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

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

CASE NOS. 24457, 24459 & 24479

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

CASE NOS. 24898-24901

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NOS. 24778-24783

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NOS. 24784-24786

### NOTICE OF AMENDED EXHIBITS

As requested by the Hearing Examiner during the November 20, 2024 contested hearing in the above captioned cases, Franklin Mountain Energy 3, LLC ("FME3") is submitting the attached amended exhibit packet, which includes a complete set of FME3 exhibits, including revisions to the following exhibits: Self-Affirmed Statement of Don Johnson, Exhibit A-2, ¶¶ 22 and 26; Case Ownership Comparison, Exhibits A-7 and A-9; Lease Tract Maps and Summary of Interests: Exhibits A-17-b, A-18-b, A-19-b, A-20-b, A-21-b, A-22-b, and A-23-b; Summary of Contacts: Exhibits A-17-c, A-18-c, A-19-c, A-20-c, A-21-c, A-22-c, and A-23-c; and

Stratigraphic Cross Sections, **Exhibits C-3-b**, **C-3-e**, **C-4-b**, and **C-4-e**. The Amended Exhibit Packet also includes the C-102s for the Wolfcamp Rope State Wells that were originally included in the Supplemental Exhibit Packet filed on November 15, 2024 under **Exhibits A-20-a**, **A-21-a**, **A-22-a**, and **A-23-a**. Finally, this Amended Exhibit Packet contains the following FME3 Rebuttal Exhibits admitted at the hearing under **Exhibits E-1**, **E-2**, **E-3**, **E-4**, **E-5**, **E-6**, **E-7**, **E-8**, and **E-9**. All Amended, Supplemental, and Rebuttal Exhibits are italicized in the Amended Table of Contents included with the Amended Exhibit Packet.

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

By: /s/ Deana M. Bennett

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Attorneys for Franklin Mountain Energy 3, LLC

### **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 December 9, 2024.

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Attorneys MRC Permian Company

/s/ Deana M. Bennett
Deana M. Bennett



# Rope State Com

Case Nos. 24457, 24459, 24479 and 24898, 24899, 24900, 24901 Bone Spring/Wolfcamp

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

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

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CASE NOS. 24778-24783

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

**CASE NOS. 24784-24786** 

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- Exhibit A-6: Bone Spring Ownership Comparison Table
- Exhibit A-7: Bone Spring Working Interest Ownership Comparison
- Exhibit A-8: Wolfcamp Ownership Comparison Table
- Exhibit A-9: Wolfcamp Working Interest Ownership Comparison

<sup>&</sup>lt;sup>1</sup> Amended Exhibits are *italicized*.

- Exhibit A-10: Development Comparison
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    - Exhibit A-17-d: Pooled Parties List
    - Exhibit A-17-e: Summary of Contacts

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- Exhibit A-18: Application
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  - Exhibit A-18-b: Lease Tract Map and Summary of Interests
  - **Exhibit A-18-c**: Authorizations for Expenditure
  - Exhibit A-18-d: Pooled Parties List
  - Exhibit A-18-e: Summary of Contacts

### CASE NO. 24479 SPECIFIC TESTIMONY AND EXHIBITS

- o Exhibit A-19: Application
  - **Exhibit A-19-a**: C-102s
  - Exhibit A-19-b: Lease Tract Map and Summary of Interests
  - **Exhibit A-19-c**: Authorizations for Expenditure
  - Exhibit A-19-d: Pooled Parties List
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### • CASE NO. 24898 SPECIFIC TESTIMONY AND EXHIBITS

- Exhibit A-20: Application
  - Exhibit A-20-a: C-102s
  - Exhibit A-20-b: Lease Tract Map and Summary of Interests
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  - Exhibit A-20-e: Summary of Contacts

### • CASE NO. 24899 SPECIFIC TESTIMONY AND EXHIBITS

- o Exhibit A-21: Application
  - **Exhibit A-21-a**: C-102s
  - Exhibit A-21-b: Lease Tract Map and Summary of Interests
  - Exhibit A-21-c: Authorizations for Expenditure
  - Exhibit A-21-d: Pooled Parties List
  - Exhibit A-21-e: Summary of Contacts

### • CASE NO. 24900 SPECIFIC TESTIMONY AND EXHIBITS

- Exhibit A-22: Application
  - **Exhibit A-22-a**: C-102s
  - Exhibit A-22-b: Lease Tract Map and Summary of Interests

- **Exhibit A-22-c**: Authorizations for Expenditure
- **Exhibit A-22-d**: Pooled Parties List
- Exhibit A-22-e: Summary of Contacts

### • CASE NO. 24901 SPECIFIC TESTIMONY AND EXHIBITS

- Exhibit A-23: Application
  - **Exhibit A-23-a**: C-102s
  - Exhibit A-23-b: Lease Tract Map and Summary of Interests
  - **Exhibit A-23-c**: Authorizations for Expenditure
  - Exhibit A-23-d: Pooled Parties List
  - Exhibit A-23-e: Summary of Contacts

### Exhibit B: Self-Affirmed Declaration of Cory McCoy, Reservoir Engineer

- Exhibit B-1: Rope Development Plan Minimizes Surface Disturbance
- Exhibit B-2: Rope Development Plan Cleans Up Asset
- Exhibit B-3: FME Is Addressing Takeaway Constraints
- Exhibit B-4: Water Takeaway Overview
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- Exhibit B-6: Oil Pipeline Solutions
- Exhibit B-7: Grid Power Solutions
- Exhibit B-8: FME3's Recent Activity
- Exhibit B-9: FME3 Rope Development versus MRC Development
- Exhibit B-10: FME3 Optimized Development Plan
- Exhibit B-11: Wolfcamp A Development
- Exhibit B-12: Comparison of Authorization for Expenditure
- Exhibit B-13: Well Back up Data

### **Exhibit C**: Self-Affirmed Declaration of Ben Kessel, Director of Geology

- Exhibit C-1: Locator Map
- Exhibit C-2: Regional Stress Orientation Overview
- Exhibit C-3: Bone Spring Geology Study
  - Exhibit C-3-a: First Bone Spring Structure Map and Cross-Section Locator Map
  - o Exhibit C-3-b: First Bone Spring Stratigraphic Cross Section
  - o **Exhibit C-3-c**: First Bone Spring Isopach
  - o Exhibit C-3-d: Third Bone Spring Structure Map and Cross-Section Locator

- Map
- o **Exhibit C-3-e**: Third Bone Spring Stratigraphic Cross Section
- o **Exhibit C-3-f**: Third Bone Spring Isopach
- Exhibit C-4: Wolfcamp Geology Study
  - o Exhibit C-4-a: Wolfcamp A Structure Map and Cross-Section Locator Map
  - o Exhibit C-4-b: Wolfcamp A Stratigraphic Cross Section
  - o Exhibit C-4-c: Wolfcamp A Isopach Map
  - o Exhibit C-4-d: Wolfcamp B Structure Map and Cross-Section Locator Map
  - o Exhibit C-4-e: Wolfcamp B Stratigraphic Cross Section
  - o Exhibit C-4-f: Wolfcamp B Isopach Map
- **Exhibit C-5**: Development Comparison

### **Exhibit D**: Declaration of Deana M. Bennett

- Exhibit D-1: Sample Notice Letters
- Exhibit D-2: Mailing Lists of Interested Parties
- Exhibit D-3: Certified Mailing Tracking Lists
- **Exhibit D-4**: Affidavits of Publication from

### Exhibit E: Rebuttal Exhibits

- Exhibit E-1: FME3 Reb. 1: Section 30 Is Key for FME3's Development (Rebuts MRC land testimony ¶¶ 32-34 and 41)
- Exhibit E-2: FME3 Reb. 2: MRC is misrepresenting production (Rebuts MRC Reservoir Engineer exhibits C-3, C-7 to C-17 and associated reservoir engineer testimony)
- Exhibit E-3: FME3 Reb. 4<sup>2</sup>: AFE Comparison Based on Updated MRC AFEs (Addresses MRC Exhibit A-6)
- Exhibit E-4: FME3 Reb. 5: MRC has drilled out of zone (Rebuts MRC geology testimony ¶¶ 34-39 and exhibit)
- Exhibit E-5-7: FME3 Reb. 6-8: MRC selected wells that skew results in its favor (Rebuts MRC Exhibits C-3, C-7 to C-13 and associated reservoir engineer testimony)
  - o Exhibit E-5: FME Reb. 6: First Bone Spring Sand
  - o Exhibit E-6: FME Reb. 7: Second Bone Spring Sand
  - o **Exhibit E-7:** FME Reb. 8: Third Bone Spring Sand
- Exhibit E-8-9: FME3 Reb. 9-10: FME3's Wolfcamp Experience (Rebuts MRC geology exhibit B-8 and associated geology testimony and MRC reservoir engineer exhibits C-14 to C-17 and associated reservoir engineering testimony)
  - o Exhibit E-8: FME3 Reb. 9: FME's Gold 701H Experience
  - o **Exhibit E-9:** FME3 Reb. 10: FME's Wolfcamp B/D Experience

<sup>&</sup>lt;sup>2</sup> FME3 Reb. 3 Exhibit was not admitted at the hearing on November 20, 2024 and is not being submitted with this Amended Exhibit Packet.

Case: 24457	APPLICANT'S RESPONSE	
Date	November 20, 2024	
	Franklin Mountain Energy 3, LLC	
Applicant Control of C	Franklin Mountain Energy 3, LLC OGRID No. 331595	
Designated Operator & OGRID (affiliation if applicable)		
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.	
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, and for the Extent Necessary Approval of an Overlapping Spacing Unit, Lea County, New Mexico.	
Entries of Appearance/Intervenors:	MRC Permian Company	
Well Family	Rope State Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Bone Spring	
Pool Name and Pool Code (Only if NSP is requested):	N/A	
Well Location Setback Rules (Only if NSP is Requested):	N/A	
Spacing Unit		
Type (Horizontal/Vertical)	Horizonal	
Size (Acres)	459.56-acres	
Building Blocks:	40-acres	
Orientation:	North/South	
Description: TRS/County	Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.	
Other Situations		
Depth Severance: Y/N. If yes, description	N/A	
Proximity Tracts: If yes, description	N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	Exhibit A-17-b	
Well(s)		
Name & API (if assigned), surface and bottom hole location,		
footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	
Well #1: Rope State Com 301H		
	API No. <i>Pending</i> SHL: 330' FSL & 978' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 800' FWL, (Lot 1) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,192' TVD) Orientation: North/South	

EXHIBIT A-1

CERTIFICATION: I hereby certify that the information provided	I in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	11/13/2024

None.

**Additional Information** 

Special Provisions/Stipulations

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 24459	APPLICANT'S RESPONSE	
Date	November 20, 2024	
Applicant	Franklin Mountain Energy 3, LLC	
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595	
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.	
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, and, for the Extent Necessary Approval of an Overlapping Spacing Unit, Lea County, New Mexico.	
Entries of Appearance/Intervenors:	MRC Permian Company	
Well Family	Rope State Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Bone Spring	
Pool Name and Pool Code (Only if NSP is requested):	N/A	
Well Location Setback Rules (Only if NSP is Requested):	N/A	
Spacing Unit		
Type (Horizontal/Vertical)	Horizonal	
Size (Acres)	960-acre	
Building Blocks:	40-acres	
Orientation:	North/South	
Description: TRS/County	E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.	
Other Situations		
Depth Severance: Y/N. If yes, description	N/A	
Proximity Tracts: If yes, description	Yes. The completed interval for the Rope State Com 303H well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.	
Proximity Defining Well: if yes, description	Rope State Com 303H	
Applicant's Ownership in Each Tract	Exhibit A-18-b	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	
Well #1: Rope State Com 303H	API No. <i>Pending</i> SHL: 338' FSL & 1193' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 1490' FEL, (Unit B) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,162' TVD) Orientation: North/South	

Received by OCD: 12/9/2024 1:42:44 PM Well #2: Rope State Com 304H	Page 13 of
	API No. Pending SHL: 338' FSL & 1073' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 360' FEL, (Unit A) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,033' TVD) Orientation: North/South
Well #3: Rope State Com 604H	API No. <i>Pending</i> SHL: 338' FSL & 1133' FEL, (Unit B), Section 30, T18S, R35E BHL: 100' FNL & 360' FWL, (Unit A) Section 18, T18S, R35E Completion Target: Third Bone Spring (Approx. 10,306' TVD) Orientation: North/South
Horizontal Well First and Last Take Points	Exhibit A-18-a
Completion Target (Formation, TVD and MD)	Exhibit A-18-c
AFE Capex and Operating Costs	
Drilling Supervision/Month \$	\$9,000.00
Production Supervision/Month \$	\$900.00
Justification for Supervision Costs	Exhibit A
Requested Risk Charge	200%
Notice of Hearing	
Proposed Notice of Hearing	Exhibit D-1
Proof of Mailed Notice of Hearing (20 days before hearing)	Exhibit D-2 and D-3
Proof of Published Notice of Hearing (10 days before hearing)	Exhibit D-4
Ownership Determination	
Land Ownership Schematic of the Spacing Unit	Exhibit A-18-b
Tract List (including lease numbers and owners)	Exhibit A-18-b
If approval of Non-Standard Spacing Unit is requested, Tract List (including lease numbers and owners) of Tracts subject to notice requirements.	N/A
Pooled Parties (including ownership type)	Exhibit A-18-d
Unlocatable Parties to be Pooled	N/A
Ownership Depth Severance (including percentage above & below)	N/A
Joinder	
Sample Copy of Proposal Letter	Exhibit A-16
List of Interest Owners (ie Exhibit A of JOA)	Exhibit A-18-b
Chronology of Contact with Non-Joined Working Interests	Exhibit A-18-e
Overhead Rates In Proposal Letter	Exhibit A-16
Cost Estimate to Drill and Complete	Exhibit A-18-c
Cost Estimate to Equip Well	Exhibit A-18-c
Cost Estimate for Production Facilities	Exhibit A-18-c
Geology	
Summary (including special considerations)	Exhibit C
Spacing Unit Schematic	Exhibit C-1
Gunbarrel/Lateral Trajectory Schematic	N/A
Well Orientation (with rationale)	Exhibit C-2
Released to Imaging: 12/10/2024 11:16:47 AM Target Formation	Exhibit C

Received by OCD: 12/9/2024 1:42:44 PM		Page 14 of 314
HSU Cross Section	Exhibits C-3-a	
Depth Severance Discussion	N/A	
Forms, Figures and Tables		
C-102	Exhibit A-18-a	
Tracts	Exhibit A-18-b	
Summary of Interests, Unit Recapitulation (Tracts)	Exhibit A-18-b	
General Location Map (including basin)	Exhibit C-1	
Well Bore Location Map	Exhibit C-3-a; C-3-d	
Structure Contour Map - Subsea Depth	Exhibit C-3-a; C-3-d	
Cross Section Location Map (including wells)	Exhibit C-3-b; C-3-e	
Cross Section (including Landing Zone)	Exhibit C-3-b; C-3-e	

Signed Name (Attorney or Party Representative):/s/ Deana M. BennettDate:11/13/2024

None.

Additional Information

Special Provisions/Stipulations

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 24479	APPLICANT'S RESPONSE	
Date	November 20, 2024	
Applicant	Franklin Mountain Energy 3, LLC	
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595	
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.	
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, and, for the Extent Necessary Approval of an Overlapping Spacing Unit, Lea County, New Mexico.	
Entries of Appearance/Intervenors:	MRC Permian Company	
Well Family	Rope State Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Bone Spring	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Bone Spring	
Pool Name and Pool Code (Only if NSP is requested):	N/A	
	N/A	
Spacing Unit	•	
Type (Horizontal/Vertical)	Horizonal	
Size (Acres)	480-acre	
Building Blocks:	40-acres	
Orientation:	North/South	
Description: TRS/County	E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.	
Other Situations		
Depth Severance: Y/N. If yes, description	N/A	
Proximity Tracts: If yes, description	N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	Exhibit A-19-b	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	
Well #1: Rope State Com 302H	API No. <i>Pending</i> SHL: 335' FSL & 2493' FEL, (Unit O), Section 30, T18S, R35E BHL: 100' FNL & 2290' FWL, (Unit C) Section 18, T18S, R35E Completion Target: First Bone Spring (Approx. 9,177' TVD) Orientation: North/South	
Well #3: Rope State Com 602H  Released to Imaging: 12/10/2024 11:16:47 AM	API No. <i>Pending</i> SHL: 330' FSL & 1038' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 1660' FWL, (Unit C) Section 18, T18S, R35E Completion Target: Third Bone Spring (Approx. 10,333' TVD) Orientation: North/South	

Cross Section (including Landing Zone)	Exhibit C-3-b; C-3-e
Additional Information	
Special Provisions/Stipulations	None.
CERTIFICATION: I hereby certify that the information provided i	n this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	11/13/2024

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 24898	APPLICANT'S RESPONSE	
Date	November 20, 2024	
Applicant	Franklin Mountain Energy 3, LLC	
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595	
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.	
Case Title:		
	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico.	
Entries of Appearance/Intervenors:	MRC Permian Company	
Well Family	Rope State Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Wolfcamp	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Wolfcamp	
Pool Name and Pool Code (Only if NSP is requested):	N/A	
Well Location Setback Rules (Only if NSP is Requested):	N/A	
Spacing Unit		
Type (Horizontal/Vertical)	Horizonal	
Size (Acres)	320-acres	
Building Blocks:	40-acres	
Orientation:	North/South	
Description: TRS/County	W/2 E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe <u>and is approval of non-standard unit requested in this application?</u>	Yes.	
Other Situations		
Depth Severance: Y/N. If yes, description	N/A	
Proximity Tracts: If yes, description	N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	Exhibit A-20-b	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	
Well #1: Rope State Com 703H	API No. <i>Pending</i> SHL: 338' FSL & 1163' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 1490' FEL, (Unit B) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,862' TVD) Orientation: North/South	
Well #3: Rope State Com 803H  Released to Imaging: 12/10/2024 11:16:47 AM	API No. <i>Pending</i> SHL: 335' FSL & 2433' FEL, (Unit O), Section 30, T18S, R35E BHL: 100' FNL & 2190' FEL, (Unit B) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,519' TVD) Orientation: North/South	

Accerved by OCD. 12/7/2024 1.42.44 1M	1 uge 20 0/ 3
Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e
Additional Information	
Special Provisions/Stipulations	None.
CERTIFICATION: I hereby certify that the information provide	ed in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	11/13/2024

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 24899	APPLICANT'S RESPONSE	
Date	November 20, 2024	
Applicant	Franklin Mountain Energy 3, LLC	
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595	
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.	
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico.	
Entries of Appearance/Intervenors:	MRC Permian Company	
Well Family	Rope State Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Wolfcamp	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Wolfcamp	
Pool Name and Pool Code (Only if NSP is requested):	N/A	
Well Location Setback Rules (Only if NSP is Requested):	N/A	
Spacing Unit		
Type (Horizontal/Vertical)	Horizonal	
Size (Acres)	306.92-acres	
Building Blocks:	40-acres	
Orientation:	North/South	
Description: TRS/County	Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.	
Other Situations		
Depth Severance: Y/N. If yes, description	N/A	
Proximity Tracts: If yes, description	N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	Exhibit A-21-b	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	
Well #1: Rope State Com 701H	API No. Pending SHL: 330' FSL & 1008' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 800' FWL, (Lot 1) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,892' TVD) Orientation: North/South	
Well #3: Rope State Com 801H  Released to Imaging: 12/10/2024 11:16:47 AM	API No. <i>Pending</i> SHL: 330' FSL & 918' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 400' FWL, (Lot 1) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,546' TVD) Orientation: North/South	

