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

APPLICATIONS OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 24454, 24456

CONSOLIDATED PRE-HEARING STATEMENT

Franklin Mountain Energy 3, LLC ("Franklin") submits this Consolidated Pre-Hearing Statement for the above-referenced cases pursuant to the rules of the Oil Conservation Division.

APPEARANCES

APPLICANT

FRANKLIN MOUNTAIN ENERGY 3, LLC

ATTORNEY

Deana M. Bennett Earl E. DeBrine Yarithza Peña MODRALL, SPERLING, ROEHL, HARRIS & SISK, P.A. P. O. Box 2168 Albuquerque, New Mexico 87103-2168 (505) 848-1800

OTHER PARTIES

XTO Energy, Inc. Case Nos. 24454 & 24456

ATTORNEY

Michael H. Feldewert Adam G. Rankin Paula M. Vance Post Office Box 2208 Santa Fe, NM 87504 (505) 988-4421

STATEMENT OF CASES

APPLICANT:

In **Case No. 24454**, Franklin Mountain Energy 3, LLC seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2 E/2 of Sections 27 and 34, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Norte State Com 703H** well, to be horizontally drilled from a surface hole location in the NW/4 NE/4 (Lot 2) of Section 3, Township 19 South, Range 35 East, to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 27, Township 18 South, Range 35 East. The producing area for the well is expected to be unorthodox. 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles west of Hobbs, New Mexico.

In **Case No. 24456**, Franklin Mountain Energy 3, LLC seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 E/2 of Sections 27 and 34, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Norte State Com 704H** well, to be horizontally drilled from a surface hole location in the NE/4 NE/4 (Lot 1) of Section 3, Township 19 South, Range 35 East, to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 27, Township 18 South, Range 35 East. The producing area for the well is expected to be unorthodox. 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles west of Hobbs, New Mexico.

PROPOSED EVIDENCE

APPLICANT:

WITNESS	ESTIMATED TIME	EXHIBITS
Landman: Don Johnson	Approx. 10 minutes	Approx. 10
Geologist: Ben Kessel	Approx. 10 minutes	Approx. 15

Received by OCD: 8/15/2024 2:54:47 PM

PROCEDURAL ISSUES

If there are no objections to these matters, Franklin intends to present these cases by affidavit.

Respectfully submitted,

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

By: /s/ Deana M. Bennett

Deana M. Bennett Earl E. DeBrine Yarithza Peña Post Office Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800 Deana.Bennett@modrall.com eed@modrall.com yarithza.pena@modrall.com Attorneys for Franklin Mountain Energy 3, LLC

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served on counsel of record by electronic mail on August 15, 2024.

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

QUESTIONS

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Action 374430

QUESTIONS

Operator:	OGRID:
Franklin Mountain Energy 3, LLC	331595
44 Cook Street	Action Number:
Denver, CO 80206	374430
	Action Type:
	[HEAR] Prehearing Statement (PREHEARING)

QUESTIONS

Testimony		
Please assist us by provide the following information about your testimony.		
Number of witnesses	2	
Testimony time (in minutes)	Not answered.	