

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 Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
August 1, 2011

Permit 370178

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address Franklin Mountain Energy 3, LLC 44 Cook Street Denver, CO 80206		2. OGRID Number 331595
		3. API Number 30-025-53245
4. Property Code 336100	5. Property Name FOXTAIL STATE COM	6. Well No. 601H

7. Surface Location

UL - Lot N	Section 5	Township 19S	Range 35E	Lot Idn N	Feet From 71	N/S Line S	Feet From 1874	E/W Line W	County Lea
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8. Proposed Bottom Hole Location

UL - Lot D	Section 5	Township 19S	Range 35E	Lot Idn D	Feet From 100	N/S Line N	Feet From 800	E/W Line W	County Lea
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9. Pool Information

SCHARB;BONE SPRING	55610
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Additional Well Information

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type State	15. Ground Level Elevation 3861
16. Multiple N	17. Proposed Depth 15216	18. Formation Bone Spring	19. Contractor	20. Spud Date 9/1/2024
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1862	1432	0
Int1	12.25	9.625	40	4099	867	0
Prod	8.75	7	32	9836	472	3099
Prod	8.75	5.5	20	15216	1344	9836

Casing/Cement Program: Additional Comments

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22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	10000	5000	CACTUS

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ if applicable. Signature: Printed Name: Electronically filed by Rachael A Overbey Title: Project Manager Email Address: roverbey@fmellc.com Date: 7/17/2024		OIL CONSERVATION DIVISION Approved By: Paul F Kautz Title: Geologist Approved Date: 7/24/2024 Expiration Date: 7/24/2026 Conditions of Approval Attached		
				Phone: 303-570-4057

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 55610	³ Pool Name SCHARB; BONE SPRING
⁴ Property Code	⁵ Property Name FOXTAIL STATE COM	⁶ Well Number 601H
⁷ OGRID No. 331595	⁸ Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	⁹ Elevation 3861.9'

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
N	5	19S	35E		71	SOUTH	1874	WEST	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
D	5	19S	35E		100	NORTH	800	WEST	LEA
¹² Dedicated Acres 159.61	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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

16

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°40'57.30" (32.682583°)
LONGITUDE = -103°28'55.20" (-103.482001°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°40'56.85" (32.682459°)
LONGITUDE = -103°28'53.43" (-103.481509°)
STATE PLANE NAD 83 (N.M. EAST)
N: 613105.76' E: 803270.65'
STATE PLANE NAD 27 (N.M. EAST)
N: 613041.88' E: 762090.57'

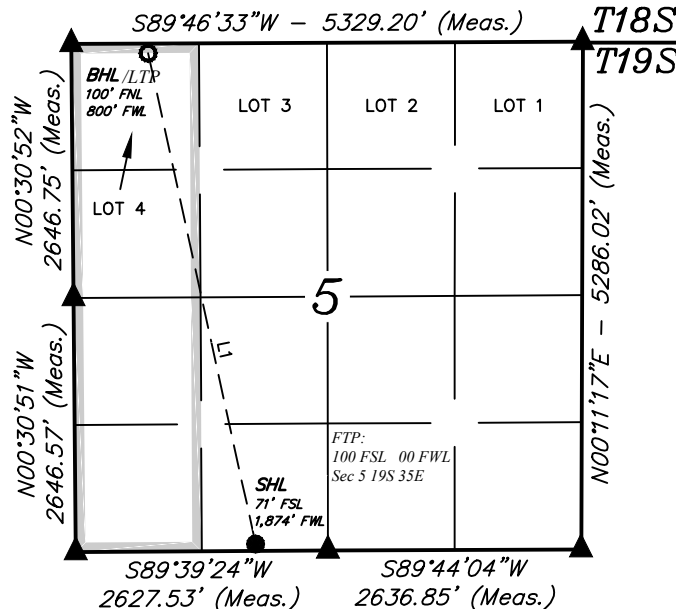
NAD 83 (BOTTOM HOLE LOCATION)
LATITUDE = 32°41'47.93" (32.696647°)
LONGITUDE = -103°29'08.09" (-103.485579°)
NAD 27 (BOTTOM HOLE LOCATION)
LATITUDE = 32°41'47.48" (32.696523°)
LONGITUDE = -103°29'06.31" (-103.485087°)
STATE PLANE NAD 83 (N.M. EAST)
N: 618213.77' E: 802128.75'
STATE PLANE NAD 27 (N.M. EAST)
N: 618149.70' E: 760948.83'

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N12°21'30"W	5234.94'

NOTE:

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

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



SCALE
DRAWN BY: T.I.R. 01-11-24

¹⁷ OPERATOR CERTIFICATION

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

Signature: *Rachael Overbey* Date: 1/30/2024

Printed Name: Rachael Overbey

E-mail Address: roverbey@fmlc.com

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.

JANUARY 5, 2024

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number:

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Conditions
Permit 370178

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: Franklin Mountain Energy 3, LLC [331595] 44 Cook Street Denver, CO 80206		API Number: 30-025-53245
		Well: FOXTAIL STATE COM #601H
OCD Reviewer	Condition	
pkautz	Notify OCD 24 hours prior to casing & cement	
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	
pkautz	If cement does not circulate on any string, a CBL is required for that string of casing	
pkautz	The Operator is to notify NMOCD by sundry (Form C-103) within ten (10) days of the well being spud	



Franklin Mountain Energy LLC

PV_Lea County, NM(N83-NME3001)

Foxtail State Com West

(04) Foxtail State Com 601H - Slot Foxtail 601H

601H

Plan: APD-Rev01

Standard Planning Report - Geographic

22 February, 2024



Planning Report - Geographic

Database:	TZ USA 17.2	Local Co-ordinate Reference:	Well (04) Foxtail State Com 601H - Slot Foxtail 601H
Company:	Franklin Mountain Energy LLC	TVD Reference:	3861+30 @ 3891.00usft
Project:	PV_Lea County, NM(N83-NME3001)	MD Reference:	3861+30 @ 3891.00usft
Site:	Foxtail State Com West	North Reference:	Grid
Well:	(04) Foxtail State Com 601H	Survey Calculation Method:	Minimum Curvature
Wellbore:	601H		
Design:	APD-Rev01		

Project	PV_Lea County, NM(N83-NME3001)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	Foxtail State Com West		
Site Position:		Northing:	613,104.84 usft
From:	Map	Easting:	803,180.67 usft
Position Uncertainty:	0.00 usft	Slot Radius:	13-3/16 "
		Latitude:	32.68258262
		Longitude:	-103.48229337

