



# FRANKLIN MOUNTAIN ENERGY

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

Compulsory Pooling

**Case No. 24474: Treble State Com 704H, Treble  
State Com 804H**

**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. 24474**

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# COMPULSORY POOLING APPLICATION CHECKLIST

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

|  |  |
|--|--|
| <b>Case: 24474</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:  | Wolfcamp   |
| Primary Product (Oil or Gas):  | Oil  |
| Pooling this vertical extent:  | Wolfcamp   |
| Pool Name and Pool Code:   | Klein Ranch; Wolfcamp Pool, (Code 96989)   |
| 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 and is approval of non-standard unit requested in this application?                   | 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 704H   | API No. Pending<br>SHL: 740' FSL & 1639' FEL, (Unit O), Section 22, T19S, R35E<br>BHL: 100' FSL & 360' FEL, (Unit P) Section 34, T19S, R35E<br>Completion Target: Wolfcamp A (Approx. 10,821' TVD)<br>Orientation: North/South |
| Well #2: Treble State Com 804H   | API No. Pending<br>SHL: 840' FSL & 1609' FEL, (Unit O), Section 22, T19S, R35E<br>BHL: 100' FSL & 360' FEL, (Unit P) Section 34, T19S, R35E<br>Completion Target: Wolfcamp B (Approx. 11,371' TVD)<br>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                     |
| If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements. | 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.11                    |
| Target Formation   | Exhibit C.3 to C.6; C.7 to C.10 |
| HSU Cross Section  | Exhibit C.4; C.8                |
| Depth Severance Discussion   | N/A                             |
| <b>Forms, Figures and Tables</b>   |                                 |
| C-102  | See Exhibit B.2                 |
| Tracts   | Exhibit B.3                     |
| Summary of Interests, Unit Recapitulation (Tracts)   | Exhibit B.3                     |
| General Location Map (including basin)   | Exhibit C.1                     |
| Well Bore Location Map   | Exhibit C.2                     |
| Well Bore Imaging  | Exhibit C.3; C.7                |



|  |                      |
|--|----------------------|
| Cross Section Location Map (including wells)   | Exhibit C.4; C.8     |
| Cross Section (including Landing Zone)   | Exhibit C.5; C.9     |
| <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. 24474**

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, 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.

9. 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.

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 Klein Ranch; Wolfcamp Pool (Code 96989).

13. The Klein Ranch; Wolfcamp pool is an oil pool with 40-acre building blocks.

14. The pool is 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

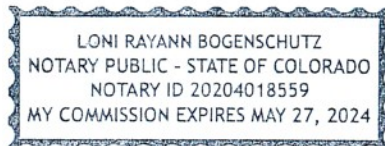
Don Johnson  
Don Johnson

State of Colorado

County of Denver

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

[Stamp]



[Signature]  
Notary Public in and for the  
State of Colorado  
Commission Number: 20204018559

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. 24474**

**APPLICATION**

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

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



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

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
- B. Designating Franklin as operator of this unit and the wells to be drilled thereon;
- C. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

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[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.

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<br>96989                               | <sup>3</sup> Pool Name<br>KLEIN RANCH;WOLFCAMP |
| <sup>4</sup> Property Code       | <sup>5</sup> Property Name<br>TREBLE STATE COM                | <sup>6</sup> Well Number<br>704H               |
| <sup>7</sup> OGRID No.<br>331595 | <sup>8</sup> Operator Name<br>FRANKLIN MOUNTAIN ENERGY 3, LLC | <sup>9</sup> Elevation<br>3730.4'              |

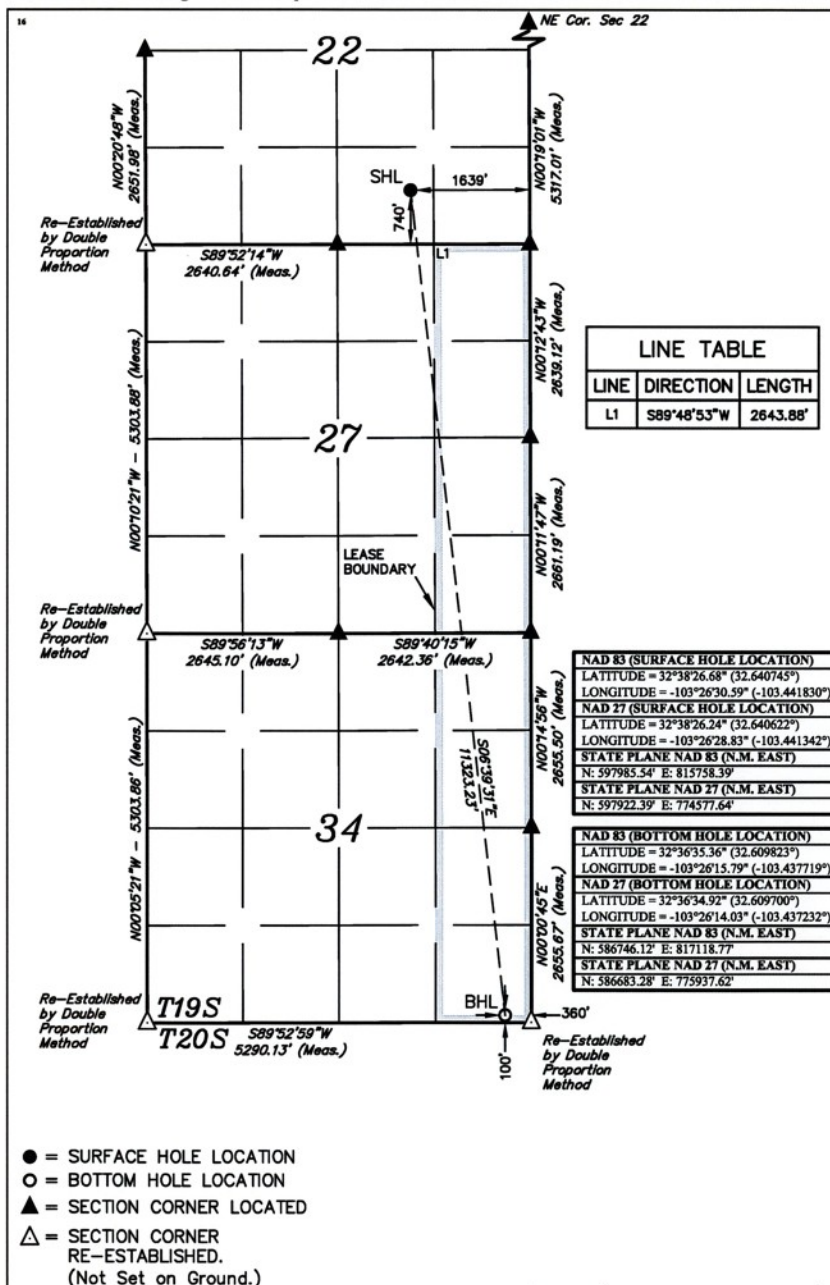
<sup>10</sup> Surface Location

| 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            | 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<br>320 | <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

Printed Name: Rachael Overbey

roverbey@fmlc.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 5/16/24  
No. 24474  
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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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<br>96989                               |  | 3 Pool Name<br>KLEIN RANCH;WOLFCAMP |                        |
| 4 Property Code       |  | 5 Property Name<br>TREBLE STATE COM                |  |                                     | 6 Well Number<br>804H  |
| 7 OGRID No.<br>331595 |  | 8 Operator Name<br>FRANKLIN MOUNTAIN ENERGY 3, LLC |  |                                     | 9 Elevation<br>3730.8' |

<sup>10</sup>Surface Location

|                    |               |                 |              |         |                      |                           |                       |                        |               |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no.<br>0 | Section<br>22 | Township<br>19S | Range<br>35E | Lot Idn | Feet from the<br>840 | North/South line<br>SOUTH | Feet from the<br>1609 | East/West line<br>EAST | County<br>LEA |
|--------------------|---------------|-----------------|--------------|---------|----------------------|---------------------------|-----------------------|------------------------|---------------|

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

|                                      |               |                               |              |                                  |                      |                           |                      |                        |               |
|--------------------------------------|---------------|-------------------------------|--------------|----------------------------------|----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no.<br>P                   | Section<br>34 | Township<br>19S               | Range<br>35E | Lot Idn                          | Feet from the<br>100 | North/South line<br>SOUTH | Feet from the<br>360 | East/West line<br>EAST | County<br>LEA |
| <sup>12</sup> Dedicated Acres<br>320 |               | <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.

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.

