

Before the Oil Conservation Division Examiner Hearing September 5, 2019

Case No. 20775: Golden Fed Com 603H

Case No. 20776: Breckenridge Fed Com 705H, Breckenridge Fed Com 706H and Golden Fed Com 704H

#### **Table of Contents**

#### **Tab 1: Development Overview**

#### **Tab 2: Applications**

2-A: Case No. 20775 (Golden Fed Com 603H)

2-B: Case No. 20776 (Breckenridge Fed Com 705H & 706H, Golden Fed

Com 704H)

#### Tab 3: C-102s

3-A: Golden Fed Com 603H

3-B: Breckenridge Fed Com 705H & 706H, Golden Fed Com 704H

#### **Tab 4: Lease Tract Maps and Interests**

4-A: Lease Tract Maps

4-B: Interests

#### **Tab 5: Proposal Letters**

5-A: Golden Fed Com 603H

5-B: Breckenridge Fed Com 705H & 706H, Golden Fed Com 704H

Tab 6: All AFEs

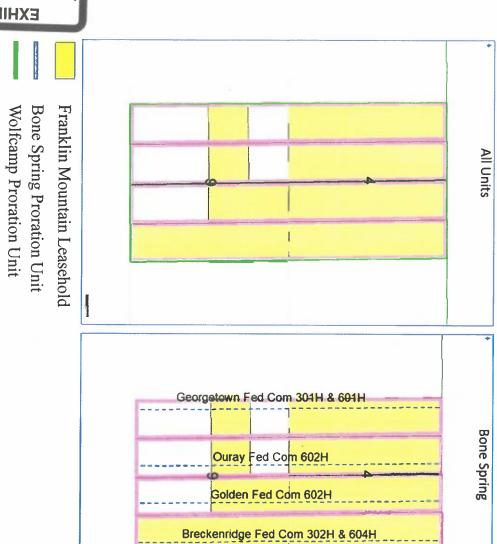
Tab 7: Geology Exhibits Case No. 20775

Tab 8: Geology Exhibits Case No. 20776

**Tab 9: Notice Affidavits** 

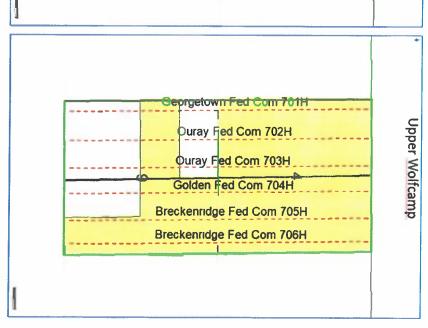
# Exhibit 1 Development Overview





# Development Overview

Sections 4 & 9-24S-35E, Lea County, NM Case Nos. 20773, 20774, 20775, 20776 and 20777





# Exhibit 2 Applications

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

APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

**CASE NO.** 20775

#### **APPLICATION**

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division ("Division") pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

In support of this application, FME states as follows:

- 1. FME is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. FME seeks to dedicate the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico to form a 320-acre, more or less, spacing unit.
- 3. FME plans to drill the **Golden Fed Com 603H** well to a depth sufficient to test the Bone Spring formation. The well will be horizontally drilled and will be drilled at an orthodox location under the Division's rules.
- 4. FME 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 well or to otherwise commit their interests to the well.

EXHIBIT 2.A

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.

FME further requests that it be allowed one (1) year between the time the well is 6.

drilled and completion of the well under the order issued by the Division.

WHEREFORE, FME requests this application be set for hearing before an Examiner of

the Oil Conservation Division on September 5, 2019, and after notice and hearing as required by

law, the Division enter its order:

Pooling all mineral interests in the Bone Spring formation underlying a horizontal A.

spacing unit within the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East,

NMPM, Lea County, New Mexico;

B. Designating FME as operator of this unit and the well to be drilled thereon;

C. Authorizing FME to recover its costs of drilling, equipping and completing the

well:

F.

D. Approving actual operating charges and costs charged for supervision, together

with a provision adjusting the rates pursuant to the COPAS accounting procedure;

E. Setting a 200% charge for the risk involved in drilling and completing the well in

the event a working interest owner elects not to participate in the well;

Allowing a time period of one (1) year between when the well is drilled and when

the well is completed under the order.

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

Post Office Box 2168

500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800 Attorneys for Applicant case No. \_\_\_\_\_\_: Application of Franklin Mountain Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Golden Fed Com 603H well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy, LLC as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

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

### APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 20776

#### **APPLICATION**

Franklin Mountain Energy, LLC ("FME"), OGRID Number 373910, through its undersigned attorneys, hereby makes an application to the Oil Conservation Division ("Division") pursuant to the provisions of NMSA (1978), Section 70-2-17, for an order pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico.

In support of this application, FME states as follows:

- 1. FME is an interest owner in the subject lands and has a right to drill a well thereon.
- 2. FME seeks to dedicate the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico to form a 640-acre, more or less, spacing unit.
- 3. FME plans to drill the **Breckenridge Fed Com 705H** well, the **Breckenridge**Fed Com 706H well, and the Golden Fed Com 704H well to a depth sufficient to test the Wolfcamp formation. The wells will be horizontally drilled and will be drilled at orthodox locations under the Division's rules. The location of the **Breckenridge Fed Com 705H** well is less than 330' from the adjoining 40-acre tracts and the Division's rules allow for the inclusion of proximity tracts within the proposed spacing unit for the wells.



- 4. FME 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.
- 6. FME further requests that it be allowed one (1) year between the time the wells are drilled and completion of the first well under the order issued by the Division.

WHEREFORE, FME requests this application be set for hearing before an Examiner of the Oil Conservation Division on September 5, 2019, and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all mineral interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico;
  - B. Designating FME as operator of this unit and the wells to be drilled thereon;
- C. Authorizing FME 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;
- 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.
- F. Allowing a time period of one (1) year between when the wells are drilled and completion of the first well under the order issued by the Division.

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

By: Weena M Bennett

Deana M. Bennett
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 Attorneys for Applicant

CASE NO. \_\_\_\_\_\_: Application of Franklin Mountain Energy, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Breckenridge Fed Com 705H well, the Breckenridge Fed Com 706H well, and the Golden Fed Com 704H well, to be horizontally drilled. The producing area for the wells will 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, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and completion of the first well. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

## Exhibit 3 C-102s

District I 1625 N. French Dr., Hobbs, NM XX240 Phone: (\$75) 393-6161 Fax: (\$75) 393-0720 District II 811 S. First St., Artonia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brezos Road, Aztot, 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 Fao: (505) 476-3462

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

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

☐ AMENDED REPORT

#### WELL LOCATION AND ACREAGE DEDICATION PLAT

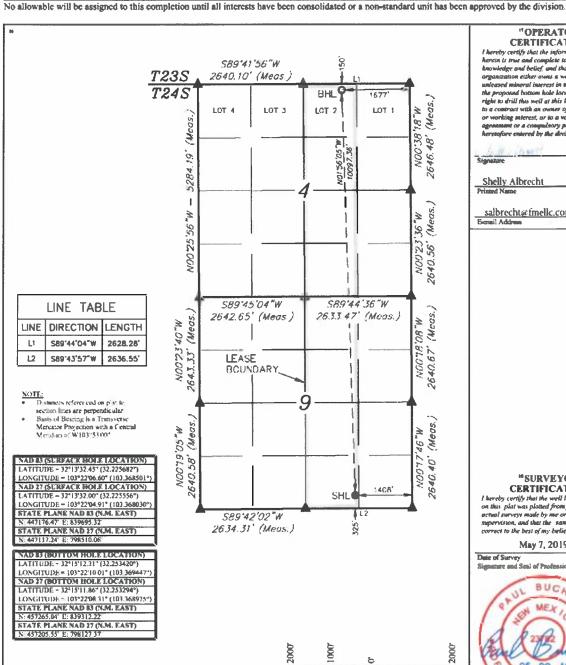
<sup>1</sup> API Number	7 Pool Code	<sup>2</sup> Pool Name		
	96553	Oto Chiso; Bone Spring		
* Property Code	5 Ph	operty Name 6 Walt Number		
	GOLD	EN FED COM 603H		
<sup>7</sup> OGRID No.	10	ocrater Name ** Nievatien		
373910	FRANKLIN MO	UNTAIN ENERGY LLC 3375.0'		

#### "Surface Location

O 9 24S 35E 325 SOUTH 1408 EAST LEA	Ut. or lot no.	5ection 9	Township 24S	Range 35E	Lot Ida	Feet from the 325	North/South itne SOUTH	Feet from the 1408	EAST	County LEA
-------------------------------------	----------------	--------------	-----------------	--------------	---------	-------------------	---------------------------	-----------------------	------	---------------

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

UL or lot on.	Section 4	Tewaship 24S	Range 35E	Let ida	Feet from the 150	North/South line NORTH	Feet from the 1677	East/West line EAST	County LEA
12 Dedicated Acre 320.16	29 12	Joint or Infill	<sup>14</sup> Conor	Midation Code	19 Order No.				



#### "OPERATOR CERTIFICATION

I hereby certify that the information contains herein is true and complete to the best of my knowledge and belief, and that this anometage and oction, and run runs or angustration 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 commact with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory paoling order heretofore entered by the division.

Lander Lifett	5/24/2019
Signature	Date

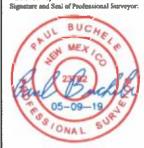
salbrecht@fmellc.com

#### "SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from fleld 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

May 7, 2019

Signature and Seal of Professional Surveyor.



Certificate Number:



= SURFACE HOLE LOCATION

O = BOTTOM HOLE LOCATION

= SECTION CORNER LOCATED

SCALE DRAWN BY: T.S. 02=21=19 REV:1 05-09-19 C.M.T. (SHL & BHL MOVE) <u>Das Frict.1</u> 1625 N. Frunch Dr., Hobbu, NM 88240 Phones (575) 393-6161 Fax: (575) 393-0720 <u>District.11</u> 811 S. Frint St., Artonin, NM 88210 Phones (575) 748-1283 Fax: (575) 748-9720

811 S. FERE SK, ARGEM, NA 88220 Phone: (575) 748 1283 Faz: (575) 748-9720 District III 1000 Rio Brazon Roud, Aztre, NM 87410 Phone: (505) 334-6178 Faz: (505) 334-6170

Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u> 1220 S. St. Fanncis Dr., Sasta Fa, 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

API Number	API Number		<sup>2</sup> Pool Code <sup>2</sup> Pool Name					
		WC-98187	WC-025 G	per Wolfcamp Pool				
* Property Code		5 Property Name						
		BRECKENREDGE FED COM						
OGRID No.		*Op	* Elevation					
373910		FRANKLIN MOUNTAIN ENERGY LLC						

\*Surface Location

UL orlot m.	Section	Township	Range	Lot Idn	Fat from the	North/South live	Feet from the	East/Westline	County
0	9	245	35E		325	SOUTH	1338	EAST	LEA

"Bottom Hole Location If Different From Surface

UL eriotue.	Section	Township	Range Lot	Idu Feet from	NorthSouth line	Feat from the	East/West Eas	County
	4	24S	35E	150	NORTH	1152	EAST	LEA
12 Dedicated At 360,19	rea l	) Joint or In 10	<sup>14</sup> Consolidation	Code If Ord	er 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.

#### 120 S89°41°56"W T23S 2640.10' (Meas.) T24S BH 1152 '18 N (Meas.) LOT 4 LOT 2 LOT 1 LOT 3 Meas. NOO'38') 2646.48' ( 5284.19 1 (Meas.) LEASÈ W.95 NOO 23'36"W 2640.56" (Meas BOUNDARY, NO025 10094.36" S89'45'04"W S89°44°36"W 2642.65' (Meas.) 2633.47' (Meas.) (Meas.) NO0'23'40"W 2643.33" (Meas. LINE TABLE W\_80,81,00N LINE DIRECTION LENGTH 2640.67 L1 S89"44"04"W 2628.26 S80'43'57"W 2636.55 L2 NOTE: Distances referenced on plat to section from our perpendicular. Basis of Bassing is a Transverse Mexicator Projection with a Countel Mexicator Projection with a Countel Mexicator Projection with a Countel Mexica 9 W0019'05"W 640.58" (Meas.) (Meas.) N0077'46"W NADES (SURFACE HOLE LOCATION) 2640.58 40, LATITLIDE = 32°13'32.45" (32.225682°) LONGITUDE = 103°22'05.79" (103.368274°) SADY (SUBMAN HOLL TOXALOS) LATITLIDE - 32"13"32.00" (32.225556") SHL LONGITUDE - 103°22'04.09" (103.367804° STATE PLANE SADES (N.M. EAST) 589'42'02"W L2 N: 447177.09 E: 839765 30 STATE PLANE NAD 27 (N.M. EAST) N: 447117.86 E: 798580.05 325 2634.31' (Meas.) NAD A31 (00 TOM HOLE LOCATION) LATITUDE = 1291512231" (32.253419") LONGITUDE = 103'2203.90" (103.367749") NAD 27 (BOTTOM HOLE LOCATION) LATITUDE = 32°15'11.86" (32.253294°) LONGITUDE = 103°22'02: 20° (103.36727 f' STATE PLANE NAD B3 (N.M. RAST) N: 457269.68° E: 839837.13°

#### "OPERATOR CERTIFICATION

I hereby cerujty that the information contained herein is true and complete to the best of first how long and behing and that this organization a three owns a working statement or malament meneral interest in the lands in duding the proposed bottom hole location or has a right to drill this well as this location pursuant to a commercia with an owner of such a minural or working statement, or to a voluntary pooling agramment or a computer youlding to the hereinforce as terms by the division.