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Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e	
Additional Information		
Special Provisions/Stipulations	None.	
CERTIFICATION: I hereby certify that the information provided in this checklist is complete and accurate.		
Printed Name (Attorney or Party Representative):	Deana M. Bennett	
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett	
Date:		11/13/2024

ALL INFORMATION IN THE APPLICATION MUST BE SUPPORTED BY SIGNED AFFIDAVITS		
Case: 24900	APPLICANT'S RESPONSE	
Date	November 20, 2024	
Applicant	Franklin Mountain Energy 3, LLC	
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595	
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.	
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico.	
Entries of Appearance/Intervenors:	MRC Permian Company	
Well Family	Rope State Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Wolfcamp	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Wolfcamp	
Pool Name and Pool Code (Only if NSP is requested):	N/A	
Well Location Setback Rules (Only if NSP is Requested):	N/A	
Spacing Unit		
Type (Horizontal/Vertical)	Horizonal	
Size (Acres)	320-acres	
Building Blocks:	40-acres	
Orientation:	North/South	
Description: TRS/County	E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.	
Other Situations		
Depth Severance: Y/N. If yes, description	N/A	
Proximity Tracts: If yes, description	N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	Exhibit A-22-b	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	
Well #1: Rope State Com 702H	API No. Pending SHL: 335' FSL & 2463' FEL, (Unit O), Section 30, T18S, R35E BHL: 100' FNL & 2290' FWL, (Unit C) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,877' TVD) Orientation: North/South	
Well #3: Rope State Com 802H  Released to Imaging: 12/10/2024 11:16:47 AM	API No. <i>Pending</i> SHL: 330' FSL & 1068' FWL, (Lot 4), Section 30, T18S, R35E BHL: 100' FNL & 1660' FWL, (Unit C) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,533' TVD) Orientation: North/South	

Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e
Additional Information	
Special Provisions/Stipulations	None.
CERTIFICATION: I hereby certify that the information provide	ded in this checklist is complete and accurate.
Printed Name (Attorney or Party Representative):	Deana M. Bennett
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett
Date:	11/13/2024

# Received by OCD: 12/9/2024 1:42:44 PM COMPULSORY POOLING APPLICATION CHECKLIST

Case: 24901	APPLICANT'S RESPONSE  November 20, 2024	
Date		
Applicant	Franklin Mountain Energy 3, LLC	
Designated Operator & OGRID (affiliation if applicable)	Franklin Mountain Energy 3, LLC OGRID No. 331595	
Applicant's Counsel:	Modrall, Sperling, Roehl, Harris, & Sisk, P.A.	
Case Title:	Application of Franklin Mountain Energy 3, LLC for Compulsory Pooling, Lea County, New Mexico.	
Entries of Appearance/Intervenors:	MRC Permian Company	
Well Family	Rope State Com	
Formation/Pool		
Formation Name(s) or Vertical Extent:	Wolfcamp	
Primary Product (Oil or Gas):	Oil	
Pooling this vertical extent:	Wolfcamp	
Pool Name and Pool Code (Only if NSP is requested):	N/A	
Well Location Setback Rules (Only if NSP is Requested):	N/A	
Spacing Unit		
Type (Horizontal/Vertical)	Horizonal	
Size (Acres)	320-acres	
Building Blocks:	40-acres	
Orientation:	North/South	
Description: TRS/County	E/2 E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M Lea County, New Mexico	
Standard Horizontal Well Spacing Unit (Y/N), If No, describe and is approval of non-standard unit requested in this application?	Yes.	
Other Situations		
Depth Severance: Y/N. If yes, description	N/A	
Proximity Tracts: If yes, description	N/A	
Proximity Defining Well: if yes, description	N/A	
Applicant's Ownership in Each Tract	Exhibit A-23-b	
Well(s)		
Name & API (if assigned), surface and bottom hole location, footages, completion target, orientation, completion status (standard or non-standard)	Add wells as needed	
Well #1: Rope State Com 704H	API No. <i>Pending</i> SHL: 338' FSL & 1043' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 360' FEL, (Unit B) Section 19, T18S, R35E Completion Target: Wolfcamp A (Approx. 10,733' TVD) Orientation: North/South	
Well #3: Rope State Com 804H  Released to Imaging: 12/10/2024 11:16:47 AM	API No. <i>Pending</i> SHL: 338' FSL & 1103' FEL, (Unit P), Section 30, T18S, R35E BHL: 100' FNL & 925' FEL, (Unit A) Section 19, T18S, R35E Completion Target: Wolfcamp B (Approx. 11,402' TVD) Orientation: North/South	

Received by OCD: 12/9/2024 1:42:44 PM		Page 29 of 314
Cross Section (including Landing Zone)	Exhibit C-4-b; C-4-e	
Additional Information		
Special Provisions/Stipulations	None.	
CERTIFICATION: I hereby certify that the information provide	ed in this checklist is complete and accurate.	
Printed Name (Attorney or Party Representative):	Deana M. Bennett	
Signed Name (Attorney or Party Representative):	/s/ Deana M. Bennett	
Date:		11/13/2024

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

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

CASE NOS. 24457, 24459, 24479

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

**CASE NOS. 24898-24901** 

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO.

CASE NOS. 24778-24783<sup>1</sup>

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NOS. 24784-24786

### **SELF-AFFIRMED STATEMENT OF DON JOHNSON**

Don Johnson hereby states and declares as follows:

### BACKGROUND

- 1. I am a Landman with Franklin Mountain Energy 3, LLC ("FME3"), over the age of 18, and have personal knowledge of the matters stated herein.
- 2. I have testified before the New Mexico Oil Conservation Division (the "Division") and my credentials were accepted as a matter of record.

**EXHIBIT A-2** 

<sup>&</sup>lt;sup>1</sup> On November 7, 2024, MRC Permian Company dismissed case numbers 24784-24790. Those cases involved proposals by MRC to develop the Wolfcamp formation in Sections 18 and 19. MRC did not propose to develop the Bone Spring in Sections 18 and 19.

- 3. My work for FME3 includes the area of Lea County in New Mexico. I am involved in title, ownership, and leasing.
- 4. I am familiar with the applications FME3 filed in Case Nos.24557, 24459, 24479, and Case Nos. 24898-24901. I am also familiar with the applications filed by MRC Permian Company ("MRC") in Case Nos. 24778-24786. I am familiar with the land matters involved in these cases.
- 5. My testimony and exhibits addresses the information common to all cases and then addresses case specific information on a case-by-case basis.

### **TESTIMONY AND EXHIBITS APPLICABLE TO ALL CASES**

- 6. These cases involve partially overlapping competing applications. In its consolidated cases, FME3 seeks to pool standard horizontal spacing units in the Bone Spring and Wolfcamp formations to be dedicated to FME3's Rope State Com wells.
- 7. FME3's Rope State Com Bone Spring development plans cover Sections 18, 19, and 30, Township 18 South, Range 35 East. FME3 has proposed a total of 7 three-mile Bone Spring wells.
- 8. FME3's Rope State Com Wolfcamp development plans cover Sections 19 and 30, Township 18 South, Range 35 East. FME3 has proposed a total of 8 two-mile Wolfcamp wells.
- 9. In its cases, FME3 is seeking orders from the Division for compulsory pooling of interest owners who have refused to voluntarily pool their interests for the proposed Bone Spring and Wolfcamp horizontal spacing units described below, and in the wells to be drilled in the horizontal spacing units. FME3 also is requesting that it be designated operator of the wells. FME3 requests, to the extent necessary, approval of overlapping spacing units. Finally, FME3 requests that the Division deny MRC's competing pooling applications.

- 10. In its competing applications, MRC proposes to develop Sections 30 and 31, Township 18 South, Range 35 East. MRC has proposed a total of six Bone Spring wells and only four Wolfcamp wells, the MRC Airstrip wells. MRC's proposed Bone Spring cases do not include developing the E/2E/2 of Section 31 and MRC is proposing to develop the Bone Spring using a combination of U-turn wells and straight wells. MRC has not proposed any Wolfcamp A wells, which FME3 has proposed.
- 11. The purpose of my testimony is to demonstrate, from a land perspective, why FME3 should be designated operator of the acreage at issue in the cases, which I refer to as the Rope State Com Development Area, and why FME3's development plan for the Rope State Com Development Area is superior to MRC's plan for its Airstrip wells.
- 12. There are several reasons, from a land perspective, that FME3 should be designated operator of this acreage. First, as I will discuss in more detail, FME3 has the highest working interest in FME3's proposed units and FME3 has an interest in every tract across its proposed units. Second, FME3's development plan will reduce surface facilities and surface impacts. Third, FME3 is a prudent operator, with the ability to develop the surface and is planning to develop this acreage in the near term. FME3 has extensive experience in developing this area and in investing in the infrastructure required for water management and gas takeaway necessary to support the development.
- 13. **Exhibit A-3** is a map showing the general location of the Rope State Com Development Area. The Rope State Com Bone Spring Development Area is identified by the red box and the Rope State Com Wolfcamp Development area is identified by the blue box. The yellow shading represents tracts in which FME3 owns an interest, which shows FME3's significant footprint in this area.

- 14. **Exhibit A-4** contains three plats. The first two provide an overview of the competing applications, and illustrate FME3's and MRC's competing development plans in a representative way—the locations of the proposed wells are approximate and do not include all wells proposed. In terms of the Bone Spring, FME3 is seeking to develop 3-mile laterals covering Section 18, 19, and 30, whereas MRC is only proposing to develop Sections 30 and 31. In terms of the Wolfcamp, FME3 is seeking to develop 2-mile laterals covering Section 19 and 30, whereas MRC is proposing to develop Sections 30 and 31. FME3 is not proposing to develop the Wolfcamp in Section 18 due to existing produced water injection in the NE/4 SW/4 of Section 18.
- 15. The third plat is a proposed solution, which would allow FME3 to develop the Bone Spring in Sections 18, 19, and 30, and the Wolfcamp in Sections 19 and 30. This proposed solution would allow MRC to operate Section 31, which it can develop using U-turn wells. As an industry leader in U-turn wells, MRC will have an opportunity to deploy this technology in Section 31.
- 16. **Exhibit A-5** provides a summary overview of why FME3's applications should be granted and why MRC's applications should be denied. Each of the factors will be discussed by FME3's witnesses as relevant to each witness' area of expertise. I will be focusing on ownership, FME3's ability to prudently and timely drill, complete and operate the wells in development area and prevent waste.
- 17. FME3 seeks to develop acreage where it owns most of the working interest or has majority interest control as it has done and plans to do in this area.
- 18. FME3 has majority working interest ownership across the Rope State Com Development Area in the Bone Spring and Wolfcamp.

- 19. **Exhibit A-6** provides an overview of FME3's working interest ownership as compared to MRC's working interest ownership within the Bone Spring in FME3's proposed Rope State Com Development Area.
- 20. As shown on Exhibit A-6, FME3 has approximately 52.60% working interest ownership in the Bone Spring across the Rope State Com Development Area.
- 21. Conversely, MRC only has approximately 21.64% working interest ownership in the Bone Spring across the Rope State Com Development Area.
- 22. FME3 has the support of other working interest owners in the Bone Spring, which increases FME3's working interest control to 71.29% to 79.58%, depending on the unit as demonstrated in **Exhibit A-7**.
- 23. **Exhibit A-8** provides an overview of FME3's working interest ownership as compared to MRC's working interest ownership within the Wolfcamp in FME3's proposed Rope State Com Development Area.
- 24. As shown on Exhibit A-8, FME3 has 66.38% working interest ownership in the Wolfcamp across the Rope State Com Development Area.
- 25. Conversely, MRC only has 26.46% working interest ownership in the Wolfcamp across the Rope State Com Development Area.
- 26. FME3 has the support of other working interest owners in the Wolfcamp, which increases FME3's working interest control to 66.37% to 69.38%, depending on the unit, as demonstrated in **Exhibit A-9**.
- 27. **Exhibit A-10** provides a comparison of FME3's development plans as compared to MRC's. As you can see from Exhibit A-10, FME3 is planning seven three-mile Bone Spring wells and eight two-mile Wolfcamp wells.

- 28. MRC is proposing two 1-mile U-turn wells in the First Bone Spring and one 1-mile U-turn well in the Third Bone Spring well in Section 30. MRC is proposing three 2-mile wells in the Second Bone Spring across Sections 30 and 31. MRC is proposing only four Wolfcamp wells.
- 29. FME3's development plan includes targeting the Wolfcamp A. Significantly, MRC's applications do not include the Wolfcamp A, which will result in waste and will negatively impact correlative rights.
- 30. FME3 is also developing these wells in a wine-rack pattern, whereas MRC is proposing a stacked development plan. As Mr. McCoy explains in his testimony, wine-racking is more effective than stacked development. Mr. Kessel's testimony addresses the issues with depletion.
- 31. I will now discuss FME3's ability to prudently operate the property and, thereby, prevent waste and FME3's ability to timely locate well sites and to operate on the surface.
- 32. **Exhibit A-11** is a map showing the Rope State Com Bone Spring Development Area with each unit identified by case number.
- 33. **Exhibit A-12** is a map showing the Rope State Com Wolfcamp Development Plan, with each unit identified by case number.
- 34. FME3 has engaged in significant efforts to develop this area and surrounding areas. A map showing FME3's current and planned developments in this area is attached as **Exhibit A-13.** As this map shows, FME3 has multiple approved pooling orders from the Division for the acreage adjoining FME3's Rope State Com Development Area.
- 35. FME3 has been diligently working to develop this area. **Exhibit A-14** identifies the timeline and future target dates.

- 36. As indicated on B-14, FME3 acquired its initial lease in this area in December 2022 and FME3 has continued to acquire leases.
- 37. Significantly, FME3 has a term assignment expiration issue. Originally, the term assignment would have expired in January 2025. FME3 was able to negotiate a 6-month term assignment extension, pushing expiration to July 1, 2025.
- 38. In order to avoid expiration of the term assignment, FME3 has to have a well on production by June 30, 2025, and FME3 is planning its development accordingly.
- 39. As shown on **Exhibit A-15**, there are playas and existing infrastructure on the N/2N/2 of Section 30, where MRC proposes to locate its surface facilities, which could be a limitation on MRC's ability to locate surface facilities in the N/2N/2 of Section 30 as it has proposed.
- 40. Prior to filing its applications, FME3 made a good faith effort to obtain voluntary joinder of the working interest owners in the proposed wells. To locate interest owners, FME3 conducted a diligent search of the public records in the county where the wells will be located and conducted phone directory and computer searches to locate contact information for parties entitled to notification. I mailed all working interest owners well proposals and an Authorization for Expenditure, and a form of Operating Agreement upon request.
- 41. FME3 sent its well proposal letters to the working interest owners and unleased mineral interest owners in February 2024 and in August 2024. Attached as **Exhibit A-16** are examples of the proposal letters. The proposal letter identifies the proposed surface hole location and bottom hole location, and the approximate TVD. It also contains separate elections for each well.

- 42. FME3 negotiated with the uncommitted interest owners in good faith. Summaries of FME3's communications with the uncommitted interest owners are included as exhibits in each case specific section of my testimony.
  - 43. I now provide specific testimony and exhibits for each of the Rope State Com cases.

## **CASE NO. 24457 SPECIFIC TESTIMONY AND EXHIBITS**

- 44. Below is a brief description of the facts and exhibits for Case No. 24457.
- 45. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprising the W/2W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 301H and Rope State Com 601H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24457 is attached as **Exhibit A-17**.
- 46. Attached as **Exhibit A-17-a** are the draft C-102s for the wells proposed in Case No. 24457. The wells will develop the Airstrip, Bone Spring (Pool Code 960) and WC-025 G-06 S183518A;Bone Spring (Pool Code 97930).
  - 47. The producing area for the wells will be orthodox.
- 48. Attached as **Exhibit A-17-b** is a lease tract map for Case No. 24457. This map shows the ownership breakdown and again confirms that FME3 has higher working interest ownership and higher working interest control than MRC. FME3 has 72.12% working interest control. MRC only has 27.877% working interest.
- 49. Attached as **Exhibit A-17-c** are the Authorizations for Expenditure ("AFEs") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and

reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.

- 50. There are no depth severances within the proposed spacing unit.
- 51. **Exhibit A-17-d** is a list of the parties to be pooled in Case 24205.
- 52. **Exhibit A-17-e** is a summary of FME3's communications with working interest owners, including MRC.

## CASE NO. 24459 SPECIFIC TESTIMONY AND EXHIBITS

- 53. Below is a brief description of the facts and exhibits for Case No. 24459.
- 54. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 960.00-acre, more or less, Bone Spring horizontal spacing unit comprising the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 303H**, **Rope State Com 304H**, **and Rope State Com 604H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24459 is attached as **Exhibit A-18**.
- 55. Attached as **Exhibit A-18-a** are the draft C-102s for the wells proposed in Case No. 24459. The wells will develop the Airstrip, Bone Spring (Pool Code 960) and WC-025 G-06 S183518A;Bone Spring (Pool Code 97930).
- 56. The completed interval for the **Rope State Com 303H** well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
- 57. Attached as **Exhibit A-18-b** is a lease tract map for Case No. 24459. This map shows the ownership breakdown and again confirms FME3 has higher working interest ownership

and higher working interest control than MRC. FME3 has 80.41% working interest control. MRC only has 19.58% working interest.

- 58. Attached as **Exhibit A-18-c** is are the Authorizations for Expenditure ("AFEs") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
  - 59. There are no depth severances within the proposed spacing unit.
  - 60. **Exhibit A-18-d** is a list of the parties to be pooled in Case 24459.
- 61. **Exhibit A-18-e** is a summary of FME3's communications with working interest owners, including MRC.

## **CASE NO. 24479 SPECIFIC TESTIMONY AND EXHIBITS**

- 62. Below is a brief description of the facts and exhibits for Case No. 24479.
- 63. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 480.00-acre, more or less, Bone Spring horizontal spacing unit the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 302H and Rope State Com 602H wells**, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24479 is attached as **Exhibit A-19**.
- 64. Attached as **Exhibit A-19-a** are the draft C-102s for the wells proposed in Case No. 24479. The wells will develop the Airstrip, Bone Spring (Pool Code 960) and WC-025 G-06 S183518A;Bone Spring (Pool Code 97930). The producing area for the wells will be orthodox.
- 65. Attached as **Exhibit A-19-b** is a lease tract map for Case No. 24479. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 80.41% working interest control. MRC only has 19.58% working interest.

- 66. Attached as **Exhibit A-19-c** are the Authorizations for Expenditure ("AFEs") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
  - 67. There are no depth severances within the proposed spacing unit.
  - 68. **Exhibit A-19-d** is a list of the parties to be pooled in Case 24479.
- 69. **Exhibit A-19-e** is a summary of FME3's communications with working interest owners, including MRC.

## **CASE NO. 24898 SPECIFIC TESTIMONY AND EXHIBITS**

- 70. Below is a brief description of the facts and exhibits for Case No. 24898.
- 71. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 320.00-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2E/2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 703H and Rope State**Com 803H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24898 is attached as **Exhibit A-20**.
- 72. Attached as **Exhibit A-20-a** are the draft C-102s for the wells proposed in Case No. 24898. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.
- 73. Attached as **Exhibit A-20-b** is a lease tract map for Case No. 24898. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 70.62% working interest control. MRC only has 29.37% working interest.

- 74. Attached as **Exhibit A-20-c** are the Authorizations for Expenditure ("AFEs") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
  - 75. There are no depth severances within the proposed spacing unit.
  - 76. **Exhibit A-20-d** is a list of the parties to be pooled in Case 24898.
- 77. **Exhibit A-20-e** is a summary of FME3's communications with working interest owners, including MRC.

