

NSL Initial Application

Received: 12/04/19

P.O. No. RV4BX-191204-NSL000

NSL-7969

Revised March 23, 2017

RECEIVED: 12/04/19	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL1933958370
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505

**ADMINISTRATIVE APPLICATION CHECKLIST**

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Franklin Mountain Energy LLC

OGRID Number: 373910

Well Name: Blue Ribbon Fed Com 70311

API: Pending

Pool: WC025 G09 S253502D; UPR WOLFCAMP

Pool Code: WC-98187

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location - Spacing Unit - Simultaneous Dedication

☒ NSL☐ NSP (PROJECT AREA)☐ NSP (PRORATION UNIT)☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement

☐ DHC☐ CTB☐ PLC☐ PC☐ OLS☐ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery

☐ WFX☐ PMX☐ SWD☐ IPI☐ EOR☐ PPR2) **NOTIFICATION REQUIRED TO:** Check those which apply.A. ☐ Offset operators or lease holdersB. ☐ Royalty, overriding royalty owners, revenue ownersC. ☐ Application requires published noticeD. ☒ Notification and/or concurrent approval by SLOE. ☒ Notification and/or concurrent approval by BLMF. ☐ Surface ownerG. ☒ For all of the above, proof of notification or publication is attached, and/or,H. ☐ No notice required**FOR OCD ONLY**☐ Notice Complete
☐ Application
 Content
 Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Deana M. Bennett

Print or Type Name

Signature

December 4, 2019

Date

505-848-1834

Phone Number

deana.bennett@modrall.com

e-mail Address



MODRALL SPERLING

L A W Y E R S

December 4, 2019

Adrienne Sandoval, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Deana M. Bennett
Tel: 505.848.1834
Fax: 505.848.9710
deana.bennett@modrall.com

Re: Application of Franklin Mountain Energy, LLC for administrative approval of unorthodox well location for its Blue Ribbon Fed Com 703H well, located in the E/2W/2 of Sections 2 and 11, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico.

Dear Director Sandoval:

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, is seeking administrative approval of an unorthodox well location ("NSL") for the **Blue Ribbon Fed Com 703H well** (the "Well") to be completed within the WC-025 G-09 S253502D Upper Wolfcamp Pool (98187) underlying the E/2 W/2 of Sections 2 and 11, Township 25 South, Range 35 East, N.M.P.M., Lea County, New Mexico. A C-102 for the Well is attached as Exhibit A. This is a horizontal well that will be drilled as follows:

- Surface Hole Location: 675' from the North line and 2623' from the West line of Section 2;
- First Take Point: 693' from the North line and 2609' from the West line of Section 2;
- Last Take Point and Bottom Hole Location: 150' from the South line and 2610' from the West line of Section 11.

FME has included as Exhibit B a letter explaining why this application is needed. This well will produce from the WC-025 G-09 S253502D Upper Wolfcamp Pool (98187). This pool follows statewide pool rules, which establish 100' setbacks for first and last take points and 330' setbacks for completed laterals. The completed lateral for the proposed well is closer than 330' from the boundary of the spacing unit.

The unorthodox location will encroach towards the (1) W/2 E/2 of Section 2, Township 25 South, Range 35 East, and (2) W/2 E/2 of Section 11, Township 25 South, Range 35 East.

Modrall Sperling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
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FME is providing notice to the working interest owners in the (1) W/2 E/2 of Section 2, Township 25 South, Range 35 East, and (2) W/2 E/2 of Section 11, Township 25 South, Range 35 East. FME is also providing notice to the Bureau of Land Management and the State Land Office as owners of mineral estates with respect to offsetting areas. FME also provides a midland map of this area, attached as Exhibit C. Proof of mailing notice and the application to affected persons entitled to notice is attached hereto as Exhibit D.

Your attention to this matter is appreciated.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deana M. Bennett".