10 B + 11	Late Park	5/24/2019
Signature		Date
Shelly Alb Printed Name	recht	and the state of t
salbrechte	fmellc.com	1

#### "SURVEYOR CERTIFICATION

Likeriby corpy, that the well location shown on this plat was plotted from field notes of accusal nurveys made by me or under my importation, and that the a une is true and correct to the best of my beliaf.

May 7, 2019

Date of Survey Signature and Seal of Professional Surveyor:



Certificate Number:

2000



O = BOTTOM HOLE LOCATION
▲ = SECTION CORNER LOCATED

STATE PLANTANDET (SMC EAST) N:457210.18 E: 790652 27

> S C A L E DRAWN BY: T.S. 02-21-19 REV:1 05-09-19 C.M.T. (SHL & BHL MOVE)



<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 1942 N. Frienc Mr., 110000, NM 84200 Phone: (575)393-6161 Fax: (575)-393-0720 <u>Diswict II</u> 811 S. First St., Artesia, NM 88210 Phone: (575)748-1283 Fax: (575)748-9720 District III 1000 Rio Brazos Road, Ague, NM \$7410 Phone: (505)334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Famois Dz., Santa Fa, Nbd 87505 Phone: (505)476-3460 Fax: (505)476-3462

ULorlet m. Section Township

13 Joint or In Ill

12 Dedicated Acres

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

MENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number	Pool Cole WC-98187	*Pool Name WC-025 G-09 \$253502D Wildcat - Upper Wolfcamp Pool		
*Property Code		rty Name DGE FED COM	* Well Number 706H	
OGRID No. 373910		ter Name ITAIN EN ERGY LLC	* Riev ation 33 74.5'	

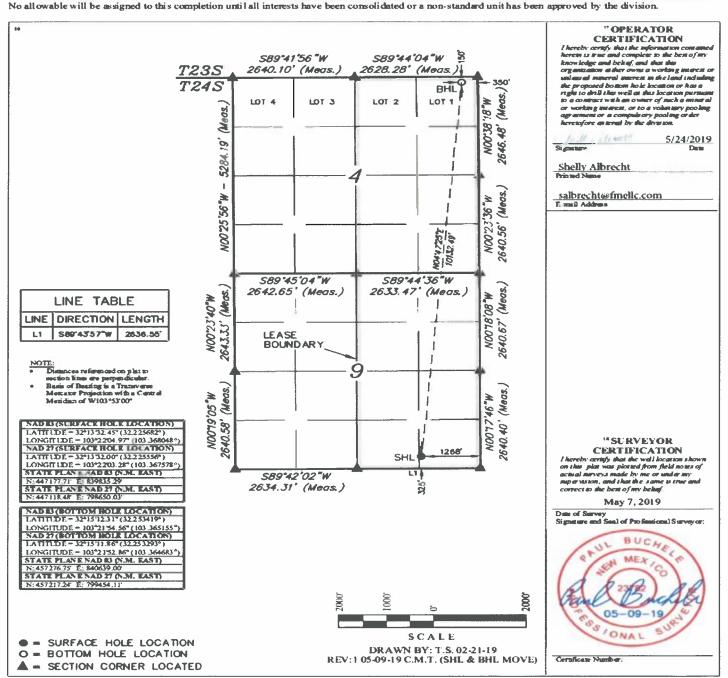
Range Let Idu Fact from the North/South line

- 1	P	9	248	35E		325	SOUTH	1268	EAST	LEA		
					Dattom U	ole Legation I	C Di Comune Russia	Surface				
_	"Bottom Hole Location If Different From Surface											
- 1	UL or lot no. Section Township Range Lot Mn Feet from the North/South line Feet from the East/West line County											
	1	4	24S	35Ē		150	NORTH	350	EAST	LEA		

"Surface Location

Feet from the

15 Order No. 320.19



Dis trict 1
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
Dis trict II
811 S. Frint St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
Dis trict III
1000 Rio Brason Road, Artes, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
Dis trict IV

1220 S. St. Fancis Dz., Santa Fe, NM 8750 5 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

IAPI Number	*Pool Code W'C-98187	WC -025 G-09 S253502D Wildcat - Upper Wolfcamp Pool		
* Property Code		GOLDEN FED COM		
373910	FRANKLIN MOI	3374.8'		

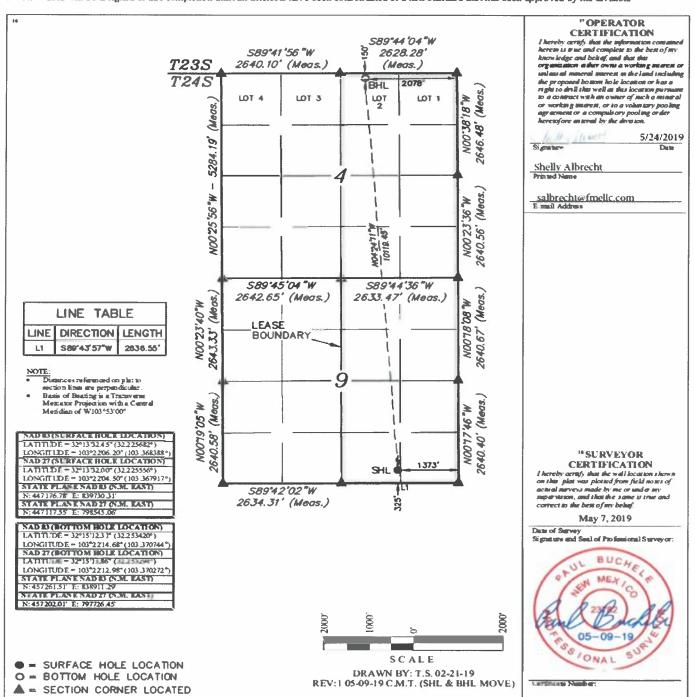
"Surface Location

ULerlet m. Section Township Range Let Idin Feet from the North South lime Feet from the East Wentline County
O 9 24S 35E 325 SOUTH 1373 EAST LEA

"Bottom Hole Location If Different From Surface

CL or lotso. 2	Section 4	Z4S	35 E	Lot Min	Feet from the 150	North South Tie NORTH	Feet from the 2078	EAST	County LEA
12 Dedicated Acres 320.16	13.	eist er is fill	<sup>14</sup> Conn	didation 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.



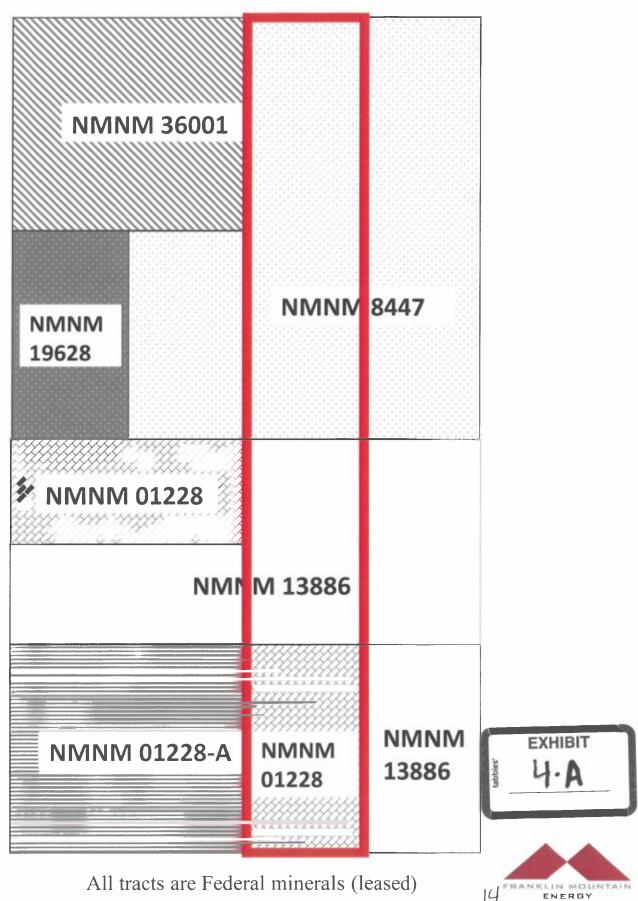
	5_6	FIP_Location_IWP	FTP_Location_RNG	Bottom_Hole_Location_FTG	Bottom_Hole_Location_SEC	Bottom_Hole_Location_TWP	Bottom_Hole_Location_RNG
624' FSL 386' FWL	9	245	35E	150 FNL 350 FWL	4	24S	35E
402' FSL 373' FWL	9	24S	35E	150 FNL 350 FWL	4	24S	35E
523' FSL 358' FWL	9	24S	35E	150 FNL 350 FWL	4	24S	35E
794' FSL 1337' FWL	9	24S	35E	150 FNL 1350 FWL	4	245	35E
443' FSL 2223' FWL	9	24S	35E	150 FNL 2276 FWL	4	24S	35E
572' FSL 2247' FWL	9	24S	35E	150 FNL 2276 FWL	4	24S	35E
479' FSL 1791' FEL	9	24S	35E	150 FNL 1677 FEL	4	24S	35E
773' FSL 2064' FEL	9	24S	35E	150 FNL 2078 FEL	4	24S	35E
603' FSL 1336' FEL	9	24S	35E	150 FNL 1152 FEL	4	24S	35E
517' FSL 465' FEL	9	24S	35E	150 FNL 350 FEL	4	24S	35E
794' FSL 464' FEL	9	24S	35E	150 FNL 350 FEL	4	24S	35E
674' FSL 465' FEL	9	24S	35E	150 FNL 350 FEL	4	24S	35E
	402' FSL 373' FWL 523' FSL 358' FWL 794' FSL 1337' FWL 443' FSL 2223' FWL 572' FSL 2247' FWL 479' FSL 1791' FEL 773' FSL 2064' FEL 603' FSL 1336' FEL 517' FSL 465' FEL 794' FSL 464' FEL	402' FSL 373' FWL 9  523' FSL 358' FWL 9  794' FSL 1337' FWL 9  443' FSL 2223' FWL 9  572' FSL 2247' FWL 9  479' FSL 1791' FEL 9  773' FSL 2064' FEL 9  603' FSL 1336' FEL 9  517' FSL 465' FEL 9  794' FSL 464' FEL 9	402' FSL 373' FWL 9 24S  523' FSL 358' FWL 9 24S  794' FSL 1337' FWL 9 24S  443' FSL 2223' FWL 9 24S  572' FSL 2247' FWL 9 24S  479' FSL 1791' FEL 9 24S  603' FSL 1336' FEL 9 24S  517' FSL 465' FEL 9 24S  794' FSL 464' FEL 9 24S	402' FSL 373' FWL 9 24S 35E  523' FSL 358' FWL 9 24S 35E  794' FSL 1337' FWL 9 24S 35E  443' FSL 2223' FWL 9 24S 35E  572' FSL 2247' FWL 9 24S 35E  479' FSL 1791' FEL 9 24S 35E  773' FSL 2064' FEL 9 24S 35E  603' FSL 1336' FEL 9 24S 35E  517' FSL 465' FEL 9 24S 35E  794' FSL 464' FEL 9 35E	402' FSL 373' FWL 9 24S 35E 150 FNL 350 FWL  523' FSL 358' FWL 9 24S 35E 150 FNL 350 FWL  794' FSL 1337' FWL 9 24S 35E 150 FNL 1350 FWL  443' FSL 2223' FWL 9 24S 35E 150 FNL 2276 FWL  572' FSL 2247' FWL 9 24S 35E 150 FNL 2276 FWL  479' FSL 1791' FEL 9 24S 35E 150 FNL 1677 FEL  773' FSL 2064' FEL 9 24S 35E 150 FNL 1077 FEL  603' FSL 1336' FEL 9 24S 35E 150 FNL 1152 FEL  517' FSL 465' FEL 9 24S 35E 150 FNL 350 FEL  794' FSL 464' FEL 9 24S 35E 150 FNL 350 FEL	402' FSL 373' FWL 9 24S 35E 150 FNL 350 FWL 4  523' FSL 358' FWL 9 24S 35E 150 FNL 350 FWL 4  794' FSL 1337' FWL 9 24S 35E 150 FNL 1350 FWL 4  443' FSL 2223' FWL 9 24S 35E 150 FNL 2276 FWL 4  572' FSL 2247' FWL 9 24S 35E 150 FNL 2276 FWL 4  479' FSL 1791' FEL 9 24S 35E 150 FNL 2078 FEL 4  773' FSL 2064' FEL 9 24S 35E 150 FNL 2078 FEL 4  603' FSL 1336' FEL 9 24S 35E 150 FNL 152 FEL 4  517' FSL 465' FEL 9 24S 35E 150 FNL 150 FNL 152 FEL 4  794' FSL 466' FEL 9 24S 35E 150 FNL 350 FEL 4	402' FSL 373' FWL 9 24S 35E 150 FNL 350 FWL 4 24S  523' FSL 358' FWL 9 24S 35E 150 FNL 350 FWL 4 24S  794' FSL 1337' FWL 9 24S 35E 150 FNL 1350 FWL 4 24S  443' FSL 2223' FWL 9 24S 35E 150 FNL 2276 FWL 4 24S  572' FSL 2247' FWL 9 24S 35E 150 FNL 2276 FWL 4 24S  479' FSL 1791' FEL 9 24S 35E 150 FNL 1677 FEL 4 24S  773' FSL 2064' FEL 9 24S 35E 150 FNL 2078 FEL 4 24S  603' FSL 1336' FEL 9 24S 35E 150 FNL 1152 FEL 4 24S  517' FSL 465' FEL 9 24S 35E 150 FNL 350 FEL 4 24S  517' FSL 465' FEL 9 24S 35E 150 FNL 350 FEL 4 24S

