

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

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

CASE NO. 24472

NOTICE OF REVISED EXHIBIT PACKET

Pursuant to the Hearing Examiner's direction, Franklin Mountain Energy 3, LLC ("FME3") is providing a complete exhibit packet revised as follows:

- 1) Tab A: Compulsory Pooling Checklist amended to add parties that entered an appearance.
- 2) Under Tab D added: **Exhibit D.5** Supplemental Declaration of Yarithza Peña; **Exhibit D.6** Sample Notice Letter Dated May 17, 2024; and **Exhibit D.7** Certified Mailing Tracking Receipts.
- 3) New Tab E: **Exhibit E** Self-Affirmed Statement of Cameron Jarrett; Exhibit E.1 Drilling Exhibits; Exhibit E-2 Cameron Jarrett Resume.

It is FME3's understanding that the Division will use the attached revised exhibit packet as FME3's exhibit packet in this case and that the Division intends to delete the prior exhibit packets FME3 filed. FME3 notes that it filed its exhibits for the August 1, 2024 hearing as an attachment to FME3's prehearing statement that it filed on July 25, 2024. Thus, FME3 respectfully requests that the Division retain FME3's prehearing statement, filed on July 25, 2024 and released to imaging on July 26, 2024, in the case files, or allow FME3 the opportunity to refile the prehearing statement without exhibits attached to it.

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

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yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on August 7, 2024.

Ernest L. Padilla
PADILLA LAW FIRM, P.A.
Post Office Box 2523
Santa Fe, New Mexico 87504
(505) 988-7577
padillalawnm@outlook.com
*Attorney for North Fork Land Management, LP
and Aguila Operating Company, LLC*



Deana M. Bennett



FRANKLIN MOUNTAIN ENERGY

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

Compulsory Pooling

**Case No. 24472: Treble State Com 703H, Treble
State Com 803H**

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

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

CASE NO. 24472

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- Exhibit D.3: Certified Mailing Tracking List
- Exhibit D.4: Affidavit of Publication
- *Exhibit D.5: Supplemental Declaration of Yarithza Peña*
- *Exhibit D.6: Sample Notice Letter Dated May 17, 2024*
- *Exhibit D.7: Certified Mailing Tracking Receipts*

¹ Revisions identified by italics.

Tab E: *Self-Affirmed Statement of Cameron Jarrett, Drilling Manager*

- *Exhibit E.1: Drilling Exhibits*
- *Exhibit E.2: Cameron Jarrett Resume*

COMPULSORY POOLING APPLICATION CHECKLIST

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS

Case: 24472	APPLICANT'S RESPONSE
Date	June 13, 2024
Applicant	Franklin Mountain Energy 3, LLC
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, and, to the Extend Necessary, Approval of an Overlapping Spacing Unit, Lea County, New Mexico.
Entries of Appearance/Intervenors:	North Fork Land Management, LP; Aguila Operating Company, LLC
Well Family	Treble State Com
Formation/Pool	
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
Spacing Unit	
Type (Horizontal/Vertical)	Horizontal
Size (Acres)	320-acres
Building Blocks:	40-acres
Orientation:	North/South
Description: TRS/County	W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico.
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.
Other Situations	
Depth Severance: Y/N. If yes, description	N/A
Proximity Tracts: If yes, description	N/A
Proximity Defining Well: if yes, description	N/A
Applicant's Ownership in Each Tract	See Exhibit B.3
Well(s)	
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed
Well #1: Treble State Com 703H	API No. <i>Pending</i> SHL: 740' FSL & 1729' FEL, (Unit O), Section 22, T19S, R35E BHL: 100' FSL & 2290' FEL, (Unit O) Section 34, T19S, R35E Completion Target: Wolfcamp A (Approx. 10,860' TVD) Orientation: North/South
Well #2: Treble State Com 803H	API No. <i>Pending</i> SHL: 840' FSL & 1669' FEL, (Unit O), Section 22, T19S, R35E BHL: 100' FSL & 1680' FEL, (Unit O) Section 34, T19S, R35E Completion Target: Wolcamp B (Approx. 11,392' TVD) Orientation: North/South
Horizontal Well First and only Take Points	See Exhibit B.2



Completion Target (Formation, TVD and MD)	See Exhibit B.6
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	See Exhibit B Paragraph 25
Requested Risk Charge	200%
Notice of Hearing	
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
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit B.3
Tract List (including lease numbers and owners)	Exhibit B.3
In approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice	N/A
Pooled Parties (including ownership type)	Exhibit B.5
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above &	N/A
Joinder	
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
Geology	
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
Forms, Figures and Tables	
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
Structure Contour Map - Subsea Depth	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
Additional Information	
Special Provisions/Stipulations	N/A
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	6/5/2024

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

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

CASE NO. 24472

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. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit.

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

8. In this case, Franklin seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, 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.

9. 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.

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. 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).

18. **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.

19. 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.

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

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

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

23. **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.

24. **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.

25. 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.

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

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

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

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

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

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

[Signature page follows]

Dated: May 8, 2024



Don Johnson

State of Colorado

County of Denver

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

[Stamp]





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,
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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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.

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

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

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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 96989		3 Pool Name KLEIN RANCH-WOLFCAMP	
4 Property Code		5 Property Name TREBLE STATE COM		6 Well Number 703H	
7 OGRID No. 331595		8 Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC		9 Elevation 3730.1'	

10 Surface Location

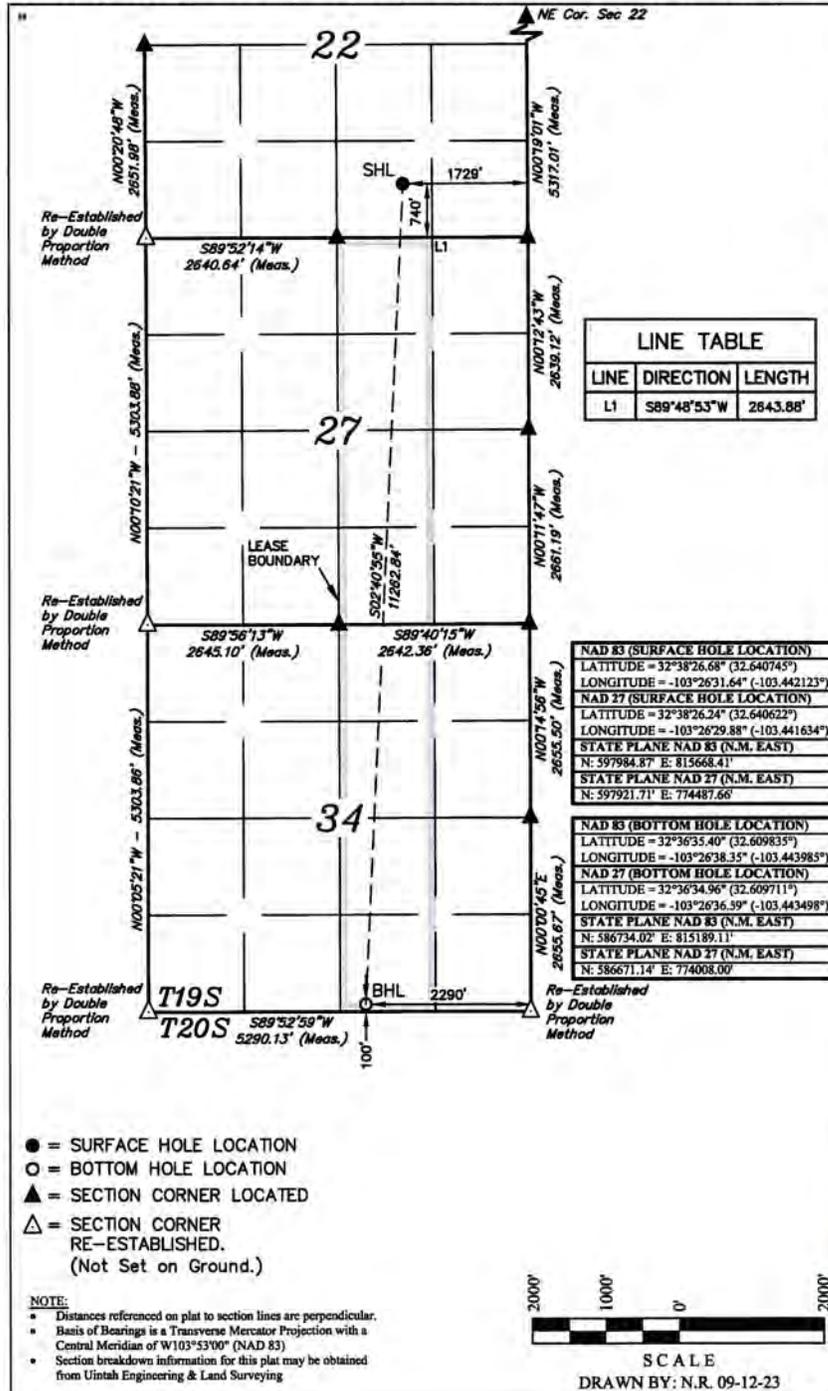
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	22	19S	35E		740	SOUTH	1729	EAST	LEA

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	34	19S	35E		100	SOUTH	2290	EAST	LEA

12 Dedicated Acres 320	13 Joint or Infill	14 Consolidation Code	15 Order No.
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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.

Rachael Overbey
Signature
10/11/2023
Date

Rachael Overbey
Printed Name

roverbey@fmelc.com
E-mail Address

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°38'26.68" (32.640745°)
LONGITUDE = -103°26'31.64" (-103.442123°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°38'26.24" (32.640622°)
LONGITUDE = -103°26'29.88" (-103.441634°)
STATE PLANE NAD 83 (N.M. EAST)
N: 597984.87' E: 815668.41'
STATE PLANE NAD 27 (N.M. EAST)
N: 597921.71' E: 774487.66'

NAD 83 (BOTTOM HOLE LOCATION)
LATITUDE = 32°36'35.40" (32.609835°)
LONGITUDE = -103°26'38.35" (-103.443985°)
NAD 27 (BOTTOM HOLE LOCATION)
LATITUDE = 32°36'34.96" (32.609711°)
LONGITUDE = -103°26'36.59" (-103.443498°)
STATE PLANE NAD 83 (N.M. EAST)
N: 586734.02' E: 815189.11'
STATE PLANE NAD 27 (N.M. EAST)
N: 586671.14' E: 774008.00'

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

August 30, 2023
Date of Survey

Signature and Seal of Professional Surveyor:
Paul Buchele

PAUL BUCHELE
NEW MEXICO
23182
09-12-23
PROFESSIONAL SURVEYOR

Certificate Number:

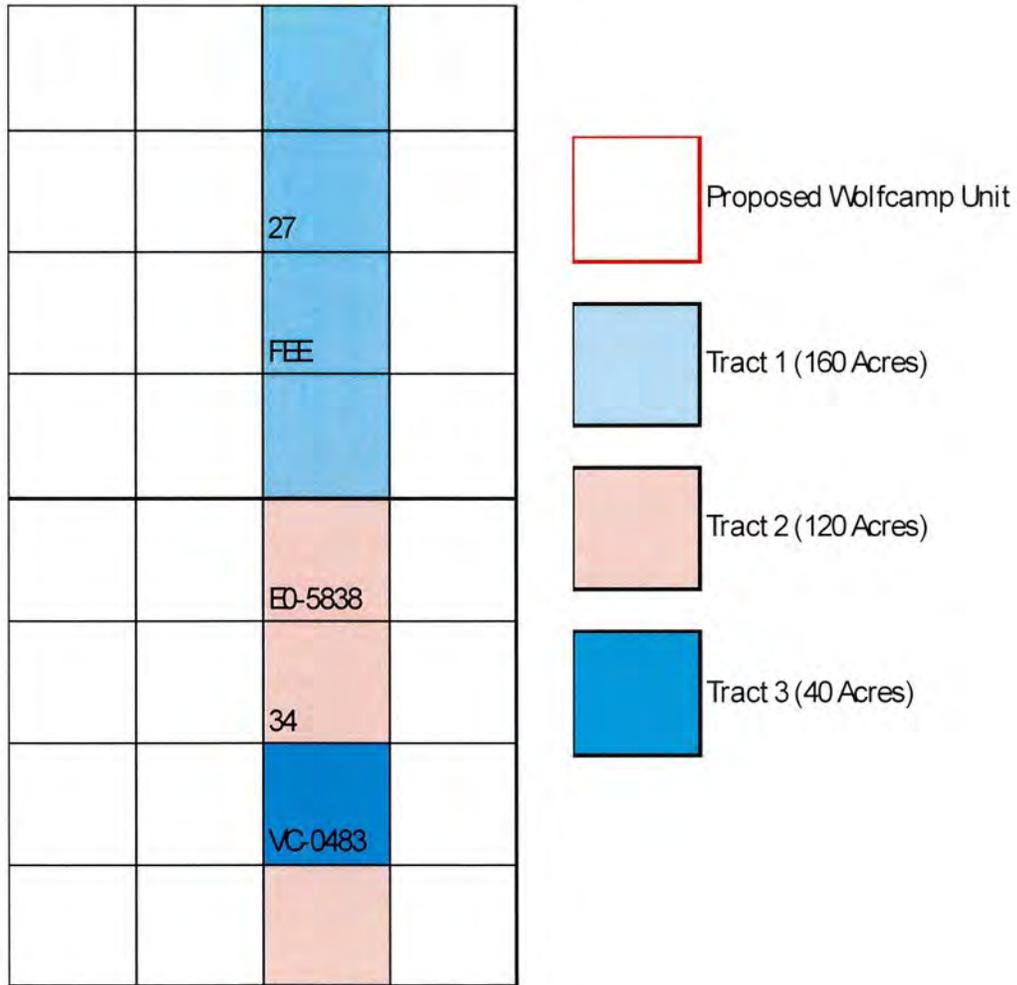
EXHIBIT
B.2

Development Overview

Case Nos. 24472



Lease Tract Map
Case No. 24472
W2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres
Treble State Com 703H, Treble State Com 803H