Well	(04) Foxtail State Com 601H - Slot Foxtail 601H		
Well Position	+N/-S	0.00 usft	Northing: 613,105.76 usft
	+E/-W	0.00 usft	Easting: 803,270.65 usft
Position Uncertainty	0.00 usft	Wellhead Elevation:	usft
Grid Convergence:	0.46 °	Ground Level:	3,861.00 usft

Wellbore	601H		
Magnetics	Model Name	Sample Date	Declination (°)
	IGRF2020	2/3/2024	6.23
			Dip Angle (°)
			60.24
			Field Strength (nT)
			47,494.99725403

Design	APD-Rev01		
Audit Notes:			
Version:	Phase:	PLAN	Tie On Depth: 0.00
Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)
	0.00	0.00	0.00
			Direction (°)
			359.24

Plan Survey Tool Program	Date	2/21/2024		
Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	15,216.20 APD-Rev01 (601H)	MWD+IFR1+MS	
			OWSG MWD + IFR1 + Multi-S	



Planning Report - Geographic

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Project:	PV_Lea County, NM(N83-NME3001)	MD Reference:	3861+30 @ 3891.00usft
Site:	Foxtail State Com West	North Reference:	Grid
Well:	(04) Foxtail State Com 601H	Survey Calculation Method:	Minimum Curvature
Wellbore:	601H		
Design:	APD-Rev01		

Plan Sections										
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,009.21	7.64	273.44	2,007.70	2.03	-33.83	1.50	1.50	0.00	273.44	
8,901.10	7.64	273.44	8,838.45	56.95	-948.22	0.00	0.00	0.00	0.00	
9,664.92	0.00	0.00	9,600.00	60.00	-998.97	1.00	-1.00	0.00	180.00	
9,835.96	0.00	0.00	9,771.04	60.00	-998.97	0.00	0.00	0.00	0.00	
10,735.96	90.00	353.20	10,344.00	628.93	-1,066.81	10.00	10.00	0.00	353.20	
11,038.12	90.00	359.24	10,344.00	930.29	-1,086.71	2.00	0.00	2.00	90.00	
15,216.20	90.00	359.24	10,344.00	5,108.01	-1,141.90	0.00	0.00	0.00	0.00	02-PBHL(FTSC-601H)



Planning Report - Geographic

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Site:	Foxtail State Com West	North Reference:	Grid
Well:	(04) Foxtail State Com 601H	Survey Calculation Method:	Minimum Curvature
Wellbore:	601H		
Design:	APD-Rev01		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.00	0.00	0.00	0.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
30.00	0.00	0.00	30.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
Cenozoic Alluvium (surface)									
100.00	0.00	0.00	100.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
200.00	0.00	0.00	200.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
300.00	0.00	0.00	300.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
400.00	0.00	0.00	400.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
500.00	0.00	0.00	500.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
600.00	0.00	0.00	600.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
700.00	0.00	0.00	700.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
800.00	0.00	0.00	800.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
900.00	0.00	0.00	900.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
1,000.00	0.00	0.00	1,000.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
1,100.00	0.00	0.00	1,100.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
1,200.00	0.00	0.00	1,200.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
1,300.00	0.00	0.00	1,300.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
1,400.00	0.00	0.00	1,400.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
1,500.00	0.00	0.00	1,500.00	0.00	0.00	613,105.76	803,270.65	32.68258317	-103.48200093
1,600.00	1.50	273.44	1,599.99	0.08	-1.31	613,105.84	803,269.34	32.68258341	-103.48200517
1,700.00	3.00	273.44	1,699.91	0.31	-5.23	613,106.08	803,265.42	32.68258414	-103.48201790
1,800.00	4.50	273.44	1,799.69	0.71	-11.75	613,106.47	803,258.89	32.68258536	-103.48203911
1,811.34	4.67	273.44	1,811.00	0.76	-12.66	613,106.52	803,257.99	32.68258553	-103.48204205
Rustler									
1,900.00	6.00	273.44	1,899.27	1.25	-20.89	613,107.02	803,249.76	32.68258707	-103.48206877
2,009.21	7.64	273.44	2,007.70	2.03	-33.83	613,107.80	803,236.82	32.68258950	-103.48211082
2,100.00	7.64	273.44	2,097.69	2.76	-45.88	613,108.52	803,224.77	32.68259175	-103.48214995
2,163.88	7.64	273.44	2,161.00	3.26	-54.35	613,109.03	803,216.30	32.68259334	-103.48217748
Salado									
2,200.00	7.64	273.44	2,196.80	3.55	-59.14	613,109.32	803,211.50	32.68259423	-103.48219304
2,300.00	7.64	273.44	2,295.91	4.35	-72.41	613,110.11	803,198.24	32.68259672	-103.48223614
2,400.00	7.64	273.44	2,395.03	5.15	-85.68	613,110.91	803,184.97	32.68259920	-103.48227924
2,500.00	7.64	273.44	2,494.14	5.94	-98.95	613,111.71	803,171.70	32.68260168	-103.48232234
2,600.00	7.64	273.44	2,593.25	6.74	-112.21	613,112.50	803,158.43	32.68260416	-103.48236543
2,700.00	7.64	273.44	2,692.36	7.54	-125.48	613,113.30	803,145.17	32.68260665	-103.48240853
2,800.00	7.64	273.44	2,791.48	8.33	-138.75	613,114.10	803,131.90	32.68260913	-103.48245163
2,900.00	7.64	273.44	2,890.59	9.13	-152.02	613,114.89	803,118.63	32.68261161	-103.48249473
3,000.00	7.64	273.44	2,989.70	9.93	-165.29	613,115.69	803,105.36	32.68261409	-103.48253782
3,100.00	7.64	273.44	3,088.81	10.72	-178.55	613,116.49	803,092.10	32.68261658	-103.48258092
3,192.00	7.64	273.44	3,180.00	11.46	-190.76	613,117.22	803,079.89	32.68261886	-103.48262057
Base Salt									
3,200.00	7.64	273.44	3,187.93	11.52	-191.82	613,117.28	803,078.83	32.68261906	-103.48262402
3,300.00	7.64	273.44	3,287.04	12.32	-205.09	613,118.08	803,065.56	32.68262154	-103.48266712
3,400.00	7.64	273.44	3,386.15	13.11	-218.36	613,118.88	803,052.29	32.68262402	-103.48271022
3,481.57	7.64	273.44	3,467.00	13.76	-229.18	613,119.53	803,041.47	32.68262605	-103.48274537
Yates									
3,500.00	7.64	273.44	3,485.27	13.91	-231.62	613,119.68	803,039.02	32.68262651	-103.48275331
3,600.00	7.64	273.44	3,584.38	14.71	-244.89	613,120.47	803,025.76	32.68262899	-103.48279641
3,700.00	7.64	273.44	3,683.49	15.51	-258.16	613,121.27	803,012.49	32.68263147	-103.48283951
3,800.00	7.64	273.44	3,782.60	16.30	-271.43	613,122.07	802,999.22	32.68263395	-103.48288261
3,897.26	7.64	273.44	3,879.00	17.08	-284.33	613,122.84	802,986.32	32.68263637	-103.48292452
Seven Rivers									
3,900.00	7.64	273.44	3,881.72	17.10	-284.69	613,122.86	802,985.95	32.68263644	-103.48292570
4,000.00	7.64	273.44	3,980.83	17.90	-297.96	613,123.66	802,972.69	32.68263892	-103.48296880