### Exhibit 4 Lease Tract Maps and Interests

#### Lease Tract Map

Case No. 20775

W/2E/2 of Sections 4 & 9-24S-35E- 320.16 Gross Acres Golden Fed Com 603H

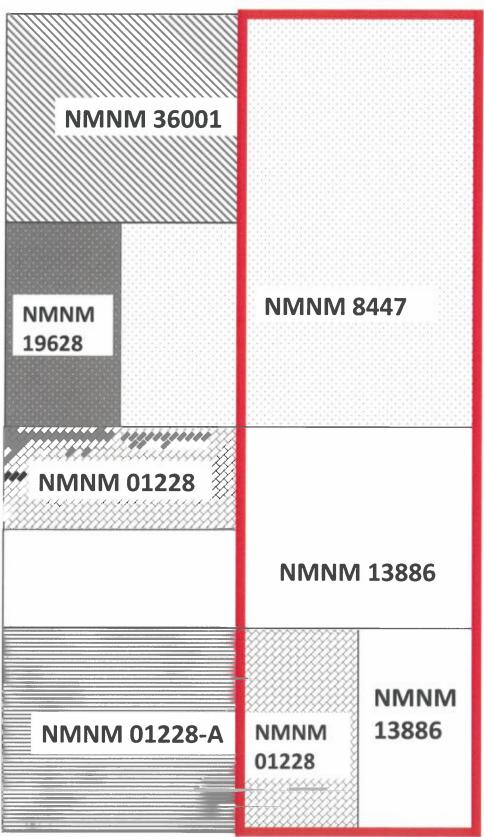


All tracts are Federal minerals (leased)

#### Lease Hact Map

Case No. 20776 E/2 of Sections 4 & 9-24S-35E- 640.35 Gross Acres

Breckenridge Fed Com 705H Breckenridge Fed Com 706H Golden Fed Com 704H



All tracts are Federal minerals (leased)



#### **Summary of Interests**

Case No. 20775 W/2E/2 of Sections 4 & 9-24S-35E- 320.16 Gross Acres Golden Fed Com 603H

Committed Working Interest:	
Franklin Mountain Energy 2, LLC	47.84475348%
Franklin Mountain Energy, LLC	25.01038267%
Prospector, L.L.C.	1.77873348%
Bean Family Limited Company	0.35574769%
Hinkle Living Trust	0.02287643%
Uncommitted Working Interest: Chevron U.S.A. Inc.  Unleased Mineral Interest:	24.98750625% 0.00000000%
Total:	100.00000000%



#### **Summary of Interests**

Case No. 20776
E/2 of Sections 4 & 9-24S-35E- 640.35 Gross Acres
Breckenridge Fed Com 705H
Breckenridge Fed Com 706H
Golden Fed Com 704H

Committed Working Interest:	
Franklin Mountain Energy 2, LLC	47.84699274%
Franklin Mountain Energy, LLC	37.50238089%
Prospector, L.L.C.	1.77881673%
Bean Family Limited Company	0.35576435%
Hinkle Living Trust	0.02287750%
<u>Uncommitted Working Interest:</u> Chevron U.S.A. Inc.	12.49316780%
<u>Unleased Mineral Interest:</u>	0.00000000%
Total:	100.00000000%

### Exhibit 5 Well Proposal Letters



May 20, 2019

Chevron U.S.A. Inc. Attn: Kristen Hunter, Land Rep 6301 Deauville Blvd. Midland, TX 79706

RE: Golden Fed Com 603H Well Proposal

Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico

SHL: 325' FSL & 1408' FEL Section 9; BHL: 150' FNL & 1677' FEL Section 4

#### Dear Working Interest Owner:

Franklin Mountain Energy, LLC ("FME"), as Operator, hereby proposes drilling and completion of the Golden Fed Com 603H well ("Well") to test the 3<sup>rd</sup> Bone Spring formation at a total vertical depth of 11,760° and a measured depth of 21,675° ("Operation"). The estimated costs associated with the Operation are \$10,561,225, as outlined in the enclosed Authority for Expenditure dated May 1, 2019 ("AFE"). FME's preliminary title records indicate Chevron U.S.A. Inc. owns a 24.98751% working interest in the Well, and Chevron U.S.A. Inc.'s estimated costs associated with the Operation are approximately \$2,638,987.

In addition, FME hereby proposes the Operation under the terms of a modified 1989 AAPL Form 610 Model Form Operating Agreement ("OA") with the following general provisions:

- Contract Area: Township 24 South, Range 35 East, Section 4: W2E2 & Section 9: W2E2
- 100%/300%/300% non-consent risk penalties
- \$7,000.00/\$700.00 drilling and producing overhead rates
- Franklin Mountain Energy, LLC listed as the Operator

If you do NOT wish to participate, FME proposes to acquire your interest at the following terms on a mutually agreeable assignment form:

Please indicate your election in the Operation on the following page and return to Shelly Albrecht at salbrecht@fmellc.com or to the address provided below at your earliest convenience. Should you elect to participate, please also return executed versions of the AFE enclosed as well as the OA proposed herein.

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



Should you have any questions, please contact the undersigned at (720) 414-7855 or by email at the address mentioned above.

Respectfully,	
Franklin Mountain Energy, LLC	
Juli alwest	
Shelly Albrecht, CPL	
Director of Land	
Enclosures	
I/we hereby elect to participate in the proposed Operation be share of the costs outlined on the Golden Fed Com 603H W	
I/we hereby elect to go non-consent in the proposed Opera	tion.
I/we hereby elect to sell my/our interest in the Contract Are	ea to FME.
Working Interest Owner:	
By:	
Printed Name:	
Title:	
Date:	



May 20, 2019

Chevron U.S.A. Inc. Attn: Kristen Hunter, Land Rep 6301 Deauville Blvd. Midland, TX 79706

RE: Breckenridge Fed Com 705H Well Proposal

Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico SHL: 325' FSL & 1338' FEL Section 9; BHL: 150' FNL & 1152' FEL Section 4

#### Dear Working Interest Owner:

Franklin Mountain Energy, LLC ("FME"), as Operator, hereby proposes drilling and completion of the Breckenridge Fed Com 705H well ("Well") to test the Wolfcamp formation at a total vertical depth of 12,025' and a measured depth of 21,940' ("Operation"). The estimated costs associated with the Operation are \$10,911,225, as outlined in the enclosed Authority for Expenditure dated May 1, 2019 ("AFE"). FME's preliminary title records indicate Chevron U.S.A. Inc. owns a 12.49317% working interest in the Well, and Chevron U.S.A. Inc.'s estimated costs associated with the Operation are approximately \$1,363,158.

In addition, FME hereby proposes the Operation under the terms of a modified 1989 AAPL Form 610 Model Form Operating Agreement ("OA") with the following general provisions:

- Contract Area: Township 24 South, Range 35 East, Section 4: E2 & Section 9: E2
- 100%/300%/300% non-consent risk penalties
- \$7,000.00/\$700.00 drilling and producing overhead rates
- Franklin Mountain Energy, LLC listed as the Operator

If you do NOT wish to participate, FME proposes to acquire your interest at the following terms on a mutually agreeable assignment form:

Please indicate your election in the Operation on the following page and return to Shelly Albrecht at <u>salbrecht@fmellc.com</u> or to the address provided below at your earliest convenience. Should you elect to participate, please also return executed versions of the AFE enclosed as well as the OA proposed herein.

FME looks forward to working with you and your company on this proposed development and encourages you to call with any questions pertaining to the Operation. However that, in the near term, FME will file an application for compulsory poor uncommitted working interest owners.



Should you have any questions, please contact the undersigned at (720) 414-7855 or by email at the address mentioned above.

Respectfully,
Franklin Mountain Energy, LLC
July alwest
Shelly Albrecht, CPL Director of Land
Enclosures
I/we hereby elect to participate in the proposed Operation by paying my/our proportionate share of the costs outlined on the Breckenridge Fed Com 705H Well AFE.
I/we hereby elect to go non-consent in the proposed Operation.
I/we hereby elect to sell my/our interest in the Contract Area to FME.
Working Interest Owner:
By:
Printed Name:
Title:



May 20, 2019

Chevron U.S.A. Inc. Attn: Kristen Hunter, Land Rep 6301 Deauville Blvd. Midland, TX 79706

RE: Breckenridge Fed Com 706H Well Proposal

Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico SHL: 325' FSL & 1268' FEL Section 9: BHL: 150' FNL & 350' FEL Section 4

#### Dear Working Interest Owner:

Franklin Mountain Energy, LLC ("FME"), as Operator, hereby proposes drilling and completion of the Breckenridge Fed Com 706H well ("Well") to test the upper Wolfcamp formation at a total vertical depth of 11,910' and a measured depth of 21,825' ("Operation"). The estimated costs associated with the Operation are \$10,911,225, as outlined in the enclosed Authority for Expenditure dated May 1, 2019 ("AFE"). FME's preliminary title records indicate Chevron U.S.A. Inc. owns a 12.49317% working interest in the Well, and Chevron U.S.A. Inc.'s estimated costs associated with the Operation are approximately \$1,363,158.

In addition, FME hereby proposes the Operation under the terms of a modified 1989 AAPL Form 610 Model Form Operating Agreement ("OA") with the following general provisions:

- Contract Area: Township 24 South, Range 35 East, Section 4: E2 & Section 9: E2
- 100%/300%/300% non-consent risk penalties
- \$7,000.00/\$700.00 drilling and producing overhead rates
- Franklin Mountain Energy, LLC listed as the Operator

If you do NOT wish to participate, FME proposes to acquire your interest at the following terms on a mutually agreeable assignment form:

Please indicate your election in the Operation on the following page and return to Shelly Albrecht at <u>salbrecht a finelle.com</u> or to the address provided below at your earliest convenience. Should you elect to participate, please also return executed versions of the AFE enclosed as well as the OA proposed herein.

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



Should you have any questions, please contact the undersigned at (720) 414-7855 or by email at the address mentioned above.

Respectfully, Franklin Mountain Energy, LLC Juli allewet Shelly Albrecht, CPL Director of Land **Enclosures** I/we hereby elect to participate in the proposed Operation by paying my/our proportionate share of the costs outlined on the Breckenridge Fed Com 706H Well AFE. I/we hereby elect to go non-consent in the proposed Operation. I/we hereby elect to sell my/our interest in the Contract Area to FME. Working Interest Owner: \_\_\_\_\_ By: Printed Name: Title:

Date:



May 20, 2019

Chevron U.S.A. Inc. Attn: Kristen Hunter, Land Rep 6301 Deauville Blvd. Midland, TX 79706

RE: Golden Fed Com 704H Well Proposal

Township 24 South, Range 35 East, N.M.P.M., Lea County, New Mexico SHL: 325' FSL & 1373' FEL Section 9; BHL: 150' FNL & 2078' FEL Section 4

#### Dear Working Interest Owner:

Franklin Mountain Energy, LLC ("FME"), as Operator, hereby proposes drilling and completion of the Golden Fed Com 704H well ("Well") to test the upper Wolfcamp formation at a total vertical depth of 11,910' and a measured depth of 21,825' ("Operation"). The estimated costs associated with the Operation are \$10,911,225, as outlined in the enclosed Authority for Expenditure dated May 1, 2019 ("AFE"). FME's preliminary title records indicate Chevron U.S.A. Inc. owns a 12.49317% working interest in the Well, and Chevron U.S.A. Inc.'s estimated costs associated with the Operation are approximately \$1,363,158.