Summary of Interests
Case No. 24472
W2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres
Treble State Com 703H, Treble State Com 803H

Committed Working Interest	
Franklin Mountain Energy 3, LLC	84.062500%
Uncommitted Working Interest	
WPX Energy Permian, LLC	7.500000%
Northern Oil and Gas, Inc.	4.687500%
Marathon Oil Permian, LLC	3.750000%
Total:	100.000000%



Unit Recapitulation
Case No. 24472
W2E2 of Section 27 & 34, T19S-R35E, 320.00 Acres
Treble State Com 703H, Treble State Com 803H

		27	
		FEE	
		ED-5838	
		34	
		VC-0483	

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

Committed Working Interest	
Franklin Mountain Energy 3, LLC	84.062500%
Uncommitted Working Interest	
WPX Energy Permian, LLC	7.500000%
Northern Oil and Gas, Inc.	4.687500%
Marathon Oil Permian, LLC	3.750000%
Total:	100.000000%



Summary of Contacts (W/2E/2: Case Nos. 24472)

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

Name	Ownership Type	Date Proposal Letter Sent	Proposal Letter Received	Follow Up
WPX Energy Permian, LLC	WI	2/8/2024	2/14/2024	Email from Peggy Buller noting WPX received the election, WPX has not asked for any additional information, JOA form, or returned election.
Northern Oil and Gas, Inc.	WI	2/8/2024	2/15/2024	Elected to Participate in Treble 703, Elected to Not Participate in Treble 803
Marathon Oil Permian, LLC	WI	2/8/2024	2/14/2024	No contact from Marathon



Name	Street	City	State	Zip	Ownership Type
Marathon Oil Permian, LLC	990 Town and Country Blvd	Houston	TX	77024	WI
WPX Energy Permian, LLC	333 W Sheridan Avenue	Oklahoma City	OK	73102	WI
Northern Oil and Gas, Inc.	4350 Baker Road	Minnetonka	MN	55343	WI
Rutter & Wilbanks Corporation	301 SOUTH MAIN STREET	MIDLAND	TX	79701	ORRI
Victor J. Sirgo	3405 CHOATE PLACE	MIDLAND	TX	79707	ORRI
Chi Energy, Inc.	PO BOX 1799	MIDLAND	TX	79702	ORRI
Edna and Curtis Anderson Rev Trust Dtd 8.31.21	9314 CHERRY BROOK LANE	FRISCO	TX	75033	ORRI
Charles Wiggins and Deborah Wiggins	PO BOX 10862	MIDLAND	TX	79702	ORRI
Enerlex, Inc.	18452 EAST 111TH STREET	BROKEN ARROW	OK	74011	ORRI
Castle Royalties, LLC	15601 DALLAS PARKWAY 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: 9405536105536322495047

February 8, 2024

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

RE: **Well Proposals**
 Township 19 South, Range 35 East
 Section 27: W2E2
 Section 34: W2E2
 Lea County, New Mexico
 320.00 acres, more or less

Dear Working Interest Owner:

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

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

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

44 Cook Street | Suite 1000 | Denver, CO 80206





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

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

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

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

-
-

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

Please return your signed documents to Jon Rutledge at 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 303H:

_____ I/We hereby elect to participate in the **Treble State Com 303H** well.
 _____ I/We hereby elect **NOT** to participate in the **Treble State Com 303H** well.

Treble State Com 503H:

_____ I/We hereby elect to participate in the **Treble State Com 503H** well.
 _____ I/We hereby elect **NOT** to participate in the **Treble State Com 503H** well.

Treble State Com 603H:

_____ I/We hereby elect to participate in the **Treble State Com 603H** well.
 _____ I/We hereby elect **NOT** to participate in the **Treble State Com 603H** well.

Treble State Com 703H:

_____ I/We hereby elect to participate in the **Treble State Com 703H** well.
 _____ I/We hereby elect **NOT** to participate in the **Treble State Com 703H** well.

Treble State Com 803H:

_____ I/We hereby elect to participate in the **Treble State Com 803H** well.
 _____ I/We hereby elect **NOT** to participate in the **Treble State Com 803H** well.

Owner: Marathon Oil Permian, LLC

By: _____

Printed Name: _____

Title: _____

Date: _____



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

FRANKLIN MOUNTAIN ENERGY AUTHORITY FOR EXPENDITURE

Well Name: Treble State Com 703H
Location: SHL Sec 22-T19S-R3SE 730 FSL 1730 FEL
BHL Sec 34-T19S-R3SE 100 FSL 2290 FEL
Operator: Franklin Mountain Energy 3, LLC
Purpose: Drill and complete a 10,000' WCA well.
TVD 10,860', MD 20,860'

Well #: 703H
County/State: Lea Co., NM
Date Prepared: 1/23/2024
AFE #: DCE230314

Intangible Drilling Costs			
Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$80,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$40,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$45,000
225	40	CONTRACT LABOR	\$50,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$762,300
225	55	DRILLING - DIRECTIONAL	\$320,000
225	60	DRILLING - FOOTAGE	\$120,000
225	65	DRILLING HITS	\$140,000
225	70	ELECTRICAL POWER/GENERATION	\$0
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$250,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	85	EQUIPMENT RENTAL	\$50,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000
225	105	INSURANCE	\$1,700
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$320,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$85,000
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$164,874
225	35	CONTINGENCY COSTS 5%	\$149,885
Total Intangible Drilling Costs:			\$3,453,259

Tangible Drilling Costs			
Major	Minor	Description	Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$173,758
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$790,399
230	35	SURFACE CASING & ATTACHMENTS	\$169,740
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000
230	40	TAXES	\$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	EI&C BATTERY BUILD	\$47,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600
270	136	PRIMARY POWER BUILD	\$15,100
270	138	FLOWLINE INSTALLATION	\$43,500
270	140	SIGNAGE	\$600
270	125	TAXES	\$40,854
Total Tangible Facility Costs:			\$783,654

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

Total AFE: \$11,797,546.84

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

Tangible Completion Costs			
Major	Minor	Description	Amount
245	7	ARTIFICIAL LIFT	\$200,000
245	15	FLOWLINES	\$0
245	25	FRAC STRING	\$0
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$40,000
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	\$0
245	55	PRODUCTION TUBING	\$90,000
245	60	RODS/PUMPS	\$0
245	65	SUBSURFACE EQUIPMENT	\$60,000
245	75	WELLHEAD EQUIPMENT	\$142,700
245	70	TAXES	\$29,299
Total Tangible Completion Costs:			\$561,999

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

Office Use Only:

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

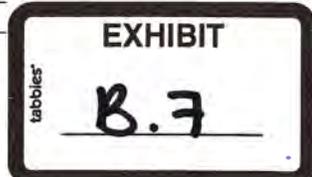
Operator: Franklin Mountain Energy 3, LLC
Approved By: Chief Executive Officer

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





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

Well Name: Treble State Com 803H
Location: SHL: Sec 22-T19S-R35E 830 FSL 1670 FEL
BHL: Sec 34-T19S-R35E 100 FSL 1680 FEL
Operator: Franklin Mountain Energy 3, LLC
Purpose: Drill and complete a 10,000' WCB well.
TVD 11,392', MD 21,392'

Well #: 803H
County/State: Lea Co., NM
Date Prepared: 1/23/2024
AFE #: DCE230316

Intangible Drilling Costs			
Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$80,000
225	15	CEMENTING INTERMEDIATE CASING	\$50,000
225	16	CEMENTING PRODUCTION CASING	\$150,000
225	20	CEMENTING SURFACE CASING	\$50,000
225	25	COMMUNICATIONS	\$40,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$45,000
225	40	CONTRACT LABOR	\$50,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$907,500
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/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$320,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$85,000
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$164,874
225	35	CONTINGENCY COSTS 5%	\$149,385
Total Intangible Drilling Costs:			\$1,598,459

Tangible Drilling Costs			
Major	Minor	Description	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:			\$1,365,706

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:			\$782,654

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: 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

Intangible Completion Costs			
Major	Minor	Description	Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EQPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$276,500
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	\$0
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$10,000
240	60	ELECTRICAL POWER/GENERATION	\$0
240	62	ENGINEERING	\$3,600
240	65	ENVIRONMENTAL/CLEANUP	\$0
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$110,000
240	72	FRAC WATER/COMPLETION FLUID	\$544,000
240	75	FUEL, POWER/DIESEL	\$595,500
240	80	HEALTH & SAFETY	\$6,100
240	85	HOUSING AND SUPPORT SERVICES	\$9,500
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$1,400
240	110	P&A/TA COSTS	\$0
240	115	PERFORATING/WIRELINE SERVICE	\$262,000
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$11,000
240	130	STIMULATION	\$3,022,000
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$31,000
240	140	SUPERVISION	\$96,500
240	145	SURFACE EQUIP RENTAL	\$186,500
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$106,000
240	160	WELDING SERVICES	\$0
240	165	WELL TESTING/FLOWBACK	\$91,600
240	148	TAXES	\$0
240	40	CONTINGENCY COSTS 5%	\$326,700
Total Intangible Completion Costs:			\$5,771,700

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

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

Office Use Only:

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

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.

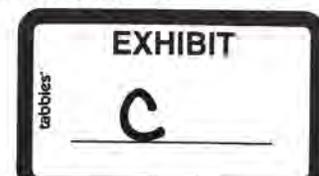
3. I am familiar with the application filed by Franklin in this case.

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 703H 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 703H 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 703H 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 803H 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 803H 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 803H 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.

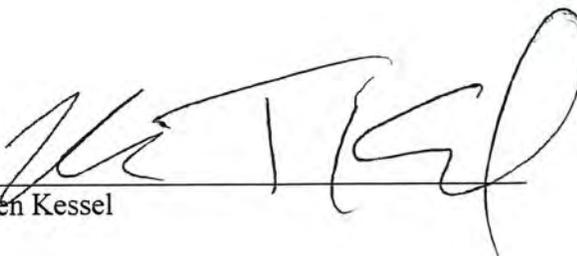
18. The preferred well orientation in this area is either north/south or south/north, nearly orthogonal to S_{Hmax} , optimal for induced fracture propagation. This is because the S_{Hmax} is at approximately 255 degrees ENE in this area of Lea County.

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 9th, 2024


Ben Kessel

State of Colorado

County of Denver

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

[Stamp]