## **CASE NO. 24899 SPECIFIC TESTIMONY AND EXHIBITS**

- 78. Below is a brief description of the facts and exhibits for Case No. 24899.
- 79. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprising the W/2W/2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 701H and Rope State**Com 801H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24899 is attached as **Exhibit A-21**.
- 80. Attached as **Exhibit A-21-a** are the draft C-102s for the wells proposed in Case No. 24899. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.
- 81. Attached as **Exhibit A-21-b** is a lease tract map for Case No. 24899. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 67.62% working interest control. MRC only has 29.41% working interest.

- 82. Attached as **Exhibit A-21-c** are the Authorizations for Expenditure ("AFEs") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
  - 83. There are no depth severances within the proposed spacing unit.
  - 84. **Exhibit A-21-d** is a list of the parties to be pooled in Case 24899.
- 85. **Exhibit A-21-e** is a summary of FME3's communications with working interest owners, including MRC.

## **CASE NO. 24900 SPECIFIC TESTIMONY AND EXHIBITS**

- 86. Below is a brief description of the facts and exhibits for Case No. 24900.
- 87. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 320.00-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2EW2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 702H and Rope State**Com 802H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24900 is attached as **Exhibit A-22**.
- 88. Attached as **Exhibit A-22-a** are the draft C-102s for the wells proposed in Case No. 24900. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.
- 89. Attached as **Exhibit A-22-b** is a lease tract map for Case No. 24900. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 70.62% working interest control. MRC only has 29.37% working interest.

- 90. Attached as **Exhibit A-22-c** are the Authorizations for Expenditure ("AFEs") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
  - 91. There are no depth severances within the proposed spacing unit.
  - 92. **Exhibit A-22-d** is a list of the parties to be pooled in Case 24900.
- 93. **Exhibit A-22-e** is a summary of FME3's communications with working interest owners, including MRC.

## **CASE NO. 24901 SPECIFIC TESTIMONY AND EXHIBITS**

- 94. Below is a brief description of the facts and exhibits for Case No. 24901.
- 95. In this case, FME3 seeks an order from the Division pooling all uncommitted mineral interests within a 320.00-acre, more or less, Wolfcamp horizontal spacing unit comprising the E/2E/2 of Sections 18 and 19, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 704H and Rope State**Com 804H wells, to be horizontally drilled. The producing area for the wells is expected to be orthodox. A copy of the application for Case No. 24901 is attached as **Exhibit A-23**.
- 96. Attached as **Exhibit A-23-a** are the draft C-102s for the wells proposed in Case No. 24901. The wells will develop the Scharb; Wolfcamp Pool (Pool Code 55640). The producing area for the wells will be orthodox.
- 97. Attached as **Exhibit A-23-b** is a lease tract map for Case No. 24901. This map shows the ownership breakdown and again confirms that FME3 has higher working interest

ownership and higher working interest control than MRC. FME3 has 70.62% working interest control. MRC only has 29.37% working interest.

- 98. Attached as **Exhibit A-23-c** are the Authorizations for Expenditure ("AFEs") for the proposed wells. In my opinion, the estimated costs reflected on the AFEs are fair and reasonable, and are comparable to the costs of other wells of similar depth, length and completion method being drilled in this area of New Mexico.
  - 99. There are no depth severances within the proposed spacing unit.
  - 100. **Exhibit A-23-d** is a list of the parties to be pooled in Case 24901.
- 101. **Exhibit A-23-e** is a summary of FME3's communications with working interest owners, including MRC.

## ADDITIONAL TESTIMONY AND EXHIBITS APPLICABLE TO ALL CASES

- 102. FME3 requests overhead and administrative rates of \$9,000/month during drilling and \$900/month while producing. These rates are fair and comparable to the rates charged by other operators for wells of this type in this area of Southeastern, New Mexico and consistent with the rates awarded by the Division in in recent compulsory pooling orders. FME3 requests that these rates be adjusted periodically as provided in the COPAS Accounting Procedure.
- 103. FME3 requests the maximum cost plus 200% risk charge be assessed against non-consenting pooled working interest owners.
  - 104. FME3 requests that it be designated operator of the wells.
  - 105. FME3 requests that overriding royalty interest owners be pooled.
  - 106. To the extent necessary, FME3 requests approval of overlapping spacing units.
- 107. I provided Modrall with the names and addresses of uncommitted interest owners and overriding royalty interests owners of record in the Rope units. I also contacted Mack Energy

Received by OCD: 12/9/2024 1:42:44 PM

Page 45 of 314

Corporation, operator of certain existing vertical wells in Section 18, regarding FME3's

application in Case No. 24459 and Mack Energy Corporation does not object to FME3's

overlapping spacing unit application. I reviewed publicly available records and did not find any

well bore assignments related to any of the existing wells/spacing units that FME3's Bone Spring

applications propose to overlap.

108. Based upon my knowledge of the land matters involved in these cases, education

and training, it is my expert opinion that FME3's development plan will protect correlative rights

and prevent waste.

109. The attachments to my Self-Affirmed Statement were prepared by me or compiled

from company business records.

110. I attest under penalty of perjury under the laws of the State of New Mexico that the

information provided herein is true, correct, and complete to the best of my knowledge and belief

and I will adopt this testimony at the hearing in this matter.

[Signature page follows]

Dated: Nov 34, 2024

Don Johnson

## Location Map – Lea County, NM



Rope Bone Spring Development Area Rope Wolfcamp Development Area

**Bone Spring Spacing** T18S-R35E

Section 18: All

Section 19: All

Section 30: All

Containing 1899.56 Acres

Wolfcamp Spacing T18S-R35E

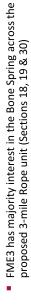
Section 19: All

Section 30: All

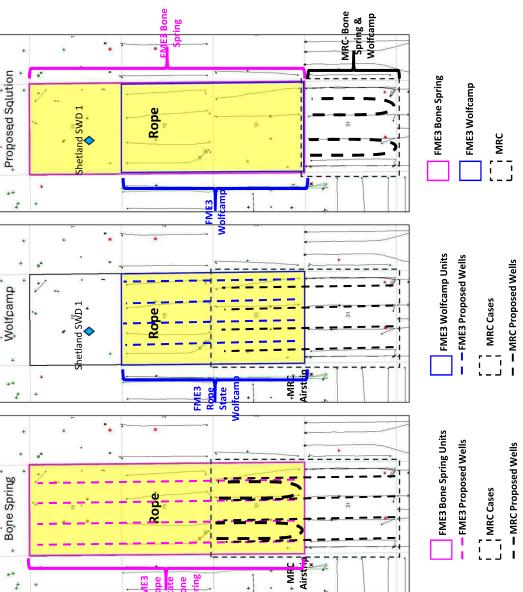
Containing 1266.92 Acres

# FME3 vs MRC-Contested Pooling Overview





- FME3 Proposes to drill 3-mile wells in the First Bone Spring and Third Bone Spring Sands
- FME3 has majority interest in the Wolfcamp across the proposed 2-mile unit (Sections 19 & 30)
- FME3 proposes to drill 2-mile horizontal wells in the Wolfcamp A and Wolfcamp B
- FME3 views section 18 Wolfcamp as risky due to 1.18
  million barrels of injected fluids into the zones in the
  upper and lower parts of the Wolfcamp in Shetland
  SWD 1 in the NE1/4 of the SW1/4
- FME3's proposal simplifies development and reduces surface disturbance.
- MRC retains operatorship of section 31 (Bone Spring and Wolfcamp).
- As an industry leader in U-Turn wells, MRC will have an excellent opportunity to deploy this technology in section 31



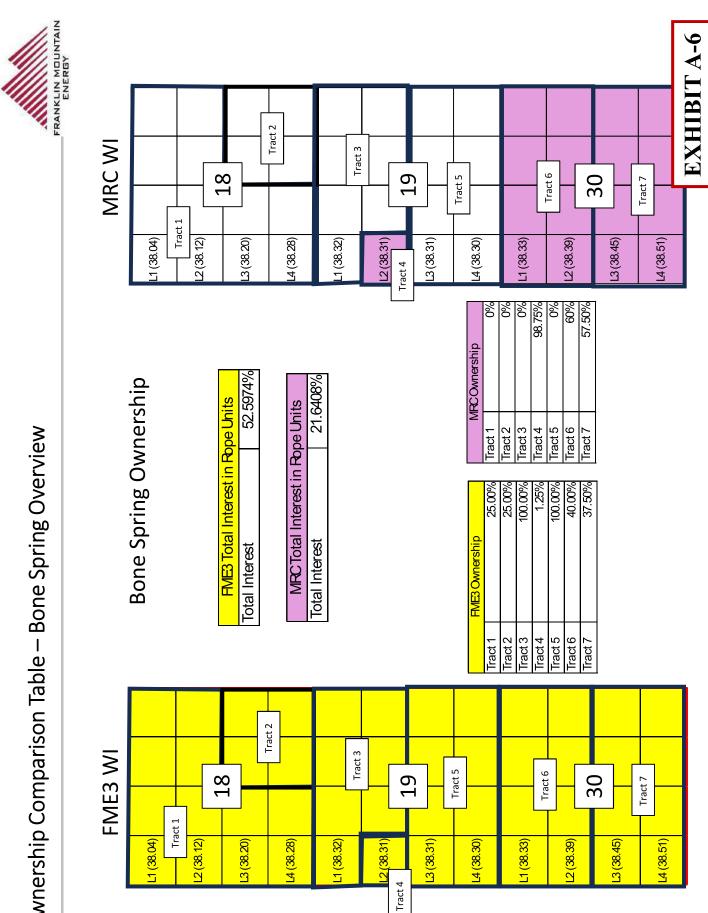
\*Well sticks are representative only and do not include all wells and locations

# Comparison of Operator's Development Plans – FME3 vs. MRC



Comments	<ul> <li>FME3 has highest working interest in its proposed Rope Units.</li> <li>FME3 has ownership across 100% of the Rope wellbore paths.</li> </ul>	<ul> <li>FME3's plan is vetted, thorough, and proven.</li> <li>Based on seismic, other review.</li> <li>FME3 avoided section 18 Wolfcamp due to 1.18 million barrels of injected fluids into upper and lower parts of the Wolfcamp in Shetland SWD 1 in the NE1/4 of the SW1/4</li> </ul>	<ul> <li>FME3's development plan and demonstrated pace of development proves we plan to timely drill these assets.</li> <li>FME3 can develop the Rope development area with minimal surface impacts.</li> <li>FME3 has received or submitted permits necessary to commence drilling and third-party contracts in place demonstrating readiness.</li> <li>Rope State Com wells are on FME3's plan to develop in early 2025 to meet leasehold expirations.</li> <li>FME3 has ~77,000 acres under executed Surface Use Agreements in the area.</li> </ul>	<ul> <li>FME3 has existing operations in the area.</li> <li>FME3 has been active in this area since 2022 whereas MRC hasn't been since 2019.</li> <li>FME3's plan is part of a holistic development in this area, is efficient, thoughtful and reduces overall footprint and disturbance.</li> </ul>	<ul> <li>FME3 has solved for gas and water constraints to support larger developments.</li> <li>FME3 has invested significant capital on infrastructure to ensure gas and water are on pipe.</li> <li>FME has invested significant capital on power infrastructure and is ready for larger developments.</li> </ul>	<ul> <li>FME3's (4) Wolfcamp A wells will add reserves MRC's development will leave behind</li> <li>FME3's well placement and density is proven.</li> <li>3-mile Bone Spring wells are more economical and will add upwards of 400,000 barrels of oil per well as compared to MRC's development plan</li> </ul>	• FME3's cost estimates are lower than MRC's.
MRC	×	×	×	×	×	×	×
FME3	\$	>	<b>&gt;</b>	\$	>	>	>
Factor	Working Interest Control	Risk	Surface Factor	Prudent Operator/Prevent Waste	Infrastructure	Geologic/Reservoir Evidence	Cost Estimates

# Ownership Comparison Table – Bone Spring Overview



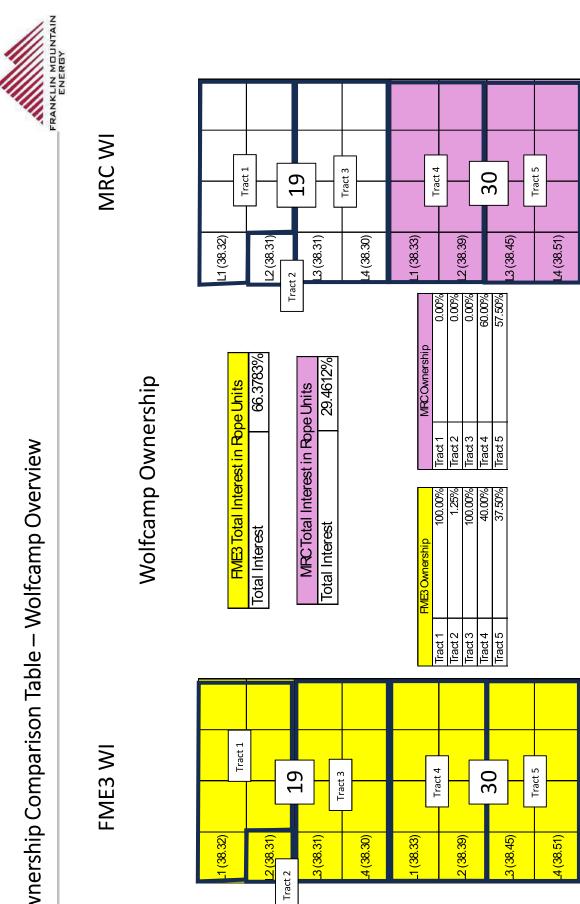


## Case Ownership Comparison

## **Bone Spring Cases**

Case No.	Sase No. Formation	Unit Description	FMEWorking Interest Control   MRCWorking Interest	MRC Working Interest
24457	24457 Bone Spring	W/2W/2 of Sections 18, 19 & 30-T18S-R35E	71.29%	28.72%
24459	24459 Bone Spring	H2 of Sections 18, 19 & 30-T18S R35E	%85'62	20.42%
24479	24479 Bone Spring	E/2W/2 of Sections 18, 19 & 30-T18S-R35E	79.58%	20.42%
		- 1 1		

# Ownership Comparison Table – Wolfcamp Overview





## Wolfcamp Cases

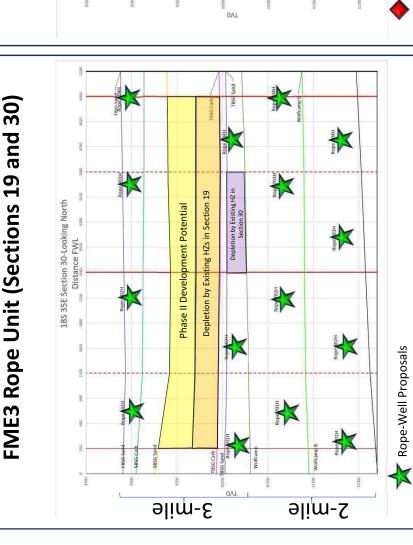
Wolfcamp Case Ownership Comparison

## MRCWorking Interest 30.62% 33.63% 30.62% 30.62% FMEWorking Interest Control 98.37% 69.38% 69.38% 69.38% W/2W/2 of Sections 19 & 30-T18S-R35E E/2W/2 of Sections 19 & 30-T18S-R35E W/2E/2 of Sections 19 & 30-T18S-R35E H2H2 of Sections 19 & 30-T18S-R35E Case No. Formation Unit Description Wolfcamp Wolfcamp Wolfcamp Wolfcamp 24901 24899 24898 24900

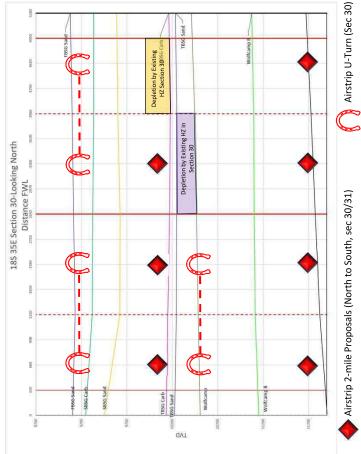
# Development Comparison: FME3's Development Plan Is Superior



# FME3 Rope Unit (Sections 19 and 30)



## MRC-Airstrip Wells (Section 30)



MRC Stacking Lower 2nd and 3rd Bone

Rope is part of FME3's comprehensive development of

FME3 is targeting the 1st Bone Spring, 3rd Bone Spring,

proven geologic targets

Wolfcamp A and Wolfcamp B formations

Second Bone Spring Sand wells are potentially part of

Phase II development

MRC Permian is not targeting Wolfcamp A

## EXHIBIT A-10

## Released to Imaging: 12/10/2024 11:16:47 AM

## Rope State Com Unit Case Overview

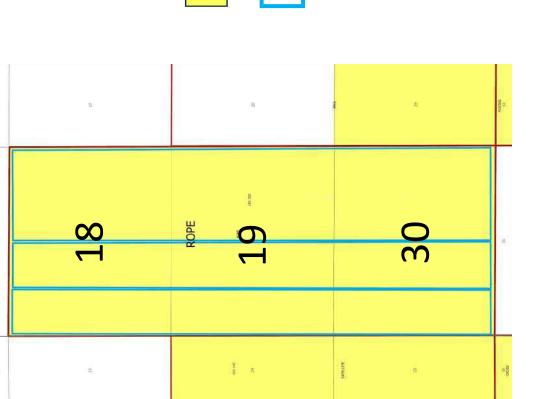


# T18S-R35E Sec. 18, 19 & 30: ALL – 1899.56 acres

- Case No. 24457- T18S-R35E Sec. 18, 19 & 30: W2W2 480.00 acres
- Bone Spring
- Rope State Com 301H
- Rope State Com 601H
- Case No. 24479- T18S-R35E Sec. 18, 19 & 30: E2W2 480.00 acres
- O Bone Spring
- Rope State Com 302H

Rope State Com 602H

- Case No. 24459- T185-R35E Sec. 18, 19 & 30: E2 960.00 acres
- Bone Spring
- Rope State Com 303H
- Rope State Com 304H
  - Rope State Com 604H



**Bone Spring Spacing** 

Units

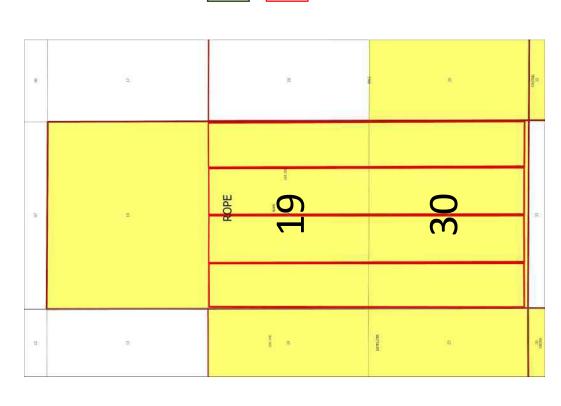
FME3's Interest

## Rope State Com Unit Case Overview



# T18S-R35E Sec. 19 & 30: ALL - 1266.92 acres

- **Case No. 24899-** T18S-R35E Sec. 19 & 30: W2W2 306.92 acres
- Wolfcamp
- Rope State Com 701H
- · Rope State Com 801H
- **Case No. 24900-** T18S-R35E Sec. 19 & 30: E2W2 320.00 acres
- Wolfcamp
- Rope State Com 702H
- Rope State Com 802H
- Case No. 24898- T18S-R35E Sec. 19 & 30: W2E2 320.00 acres
- Wolfcamp
- Rope State Com 703H
  - Rope State Com 803H
- **Case No. 24901-** T18S-R35E Sec. 19 & 30: E2E2 320.00 acres
- Wolfcamp
- Rope State Com 704H
- Rope State Com 804H