In addition, FME hereby proposes the Operation under the terms of a modified 1989 AAPL Form 610 Model Form Operating Agreement ("OA") with the following general provisions:

- Contract Area: Township 24 South, Range 35 East, Section 4: E2 & Section 9: E2
- 100%/300%/300% non-consent risk penalties
- \$7,000.00/\$700.00 drilling and producing overhead rates
- Franklin Mountain Energy, LLC listed as the Operator

If you do NOT wish to participate, FME proposes to acquire your interest at the following terms on a mutually agreeable assignment form:

.

Please indicate your election in the Operation on the following page and return to Shelly Albrecht at <u>salbrecht@fmellc.com</u> or to the address provided below at your earliest convenience. Should you elect to participate, please also return executed versions of the AFE enclosed as well as the OA proposed herein.

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



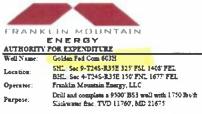
Should you have any questions, please contact the undersigned at (720) 414-7855 or by email at the address mentioned above.

Respectfully, Franklin Mountain Energy, LLC hall alwest Shelly Albrecht, CPL Director of Land Enclosures I/we hereby elect to participate in the proposed Operation by paying my/our proportionate share of the costs outlined on the Golden Fed Com 704H Well AFE. I/we hereby elect to go non-consent in the proposed Operation. I/we hereby elect to sell my/our interest in the Contract Area to FME. Working Interest Owner: By: Printed Name:

Date:

### Exhibit 6 All AFEs

\$55,000 \$0 \$0 \$20,000 \$213,000



602H Welle

> County-State: Les Co., MM Date Prepared: 5112019

AFE DCE190507

		Intragible Drilling Costs				Intensible Completion Corr	
Major	Miner	Descriptions.	Amount	ALADRE	Minor	Description	Amount
203	3	ADMINISTRATIVE OVERHEAD	\$12,500	190	3	ADMINISTRATIVE OVERHELD	\$12,500
225	10	CASING CREW & EQPT	\$35,00C	240	10	CASED HOLE LOGS & SURVEYS	\$15,000
225	15	CEMENTING INTERMEDIATE CASING	\$60,000	240	15	CASING CREW & EQPT	50
225	20	CEMENTING SUFACE CASING	\$20,000	240	20	COILED TUBING SNUBBING UNIT	\$130,000
225	25	COMMUNICATIONS	\$15,000	240	25	COMMUNICATIONS	\$15,000
225	30	COMPLETION FLUIDS	\$45,000	240	30	COMPANY DIRECT LABOR	\$15,000
225	40	CONTRACT LABOR	\$30,000	240	35	COMPLETION WORKOVER RIG	\$50,000
225	45	DAMAGES	SC	240	45	CONTRACT LABOR/ROUSTABOUTS	50
225	50	DAYWORK CONTRACT	\$736,000	240	50	DAMAGES/RECLAMATION	\$25,000
225	55	DRILLING - DIRECTIONAL	\$420,000	240	55	DISPOSAL SOLIDS	90
225	60	DRILLING - FOOTAGE	\$6	240	60	ELECTRICAL POWER GENERATION	\$0
225	65	DRELLING BITS	\$105,000	240	65	ENVIRONMENTAL/CLEANUP	9.0
225	70	ELECTRICAL POWER GENERATION	\$60,000	240	70	FISHING TOOLS / SERVICES	SC
225	75	ENGINEERING	\$15,000	240	75	FUEL, POWER-DIESEL	\$200,000
225	BC	ENVIRONMENTAL SERVICES	sc	240	60	HEALTH & SAFETY	\$10,000
225	B5	EQUIPMENT RENTAL	\$122,500	240	85	HOUSING AND SUPPORT SERVICES	\$0
225	90	FISHING TOOLS SERVICES	sc	240	90	MATERIALS & SUPPLIES	\$0
225	95	HEALTH & SAFETY	sc	240	95	MISCELLANBOUS	\$50,000
225			\$45,000	240	100	MUD & CHEMICALS	\$0,000
225		HOUSING AND SUPPORT SERVICES		240	110		30
		DISURANCE	\$16,000		115	P&ATA COSTS	\$200,000
225	11	LEGAL, TITLE SERVICES	\$5,000	240		PERFORATING WIRELINE SERVICE	
225		MATERIALS & SUPPLIES	02	240			\$25,000
225	120	MESCELLANEOUS	\$0	240		ROAD, LOCATIONS REPAIRS	\$25,000
225		MOUSE/RATHOLE CONDUCT PIPE	\$5,000	240	130		\$4,400,000
225		MUD & CHEMICALS	\$120,000	240			\$0
225		OPENHOLE LOGGING	\$100,000	240	140		\$42,000
225		PERMITS, LICENSES, ETC	\$2,000	240			\$40,000
225		POWER FUEL & WATER HAULING	50	240	150	***************************************	\$20,000
225	133	RIG MOVE & RACKING COSTS	\$200,000	240	155		\$0
225		RIG UP TEAR OUT & STANDBY	\$50,000	240	160	WELDING SERVICES	\$0
225	165	STAKING & SURVEYING	\$6,000	240	165	WELL TESTING FLOWBACK	\$100,000
225	170	SUPERVISION	\$96,000	240	40	CONTINGENCY COSTS 5%	\$268,721
225	175	SUPERVISION - GEOLOGICAL	\$24,000	1			
225	180	TRANSPORTATION TRUCKING	\$25,000	1			
225	31	CONTINGENCY 5%	\$118,500				
		Total Intengible Drilling Costs:	52,488,500			Total Intengible Completion Costs:	53,643,223
		Tanvible Drilline Costs				Tangible Completion Costs	
Major	Misor	Description	Amount			Description	Amount
230	5	CONSTRUCTION LOCATION & ROAD	200,082		5	ARTIFICIAL LIFT	\$250,000
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$285,000		IC	ENGINEERING	\$10,000
230	20	PACKERS SLEEVES PLUGS	\$0		13	FLOWLINES	\$10,000
230	25	PRODUCTION CASING & ATTACHEMENTS	\$580,000		20	FLUIDS HAULING DISPOSAL	\$135,000
230	30	SITE RESTORATION	\$0	245	25	FRAC STRING	\$50,000
230	35	SURFACE CASING & ATTACHMENTS	\$65,000	245	30	FRAC WATER COMPLETION FLUID	\$360,000
230	40	TAXES	\$0		4C	PACKERS SLEEVES PLUGS GL MANDRELS	\$25,000
230	45	WELLHEAD EOUPMENT/CASING BOWL	\$30,000		43	PRODUCTION LINER	\$0
		Total Tangible Deilling Costs:	\$1,040,000	245	50	PRODUCTION PROCESSING FACILITY	\$0
				245	44	MODULATION FURNIC	\$55,000

	I MEADOW DESIGNA C 0212						
Major	Misor	Description	Amount				
230	5	CONSTRUCTION LOCATION & ROAD	200,082				
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$285,000				
230	20	PACKERS SLEEVES PLUGS	\$0				
230	25	PRODUCTION CASING & ATTACHEMENTS	\$580,000				
230	30	SITE RESTORATION	\$0				
230	35	SURFACE CASING & ATTACHMENTS	\$65,000				
230	40	TAXES	\$0				
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$30,000				
		Total Tengible Drilling Costs:	\$1,040,000				

Office Use Only:

300,000	4T-	,	ARTE ICEAL COL
\$285,000	245	IC	ENGINEERING
\$0	245	13	FLOWLINES
\$580,000	245	20	FLUIDS HAULING DISPOSAL
\$0	245	25	FRAC STRING
\$65,000	243	30	FRAC WATER COMPLETION FLUID
\$0	245	4C	PACKERS SLEEVES PLUGS GL MANDRELS
\$30,000	245	43	PRODUCTION LINER
\$1,949,900	245	50	PRODUCTION PROCESSING FACILITY
	245	53	PRODUCTION TUBING
	245	60	RODS PUMPS
	245	65	SUBSURFACE EQUIPMENT
	245	70	TAXES
	245	75	WELLHEAD EQUIPMENT
			Total Tangible Completion Costs:
		*******	

ļ	
ĺ	
	ĺ

Major	Minor	Descripcion	Ameust
250	- 5	ADMINISTRATIVE OVERHEAD	\$12,500
250	10	AUTOMATION/TELEMENTRY/METERING	\$50,000
250	15	COMMUNICATIONS	\$5,000
250	20	COMPANY DIRECT LABOR	\$0
250	25	COMPRESSORS	50
250	35	CONTRACT LABOR/ROUSTABOUTS	\$10,000
250	40	DAMAGESTECLAMATION	\$5,000
250	45	DIAGNOSTIC EQUIPMENT	50
250	50	DISPOSAL SOLIDS	\$0
250	55	ELECTRICAL	\$20,000
250	60	ELECTRICAL POWER-GENERATION	\$50,000
250	65	ENGINEERING	\$15,000
250	70	ENVIRONMENTAL/CLEANUP	\$25,000
250	75	FLOWLINES	\$25,000
250	80	FLUIDS HAULING DISPOSAL	\$10,000
250	85	FUEL, POWER DIESEL	\$0
250	90	HEALTH & SAFETY	\$2,000
250	95	HOUSING AND SUPPORT SERVICES	\$1,500
250	100	MATERIALS & SUPPLIES	\$25,000
250	119	NON OPERATED	50
250	115	PIPE-VALVES/TITTINGS	\$15,000
250	120	PIPELINE & METERING	\$50,000
250	125	PRODUCTION PROCESSING FACILITY	<b>SC</b>
250		PUMPS (SURFACE)	\$20,000
250		ROAD, LOCATIONS REPAIRS	\$10,000
250		SUBSURFACE EQUIPMENT	\$15,000
250		SUPERVISION	\$25,000
250		TANKS WALKWAYS, STAIRS, BUILDING STRUCTURES	
250	155	TAXES	\$0
250	160	TRANSPORTATION TRUCKING	\$5,000
250	165	WELDING SERVICES	\$3,500
250		WELLHEAD EQUIPMENT	\$15,000
		Total Lease and Well Equipment Costs	\$474,500

Lease and Well Equipment Costs

\$3,528,530.00
\$7,032,725.00
\$8,131,725100
\$2,429,500.00
\$10,531,235.00

THIS AUTHORITY FOR EXPENDITURE IS BASED ON COST ESTMATES BILLING WILL REFLECT YOUR PROPORTINATE SHARE OF THE ACTUAL BANGINE COSTS

*******		ESTERNIS STATE OF THE PARTY OF THE PROPERTY OF		
Operator	Frank in Mountain Energy, LLiC		24 2019	26
Approved By:	and Ramideo-Wood Cluef Operating Officer	Data		HIBIT
WI Owner:			tabbie	<b>/</b> _
Approved By		Data		0
Printed Name		Title		

AUTHORITY FOR EXPENDITURE
Well Name: Brockerndge Fed Con

FOR EXPENDITURE
Bracksundigs Fed Com 707M
SEL Sec 9-T245-R3528 327 FSL 1338 FEL
BHL Sec 4-T245-R3528 150 FNL 1152 FEL
Franklin Mountain Energy, LLC Location: Operator:

Purpote:

Date Propored: 5/1/2019 Drill and complete a 9500 upper Wolframp well with 1750 lbs fr 5linkwater frac TVD 12025, MD 21940 APE #: DCE190509