10/11/2022  
Date

Signature  
Rachael Overbey  
Printed Name

roverbey@fmllc.com  
E-mail Address

**LINE TABLE**

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

**NAD 83 (SURFACE HOLE LOCATION)**  
 LATITUDE = 32°38'27.67" (32.641020°)  
 LONGITUDE = -103°26'30.24" (-103.441732°)

**NAD 27 (SURFACE HOLE LOCATION)**  
 LATITUDE = 32°38'27.23" (32.640897°)  
 LONGITUDE = -103°26'28.48" (-103.441244°)

**STATE PLANE NAD 83 (N.M. EAST)**  
 N: 598085.75° E: 815787.64°

**STATE PLANE NAD 27 (N.M. EAST)**  
 N: 598022.59° E: 774606.89°

**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:**

- = SURFACE HOLE LOCATION
- = BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

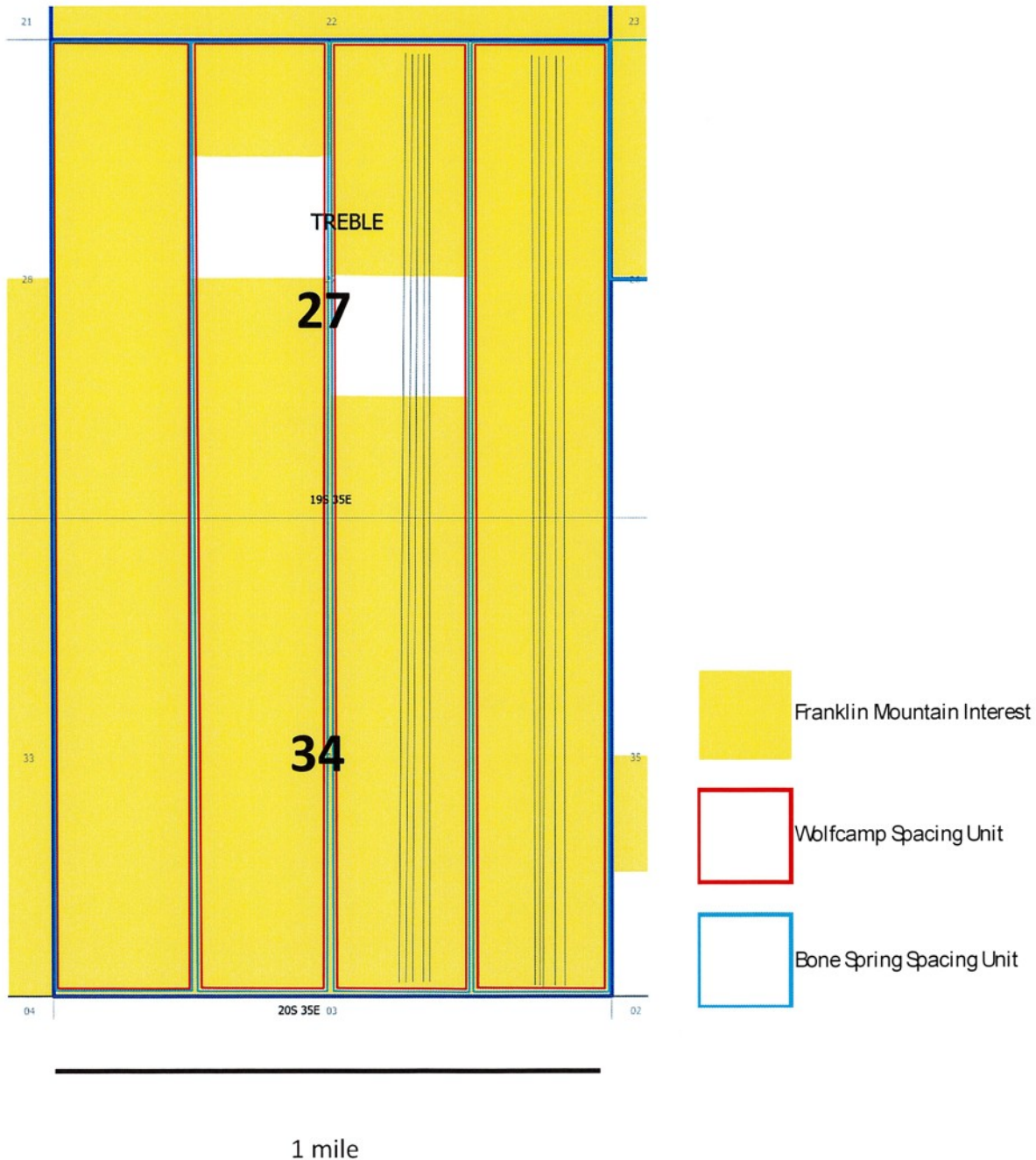
**NOTE:**

- 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 5-16-24  
 LISA VAN BUREN OCT 09-12-23

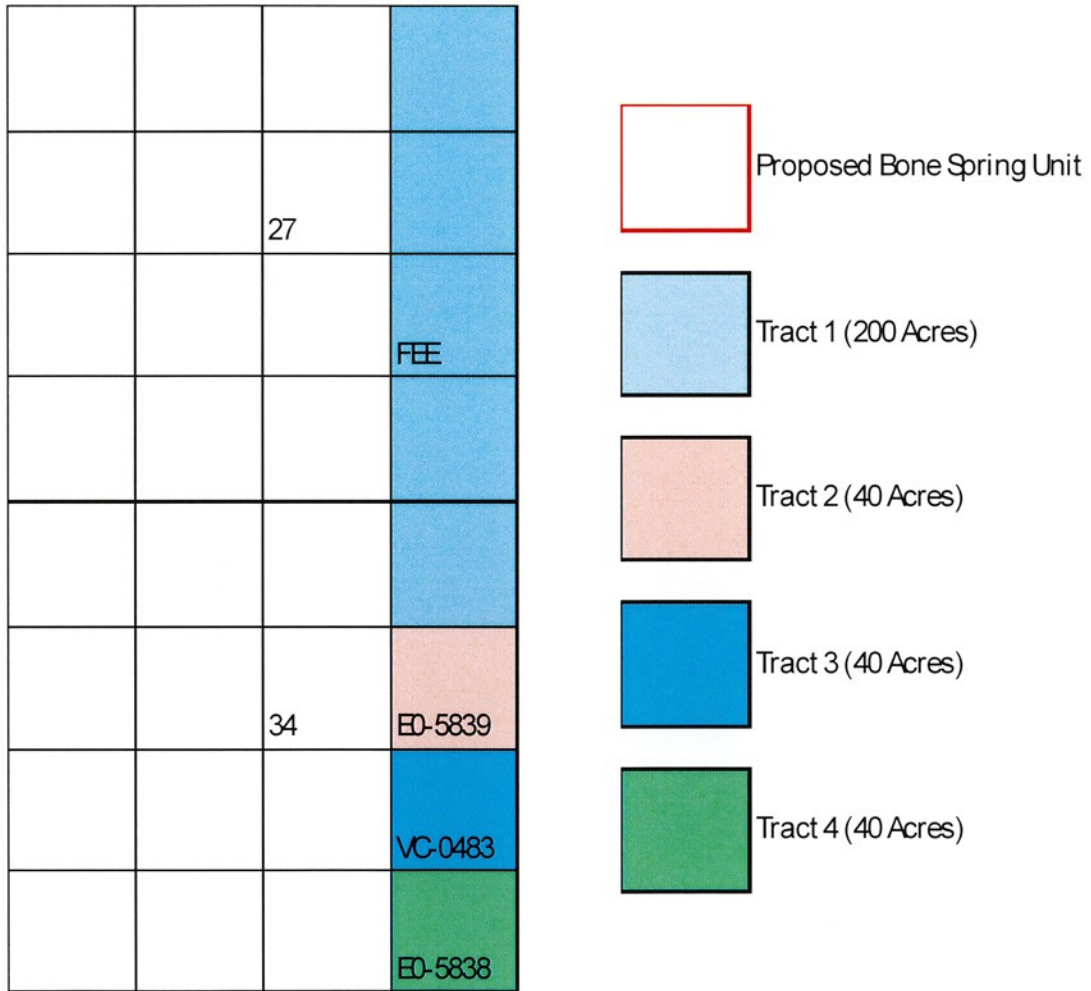
## Development Overview

Case Nos. 24474





**Lease Tract Map**  
**Case No. 24474**  
**E2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres**  
**Treble State Com 704H, Treble State Com 804H**



**Summary of Interests**  
**Case No. 24474**  
**E2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres**  
**Treble State Com 704H, Treble State Com 804H**

| 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. 24474**  
**E2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres**  
**Treble State Com 704H, Treble State Com 804H**

|  |  |    |         |
|--|--|----|---------|
|  |  |    |         |
|  |  |    |         |
|  |  | 27 |         |
|  |  |    | FEE     |
|  |  |    |         |
|  |  |    |         |
|  |  | 34 | ED-5839 |
|  |  |    | VC-0483 |
|  |  |    | ED-5838 |

| Tract | Lease   |
|-------|---------|
| 1     | FEE     |
| 2     | ED-5839 |
| 3     | VC-0483 |
| 4     | ED-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. 24474)

- 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 in Treble 704,<br>Elected Not to Participate in Treble 804 |





| 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<br>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<br>830 FSL<br>1640 FEL | Sec 34-T19S-R35E<br>100 FSL<br>360 FEL | \$11,183,950.44 | N/A   |
| Treble State Com 504H | 2BS              | 10,026'              | 19,026'        | Sec 22-T19S-R35E<br>730 FSL<br>1610 FEL | Sec 34-T19S-R35E<br>100 FSL<br>680 FEL | \$11,183,950.44 | N/A   |
| Treble State Com 604H | 3BS              | 10,351'              | 20,351'        | Sec 22-T19S-R35E<br>730 FSL<br>1580 FEL | Sec 34-T19S-R35E<br>100 FSL<br>360 FEL | \$11,797,546.84 | N/A   |
| Treble State Com 704H | WCA              | 10,821'              | 20,821'        | Sec 22-T19S-R35E<br>730 FSL<br>1640 FEL | Sec 34-T19S-R35E<br>100 FSL<br>360 FEL | \$11,797,546.84 | N/A   |
| Treble State Com 804H | WCB              | 11,371'              | 21,371'        | Sec 22-T19S-R35E<br>830 FSL<br>1610 FEL | Sec 34-T19S-R35E<br>100 FSL<br>360 FEL | \$12,164,281.44 | N/A   |

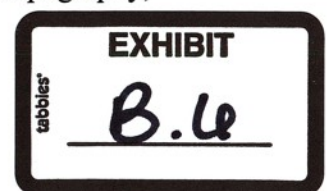
FME3 reserves the right to modify the locations and drilling plans described above in order to comply with any requirements from a governing regulatory agency or to address any topography, environmental and/or cultural concerns.

44 Cook Street | Suite 1000 | Denver, CO 80206

OCD Examiner Hearing 5-16-24

No. 24474

20





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:

-  
- 1

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

## AUTHORITY FOR EXPENDITURE

Well Name: Treble State Com 704H  
 Location: SHL: Sec 22-T19S-R3SE 730 FSL 1640 FEL  
 BHL: Sec 34-T19S-R3SE 100 FSL 360 FEL  
 Operator: Franklin Mountain Energy 3, LLC  
 Purpose: Drill and complete a 10,000' WCA well.  
 TVD 10,821', MD 20,821'.