Planning Report - Geographic

Database:	TZ USA 17.2	Local Co-ordinate Reference:	Well (04) Foxtail State Com 601H - Slot Foxtail 601H
Company:	Franklin Mountain Energy LLC	TVD Reference:	3861+30 @ 3891.00usft
Project:	PV_Lea County, NM(N83-NME3001)	MD Reference:	3861+30 @ 3891.00usft
Site:	Foxtail State Com West	North Reference:	Grid
Well:	(04) Foxtail State Com 601H	Survey Calculation Method:	Minimum Curvature
Wellbore:	601H		
Design:	APD-Rev01		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
4,100.00	7.64	273.44	4,079.94	18.69	-311.23	613,124.46	802,959.42	32.68264140	-103.48301190
4,200.00	7.64	273.44	4,179.06	19.49	-324.50	613,125.25	802,946.15	32.68264388	-103.48305500
4,300.00	7.64	273.44	4,278.17	20.29	-337.77	613,126.05	802,932.88	32.68264637	-103.48309809
4,400.00	7.64	273.44	4,377.28	21.08	-351.03	613,126.85	802,919.62	32.68264885	-103.48314119
4,500.00	7.64	273.44	4,476.39	21.88	-364.30	613,127.64	802,906.35	32.68265133	-103.48318429
4,600.00	7.64	273.44	4,575.51	22.68	-377.57	613,128.44	802,893.08	32.68265381	-103.48322739
4,692.31	7.64	273.44	4,667.00	23.41	-389.82	613,129.18	802,880.83	32.68265610	-103.48326717
Queen									
4,700.00	7.64	273.44	4,674.62	23.47	-390.84	613,129.24	802,879.81	32.68265630	-103.48327048
4,800.00	7.64	273.44	4,773.73	24.27	-404.10	613,130.03	802,866.54	32.68265878	-103.48331358
4,900.00	7.64	273.44	4,872.84	25.07	-417.37	613,130.83	802,853.28	32.68266126	-103.48335668
5,000.00	7.64	273.44	4,971.96	25.86	-430.64	613,131.63	802,840.01	32.68266374	-103.48339978
5,100.00	7.64	273.44	5,071.07	26.66	-443.91	613,132.43	802,826.74	32.68266622	-103.48344288
5,200.00	7.64	273.44	5,170.18	27.46	-457.17	613,133.22	802,813.47	32.68266871	-103.48348597
5,300.00	7.64	273.44	5,269.30	28.26	-470.44	613,134.02	802,800.21	32.68267119	-103.48352907
5,400.00	7.64	273.44	5,368.41	29.05	-483.71	613,134.82	802,786.94	32.68267367	-103.48357217
5,500.00	7.64	273.44	5,467.52	29.85	-496.98	613,135.61	802,773.67	32.68267615	-103.48361527
5,600.00	7.64	273.44	5,566.63	30.65	-510.24	613,136.41	802,760.40	32.68267864	-103.48365836
5,700.00	7.64	273.44	5,665.75	31.44	-523.51	613,137.21	802,747.14	32.68268112	-103.48370146
5,800.00	7.64	273.44	5,764.86	32.24	-536.78	613,138.00	802,733.87	32.68268360	-103.48374456
5,900.00	7.64	273.44	5,863.97	33.04	-550.05	613,138.80	802,720.60	32.68268608	-103.48378766
6,000.00	7.64	273.44	5,963.08	33.83	-563.32	613,139.60	802,707.33	32.68268856	-103.48383075
6,100.00	7.64	273.44	6,062.20	34.63	-576.58	613,140.39	802,694.06	32.68269105	-103.48387385
6,200.00	7.64	273.44	6,161.31	35.43	-589.85	613,141.19	802,680.80	32.68269353	-103.48391695
6,262.24	7.64	273.44	6,223.00	35.92	-598.11	613,141.69	802,672.54	32.68269507	-103.48394377
Delaware Mtn Group									
6,300.00	7.64	273.44	6,260.42	36.22	-603.12	613,141.99	802,667.53	32.68269601	-103.48396005
6,400.00	7.64	273.44	6,359.54	37.02	-616.39	613,142.79	802,654.26	32.68269849	-103.48400315
6,500.00	7.64	273.44	6,458.65	37.82	-629.65	613,143.58	802,640.99	32.68270097	-103.48404624
6,600.00	7.64	273.44	6,557.76	38.62	-642.92	613,144.38	802,627.73	32.68270346	-103.48408934
6,700.00	7.64	273.44	6,656.87	39.41	-656.19	613,145.18	802,614.46	32.68270594	-103.48413244
6,800.00	7.64	273.44	6,755.99	40.21	-669.46	613,145.97	802,601.19	32.68270842	-103.48417554
6,900.00	7.64	273.44	6,855.10	41.01	-682.72	613,146.77	802,587.92	32.68271090	-103.48421863
7,000.00	7.64	273.44	6,954.21	41.80	-695.99	613,147.57	802,574.66	32.68271338	-103.48426173
7,100.00	7.64	273.44	7,053.32	42.60	-709.26	613,148.36	802,561.39	32.68271587	-103.48430483
7,200.00	7.64	273.44	7,152.44	43.40	-722.53	613,149.16	802,548.12	32.68271835	-103.48434793
7,300.00	7.64	273.44	7,251.55	44.19	-735.80	613,149.96	802,534.85	32.68272083	-103.48439102
7,400.00	7.64	273.44	7,350.66	44.99	-749.06	613,150.75	802,521.58	32.68272331	-103.48443412
7,500.00	7.64	273.44	7,449.78	45.79	-762.33	613,151.55	802,508.32	32.68272579	-103.48447722
7,600.00	7.64	273.44	7,548.89	46.58	-775.60	613,152.35	802,495.05	32.68272828	-103.48452032
7,700.00	7.64	273.44	7,648.00	47.38	-788.87	613,153.14	802,481.78	32.68273076	-103.48456342
7,800.00	7.64	273.44	7,747.11	48.18	-802.13	613,153.94	802,468.51	32.68273324	-103.48460651
7,835.20	7.64	273.44	7,782.00	48.46	-806.80	613,154.22	802,463.84	32.68273411	-103.48462168
Bone Spring Lime									
7,900.00	7.64	273.44	7,846.23	48.97	-815.40	613,154.74	802,455.25	32.68273572	-103.48464961
8,000.00	7.64	273.44	7,945.34	49.77	-828.67	613,155.54	802,441.98	32.68273820	-103.48469271
8,100.00	7.64	273.44	8,044.45	50.57	-841.94	613,156.33	802,428.71	32.68274069	-103.48473581
8,200.00	7.64	273.44	8,143.56	51.37	-855.20	613,157.13	802,415.44	32.68274317	-103.48477890
8,300.00	7.64	273.44	8,242.68	52.16	-868.47	613,157.93	802,402.18	32.68274565	-103.48482200
8,400.00	7.64	273.44	8,341.79	52.96	-881.74	613,158.72	802,388.91	32.68274813	-103.48486510
8,500.00	7.64	273.44	8,440.90	53.76	-895.01	613,159.52	802,375.64	32.68275061	-103.48490820
8,600.00	7.64	273.44	8,540.02	54.55	-908.28	613,160.32	802,362.37	32.68275309	-103.48495130
8,700.00	7.64	273.44	8,639.13	55.35	-921.54	613,161.11	802,349.11	32.68275558	-103.48499439