Intragable Drilling Costs					Intangible Completion Coats			
Major	1 Capper	Description	Amerist	Major	Minor	Description	Amount	
225	3	ADMENSTRATING OVERHEAD	\$12,500	240	2	ADMINISTRATIVE OVERSEAD	\$12,500	
225	10	CASING CREW & EQPT	\$35,000	240	10	CASED HOLE LOGS & SURVEYS	\$15,000	
225	15	CEMENTING INTERMEDIATE CASING	\$60,000	240	15	CASING CREW & EQPT	\$0	
225	20	CEMENTING SUFACE CASING	\$20,000	240	20	COILED TURING SNUBBING UNIT	\$130,000	
225	25	COMMUNICATIONS	\$15,000	240	25	COMMUNICATIONS	\$15,000	
225	30	COMPLETION FLUIDS	\$45,000	240	30	COMPANY DIRECT LABOR	\$15,000	
225	40	CONTRACT LABOR	\$30,000	240	35	COMPLETION WORKOVER RIG	\$50,000	
225	45	DAMAGES	50	240	45	CONTRACT LABOR ROUSTABOUTS	so	
225	50	DAYWORK CONTRACT	\$736,000	240	50	DAMAGES RECLAMATION	\$25,000	
225	55	DRILLING - DERECTIONAL	\$420,000	240	55	DISPOSAL SOLIDS	so	
225	60	DRILLING - FOOTAGE	50	240	60	ELECTRICAL POWER-GENERATION	\$0	
225	65	DRILLING BITS	\$105,000	240	65	ENVIRONMENTAL-CLEANUP	so	
225	70	ELECTRICAL POWER GENERATION	260,000	240	70	FISHING TOOLS SERVICES	sc	
225	75	ENGINEERING	\$15,000	240	75	FUEL POWER DIESEL	\$200,000	
225	80	ENVIRONMENTAL SERVICES	so	240	\$3	HEALTH & SAFETY	\$10,000	
225	85	EQUIPMENT RENTAL	\$122,500 <b>i</b>	240	85	HOUSING AND SUPPORT SERVICES	0.2	
225	90	FISHING TOOLS SERVICES	50	240	90	MATERIALS & SUPPLIES	22	
225	95	HEALTH & SAFETY	\$0	240	95	MISCELLANEOUS	\$50,000	
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS	32	
225	105	INSURANCE	\$16,000	240	110	PARATACOSTS	\$0	
225	11	LEGAL, TITLE SERVICES	\$5,000	240	115	PERFORATING WIRELINE SERVICE	\$200,000	
225	115	MATERIALS & SUPPLIES	\$0	240	120	PIPE INSPECTION	\$25,000	
225	120	MISCELLANEOUS	\$0	240	125	ROAD, LOCATIONS REPAIRS	\$25,000	
225	125	MOUSE RATHOLE CONDUCT PIPE	\$5,000	240	130	STIMULATION	\$4,400,000	
225	130	MUD & CHEMICALS	\$120,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$0	
225	140	OPENHOLE LOGGING	\$100,000	240	140	SUPERVISION	\$42,000	
225	145	PERMITS, LICENSES, ETC	\$2,000	240	145	SURFACE EQUIP RENTAL	\$40,000	
225	150	POWER FUEL & WATER HAULING	\$0	240	150	TRANSPORTATION TRUCKING	\$20,000	
225	155	RIG MOVE & RACKING COSTS	\$200,000	240	155	WATER HEATING	so	
225	160	RIG UP TEAR OUT & STANDBY	250,000	240	160	WELDING SERVICES	02	
225	165	STAKING & SURVEYING	\$6,000	240	165	WELL TESTINGFLOWBACK	\$100,000	
225	176	SUPERVISION	296,000	240	40	CONTINGENCY COSTS 5%	\$268,725	
225	375	SUPERVISION - GEOLOGICAL	\$24,000				- 1	
225	180	TRANSPORTATION/TRUCKING	\$25,000				1	
125	35	CONTINGENCY 5%	\$118,500				i	
		Total Intengible Drilling Costs:	51,465,000			Total Intangible Completion Costs:	\$51,643,225	
Taneible Drilling Co.r.						Tanwible Completion Cour:		

Wall #:

705H County/State: Len Co., NM

Amount \$80,000 \$635,000 20 25 30 35 40 45 230 230 230 230 230 230 \$780.000 MEE MEDIORATION
SURFACE CASING & ATTACHMENTS
TAXES
WELLHEAD EQUIPMENT CASING BOWL
Total Tengible Design Costs: \$65,000

| Major | Minor Description | | 245 | 5 | ARTIFICIAL LIFT | | 245 | 10 | ENGINEERING | | 245 | 17 | FLOWLINES | \$250,000 \$10,000 245 245 245 245 245 245 245 245 245 10 15 20 23 30 40 45 50 \$10,000 FLOWINES
FLUDS HAULING DISPOSAL
FRAC STRING
FRAC WATER COMPLETION FLUID
PACKERS SLEFVES FLUGS GL MANDRELS
PRODUCTION LIVER
PRODUCTION PROCESSING FACILITY \$135,000 \$50,000 \$360,000 \$25,000 245 245 PRODUCTION TUBING RODS PUMPS SUBSURFACE EQUIPMENT TAXES WELLHEAD EQUIPMENT Total Tangible Completion Coin: 245 245 245 65 70 75

Lease and Well Equipment Costs

Office Use Only:

		Team and Med Edemment Cott	
Major		Descripcion	Ameran
250		ADMINISTRATIVE OVERHEAD	\$12,500
250	10	AUTOMATION TELEMENTRY METERING	\$50,000
250	15	COMMUNICATIONS	\$5,000
250	20	COMPANY DIRECT LABOR	\$0
250	25	COMPRESSORS	\$0
250	35	CONTRACT LABOR ROUSTABOUTS	\$10,000
250	40	DAMAGES RECLAMATION	\$5,000
250	45	DIAGNOSTIC EQUIPMENT	20
250	50	DESPOSAL SOLIDS	\$0
250	55	ELECTRICAL	\$20,000
250	60	ELECTRICAL POWER GENERATION	\$50,000
250	65	ENGINEERING	\$15,000
250	70	ENVIRONMENTAL CLEANUP	\$25,000
250	75	FLOWLINES	\$25,000
250	\$0	FLUIDS HAULING DISPOSAL	\$10,000
250	85	FUEL, POWER DIESEL	\$0
250	90	HEALTH & SAFETY	\$2,000
250	95	HOUSING AND SUPPORT SERVICES	\$1,500
250	100	MATERIALS & SUPPLIES	\$25,000
250	110	NON OPERATED	sc
250	115	PIPE VALVES FITTINGS	\$15,000
250	120	PIPELINE & METERING	\$50,000
250	225	PRODUCTION PROCESSING FACILITY	sc
250		PUMPS (SURFACE)	\$20,000
250	135	ROAD LOCATION'S REPAIRS	\$10,000
250		SUBSURFACE EQUIPMENT	\$15,000
250	145	SUPERVISION	\$25,000
250		TANKS WALKWAYS, STAIRS, BUILDING STRUCTURES	\$60,000
250	155	TAXES	\$0
250	160	TRANSPORTATION TRUCKING	\$5,000
250	165	WELDING SERVICES	\$3,500
250		WELLHEAD EQUIPMENT	\$15,000
		Total Lease and Well Equipment Costs	\$474,500
P		·	

Tetal AFE

THE AUTHORITY FOR EXPENDITURE IS BASED IN JOST ESTIMATES BILLING WILL REFLECT YOUR PROPORTINATE SHARL OF THE ACTUAL DIVIDICE COSTS

Operator	Frankin Mountain Energy, LLC		
Approved By:	Derud Ramides-Wood Chief Operating Officer	Dans	542019
WT Cramer			
Approved By		Daw	
Printed Name	18 000	Title	10 12 12 12 12 12 12 12 12 12 12 12 12 12



77'ell #: DOH. County/State: Les Co., NM Date Prepared: 5/1/2019 AFE # DCE190511

		Intangible Drilling Costs				Intangible Completion Co:ts	
Major	Misor	APPICTOR NO.		380856	Manor	Description	Amerat
225	3	ADMINISTRATIVE CVERHEAD	\$12,500	240	- 3	ADMINISTRATIVE OVERTEAD	\$12,500
225	10	CASING CREW & EQPT	\$35,000	240	10	CASED HOLE LOGS & SURVEYS	\$15,000
225	15	CEMENTING INTERMEDIATE CASING	\$60,000	240	15	CASING CREW & EOPT	so
225	20	CEMENTING SUFACE CASING	\$20,000	240	20	COLLED TUBING SNUBBING UNIT	\$130,000
225	25	COMMUNICATIONS	\$15,000	240	25	COMMUNICATIONS	\$15,000
225	30	COMPLETION FLUTDS	\$45,000	240	30	COMPANY DIRECT LABOR	\$15,000
225	40	CONTRACT LABOR	\$30,000	240	35	COMPLETION WORKOVER RIG	\$50,000
225	45	DAMAGES	so	240	45	CONTRACT LABOR/ROUSTABOUTS	\$0
225	50	DAYWORK CONTRACT	\$736,000	240	50	DAMAGES/RECLAMATION	\$25,000
225	55	DRILLING - DIRECTIONAL	\$420,000	240	55	DISPOSAL SOLIDS	50
225	60	DRILLING - FOOTAGE	50	240	60	ELECTRICAL POWER GENERATION	50
225	65	DRILLING BITS	\$105,000	240	65	ENVIRONMENTAL/CLEANUP	50
225	70	ELECTRICAL POWER-GENERATION	\$60,000	240	70	FISHING TOOLS SERVICES	sc
225	75	ENGINEERING	\$15,000	240	75	FUEL, PCWER DIESEL	\$200,000
225	80	ENVIRONMENTAL SERVICES	so	240	B3	HEALTH & SAFETY	\$10,000
225	85	EQUIPMENT RENTAL	\$122,500	240	85	HOUSING AND SUPPORT SERVICES	sc
225	90	FISHING TOOLS SERVICES	so	240	90	MATERIALS & SUPPLIES	\$0
225	95	HEALTH & SAFETY	sol	240	95	MISCELLANEOUS	\$50,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS	\$0
225	105	DISURANCE	\$16,000	240	110	P&A/TA COSTS	50
225	11	LEGAL TITLE SERVICES	\$5,000	240	115	PERFORATING/WIRELINE SERVICE	\$200,000
225	115	MATERIALS & SUPPLIES	sol	240	120	PIPE INSPECTION	\$25,000
225	120	MISCELLANEOUS	sol	240	125	ROAD, LOCATIONS REPAIRS	\$25,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$5,000	240	130	STIMULATION	\$4,400,000
225	130	MUD & CHEMICALS	\$120,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$0
225	140	OPENHOLE LOGGING	\$100,000	240	140	SUPERVISION	\$42,000
225	145	PERMITS, LICENSES, ETC	\$2,000	240	145	SURFACE EQUIP RENTAL	\$48,000
225	150	POWER FUEL & WATER HAULING	SO F	240	150	TRANSPORTATION/TRUCKING	\$20,000
225	155	RIG MOVE & RACKING COSTS	\$200,000	240	155	WATER HEATING	30
225	160	RIG UP TEAR OUT & STANDBY	\$50,000	240	160	WELDING SERVICES	50
225	165	STAKING & SURVEYING	\$6,000	240	165	WELL TESTING-FLOWBACK	\$100,000
225	170	SUPERVISION	\$96,000	240	40	CONTINGENCY COSTS 1%	\$268,725
225	173	SUPERVISION - GEOLOGICAL	\$24,000				
225	180	TRANSPORTATION TRUCKING	\$25,000				
225	35	CONTINGENCY 5%	\$118,500			and the second	991 - 6046000000
		Total Intengible Deilling Costs:	51,488,30C			Total Intangible Completion Costs:	33,840,223
		- 11 B W -				- 310 110	

		Tanvible Drilling Costs				
Major	Miger	Description	Amount	Major	Misor	Descripcion
230	3	CONSTRUCTION LOCATION & ROAD	\$80,000	245	5	ARTIFICIA
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$635,000	245	10	ENGENEER
230	20	PACKERS SLEEVES PLUGS	\$0	245	15	FLOWLING
230	25	PRODUCTION CASING & ATTACHEMENTS	\$580,000	245	20	FLUIDS H
230	30	SITE RESTORATION	50	245	25	FRAC STR
230	35	SURFACE CASING & ATTACHMENTS	\$65,000	245	3C	FRAC WAT
230	40	TANES	50	245	4C	PACKERS!
230	45	WELLHEAD EQUIPMENT CASING BOWL	\$30,000	245	45	PRODUCT
		Total Tangible Drilling Costs:	\$1,390,000	245	50	PRODUCT
-				245	55	PRODUCT
		Office Disa Only		945	400	THORSE TITTLE

Tangible Completion Cost:				
Major	Minor	Descripcion	Amount	
245	5	ARTIFICIAL LIFT	\$250,000	
245	10	ENGINEERING	\$10,000	
245	15	FLOWLINES	\$10,000	
245	20	FLUIDS/HAULING/DISPOSAL	\$135,000	
245	25	FRAC STRING	\$50,000	
245	3C	FRAC WATER/COMPLETION FLUID	\$360,000	
245	4C	PACKERS SLEEVES PLUGS GL MANDRELS	\$25,000	
245	45	PRODUCTION LINER	SC	
245	5C	PRODUCTION PROCESSING FACILITY	\$0	
245	55	PRODUCTION TUBING	\$55,000	
245	6C	RODS PUMPS	\$0	
245	65	SUBSURFACE EQUIPMENT	SC	
245	70	TANES	SC	
245	75	WELLHEAD EQUIPMENT	\$20,000	
		Total Tangible Completion Costs:	\$915,000	

