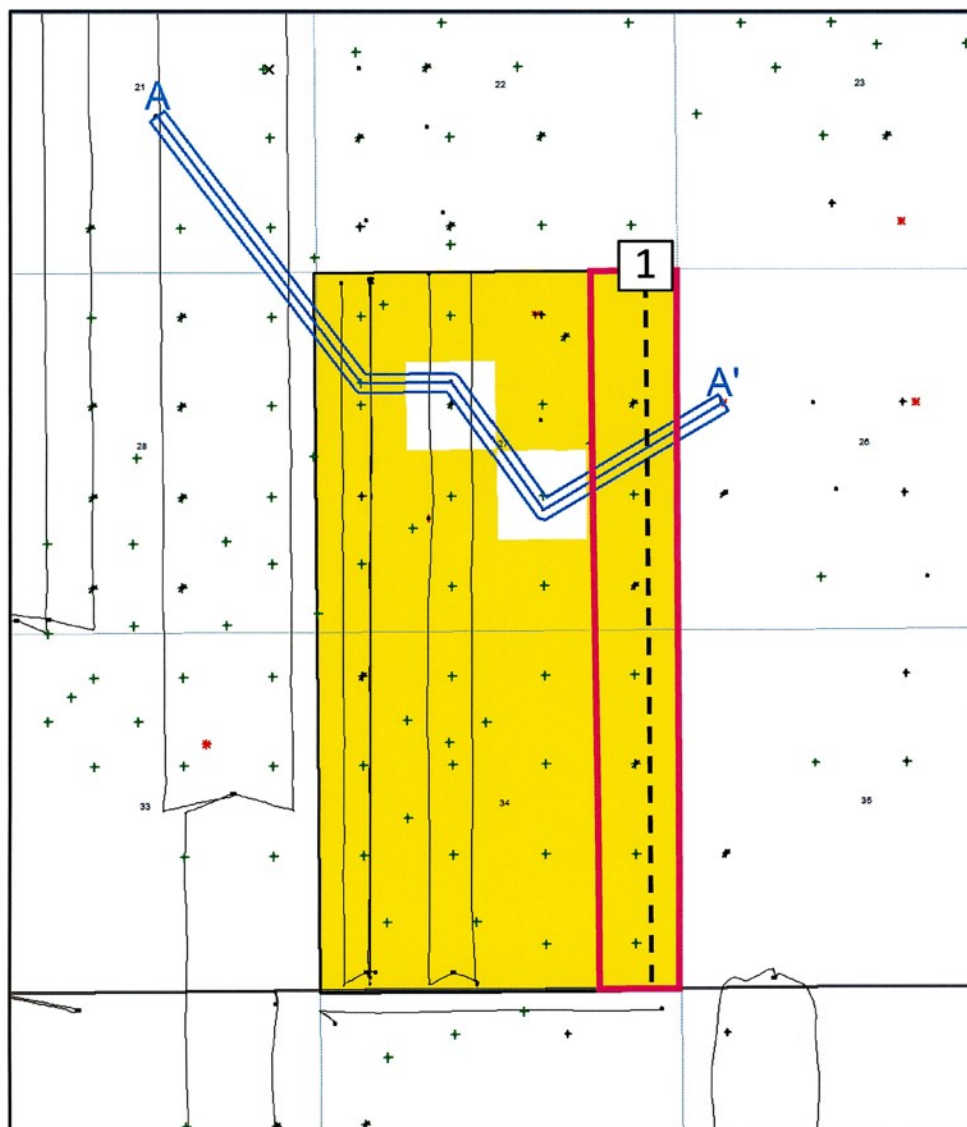
1 mile

tabbles

EXHIBIT

C.3

# Cross Section Reference Map



Franklin Mountain Acreage

Bone Spring Spacing Unit

Proposed Horizontal Location

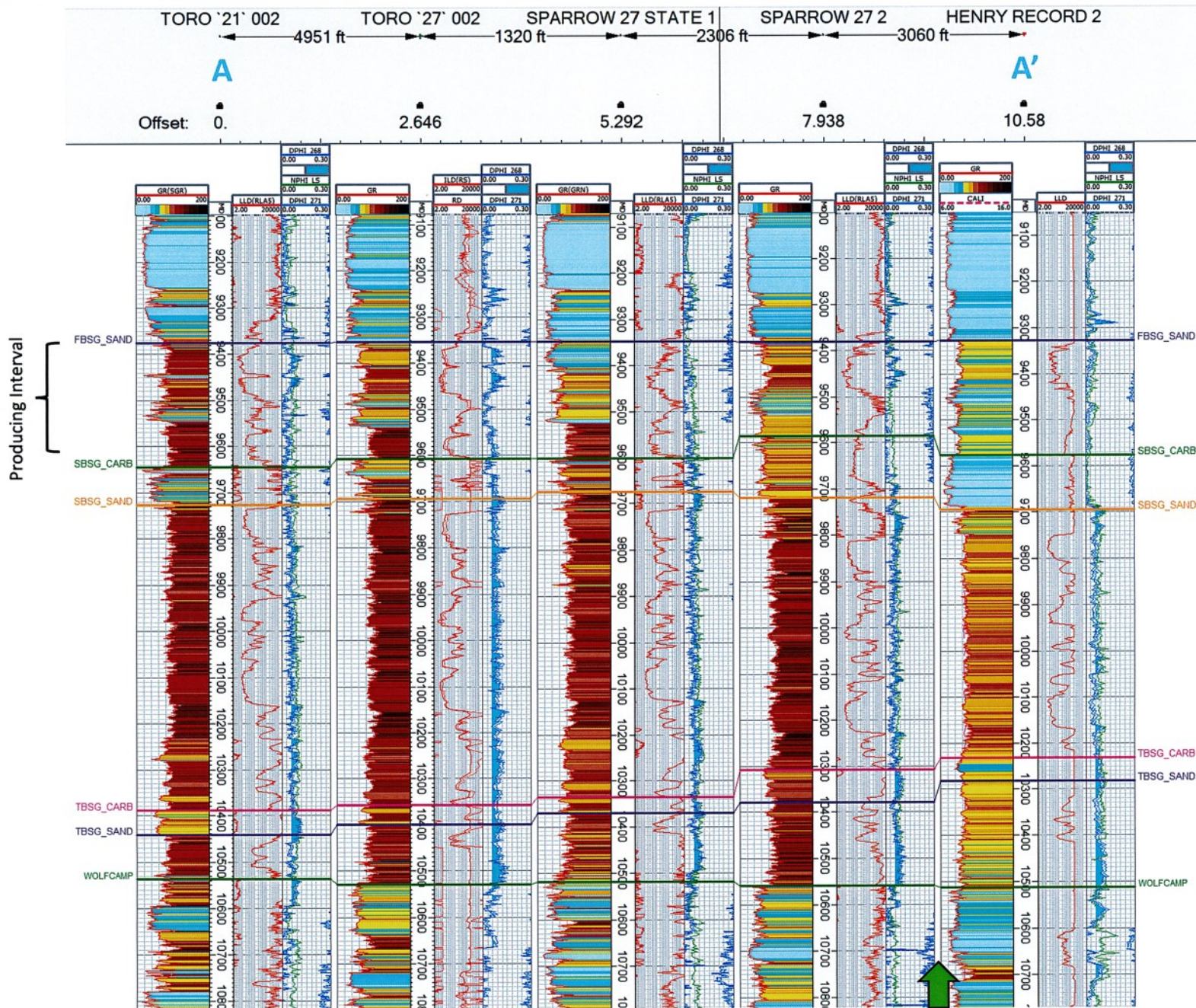
1 Treble State Com 304H

All wells shown

1 mile

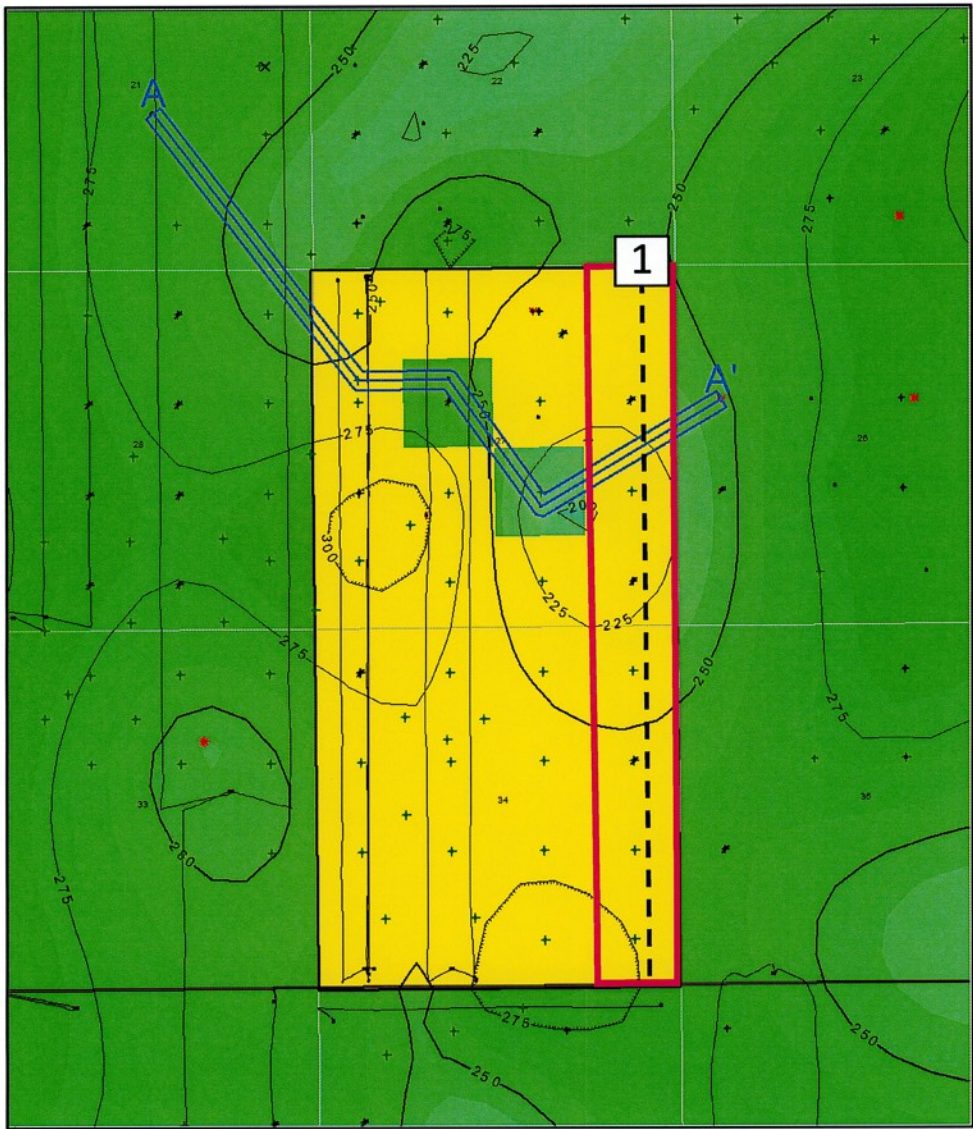


# First Bone Spring Cross Section





# First Bone Spring Isochore Map



- Franklin Mountain Acreage
- Bone Spring Spacing Unit

Proposed Horizontal Location

1 Treble State Com 304H

All wells shown

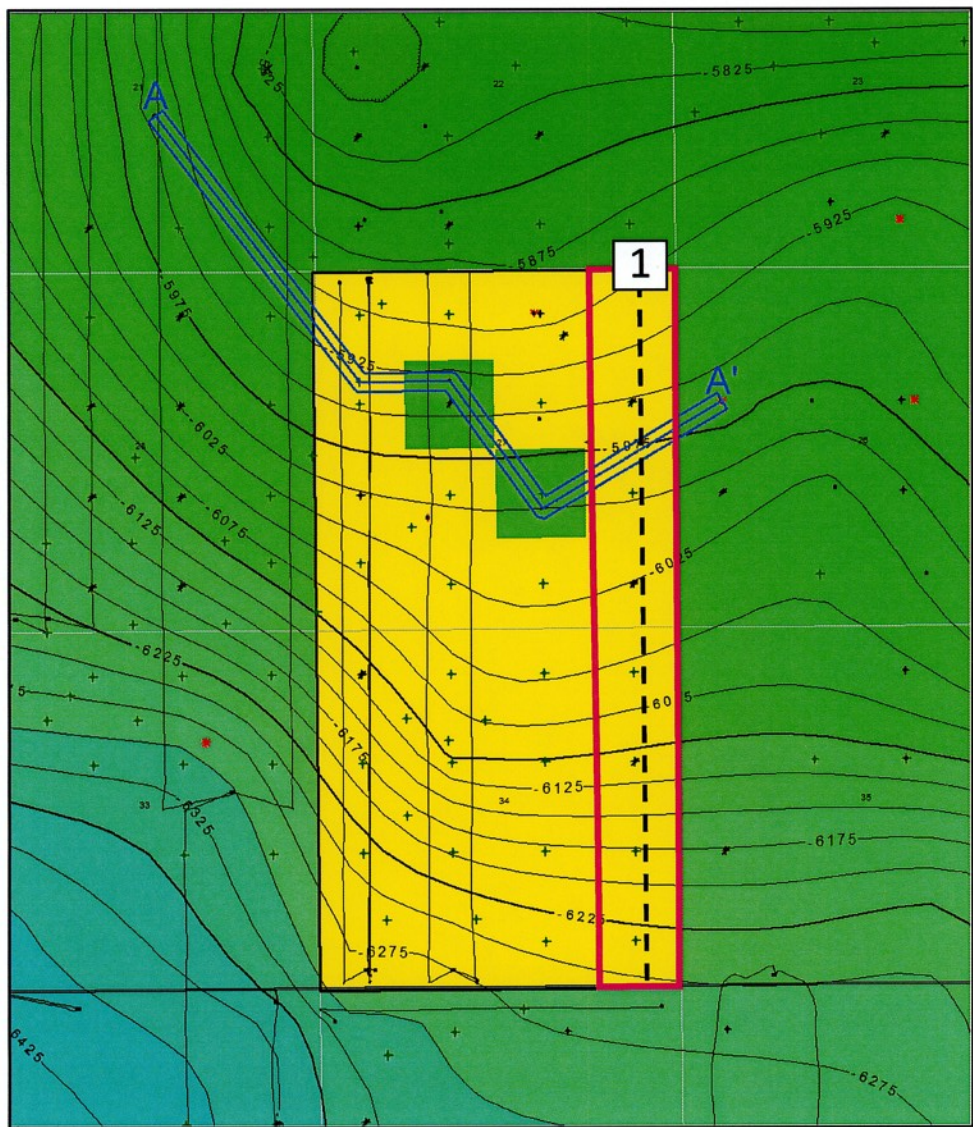
1 mile

tabbles<sup>®</sup>

EXHIBIT

C.6

# Second Bone Spring Sand Structure Map



Franklin Mountain Acreage

Bone Spring Spacing Unit

Proposed Horizontal Location

1 Treble State Com 504H

All wells shown

1 mile

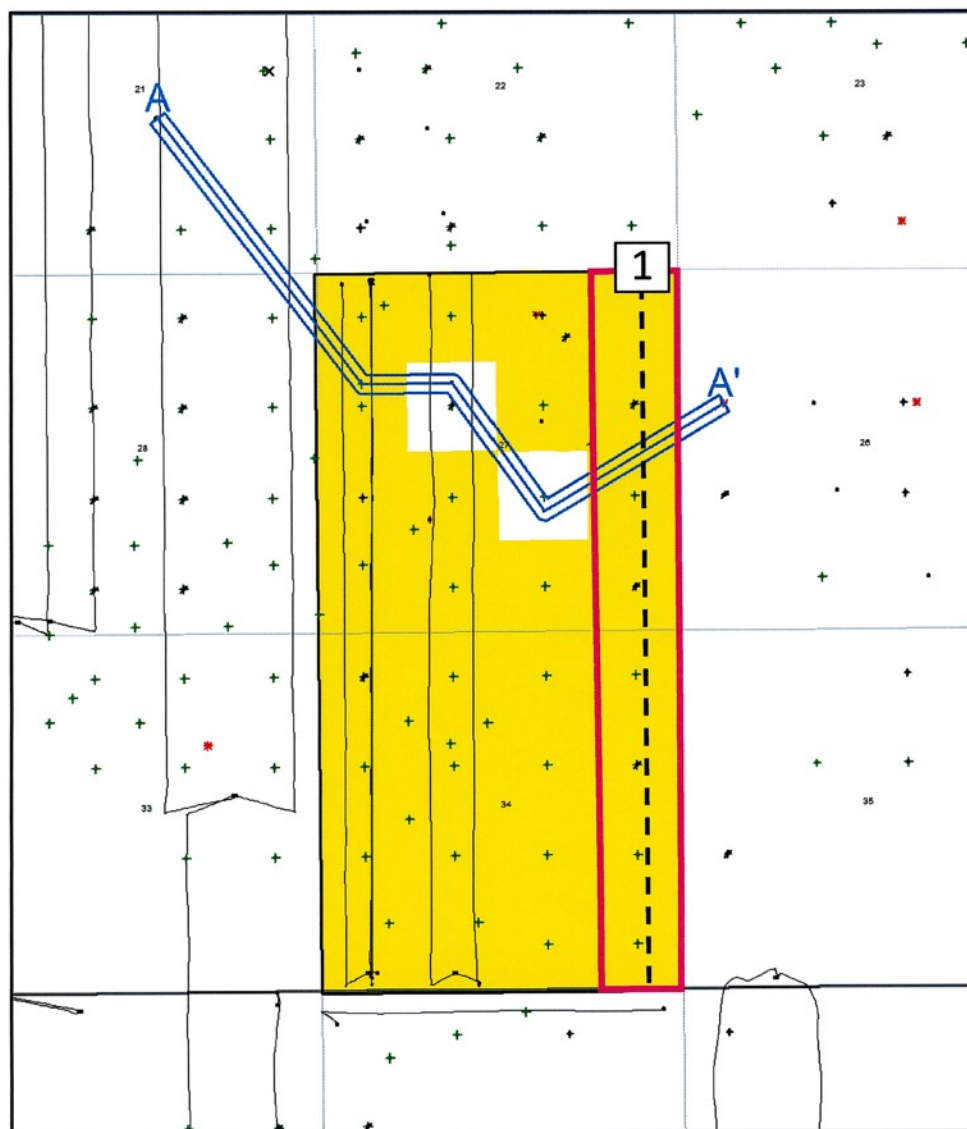
tabbles®

EXHIBIT

C.7



# Cross Section Reference Map



All wells shown

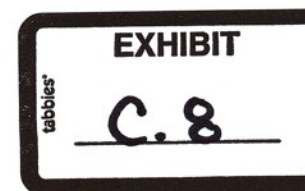
1 mile

Franklin Mountain Acreage

Bone Spring Spacing Unit

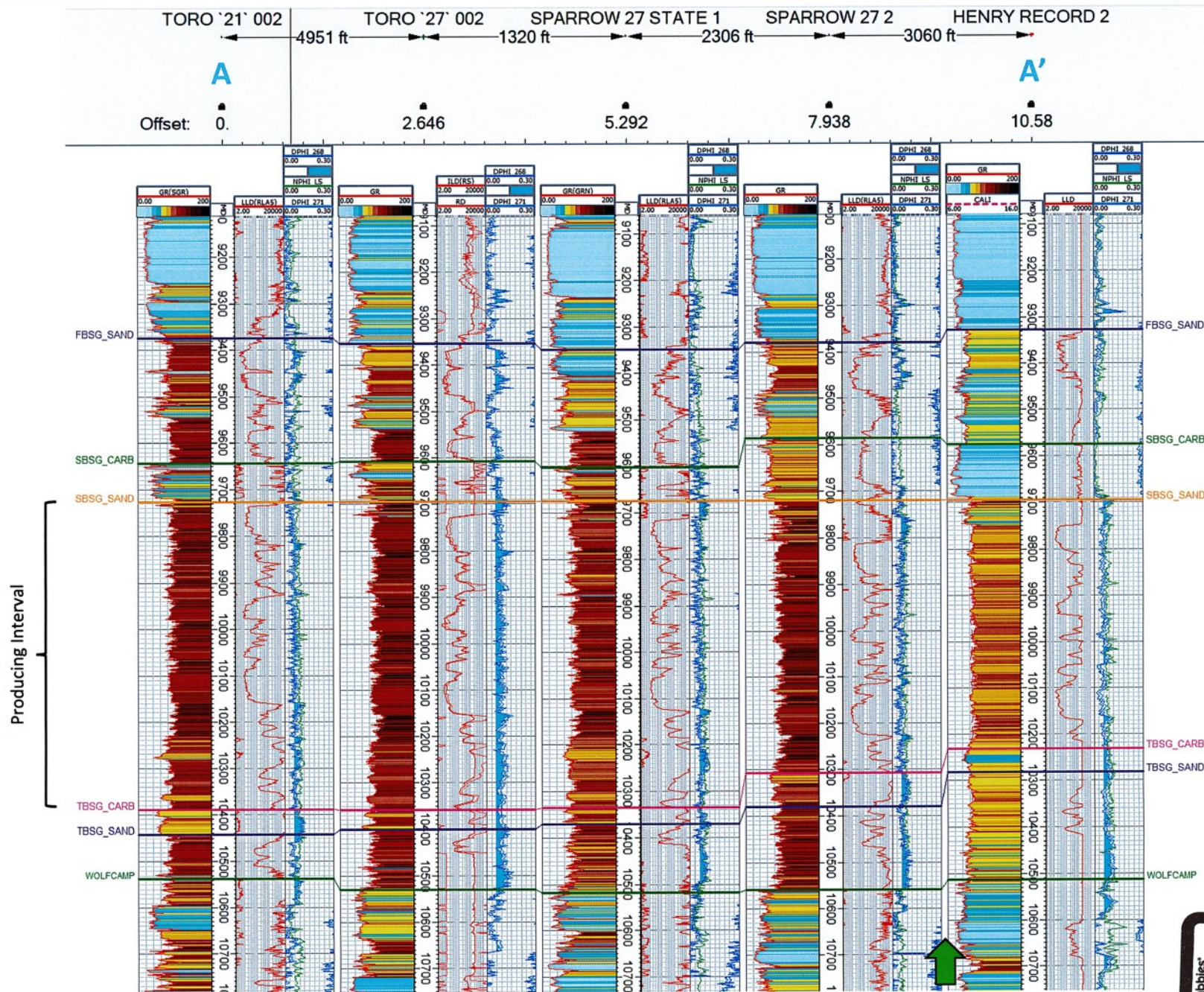
Proposed Horizontal Location

1 Treble State Com 504H



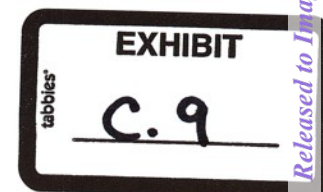


# Second Bone Spring Cross Section



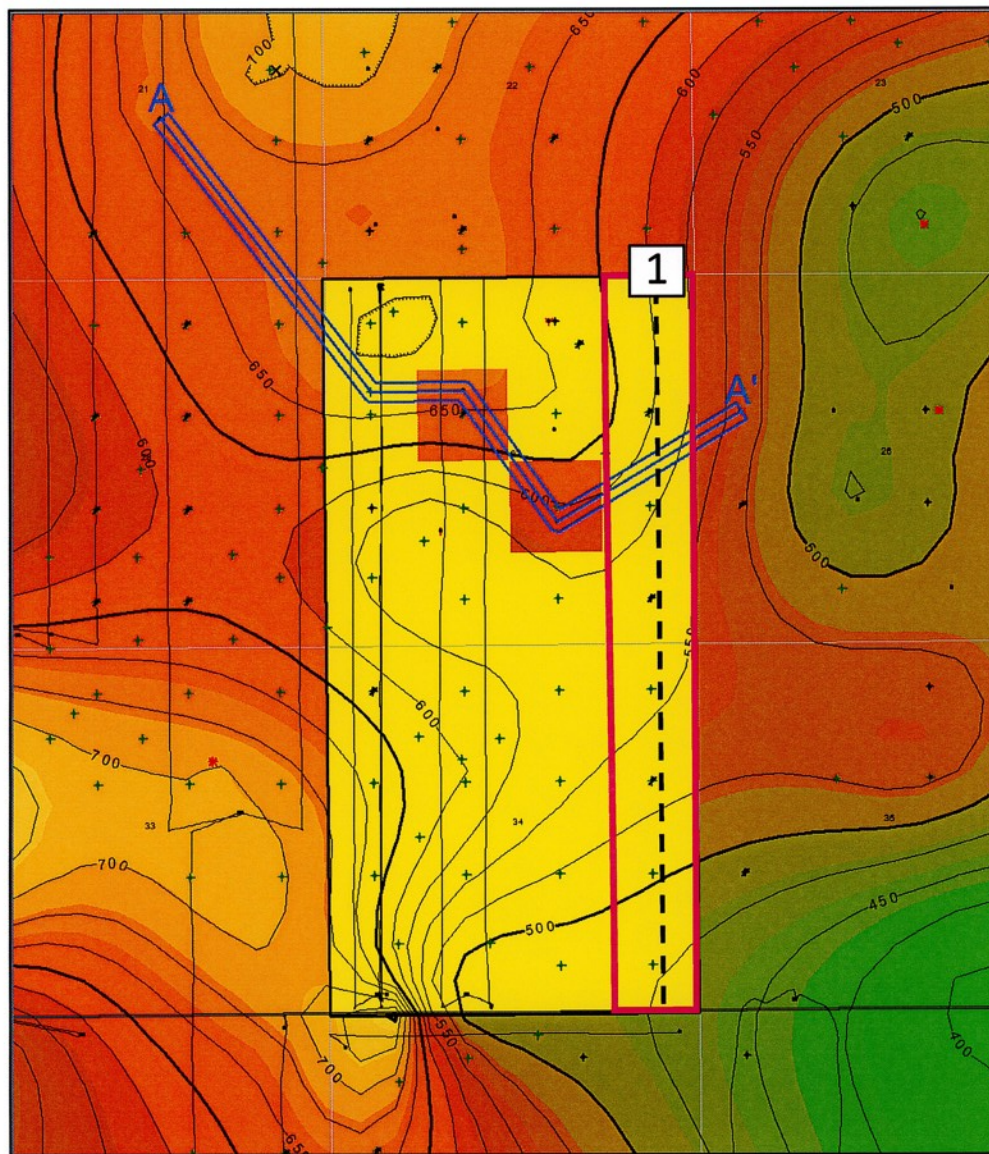
OCD Examiner Hearing  
No. 24473