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

Well #: 704H  
 County/State: Lea Co., NM  
 Date Prepared: 1/23/2024  
 AFE #: DCE230315

| Intangible Drilling Costs        |       |                               |             |
|----------------------------------|-------|-------------------------------|-------------|
| Major                            | Minor | Description                   | Amount      |
| 225                              | 5     | ADMINISTRATIVE OVERHEAD       | \$4,000     |
| 225                              | 10    | CASING CREW & EOPT            | \$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        | \$320,000   |
| 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/ATHLETE/CONDUCT PIPE    | \$51,000    |
| 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                             | \$69,844    |
| 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   | 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:         | \$4,792,999.84 |
| 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. Walker  
 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

EXHIBIT

B.7



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

# AUTHORITY FOR EXPENDITURE

Well Name: Treble State Com 804H  
Location: SHL Sec 22-T19S-R35E 830 FSL 1610 FEL  
BHL Sec 34-T19S-R35E 100 FSL 360 FEL  
Operator: Franklin Mountain Energy 3, LLC  
Purpose: Drill and complete a 10,000' WCB well.  
TVD 11,371', MD 21,371'.

Well #: 804H  
County/State: Lea Co., NM  
Date Prepared: 1/23/2024  
AFE #: DCE230317

| Intangible Drilling Costs        |     |                               | 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              | \$907,500   |
| 225                              | 55  | DRILLING - DIRECTIONAL        | \$120,000   |
| 225                              | 60  | DRILLING - FOOTAGE            | \$140,000   |
| 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      | \$30,000    |
| 225                              | 180 | TRANSPORTATION/TRUCKING       | \$30,000    |
| 225                              | 185 | TAXES                         | \$164,874   |
| 225                              | 178 | CONTINGENCY COSTS 5%          | \$149,885   |
| Total Intangible Drilling Costs: |     |                               | \$3,598,459 |

| Tangible Drilling Costs        |    |                                   | Amount      |
|--------------------------------|----|-----------------------------------|-------------|
| 230                            | 10 | INTERMEDIATE CASING & ATTACHMENTS | \$173,548   |
| 230                            | 20 | PACKERS/SLEEVES/PLUGS             | \$66,000    |
| 230                            | 25 | PRODUCTION CASING & ATTACHMENTS   | \$811,202   |
| 230                            | 35 | SURFACE CASING & ATTACHMENTS      | \$173,758   |
| 230                            | 45 | WELLHEAD EQUIPMENT/CASING BOWL    | \$70,000    |
| 230                            | 40 | TAXES                             | \$71,198    |
| Total Tangible Drilling Costs: |    |                                   | \$1,665,706 |

| Tangible Facility Costs        |     |                                       | 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:         | \$4,964,164.44 |
| Total Completion:    | \$6,333,698.50 |
| Total Facility:      | \$866,418.50   |
| Total DC Intangible: | \$9,370,158.50 |
| Total DC Tangible:   | \$1,927,704.44 |

Total AFE: \$12,164,281.44

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. 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 FME3



**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**

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 704H well, which will target the Wolfcamp A.

7. **Exhibit C.3** is a structure map of the Wolfcamp A formation. The proposed spacing unit is identified by a green box. The Treble State Com 704H 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 four wells in the vicinity of the proposed Treble State Com 704H 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 Wolfcamp A 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 Wolfcamp A formation. The gross interval thickness increases slightly to the southwest.

11. **Exhibit C.7** through **Exhibit C.10** are the geology study I prepared for the Treble State Com 804H well, which will target the Wolfcamp B.

12. **Exhibit C.7** is a structure map of the Wolfcamp B formation. The proposed spacing unit is identified by a blue box. The Treble State Com 804H 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 four wells in the vicinity of the proposed Treble State Com 804H 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 Wolfcamp B 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 Wolfcamp B formation. The gross interval thickness increases slightly to the southwest.

16. 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.

17. **Exhibit C.11** provides an overview of the stress orientation in the area based on the 2018 Snee-Zoback paper.

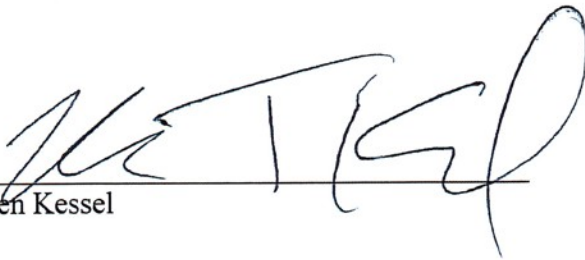
18. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to  $S_{Hmax}$ , optimal for induced fracture propagation. This is because the  $S_{Hmax}$  is at approximately 255 degrees ENE in this area of Lea County.

19. In my opinion, the granting of Franklin's application is in the interests of conservation and the prevention of waste.

20. 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

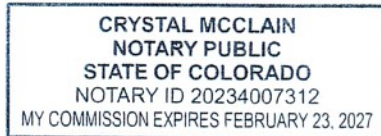
  
Ben Kessel


State of Colorado

County of Denver

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

[Stamp]



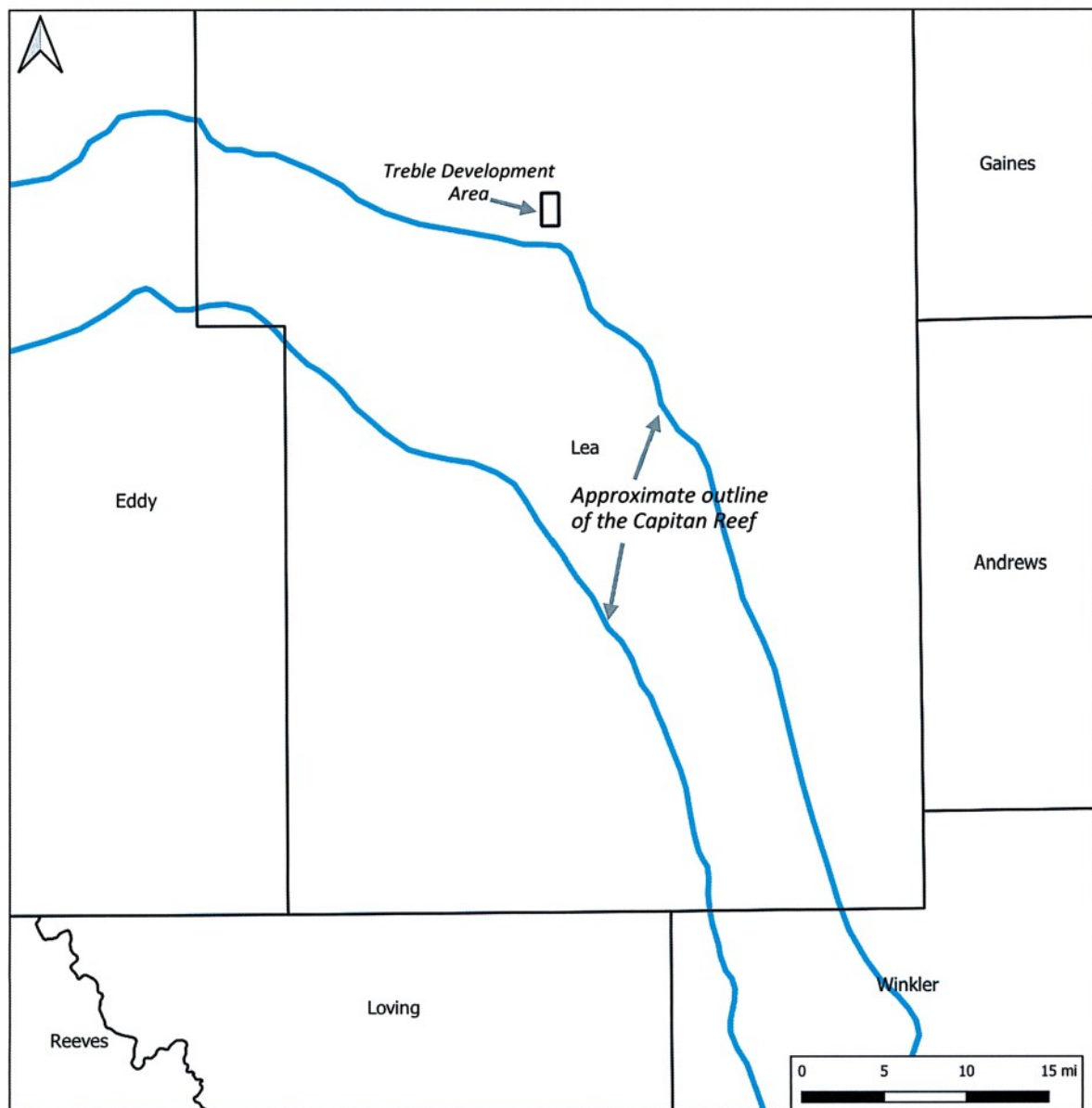
  
Notary Public in and for the  
State of Colorado  
Commission Number: 20234007312