Deana M. Bennett

Nicole T. Russell

***Attorneys for Franklin Mountain
Energy, LLC***

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 WC-98187	³ Pool Name WC025 G09 S253502D;UPR WOLFCAMP
⁴ Property Code	⁵ Property Name BLUE RIBBON FED COM	⁶ Well Number 703H
⁷ OGRID No. 373910	⁸ Operator Name FRANKLIN MOUNTAIN ENERGY LLC	⁹ Elevation 3245.2'

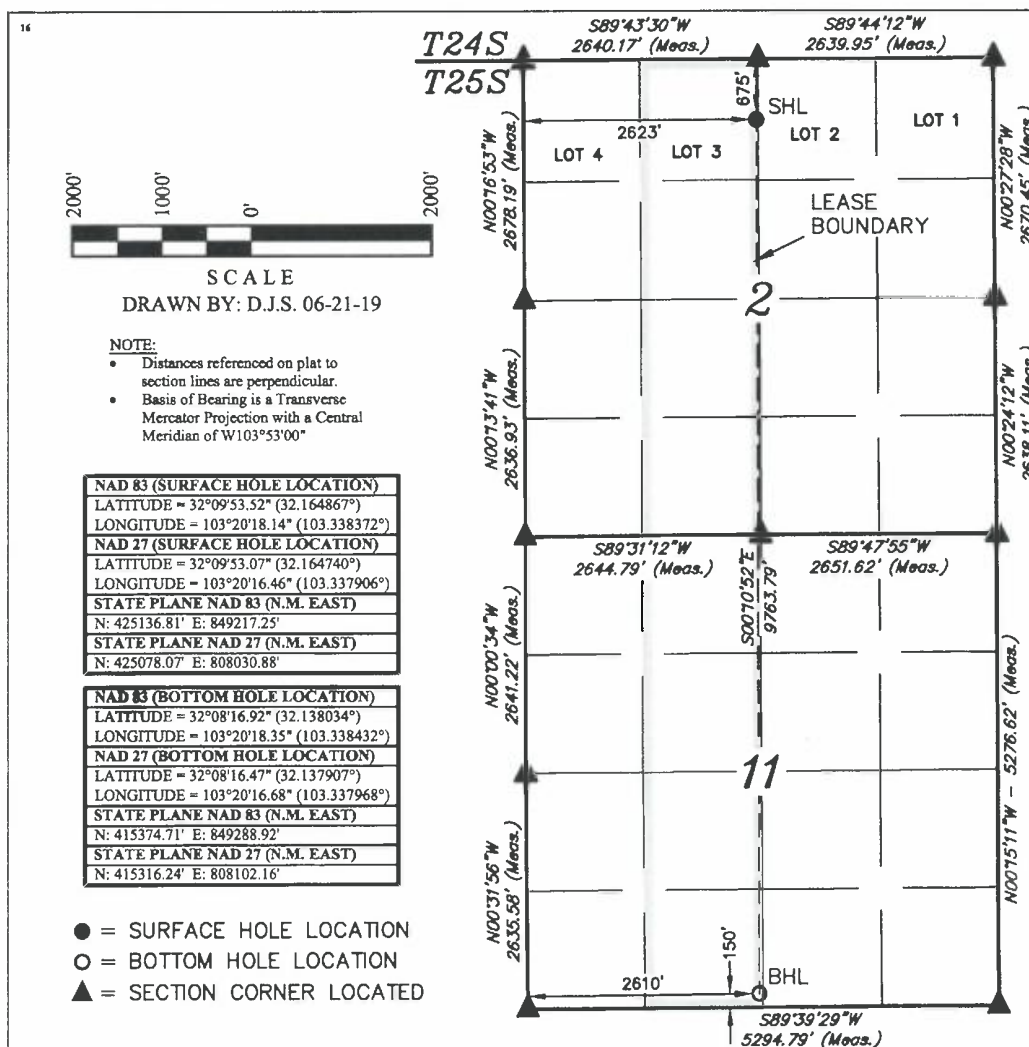
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	2	25S	35E		675	NORTH	2623	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
N	11	25S	35E		150	SOUTH	2610	WEST	LEA
¹² Dedicated Acres 320.87	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.