504H





# Second Bone Spring Sand Isochore Map



Franklin Mountain  
Acreage



Bone Spring  
Spacing Unit

Proposed Horizontal Location  
-----

**1** Treble State Com 504H

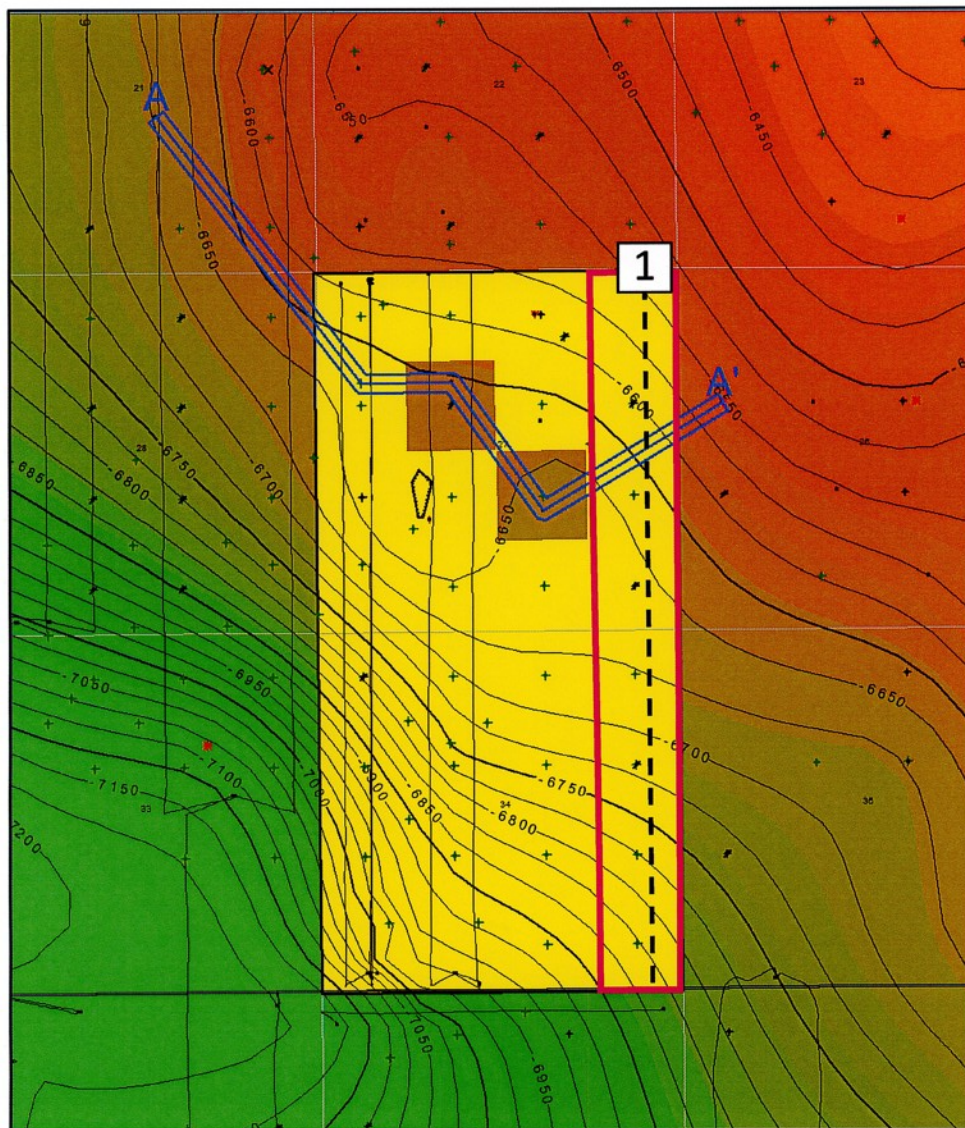
All wells shown

1 mile





# Third Bone Spring Sand Structure Map



All wells shown

1 mile

Franklin Mountain Acreage

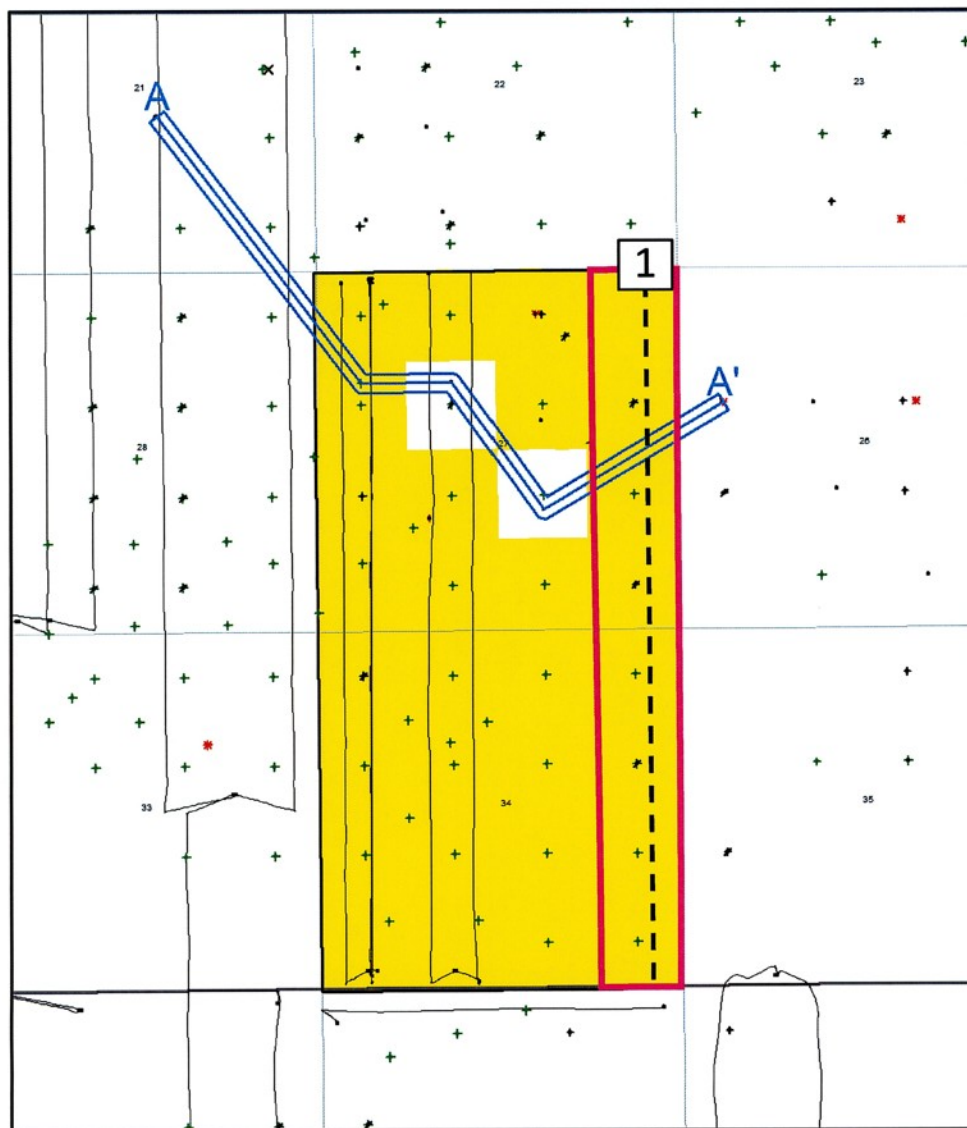
Bone Spring Spacing Unit

Proposed Horizontal Location

1 Treble State Com 604H



# Cross Section Reference Map



All wells shown

1 mile

Franklin Mountain Acreage

Bone Spring Spacing Unit

Proposed Horizontal Location

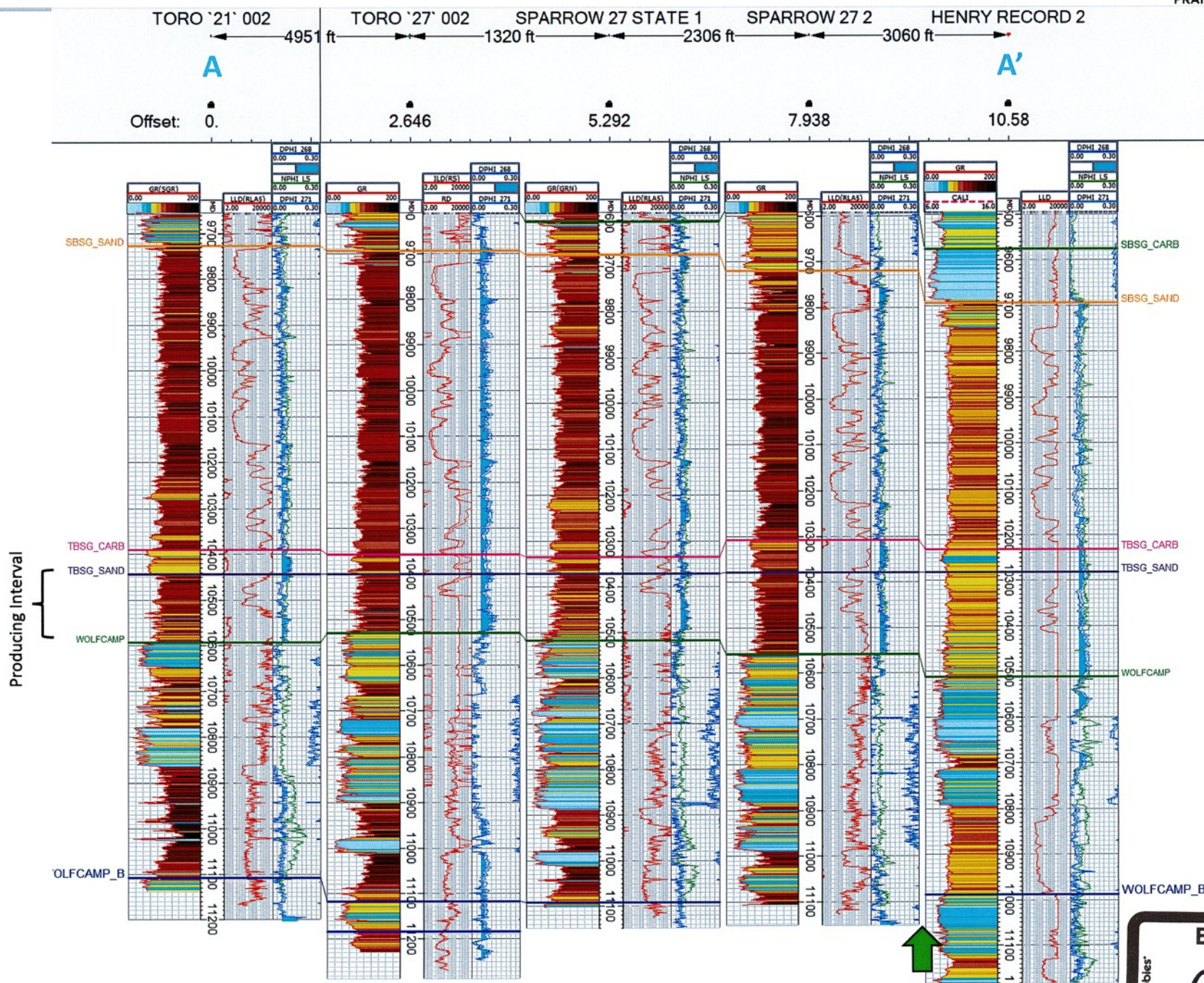
1 Treble State Com 604H

EXHIBIT

C.12

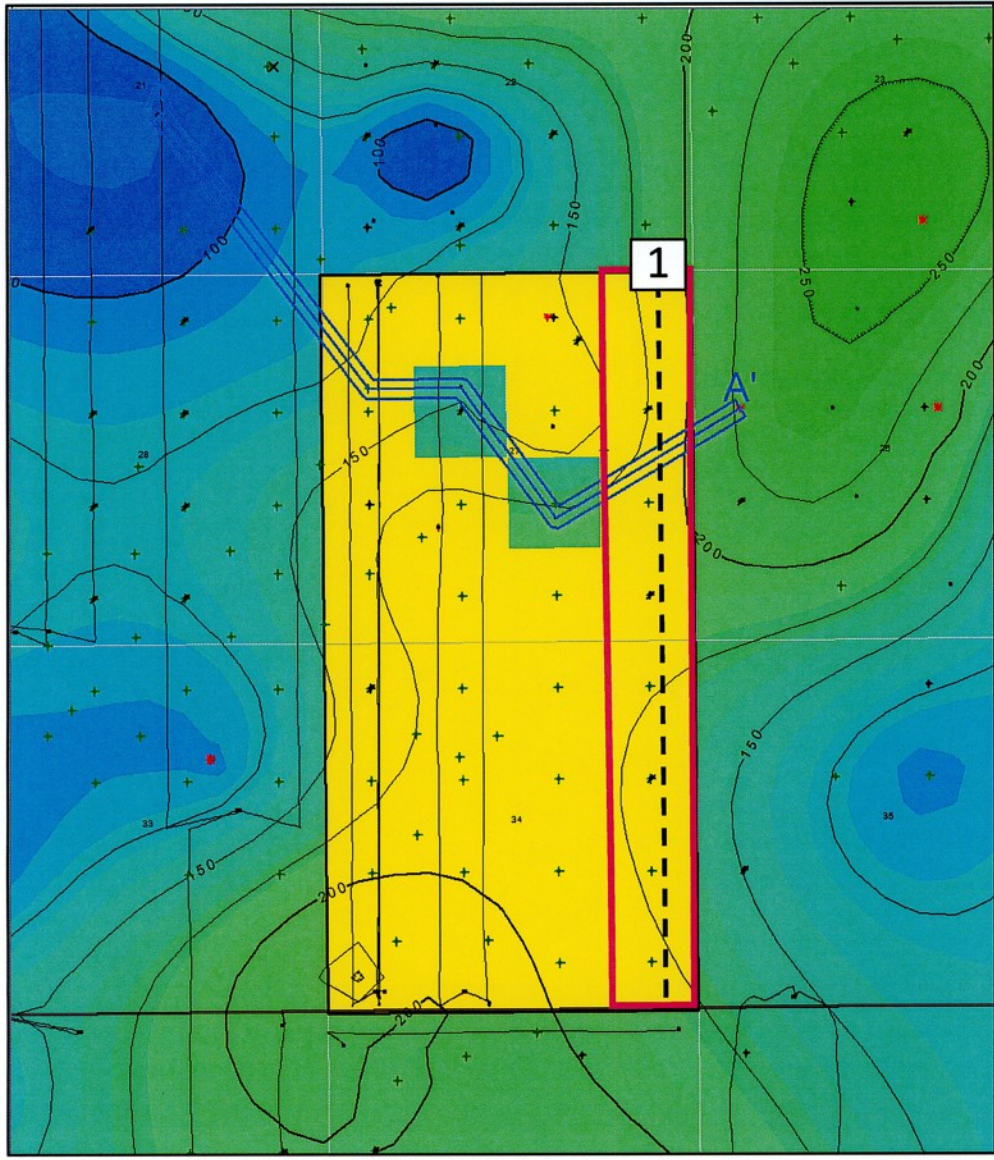


# Third Bone Spring Cross Section





# Third Bone Spring Sand Isochore Map



Franklin Mountain Acreage

Bone Spring Spacing Unit

Proposed Horizontal Location

1 Treble State Com 604H

All wells shown

1 mile

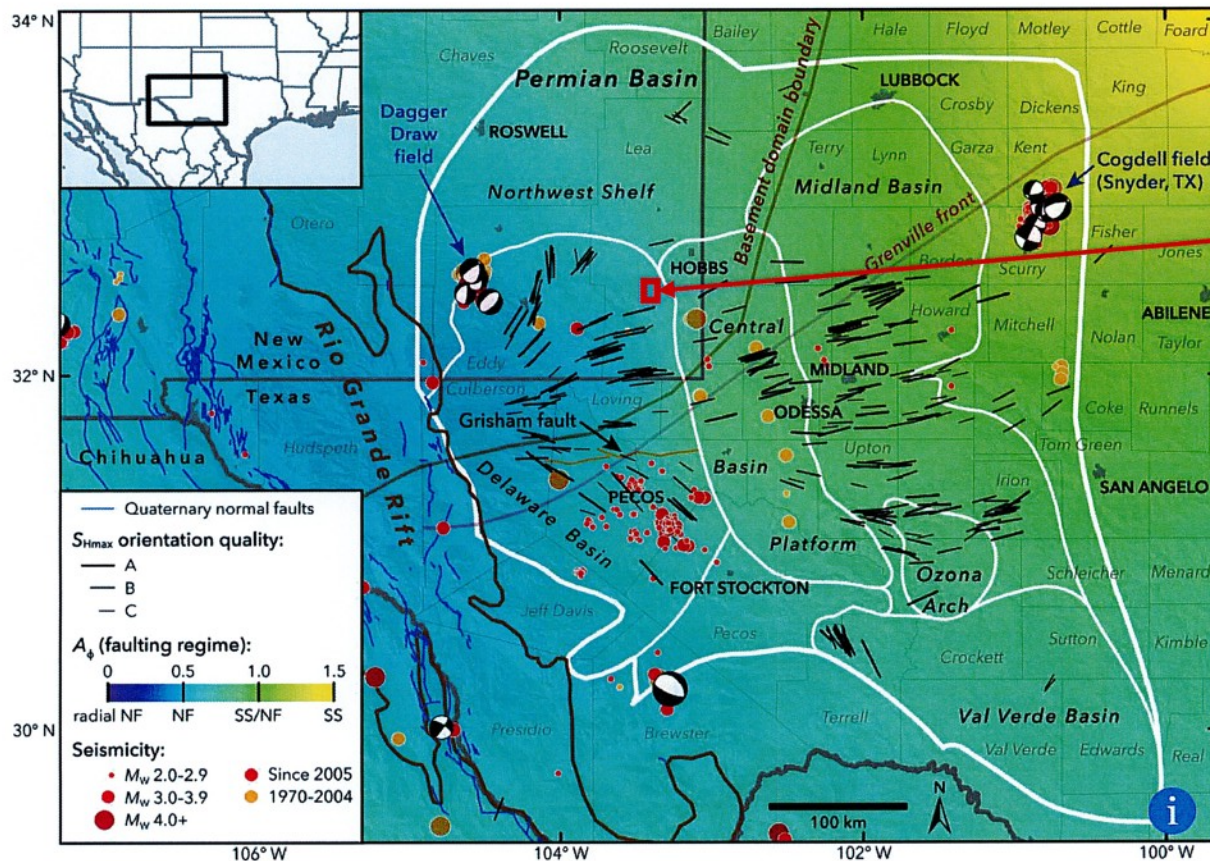
tabbles®

EXHIBIT

C.14



## Regional Stress



- Red box shows the approximate location of the Treble development
- Reported local  $S_{Hmax}$  (Snee and Zoback, 2018) direction is ENE, around  $255^\circ$