Amount \$12,700 \$50,000 \$5,000 \$0 \$0

	Office Use Only:		245	6C	RODS PUMPS
			245	65	SUBSURFACE EQUIPMENT
			245	70	TANES
			245	75	WELLHEAD EQUIPMENT
					Total Tangible Completion Costs:
		Ι'			Lease and Well Equipment Cont
		11	Major	Monas	Description
			250	_ \AM06	ADMINISTRATIVE OVERHEAD
			250	10	
			250		COMMUNICATIONS
			250	20	
		1 1	250	25	
		1 1	250	35	
		11	250	40	DAMAGESTECLAMATION
			250	45	
			250	50	DISPOSAL SOLIDS
			250		ELECTRICAL
		11	250		
			250		ENGINEERING
			250		ENVIRONMENTAL/CLEANUP
			250		FLOWLINES
		11	250		FLUIDS/HAULING/DISPOSAL
			250	85	FUEL POWER DIESEL
		- 11	250	90	HEALTH & SAFETY
		- 11	250	95	HOUSING AND SUPPORT SERVICES
		11	250	100	MATERIALS & SUPPLIES
		11	250	110	NON OPERATED
		- 11	250	115	PIPE-VALVES FITTINGS
		11	250	120	PIPELINE & METERING
			250	125	PRODUCTION PROCESSING FACILITY
			250	130	PUMPS (SURFACE)
			250	135	ROAD LOCATIONS REPAIRS
and the same of th			250		SUBSURFACE EQUIPMENT
CO. LT		\$3,878,500	250	145	SUPERVISION
cts. Comp. con		\$ 1,032,725.00	250	150	
crat Intanguala		51031178000	250	155	TAXES

)	2.70	40	COBFRES-50805	30
ļ	250	35	CONTRACT LABOR/ROUSTABOUTS	\$10,000
	250	40	DANAGES/RECLAMATION	\$5,000
1	250	45	DIAGNOSTIC EQUIPMENT	\$0
1	250	50	DISPOSAL SOLIDS	\$0
	250	55	ELECTRICAL	\$20,000
	250	60	ELECTRICAL POWER GENERATION	\$50,000
1	250	65	ENGINEERING	\$15,000
	250	70	ENVIRONMENTAL/CLEANUP	\$25,000
	250	75	FLOWLINES	\$25,000
	250	80	FLUIDS/HAULING/DISPOSAL	\$10,000
	250	85	FUEL, POWER-DIESEL	\$0
	250	90	HEALTH & SAFETY	\$2,000
1	250	95	HOUSING AND SUPPORT SERVICES	\$1,500
	250	300	MATERIALS & SUPPLIES	\$25,000
	250	110	NON OPERATED	\$0
	250	115	PIPE-VALVES/FITTINGS	\$15,000
	250	120	PIPELINE & METERING	\$50,000
	250	125	PRODUCTION PROCESSING FACILITY	\$0
	250	130	PUMPS (SURFACE)	\$20,000
	250	135	ROAD LOCATIONS REPAIRS	\$10,000
	250	140	SUBSURFACE EQUIPMENT	\$35,000
COLUMN 53.57650013	250	143	SUPERVISION	\$25,000
acts) Completion \$ 1032,723.00	250	150	TANKS WALKWAYS, STAIRS, BUILDING STRUCTURES	\$60,000
cta, Intangoble SCISI,725.	250	155	TAXES	\$0
ceal Tame 01a \$22.179,500,00	250	160	TRANSPORTATION TRUCKING	\$5,000
	250	165	WELDING SERVICES	\$3,500
	250		WELLHEAD EQUIPMENT	\$15,000
I collAFE: SIVYI LENO			Total Loase and Well Equipment Costs	\$474,500
THE ALTERNATIVE CONTRACTOR OF SAME AND AND COMPANY AND	V. 1 D. C.	T1 T 0 T		NAMA .
THIS AUTHORITY FOR EXPENDITURE IS BASED ON COST ESTEMATES. BILLING	WILL KE	FLECT	TOOK PROPORTEGATE SHARE OF THE ACTUAL INVOICE O	12.12

THIS A	UTHORITY FOR EXPENDITURE IS BASED ON COST EST	DIATES BILLING WILL REFLECT YOUR PROPORTING	ATE SHARE OF THE ACTUAL ENVOICE COSTS.
Operator Approved By:	Frank im Mountain Energy, Light Send Ramsden-Wood Ches! Operating Officer	Dare	NICC19
TO CHEEK			
Approved By:		C15	
Printed Name		Titis	



Well Name: Golden Fed Com 7045

Location: BHL Sec + T248-R35E 150 FNL 1333 FEL

Departure: Franklin Mountain Energy, LLC

Drill and complete a 9500 apper Wolframp well with 1750

Parpose: Brill Sickwater free TVD 12025, ND 21940

Well e

AFE et

Connry State: Loa Co. NM Date Prepared: 5/1/2019

DCE190509

	17	Intragible Drilling Costs	Amount	Fxx	W	Intangible Completion Costs	Amount
Major	Alun or	Description		Major 240	Milliot	Ale suggest at the days the Ale	Amount \$12,500
	,	YOYN SHELL SHIME OVERSHEYD	\$12,500 \$35,000	240	10		\$12,500
225	10	CASING CREW & EQPT				CASED HOLE LOGS & SURVEYS	
225	15	CEMENTING INTERMEDIATE CASING	\$60,000	240	15	CASING CREW & EQPT	\$0
225	20	CEMENTING SUFACE CASING	\$20,000	240	20	COILED TUBING SNUBBING UNIT	\$130,000
225	25	COMMUNICATIONS	\$15,000	240		COMMUNICATIONS	\$15,000
225	30	COMPLETION FLUTES	\$45,000	240	30	COMPANY DESECT LABOR	\$15,000
225	40	CONTRACT LABOR	\$30,000	240	35	COMPLETION WORKOVER RIG	\$50,000
225	45	DAMAGES	\$0	240	45	CONTRACT LABOR-ROUSTABOUTS	\$C
225	50	DAYWORK CONTRACT	\$736,000	240	50	DAMAGES RECLAMATION	\$25,000
225	55	DRILLING - DIRECTIONAL	\$420,000	240	53	DISPOSAL SOLIDS	\$C
225	60	DRILLING - FOOTAGE	\$0	240	60	ELECTRICAL POWER-GENERATION	\$C
225	65	DRILLING BITS	\$105,000	240	65	ENVIRONMENTAL/CLEANUP	22
225	70	ELECTRICAL POWER GENERATION	\$60,000	240	70	FISHING TOOLS - SERVICES	\$0
225	75	ENGINEERING	\$15,000	240	75	FUEL, POWER-DIESEL	\$200,000
225	80	ENVIRONMENTAL SERVICES	30	240	80	HEALTH & SAFETY	\$10,000
225	85	EQUIPMENT RENTAL	\$122,500	240	85	HOUSING AND SUPPORT SERVICES	\$0
225	90	FISHING TOOLS SERVICES	\$0	240	90	MATERIALS & SUPPLIES	\$0
225	95	HEALTH & SAFETY	50	240	95	MISCELLANEOUS	\$50,000
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS	92
225	105	DISURANCE	\$16,000	240	210	P&A/TA COSTS	\$0
225	11	LEGAL, TITLE SERVICES	\$5,000	240	115	PERFORATING WIRELING SERVICE	\$200,000
225	115	MATERIALS & SUPPLIES	\$0	240	120	PIPE INSPECTION	\$25,000
225	120	MISCELLANEOUS	50	240	125	ROAD, LOCATIONS REPAIRS	\$25,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$5,000	240	130	STIMULATION	\$4,400,000
225	130	MUD & CHEMICALS	\$120,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	50
225	140	OPENHOLE LOGGING	\$100,000	240		SUPERVISION	\$42,000
225	145	PERMITS, LICENSES, ETC	\$2,000	240	345	SURFACE EQUIP RENTAL	\$40,000
225	150	POWER FUEL & WATER HAULING	20	240		TRANSPORTATION TRUCKING	\$20,000
225	155	RIG MOVE & RACKING COSTS	\$200,000	240	155	WATER HEATING	\$0
225	160	RIG UP TEAR OUT & STANDBY	\$50,000	240		WELDING SERVICES	\$0
225	163	STAKING & SURVEYING	\$6,000	240		WELL TESTING FLOWBACK	\$100,000
225	170	SUPERVISION	\$96,000	240		CONTINGENCY COSTS 5%	\$268,725
225	175	SUPERVISION - GEOLOGICAL	\$24,000	1			
225	180	TRANSPORTATION/TRUCKING	\$25,000				
225	35	CONTINGENCY 9%	\$118,500				
	3.	Total Intengible Drilling Costs:	\$2,488,000	l		Total Intengible Completion Costs:	\$7,840,221
						Book Complete Com	
		Tangible Drilling Costs		200		Tangible Completion Costs	

ENGINE DEBMIT COIL					
Major	Minor	Description	Amount		
230	3	CONSTRUCTION LOCATION & ROAD	\$80,000		
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$635,000		
230	20	PACKERS SLEEVES PLUGS	\$0		
230	25	PRODUCTION CASING & ATTACHEMENTS	\$580,000		
230	30	SITE RESTORATION	\$0		
230	35	SURFACE CASING & ATTACHMENTS	\$65,000		
230	40	TAXES	\$0		
230	45	WELLHEAD EQUIPMENT CASING BOWL	\$30,000		
		Total Tangible Drilling Costs:	\$2,390,000		

Office Use Only:

Major	Minor	Description	Amount
245	5	ARTIFICIAL IIT	\$250,000
245	10	ENGINEERING	\$10,000
245	15	FLOWLINES	\$10,000
245	20	FLUIDS HAULING DISPOSAL	\$135,000
245	25	FRAC STRING	\$50,000
245	30	FRAC WATER-COMPLETION FLUID	\$360,000
245	40	PACKERS SLEEVES PLUGS GL MANDRELS	\$25,00
245	45	PRODUCTION LINER	\$1
245	50	PRODUCTION PROCESSING FACILITY	\$0
245	55	PRODUCTION TUBING	\$55,000
245	60	RODS FUMPS	22
245	61	SUBSURFACE EQUIPMENT	5.0
245	70	TAXES	\$4
245	75	WELLHEAD EQUIPMENT	\$23,000
		Total Tangible Completion Costs:	3915,000

Amount \$12,500 \$50,000

\$10,000 \$5,000 \$0 \$20,000 \$15,000 \$15,000 \$25,000 \$25,000 \$10,000 \$25,000 \$11,000 \$25,000 \$10,

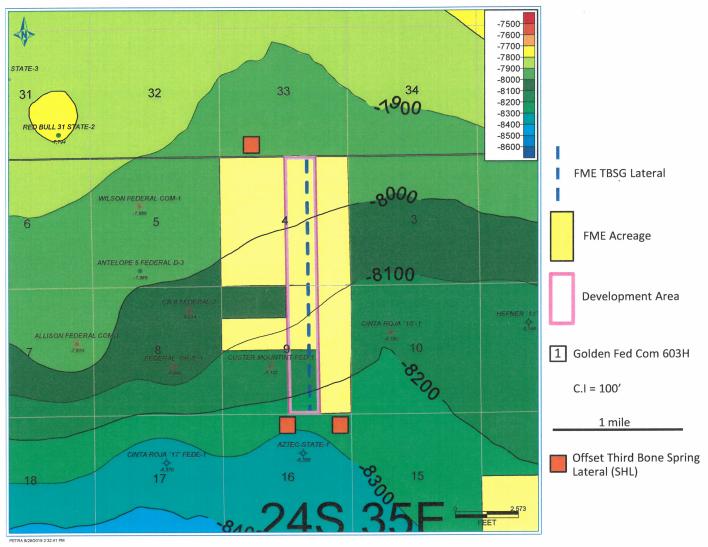
	293	61	SUBSURFACE EQUIPMENT
			TAXES
	245	75	WELLHEAD EQUIPMENT
			Total Tangible Completion Costs:
			Lease and Well Equipment Costs
	Major	Minor	Description
	250	5	ADMINISTRATIVE OVERHEAD
	250	10	AUTOMATION TELEMENTRY METERING
	250	15	COMMUNICATIONS
	250	20	COMPANY DIRECT LABOR
	250	25	COMPRESSORS
	250	35	CONTRACT LABOR/ROUSTABOUTS
	250	40	DAMAGES RECLAMATION
	250	45	DIAGNOSTIC EQUIPMENT
	250	50	DESPOSAL SOLIDS
	250	55	FLECTRICAL
	250	60	ELECTRICAL POWER-GENERATION
	250	65	ENGINEERING
	250	70	ENVIRONMENTAL CLEANUP
	250	75	FLOWLINES
	250	80	FLUIDS/HAULING/DISPOSAL
	250	85	FUEL POWER DIESEL
	250		HEALTH & SAFETY
	250	95	HOUSING AND SUPPORT SERVICES
	250	100	MATERIALS & SUPPLIES
	250	210	NON OPERATED
	250		PIPE-VALVES/FITTINGS
	250	220	PIPELINE & METERING
	250	225	PRODUCTION PROCESSING FACILITY
1	250		PUMPS (SURFACE)
<b>I</b>	250	135	ROAD, LOCATIONS REPAIRS
	250	240	SUBSURFACE EQUIPMENT
CONTROL \$3,828,000.00	250		SUPERVISION
CONCOMPANDON STORAGE	250	150	TANKS WALKWAYS, STAIRS, BUILDING STRUCTURES
55(5)1745(00	250		TAXES
GCD ( 1800 GCD) 1 52,779,500.00	250	160	TRANSPORTATION TRUCKING
	240		WIRT DOLG CONTROLS