CRYSTAL MCCLAIN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20234007312
MY COMMISSION EXPIRES FEBRUARY 23, 2027

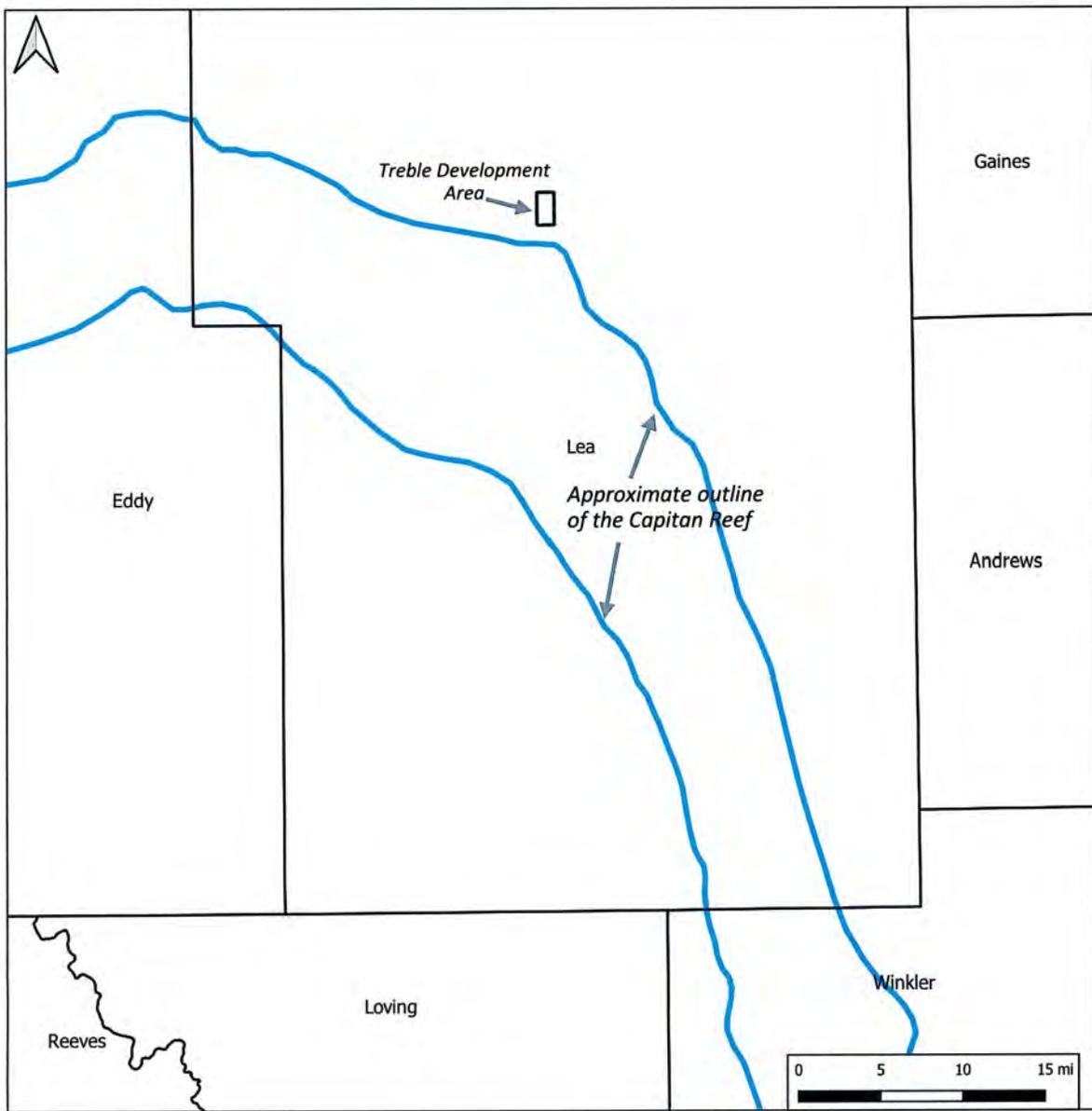

Notary Public in and for the
State of Colorado
Commission Number: 20234007312

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

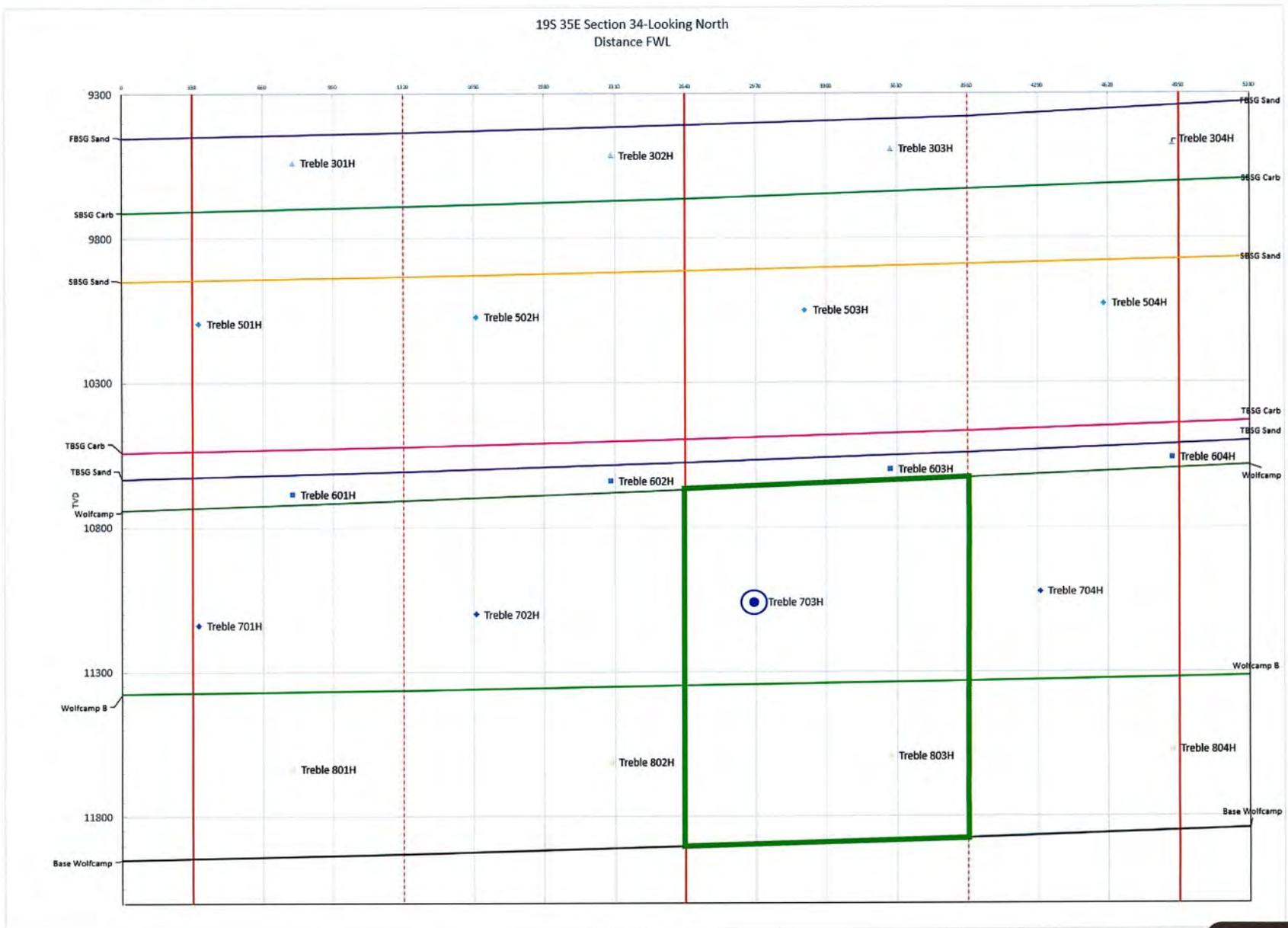
https://www.twdb.texas.gov/publications/reports/contracted_reports/doc/0804830794CapitanReef/Final%20Revised%20Capitan%20PDF%20w_Seals.pdf

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EXHIBIT

C.1

Wellbore Schematic



⊙ Proposed Laterals

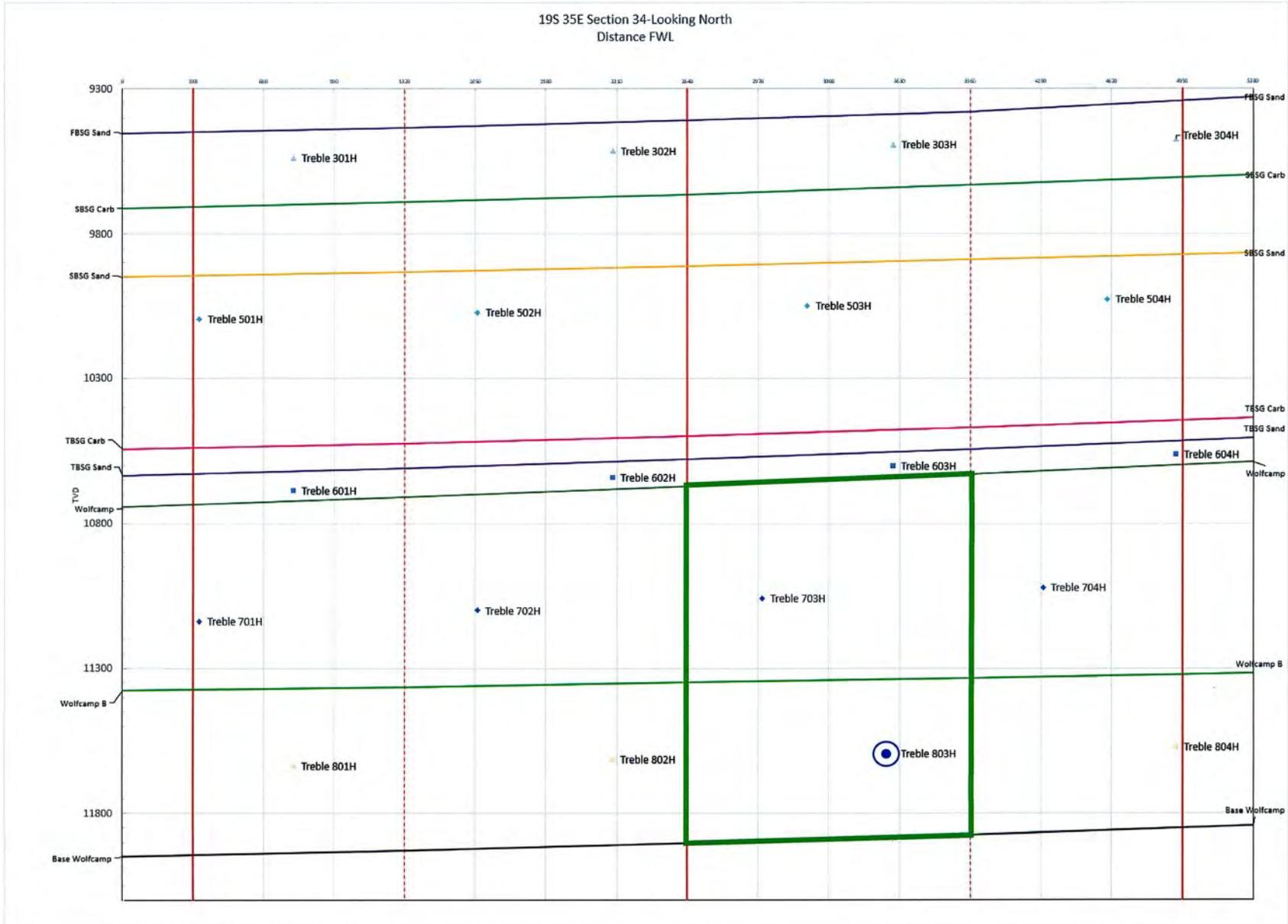
□ Wolfcamp Spacing Unit

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EXHIBIT

C.2

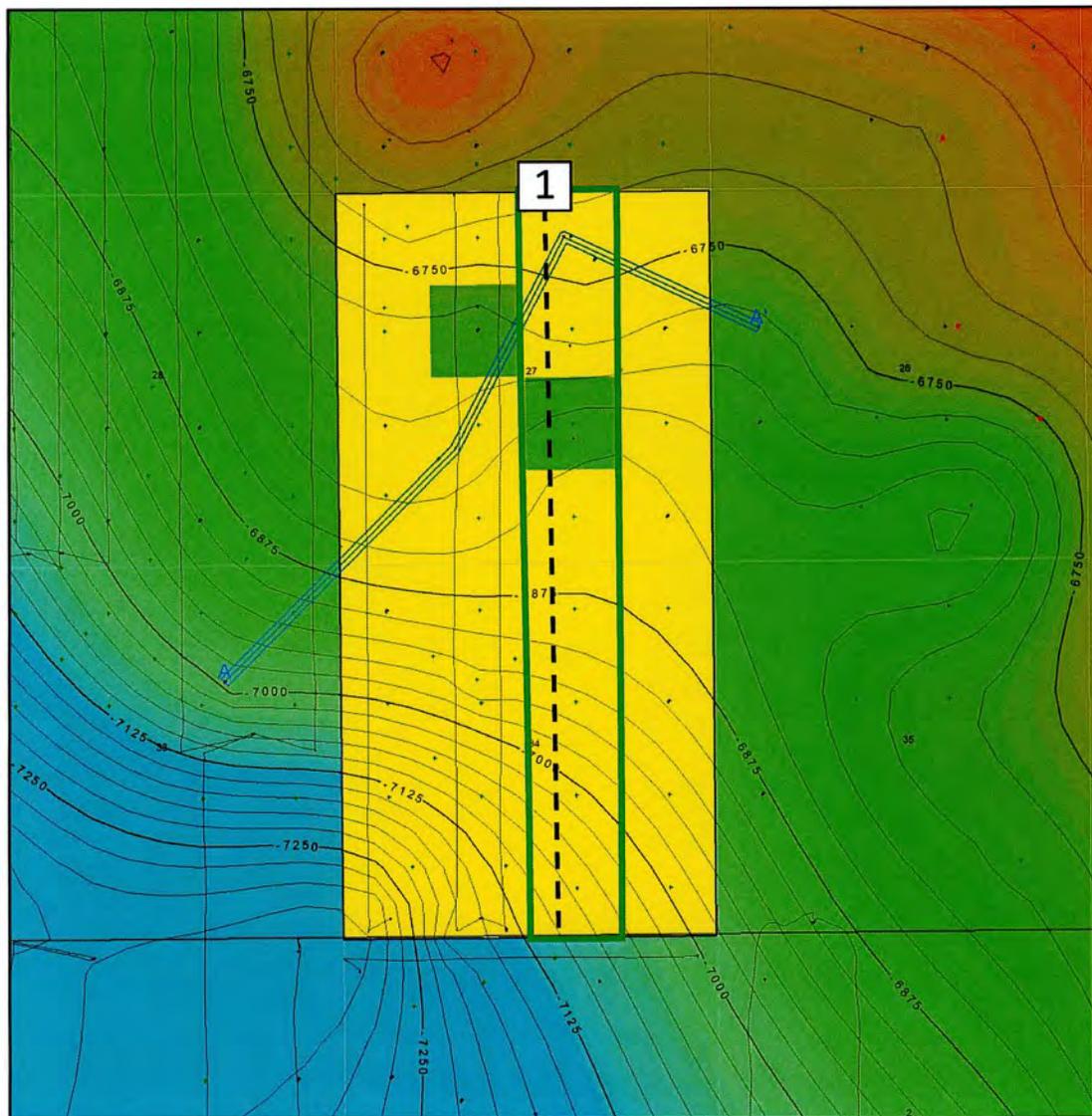
Wellbore Schematic



⊙ Proposed Laterals

□ Wolfcamp Spacing Unit

Wolfcamp A Structure Map



-  Franklin Mountain Acreage
-  Wolfcamp Spacing Unit
-  Proposed Horizontal Location
-  Treble State Com 703H