Planning Report - Geographic

Database:	TZ USA 17.2	Local Co-ordinate Reference:	Well (04) Foxtail State Com 601H - Slot Foxtail 601H
Company:	Franklin Mountain Energy LLC	TVD Reference:	3861+30 @ 3891.00usft
Project:	PV_Lea County, NM(N83-NME3001)	MD Reference:	3861+30 @ 3891.00usft
Site:	Foxtail State Com West	North Reference:	Grid
Well:	(04) Foxtail State Com 601H	Survey Calculation Method:	Minimum Curvature
Wellbore:	601H		
Design:	APD-Rev01		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
8,800.00	7.64	273.44	8,738.24	56.15	-934.81	613,161.91	802,335.84	32.68275806	-103.48503749
8,901.10	7.64	273.44	8,838.45	56.95	-948.22	613,162.72	802,322.42	32.68276057	-103.48508106
9,000.00	6.65	273.44	8,936.57	57.69	-960.50	613,163.45	802,310.15	32.68276286	-103.48512094
9,100.00	5.65	273.44	9,036.00	58.33	-971.19	613,164.10	802,299.45	32.68276486	-103.48515567
9,200.00	4.65	273.44	9,135.59	58.87	-980.15	613,164.63	802,290.50	32.68276654	-103.48518477
9,300.00	3.65	273.44	9,235.33	59.30	-987.37	613,165.07	802,283.27	32.68276789	-103.48520823
9,400.00	2.65	273.44	9,335.18	59.63	-992.86	613,165.40	802,277.79	32.68276891	-103.48522605
9,467.88	1.97	273.44	9,403.00	59.80	-995.59	613,165.56	802,275.06	32.68276943	-103.48523492
First Bone Spring Sand									
9,500.00	1.65	273.44	9,435.11	59.86	-996.60	613,165.62	802,274.05	32.68276962	-103.48523821
9,600.00	0.65	273.44	9,535.08	59.98	-998.60	613,165.74	802,272.05	32.68276999	-103.48524471
9,664.92	0.00	0.00	9,600.00	60.00	-998.97	613,165.76	802,271.68	32.68277006	-103.48524590
9,700.00	0.00	0.00	9,635.08	60.00	-998.97	613,165.76	802,271.68	32.68277006	-103.48524590
9,705.92	0.00	0.00	9,641.00	60.00	-998.97	613,165.76	802,271.68	32.68277006	-103.48524590
Second Bone Spring Carbonate									
9,800.00	0.00	0.00	9,735.08	60.00	-998.97	613,165.76	802,271.68	32.68277006	-103.48524590
9,835.96	0.00	0.00	9,771.04	60.00	-998.97	613,165.76	802,271.68	32.68277006	-103.48524590
KOP: 9835.96' MD/ 73.25' VS/9771.04' TVD									
9,850.00	1.40	353.20	9,785.08	60.17	-998.99	613,165.93	802,271.66	32.68277053	-103.48524596
9,900.00	6.40	353.20	9,834.95	63.55	-999.39	613,169.31	802,271.25	32.68277983	-103.48524719
9,950.00	11.40	353.20	9,884.33	71.23	-1,000.31	613,177.00	802,270.34	32.68280096	-103.48524996
10,000.00	16.40	353.20	9,932.85	83.16	-1,001.73	613,188.92	802,268.92	32.68283377	-103.48525428
10,020.07	18.41	353.20	9,952.00	89.12	-1,002.44	613,194.88	802,268.21	32.68285017	-103.48525643
Second Bone Spring Sand									
10,050.00	21.40	353.20	9,980.14	99.24	-1,003.65	613,205.00	802,267.00	32.68287801	-103.48526009
10,100.00	26.40	353.20	10,025.84	119.35	-1,006.05	613,225.12	802,264.60	32.68293334	-103.48526736
10,150.00	31.40	353.20	10,069.59	143.34	-1,008.91	613,249.10	802,261.74	32.68299933	-103.48527603
10,200.00	36.40	353.20	10,111.08	171.03	-1,012.21	613,276.79	802,258.44	32.68307550	-103.48528604
10,250.00	41.40	353.20	10,149.98	202.20	-1,015.93	613,307.96	802,254.72	32.68316125	-103.48529731
10,267.52	43.16	353.20	10,162.94	213.90	-1,017.32	613,319.67	802,253.33	32.68319345	-103.48530155
01-T98(FTSC-601H)									
10,300.00	46.40	353.20	10,185.99	236.61	-1,020.03	613,342.38	802,250.62	32.68325593	-103.48530976
10,350.00	51.40	353.20	10,218.85	274.02	-1,024.49	613,379.78	802,246.16	32.68335883	-103.48532328
10,400.00	56.40	353.20	10,248.29	314.12	-1,029.27	613,419.89	802,241.38	32.68346916	-103.48533778
10,450.00	61.40	353.20	10,274.11	356.62	-1,034.34	613,462.39	802,236.31	32.68358608	-103.48535315
10,500.00	66.40	353.20	10,296.09	401.20	-1,039.66	613,506.96	802,230.99	32.68370870	-103.48536926
10,550.00	71.40	353.20	10,314.09	447.50	-1,045.18	613,553.27	802,225.47	32.68383609	-103.48538600
10,588.00	75.20	353.20	10,325.00	483.64	-1,049.49	613,589.40	802,221.16	32.68393550	-103.48539907
Third Bone Spring Carbonate									
10,600.00	76.40	353.20	10,327.94	495.19	-1,050.86	613,600.95	802,219.78	32.68396728	-103.48540325
10,650.00	81.40	353.20	10,337.56	543.89	-1,056.67	613,649.66	802,213.98	32.68410126	-103.48542086
10,700.00	86.40	353.20	10,342.87	593.25	-1,062.56	613,699.01	802,208.09	32.68423703	-103.48543870
10,735.96	90.00	353.20	10,344.00	628.93	-1,066.81	613,734.69	802,203.84	32.68433519	-103.48545160
EOC: 10735.96' MD/ 643.03' VS/10344.00' TVD - HZ Target									
10,800.00	90.00	354.48	10,344.00	692.60	-1,073.68	613,798.36	802,196.97	32.68451034	-103.48547228
10,900.00	90.00	356.48	10,344.00	792.28	-1,081.56	613,898.05	802,189.09	32.68478448	-103.48549529
11,000.00	90.00	358.48	10,344.00	892.18	-1,085.96	613,997.95	802,184.69	32.68505914	-103.48550698
11,038.12	90.00	359.24	10,344.00	930.29	-1,086.71	614,036.05	802,183.94	32.68516389	-103.48550845
11,100.00	90.00	359.24	10,344.00	992.17	-1,087.53	614,097.93	802,183.12	32.68533398	-103.48550950
11,200.00	90.00	359.24	10,344.00	1,092.16	-1,088.85	614,197.92	802,181.80	32.68560882	-103.48551120
11,300.00	90.00	359.24	10,344.00	1,192.15	-1,090.17	614,297.91	802,180.48	32.68588367	-103.48551290
11,400.00	90.00	359.24	10,344.00	1,292.14	-1,091.49	614,397.91	802,179.16	32.68615852	-103.48551459
11,500.00	90.00	359.24	10,344.00	1,392.13	-1,092.81	614,497.90	802,177.83	32.68643336	-103.48551629