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

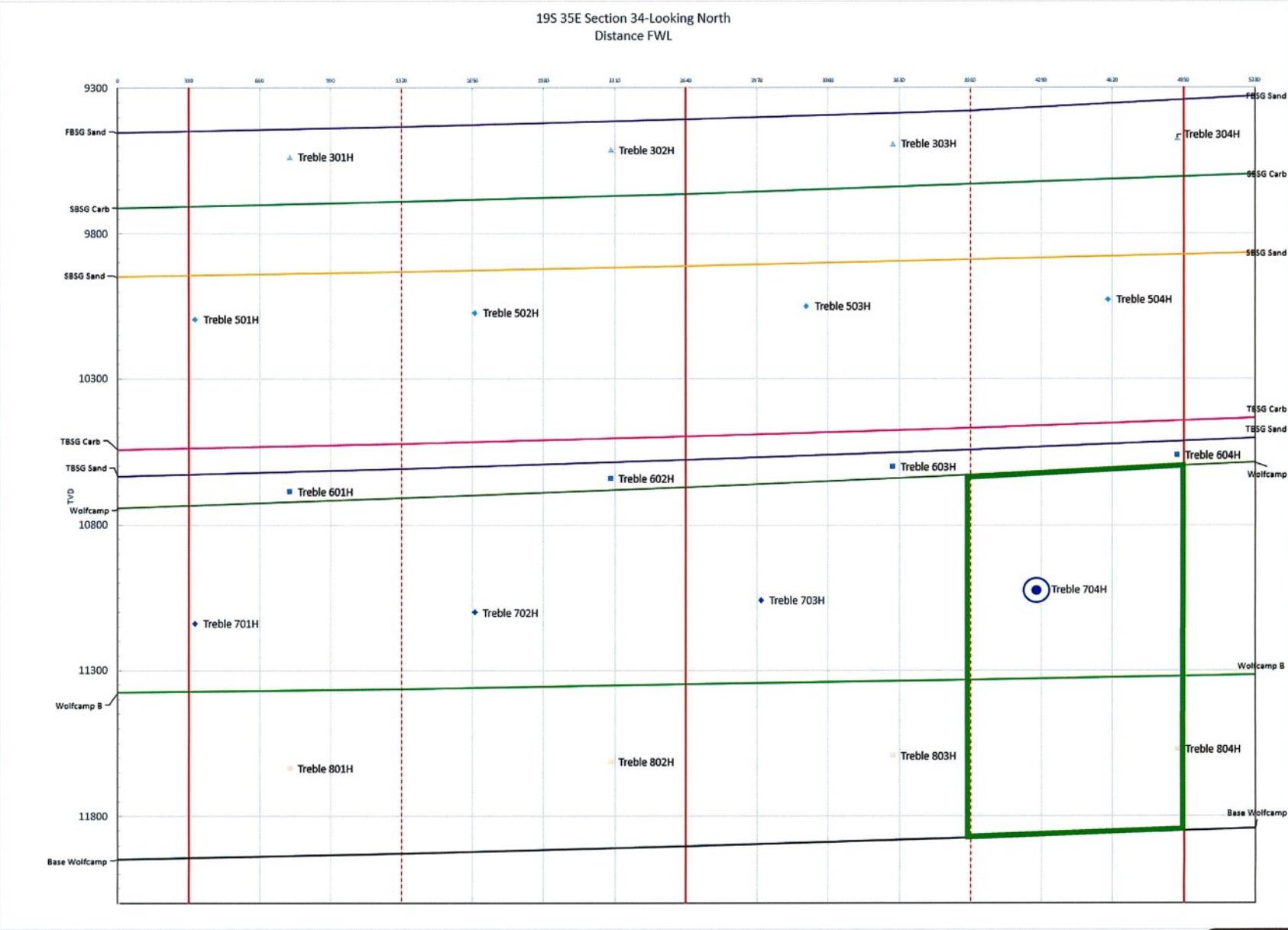
[https://www.twdb.texas.gov/publications/reports/contracted\\_reports/doc/0804830794CapitanReef/Final%20Revised%20Capitan%20PDF%20w\\_Seals.pdf](https://www.twdb.texas.gov/publications/reports/contracted_reports/doc/0804830794CapitanReef/Final%20Revised%20Capitan%20PDF%20w_Seals.pdf)