All wells shown

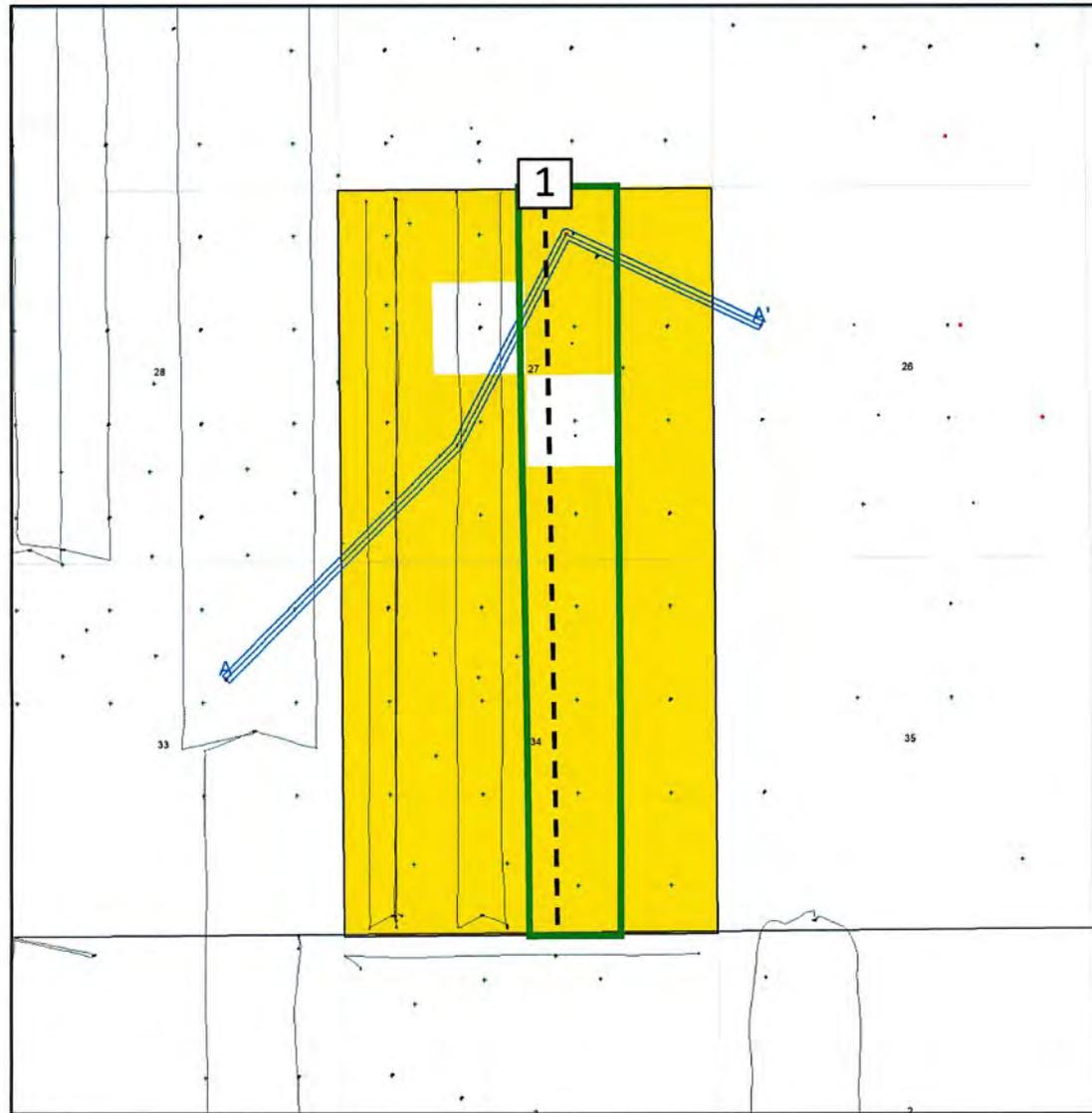
1 mile

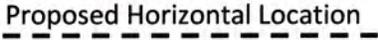
tabbles

EXHIBIT

C.3

Cross Section Reference Map



-  Franklin Mountain Acreage
-  Wolfcamp Spacing Unit
-  Proposed Horizontal Location
-  Treble State Com 703H

All wells shown

1 mile

EXHIBIT
C.4

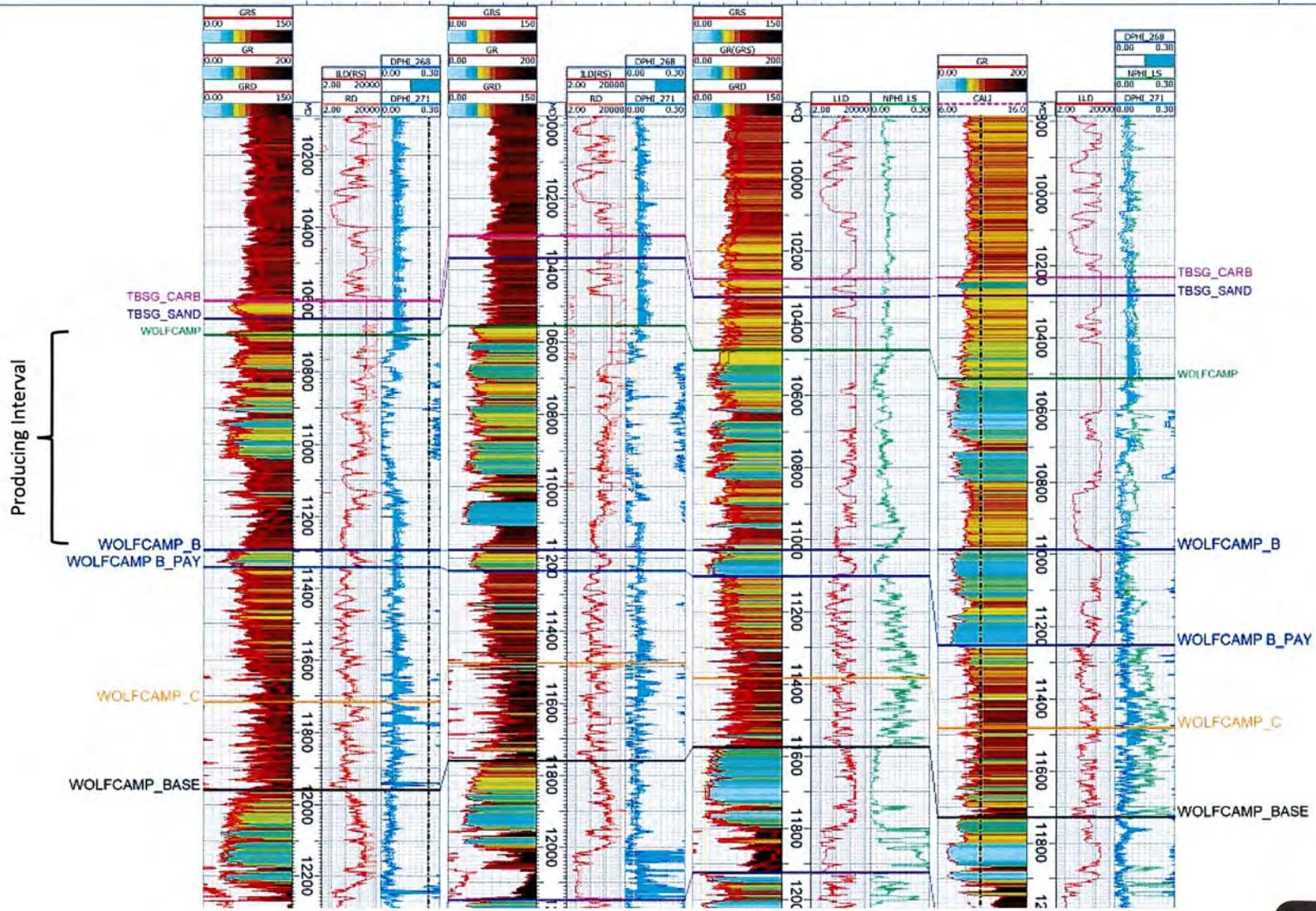
Wolfcamp Cross Section



TORO '33' STATE 1 TORO '27' STATE COM 1 HOOPER 1 HENRY RECORD 2

A A'