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: *Shelly Albrecht* 7/23/2019
Date

Shelly Albrecht
Printed Name

salbrecht@fmlc.com
E-mail Address

¹⁸ SURVEYOR
CERTIFICATION

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

June 19, 2019

Date of Survey
Signature and Seal of Professional Surveyor:



EXHIBIT

A



November 20, 2019

Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
Attn: Adrienne Sandoval, Director
1220 South Saint Francis Dr.
Santa Fe, New Mexico 87050

Re: Blue Ribbon Federal 703H
Non-Standard Location Application
Lea County, New Mexico

Dear Ms. Sandoval,

Franklin Mountain Energy, LLC kindly requests the administrative approval of the non-standard location for the Blue Ribbon Federal 703H well, to be drilled in WC-025 G-09 S253502D; UPR WOLFCAMP pool (Oil) (WC-98187). Franklin Mountain Energy plans for this well to have a first take point at approximately 693' FNL and 2,609' FWL of Section 2 and a last take point at least 150' FSL and approximately 2,610' FWL of Section 11, which is closer to the unit line than allowed under the subject field rules. Franklin Mountain Energy requests this non-standard location because such placement relative to offset planned wellbores optimizes the geometric configuration and subsequent resource recovery under the current development plan.

Thank you for your consideration. If you have any questions, please contact me at (970) 629-0668.