- 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/MobilePagedArticle.action?articleId=1331603#articleId1331603](http://www.tleonline.org/theleadingedge/february_2018/MobilePagedArticle.action?articleId=1331603#articleId1331603)

**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:

- 1) The above-referenced Applications were provided under notice letter, dated April 22, 2024, and attached hereto, as Exhibit D.1.
- 2) 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





Deana M. Bennett

---

Deana M. Bennett



MODRALL SPERLING

L A W Y E R S

April 22, 2024

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

**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**

**TO: AFFECTED PARTIES**

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

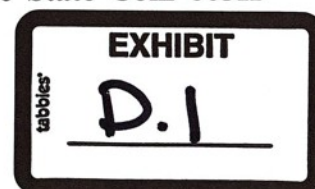
In Case No. 24471, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Bone Spring horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. 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](http://www.modrall.com)

OCD Examiner Hearing  
No. 24473





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, 1<sup>st</sup> 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.

Page 4

Sincerely,

A handwritten signature in black ink that reads "Deana M. Bennett". The signature is written in a cursive style with a large, stylized 'D' and 'B'.

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**

**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:

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:

- 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

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

[edebrine@modrall.com](mailto:edebrine@modrall.com)

[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)

[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

*Attorneys for Franklin Mountain Energy 3, LLC*



**CASE NO. 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).

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



Earl E. DeBrine, Jr.  
Deana M. Bennett  
Yarithza Peña  
Post Office Box 2168  
500 Fourth Street NW, Suite 1000  
Albuquerque, New Mexico 87103-2168  
Telephone: 505.848.1800  
[edebrine@modrall.com](mailto:edebrine@modrall.com)  
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[yarithza.pena@modrall.com](mailto: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

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 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.
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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.