Offset: 0 4.134 8.269 12.4



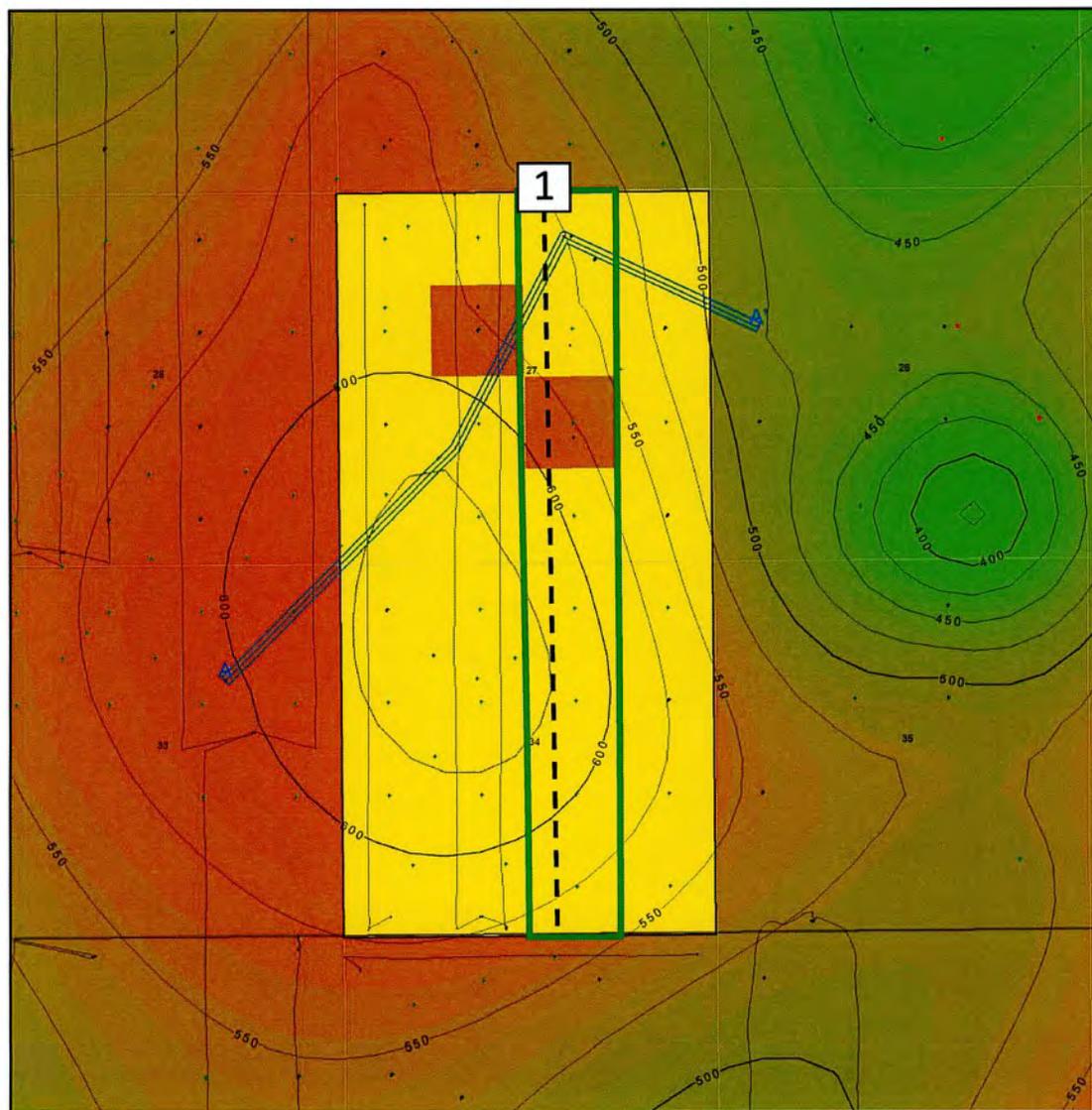
↑
703H

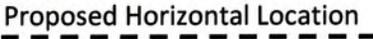
EXHIBIT

tabbles

C.S

Wolfcamp A Isochore Map



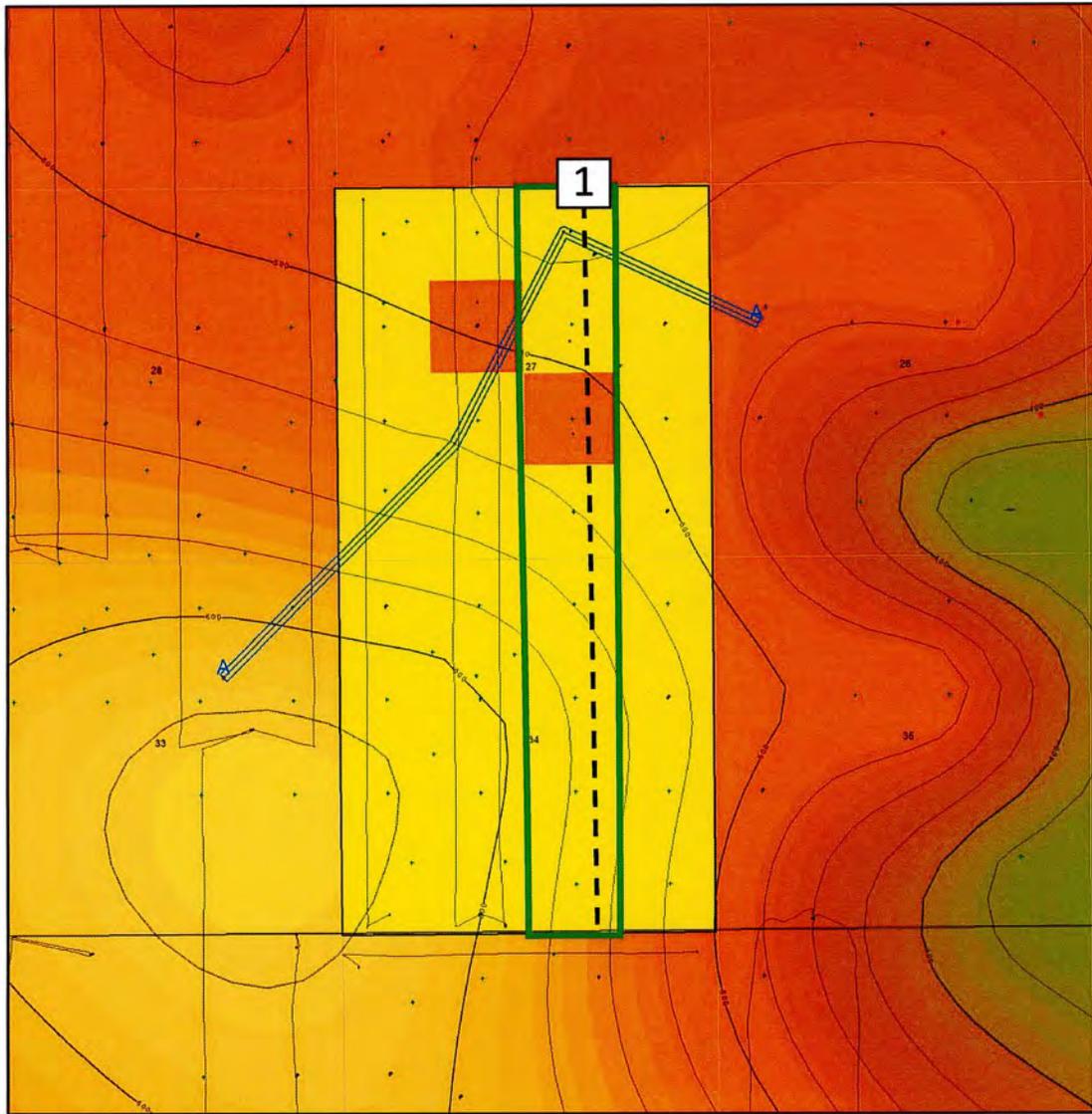
-  Franklin Mountain Acreage
-  Wolfcamp Spacing Unit
-  Proposed Horizontal Location
-  Treble State Com 703H

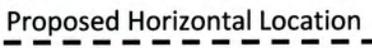
All wells shown

1 mile



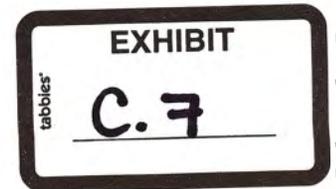
Wolfcamp B Structure Map



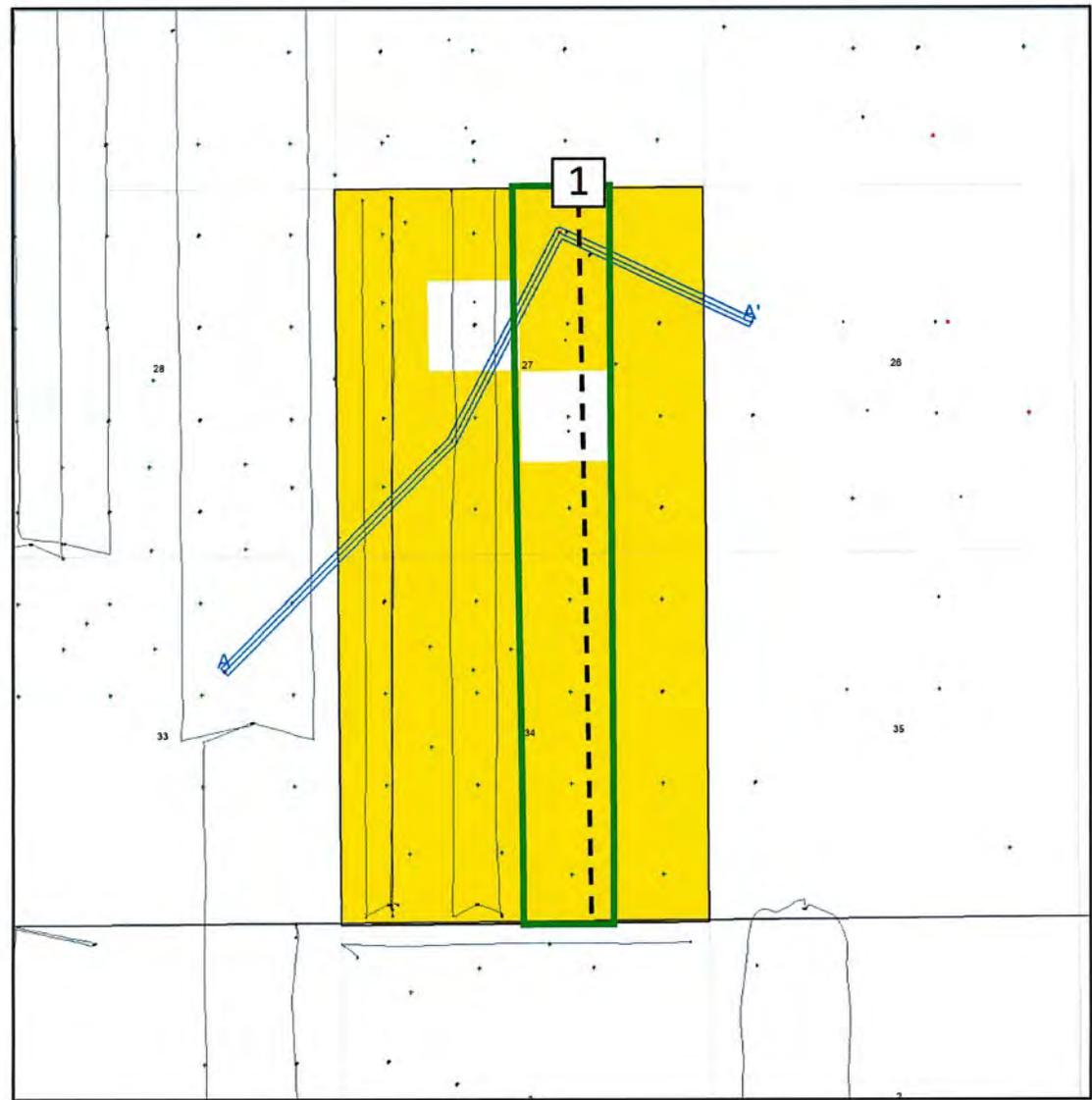
-  Franklin Mountain Acreage
-  Wolfcamp Spacing Unit
-  Proposed Horizontal Location
-  Treble State Com 803H