Planning Report - Geographic

Database:	TZ USA 17.2	Local Co-ordinate Reference:	Well (04) Foxtail State Com 601H - Slot Foxtail 601H
Company:	Franklin Mountain Energy LLC	TVD Reference:	3861+30 @ 3891.00usft
Project:	PV_Lea County, NM(N83-NME3001)	MD Reference:	3861+30 @ 3891.00usft
Site:	Foxtail State Com West	North Reference:	Grid
Well:	(04) Foxtail State Com 601H	Survey Calculation Method:	Minimum Curvature
Wellbore:	601H		
Design:	APD-Rev01		

Planned Survey									
Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
11,600.00	90.00	359.24	10,344.00	1,492.12	-1,094.13	614,597.89	802,176.51	32.68670821	-103.48551798
11,700.00	90.00	359.24	10,344.00	1,592.12	-1,095.46	614,697.88	802,175.19	32.68698305	-103.48551968
11,800.00	90.00	359.24	10,344.00	1,692.11	-1,096.78	614,797.87	802,173.87	32.68725790	-103.48552137
11,900.00	90.00	359.24	10,344.00	1,792.10	-1,098.10	614,897.86	802,172.55	32.68753274	-103.48552307
12,000.00	90.00	359.24	10,344.00	1,892.09	-1,099.42	614,997.85	802,171.23	32.68780759	-103.48552477
12,100.00	90.00	359.24	10,344.00	1,992.08	-1,100.74	615,097.85	802,169.91	32.68808243	-103.48552646
12,200.00	90.00	359.24	10,344.00	2,092.07	-1,102.06	615,197.84	802,168.59	32.68835728	-103.48552816
12,300.00	90.00	359.24	10,344.00	2,192.06	-1,103.38	615,297.83	802,167.27	32.68863212	-103.48552985
12,400.00	90.00	359.24	10,344.00	2,292.06	-1,104.70	615,397.82	802,165.95	32.68890697	-103.48553155
12,500.00	90.00	359.24	10,344.00	2,392.05	-1,106.02	615,497.81	802,164.63	32.68918181	-103.48553324
12,600.00	90.00	359.24	10,344.00	2,492.04	-1,107.34	615,597.80	802,163.30	32.68945666	-103.48553494
12,700.00	90.00	359.24	10,344.00	2,592.03	-1,108.66	615,697.79	802,161.98	32.68973150	-103.48553664
12,800.00	90.00	359.24	10,344.00	2,692.02	-1,109.99	615,797.78	802,160.66	32.69000635	-103.48553833
12,900.00	90.00	359.24	10,344.00	2,792.01	-1,111.31	615,897.78	802,159.34	32.69028119	-103.48554003
13,000.00	90.00	359.24	10,344.00	2,892.00	-1,112.63	615,997.77	802,158.02	32.69055604	-103.48554172
13,100.00	90.00	359.24	10,344.00	2,991.99	-1,113.95	616,097.76	802,156.70	32.69083088	-103.48554342
13,200.00	90.00	359.24	10,344.00	3,091.99	-1,115.27	616,197.75	802,155.38	32.69110573	-103.48554511
13,300.00	90.00	359.24	10,344.00	3,191.98	-1,116.59	616,297.74	802,154.06	32.69138057	-103.48554681
13,400.00	90.00	359.24	10,344.00	3,291.97	-1,117.91	616,397.73	802,152.74	32.69165542	-103.48554851
13,500.00	90.00	359.24	10,344.00	3,391.96	-1,119.23	616,497.72	802,151.42	32.69193026	-103.48555020
13,600.00	90.00	359.24	10,344.00	3,491.95	-1,120.55	616,597.71	802,150.10	32.69220511	-103.48555190
13,700.00	90.00	359.24	10,344.00	3,591.94	-1,121.87	616,697.71	802,148.77	32.69247995	-103.48555359
13,800.00	90.00	359.24	10,344.00	3,691.93	-1,123.19	616,797.70	802,147.45	32.69275480	-103.48555529
13,900.00	90.00	359.24	10,344.00	3,791.92	-1,124.51	616,897.69	802,146.13	32.69302965	-103.48555698
14,000.00	90.00	359.24	10,344.00	3,891.92	-1,125.84	616,997.68	802,144.81	32.69330449	-103.48555868
14,100.00	90.00	359.24	10,344.00	3,991.91	-1,127.16	617,097.67	802,143.49	32.69357934	-103.48556037
14,200.00	90.00	359.24	10,344.00	4,091.90	-1,128.48	617,197.66	802,142.17	32.69385418	-103.48556207
14,300.00	90.00	359.24	10,344.00	4,191.89	-1,129.80	617,297.65	802,140.85	32.69412903	-103.48556377
14,400.00	90.00	359.24	10,344.00	4,291.88	-1,131.12	617,397.64	802,139.53	32.69440387	-103.48556546
14,500.00	90.00	359.24	10,344.00	4,391.87	-1,132.44	617,497.64	802,138.21	32.69467872	-103.48556716
14,600.00	90.00	359.24	10,344.00	4,491.86	-1,133.76	617,597.63	802,136.89	32.69495356	-103.48556885
14,700.00	90.00	359.24	10,344.00	4,591.85	-1,135.08	617,697.62	802,135.57	32.69522841	-103.48557055