Total AFE:	109112251	250 16 250	WELDING SERVICES WELLHEAD EQUIPMENT Total Lease and Well Equipment Costs	\$3,50 \$15,0 \$474,50
THIS A Operator Approved By	Problem Mountain Energy, LLC	NG WILLE LEFELC		DICE COSTS
	Dirid Ransden-Wood Chief Operating Officer			

WI Owner:					
Approved By	D216	I <del>-</del>			
Prigated Name.	Title				
ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME					

Structure Map - Top Third Bone Spring Sand (SSTVD)

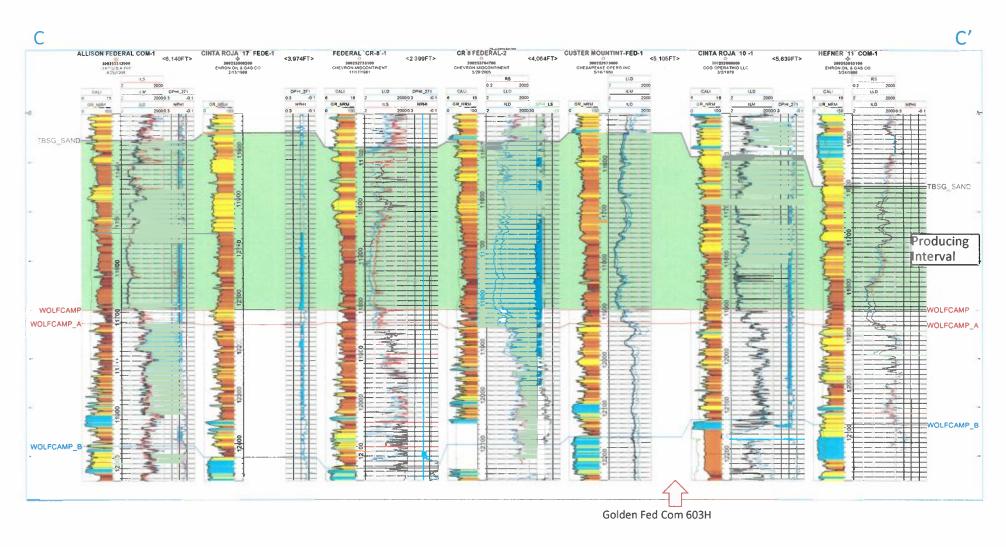






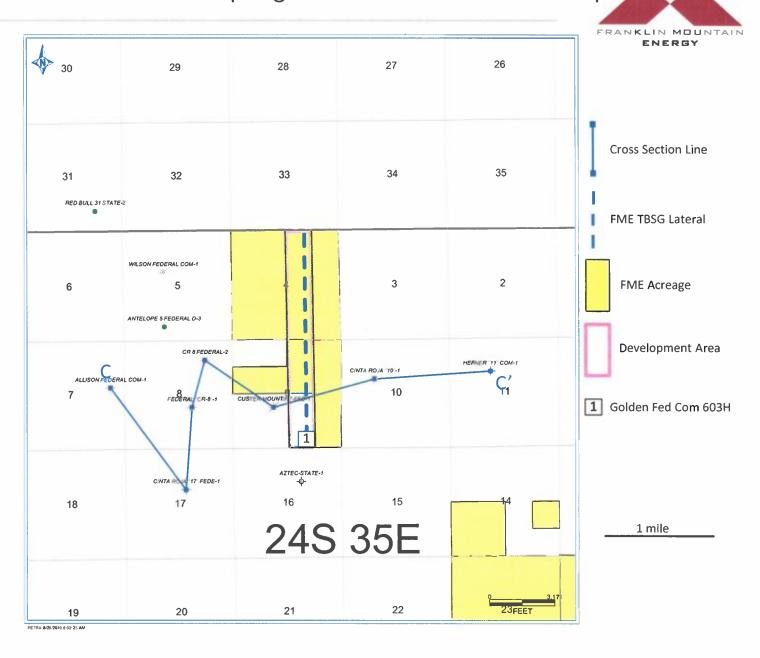
#### Stratigraphic Cross Section (Wolfcamp Datum)





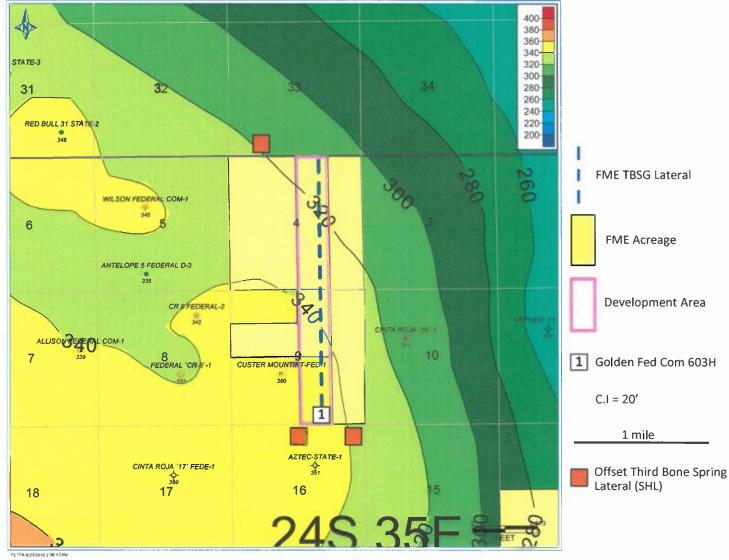
Slight overall thinning of Third Bone Spring Sand from west to east

Golden Fed Com 603H: Third Bone Spring Cross Section Reference Map



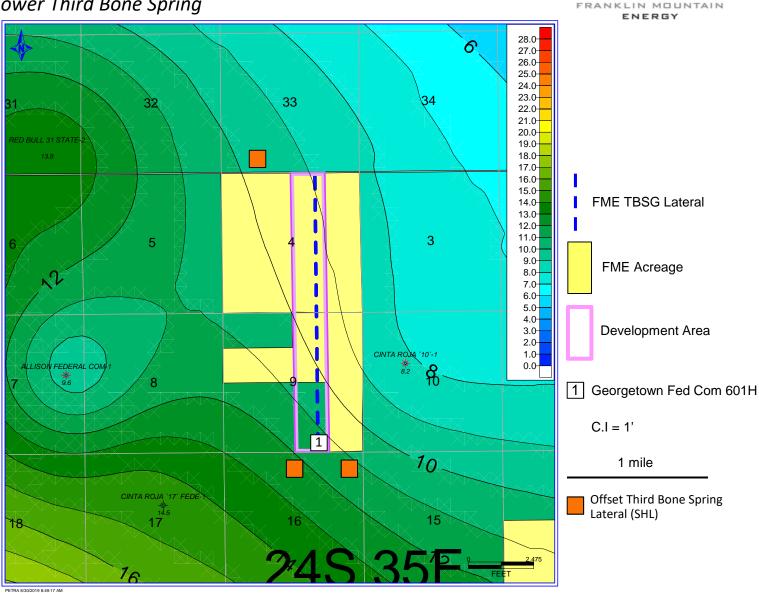
Gross Interval Isochore Map – Third Bone Spring Sand to Wolfcamp





FME wells target a similar Third Bone Spring thickness as successful offset laterals

Net Porosity Height-Lower Third Bone Spring



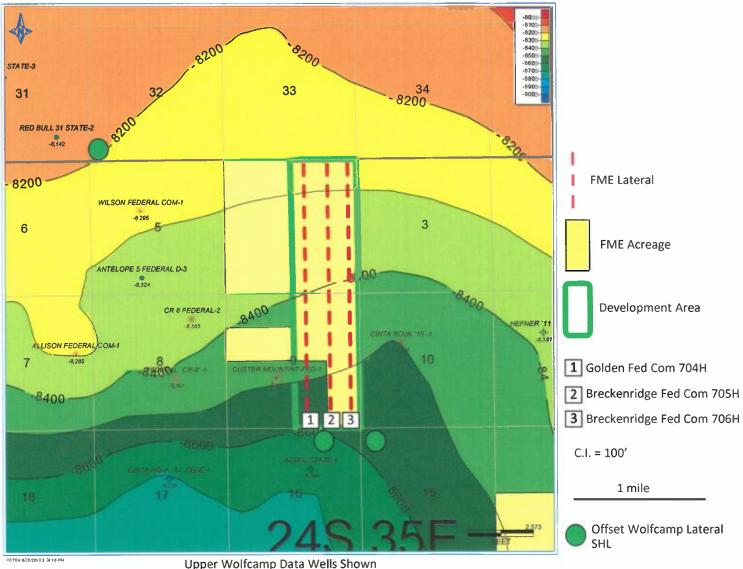
FME wells target a similar Third Bone Spring net porosity as successful offset laterals

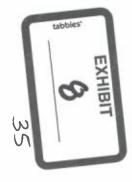
## Exhibit 8 Geology Exhibits

Case No. 20776 Golden Fed Com 704H, Breckenridge Fed Com 705H, and Breckenridge Fed Com 706H

Structure Map – Top Wolfcamp (SSTVD)





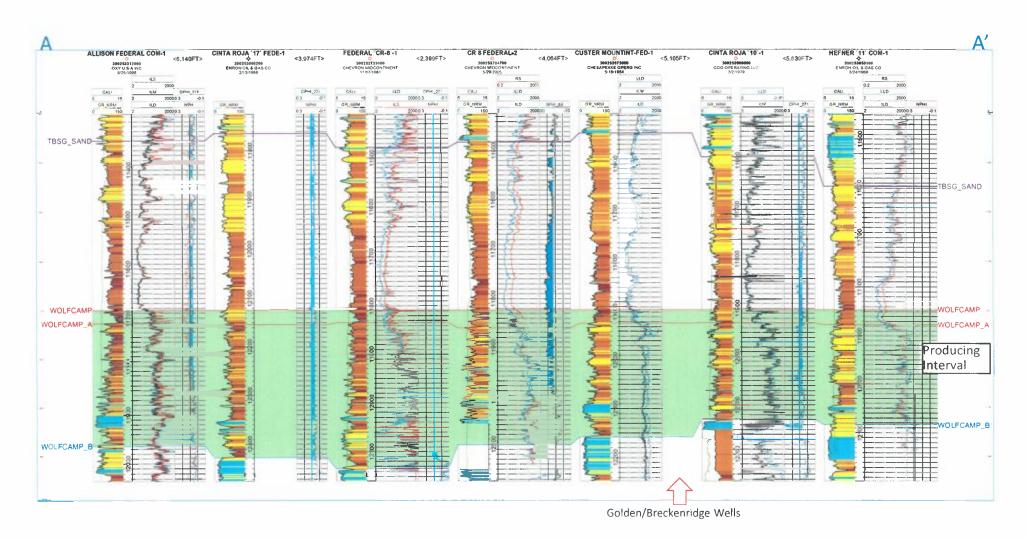


#### Golden/Breckenridge Spacing Unit: Wolfcamp Cross Section Reference Map



Stratigraphic Cross Section (Top Wolfcamp Datum)