All wells shown

1 mile



Cross Section Reference Map



Franklin Mountain Acreage

Wolfcamp Spacing Unit

Proposed Horizontal Location

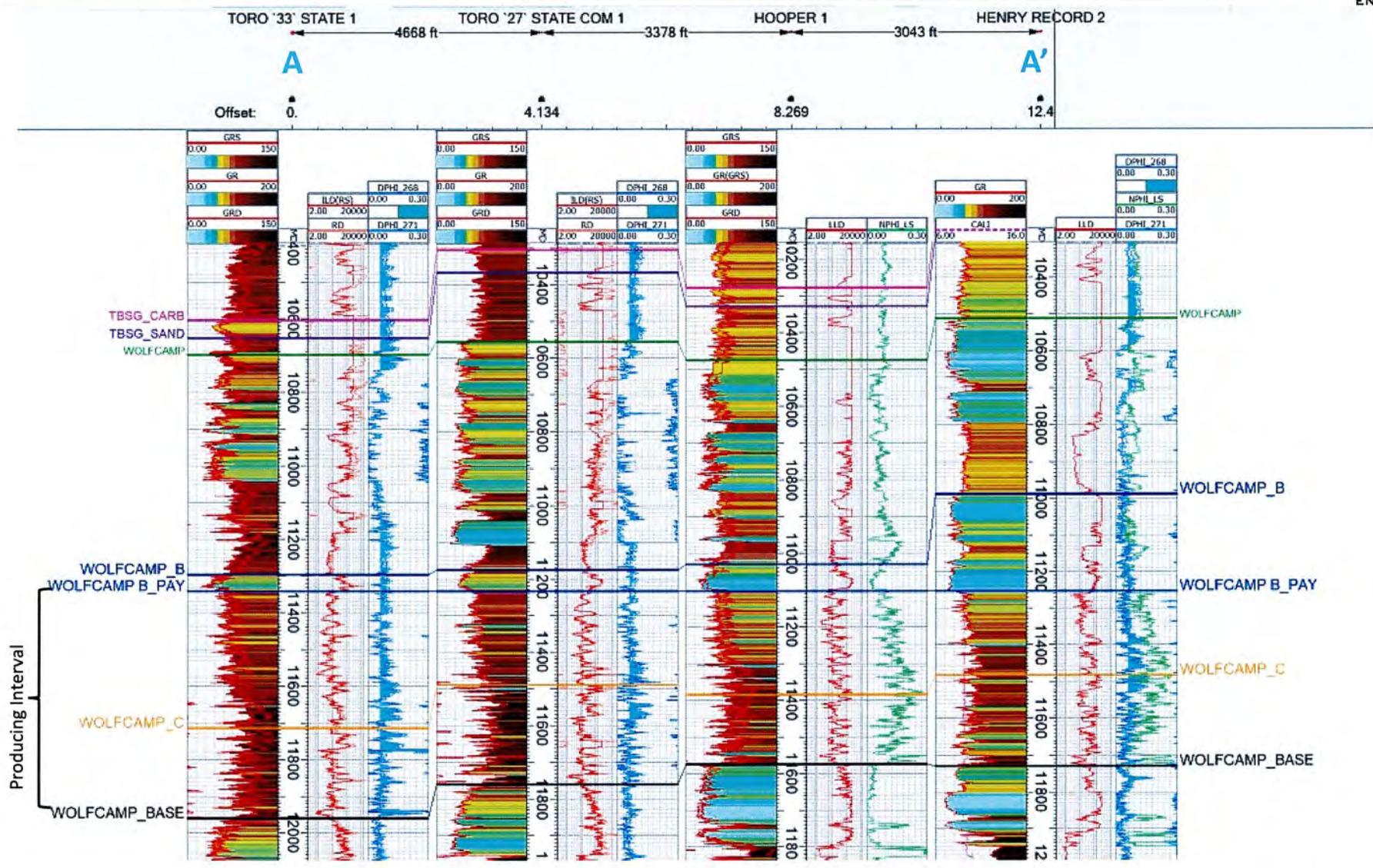
Treble State Com 803H

All wells shown

1 mile

EXHIBIT
 C. 8

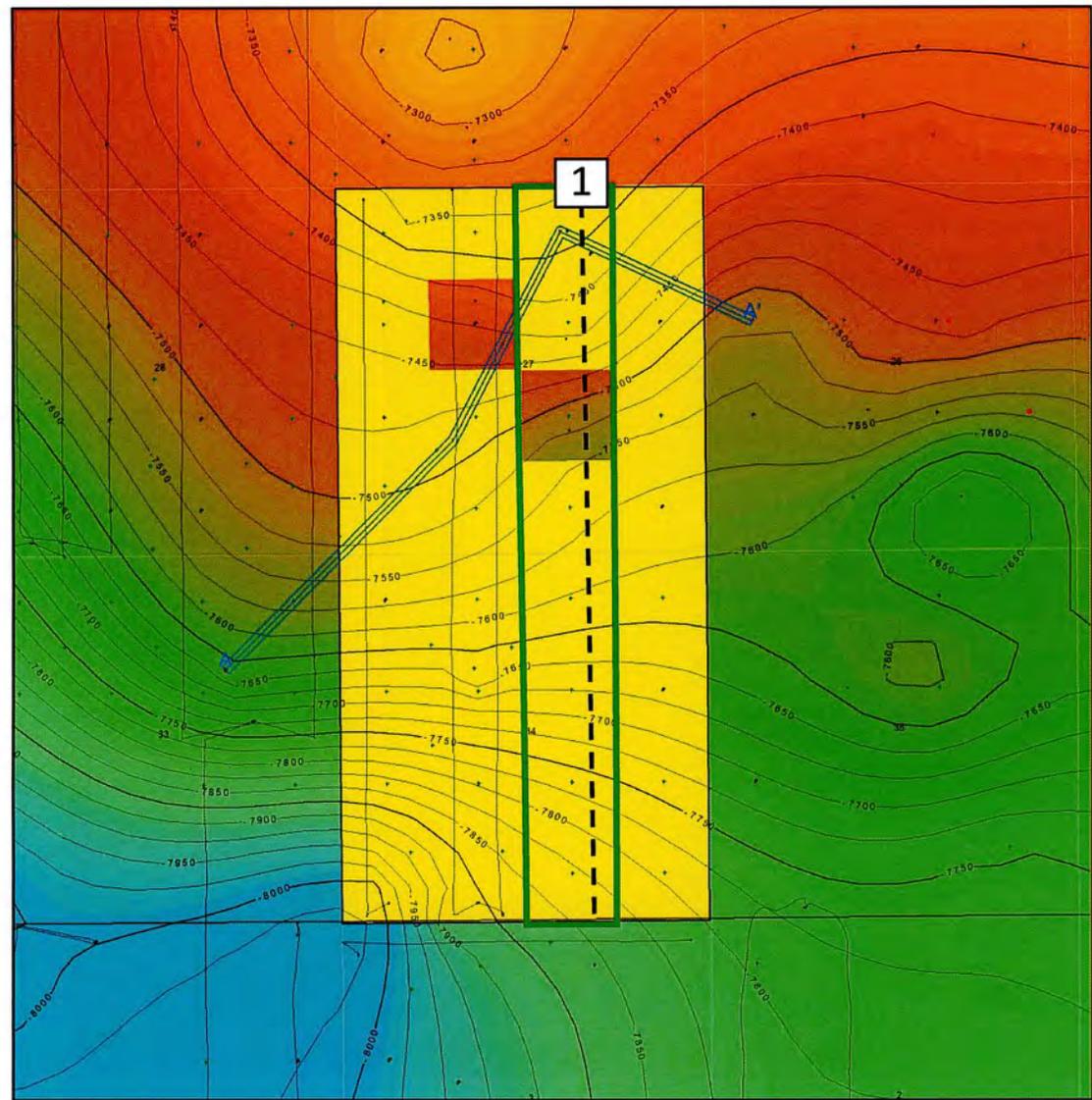
Wolfcamp B Cross Section



803H

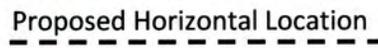
EXHIBIT
C.9

Wolfcamp B Isochore Map



 Franklin Mountain Acreage

 Wolfcamp Spacing Unit

 Proposed Horizontal Location

 Treble State Com 803H

All wells shown

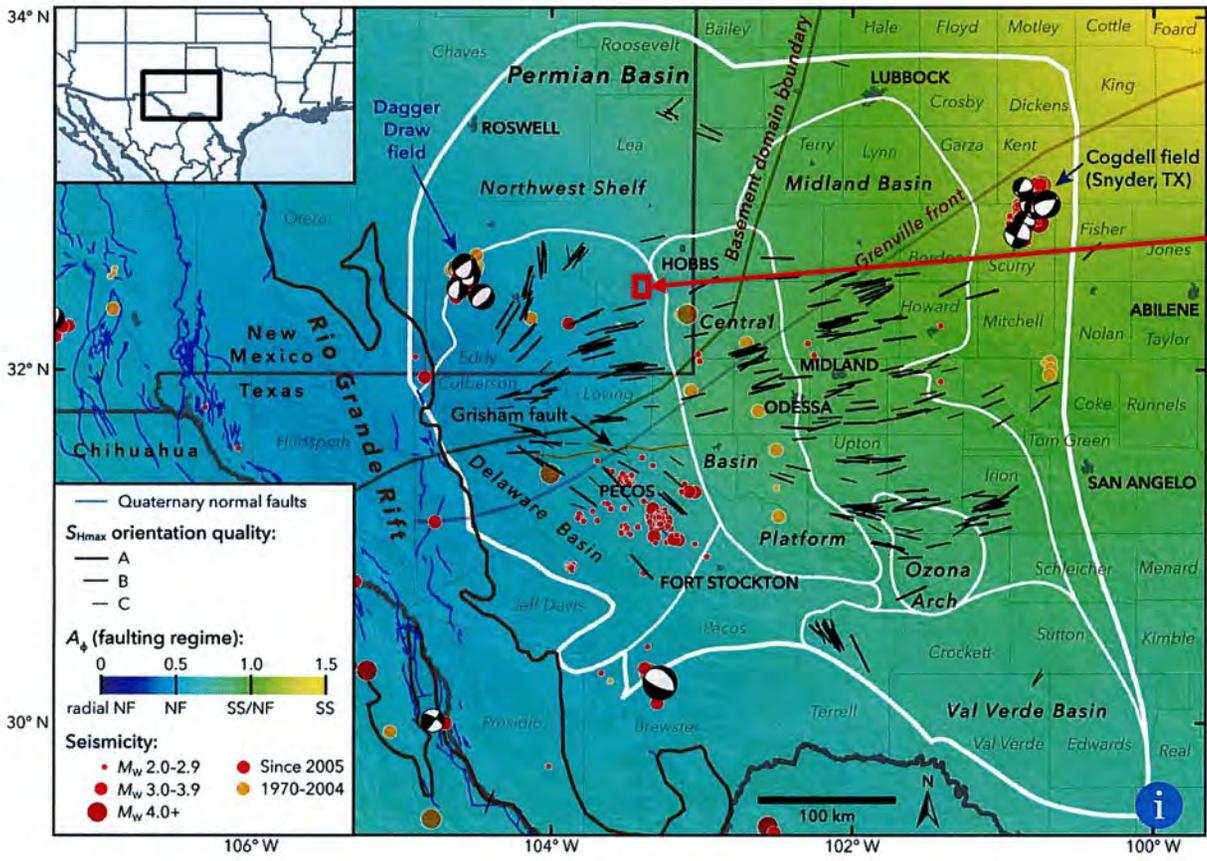
1 mile

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EXHIBIT

C.10

Regional Stress



- Red box shows the approximate location of the Treble development
- Reported local S_{Hmax} (Snee and Zoback, 2018) direction is ENE, around 255°
- The Treble State Com wells are planned to drill N-S, nearly orthogonal to S_{Hmax} , optimal for induced fracture propagation

Snee, J.L. and Zoback, M.D., 2018, State of stress in the Permian Basin, Texas and New Mexico: Implications for induced seismicity: The Leading Edge, 37, no. 2

http://www.tleonline.org/theleadingedge/february_2018/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

LAWYERS

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 Spierling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com



Page 2

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

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

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

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

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

Page 3

be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 22 to a bottom hole location in the SE/4 SE/4 (Unit P) of Section 34. The producing area for the wells is expected to be orthodox. Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 18 miles southwest of Hobbs, New Mexico.

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

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

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

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

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, prominent 'D' and 'B'.

Deana M. Bennett
Attorney for Applicant

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

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

CASE NO. 24471

APPLICATION

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

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

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

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

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

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

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

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

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

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

wells;

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

edebrine@modrall.com

deana.bennett@modrall.com

varithza.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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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.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

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Deana M. Bennett
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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

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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.

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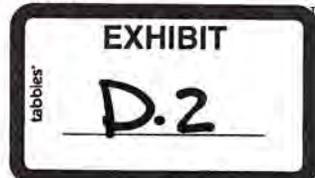
Karlene Schuman
Modrall Sperling Roehl Harris & Sisk P.A.
500 Fourth Street, Suite 1000
Albuquerque NM 87102

PS Form 3877

Type of Mailing: CERTIFIED MAIL
04/22/2024

Firm Mailing Book ID: 264821

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0120 2393 46	Marathon Oil Permian, LLC 990 Town and Country Blvd. Houston TX 77024	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
2	9314 8699 0430 0120 2393 53	WPX Energy Permian, LLC 333 W Sheridan Avenue Oklahoma City OK 73102	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
3	9314 8699 0430 0120 2393 60	Mewbourne Development Corporation 500 West Texas, Suite 1020 Midland TX 79701	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
4	9314 8699 0430 0120 2393 77	Mewbourne Oil Company 500 West Texas, Suite 1020 Midland TX 79701	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
5	9314 8699 0430 0120 2393 84	Alpha Energy Partners, LLC P.O. Box 10701 Midland TX 78702	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
6	9314 8699 0430 0120 2393 91	Northern Oil and Gas, Inc. 4350 Baker Road Minnetonka MN 55343	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
7	9314 8699 0430 0120 2394 07	Rutter & Wilbanks Corporation 301 SOUTH MAIN STREET MIDLAND TX 79701	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
8	9314 8699 0430 0120 2394 14	Victor J. Sirgo 3405 CHOATE PLACE MIDLAND TX 79707	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
9	9314 8699 0430 0120 2394 21	Chi Energy, Inc. PO BOX 1799 MIDLAND TX 79702	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
10	9314 8699 0430 0120 2394 38	Edna and Curtis Anderson Rev Trust Dtd 8.31.21 9314 CHERRY BROOK LANE FRISCO TX 75033	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
11	9314 8699 0430 0120 2394 45	Charles Wiggins and Deborah Wiggins PO BOX 10862 MIDLAND TX 79702	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
12	9314 8699 0430 0120 2394 52	Enerlex, Inc. 18452 EAST 111TH STREET Broken Arrow OK 74011	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
13	9314 8699 0430 0120 2394 69	Castle Royalties, LLC 15601 DALLAS PARKWAY SUITE 900 ADDISON TX 75001	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
14	9314 8699 0430 0120 2394 76	Stroube Energy Corporation 18208 Preston Rd, #D9249 Dallas TX 75252	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
15	9314 8699 0430 0120 2394 83	J.D. Sutton, Inc. HC 64 BOX 100 LOCO OK 73442	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice



Received by OCD: 8/7/2024 12:00:10 PM

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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
16	9314 8699 0430 0120 2394 90	Curtis Mewbourne, Trustee PO BOX 7698 TYLER TX 75711	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
17	9314 8699 0430 0120 2395 06	Prospector, LLC PO BOX 429 ROSWELL NM 88202	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
18	9314 8699 0430 0120 2395 13	Ridge Runner Resources Operating 4000 N. Big Spring Street, Ste 210 Midland TX 79701	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
19	9314 8699 0430 0120 2395 20	Coert Holdings 1, LLC 20 HORSENECK LANE GREENWICH CT 06830	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
20	9314 8699 0430 0120 2395 37	Muirfield Resources Company PO Box 3166 Tulsa OK 74101	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
21	9314 8699 0430 0120 2395 44	Caprock Resources, LLC PO Box 180573 Dallas TX 75218	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
22	9314 8699 0430 0120 2395 51	Thunder Moon Resources, LLC PO Box 670581 Dallas TX 75367	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
23	9314 8699 0430 0120 2395 68	Petro Tiger I, Ltd PO Box 3166 Tulsa OK 74101	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
24	9314 8699 0430 0120 2395 75	State of New Mexico, by and through its Commissioner of Public Lands PO Box 1148 Santa Fe NM 87540	\$1.87	\$4.40	\$2.32	\$0.00	10154.0001 Treble Notice
Totals:			\$44.88	\$105.60	\$55.68	\$0.00	
Grand Total:						\$206.16	



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

Received by OCD: 8/7/2024 12:00:10 PM

Page 69 of 91

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

USPS Article Number	Date Created	Reference Number	Name 1	Name 2	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
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9314869904300120239520	2024-04-22 10:47 AM	10154.0001Treb	Coert Holdings 1, LLC		GREENWICH	CT	06830	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-29 12:49 PM
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LEGAL	LEGAL	LEGAL	LEGAL
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Affidavit of Publicatio

LEGAL NOTICE
April 25, 2024

STATE OF NEW MEXICO
COUNTY OF LEA

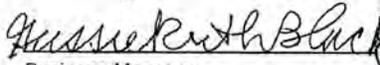
I, Daniel Russell, Publisher of the Hobbs News-Sun, a newspaper published at Hobbs, New Mexico, solemnly swear that the clipping attached hereto was published in the regular and entire issue of said newspaper, and not a supplement therefor a period of 1 issue(s).

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, Law 1937 and payment of fees for said publication has been made.



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.

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

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

SUPPLEMENTAL SELF-AFFIRMED
DECLARATION OF YARITHZA PENA

Yarithza Peña, attorney in fact and authorized representative of Franklin Mountain Energy, LLC, the Applicant herein, declares as follows:

- 1) Following the hearing in the above mentioned on May 16, 2024, we provided additional notice with respect to the overlapping spacing unit parties only.
- 2) The above-referenced Application was provided under notice letter, dated May 17, 2024, and attached hereto, as **Exhibit D.6**.
- 3) **Exhibit D.7** is the certified mailing tracking information, which is automatically complied by CertifiedPro, the software Modrall uses to track the mailings. This shows the name and address of the parties to whom notice was sent and proof of delivery.
- 4) I understand this Self-Affirmed Statement will be used as written testimony in the subject case. I affirm that my testimony above is true and correct and is made under penalty of perjury under the laws of the State of New Mexico. My testimony is made as of the date next to my signature below.

/s/ Yarithza Peña
Yarithza Peña

June 6, 2024
Date





MODRALL SPERLING

L A W Y E R S

May 17, 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. 24472

TO: AFFECTED PARTIES

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

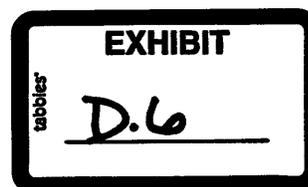
In Case No. 24472, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico. 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.

Modrall Sperling
Roehl Harris & Sisk P.A.

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Albuquerque,
New Mexico 87102

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Albuquerque,
New Mexico 87103-2168

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Page 2

This case was originally heard on May 16, 2024, and has been reset to June 13, 2024 for notice purposes only, beginning at 8:30 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <https://www.emnrd.nm.gov/ocd/hearing-info/>.