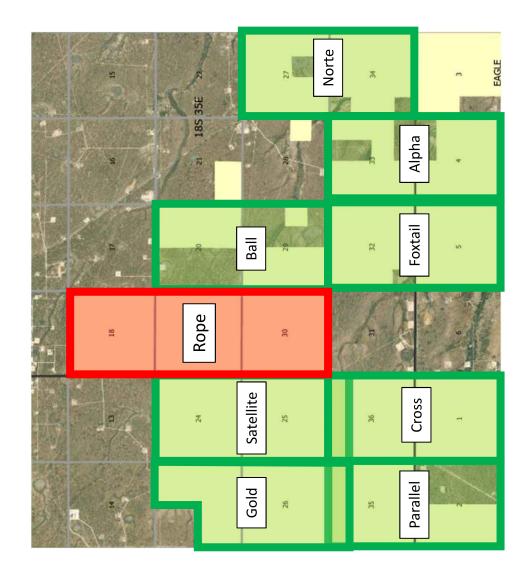
Wolfcamp Spacing

Units

FME3's Interest

## FRANKLIN MOLINTAIN ENERGY

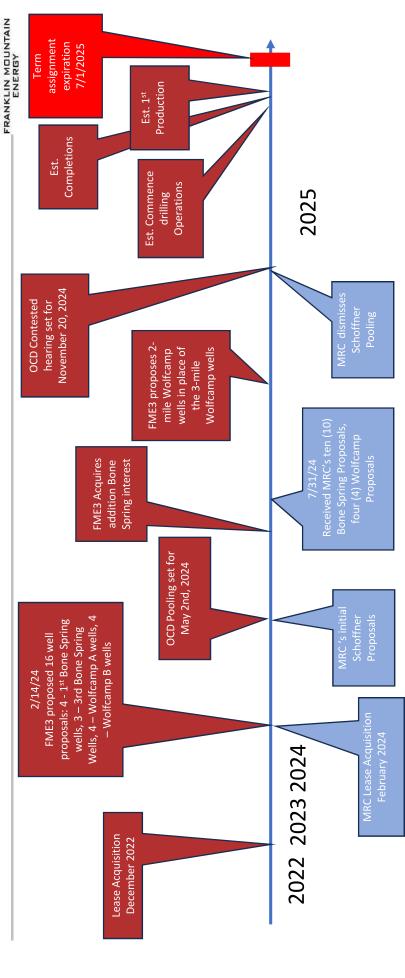
## Ball R-23346 R-24205 R-23348 R-23344 R-23349 R-23350 R-24662 R-24663 R-24664 R-24665 R-24666 R-23113 R-23114 R-23137 R-22988 Norte R-23499 R-23500 R-23418 R-23242 R-23343 <u>Alpha</u> R-23109 R-23110 R-24454 R-23419 R-24661 R-23111 R-23112 R-23506 Foxtail



Gold R-23475 R-23472 R-23474 R-23473 R-22970	<u>Satellite</u> R-22963 R-22964 R-22967 R-22968	Parallel -23467 -23471 -23470 -23465 -23465 -23468 -23469	<u>Cross</u> 23176231782317823180231812318223183
0 % % % % % %	S		Q  % % % % % % % % %

FME3's Approved Pooling Orders

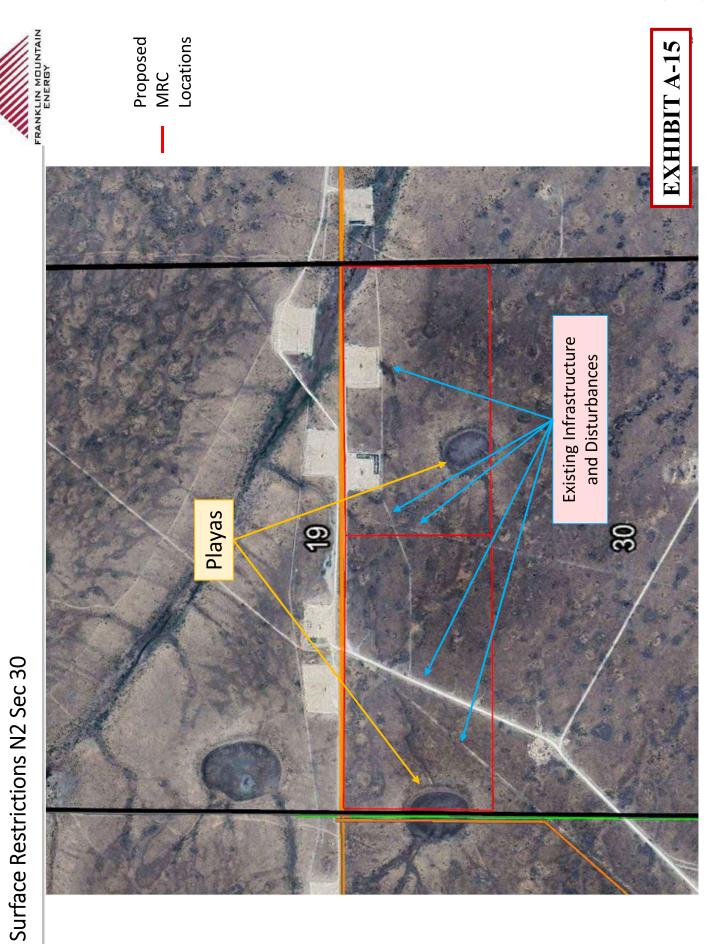
# FME3's Timeline of Rope Development



- FME3's timeline from lease acquisitions, to initiated development plans, to commencing drilling operations, to  $1^{\rm st}$  production in the Rope State Unit is estimated at ~28 months
- December 2022: Closes on its initial transactions in Northern Lea County, establishing its position in the Rope Development
- February 2024: FME3 sends out fifteen (15) Rope 3-mile well proposals
- February 2024: MRC acquires interest in Rope Unit
- May 2024: FME3's Rope unit on the May docket for hearing by affiáavit
- May 2024: MRC Proposes Initial Schoffner State Com Wells

- June 2024: FME3 acquires additional interest in Rope Unit through a lease acquisition-Declined to acquire Wolfcamp due to SWD depletion
- July 2024: FME3 receives MRC's proposal to rescind initial Schoffner wells and reproposes ten (10) Airstrip State Com Wells and four (4) new Schoffner State Com wells
- August 2024: FME3 changes the 3-mile Wolfcamp Rope State Comwells to become 2-mile Wolfcamp wells and proposes eight (8) 2-FME negotiated a 6-month term assignment extension, pushing expiration to 7/1/2025 mile Wolfcamp Rope State Com wells.
  - - November 20<sup>th</sup>, 2024: Contested Hearing
- June 30th, 2025: FME3 has a term assignment expiration, a well has to be on production by June 30, 2025

## A-14 EXHIBIT





Sent via USPS: 9405536105536362543425

February 14, 2023

Continental Land Resources, LLC P.O. Box 2170 Edmond, OK 73083 Attn: Land Dept, Permian Basin

## **RE:** Well Proposals

Township 18 South, Range 35 East Section 18: Lots 1-4, ada W/2W/2 Township 18 South, Range 35 East Section 19: Lots 1-4, ada W/2W/2 Township 18 South, Range 35 East Section 30: Lots 1-4, ada W/2W/2 Bone Spring Formation Lea County, New Mexico 459.56 acres, more or less

## Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 301H	1BS	9,192'	24,192'	Sec 30- T18S- R35E 270 FSL 925 FWL	Sec 18- T18S- R35E 100 FNL 800 FWL	\$13,363,570.93	N/A
Rope State Com 601H	3BS	10,346'	25,346'	Sec 30- T18S- R35E 270 FSL 835 FWL	Sec 18- T18S- R35E 100 FNL 360 FWL	\$14,500,308.95	N/A

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



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

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

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

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

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

Please return your signed documents to Jon Rutledge at <u>jrutledge@fmellc.com</u> or to the address provided below at your earliest convenience.

FME3 looks forward to working with you or your company on this proposed development and encourages you to call with any questions pertaining to these plans. However, please be advised that, in the near term, FME3 will file an application for compulsory pooling to pool any uncommitted owners.

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC

Mulledge

Jon Rutledge Landman



Rope State Com 301H:	
	o participate in the <b>Rope State Com 301H</b> well.  NOT to participate in the <b>Rope State Com 301H</b> well.
Rope State Com 601H:	
	o participate in the <b>Rope State Com 601H</b> well. <b>NOT</b> to participate in the <b>Rope State Com 601H</b> well.
Owner: Continental Land Re	sources, LLC
By:	
Printed Name:	
Title:	
Date:	



Sent via USPS: 9405536105536362544125

February 14, 2023

Axis Energy Corporation
121 W 3rd Street
Roswell, NM 88201

Attn: Land Dept, Permian Basin

**RE:** Well Proposals

Township 18 South, Range 35 East

Section 18: E2

Township 18 South, Range 35 East

Section 19: E2

Township 18 South, Range 35 East

Section 30: E2

Bone Spring Formation Lea County, New Mexico 960.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 303H	1BS	9,162'	24,162'	Sec 30- T18S- R35E 260 FSL 1190 FEL	Sec 18- T18S- R35E 100 FNL 1490 FEL	\$13,363,570.93	N/A
Rope State Com 304H	1BS	9,033'	24,033'	Sec 30- T18S- R35E 260 FSL 1070 FEL	Sec 18- T18S- R35E 100 FNL 360 FEL	\$13,363,570.93	N/A
Rope State Com 604H	3BS	10,306'	25,306'	Sec 30- T18S- R35E 260 FSL 1130 FEL	Sec 18- T18S- R35E 100 FNL 925 FEL	\$14,500,308.95	N/A



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

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

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

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

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

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

Please return your signed documents to Jon Rutledge at <u>jrutledge@fmellc.com</u> or to the address provided below at your earliest convenience.

FME3 looks forward to working with you or your company on this proposed development and encourages you to call with any questions pertaining to these plans. However, please be advised that, in the near term, FME3 will file an application for compulsory pooling to pool any uncommitted owners.

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC

2 Huttedye

Jon Rutledge Landman



Rope State Com 303H:
I/We hereby elect to participate in the <b>Rope State Com 303H</b> well.  I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 303H</b> well.
Rope State Com 304H:
I/We hereby elect to participate in the <b>Rope State Com 304H</b> well.  I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 304H</b> well.
Rope State Com 604H:
I/We hereby elect to participate in the <b>Rope State Com 604H</b> well.  I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 604H</b> well.
Owner: Axis Energy Corporation
By:
Printed Name:
Title:
Date:



Sent via USPS: 9405536105536362544125

February 14, 2023

Axis Energy Corporation
121 W 3rd Street
Roswell, NM 88201

Attn: Land Dept, Permian Basin

## **RE:** Well Proposals

Township 18 South, Range 35 East

Section 18: E2W2

Township 18 South, Range 35 East

Section 19: E2W2

Township 18 South, Range 35 East

Section 30: E2W2 Bone Spring Formation Lea County, New Mexico 480.00 acres, more or less

## Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 302H	1BS	9,177'	24,177'	Sec 30- T18S- R35E 260 FSL 2490 FEL	Sec 18- T18S- R35E 100 FNL 2290 FWL	\$13,363,570.93	N/A
Rope State Com 602H	3BS	10,333'	25,333'	Sec 30- T18S- R35E 270 FSL 865 FWL	Sec 18- T18S- R35E 100 FNL 1660 FWL	\$14,500,308.95	N/A

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



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

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

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

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

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

Please return your signed documents to Jon Rutledge at <u>jrutledge@fmellc.com</u> or to the address provided below at your earliest convenience.

FME3 looks forward to working with you or your company on this proposed development and encourages you to call with any questions pertaining to these plans. However, please be advised that, in the near term, FME3 will file an application for compulsory pooling to pool any uncommitted owners.

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC

1 Nutledge

Jon Rutledge Landman



Rope State Com 302H:	
I/We hereby elect to participate in the <b>Rope State Com 3</b> I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 3</b>	
Rope State Com 602H:	
I/We hereby elect to participate in the <b>Rope State Com 6</b> I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 6</b>	
Owner: Axis Energy Corporation	
By:	
Printed Name:	
Title:	
Date:	_



Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company 5400 Lyndon B Johnson Fwy, Ste 1500 Dallas, TX 75240 Attn: Land Dept, Permian Basin

**RE:** Well Proposals

Township 18 South, Range 35 East

Section 19: W2E2

Township 18 South, Range 35 East

Section 30: W2E2 Wolfcamp Formation Lea County, New Mexico 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 703H	WCA	10,862'	20,862'	Sec 30- T18S- R35E 338 FSL 1163 FEL	Sec 19- T18S- R35E 100 FNL 1490 FEL	\$10,156,345.50	N/A
Rope State Com 803H	WCB	11,519'	21,519'	Sec 30- T18S- R35E 335 FSL 2433 FEL	Sec 19- T18S- R35E 100 FNL 2190 FEL	\$11,177,707.62	N/A

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

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

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

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

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

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

Please return your signed documents to Jon Rutledge at <u>jrutledge@fmellc.com</u> or to the address provided below at your earliest convenience.

FME3 looks forward to working with you or your company on this proposed development and encourages you to call with any questions pertaining to these plans. However, please be advised that, in the near term, FME3 will file an application for compulsory pooling to pool any uncommitted owners.

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC

Mulledge

Jon Rutledge Landman



Rope State Com 703H:	
I/We hereby elect to participate in the <b>Rope State Com 7</b> I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 7</b>	
Rope State Com 803H:	
I/We hereby elect to participate in the <b>Rope State Com 8</b> I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 8</b>	
Owner: MRC Permian Company	
By:	
Printed Name:	
Title:	
Date:	



Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company 5400 Lyndon B Johnson Fwy, Ste 1500 Dallas, TX 75240

Attn: Land Dept, Permian Basin

## **RE:** Well Proposals

Township 18 South, Range 35 East

Section 19: W2W2

Township 18 South, Range 35 East

Section 30: W2W2 Wolfcamp Formation Lea County, New Mexico 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 701H	WCA	10,892'	20,892'	Sec 30- T18S- R35E 330 FSL 1008 FWL	Sec 19- T18S- R35E 100 FNL 800 FWL	\$10,156,345.50	N/A
Rope State Com 801H	WCB	11,546'	21,546'	Sec 30- T18S- R35E 330 FSL 918 FWL	Sec 19- T18S- R35E 100 FNL 400 FWL	\$11,177,707.62	N/A

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



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

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

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

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

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FME3 looks forward to working with you or your company on this proposed development and encourages you to call with any questions pertaining to these plans. However, please be advised that, in the near term, FME3 will file an application for compulsory pooling to pool any uncommitted owners.

Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC

Mulledge

Jon Rutledge Landman



Rope State Com 701H:	
I/We hereby elect to participate in the <b>Rope State Com 701H</b> w  I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 7</b>	
Rope State Com 801H:	
I/We hereby elect to participate in the Rope State Com 801H w  I/We hereby elect NOT to participate in the Rope State Com 801H w	
Owner: MRC Permian Company	
By:	
Printed Name:	
Title:	
Date:	



Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company 5400 Lyndon B Johnson Fwy, Ste 1500 Dallas, TX 75240

Attn: Land Dept, Permian Basin

### **RE:** Well Proposals

Township 18 South, Range 35 East

Section 19: E2W2

Township 18 South, Range 35 East

Section 30: E2W2 Wolfcamp Formation Lea County, New Mexico 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 702H	WCA	10,877'	20,877'	Sec 30- T18S- R35E 335 FSL 2463 FEL	Sec 19- T18S- R35E 100 FNL 2290 FWL	\$10,156,345.50	N/A
Rope State Com 802H	WCB	11,533'	21,533'	Sec 30- T18S- R35E 330 FSL 1068 FWL	Sec 19- T18S- R35E 100 FNL 1660 FWL	\$11,177,707.62	N/A

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



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

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

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

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Respectfully,

Franklin Mountain Energy 3, LLC

Mulledge

Jon Rutledge Landman



Rope State Com 702H:	
I/We hereby elect to participate in the <b>Rope State Com 7</b> I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 7</b>	
Rope State Com 802H:	
I/We hereby elect to participate in the <b>Rope State Com 8</b> I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 8</b>	
Owner: MRC Permian Company	
By:	
Printed Name:	
Title:	
Date:	



Sent via USPS: 9405536208070713915746

August 15, 2024

MRC Permian Company 5400 Lyndon B Johnson Fwy, Ste 1500 Dallas, TX 75240 Attn: Land Dept, Permian Basin

RE: Well Proposals

Township 18 South, Range 35 East

Section 19: E2E2

Township 18 South, Range 35 East

Section 30: E2E2 Wolfcamp Formation Lea County, New Mexico 320.00 acres, more or less

Dear Working Interest Owner:

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

Well Name	Target Formation	Total Vertical Depth	Measured Depth	SHL	BHL	Total AFE	Order
Rope State Com 704H	WCA	10,733'	20,733'	Sec 30- T18S- R35E 338 FSL 1043 FEL	Sec 19- T18S- R35E 100 FNL 360 FEL	\$10,156,345.50	N/A
Rope State Com 804H	WCB	11,402'	21,402'	Sec 30- T18S- R35E 338 FSL 1103 FEL	Sec 19- T18S- R35E 100 FNL 925 FEL	\$11,177,707.62	N/A

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

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

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

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

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Should you have any questions, please do not hesitate to contact the undersigned at (303) 709-7007.

Respectfully,

Franklin Mountain Energy 3, LLC

Mulledge

Jon Rutledge Landman



Rope State Com 704H:
I/We hereby elect to participate in the <b>Rope State Com 704H</b> well.  I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 704H</b> well
Rope State Com 804H:
I/We hereby elect to participate in the <b>Rope State Com 804H</b> well.  I/We hereby elect <b>NOT</b> to participate in the <b>Rope State Com 804H</b> well
Owner: MRC Permian Company
By:
Printed Name:
Title:
Date:

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

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

CASE NO. 24457

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
- 2. Franklin seeks to dedicate the spacing unit to the **Rope State Com 301H** and **Rope State Com 601H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18.
  - 3. The producing area for the wells is expected to be orthodox.
- 4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of

EXHIBIT A-17

irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245).

- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
  - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24457: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Rope State Com 301H and Rope State Com 601H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

<u>C-10</u>	•	<u> 2/9/2024 1:</u>		ergy, M	State of Notinerals & Natur	ew Mexico ral Resources Depa	artment		Revis	<i>Page 85</i> sed July 9, 2024				
	t Electronicall	у		OIL	CONSERVA	TION DIVISION	V		☐ Initial Submit	tal				
Via OC	D Permitting							Submittal						
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OGRII			Operator N	ame		E STATE COM	IIC		Ground Level Ele	evation				
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Surrac	e Owner: 🔼	State   Fee	I Iribai 🔲 Fed	ierai		Mineral Owner:	M State ☐ Fee	□ Iribai □	Federal					
				,	Sur	face Location								
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UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	′	Longitude (NAD 83)	1				
1	18	18S	35E		100 NORTH	I 800 WEST	32.754	877°	-103.502720°	LEA				
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Order	Numbers.	Pending				Well setbacks are	under Common	Ownership:	ĭ Yes ∐No					
					Kick (	Off Point (KOP)								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	IAD 83) I	Longitude (NAD 83)	County				
4	30	18S	35E		51 SOUTH	798 WEST	32.711	664°	-103.502660°	LEA				
					First T	Cake Point (FTP)								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	IAD 83) I	Longitude (NAD 83)	County				
4	30	18S	35E		624 SOUTH	797 WEST	32.713	238°	-103.502662°	LEA				
	·				Last T	Cake Point (LTP)								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	IAD 83) I	Longitude (NAD 83)	County				
1	18	18S	35E		100 NORTH	800 WEST	32.754	877°	-103.502720°	LEA				
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Unitiz	ed Area or Ar	ea of Uniform	Interest	Spacing	g Unit Type 🔯 Hor	izontal ☐ Vertical	Grou	nd Floor Ele	evation:					
						_								
OPER	ATOR CERT	IFICATIONS				SURVEYOR CERT	TIFICATIONS							
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consent in each	of at least one tract (in the tar	lessee or owner o	f a working inte ution) in which a	rest or unled any part of the g order from	n has received the ased mineral interest ne well's completed n the division.			l	08-28- 08-000 NAL	20 24 SUP				

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

23782

Certificate Number

Signature and Seal of Professional Surveyor

February 20, 2024

Date of Survey

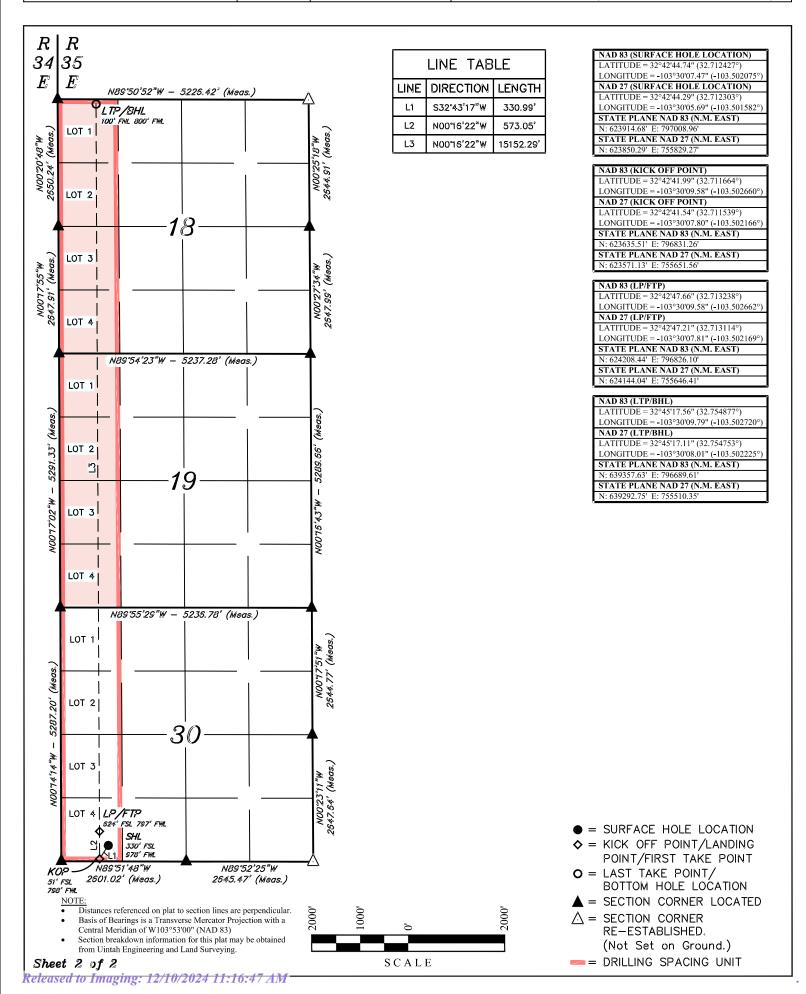
Rachael Overbey

rover bey@fmellc.comEmail Address

Printed Name

Date

Property Name Well Number Drawn By ROPE STATE COM 301H N.R. 02-21-24 REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)



<u>C-10</u>	•	2/9/2024 1:			State of Ne nerals & Natur	w Mexico al Resources Departn	nent		Revis	<i>Page 87</i> sed July 9, 2024					
	t Electronical			OIL (	CONSERVA	TION DIVISION			☐ Initial Submit	tal					
Via OC	D Permitting							Submittal							
								Type:	☐ As Drilled	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,					
					WELL LOCA	TION INFORMATION									
API N	umber 30-025-53	3336	Pool Code		60	Pool Name		AIRSTRIP, BONE	IRSTRIP, BONE SPRING						
Proper	ty Code 336097		Property N	ame	ROPE	E STATE COM	Well Number 301	1H							
OGRII	D No. 331595	;	Operator N	Iame F	FRANKLIN MOU	OUNTAIN ENERGY 3, LLC  Ground Level Elevation 3951.8'									
Surfac	e Owner: 🛚	State ☐ Fee ☐	Tribal 🗆 Fe	deral		Mineral Owner: State ☐ Fee ☐ Tribal ☐ Federal									
					Cuel	face Location									
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County					
4	30	18S	35E		330 SOUTH		32.7124		-103.502075°	LEA					
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UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (Na	AD 83) L	Longitude (NAD 83)	County					
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	153.68					Y			P						
Order	Numbers.	Pending				Well setbacks are und	ler Common (	Ownership:	☑Yes □No						
					Kick (	Off Point (KOP)									
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) L	Longitude (NAD 83)	County					
4	30	18S	35E		51 SOUTH	798 WEST	-103.502660°	LEA							
		I			First T	ake Point (FTP)	1								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (Na	AD 83) L	Longitude (NAD 83)	County					
4	30	18S	35E		624 SOUTH	797 WEST	32.7132	38°	-103.502662°	LEA					
					Last T	ake Point (LTP)									
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (Na	I .	Longitude (NAD 83)	County					
1	18	18S	35E		100 NORTH	800 WEST	32.7548	77°	-103.502720°	LEA					
Unitize	ed Area or Aı	rea of Uniform	Interest	Spacing	Unit Type <b>∑</b> Hori	zontal 🗆 Vertical	Groun	ıd Floor Ele	evation:						
OPER.	ATOR CERT	TIFICATIONS				SURVEYOR CERTIFIC	CATIONS								
I hereby	v certify that the	e information con	tained herein is	true and com	plete to the best of	I hereby certify that the wel	l location shown	on this plat	was plotted from the fiel	d notes of actual					
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interest,	, or to a volunte	ary pooling agree.			g order heretofore				1 Thanks	$^{\circ}$					
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		rget pool or forma l or obtained a co			e well's completed the division.				1/3	SUR					
1	11.			2024					S'/ONAL						
Signatur	re /	<del></del>	Date			Signature and Seal of Profess	sional Surveyor								
/\	1 /					Signature and Sear of Froressional Surveyor									

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

23782

Certificate Number

February 20, 2024

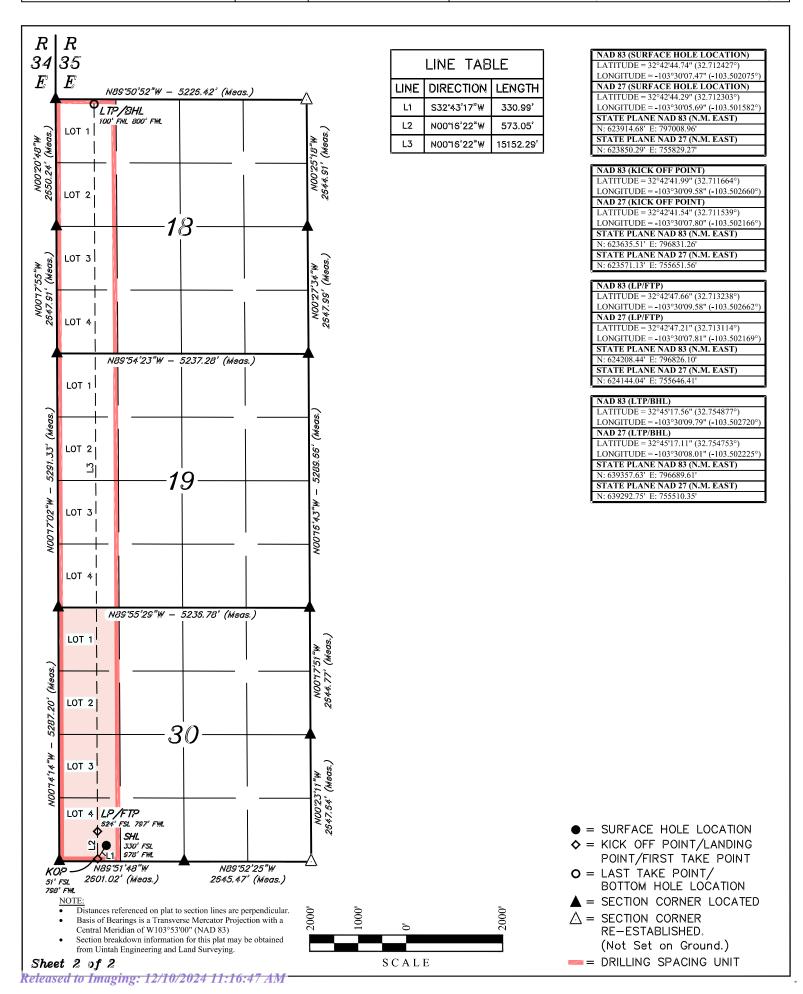
Date of Survey

Rachael Overbey

roverbey@fmellc.com Email Address

Printed Name

Property Name Well Number Drawn By ROPE STATE COM 301H N.R. 02-21-24 REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)



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		Electronicall	у				TION DIVISION			☐ Initial Submit	4-1			
	Via OCI	O Permitting							Submittal	☐ Initial Submit				
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L		30-025-53	342	10010000	97930		WC-025 G-06 S	83518A, BONE	SPRING	PRING				
	Propert	y Code 336097		Property N	ame	ROPI	E STATE COM		Well Number 601	Н				
	OGRID		<u> </u>	Operator N	Jame		UNTAIN ENERGY 3,	LLC		Ground Level Ele	evation			
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Г	TIT		T. 1:	T p	T .		face Location	1 2 1 0	4B 00\ I	'. 1 OLLD 00)	G .			
	UL 4	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 330 SOUTH	Ft. from E/W 888 WEST	Latitude (N 32.7124	· · ·	ongitude (NAD 83) -103.502368°	LEA			
L			105	335				32.712		103.302300	EB/1			
Г	UL	Section	Township	Range	Lot	Ft. from N/S	n Hole Location  Ft. from E/W	Latitude (N	AD 92) L	ongitude (NAD 83)	County			
	1	18	18S	35E	Lot	100 NORTH		32.7548		-103.504151°	LEA			
_		•		•		!		<b>'</b>	'		!			
	Dedicat	ted Acres	Infill or Defi	ining Well	Defining	g Well API	Overlapping Space	ing Unit (Y/N)	Consolidat	ion Code				
L		05.88					Y			P				
L	Order N	Numbers.	Pending				Well setbacks are	under Common	Ownership: [	XIYes □No				
						Kick (	Off Point (KOP)							
	UL 4	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 55 SOUTH	Ft. from E/W 330 WEST	Latitude (N 32.7116		ongitude (NAD 83) -103.504179°	County LEA			
L		30	165	336				32.7110	)01	-103.304177	LER			
г	T.T.	I a .:	T	T.B.	T .		Cake Point (FTP)	T 22 1 07	4B 00\ I	': 1 QLAD 00)	l a .			
	UL 4	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 626 SOUTH	Ft. from E/W 382 WEST	Latitude (N 32.7132	′ I	ongitude (NAD 83) -103.504012°	LEA			
L		] 30	165	JJE				32.7132		-103.304012	LLI			
Г	UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 82) I.	ongitude (NAD 83)	County			
	1	18	18S	35E	Lot	100 NORTH		32.7548	´	-103.504151°	LEA			
_		1	l	1		l	<b>'</b>		l		l			
	Unitize	d Area or Ar	ea of Uniform	Interest	Spacing	Unit Type X Hor	izontal 🔲 Vertical	Grou	nd Floor Elev	vation:				
_							_							
	OPERA	ATOR CERT	TIFICATIONS				SURVEYOR CERTI	FICATIONS						
			e information con ef , and, if the we			plete to the best of	I hereby certify that the surveys made by me or u							
	organiza	ition either ow	ns a working inte bottom hole loca	rest or unleasea	' mineral inte	rest in the land	my belief.		.,	QF N MEX	1/4/			
	location	pursuant to a	contract with an e	owner of a work	ing interest o	or unleased mineral					(% <b>\</b>			
		or to a votunit by the division		ment or a comp	uisory pooiin	g order heretofore				23/19/2				
						has received the			Å	TON	wayse			
	in each t	ract (in the tai	get pool or form	ation) in which a	any part of th	sed mineral interest e well's completed				08-28-	24			
1	Interval	will be located	on obtained a co	mpulsory poolir	ig order from	the division.				ONAL	S			
L	10	chair ver	<u> </u>	9,	/6/2024						-			

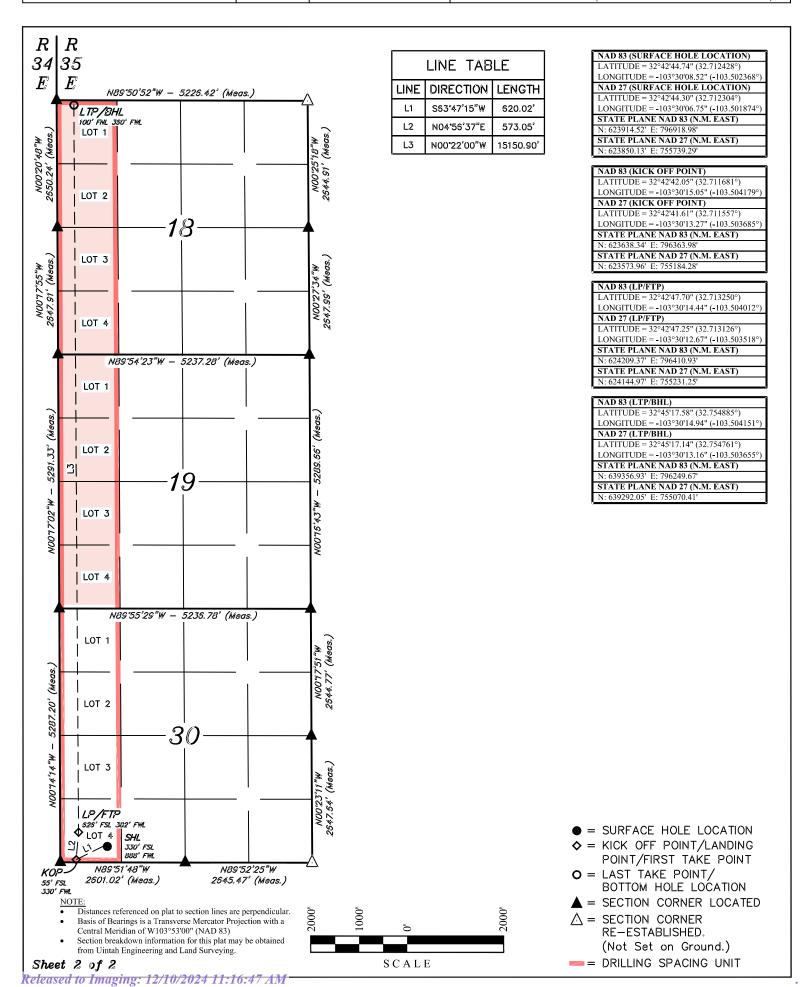
Note: No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.

23782 Certificate Number February 20, 2024

Date of Survey

roverbey@fmellc.com Email Address

Property Name Well Number Drawn By ROPE STATE COM 601H N.R. 02-21-24 REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)



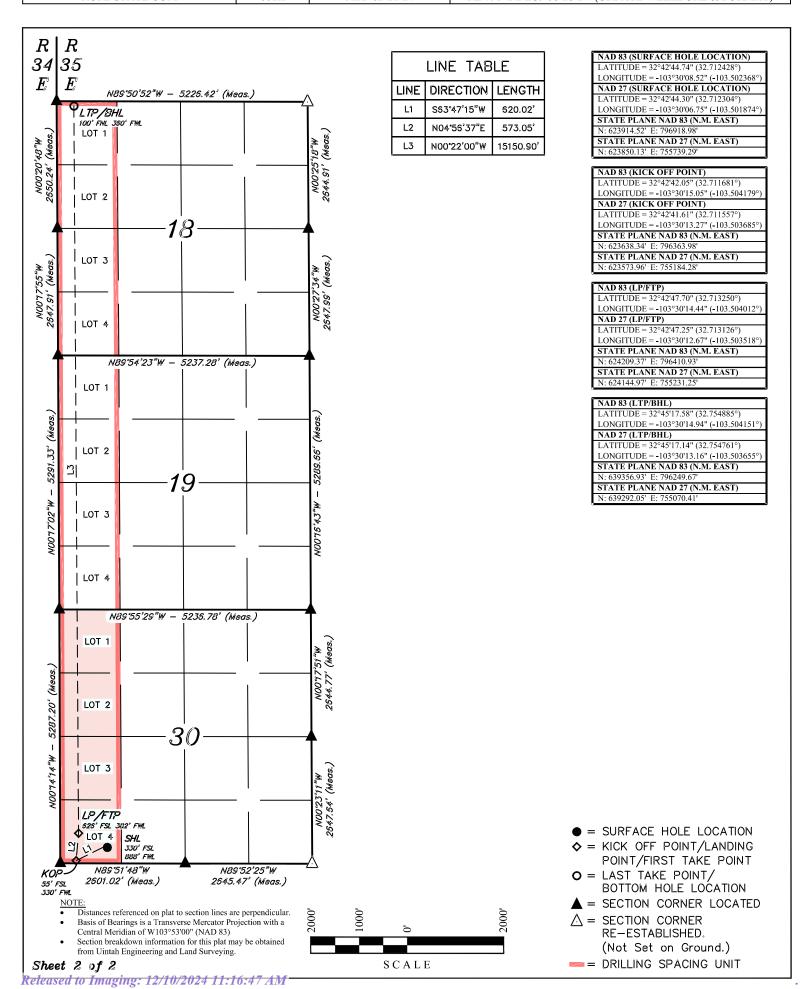
eived l	by OCD: 1	2/9/2024 1:	42:44 PM											
<u>C-10</u>	<u>)2</u>		   Er	nerov M	State of New	w Mexico al Resources Depart	tment		Revis	sed July 9, 2024				
Submit	t Electronical	lv				TION DIVISION	unent							
	D Permitting							Submitta	☐ Initial Submit					
								Type:	☑ Amended Rep	oort				
							,		☐ As Drilled					
ADIAL	1		D ICI			TION INFORMATION								
API N	umber 30-025-53	342	Pool Code		960	Pool Name			AIRSTRIP, BONE	SPRING				
Proper	ty Code 336097		Property N	lame	ROPE	PE STATE COM Well Number 601H								
OGRII	O No. 331595	5	Operator N	lame	FRANKLIN MOU	Ground Level Elevation 3952.3'								
Surface	e Owner: 🛛	State □ Fee □	Tribal 🗖 Fe	deral		Mineral Owner: 🛚	Ĵ State □ Fee	🗆 Tribal 🗆	] Federal					
					Surf	ace Location								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County				
4	30	18S	35E		330 SOUTH	888 WEST	32.7124		-103.502368°	LEA				
					Bottom	Hole Location								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County				
1	18	18S	35E		100 NORTH	360 WEST	32.7548	885°	-103.504151°	LEA				
				-				<u> </u>						
Dedica	ited Acres	Infill or Defi	ning Well	Definin	g Well API	Overlapping Spacin	ng Unit (Y/N)	Consolida	ation Code					
15	53.68					Y			P					
Order 1	Numbers.	Pending				Well setbacks are u	nder Common (	Ownership:	: ☑Yes □No					
					Kick O	ff Point (KOP)								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County				
4	30	18S	35E		55 SOUTH	330 WEST	32.7116	581°	-103.504179°	LEA				
					First Ta	ake Point (FTP)		I						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)					
4	30	18S	35E		626 SOUTH	382 WEST	32.7132	250°	-103.504012°	LEA				
	_	1	1		Last Ta	ke Point (LTP)								
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N 32.7548		Longitude (NAD 83) -103.504151°					
1	18	18S	35E		100 NORTH	360 WEST	32./348	883	-103.304131	LEA				
		277.12		Τα .										
Unitize	ed Area or Ai	rea of Uniform l	nterest	Spacing	g Unit Type 🛛 Horiz	zontal   Vertical	Grou	nd Floor Ele	evation:					
				'										
OPER.	ATOR CERT	TIFICATIONS				SURVEYOR CERTIF	FICATIONS							
		e information coni ief , and, if the we			nplete to the best of	I hereby certify that the w								
organiz	ation either ow	ns a working inter	est or unleased	l mineral inte	erest in the land	surveys made by me or un my belief.	uer my supervisio	m, ana mai n	Re same is to be and corre	_ ` / `				
location	pursuant to a		wner of a work	ing interest (	or unleased mineral					(S) \				
	or to a volunte by the division		nent or a comp	ulsory poolii	ng order heretofore				23/82					
If this w	ell is a horizon	ntal well, I further	certify that this	organizatio	n has received the				Stant 12	hoffer				
					ased mineral interest ne well's completed				08-28-	24				
	My be located	l or obtained a co							SIONAL	SU'				
X	charly ve	Day .	9	/6/2024										
Signatur	re /		Date			Signature and Seal of Prof	essional Surveyor							
Rachae	el Overbey					23782	February 20	0, 2024						
Printed	Name					Certificate Number	Date of Surve	y						