OCD Examiner Hearing 5-16-24

No. 24474



# Wellbore Schematic



Proposed Laterals



Wolfcamp Spacing Unit

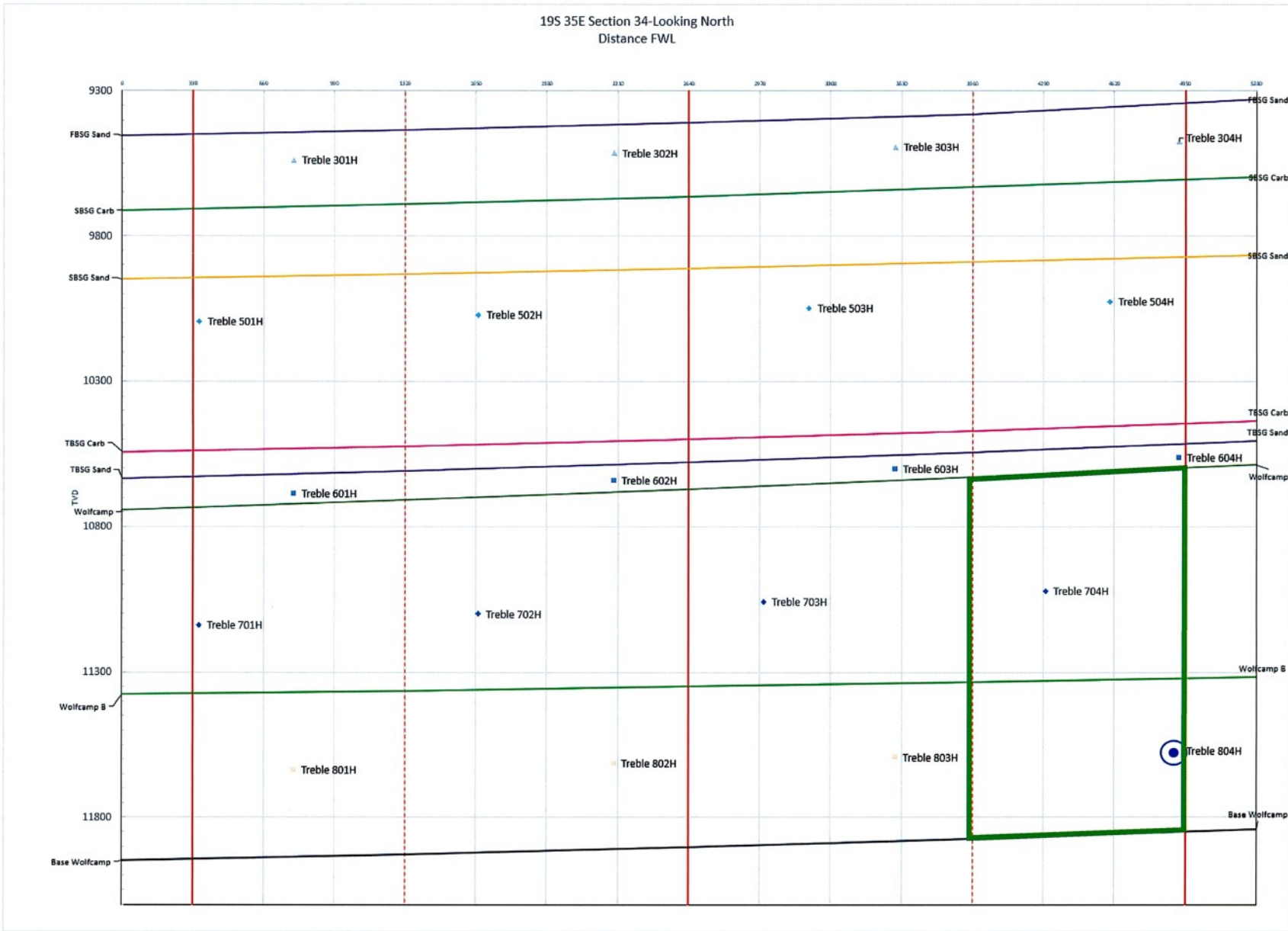
EXHIBIT

C.2

tabbles\*



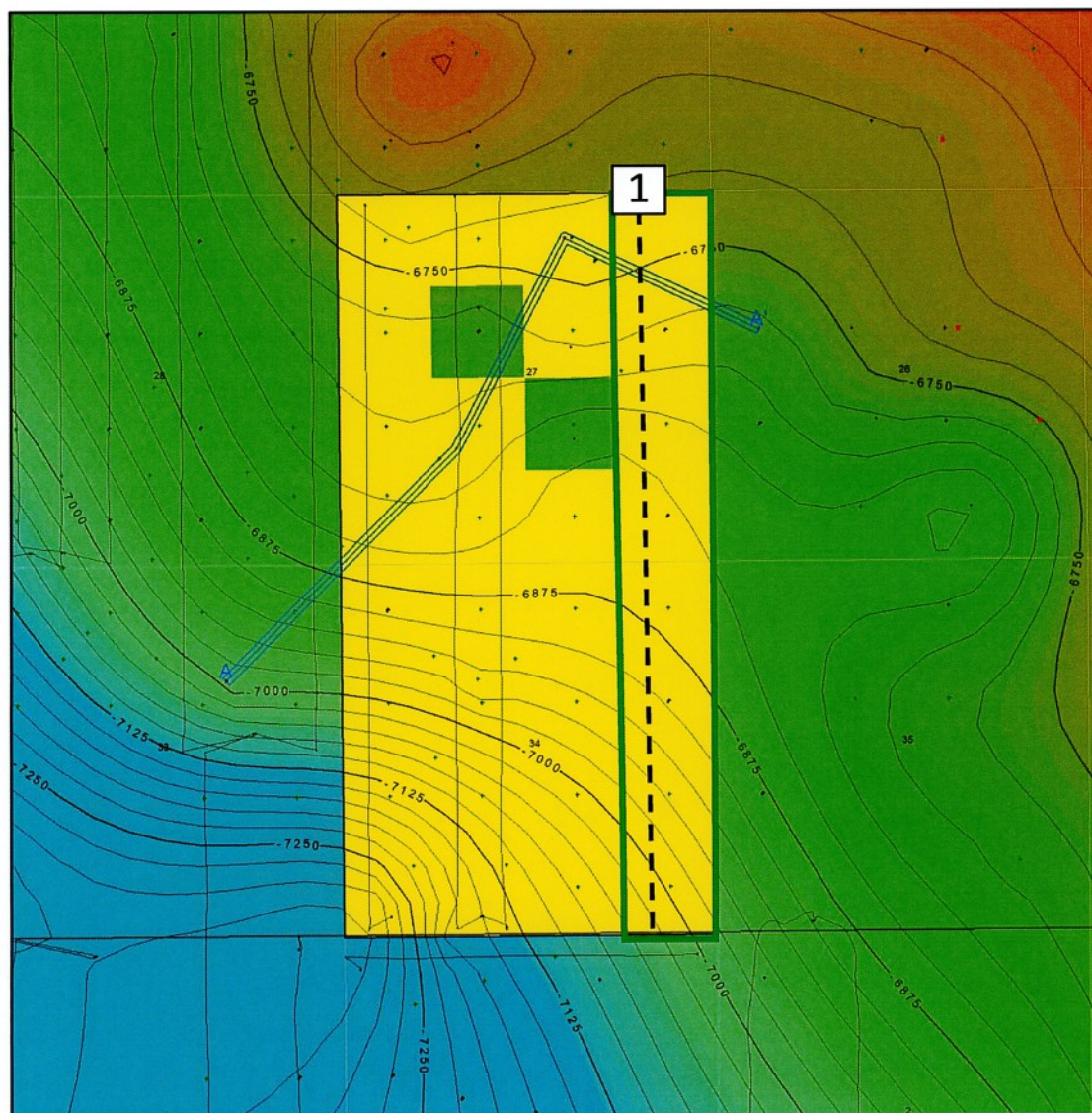
# Wellbore Schematic



Proposed Laterals Wolfcamp Spacing Unit

OCD Examiner Hearing 5-16-24  
No. 24474

# Wolfcamp A Structure Map



Franklin Mountain Acreage

Wolfcamp Spacing Unit

Proposed Horizontal Location

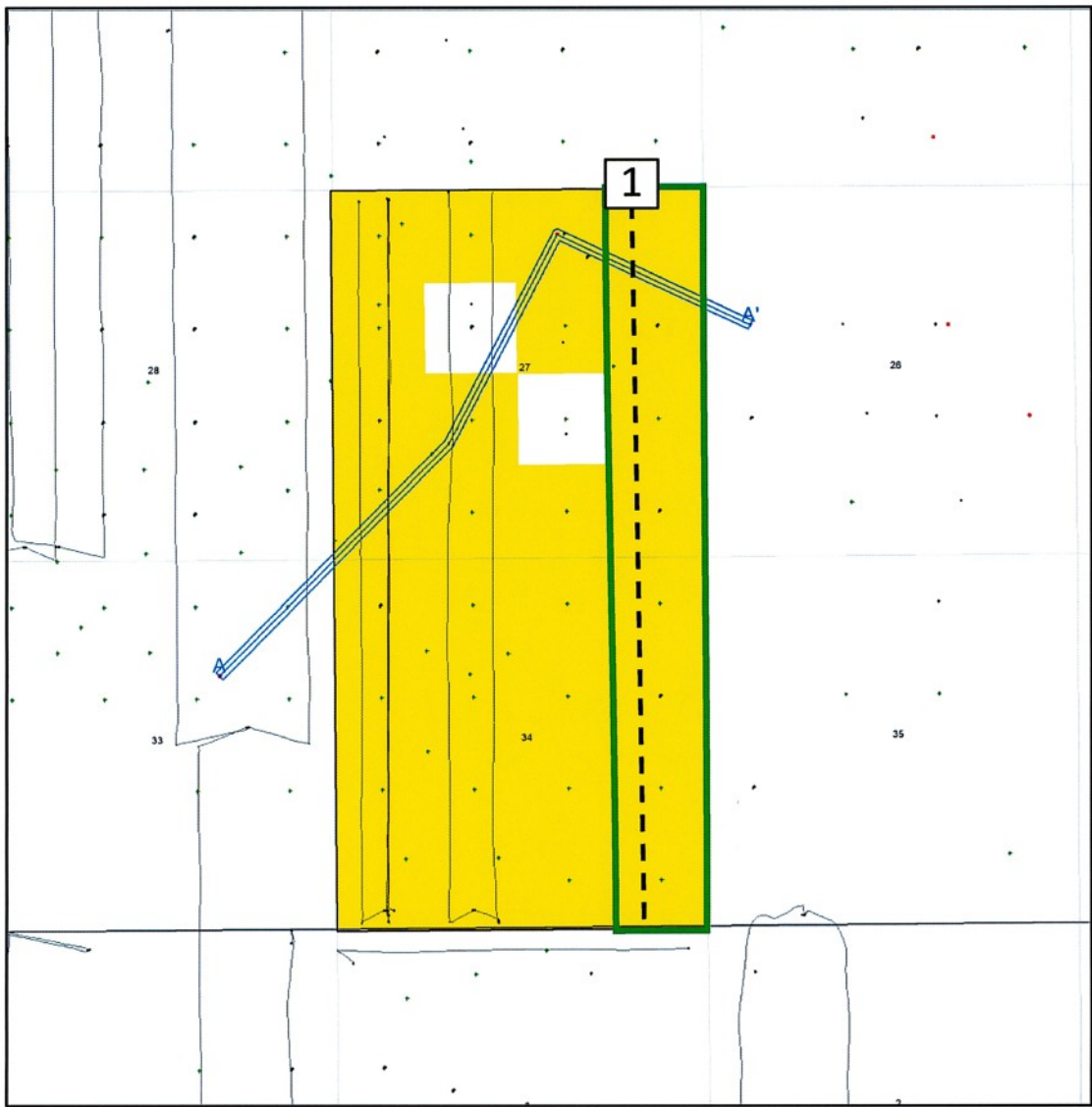
1 Treble State Com 704H

All wells shown

1 mile



# Cross Section Reference Map



All wells shown

1 mile

- Franklin Mountain Acreage
- Wolfcamp Spacing Unit

Proposed Horizontal Location

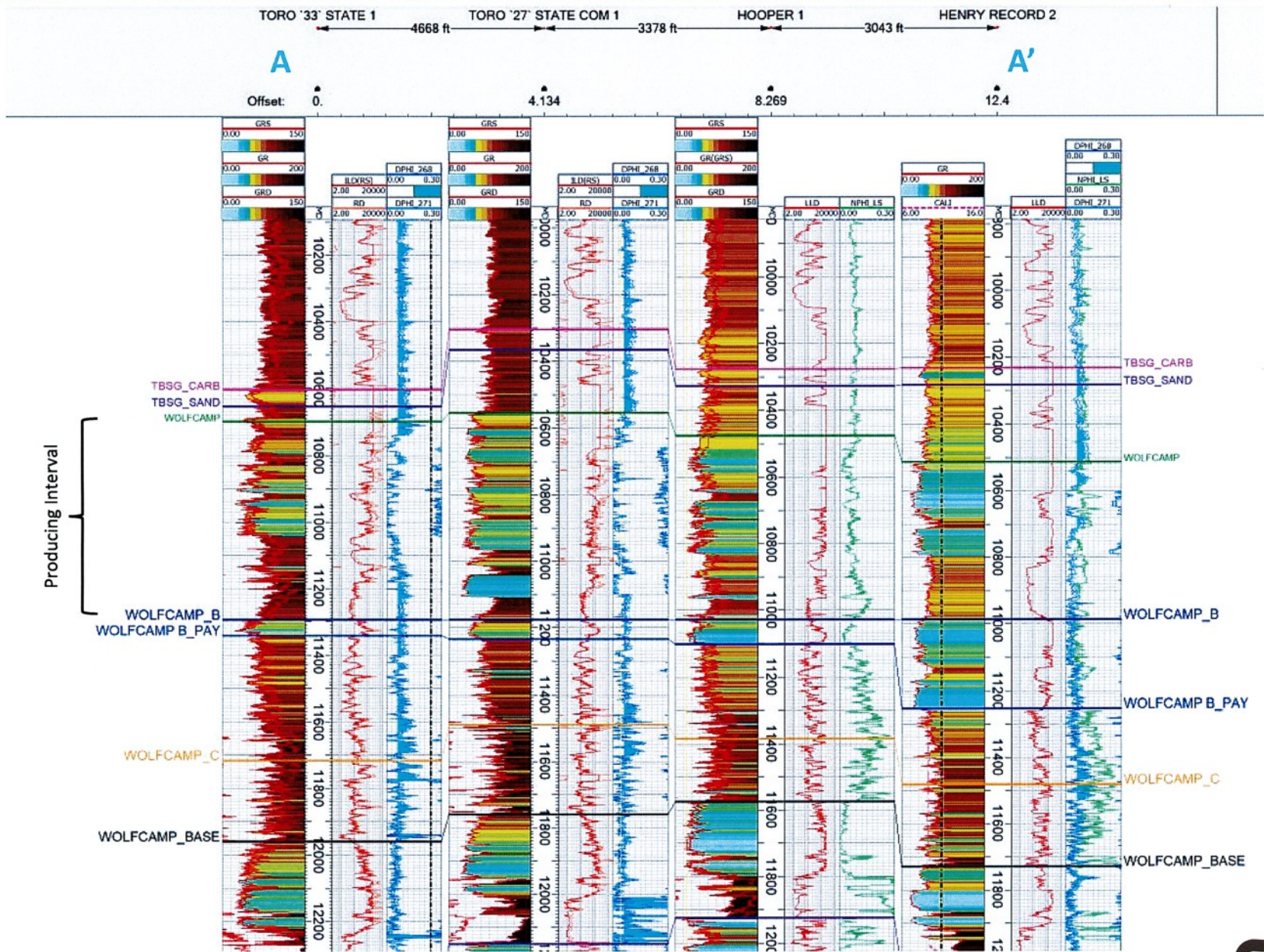
1 Treble State Com 704H

tabbles®

EXHIBIT

C.4

# Wolfcamp Cross Section



704H

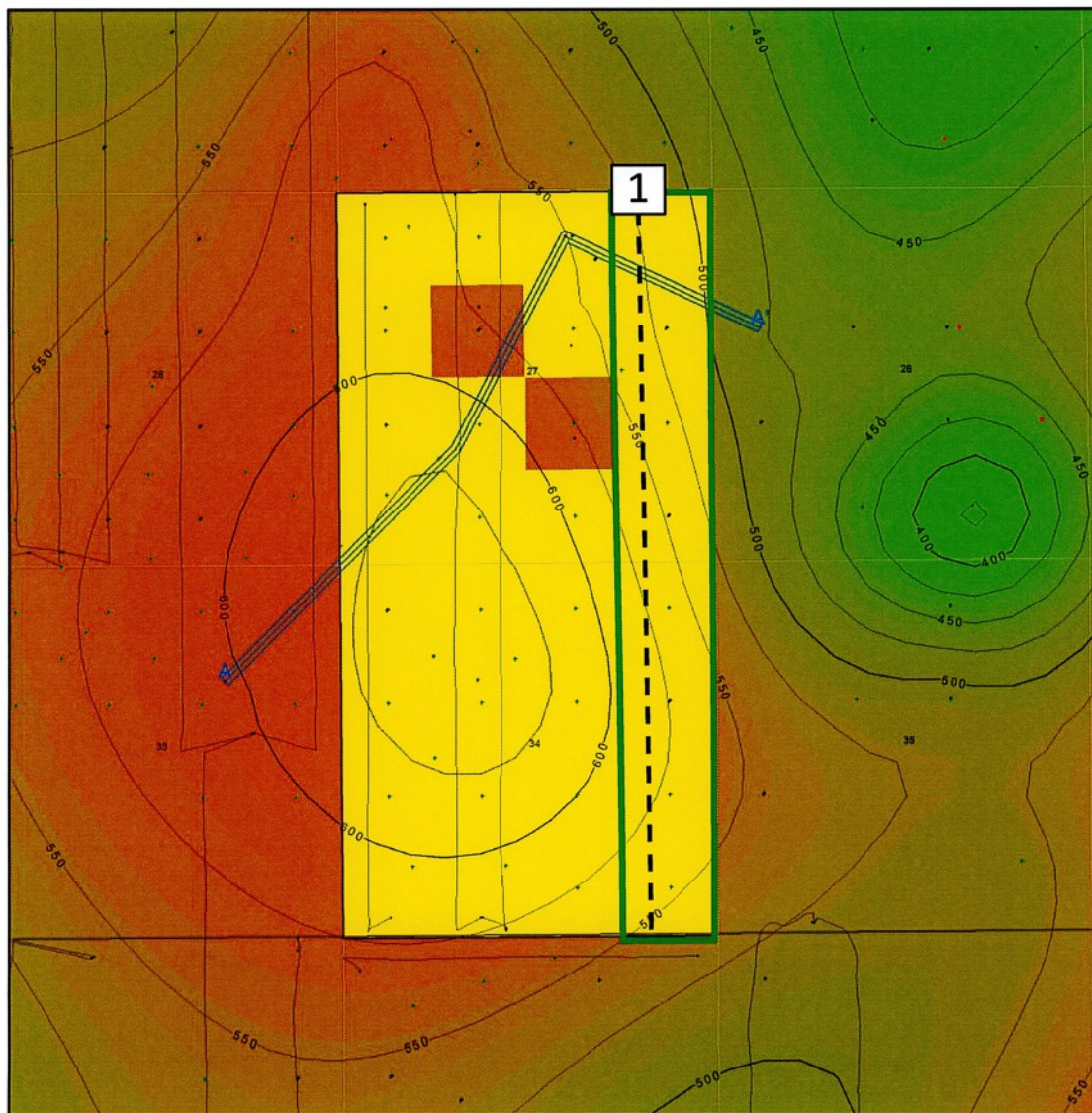
EXHIBIT

C.S

tabbles



# Wolfcamp A Isochore Map



Franklin Mountain Acreage

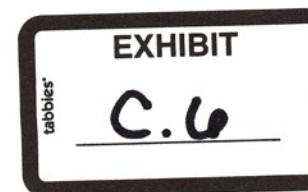
Wolfcamp Spacing Unit

Proposed Horizontal Location

1 Treble State Com 704H

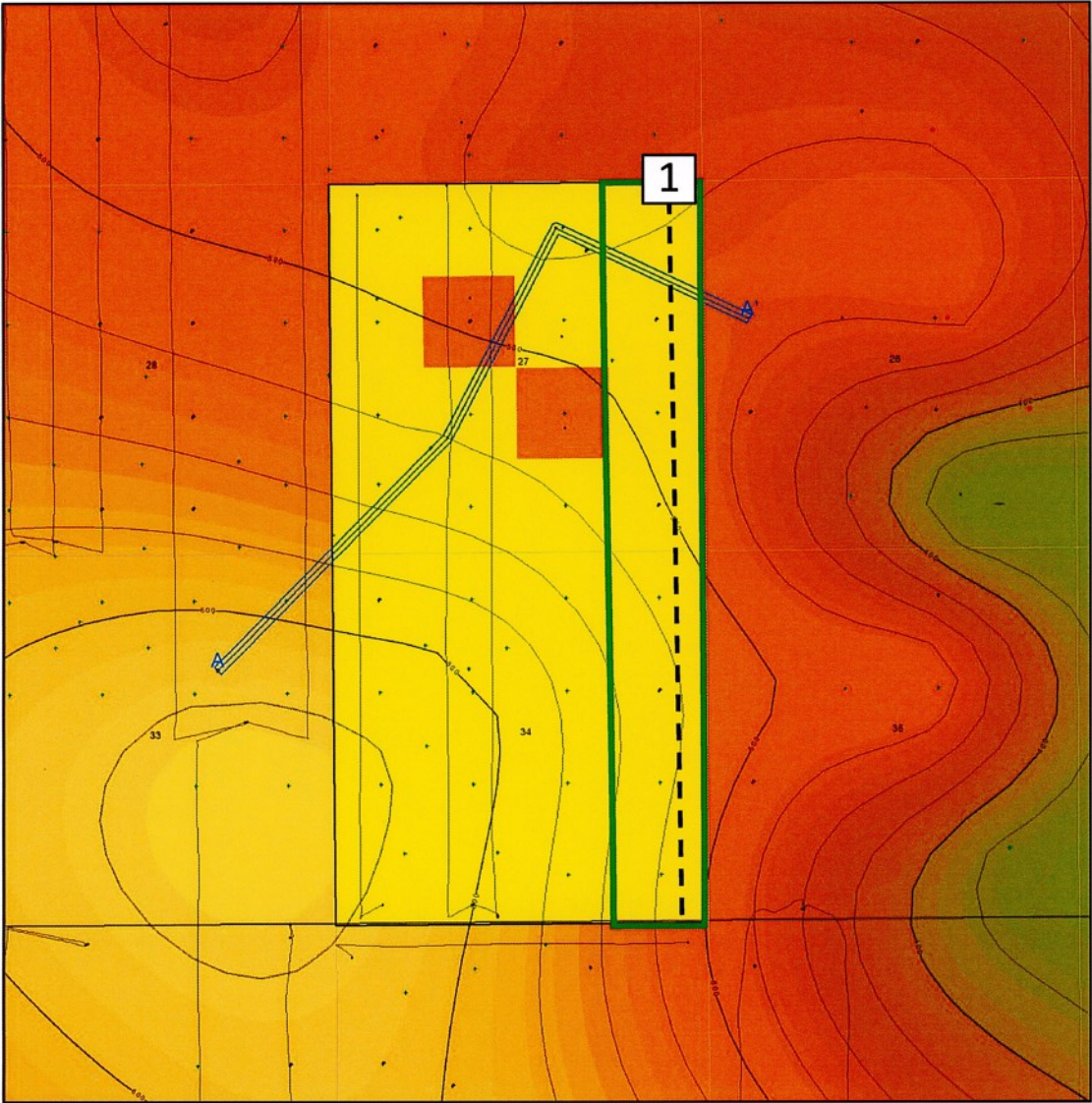
All wells shown

1 mile





# Wolfcamp B Structure Map



- Franklin Mountain Acreage
- Wolfcamp Spacing Unit

Proposed Horizontal Location

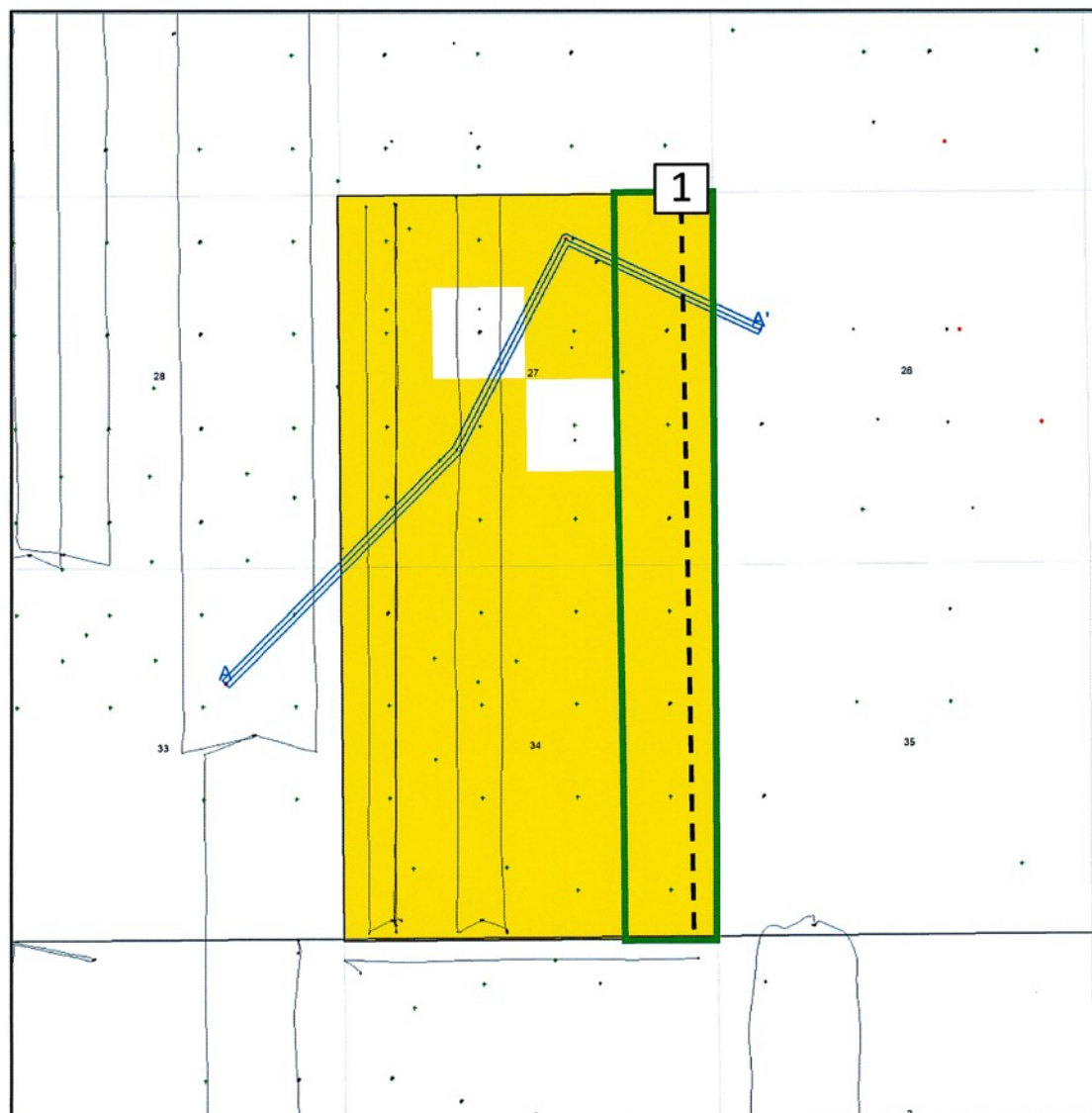
**1** Treble State Com 804H

All wells shown

1 mile



# Cross Section Reference Map



All wells shown

1 mile

Franklin Mountain Acreage

Wolfcamp Spacing Unit

Proposed Horizontal Location

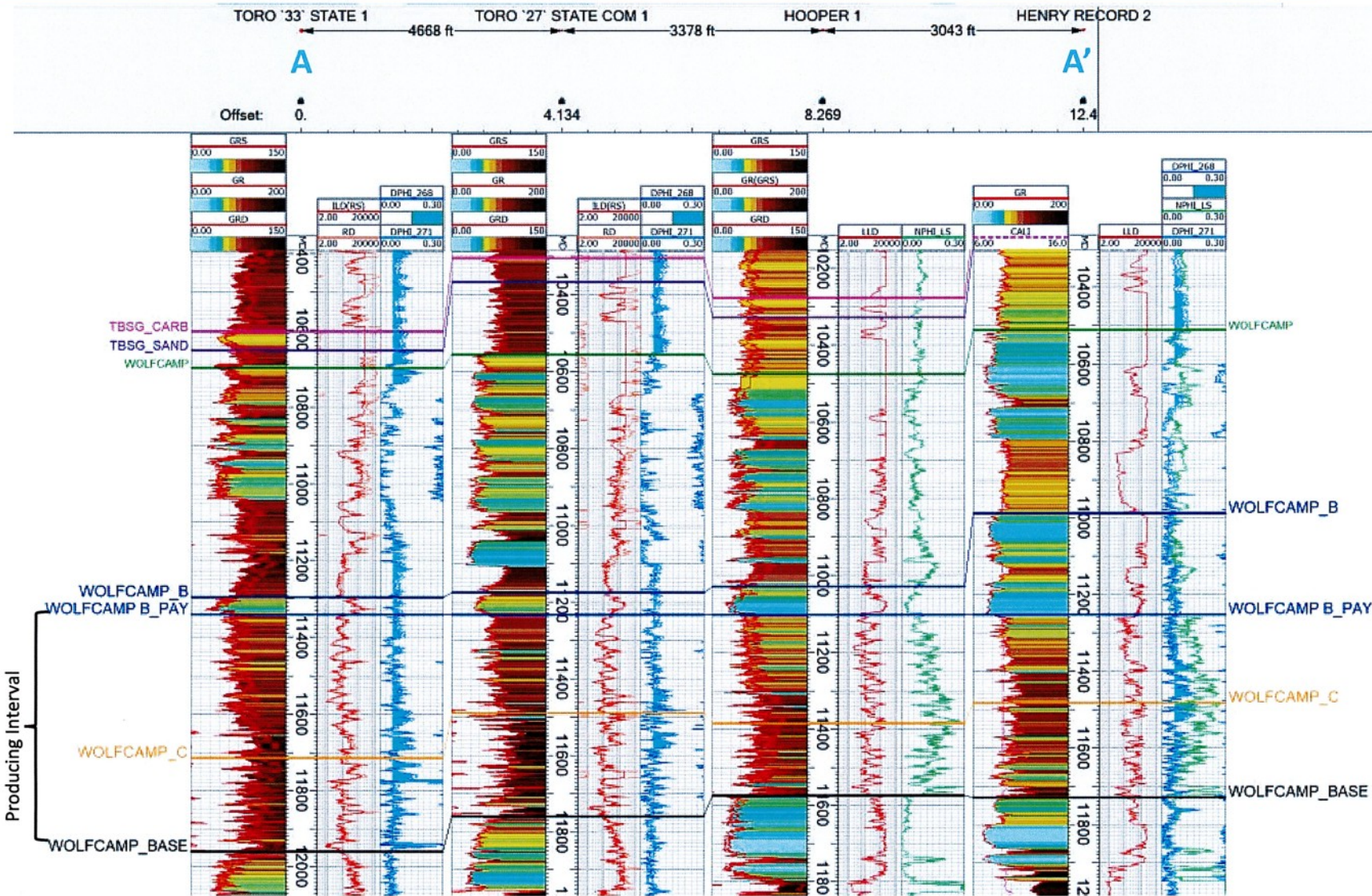
1 Treble State Com 804H

EXHIBIT

C.8



# Wolfcamp B Cross Section



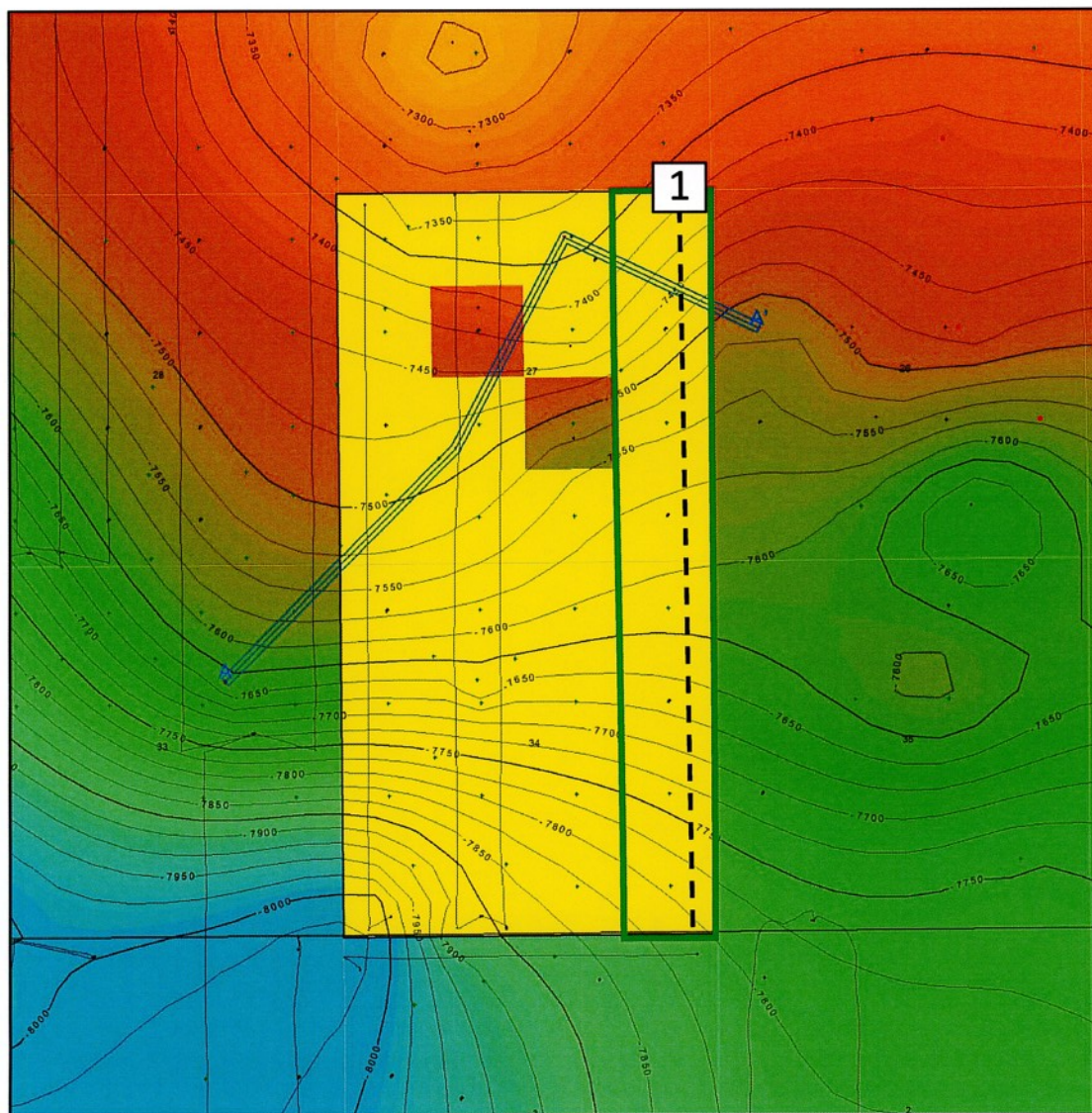
804H

EXHIBIT

C.9



# Wolfcamp B Isochore Map



- Franklin Mountain Acreage
- Wolfcamp Spacing Unit

Proposed Horizontal Location

1 Treble State Com 804H

All wells shown

1 mile

OCD Examiner Hearing 5-16-24

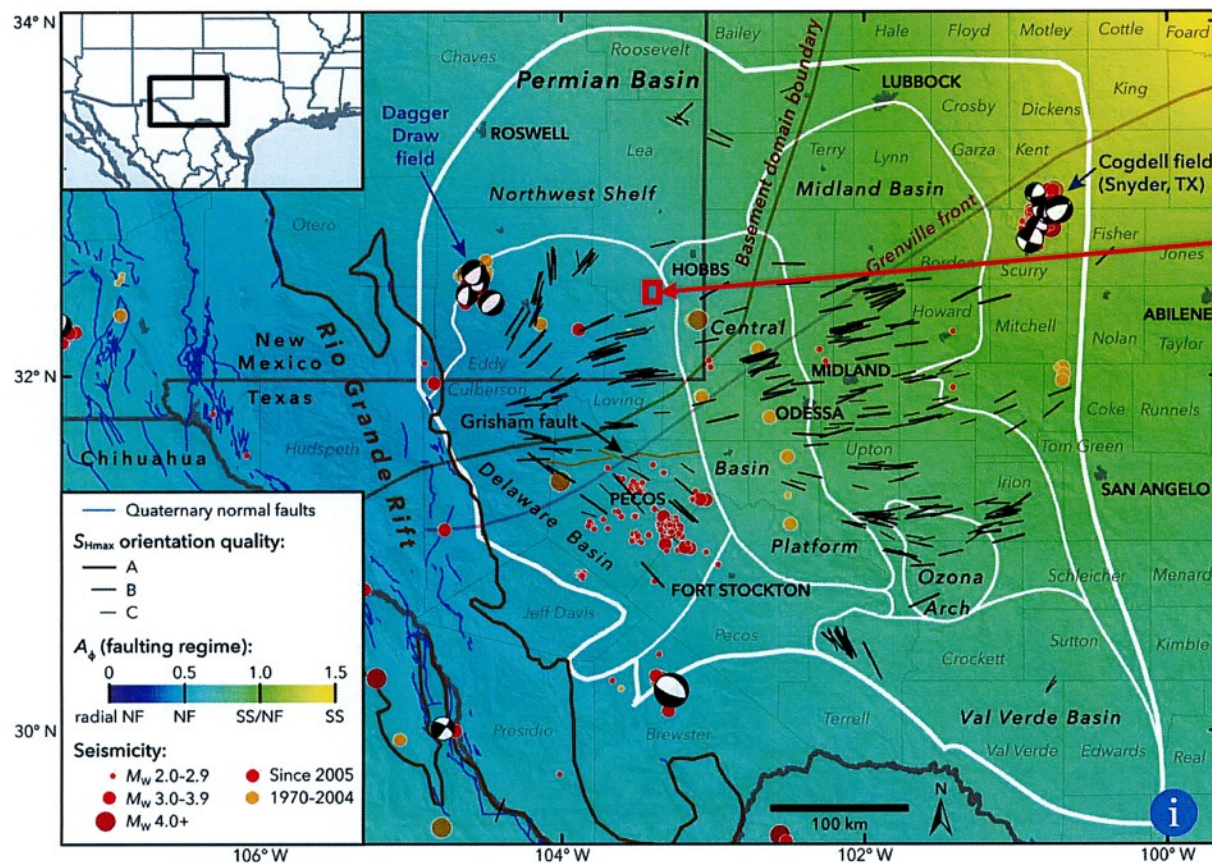
No. 24474

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# 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