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

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

Sincerely,



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. 24472

APPLICATION

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

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

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

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

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

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

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

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

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

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

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

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
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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.

Released to Imaging: 9/13/2024 11:49:29 AM

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

PS Form 3877

Type of Mailing: CERTIFIED MAIL
05/17/2024

Firm Mailing Book ID: 266314

Received by OCD: 8/7/2024 12:00:10 PM

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0121 3231 74	North Fork Operating, LP 1000 W. Willshire Blvd, Suite 73116 Nichols Hills OK 73116	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001treble Notice
2	9314 8699 0430 0121 3231 81	Aguila Operating Company P.O. Box 14221 Oklahoma City OK 73113	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001treble Notice
3	9314 8699 0430 0121 3231 98	North Fork Land Management P.O. Box 56 Mustang OK 73064	\$1.63	\$4.40	\$2.32	\$0.00	10154.0001treble Notice
Totals:			\$4.89	\$13.20	\$6.96	\$0.00	
Grand Total:						\$25.05	

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

3

3

[Handwritten Signature]



Transaction Report Details - CertifiedPro.net
Firm Mail Book ID= 266314
Generated: 6/4/2024 9:10:40 AM

USPS Article Number	Date Created	Reference Number	Name 1	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300121323198	2024-05-17 2:50 PM	10154.0001treble	North Fork Land Management	Mustang	OK	73064	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-24 10:53 AM
9314869904300121323181	2024-05-17 2:50 PM	10154.0001treble	Aguila Operating Company	Oklahoma City	OK	73113	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-28 1:24 PM
9314869904300121323174	2024-05-17 2:50 PM	10154.0001treble	North Fork Operating, LP	Nichols Hills	OK	73116	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-22 9:34 AM

**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

SELF-AFFIRMED STATEMENT OF CAMERON JARRETT

Cameron Jarrett hereby states and declared as follows:

1. I am over the age of 18, I am the Drilling Manager for Franklin Mountain Energy 3, LLC ("FME3"), and have personal knowledge of the matters stated herein.

2. I have not previously testified before the Oil Conservation Division ("Division"). My resume is attached as Exhibit E-2.

3. I studied Petroleum and Natural Gas Engineering and Geology at West Virginia University and graduated in 2011.

4. After receiving my degree, I worked globally with Weatherford International managing a Real Time Operations Center that managed M/LWD ("Measure/Log While Drilling") survey quality and real time anticollision monitoring for six years. The real time center areas of operations included Kingdom of Saudi Arabia, Abu-Dhabi, Gulf of Thailand, Western Africa On/Off-shore, Canada SAGD development (extremely close approach wells), all US On/Offshore basins and over 100 rigs.

5. After leaving Weatherford International I have been a Drilling Engineer operating in the Permian Basin for seven years with PDC Energy, Pioneer Natural Resources, Jagged Peak Energy, Parsley Energy, Greenlake Energy and currently I am the Drilling Manager for FME3.

6. During my career I have consistently been the internal subject matter expert for real time survey corrections (SAG, MSA, IFR) and Anti-Collision standard operating procedure development/implementation. In sum, my education and experience relate to locating and developing close approach wells, which is what I understand North Fork Land Management, LP and Aquila Operating Company, LLC (collectively "North Fork") are concerned about with respect to FME3's Treble State Com 703H and 803H wells.

7. My work for FME3 includes the Permian Basin and Lea County.

8. Based on my education, my over 13-years' experience with anticollision management and development strategies, in my opinion:

- FME3 will be able to develop the Treble State Com 703H and Treble State Com 803H with no risk of collision with the Toro 27 #005 well.
- Currently the Treble State Com 703H is planned to be 262' west of the existing Toro 27 #005 well and the Treble State Com 803H is planned to be 426' east of the existing Toro 27 #005 well.
- FME3 utilizes industry leading survey corrections to ensure accurate wellbore placement and to reduce anti-collision risk on all of our developments.
- FME3 has successfully developed wells with a closer approach with zero well collisions in Lea County.

9. In addition, FME3 will notify North Fork in advance of FME3's fracturing and completion of the Treble State Com 703H and 803H wells, to allow North Fork time to shut in the Toro 27 #005 well.

10. I have prepared slides, attached as Exhibit E-I, identifying the location of FME3's proposed Treble 703H and 803H wells and the existing North Fork well, along with slides explaining why, in my opinion, the FME3 wells do not pose a collision risk with the existing North Fork well.

11. The exhibits to my self-affirmed statement were prepared by me, or compiled from company business records, or were prepared at my direction or supervision.

12. I attest under penalty of perjury 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 and I will adopt this testimony at the hearing in this matter.

Dated: August 5, 2024

A handwritten signature in black ink, appearing to read "Cameron Jarrett", is positioned above a horizontal line.

Cameron Jarrett



FRANKLIN MOUNTAIN ENERGY

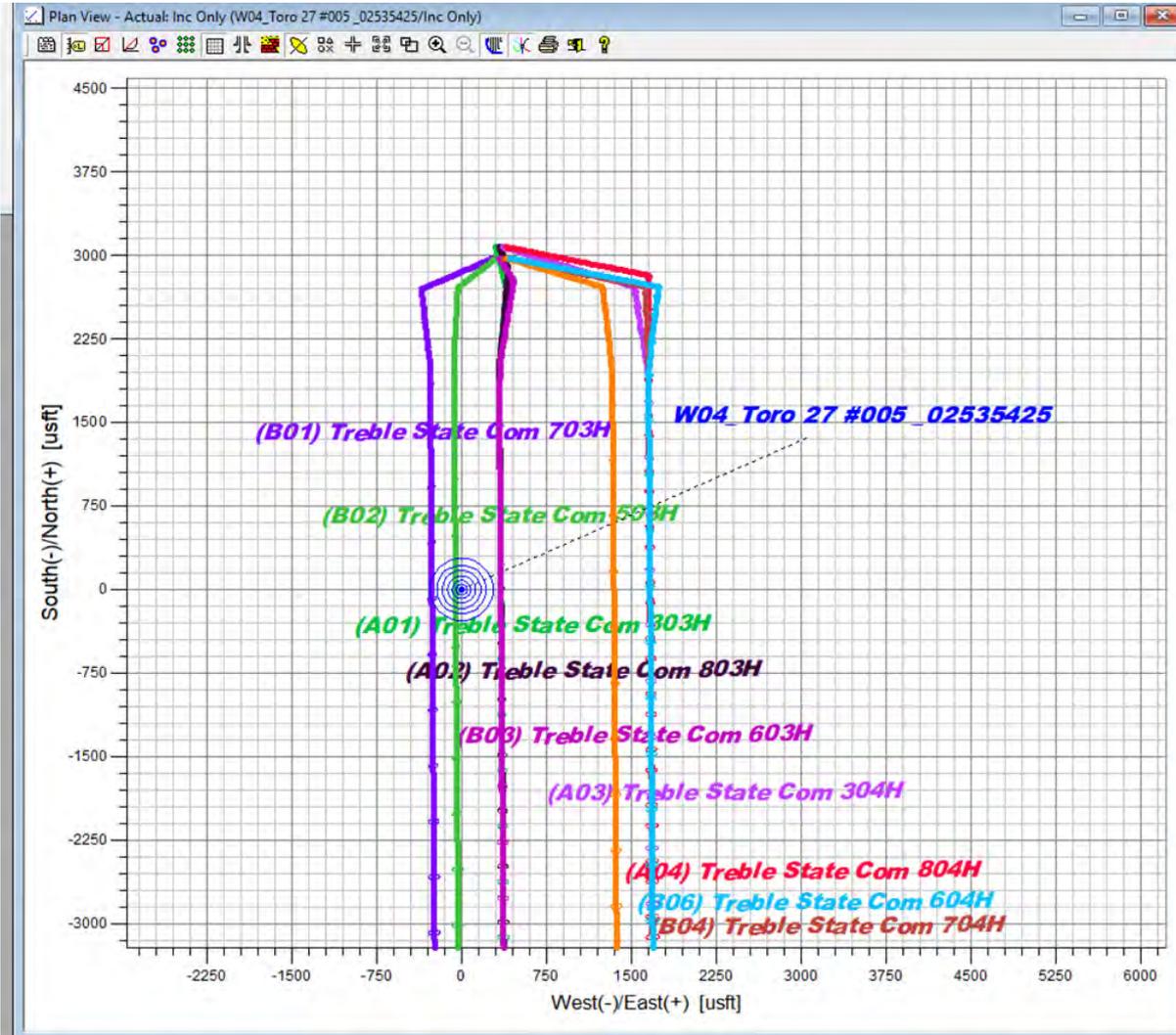
Treble State Com 703H, Treble State Com 803H

Case No. 24472

Wolfcamp

Exhibit E-1

Overview of Well Placement



- Franklin Mountain Energy 3, LLC (FME3) has plans to develop two wells (Treble State Com 703H and Treble State Com 803H) that will be approximately 262 feet west and 426 feet east respectively of an existing vertical well (Toro 27 #005) operated by North Fork.
- North Fork is concerned their well is at risk from an anti-collision standpoint

Treble State Com 703H Anti-collision Report



Anticollision Report

Company:	Franklin Mountain Energy LLC	Local Co-ordinate Reference:	Well (B01) Treble State Com 703H - Slot (B01) TSC 703H
Project:	PV_Lea County, NM(N83-NME3001)	TVD Reference:	3729+30 @ 3759.00usft
Reference Site:	Treble East Pad	MD Reference:	3729+30 @ 3759.00usft
Site Error:	0.00 usft	North Reference:	Grid
Reference Well:	(B01) Treble State Com 703H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	703H	Database:	TZ USA 17.2
Reference Design:	APD-Rev01	Offset TVD Reference:	Offset Datum

- 262' center to center with the Toro 27 #005
- .861 separation factor
- Manageable Anti-Collision risk
 - FME3 can and will shade (i.e., micro move during drilling) 40' to the west in order to eliminate all anti-collision risk.

Site Name	Reference	Offset	Distance		Separation Factor	Warning
	Measured Depth (usft)	Measured Depth (usft)	Between Centres (usft)	Between Ellipses (usft)		
Treble State Com Offsets_Outside UL						
W01_Sparrow 27 #002_02539131 - Inc Only - Inc Only	14,724.01	10,868.49	294.49	4.30	1.015	Level 3, CC, ES, SF
W02_Sparrow 27 #003_02525180 - Inc Only - Inc Only	11,859.94	10,920.57	192.29	-93.37	0.673	Level 3, CC, ES, SF
W03_Sparrow 27 State #001_02530500 - Inc Only - Inc O	12,850.54	10,885.21	1,869.32	781.90	0.788	CC, ES, SF
W04_Toro 27 #005_02535425 - Inc Only - Inc Only	13,420.79	10,889.40	262.33	-42.20	0.861	Level 3, CC, ES, SF
W06_Toro 27 State Com #001_02534638 - Inc Only - Inc	14,843.99	10,888.41	1,368.41	1,084.98	4.828	CC, ES, SF
W07*_Hooper #1_02503210 - Depth Only - Depth Only	5,600.00	5,500.00	1,229.78	1,020.20	5.868	CC, ES, SF
W08*_East Pearl Queen Unit #19_02503223 - Depth On	5,100.00	4,899.00	1,739.53	1,545.16	8.950	SF
W08*_East Pearl Queen Unit #19_02503223 - Depth On	5,145.58	4,899.00	1,738.93	1,544.87	8.961	CC, ES
W13*_East Pearl Queen Unit #026_02503222 - Depth O	5,100.00	4,880.00	2,836.89	2,644.77	14.766	SF
W13*_East Pearl Queen Unit #026_02503222 - Depth O	5,199.06	4,880.00	2,835.16	2,643.21	14.770	CC, ES
W14*_East Pearl Queen Unit #032_02503220 - Depth O	6,000.00	5,699.00	4,011.96	3,790.57	18.121	SF
W14*_East Pearl Queen Unit #032_02503220 - Depth O	6,082.65	5,699.00	4,011.11	3,789.78	18.123	CC, ES