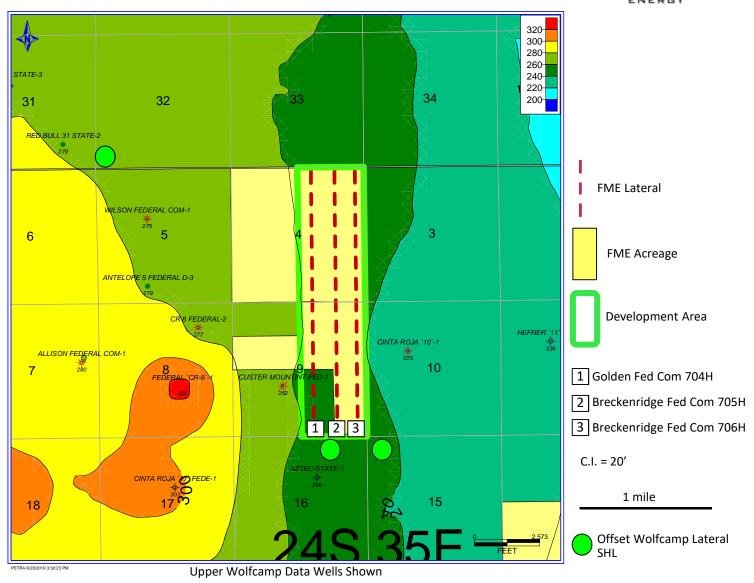




- Slight overall thinning of Wolfcamp from west to east
- Gradual increase of carbonate dilution west to east

Gross Interval Isochore-Wolfcamp to Wolfcamp B

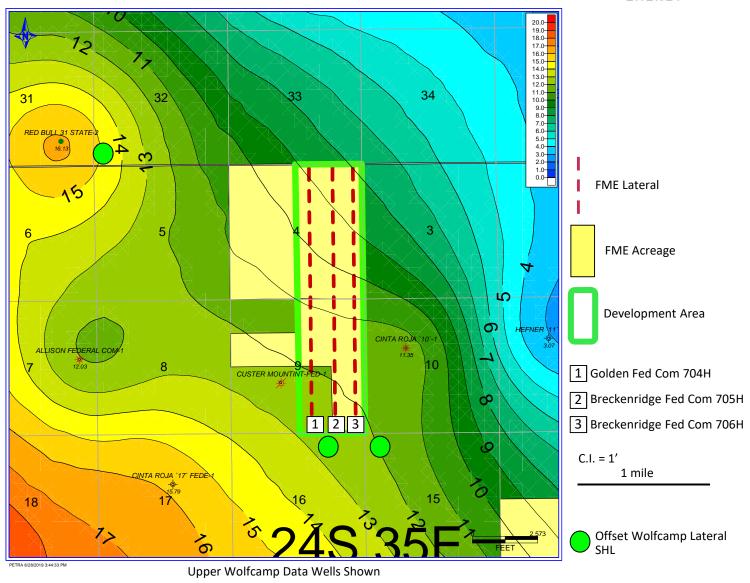




FME wells target a similar Wolfcamp thickness as successful offset laterals

Net Porosity Height-Wolfcamp to Wolfcamp B





FME wells target a similar Wolfcamp net porosity as successful offset laterals

# Exhibit 9 Notice Affidavits

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

APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

**CASE NO. 20775** 

APPLICATION OF FRANKLIN MOUNTAIN ENERGY, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

**CASE NO. 20776** 

#### **AFFIDAVIT**

STATE OF NEW MEXICO	)
	) ss
COUNTY OF BERNALILLO	)

Deana M. Bennett, attorney in fact and authorized representative of Franklin Mountain Energy, LLC, the Applicant herein, being first duly sworn, upon oath, states that the above-referenced Applications were provided under a notice letter and that proof of receipt is attached hereto.

Deana M. Bennett

SUBSCRIBED AND SWORN to before me this 30th day of August, 2019 by Deana M. Bennett.

**EXHIBIT** 

Notary

My commission expires: 02/27/201

OFFICIAL SEAL
Kariene Schuman
NOTARY PUBLIC
STATE OF NEW MEXICO

My Commission Expires:

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 08/15/2019





Firm Mailing Book ID: 172657

Line	USPS Article Number	Name, Street, City, State, Zip		Postage	Service Fee	RR Fee	Rest.Del.Fee	Reference Contents
1	9314 8699 0430 0062 2095 68	Hinkle Living Trust PO Box 1793 Roswell NM 88202	•	\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
2	9314 8699 0430 0062 2095 75	Bean Family Limited Company PO Box 1738 Roswell NM 88202		\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
3	9314 8699 0430 0062 2095 82	Prospector, L.L.C. PO Box 429 Roswell NM 88202	\$1,15 \$3.50 \$1.60 \$0.00		10154.0001.FME Notice			
4	9314 8699 0430 0062 2095 99	Chevron U.S.A. Inc. Attn: Kristen Hunter, Land Rep 6301 Deauville Blvd. Midland TX 79706		\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
5	9314 8699 0430 0062 2096 05	TD Minerals, LLC 8111 Westchester, Suite 900 Dallas TX 75225		\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
6	9314 8699 0430 0062 2096 12	Frank O. Elliott and Elizabeth Ann Elliott 405 B Paseo de Peralta Santa Fe NM 87501		\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
7	9314 8699 0430 0062 2096 29	Elliott-Hall Company 2668 Grant Ave # 104 Ogden UT 84401		\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
8	9314 8699 0430 0062 2096 36	Mary Ellen McClellan 8580 Woodway Dr, Apt 8210 Houston TX 77063		\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
9	9314 8699 0430 0062 2096 43	Bureau of Land Management 301 Dinosaur Trail Santa Fe NM 87508		\$1.15	\$3.50	\$1.60	\$0.00	10154.0001.FME Notice
10	9314 8699 0430 0062 2096 50	Bureau of Land Management - Carlsbad 620 E. Greene Street Carlsbad NM 88220		\$1.15	\$3,50	\$1,60	\$0.00	10154.0001.FME Notice
			Totals:	\$11.50	\$35.00	\$16.00	\$0.00	
					Grand Total:		\$62.50	

Name of receiving employee

Received at Post Office

Listed by Sender 10



#### Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 172657 Generated: 8/30/2019 1:03:20 PM

BART CHICK STREET, ST. T.	In contract to the second				1056000	90000	37-545	Ten for the last	VEN THE RESIDENCE OF THE PARTY	Service and the service services
USPS Article Number	Date Created	Name 1	Name 2	Address	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300062209650	2019-08-15 9:45 AM Eureau o	f Land Management - Carlsbad		620 E. Greene Street	Carlsbad	NM	88220	Delivered	Return Receipt - Electronic, Certified Mar	08-20-2019
9314869904300062209643	2019-08-15 9:45 AM Bureau o	f Land Management		301 Dinosaur Trail	Santa Fe	NM	87508	To be Returned	Return Receipt - Electronic, Certified Mail	
9314869904300062209636	2019-08-15 9:45 AM Mary Elk	n McClellan		8580 Woodway Dr, Apt 8210	Houston	TX	77063	Delivered	Return Receipt - Electronic, Certified Mail	08-19-2019
9314869904300062209629	2019-08-15 9:45 AM Elliott-Ha	II Company		2668 Grant Ave # 104	Ogden	UT	84401	Delivered	Return Receipt - Electronic, Certified Mail	08-19-2019
9314869904300062209612	2019-08-15 9:45 AM Frank O.	Elliott and Elizabeth Ann Elliott		405 B Paseo de Peralta	Santa Fe	NM	87501	Delivered	Return Receipt - Electronic, Certified Mail	08-19-2019
9314869904300062209605	2019-08-15 9:45 AM TD Mine	als, LLC		8111 Westchester, Suite 900	Dallas	TX	75225	Delivered	Return Receipt - Electronic, Certified Mail	08-20-2019
9314869904300062209599	2019-08-15 9:45 AM Chevron	U.S.A. Inc.	Attn: Kristen Hunter, Land Rep	6301 Deauville Blvd.	Midland	TX	79706	Delivered	Return Receipt - Electronic, Certified Mail	08-19-2019
9314869904300062209582	2019-08-15 9:45 AM Prospect	or, L.L.C.		PO Box 429	Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	08-20-2019
9314869904300062209575	2019-08-15 9:45 AM Bean Far	nily Limited Company		PO Box 1738	Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	08-20-2019
9314869904300062209568	2019-08-15 9:45 AM Hinkle Li	ving Trust		PO Box 1793	Roswell	NM	88202	Delivered	Return Receipt - Electronic, Certified Mail	08-19-2019

#### Affidavit of Publication

STATE OF NEW MEXICO **COUNTY OF LEA** 

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

> Beginning with the issue dated August 23, 2019 and ending with the issue dated August 23, 2019.

Sworn and subscribed to before me this 23rd day of August 2019.

**Business Manager** 

My commission expires

January 29, 2023

OFFICIAL SEAL Gussie Black Notary Public State of New Mexico

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

E CALL

LEGAL NOTICE AUGUST 23, 2019

CASE NO. 20773: Notice to all affected parties, as well as the heirs and deutes of Franklin Mountain Energy 2 LLC; Hinkle Living Trust; Bean Family Limited Mebility Company; Prospector LLC; Chevron USA Inc.; XTO Holdings LLC; To Minerals LLC; Frank O. Elliott and Elizabeth Ann Elliott; Elliott-Hall Company; Mary Ellen McClellan; Bureau of Land Management of Franklin Mountain Energy, LLC's application 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 September 5, 2019, to consider this Application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Ouray Fed Com 702H well, the Ouray Fed Com 703H well, and the Georgetown Fed Com 701H well, to be horizontally drilled. The producing area for the wells will 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, LLC as operator of the wells and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and completion of the first well. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

CASE NO. 20774: Notice to all affected parties, as well as the heira and devises of Franklin Mountain Energy 2 LLC; Hinkle Living Trust; Bean Family Limited Liability Company; Prospector LLC; BTA Oil Producers LLC; Chevron USA Inc.; XTO Holdings LLC; TD Minerals LLC; Frank O. Elliott and Elizabeth Ann Elliott; Elliott-Hall Company; Mary Ellen McCleilan; Bureau of Land Management of Franklin Mountain Energy, LLC's application 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 September 5, 2019, to consider this Application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Georgetown Fed Com 301H well and Georgetown Fed Com 301H well, to be horizontally drilled. The producing area for the wells will 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, LLC as operator of the wells, and a 200% charge-for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and completion of the first well. Said area is located approximately 13 miles Northwest of Jal, New Mexico.

CASE NO. 20775: Notice to all affected parties, as well as the heirs and devises of Franklin Mountain Energy 2 LLC; Hinkle Living Trust; Bean Family Limited Liability Company; Prospector LLC; Chevron USA Inc.; TD Minerals LLC; Frank O. Elilott and Elizabeth Ann Elilott; Elilott-Hall Company; Mary Ellen McCleilan; Bureau of Land Management of Franklin Mountain Energy, LLC's application for compulsory pooling, Les 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 September 5, 2019, to consider this Application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the W/2 E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Golden Fed Com 603H well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of drilling and completing said well, the allocation of freshklin Mountain Energy, LLC as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the well is completed. Said area is located approximately. 13 miles Northwest of Jal, New Mexico.

CASE NO. 20776: Notice to all affected parties, as well as the heirs and devises of Franklin Mountain Energy 2 LLC; Hinkle Living Trust; Bean Family Limited Liability Company; Prospector LLC; Chevron USA Inc.; TD Minerals LLC; Frank O. Elilott and Elizabeth Ann Elilott; Elilott-Hall Company; Mary Ellen McCleillan; Bureau of Land Management of Franklin Mountain Energy, LLC's application 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 15 a.m. on September 5, 2019, to consider this Application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Wolfcamp horizontal spacing unit underlying the E/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be decicated to the Breckenridge Fed Com 705H well, the Breckenridge Fed Com 706H well, and the Golden Fed Com 704H well, to be horizontally drilled. The producing area for the wells will 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, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells, and allowing a one year period between when the wells are drilled and completion of the first well. Said area is located approximately 13 miles Northwest of Jai, New Mexico.

CASE NO. 20777: Notice to all affected parties, as well as the heirs and devises of Franklin Mountain Energy 2 LLC; Hinkle Living Trust; Bean Family Limited Lisability Company; Prospector LLC; Chevron USA Inc.; XTO Holdings LLC; To Minerals LLC; Frank O. Elliott and Elizabeth Ann Elliott; Elliott-Hall Company; Mary Ellen McClellan; Bureau of Land Management of Franklin Mountain Energy, LTC's application 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 September 5, 2019, to consider this Application. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a Bone Spring horizontal spacing unit underlying the E/2 W/2 of Sections 9 and 4, Township 24 South, Range 35 East, NMPM, Lea County, New Mexico. This spacing unit will be dedicated to the Oursy Fed Com 602H well, to be horizontally drilled. The producing area for the well will be orthodox. Also to be considered will be the cost of operating costs and charges for supervision, designation of Franklin Mountain Energy, LLC as operator of the well, and a 200% charge for risk involved in drilling said well, and allowing a one year period between when the well is drilled and when the, well is completed. Said area is located approximately 13 miles Northwest of Jal, New Mexico.