14,800.00	90.00	359.24	10,344.00	4,691.85	-1,136.40	617,797.61	802,134.25	32.69550325	-103.48557224
14,900.00	90.00	359.24	10,344.00	4,791.84	-1,137.72	617,897.60	802,132.92	32.69577809	-103.48557394
15,000.00	90.00	359.24	10,344.00	4,891.83	-1,139.04	617,997.59	802,131.60	32.69605294	-103.48557563
15,100.00	90.00	359.24	10,344.00	4,991.82	-1,140.37	618,097.58	802,130.28	32.69632778	-103.48557733
15,200.00	90.00	359.24	10,344.00	5,091.81	-1,141.69	618,197.57	802,128.96	32.69660263	-103.48557902
15,216.20	90.00	359.24	10,344.00	5,108.01	-1,141.90	618,213.77	802,128.75	32.69664715	-103.48557930
TD: 15216.20' MD/ 5122.71' VS/10344.00' TVD - 02-PBHL(FTSC-601H)									

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
01-T98(FTSC-601H)	0.00	0.00	10,344.00	17.64	-1,074.48	613,123.40	802,196.17	32.68265529	-103.48549240
- hit/miss target									
- Shape									
- plan misses target center by 273.07usft at 10267.52usft MD (10162.94 TVD, 213.90 N, -1017.32 E)									
- Point									
02-PBHL(FTSC-601H)	0.00	0.00	10,344.00	5,108.01	-1,141.90	618,213.77	802,128.75	32.69664716	-103.48557930
- plan hits target center									
- Point									



Planning Report - Geographic

Database:	TZ USA 17.2	Local Co-ordinate Reference:	Well (04) Foxtail State Com 601H - Slot Foxtail 601H
Company:	Franklin Mountain Energy LLC	TVD Reference:	3861+30 @ 3891.00usft
Project:	PV_Lea County, NM(N83-NME3001)	MD Reference:	3861+30 @ 3891.00usft
Site:	Foxtail State Com West	North Reference:	Grid
Well:	(04) Foxtail State Com 601H	Survey Calculation Method:	Minimum Curvature
Wellbore:	601H		
Design:	APD-Rev01		

Formations						
Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)	
30.00	30.00	Cenozoic Alluvium (surface)				
1,811.34	1,811.00	Rustler				
2,163.88	2,161.00	Salado				
3,192.00	3,180.00	Base Salt				
3,481.57	3,467.00	Yates				
3,897.26	3,879.00	Seven Rivers				
4,692.31	4,667.00	Queen				
6,262.24	6,223.00	Delaware Mtn Group				
7,835.20	7,782.00	Bone Spring Lime				
9,467.88	9,403.00	First Bone Spring Sand				
9,705.92	9,641.00	Second Bone Spring Carbonate				
10,020.07	9,952.00	Second Bone Spring Sand				
10,588.00	10,325.00	Third Bone Spring Carbonate				
10,735.96	10,344.00	HZ Target				

Plan Annotations					
Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates			
		+N/-S (usft)	+E/-W (usft)	Comment	
9,835.96	9,771.04	60.00	-998.97	KOP: 9835.96' MD/ 73.25' VS/9771.04' TVD	
10,735.96	10,344.00	628.93	-1,066.81	EOC: 10735.96' MD/ 643.03' VS/10344.00' TVD	
15,216.20	10,344.00	5,108.01	-1,141.90	TD: 15216.20' MD/ 5122.71' VS/10344.00' TVD	



Foxtail State Com 601H

1. Geologic name of surface location: Permian
2. Estimated tops of important geological markers:

Formations	PROG SS	PROG TVD	Picked TVD	delta	Potential/Issues
Cenozoic Alluvium (surface)		3,891'	3,891'	0	Sand/Gravels/Unconsolidated
Rustler	2,080'	1,811'			Carbonates
Salado	1,730'	2,161'			Salt, Carbonate & Clastics
Base Salt	711'	3,180'			Shaley Carbonate & Shale
Yates	424'	3,467'			Anhydrite/Shale
Seven Rivers	12'	3,879'			Interbedded Shale/Carbonate
Queen	-776'	4,667'			Sandstone & Dolomite & Anhydrite
Delaware Mtn Group	-2,332'	6,223'			Sandstone/Carb/Shale - oil/gas/water
Bone Spring Lime	-3,891'	7,782'			Shale/Carbonates - oil/gas
First Bone Spring Sand	-5,512'	9,403'			Sandstone - oil/gas/water
Second Bone Spring Carbonate	-5,750'	9,641'			Shale/Carbonates - oil/gas
Second Bone Spring Sand	-6,061'	9,952'			Sandstone - oil/gas/water
Third Bone Spring Carbonate	-6,434'	10,325'			Shale/Carbonates - oil/gas
Third Bone Spring Sand	-6,524'	10,415'			Sandstone - oil/gas/water
HZ Target	-6,453'	10,344'			Overpressure Shale/Sand- oil/gas
Wolfcamp	-6,501'	10,392'			Overpressure Shale/Sand- oil/gas