Treble State Com 803H Anti-collision Report



Anticollision Report

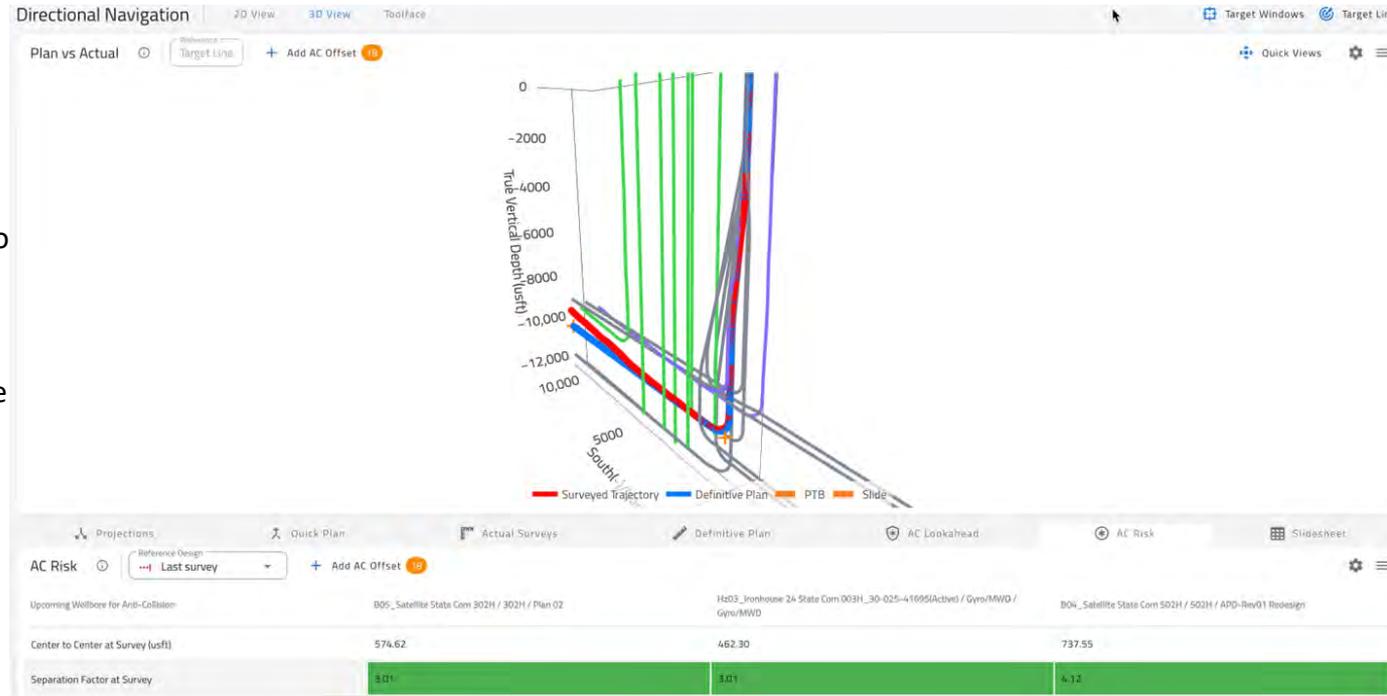
Company:	Franklin Mountain Energy LLC	Local Co-ordinate Reference:	Well (A02) Treble State Com 803H - Slot (A02) TSC 803H
Project:	PV_Lea County, NM(N83-NME3001)	TVD Reference:	3729+30 @ 3759.00usft
Reference Site:	Treble East Pad	MD Reference:	3729+30 @ 3759.00usft
Site Error:	0.00 usft	North Reference:	Grid
Reference Well:	(A02) Treble State Com 803H	Survey Calculation Method:	Minimum Curvature
Well Error:	0.00 usft	Output errors are at	2.00 sigma
Reference Wellbore	803H	Database:	TZ USA 17.2
Reference Design:	APD-Rev01	Offset TVD Reference:	Offset Datum

Site Name	Reference Measured Depth (usft)	Offset Measured Depth (usft)	Distance		Separation Factor	Warning
			Between Centres (usft)	Between Ellipses (usft)		
Treble State Com Offsets_Outside UL						
W01_Sparrow 27 #002_02539131 - Inc Only - Inc Only	15,316.19	11,150.00	354.63	87.81	1.329	Level 3, CC, ES, SF
W02_Sparrow 27 #003_02525180 - Inc Only - Inc Only	12,453.05	11,362.60	418.24	134.14	1.472	Level 3, CC, ES, SF
W03_Sparrow 27 State #001_02538568 - Inc Only - Inc O	13,442.81	11,130.00	1,663.07	1,388.23	6.051	CC, ES
W04_Toro 27 #005_02535425 - Inc Only - Inc Only	14,012.97	11,085.00	426.86	171.43	1.671	CC, ES, SF
W06_Toro 27 State Com #001_02534638 - Inc Only - Inc	15,136.20	11,331.02	1,879.71	1,684.44	6.734	CC, ES
W06_Toro 27 State Com #001_02534638 - Inc Only - Inc	15,500.00	11,331.02	1,979.77	1,685.44	6.726	SF
W07*_Hooper #1_02503210 - Depth Only - Depth Only	5,585.61	5,500.00	1,394.59	1,182.35	6.571	CC, ES, SF
W08*_East Pearl Queen Unit #19_02503223 - Depth On	4,947.10	4,899.00	2,194.71	2,006.67	11.671	CC, ES, SF
W13*_East Pearl Queen Unit #026_02503222 - Depth O	4,991.77	4,880.00	3,186.87	2,998.01	16.874	CC, ES
W13*_East Pearl Queen Unit #026_02503222 - Depth O	5,000.00	4,880.00	3,186.89	2,998.02	16.874	SF
W14*_East Pearl Queen Unit #032_02503220 - Depth O	5,824.50	5,699.00	4,342.64	4,123.02	19.773	CC, ES, SF

- 426' center to center with the Toro 27 #005
- Separation factor of 1.671
- Zero Anti-Collision risk

Conclusions

- FME3 has a proven track record in Lea County of executing Horizontal wells near vertical offset wells without hitting a well
- FME3 uses industry leading real time survey corrections (MWD+IFR1+MS) to shrink our error of uncertainty and ensure accurate wellbore placement
- FME3 uses real time monitoring software that every stake holder in the operation has access to in order to monitor for Anti-collision concerns
- FME 3 has a proven Anti-Collision policy developed from high density in-fill projects globally



Cameron L. Jarrett

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Professional Career Direction:

- To secure a professional position with an organization that values and rewards personal achievement, innovation and attainment of results. My ideal position would focus in the functional area of Drilling Engineering, and as a valued team member with an Operator in the Oil and Gas Industry.

Occupational Exposures:**Drilling Manager Franklin Mountain Energy, Delaware Basin (July 2023-Present)**

- Managing a fleet of 5 super spec rigs operating in the North Eastern Delaware Basin in New-Mexico
- Developed and Implemented well construction that drove down tangible costs by 14% and increased footage per day across the fleet by 24%
- Successfully executed a WBM drilling campaign that was optimized by monitoring on bottom performance vs OBM displacement depth which saved ~\$110,000/well in Northern Lea County
- Zero recordables since Q3 even with the focus on performance

Drilling Manager Greenlake Energy, Delaware Basin (August 2021-July 2023)

- Managed a two-rig development team with doughnut hole acreage across the Texas Delaware Basin
- Demonstrated extreme capital discipline to ensure low rate of return assets would yield budgeted returns (within 3% of budget on projects)
- Developed in house data solutions and reporting standards to increase transparency with respect to Field costs vs AFE costs
- Managed all phases of procurement for drilling projects
- Executed the first one run curve and 10,000' lateral in the Wolfcamp A and B in Reeves County, TX utilizing conventional directional tools
- Developed a de-manned setup for solids control to reduce costs while utilizing reserve pits and reduce HSE/Environmental risks.

Drilling Engineer Franklin Mountain Energy, Delaware Basin (April 2021-August 2021)

- Focused on the application of physics based drilling practices and developing strategies to remove all performance limiters from operations.
- Managed two H&P flex 5's drilling 2+ mile laterals on BLM land in NM
- ROP improvements per section included a 200% increase in ROP in the 12.25in section, a 60% increase in ROP in the 8.75in section and a 40% reduction in BHA's per well.
- Developed real time cost dash boards for all areas of operation (D,C,FAC) in order to accurately track cost vs AFE.

Drilling Engineer Parsley Energy, Delaware and Midland Basin (Feb 2020-Feb 2021)

- Lead Engineer for H&P 536 (Flex 5) and H&P 261 (Flex 3W) in the Delaware Basin
- Consistently delivered performance improvements during the transition from JPE to Parsley by being data driven and transparent with entire operations team.
- Delivered two Delaware basin Wolfcamp A wells under 3MM pre-COVID shut down
- During operations shutdown (4/2020-7-2020) my primary task was to deliver area specific performance evaluation of the Delaware Basin. Part of this study was dedicated to understanding the regional stresses and rock mechanics that led directly to optimized casing points, mud weights, TOOHPROCEDURES and zero train wrecks upon operations restart in 7/2020.
- Currently working in a Remote Drilling Superintendent role watching four rigs per tour.
- Team wins include a 50% increase in ft/operational day, a 34% reduction in \$/lat/ft in the Delaware Basin.

Performance Drilling Engineer Parsley Energy/Jagged Peak, Delaware Basin (June 2019-Feb 2020):

- Provide on-site support and training of Physics based drilling principles to rig-site personnel including Well Site Supervisor, Superintendents, Rig Manager, Drillers, Directional Drillers, etc.

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Exhibit E-2

- Relay performance limiter and related findings to Drilling Engineers and Drilling Manager. Identify and communicate additional areas of improvement (reduction in flat time).
- Evaluate and roll out new technology on all five rigs (Auto-Das, Back-2-Drilling, Corva)
- Team performance improvements include a reduction of 5 days in 2-mile Wolfcamp/3rd Bone Springs wells, and a 50% reduction in BHA's per interval (Intermediate and lateral hole sections)
- In depth intermediate analysis lead directly to a well construction change for entire well program.

PX Drilling Engineer Pioneer Natural Resources, Midland Basin (November 2018-June 2019):

- Contract Performance Engineer focused on limiter redesign for entire rig fleet from the field and remote operations center
- Conduct new Driller, Company Man, and Engineer training covering connection practices, Auto-Driller setup, Torque and Drag, Hydraulics, Hole cleaning and advanced well design.
- Provided an economic study with respect to mud motors in the 12.25in section that directly led to a reduction in 2.1 days from the fleet average in the Intermediate (23 rigs).

Drilling and Completions Engineer PDC Permian, Delaware Basin (January 2018-November 2018):

- Responsible for completion design, perforations, stage spacing, and fluid type.
- Successfully optimized completion design to reduce well completion costs by 600k per well through stage spacing, perforating design, and produced water usage.
- Increased average stages per day by 50% by utilizing higher pump rates, ball in place plugs, greaseless line and hydro-latch systems.
- Successfully utilized treated produced water for up to 75% of total completion design with no degradation of sand concentrations or increased chemical costs
- Manage and design all aspects of wells drilled by Precision 609

Drilling Engineer PDC Permian, Delaware Basin (December 2016-January 2018):

- Operated as the Night Company Representative on Ensign 777 until 08/17 then moved to an office role covering rigs
- Drilled primarily Wolfcamp A,B and C wells (1, 1.5, 2-Mile laterals) in the Southern Delaware basin
- Successfully reduced drilling days from 40+ days to 30 days by using real time data analytics and BHA design
- Effectively used managed pressure drilling techniques to drill within tight PP/FG windows
- Developed new AFE codes and estimate sheets to allow for more accurate field cost tracking (fleet now within 5% of actuals)
- Responsible for AFE justification, casing design, rig commissioning, mud and cement designs
- Projects consisted of multi-well pad development (4-6 wells) with complex tangents and directional surface to eliminate AC concerns and eliminate the need for directional work in ratty or "drop" zones

Drilling Engineering and RTOC US Manager Weatherford, US Land and Offshore (November 2014-December 2016)

- Managed budgets and revenue for US Real Time Operating Center and Drilling Engineering.
- Managed a group of 24 people covering Drilling Engineering, Well Planning, and Real Time operations.
- Develop business strategy for Real Time Engineering product line.
- Define Engineering Product Line and Services
- Develop Engineering software to meet Weatherford Drilling Services Engineering needs.
- Approve all BHA design changes in the US Region

Lead Drilling Optimization Specialist V Weatherford, US Land and Offshore (Jun 2013- November 2014):

- Lead a group of five engineers that cover all drilling engineering needs for Weatherford in North America
- Responsible for creating and calibrating models for Torque and Drag, Hydraulics, and BHA Design
- Setup and maintain Drilling Optimization software; Monitor rig activity real-time
- Pre-well TnD planning, as well as post-well analysis to determine areas to cut drilling time
- Work extensively with WITS0 and WITSML data streams for real-time optimization
- Using Drilling Optimization software to plot real time drilling parameters, and using this data to validate and refine models to identify sources of NPT
- Design BHA's to optimize drilling in horizontal wells

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Well Planner III Weatherford, Appalachian Basin (March 2012- Jun 2013):

- Design and optimize well paths that meet client's directional requests.
- Ability to be on call 24/7/365
- Design multi-well pads to avoid collision risks while maintaining an optimal trajectory for drilling
- Responsible for creating models for Torque and Drag, Hydraulics, and BHA Design

MWD Engineer Weatherford, Appalachian Basin (Aug 2011-March 2012):

- Manage a day tower on location and full equipment rig up
- Build and troubleshoot a complete M/LWD tool string on surface and downhole
- Quality control for all directional tools
- Maintain relationships with Operators

Education and Training:

Bachelors of Science in Geology- Petroleum and Natural Gas Engineering, West Virginia University (August 2011)

K&M Technology Extended Reach and Horizontal Well Planning/Construction Class

Current Wild Well Control Certification (IADC Wellsharp Supervisor Level) Exp 7/24

Supplemental Skills:

- Extreme level of understanding with respect to Drilling Engineering and Slick-water Completions in the Delaware and Midland Basin
- Great knowledge of LGC Compass WellPlan / DecisionSpace, ERA, DrillScan, and GOHFER
- Very well versed with Spotfire
- Proficient with the use of Microstation and CAD 2012.
- Excellent knowledge of Microsoft Office.

Publications:

SPE 180400-MS: Drilling Engineering and Formation Evaluation: An integrated Approach to Improve Real Time Drilling Optimization.

SPE-184744-MS: Real-Time Drilling Optimization and Rig Activity-Based Models Deliver Best-In-Class Drilling Performance: Case History

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