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

roverbey@fmellc.com

Email Address

Property Name Well Number Drawn By ROPE STATE COM 601H N.R. 02-21-24 REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)



# Case No. 24457 Unit Summary



			46.3745%	46.3745%	8.3035%	8.3035%	8.3035%	24.9105%		27.8777%	0.8373%	28.7150%	100.0000%								EXHIBIT A-17-b
\35E			ingInterest		J FME3 Working Interest		φ.		Uncommitted Working Interest				100.	negotiating JOAs	%	33.21%	8.34%	6.34%	16.69%	16.74%	
Case No. 24457 of Sections 18, 19 & 30-T18S-R35E	Acres om 301H	om 601H	Committed Work Franklin Mountain Energy 3, LLC	Committed Interest Total	*Supporting Cavalry Resources, LLC	Loma Hombre Energy, LLC	DSD Energy II, LLC	Uncommitted Interest Total	Uncomn	MRCPermian Company	Axis Energy Corporation	Uncommitted Interest Total	Total:	*Sgned elections and negotiating JOAs	Tract Lease	1 VB-1325		3 FFE 478	5 VA-9145		
Case No. 24457 W/2W/2 of Sections 18, 19 &	459.56 Acres Rope State Com 301H	Rope State Com 601H	Proposed Bone Spring Unit		Tract 1 (152.64 Acres)			Tract 2 (38.32 Acres)			Tract 3 (38.31 Acres)		Tract 4 (76.61 Acres)			Iract 5 (76.72 Acres)		+	Iract b (7b.96 Acres)		
	α	   						19	} -								30				
(Lot 1) 38.04	(Lot 2) 38.12	(Lot 3) 38.2	(Lot 4)	30.20	(Lot 1) 38.32		(Lot 2)	38.31	(Lot 3)	38.31	(V † 0 I)	38.30	(Lot 1)	38.33	(Lot 2)	38.39	3	(Lot 3) 38.45		(Lot 4)	38.51



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

 Well Name
 Rope State Com 301H
 Well #:
 301H

 Location:
 Spl.: Sec 30-718S-R35E 270 FSL 925 FWL BHL: Sec 18-718S-R35E 100 FNL 800 FWL
 Country/State: Lea Co., NM

 Operator:
 Franklin Mountain Energy 3, LLC
 Date Prepared:
 1/4/2024

 Purpose:
 Drill and complete a 15,000° IBS well.
 AFE #:
 DCE231022

		TVD 9,192', MD 24,192'.						
		Intangible Drilling Costs				Intangible Completion Costs		
Major		Description	Amount \$4 000			Description		Amount
225 225	5 10	ADMINISTRATIVE OVERHEAD CASING CREW & EQPT	\$4,000 \$80,000	240 240	5 10	ADMINISTRATIVE OVERHEAD CASED HOLE LOGS & SURVEYS		\$10,300
225	15	CEMENTING INTERMEDIATE CASING	\$50,000	240	15	CASING CREW & EQPT		\$7,500 \$0
225	16	CEMENTING INTERMEDIATE CASING	\$150,000	240	20	COILED TUBING/SNUBBING UNIT		\$312,000
225	20	CEMENTING SUFACE CASING	\$50,000	240	25	COMMUNICATIONS		\$2,500
225	25	COMMUNICATIONS	\$40,000	240	30	COMPANY DIRECT LABOR		\$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG		\$32,500
225	34	CONSTRUCTION/LOCATION & ROAD	\$57,500	240	45	CONTRACT LABOR/ROUSTABOUTS		\$25,000
225 225	40 45	CONTRACT LABOR DAMAGES	\$50,000 \$15,000	240 240	50 55	DAMAGES/RECLAMATION DISPOSAL SOLIDS		\$500 \$10,000
225	50	DAYWORK CONTRACT	\$768,600	240	60	ELECTRICAL POWER\GENERATION		\$10,000
225	55	DRILLING - DIRECTIONAL	\$300,000	240	62	ENGINEERING		\$3,600
225	60	DRILLING - FOOTAGE	\$120,000	240	65	ENVIRONMENTAL/CLEANUP		\$0
225	65	DRILLING BITS	\$140,000	240	70	FISHING TOOLS / SERVICES		\$0
225	70	ELECTRICAL POWER\GENERATION	\$0	240	71	FLUIDS/HAULING/DISPOSAL		\$110,000
225	75	ENGINEERING	\$20,000	240	72	FRAC WATER/COMPLETION FLUID		\$816,000
225	80	ENVIRONMENTAL SERVICES	\$250,000	240	75	FUEL, POWER/DIESEL		\$743,500
225 225	84 85	EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL	\$60,000 \$50,000	240 240	80 85	HEALTH & SAFETY HOUSING AND SUPPORT SERVICES		\$6,000 \$13,000
225	90	FISHING TOOLS/SERVICES	\$30,000	240	90	MATERIALS & SUPPLIES		\$500
225	95	HEALTH & SAFETY	\$7,000	240	95	MISCELLANEOUS		\$0
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS		\$1,400
225	105	INSURANCE	\$1,700	240	110	P&A/TA COSTS		\$0
225	106	INSPECTIONS	\$15,000	240		PERFORATING/WIRELINE SERVICE		\$392,500
225	110	LEGAL, TITLE SERVICES	\$6,000	240	120	PIPE INSPECTION		\$0
225	115	MATERIALS & SUPPLIES	\$5,000	240	125	ROAD, LOCATIONS REPAIRS		\$14,500
225	120	MISCELLANEOUS MOUSE/RATHOLE/CONDUCT BIRE	\$5,000	240 240	130 135	STIMULATION SUBSURFACE EQUIPMENTAL RENTAL		\$3,543,500
225 225	125	MOUSE/RATHOLE/CONDUCT PIPE MUD & CHEMICALS	\$31,000 \$320,000	240	140	SUPERVISION		\$45,000 \$136,000
225	140	OPENHOLE LOGGING	\$320,000	240	145	SURFACE EQUIP RENTAL		\$251,000
225	141	CASED HOLE LOGGING	\$0	240	150	TRANSPORTATION/TRUCKING		\$1,000
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER		\$158,500
225	150	POWER FUEL & WATER HAULING	\$200,000	240	160	WELDING SERVICES		\$0
225	155	RIG MOVE & RACKING COSTS	\$91,500	240	165	WELL TESTING/FLOWBACK		\$93,500
225	160	RIG UP TEAR OUT & STANDBY	\$0	240	148	TAXES		\$0
225 225	163 165	SITE RESTORATION STAKING & SURVEYING	\$10,000 \$6,000	240	40	CONTINGENCY COSTS 5%  Total Intangible Completion Costs:		\$370,000
225	170	SUPERVISION	\$88,200			Total Intangiole Completion Costs:	I	\$7,099,800
225	175	SUPERVISION - GEOLOGICAL	\$39,000			Tangible Completion Costs		
225	180	TRANSPORTATION/TRUCKING	\$39,000	Major	Minor	Description		Amount
225	178	TAXES	\$172,728	245	5	ARTIFICIAL LIFT		\$200,000
225	3.5	CONTINGENCY COSTS 5%	\$157,025	245	15	FLOWLINES		\$0
		Total Intangible Drilling Costs:	\$3,470,	245	25	FRAC STRING		\$0
				245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS		\$40,000
		Tangible Drilling Costs		245	45	PRODUCTION LINER		\$0
Major 230	Minor 10	Description	Amount	245 245	50 55	PRODUCTION PROCESSING FACILITY PRODUCTION TUBING		\$0 \$90,000
230	20	INTERMEDIATE CASING & ATTACHMENTS PACKERS/SLEEVES/PLUGS	\$179,140 \$66,000	245	60	RODS/PUMPS		\$90,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$809,055	245	65	SUBSURFACE EQUIPMENT		\$60,000
230	35	SURFACE CASING & ATTACHMENTS	\$169,740	245	75	WELLHEAD EQUIPMENT		\$142,700
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000	245	70	TAXES		\$29,299
230	40	TAXES	\$71,166			Total Tangible Completion Costs:	1	300I,
		Total Tangible Drilling Costs:	\$1,365,101					
						Intangible Facility Costs		
		Tangible Facility Costs		Major	Minor	Description		Amount
Major -	10	Description FACILITY PIPE/VALVES/FITTINGS	Amount \$147,000	265 265	12	CONSULTING COMPANY DIRECT LABOR		\$9,500 \$0
270	15	CONTAINMENT	\$147,000	265	20	DAMAGES/ROW/PERMITS, ETC		\$12,700
270	25	DEHYDRATION	\$0	265	22	PAD/ROAD CONSTRUCTION		\$30,000
270	30	PRIMARY POWER MATERIALS	\$14,400	265	25	ENGINEERING / SCIENCE		\$13,900
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000	265	40	HEALTH/SAFETY/ENVIRONMENTAL		\$5,000
270	60	H2S TREATING EQUIPMENT	\$0	265	45	CONTRACT LABOR & SERVICES		\$0
270	65	SEPARATION EQUIPMENT	\$94,800	265	60	OVERHEAD		\$3,000
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0	265	80	SURVEY / PLATS / STAKINGS		\$800
270	75 86	PRE-FABRICATED SKIDS	\$0	265 265	85 83	TRANSPORTATION / TRUCKING TAXES		\$0 \$4.120
270 270	86 90	FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM	\$75,400 \$4,000	265 265	83 10	CONTINGENCY COSTS 5%		\$4,120 \$3.745
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000	203	10	Total Intangible Facility Costs:	1	\$8_,700
270	110	TANKS & WALKWAYS	\$47,600			,	•	
270	130	MECHANICAL BATTERY BUILD	\$117,800			Office Use Only:		
270	132	EI&C BATTERY BUILD	\$47,000					
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600					
270	136	PRIMARY POWER BUILD	\$15,100					
270 270	138	FLOWLINE INSTALLATION SIGNAGE	\$43,500					
270		TAXES	\$600 \$40,854					
270	123	Total Tangible Facility Costs:	\$783,654					
		,						
Total Dri			\$4,835,353.93					
Total Co		n:	\$7,661,798.50					
Total Fac		N.	\$866,418.50					
Total DC Total DC			\$10,570,052.50 \$1,927,099.93					
1 Oral DC	rangio		91,727,077.73					
Total AF	E:		\$13,363,570.93					
7	THIS A	UTHORITY FOR EXPENDITURE IS BASED ON COST I	ESTIMATES. BILLING W	ILL REFI	LECT YO	OUR PROPORTINATE SHARE OF THE ACTUAL	INVOICE COS	STS.
0		Essellis LO anti-O and 1 110						
Operator		Franklin Muntain Energy 3, LLC						
		176 1						

Approved By:

WI Owner:

Approved By:

Date:

Craig Walter
Chief Executive Officer

Date:

Printed Name:

Title:

 $ALL\ PARTICIPANTS\ MUST\ CARRY\ THEIR\ OWN\ CONTROL\ OF\ WELL\ INSURANCE\ AND\ ATTACH\ A\ CERTIFICATE\ OF\ INSURANCE\ TO\ THIS\ ELECTION\ OR\ INSURE\ WITH\ FME$ 

1/4/2024



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

-	_			_			
Major	Minor	Intangible Drilling Costs  Description	Amount	Major		Intangible Completion Costs  Description	Amount
225	5	ADMINISTRATIVE OVERHEAD CASING CREW & EOPT	\$4,000	240 240	5 10	ADMINISTRATIVE OVERHEAD CASED HOLE LOGS & SURVEYS	\$10,300 \$7,500
225 225	10 15	CEMENTING INTERMEDIATE CASING	\$84,000 \$50,000	240	15	CASING CREW & EQPT	\$7,300
225	16	CEMENTING PRODUCTION CASING	\$150,000	240	20	COILED TUBING/SNUBBING UNIT	\$312,000
225 225	20 25	CEMENTING SUFACE CASING COMMUNICATIONS	\$50,000 \$45,000	240 240	25 30	COMMUNICATIONS COMPANY DIRECT LABOR	\$2,500 \$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$32,500
225 225	34 40	CONSTRUCTION/LOCATION & ROAD CONTRACT LABOR	\$57,500 \$50,000	240 240	45 50	CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION	\$25,000 \$500
225	45	DAMAGES	\$15,000	240	55	DISPOSAL SOLIDS	\$10,000
225	50	DAYWORK CONTRACT	\$878,400	240	60	ELECTRICAL POWER\GENERATION	\$0
225 225	55 60	DRILLING - DIRECTIONAL DRILLING - FOOTAGE	\$320,000 \$120,000	240 240	62 65	ENGINEERING ENVIRONMENTAL/CLEANUP	\$3,600 \$0
225	65	DRILLING BITS	\$140,000	240	70	FISHING TOOLS / SERVICES	\$0
225	70	ELECTRICAL POWER\GENERATION	\$0	240 240	71 72	FLUIDS/HAULING/DISPOSAL	\$110,000
225 225	75 80	ENGINEERING ENVIRONMENTAL SERVICES	\$20,000 \$275,000	240	75	FRAC WATER/COMPLETION FLUID FUEL, POWER/DIESEL	\$816,000 \$861,500
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY	\$6,000
225 225	85 90	EQUIPMENT RENTAL FISHING TOOLS/SERVICES	\$50,000 \$0	240 240	85 90	HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES	\$13,000 \$500
225	95	HEALTH & SAFETY	\$7,000	240	95	MISCELLANEOUS	\$0
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS	\$1,400
225 225	105 106	INSURANCE INSPECTIONS	\$1,700 \$15,000	240 240	110 115	P&A/TA COSTS PERFORATING/WIRELINE SERVICE	\$0 \$392,500
225	110	LEGAL, TITLE SERVICES	\$6,000	240	120	PIPE INSPECTION	\$0
225	115	MATERIALS & SUPPLIES	\$5,000	240 240	125 130	ROAD, LOCATIONS REPAIRS	\$14,500
225 225	120	MISCELLANEOUS MOUSE/RATHOLE/CONDUCT PIPE	\$5,000 \$31,000	240	135	STIMULATION SUBSURFACE EQUIPMENTAL RENTAL	\$4,285,000 \$45,000
225	130	MUD & CHEMICALS	\$360,000	240	140	SUPERVISION	\$136,000
225	140 141	OPENHOLE LOGGING	\$0 \$0	240 240	145 150	SURFACE EQUIP RENTAL TRANSPORTATION/TRUCKING	\$251,000 \$1,000
225 225	141	CASED HOLE LOGGING PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$1,000 \$158,500
225	150	POWER FUEL & WATER HAULING	\$200,000	240	160	WELDING SERVICES	\$0
225 225	155 160	RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY	\$91,500 \$0	240 240	165 148	WELL TESTING/FLOWBACK TAXES	\$93,500 \$0
225	163	SITE RESTORATION	\$10,000	240	40	CONTINGENCY COSTS 5%	\$417,500
225	165	STAKING & SURVEYING	\$6,000			Total Intangible Completion Costs:	\$8,006,800
225 225	170 175	SUPERVISION SUPERVISION - GEOLOGICAL	\$100,800 \$39,000			Tangible Completion Costs	
225	180	TRANSPORTATION/TRUCKING	\$39,000	Major		Description	Amount
225 225	178 35	TAXES CONTINGENCY COSTS 5%	\$164,874 \$149,885	245 245	5 15	ARTIFICIAL LIFT FLOWLINES	\$200,000 \$0
223	33	Total Intangible Drilling Costs:	\$3,671,659	245	25	FRAC STRING	\$0
				245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$40,000
Major	Minor	Tangible Drilling Costs  Description	Amount	245 245	45 50	PRODUCTION LINER PRODUCTION PROCESSING FACILITY	\$0 \$0
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$179,140	245	55	PRODUCTION TUBING	\$90,000
230	20	PACKERS/SLEEVES/PLUGS	\$66,000	245	60	RODS/PUMPS	\$0
230 230	25 35	PRODUCTION CASING & ATTACHMENTS SURFACE CASING & ATTACHMENTS	\$835,910 \$169,740	245 245	65 75	SUBSURFACE EQUIPMENT WELLHEAD EQUIPMENT	\$60,000 \$142,700
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000	245	70	TAXES	\$29,299
230	40	TAXES Total Tangible Drilling Costs:	\$72,643 \$1,393,433			Total Tangible Completion Costs:	\$561,999
			41,070,100			Intangible Facility Costs	
Major	Minor	Tangible Facility Costs  Description	Amount	Major 265	Minor	Description CONSULTING	Amount \$9,500
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000	265	12	COMPANY DIRECT LABOR	\$0
270	15	CONTAINMENT	\$0	265	20	DAMAGES/ROW/PERMITS, ETC	\$12,700
270 270	25 30	DEHYDRATION PRIMARY POWER MATERIALS	\$0 \$14,400	265 265	22 25	PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE	\$30,000 \$13,900
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000	265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$5,000
270	60	H2S TREATING EQUIPMENT	\$0	265 265	45	CONTRACT LABOR & SERVICES	\$0
270 270	65 66	SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS	\$94,800 \$0	265	60 80	OVERHEAD SURVEY / PLATS / STAKINGS	\$3,000 \$800
270	75	PRE-FABRICATED SKIDS	\$0	265	85	TRANSPORTATION / TRUCKING	\$0
270 270	86 90	FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM	\$75,400 \$4,000	265 265	83 10	TAXES CONTINGENCY COSTS 5%	\$4,120 \$3,745
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000	203	10	Total Intangible Facility Costs:	\$82,765
270	110	TANKS & WALKWAYS	\$47,600	_			
270 270	130 132	MECHANICAL BATTERY BUILD EI&C BATTERY BUILD	\$117,800 \$47,000	$\vdash$	_	Office Use Only:	
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600				
270	136	PRIMARY POWER BUILD	\$15,100				
270 270	138 140	FLOWLINE INSTALLATION SIGNAGE	\$43,500 \$600				
270	125	TAXES	\$40,854				
		Total Tangible Facility Costs:	\$783,654				
Total Cor		n.	\$5,065,091.95 \$8,568,798.50				
Total Fac			\$866,418.50				
Total DC	Intang		\$11,678,458.50				
Total DC	1 angib	ne:	\$1,955,431.95				
T-1.1.1.							
Total AFI	B:		\$14,500,308.95	_			
1	HIS A	UTHORITY FOR EXPENDITURE IS BASED ON FOST	ESTIMATES. BILLING W	ILL REFI	LECT Y	OUR PROPORTINATE SHARE OF THE ACTUAL I	INVOICE COSTS.
Operator:		Franklin Mosemain Energy 3, LLC					
эрсгани.		1. 01/1					
Approved	By:			Date:			1/4/2024
		Craig Walters Chief Executive Officer					
		BWATAHOOCHTTMIGE, PERIODS					
WI Owne	r						
m owne			-				
Approved	By:			Date:			
				mid.			
Printed N	ame:			Title:			