**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

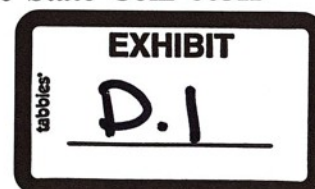
PO Box 2168  
Albuquerque,  
New Mexico 87103-2168

Tel: 505.848.1800  
www.modrall.com

OCD Examiner Hearing 5-16-24

No. 24474

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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

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[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:

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- 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

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Yarithza Peña  
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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.
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

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500 Fourth Street NW, Suite 1000

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*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

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

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

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

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

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Yarithza Peña

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*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.

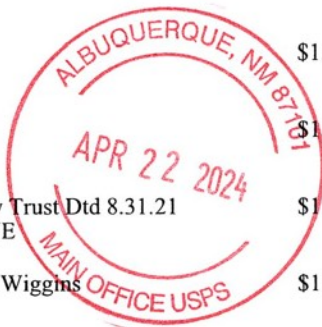
Karlene Schuman  
Modrall Sperling Roehl Harris & Sisk P.A.  
500 Fourth Street, Suite 1000  
Albuquerque NM 87102

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<br>990 Town and Country Blvd.<br>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<br>333 W Sheridan Avenue<br>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<br>500 West Texas, Suite 1020<br>Midland TX 79701         | \$1.87  | \$4.40      | \$2.32 | \$0.00       | 10154.0001Treble Notice |