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

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Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

[edebrine@modrall.com](mailto:edebrine@modrall.com)

[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)

[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

*Attorneys for Franklin Mountain Energy 3, LLC*

**CASE NO. 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.

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. 24474

APPLICATION

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3. The producing area for the wells is expected to be orthodox.
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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 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

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Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

[edebrine@modrall.com](mailto:edebrine@modrall.com)

[deana.bennett@modrall.com](mailto:deana.bennett@modrall.com)

[yarithza.pena@modrall.com](mailto:yarithza.pena@modrall.com)

*Attorneys for Franklin Mountain Energy 3, LLC*

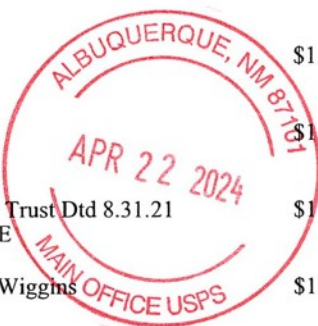
**CASE NO. 24474 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 E/2 of Sections 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.

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

PS Form 3877  
Type of Mailing: CERTIFIED MAIL  
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 301 SOUTH MAIN STREET MIDLAND TX 79701	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001Treble Notice
8	9314 8699 0430 0120 2394 14	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	\$1.87	\$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 FRISCO TX 75033	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001Treble Notice
11	9314 8699 0430 0120 2394 45	Charles Wiggins and Deborah Wiggins PO BOX 10862 MIDLAND TX 79702	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001Treble Notice
12	9314 8699 0430 0120 2394 52	Enerlex, Inc. 18452 EAST 111TH STREET Broken Arrow OK 74011	\$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 LOCO OK 73442	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001Treble Notice





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

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Type of Mailing: CERTIFIED MAIL  
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	\$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	\$1.87	\$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	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001Treble Notice
24	9314 8699 0430 0120 2395 75	State of New Mexico, by and through its Commissioner of Public Lands PO Box 1148 Santa Fe NM 87540	\$1.87	\$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  
Listed by Sender

Total Number of Pieces  
Received at Post Office

Postmaster:  
Name of receiving employee

Dated:

24

Received by OCD: 5/14/2024 2:42:26 PM

Page 75 of 77

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

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	
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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	
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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






**Affidavit of Publication**

STATE OF NEW MEXICO  
COUNTY OF LEA

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

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

  
Publisher

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

  
Business Manager

My commission expires

January 29, 2027  
STATE OF NEW MEXICO  
(Seal) NOTARY PUBLIC  
GUSSIE RUTH BLACK  
COMMISSION # 1087526  
COMMISSION EXPIRES 01/29/2027

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

EXHIBIT

D.4

LEGAL

LEGAL

LEGAL

LEGAL

LEGAL NOTICE  
April 25, 2024

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; J.D. 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.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, 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 303H, 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.

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 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; 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.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 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.

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 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; 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, 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, 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 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.

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; 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, 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 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.

#00289551 OCD Examiner Hearing

No. 24473