 $ALL\ PARTICIPANTS\ MUST\ CARRY\ THEIR\ OWN\ CONTROL\ OF\ WELL\ INSURANCE\ AND\ ATTACH\ A\ CERTIFICATE\ OF\ INSURANCE\ TO\ THIS\ ELECTION\ OR\ INSURE\ WITH\ FME$ 

Case No. 24457 W/2W/2 Bone Spring-Pooled Parties List

### **Working Interest Owners to Be Pooled**

Calvary Resources, LLC MRC Permian Company Loma Hombre Energy, LLC DSD Energy II, LLC Axis Energy Corporation

### **ORRI to Be Pooled**

Broken Arrow Royalties, LLC

Thomaston, LLC Mongoose Minerals LLC Marathon Oil Permian LLC Good News Minerals, LLC Pegasus Resources II, LLC Collins & Jones Investments, LLC LMC Energy, LLC David W. Cromwell Oak Valley Mineral and Land, LP Crown Oil Partners, LP H. Jason Wacker Kaleb Smith Deane Durham Mike Moylett Post Oak Mavros II, LLC Sortida Resources, LLC

EXHIBIT A-17-d

## Summary of Contacts Case No. 24457

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around February 14, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted working interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership Type	Date Proposal Letter Sent	Proposal Letter Received	Follow Up			
Cavalry Resources, LLC	WIO	2/14/2024	2/21/2024	Negotiating JOA			
MRC Permian Company	WIO	2/14/2024	2/21/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.			
Loma Hombre Energy, LLC	WIO	2/14/2024	2/20/2024	Elected to Participate			
DSD Energy II, LLC	WIO	2/14/2024	2/17/2024	Negotiating JOA			
Axis Energy Corporation	WIO	2/14/2024	2/20/2024	Received email stating that they signed a JOA with MRC			

EXHIBIT A-17-e

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

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

CASE NO. 24459

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
  - 2. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. **Rope State Com 303H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and
    - b. **Rope State Com 304H** and **Rope State Com 604H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18.
  - 3. The producing area for the wells is expected to be orthodox.

**EXHIBIT A-18** 

- 4. The completed interval for the **Rope State Com 303H** well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
- 5. This proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:
  - a. A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18,
     dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
  - b. A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section
     18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
  - c. A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
  - d. A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
  - e. A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
  - f. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);

- g. A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19,
   dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com
   #002H well (API 30-025-41094);
- h. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).
- 6. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 7. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
  - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;

- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr. Deana M. Bennett

Yarithza Peña

Post Office Box 2168

500 Fourth Street NW, Suite 1000

Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800

edebrine@modrall.com

deana.bennett@modrall.com

yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24459: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 303H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and Rope State Com 304H and Rope State Com 604H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18. The producing area for the wells is expected to be orthodox. The completed interval for the Rope State Com 303H well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544);
   and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

C-102 Submit Electronically Via OCD Permitting		<u>42:44 PM</u> En	ergy, M	State of Ne inerals & Natur		w Mexico al Resources Department			Revised July 9, 2024			
			OIL	CONSERVA	TION DI	VISION			☐ Initial Submit	tal		
									1	☐ Initial Submittal  ☐ Amended Report		
										☐ As Drilled	-	
					WELL LOCA	TION INFO	RMATION			- As Dimed		
	lumber		Pool Code	.=	WEEE EGG!	Pool Name			annnia			
	0-025-53338	3	Down at N	97930		WC-02	5 G-06 S18	3518A, BONE	SPRING	W 11 N 1		
Proper	rty Code 336097		Property Name ROPE			E STATE CO	РМ			Well Number 303		
OGRI	D No. 331595	;	Operator N	ame	FRANKLIN MOUNTAIN ENERGY 3, LLC					Ground Level Elevation 3939.5'		
Surfac	e Owner: 🛚	State  Fee	Tribal 🗖 Fed	leral		Minera	ıl Owner: 🏻	State  Fee [	□ Tribal □	Federal		
,					Cym	face Location						
UL	Section	Township	Range	Lot Ft. from N/S				Latitude (N.	AD 83) I	Longitude (NAD 83)	County	
P	30	18S	35E	201	338 SOUTH		3 EAST	32.7123	´	-103.492080°	LEA	
					Bottor	n Hole Locat	ion					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from	E/W	Latitude (NAD 83)		Longitude (NAD 83)	County	
В	18	18S	35E		100 NORTH	I 149	0 EAST	32.7548	326°	-103.493171°	LEA	
		· ·	-					_	<u> </u>		l	
Dedica	Dedicated Acres Infill or Defining		ining Well	ing Well Defining Well API			Overlapping Spacing Unit (Y/N)			Consolidation Code		
	640					Y		P				
Order	Numbers.	Pendin	g			Well se	tbacks are u	nder Common (	Ownership:	ŊYes □No		
					Kick (	Off Point (KO	OP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from	ı E/W	Latitude (N.	AD 83) L	Longitude (NAD 83)	County	
О	30	18S	35E		53 SOUTH	158	6 EAST	32.711621°		-103.493356°	LEA	
			-! -		First T	ake Point (F	ГР)		<u>'</u>			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from		1		Longitude (NAD 83)	1	
О	30	18S	35E		622 SOUTH	151	4 EAST	32.713184°		-103.493127°	LEA	
	_		1			ake Point (L'	ГР)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from		Latitude (NAD 83) 32.754826°		Longitude (NAD 83)		
В	18	18S	35E		100 NORTH	1 149	0 EAST	32./348	320	-103.493171°	LEA	
Unitiz	Unitized Area or Area of Uniform Interest Spa				Spacing Unit Type 🛚 Horizontal 🔲 Vertical			Grour	Ground Floor Elevation:			
OPER	ATOR CERT	TFICATIONS				SURVEY	OR CERTIF	ICATIONS				
my kno organiz includin location interest	wledge and belication either ow ng the proposed n pursuant to a	ief, and, if the we ns a working inte l bottom hole loca contract with an c ary pooling agree	ll is a vertical or rest or unleased tion or has a rig owner of a worki	directional mineral inte ht to drill th ing interest (	erest in the land					was plotted from the fiel je some is true and corre		
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the anget pool or formation) in which any part of the well's completed interval of the located or obtained a compulsory pooling order from the division.  8/29/2024					08-27-24 SUP							

23782 February 21, 2024

Printed Name Certificate Number Date of Survey

rover bey@fmellc.com

Date

Email Address

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

Signature and Seal of Professional Surveyor

= DRILLING SPACING UNIT

Received by OCD: 12/9/2024 1:42:44 PM Page 105 of 314 Well Number Property Name Drawn By Revised By ROPE STATE COM 303H N.R. 02-23-24 REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT) RR34 35 LATITUDE = 32°42'44.63" (32.712398° LATITUDE = 32°42'41.83" (32.711621°)  $E^{i}$  $F^{v}$ N89°50'52"W - 5226.42' LONGITUDE = -103°29'31.49" (-103.492080° LONGITUDE = -103°29'36.08" (-103.493356°) NAD 27 (SURFACE HOLE LOCATION) NAD 27 (KICK OFF POINT) LTP/BHL LATITUDE = 32°42'44.19" (32.712274°) LATITUDE = 32°42'41.39" (32.711497°) 100° FNL 1480° FEL LONGITUDE = -103°29'29.71" (-103.491587° LONGITUDE = -103°29'34.30" (-103.492862°) LOT 1 NOO:20'48"W NO0.25'18"W STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) N: 623928.29' E: 800083.30 N: 623642.52' E: 799693.30' 2650.24 2644.91 STATE PLANE NAD 27 (N.M. STATE PLANE NAD 27 (N.M N: 623863.97' E: 758903.5 N: 623578.20' E: 758513.5 NAD 83 (LTP/BHL) NAD 83 (LP/FTP) LATITUDE = 32°42'47.46" (32.713184°) LOT 2 LATITUDE = 32°45'17.37" (32.754826°) LONGITUDE = -103°29'35.26" (-103.493127 LONGITUDE = -103°29'35.41" (-103.493171° NAD 27 (LP/FTP) NAD 27 (LTP/BHL) 18 LATITUDE = 32°42'47.01" (32.713060°) LATITUDE = 32°45'16.93" (32.754702°) LONGITUDE = -103°29'33.48" (-103.492633 LONGITUDE = -103°29'33.63" (-103.492675°) STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) NOO"17'55"W 2647.91' N: 624211.68' E: 799759.15 N: 639362.31' E: 799625.58 LOT 3 *NO027'34"W* STATE PLANE NAD 27 (N.M. EAST STATE PLANE NAD 27 (N.M. EAST) N: 624147.34' E: 758579.43 N: 639297.50' E: 758446.29 LOT 4 N89°54'23"W - 5237.28 622° FSL 1514° FEL LOT 1 Section Line 5289.66 5291. 15153.68 1/16 LOT 2 19 338° FSL 1193° FEL *\\\00.11.05\\\\* **\\00076'43"W** LOT 3 LOT 4 KOP 53° FSL 1588° FEL N89°55'29"W - 5236.78 Section Line NOO'17'51"W 2644.77' LOT 1 Detail "A No Scale 20 5287. LOT 2 30 V007414"W NOTE: LINE TABLE Distances referenced on plat to section lines are perpendicular. Basis of Bearings is a Transverse LOT 3 VOO"23"11"W LINE **DIRECTION LENGTH** Mercator Projection with a Central S54°00'40"W 483.57 L1 Meridian of W103°53'00" (NAD 83) Section breakdown information for L2 N06°50'34"E 573.05 See Detail "A this plan may be obtained from Uintah Engineering and Land Surveying. LOT 4 = SURFACE HOLE LOCATION = KICK OFF POINT/LANDING N89°51'48"W N89°52'25"W POINT/FIRST TAKE POINT 2601.02" 2645.47° = LAST TAKE POINT/ BOTTOM HOLE LOCATION  $\triangle$  = SECTION CORNER LOCATED  $\triangle$  = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

SCALE

Sheet 2 of 2

Released to Imaging: 12/10/2024 11:16:47 AM

<u>C-102</u> Submit Electronically			ergy, M	State of New	w Mexico al Resources Depart	ment	Page 106 o Revised July 9, 2024						
			OIL	CONSERVA	TION DIVISION			☐ Initial Submit	The Indianal Contaminant				
Via OCD Permitting							Submitt						
								Type:	☐ As Drilled	,011			
WELL LOCA						ΓΙΟΝ INFORMATION							
API Number Pool Code 960						Pool Name  AIRSTRIP, BONE SPRING							
Propert	y Code 336097		Property N	ame	ROPE			Well Number	sH				
OGRIE	No. 331595	,	Operator N	lame	FRANKLIN MOL	JNTAIN ENERGY 3, L		Ground Level Elevation 3939.5'					
Surface		State □ Fee □	   Tribal □ Fe			Mineral Owner:		☐ Tribal [		1			
					Surf	ace Location							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County			
P	30	18S	35E		338 SOUTH	1193 EAST	32.7123	398°	-103.492080°	LEA			
					Bottom	Hole Location	_ [						
UL B	Section 18	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 1490 EAST	Latitude (N 32.7548	′ 1	Longitude (NAD 83) -103.493171°	County LEA			
,			•	'	•			•					
Dedicated Acres Infill or Defining Well 320			ning Well	Definin	g Well API	Overlapping Spacin Y	dation Code P						
Order N	Numbers.	Pendin	g			Well setbacks are un	Well setbacks are under Common Ownership: ☐Yes ☐No						
					Kick O	off Point (KOP)							
UL O	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 53 SOUTH	Ft. from E/W 1586 EAST	Latitude (N 32.7116		Longitude (NAD 83) -103.493356°	County LEA			
					First Ta	ake Point (FTP)							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County			
О	30	18S	35E		622 SOUTH	1514 EAST	32.7131	184°	-103.493127°	LEA			
						Ft. from E/W Latitude (NAD 83) Longitude (NAD 83) County							
UL B	Section 18	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 1490 EAST	Latitude (N 32.7548		Longitude (NAD 83) -103.493171°	County LEA			
Unitico	d Area or Ar	ea of Uniform l	ntavaat	Cnasina	Unit Type 🛚 Horiz	zontal 🗀 Vartical	Gran	nd Floor E	Navation				
Omtize	u Alea of Al	ea of Official i	meresi	Spacing	Cint Type M 110112	zontai 🔲 verticai	Gloui	iiu Floor E	nevation.				
OPERATOR CERTIFICATIONS						SURVEYOR CERTIFICATIONS							
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest						I hereby certify that the well location shown on this plat was plotted from the 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.  MEX  23/82  23/82							
in each tract (in the arget pool or formation) in which any part of the well's completed interval of be licated or obtained a compulsory pooling order from the division.					08-27-24 JV								
8/29/2024 Signature Date						Signature and Seal of Professional Surveyor							
Rachae	l Overbey					23782	February 2	uary 21, 2024					
Printed 1						Certificate Number	Date of Surve						
roverbe	y@fmellc.co	om											

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

Email Address

 $\triangle$  = SECTION CORNER LOCATED

= DRILLING SPACING UNIT

 $\triangle$  = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

Received by OCD: 12/9/2024 1:42:44 PM Page 107 of 314 Well Number Property Name Drawn By Revised By ROPE STATE COM 303H N.R. 02-23-24 REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT) RR34 35 LATITUDE = 32°42'44.63" (32.712398° LATITUDE = 32°42'41.83" (32.711621°)  $E^{i}$  $F^{v}$ N89°50'52"W - 5226.42' LONGITUDE = -103°29'31.49" (-103.492080° LONGITUDE = -103°29'36.08" (-103.493356°) NAD 27 (SURFACE HOLE LOCATION) NAD 27 (KICK OFF POINT) LTP/BHL LATITUDE = 32°42'44.19" (32.712274°) LATITUDE = 32°42'41.39" (32.711497°) 100° FNL 1490° FEL LONGITUDE = -103°29'29.71" (-103.491587° LONGITUDE = -103°29'34.30" (-103.492862°) LOT 1 NOO:20'48"W NO0.25'18"W STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) N: 623928.29' E: 800083.30 N: 623642.52' E: 799693.30' 2650.24 2644.91 STATE PLANE NAD 27 (N.M. STATE PLANE NAD 27 (N.M N: 623863.97' E: 758903.5 N: 623578.20' E: 758513.5 NAD 83 (LTP/BHL) NAD 83 (LP/FTP) LATITUDE = 32°42'47.46" (32.713184°) LOT 2 LATITUDE = 32°45'17.37" (32.754826°) LONGITUDE = -103°29'35.26" (-103.493127 LONGITUDE = -103°29'35.41" (-103.493171° NAD 27 (LP/FTP) NAD 27 (LTP/BHL) 18 LATITUDE = 32°42'47.01" (32.713060°) LATITUDE = 32°45'16.93" (32.754702°) LONGITUDE = -103°29'33.48" (-103.492633 LONGITUDE = -103°29'33.63" (-103.492675°) STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) NOO"17'55"W 2647.91' N: 624211.68' E: 799759.15 N: 639362.31' E: 799625.58 LOT 3 NO027'34"W STATE PLANE NAD 27 (N.M. EAST STATE PLANE NAD 27 (N.M. EAST) N: 624147.34' E: 758579.43 N: 639297.50' E: 758446.29 LOT 4 N89°54'23"W - 5237.28 622° FSL 1514° FEL LOT 1 Section Line 5289.66 5291. 15153.68′ 1/16 LOT 2 19 338° FSL 1193° FEL NO075'42"W *\\\00.11.05\\\\* **\\00076'43"W** LOT 3 LOT 4 KOP 53° FSL 1588° FEL N89°55'29"W - 5236.78 Section Line NOO'17'51"W 2644.77' LOT 1 Detail "A No Scale 20 5287. LOT 2 30 V007414"W NOTE: LINE TABLE Distances referenced on plat to section lines are perpendicular. Basis of Bearings is a Transverse LOT 3 VOO\*23\*11"W LINE **DIRECTION LENGTH** Mercator Projection with a Central S54°00'40"W 483.57 L1 Meridian of W103°53'00" (NAD 83) Section breakdown information for L2 N06°50'34"E 573.05 See Detail "A this plan may be obtained from Uintah Engineering and Land Surveying. LOT 4 = SURFACE HOLE LOCATION = KICK OFF POINT/LANDING N89°51'48"W N89°52'25"W POINT/FIRST TAKE POINT 2601.02" 2645.47° = LAST TAKE POINT/ BOTTOM HOLE LOCATION

SCALE

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reived by OCD: 12/9/2024 1:4   C-102			42:44 PM		State of Ne	ew Mexico	w Mexico			Page 108  Revised July 9, 2024			
<u>5 102</u>		En		nerals & Natui	ral Resources Departn	al Resources Department							
Submit Electronically Via OCD Permitting			OIL (	CONSERVA	TION DIVISION		☐ Initial Submit	tal					
Via OCD Permitting							Submittal						
							Type:	☐ As Drilled	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,				
	<u> </u>				WELL LOCA	TION INFORMATION							
API N	umber		Pool Code			Pool Name							
	30-025-53339 97930					WC-025 G-06 S183518A, BONE SPRING							
Proper	Property Code Property Name 336097 ROPE				STATE COM Well Number 304H								
OGRII			Operator N	lame			<u> </u>		Ground Level El				
	331595		<u> </u>		FRANKLIN MO	UNTAIN ENERGY 3, LL	3938.8'						
Surfac	e Owner: 🔼	State ☐ Fee ☐	] Tribal □ Fe	deral		Mineral Owner: 🛛 S	State  Fee	□ Tribal □	Federal				
					Sur	face Location							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) L	Longitude (NAD 83)	County			
P	30	18S	35E		338 SOUTH	I 1073 EAST	32.712	396°	-103.491690°	LEA			
	ļ			ļ	Bottor	n Hole Location		ļ		ļ.			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	(AD 83) L	Longitude (NAD 83)	County			
В	18	18S	35E		100 NORTH	I 360 EAST	32.754807°		-103.489496°	LEA			
	-!	•		1	!	<u> </u>	'			!			
Dedica	ated Acres	Infill or Defi	ining Well	Defining	g Well API	Overlapping Spacing Unit (Y/N) Consolidation Code							
	640					Y							
Order :	Numbers.	Pending				Well setbacks are und	Well setbacks are under Common Ownership: ☐ Yes ☐ No						
					Kick (	Off Point (KOP)							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) L	Longitude (NAD 83)	County			
P	30	18S	35E		54 SOUTH	431 EAST	32.711605°		-103.489601°	LEA			
					First T	Take Point (FTP)							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)		Longitude (NAD 83)	County			
P	30	188	35E		625 SOUTH	I 385 EAST	32.713175°		-103.489456°	LEA			
					Last T	Take Point (LTP)							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (NAD 83)		Longitude (NAD 83)	County			
В	18	18S	35E		100 NORTH	I 360 EAST	32.754807°		-103.489496°	LEA			
			-				1						
Unitize	ed Area or A	rea of Uniform	Interest	Spacing	Unit Type 🛛 Hor	izontal 🔲 Vertical	Grou	nd Floor Ele	evation:				
OPER	ATOR CERT	TIFICATIONS				SURVEYOR CERTIFIC	CATIONS						
I harabı													
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, that this						I hereby certify that the well location shows on this plat was plotted from the 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.    AP   MEX   Co							
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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore													
entered	by the division	1.					1/30/ /X	23/82					
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest						Viene	Don	CAJSA					
consent of at least one tessee or owner of a working interest or unleased mineral interest in each tractless of sevent pool or formation) in which any part of the well's completed interval of the greated of obtained a second pooling order from the division.					08-27-24								
	charles	. \			ine aivision.		1381	ONAL					
Signatur			8/29/2 Date	2024		Signature and Seal of Professional Surveyor							
	1 1	/	Date			organical and Scar of Froncestorial Surveyor							
Doobo	The same of the sa					22782	Echeucey 2	1 2024					

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

Certificate Number

Date of Survey

Printed Name

roverbey@fmellc.com Email Address

RE-ESTABLISHED. (Not Set on Ground.)