3. Estimated depth of anticipated fresh water, oil or gas:

Upper Permian Sands	0- 400'	Fresh Water
Delaware Sands	6,223'	Oil
1 st Bone Spring Sand	9,403'	Oil
2 nd Bone Spring Carb	9,641'	Oil
2 nd Bone Spring Sand	9,952'	Oil
3 rd Bone Spring Sand	10,415'	Oil
Wolfcamp	N/A	Oil
Wolfcamp B	N/A	Oil

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Surface freshwater sands will be protected by setting 13-3/8" casing at 1,862' and circulating cement back to surface.

4. Casing Program:

All casing strings will be run new.

Casing string	Weight	Grade	Burst	Collapse	Tension	Conn	Length	API design factor			
								Burst	Collapse	Tension	Coupling
Surface 13 3/8"	54.5	J-55	2730	1130	853	BTC 909	1,862	1.03	1.17	4.23	4.51
Intermediate 9 5/8"	40	HCL-80	7430	4230	916	BTC 1042	4,099	2.05	2.21	3.47	3.95
Production 7"	32	HCP-110	12460	10760	1025	CDC-HTQ 1053	9,836	1.88	2.34	2.47	2.54
Production 5 1/2"	20	HCP-110	12640	12200	641	CDC-HTQ 667	5,380 10,344	1.15	4.85	3.09	3.21 2.17



Tapered production string will be ran with a X-over installed at the KOP of 9,836'.

Cementing Program:

Cementing Stage tool can be placed in the 1st Intermediate string as a contingency to ensure required TOC to surface.

To increase efficiency of drilling operations and minimize disturbance of the area the batch-drilling approach will be used.

Off-line cementing may be utilized for Surface, Intermediate, and Production strings to further optimization of drilling process and reduction of disturbance.

String Type	Hole Size	Casing		Sacks	Type of cmt	Lead			Sacks	Type of cmt	Tail			TOC	Excess
		Size	Setting Depth			Yield ft3/sk	Water gal/sk	TOC ft			Yield ft3/sk	Water gal/sk	TOC		
Surf	17.5	13.375	1,862	991	85:15 Compass Poz, 12.8 ppg Class C, 5%Gel, 3#/sk Kol Seal, 4.64#/sk Salt	2.05	11.12	0	441	Tail, 14.8 ppg, 100% Class C, 1%CaCl2, 0.1%	1.34	6.35	0		100%
Int1	12.25	9.625	4,099	666	Lead, 11.3 ppg, HSLD 82 10% Gel, 4% STE, 2#/sk, Gyp Seal	2.74	16.31	0	201	Econolite Tail, 14.8 ppg, 100% Class C, 0.08% C-51	1.33	6.33	1,251		100%
Prod	8.75	7	9,836	472	HSLD 9420, 10.5 ppg, Class C, 1#/sk Salt, 4% STE 1% C-45	3.99	25.51	3,099							100%
Prod	8.75	5.5	15,216						1344	HSLD 80, 13.ppg, 32#/sk Salt, 4% STE, 1#/sk Gyp Seal	1.52	7.59	9,836		50%

5. Minimum Specifications for Pressure Control:

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5,000-psi WP). Both units will be hydraulically operated, and the ram-type will be equipped with blind rams on bottom and 4 ½" x 7" variable pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.

Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5,000/250 psig and the annular preventer to 3,500/250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the intermediate casing, the ram-type BOP and accessory equipment will be tested to 10,000/250 psig and the annular preventer to 3,500/250 psig.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.



A hydraulically operated choke will be installed prior to drilling out of the intermediate casing shoe.

6. Types and characteristics of the proposed mud system:

During this procedure we plan to use a Closed-Loop System and haul contents to the required disposal. The applicable depths and properties of the drilling fluid systems are as follows.

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 1,862'	Fresh - Gel	8.6-8.8	28-34	N/c
1,862' – 4,099'	Brine	8.8-10.2	28-34	N/c
4,099' – 10,736'	Brine	8.8-10.2	28-34	N/c
10,736' – 15,216' Lateral	Oil Base	9.0-11	58-68	3 - 6

The

highest mud weight needed to balance formation is expected to be 9-11 ppg. In order to maintain hole stability, mud weights up to 11 ppg may be utilized.

An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

7. Auxiliary well control and monitoring equipment:

(A) A kelly cock will be kept in the drill string at all times.

(B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be kept on the rig floor at all times.

(C) H₂S monitoring and detection equipment will be utilized from surface casing point to TD.

(D) A wear bushing will be installed in the wellhead prior to drilling out of the surface casing.

8. Logging, testing and coring program:

GR-CCL-CNL Will be run in cased hole during completions phase of operations.

Open-hole logs are not planned for this well.

9. Abnormal conditions, pressures, temperatures and potential hazards:

The estimated bottom-hole temperature at 10,344' TVD (deepest point of the well) is 185F with an estimated maximum bottom-hole pressure (BHP) at the same point of 5,917' psig (based on 11 ppg MW). Hydrogen Sulfide may be present in the area. All necessary precautions will be taken before drilling operations commence. See Hydrogen Sulfide Plan below:

10. Hydrogen Sulfide Plan:

- A. All personnel shall receive proper awareness H₂S training.
- B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
- C. Required Emergency Equipment
 - a. Well Control Equipment
 - i. Flare line 150' from wellhead to be ignited by auto ignition sparking system.
 - ii. Choke manifold with a remotely operated hydraulic choke.