Best,

Mark Hinaman, P.E.
Director of Engineering
Franklin Mountain Energy, LLC



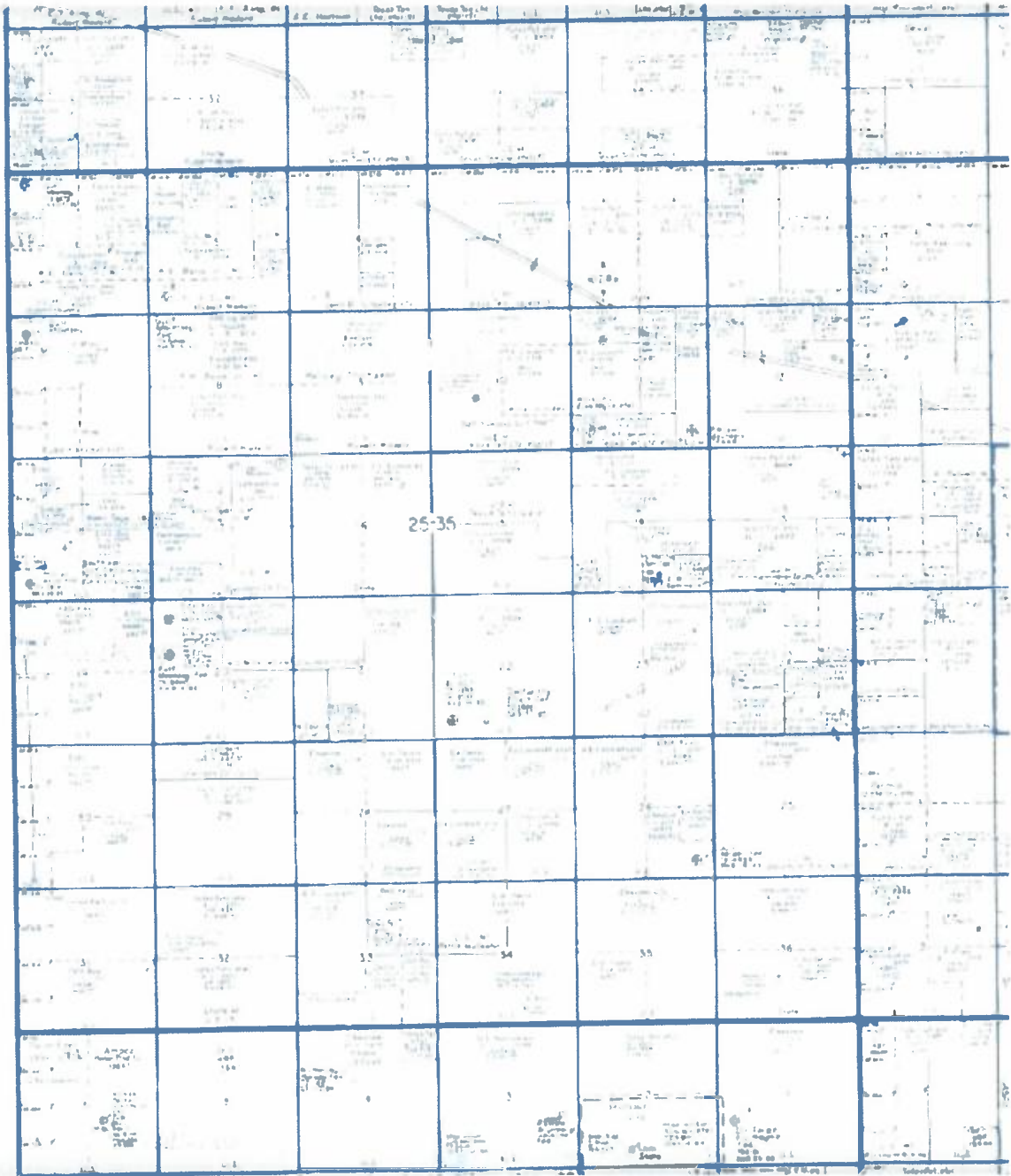


EXHIBIT
C



MODRALL SPERLING

L A W Y E R S

December 4, 2019

VIA CERTIFIED MAIL

RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of Franklin Mountain Energy, LLC for administrative approval of unorthodox well location for its Blue Ribbon Fed Com 703H well, located in the E/2W/2 of Sections 2 and 11, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

Ladies and Gentlemen:

Enclosed in the notice is a copy of the above referenced application filed with the New Mexico Conservation Division on this date. Any objections that you have to this application must be filed in writing with the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico 87505, within twenty (20) days from the date the Division receives the above referenced application or it may be administratively approved by the Division.

If you have any questions concerning this application, please contact:

Shelly Albrecht
Land Professional
Franklin Mountain Energy, LLC
(720) 414-7855
salbrecht@fmellc.com

If you have no objection to this application, please sign the waiver as indicated below and return the original. Your assistance and cooperation in this matter are appreciated.

Sincerely,

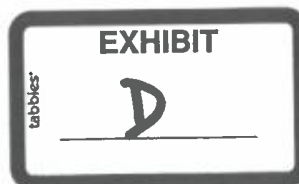
Deana M. Bennett
*Attorney for Franklin Mountain
Energy LLC*

Modrall Sperling
Roehl Harris & Sisk P.A.

500 Fourth Street NW
Suite 1000
Albuquerque,
New Mexico 87102

PO Box 2168
Albuquerque,
New Mexico 87103-2168

Tel: 505.848.1800
www.modrall.com



WAIVER

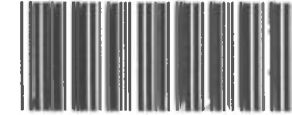
_____ hereby waives objection to the above referenced Application for an Unorthodox Location for **Blue Ribbon Fed Com 703H well**, located in the E/2W/2 of Sections 2 and 11, Township 25 South, Range 35 East, NMPM, Lea County, New Mexico.

Dated: _____ Signature _____

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
12/04/2019



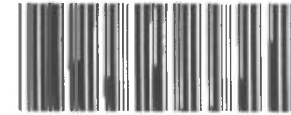
Firm Mailing Book ID: 180187

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0066 3135 51	BC Operating, Inc. 4000 N. Big Spring St. #310 Midland TX 79705	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
2	9314 8699 0430 0066 3135 68	Chilmark Properties, LLC 110 W. Louisiana Ave., #404 Midland TX 79701	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
3	9314 8699 0430 0066 3135 75	Constitution Resources II, LP 5707 Southwest Parkway Austin TX 78735	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
4	9314 8699 0430 0066 3135 82	CrownRock Minerals, LP P.O. Box 51933 Midland TX 79710	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
5	9314 8699 0430 0066 3135 99	Encanto Minerals, LLC 2929 Allen Parkway, Suite 200 Houston TX 77019	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
6	9314 8699 0430 0066 3136 05	Foundation Minerals, LLC P.O. Box 50820 Midland TX Midland TX 79710	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
7	9314 8699 0430 0066 3136 12	Lawrence Edward Boulter 3736 Topeka Street Riverbank CA 95367	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
8	9314 8699 0430 0066 3136 29	Lawrence Edward Boulter 236 N. 5th Ave. Oakdale CA 95361	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
9	9314 8699 0430 0066 3136 36	Lawrence Edward Boulter c/o James Troy Boulter 23307 W Arrow Dr. Buckeye AZ 85326	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
10	9314 8699 0430 0066 3136 43	Lawrence Edward Boulter c/o Jessie Ellen Boulter Crum 9925 Ulmerton Rd. Largo FL 33771	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
11	9314 8699 0430 0066 3136 50	Lista Catherine Ammirati McDonald 3950 E. Midas Ave. Rocklin CA 95677	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
12	9314 8699 0430 0066 3136 67	Mavros Minerals II, LLC P.O. Box 50820 Midland TX 79710	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
13	9314 8699 0430 0066 3136 74	Monticello Minerals LLC 5528 Vickery Blvd. Dallas TX 75206	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
14	9314 8699 0430 0066 3136 81	Oak Valley Minerals and Land, LP P.O. Box 50820 Midland TX 79710	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice

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
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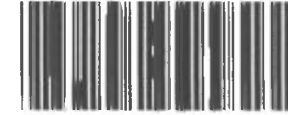
Firm Mailing Book ID: 180187

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
15	9314 8699 0430 0066 3136 98	Prevail Energy LLC 521 Dexter St. Denver CO 80220	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
16	9314 8699 0430 0066 3137 04	Rheiner Holdings, LLC P.O. Box 980552 Houston TX 77098	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
17	9314 8699 0430 0066 3137 11	Robert E. Landreth and wife, Donna P. Landreth 110 W. Louisiana Ave. #404 Midland TX 79701	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
18	9314 8699 0430 0066 3137 28	Sandia Minerals, LLC 2401 E 2nd Ave., Suite 300 Denver CO 80206	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
19	9314 8699 0430 0066 3137 35	State of New Mexico 310 Old Santa Fe Trail Santa Fe NM 87501	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
20	9314 8699 0430 0066 3137 42	Tap Rock Resources, LLC 602 Park Point Drive, Suite 200 Golden CO 80401	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
21	9314 8699 0430 0066 3137 59	The heirs or devisees of Dock C. Coates c/o D.B. Coates P.O. Box 1443 Lakeside UT 85929	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
22	9314 8699 0430 0066 3137 66	The heirs or devisees of Dock C. Coates c/o Irene Coates 609 Copper Ln. Santaquin UT 84655	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
23	9314 8699 0430 0066 3137 73	The heirs or devisees of Dock C. Coates c/o Irene Coates 475 S 300 W Santaquin UT 84655	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
24	9314 8699 0430 0066 3137 80	The heirs or devisees of Dock C. Coates c/o Irene Coates 499 W Pacific Dr American Fork UT 84003	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
25	9314 8699 0430 0066 3137 97	The heirs or devisees of Dock C. Coates c/o James Ronald Stanley 3608 North County Road 1130 Midland TX 79705	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
26	9314 8699 0430 0066 3138 03	The heirs or devisees of Dock C. Coates c/o Kimberly Franzoy Becker 3147 Adobe Dam Rd. Phoenix AZ 85027	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
27	9314 8699 0430 0066 3138 10	The heirs or devisees of Dock C. Coates c/o Mary O. Coates 3719 S. Eunice Hwy Hobbs NM 88240	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice

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

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Type of Mailing: CERTIFIED MAIL
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Firm Mailing Book ID: 180187

Line	USPS Article Number	Name, Street, City, State, Zip	Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
28	9314 8699 0430 0066 3138 27	The heirs or devisees of Dock C. Coates c/o Sharon Lyde Miller PO Box 666 Overton NV 89040	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
29	9314 8699 0430 0066 3138 34	The heirs or devisees of Dock C. Coates c/o Sharon Lyde Miller 780 E. Lee Ave. Overton NV 89040	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
30	9314 8699 0430 0066 3138 41	The heirs or devisees of Dock C. Coates c/o Timothy G. Coates PO Box 23 Red Rock NM 88055	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
31	9314 8699 0430 0066 3138 58	Tierra Royalties, LLC 2930 Allen Parkway, Suite 200 Houston TX 77019	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
32	9314 8699 0430 0066 3138 65	United States of America 301 Dinosaur Trail Santa Fe NM 87508	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
33	9314 8699 0430 0066 3138 72	Viper Energy Partners, LLC 500 W. Texas Ave., #1200 Midland TX 79701	\$1.30	\$3.50	\$1.60	\$0.00	10154.0001 BR Notice
Totals:			\$42.90	\$115.50	\$52.80	\$0.00	
			Grand Total:		\$211.20		

List Number of Pieces Listed by Sender	Total Number of Pieces Received at Post Office	Postmaster: Name of receiving employee	Dated:
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33