| 4    | 9314 8699 0430 0120 2393 77 | Mewbourne Oil Company<br>500 West Texas, Suite 1020<br>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<br>P.O. Box 10701<br>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.<br>4350 Baker Road<br>Minnetonka MN 55343                        | \$1.87  | \$4.40      | \$2.32 | \$0.00       | 10154.0001Treble Notice |
| 7    | 9314 8699 0430 0120 2394 07 | Rutter & Wilbanks Corporation<br>301 SOUTH MAIN STREET<br>MIDLAND TX 79701                  | \$1.87  | \$4.40      | \$2.32 | \$0.00       | 10154.0001Treble Notice |
| 8    | 9314 8699 0430 0120 2394 14 | Victor J. Sirgo<br>3405 CHOATE PLACE<br>MIDLAND TX 79707                                    | \$1.87  | \$4.40      | \$2.32 | \$0.00       | 10154.0001Treble Notice |
| 9    | 9314 8699 0430 0120 2394 21 | Chi Energy, Inc.<br>PO BOX 1799<br>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<br>9314 CHERRY BROOK LANE<br>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<br>PO BOX 10862<br>MIDLAND TX 79702                     | \$1.87  | \$4.40      | \$2.32 | \$0.00       | 10154.0001Treble Notice |
| 12   | 9314 8699 0430 0120 2394 52 | Enerlex, Inc.<br>18452 EAST 111TH STREET<br>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<br>15601 DALLAS PARKWAY SUITE 900<br>ADDISON TX 75001                 | \$1.87  | \$4.40      | \$2.32 | \$0.00       | 10154.0001Treble Notice |
| 14   | 9314 8699 0430 0120 2394 76 | Stroube Energy Corporation<br>18208 Preston Rd, #D9249<br>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.<br>HC 64 BOX 100<br>LOCO OK 73442   | \$1.87  | \$4.40      | \$2.32 | \$0.00       | 10154.0001Treble Notice |



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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      |
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| 16      | 9314 8699 0430 0120 2394 90 | Curtis Mewbourne, Trustee<br>PO BOX 7698<br>TYLER TX 75711  | \$1.87  | \$4.40       | \$2.32  | \$0.00       | 10154.0001Treble Notice |