- iii. Mud/gas separator
- b. Protective equipment for essential personnel
 - i. Breathing Apparatus
 - 1. Rescue packs (SCBA) – 1 unit shall be placed at each briefing area, 2 shall be stored in a safety trailer on site.
 - 2. Work/Escapes packs – 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity
 - 3. Emergency Escape Packs – 4 packs shall be stored in the doghouse for emergency evacuation.
 - ii. Auxiliary Rescue Equipment
 - 1. Stretcher
 - 2. Two OSHA full body harnesses
 - 3. 100 feet of 5/8 inches OSHA approved rope
 - 4. 1-20# class ABC fire extinguisher
- c. H2S Detection and Monitoring Equipment
 - i. A stationary detector with three sensors will be placed in the doghouse if equipped, set to visually alarm at 10 ppm and audible at 14 ppm. The detector will be calibrated a minimum of every 30 days or as needed. The sensors will be placed in the following places:
 - 1. Rig Floor
 - 2. Below Rig Floor / Near BOPs
 - 3. End of flow line or where well bore fluid is being discharged (near shakers)
 - ii. If H2S is encountered, measured values and formations will be provided to the BLM.
- d. Visual Warning Systems
 - i. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
 - ii. A colored condition flag will be on display, reflecting the current condition at the site at the time.
 - iii. Two windsocks will be placed in strategic locations, visible from all angles.
- e. Mud Program
 - i. The Mud program will be designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.
- f. Metallurgy
 - i. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service at the anticipated operating pressures to prevent sour sulfide stress cracking.
- g. Communication
 - i. Communication will be via cell phones and walkie talkies on location.

Based on concentrations of offset wells, proximity to main roads, and distance to populated areas, the radius of exposure created by a potential release was determined to be minimal and low enough to not necessitate an H2S contingency plan. This will be reevaluated during wellbore construction if H2S is observed and after the well is on production.

**11. Anticipated starting date and duration of operations:**

The drilling operations on the well should be finished in approximately one month. However, in order to minimize disturbance in the area and to improve efficiency Franklin Mountain is planning to drill all the wells on the pad prior to commence completion operations. To even further reduce the time heavy machinery is used the "batch drilling" method may be used. A batch drilling sequence sundry will be submitted for State approval prior to spud. A drilling rig with walking/skidding capabilities will be used.

12. Disposal/environmental concerns:

- (A) Drilled cuttings will be hauled to and disposed of in a state-certified disposal site.
- (B) Non-hazardous waste mud/cement from the drilling process will also be hauled to and disposed of in a state-certified disposal site.
- (C) Garbage will be hauled to the Pecos City Landfill.
- (D) Sewage (grey water) will be hauled to the Carlsbad City Landfill

13. Wellhead:

A multi-bowl wellhead system will be utilized.

After running the 13 3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 10,000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5,000 psi pressure test. This pressure test will be repeated at least every 30 days.

The minimum working pressure of the BOP and related BOPE required for drilling below the surface casing shoe shall be 5,000 psi.

The wellhead will be installed by a third party welder while being monitored by WH vendor's representative.

All BOP equipment will be tested utilizing a conventional test plug. Not a cup or J-packer type.

A solid steel body pack-off will be utilized after running and cementing the intermediate casing string. After installation of the first intermediate string the pack-off and lower flanges will be pressure tested to 5000 psi.

Both the surface and intermediate casing strings will be tested as per NMOCD Rules to the one-third of manufacture's rated yield pressure, no less than 600 psi, but not greater than 1,500 psi.

14. Additional variance requests

A. Casing.

1. Variance is requested to wave/reduce the centralizer requirements for the 7" and 5 1/2" production casing due to the tight clearance with 8 3/4" hole.

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 55610	³ Pool Name SCHARB; BONE SPRING
⁴ Property Code	⁵ Property Name FOXTAIL STATE COM	⁶ Well Number 601H
⁷ OGRID No. 331595	⁸ Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC	⁹ Elevation 3861.9'

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
N	5	19S	35E		71	SOUTH	1874	WEST	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
D	5	19S	35E		100	NORTH	800	WEST	LEA
¹² Dedicated Acres 159.61	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.						

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

16

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°40'57.30" (32.682583°)
LONGITUDE = -103°28'55.20" (-103.482001°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°40'56.85" (32.682459°)
LONGITUDE = -103°28'53.43" (-103.481509°)
STATE PLANE NAD 83 (N.M. EAST)
N: 613105.76' E: 803270.65'
STATE PLANE NAD 27 (N.M. EAST)
N: 613041.88' E: 762090.57'

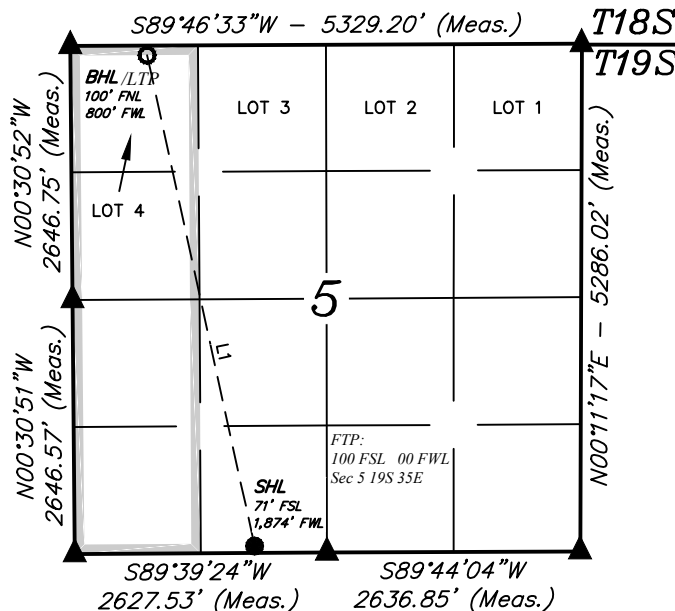
NAD 83 (BOTTOM HOLE LOCATION)
LATITUDE = 32°41'47.93" (32.696647°)
LONGITUDE = -103°29'08.09" (-103.485579°)
NAD 27 (BOTTOM HOLE LOCATION)
LATITUDE = 32°41'47.48" (32.696523°)
LONGITUDE = -103°29'06.31" (-103.485087°)
STATE PLANE NAD 83 (N.M. EAST)
N: 618213.77' E: 802128.75'
STATE PLANE NAD 27 (N.M. EAST)
N: 618149.70' E: 760948.83'

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N12°21'30"W	5234.94'

NOTE:

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

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



¹⁷ OPERATOR CERTIFICATION

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

Signature: *Rachael Overbey* Date: 1/30/2024

Printed Name: Rachael Overbey

E-mail Address: roverbey@fmlc.com

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.

JANUARY 5, 2024

Date of Survey
Signature and Seal of Professional Surveyor:



Certificate Number:

DRAWN BY: T.I.R. 01-11-24