| 17      | 9314 8699 0430 0120 2395 06 | Prospector, LLC<br>PO BOX 429<br>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<br>4000 N. Big Spring Street, Ste 210<br>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<br>20 HORSENECK LANE<br>GREENWICH CT 06830  | \$1.87  | \$4.40       | \$2.32  | \$0.00       | 10154.0001Treble Notice |
| 20      | 9314 8699 0430 0120 2395 37 | Muirfield Resources Company<br>PO Box 3166<br>Tulsa OK 74101  | \$1.87  | \$4.40       | \$2.32  | \$0.00       | 10154.0001Treble Notice |
| 21      | 9314 8699 0430 0120 2395 44 | Caprock Resources, LLC<br>PO Box 180573<br>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<br>PO Box 670581<br>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<br>PO Box 3166<br>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<br>Commissioner of Public Lands<br>PO Box 1148<br>Santa Fe NM 87540 | \$1.87  | \$4.40       | \$2.32  | \$0.00       | 10154.0001Treble Notice |
| Totals: |                             |   | \$44.88 | \$105.60     | \$55.68 | \$0.00       |                         |
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List Number of Pieces Listed by Sender      Total Number of Pieces Received at Post Office      Postmaster: Name of receiving employee      Dated:

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Received by OCD: 5/14/2024 2:44:48 PM

Page 64 of 66



Transaction Report Details - CertifiedPro.net  
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| 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 |
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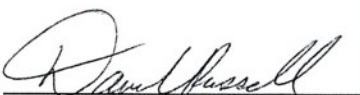




**Affidavit of Publication**STATE OF NEW MEXICO  
COUNTY OF LEA

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.

#00289551OCD Examiner Hearing 5-16-24

No. 24474