= DRILLING SPACING UNIT

Received by OCD: 12/9/2024 1:42:44 PM Page 109 of 314 Well Number Property Name Drawn By Revised By ROPE STATE COM 304H N.R. 02-23-24 REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT) RR34 35  $E^{i}$  $F^{v}$ N89°50'52"W - 5226.42' LTP/BHĽ NAD 83 (SURFACE HOLE LOCATION) 100' FNL LATITUDE = 32°42'44.63" (32.712396°) LOT 1 NOO:20'48"W 360° FEL NOO:25'18"W LONGITUDE = -103°29'30.09" (-103.491690°) 2650.24 2644.91 NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32°42'44.18" (32.712272°) LONGITUDE = -103°29'28.31" (-103.491197° STATE PLANE NAD 83 (N.M. EAST) N: 623928.75' E: 800203.28' LOT 2 STATE PLANE NAD 27 (N.M. EAST) N: 623864.44' E: 759023.55 18 NAD 83 (KICK OFF POINT) LATITUDE = 32°42'41.78" (32.711605°) LONGITUDE = -103°29'22.56" (-103.489601° NOO"17"55"W 2647.91" LOT 3 NAD 27 (KICK OFF POINT) *NO027'34"W* LATITUDE = 32°42'41.33" (32.711481°) LONGITUDE = -103°29'20.79" (-103.489107°) STATE PLANE NAD 83 (N.M. EAST) N: 623646.02' E: 800848.28' STATE PLANE NAD 27 (N.M. EAST) LOT 4 N: 623581.74' E: 759668.54' NAD 83 (LP/FTP) LATITUDE = 32°42'47.43" (32.713175°) LONGITUDE = -103°29'22.04" (-103.489456°) N89°54'23"W - 5237.28" NAD 27 (LP/FTP) LATITUDE = 32°42'46.98" (32.713051°) LOT 1 LONGITUDE = -103°29'20.27" (-103.488963°) STATE PLANE NAD 83 (N.M. EAST) N: 624217.58' E: 800888.25 5289.66 STATE PLANE NAD 27 (N.M. EAS NO075'32"W 5291. N: 624153.28' E: 759708.52 15149.57 LOT 2 NAD 83 (LTP/BHL) LATITUDE = 32°45'17.30" (32.754807' LONGITUDE = -103°29'22.18" (-103.489496° 19 NAD 27 (LTP/BHL) N.CO.17.00N Ź LATITUDE = 32°45'16.86" (32.754683°) LONGITUDE = -103°29'20.40" (-103.489001° LOT 3 STATE PLANE NAD 83 (N.M. EAST) N0076 N: 639364.11' E: 800755.4 STATE PLANE NAD 27 (N.M. EAST) N: 639299.34' E: 759576.16' LOT 4 N89°55'29"W - 5236.78 LOT 1 N0017'51"W 20 LINE TABLE 5287. LOT 2 LINE DIRECTION **LENGTH** L1 S66°05'13"E 704.36 30 V00°14'14"W L2 N0414'37"E 573.05 NOTE: Distances referenced on plat to section LOT 3 lines are perpendicular. NOO°23'11"W 2647.64' Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83) Section breakdown information for LP/FTP|
625° FSL
385° FEL • this plan may be obtained from Uintah Engineering and Land Surveying. LOT 4 = SURFACE HOLE LOCATION 1073° FEL 2 = KICK OFF POINT/LANDING N89°51'48"W N89°52'25"W POINT/FIRST TAKE POINT 2601.02" *2645.47* = LAST TAKE POINT/ 439° FEL BOTTOM HOLE LOCATION ▲ = SECTION CORNER LOCATED

SCALE

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Sheet 2 of 2

State of N  C-102  State of N  Energy, Minerals & Nature  Submit Electronically  OIL CONSERVA					inerals & Natu		_ <i>Page 110 o</i> sed July 9, 2024					
	Electronicall D Permitting			OIL	CONSERVA	TION DIVISION		C1	☐ Initial Submit	tal		
								Submittal Type:	M Amended Rep	ort		
						☐ As Drilled						
L DI N			Trigi		WELL LOCA	ATION INFORMATION						
API Nu	mber 30-025-53	339	Pool Code	9	960	Pool Name	Pool Name AIRSTRIP, BONE SPRING					
Propert	y Code 336097		Property N	ame	ROP	E STATE COM	STATE COM Well Number 304H					
OGRIE	No. 331595	;	Operator N	ame	FRANKLIN MO	OUNTAIN ENERGY 3, I	LLC		Ground Level Ele 3938			
Surface Owner: ☑ State ☐ Fee ☐ Tribal ☐ Federal					Mineral Owner: X	I State □ Fee [	□ Tribal □	Federal				
Surf					rface Location							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	AD 83) L	Longitude (NAD 83)	County		
P	30	18S	35E		338 SOUTH	H 1073 EAST	32.7123	896°	-103.491690°	LEA		
						m Hole Location	· -					
UL B	Section 18	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W H 360 EAST	Latitude (N. 32.7548		Longitude (NAD 83) -103.489496°	County LEA		
Ь	10	103	33E		100 NORTE	300 EAS1	32.7340	507	-103.489490	LEA		
Dadica	ted Acres	Infill or Defi	ning Wall	Definin	a Wall ADI	Overlapping Spacin	ng Unit (V/N)	Consolida	ution Code			
Dedicated Acres Infill or Defining Well Defining Well API 320				У Ү	ig Omt (1/14)	Consonda	P					
Order Numbers. Pending				Well setbacks are u	nder Common (	Ownership:						
					Kick	Off Point (KOP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	AD 83) L	Longitude (NAD 83)	County		
P	30	18S	35E		54 SOUTH	431 EAST	32.7116	505°	-103.489601°	LEA		
	.1	.1	.1		First 7	Γake Point (FTP)						
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	· · ·	Longitude (NAD 83)	1		
P	30	18S	35E		625 SOUTH	H 385 EAST	32.7131	.75°	-103.489456°	LEA		
	Τα	Τ	Τ	T		Take Point (LTP)	T .:. 1 .0.	+B 00   I				
UL B	Section 18	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W H 360 EAST	Latitude (N. 32.7548		Longitude (NAD 83) -103.489496°	LEA		
			<u> </u>	<u> </u>								
Unitize	d Area or Ar	rea of Uniform I	nterest	Spacing	Unit Type 🛛 Hor	rizontal   Vertical	Groun	nd Floor Ele	evation:			
OPER.	ATOR CERT	TIFICATIONS				SURVEYOR CERTIF	SURVEYOR CERTIFICATIONS					
		e information cont ief , and, if the wel			nplete to the best of	I hereby certify that the w surveys made by me or un						
organiza	ation either ow	ns a working inter	rest or unleased	mineral inte	erest in the land	my belief.	PUL	MEN	E	ser to the best of		
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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.					NIEX/C	3/0 /						
					23/18/2							
If this well is a horizontal well, I further certify that this organization has received the					tool	12 Shr	AJSI -					
consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract/in the screet pool or formation) in which any part of the well's completed interval will be accated or obtained a compulsory pooling order from the division.					1760	8-27-2						
1	and her	bear con			ine airision.		01	ONAL	,,,,			
Signatur	e /	1	8/29/2 Date	024		Signature and Seal of Prof	essional Surveyor					
Pachae	l Overbey					23782	February 2	1 2024				
Printed 1	•					Certificate Number	Date of Surve					
roverbe	ey@fmellc.co	om										

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

Email Address

= DRILLING SPACING UNIT

Received by OCD: 12/9/2024 1:42:44 PM Page 111 of 314 Well Number Property Name Drawn By Revised By ROPE STATE COM 304H N.R. 02-23-24 REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT) RR34 35  $E^{i}$  $F^{v}$ N89°50'52"W - 5226.42' LTP/BHL NAD 83 (SURFACE HOLE LOCATION) 100° FNL LATITUDE = 32°42'44.63" (32.712396°) LOT 1 NOO:20'48"W 350° FEL N.,81, LONGITUDE = -103°29'30.09" (-103.491690°) 2650.24 2644.91 NAD 27 (SURFACE HOLE LOCATION) NO0'25'1 LATITUDE = 32°42'44.18" (32.712272°) LONGITUDE = -103°29'28.31" (-103.491197° STATE PLANE NAD 83 (N.M. EAST) N: 623928.75' E: 800203.28' LOT 2 STATE PLANE NAD 27 (N.M. EAST) N: 623864.44' E: 759023.55 18 NAD 83 (KICK OFF POINT) LATITUDE = 32°42'41.78" (32.711605°) LONGITUDE = -103°29'22.56" (-103.489601° NOO"17"55"W 2647.91" LOT 3 NAD 27 (KICK OFF POINT) *NO027'34"W* LATITUDE = 32°42'41.33" (32.711481°) LONGITUDE = -103°29'20.79" (-103.489107°) STATE PLANE NAD 83 (N.M. EAST) N: 623646.02' E: 800848.28' STATE PLANE NAD 27 (N.M. EAST) LOT 4 N: 623581.74' E: 759668.54' NAD 83 (LP/FTP) LATITUDE = 32°42'47.43" (32.713175°) LONGITUDE = -103°29'22.04" (-103.489456°) N89°54'23"W - 5237.28 NAD 27 (LP/FTP) LATITUDE = 32°42'46.98" (32.713051°) LOT 1 LONGITUDE = -103°29'20.27" (-103.488963°) STATE PLANE NAD 83 (N.M. EAST) N: 624217.58' E: 800888.25 5289.66 STATE PLANE NAD 27 (N.M. EAST NO075'32"W 5291. N: 624153.28' E: 759708.52 LOT 2 NAD 83 (LTP/BHL) LATITUDE = 32°45'17.30" (32.754807' LONGITUDE = -103°29'22.18" (-103.489496° 19 NAD 27 (LTP/BHL) N.CO.17.00N Ź LATITUDE = 32°45'16.86" (32.754683°) LONGITUDE = -103°29'20.40" (-103.489001° LOT 3 STATE PLANE NAD 83 (N.M. EAST) 91,000 N: 639364.11' E: 800755.4 STATE PLANE NAD 27 (N.M. EAST) N: 639299.34' E: 759576.16' LOT 4 N89°55'29"W - 5236.78 LOT 1 N.0017,21"W 20 LINE TABLE 5287. LOT 2 LINE DIRECTION **LENGTH** L1 S66°05'13"E 704.36 30 V00°14'14"W N0414'37"E 573.05 L2 NOTE: Distances referenced on plat to section LOT 3 NOO°23'11"W 2647.64' lines are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83) Section breakdown information for LP/FTP 625° FSL 385° FEL this plan may be obtained from Uintah Engineering and Land Surveying. LOT 4 SHL = SURFACE HOLE LOCATION 1073° FEL 41 = KICK OFF POINT/LANDING N89°51'48"W N89°52'25"W POINT/FIRST TAKE POINT 2601.02" *2645.47* = LAST TAKE POINT/ 439° FEL BOTTOM HOLE LOCATION ▲ = SECTION CORNER LOCATED  $\triangle$  = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

SCALE

Sheet 2 of 2

Released to Imaging: 12/10/2024 11:16:47 AM

<u>C-10</u>	•	<u> 2/9/2024 1:</u>				ral R	ral Resources Department				
	: Electronical D Permitting	У		OIL (	CONSERVA	ATIC	ON DIVISION			☐ Initial Submit	tal
Via OC	Dreimitting						Sub				
									Type:	☐ As Drilled	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
					WELL LOCA	ATIO	N INFORMATION				
API N	umber 30-025-53	344	Pool Code	97930		Poo	ol Name WC-025 G-06 S183	518A, BONE	ESPRING		
Proper	Property Code Property Name 336097 ROPE STATE COM					Well Number	 lH				
OGRII	OGRID No. 331595  Operator Name FRANKLIN MOUNTAIN ENERGY 3, LLC				Ground Level El						
331373				Mineral Owner: 🛛 S		☐ Tribal ☐		7.1			
Į.							T				
UL	Section	Township	Range	Lot	Ft. from N/S	rtace	Location Ft. from E/W	Latitude (Na	AD 92)	Longitude (NAD 83)	County
P	30	18S	35E	Lot	338 SOUTH	Н	1133 EAST	32.7123	′	-103.491885°	LEA
Į	-	-			Bottor	m Ho	ole Location	l .			
UL A	Section 18	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Н	Ft. from E/W 925 EAST	Latitude (Na 32.7548		Longitude (NAD 83) -103.491333°	County LEA
Dedica	ited Acres	Infill or Defi	ining Well	Defining	g Well API		Overlapping Spacing	Unit (Y/N)	Consolid	lation Code	
	640						Y			P	
Order 1	Numbers.	Pendir	ng				Well setbacks are und	ler Common (	Ownership	o: XYes □No	
					Kick (	Off P	Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (Na	AD 83)	Longitude (NAD 83)	County
P	30	18S	35E		46 SOUTH	I	927 EAST	32.7115	92°	-103.491214°	LEA
Į.					First T	Take 1	Point (FTP)	!			ļ.
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (Na	AD 83)	Longitude (NAD 83)	County
P	30	18S	35E		619 SOUTH	I	927 EAST	32.7131	66°	-103.491218°	LEA
					Last T	Гаke I	Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (Na	· / I	Longitude (NAD 83)	County
A	18	18S	35E		100 NORTH	Н	925 EAST	32.7548	16°	-103.491333°	LEA
Unitize	ed Area or Aı	rea of Uniform	Interest	Spacing	Unit Type 🛚 Hor	rizonta	al □ Vertical	Groun	ıd Floor El	levation:	
OPERA	ATOR CERT	TIFICATIONS				SU	URVEYOR CERTIFIC	CATIONS			
my knov organize includin location interest,	vledge and beli ation either ow g the proposed pursuant to a	ef, and, if the we ns a working inte bottom hole loca contract with an c ary pooling agree	ll is a vertical or rest or unleased tion or has a rig owner of a worki	directional v mineral inter ht to drill thi ng interest of	rest in the land	su	hereby certify that the well urveys made by me or unde y belief.				
consent in each	of at least one tract (in the tai		f a working inter ution) in which a	rest or unleas ny part of the	sed mineral interest well's completed			No.	B-27-2	CAJON SUP	

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

23782

Certificate Number

Signature and Seal of Professional Surveyor

February 21, 2024

Date of Survey

Rachael Overbey

rover bey@fmellc.comEmail Address

Printed Name

8/29/2024

Date

Received by OCD: 12/9/2024 1:42:44 PM Page 113 of 314 Well Number Property Name Drawn By Revised By ROPE STATE COM 604H N.R. 02-23-24 REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT) RR34 35 LATITUDE = 32°42'44.63" (32.712397 LATITUDE = 32°42'41.73" (32.711592°)  $E^{i}$  $F^{v}$ N89°50'52"W - 5226.42' LONGITUDE = -103°29'30.79" (-103.491885° LONGITUDE = -103°29'28.37" (-103.491214°) NAD 27 (SURFACE HOLE LOCATION) NAD 27 (KICK OFF POINT) LTP/BHL LATITUDE = 32°42'44.18" (32.712273°) LATITUDE = 32°42'41.28" (32.711468°) LONGITUDE = -103°29'29.01" (-103.491392° LONGITUDE = -103°29'26.59" (-103.490720°) NOO\*25'18"W 2644.91' LOT 1 NOO:20'48"W 925° FFI STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) N: 623928.52' E: 800143.29 N: 623637.16' E: 800352.28 2650.24 STATE PLANE NAD 27 (N.M. STATE PLANE NAD 27 (N.M. N: 623864.21' E: 758963.56 N: 623572.86' E: 759172.54 NAD 83 (LTP/BHL) NAD 83 (LP/FTP) LATITUDE = 32°42'47.40" (32.713166°) LOT 2 LATITUDE = 32°45'17.34" (32.754816°) LONGITUDE = -103°29'28.38" (-103.491218° LONGITUDE = -103°29'28.80" (-103.491333°) NAD 27 (LP/FTP) NAD 27 (LTP/BHL) 18 LATITUDE = 32°42'46.95" (32.713042°) LATITUDE = 32°45'16.89" (32.754693°) LONGITUDE = -103°29'27.02" (-103.490838°) LONGITUDE = -103°29'26.61" (-103.490724° STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) NOO"17"55"W 2647.91" N: 639363.21' E: 800190.51' N: 624210.09' E: 800346.39 LOT 3 NO027'34"W STATE PLANE NAD 27 (N.M. EAST STATE PLANE NAD 27 (N.M. EAST) 2647.99 N: 624145.77' E: 759166.67 N: 639298.42' E: 759011.22 LOT 4 N89°54'23"W - 5237.28 LP/FTP 819' FSL 927' FEL LOT 1 5289.66 NO0"20"46"W 15156.38" 5291. LOT 2 19 W.. ZO. 11.00N **\\00076'43"W** LOT 3 LOT 4 KOP N89°55'29"W - 5236.78 Section Line NOO'17'51"W 2644.77' LOT 1 Detail "A No Scale 20 5287. LOT 2 30 V007414"W NOTE: LINE TABLE Distances referenced on plat to section lines are perpendicular. Basis of Bearings is a Transverse LOT 3 VOO\*23\*11"W LINE **DIRECTION LENGTH** Mercator Projection with a Central S35°24'31"E 358.62 L1 Meridian of W103°53'00" (NAD 83) Section breakdown information for <u>See Detail "A</u>

# L2 N00°20'45"W 573.05

- this plan may be obtained from Uintah Engineering and Land Surveying.
- = SURFACE HOLE LOCATION
- = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/ BOTTOM HOLE LOCATION
- $\triangle$  = SECTION CORNER LOCATED
- $\triangle$  = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT

Sheet 2 of 2 Released to Imaging: 12/10/2024 11:16:47 AM

N89°52'25"W

2645.47

SCALE

LOT 4

N89°51'48"W

2601.02"

eived b	y OCD: 1	2/9/2024 1:4	42:44 PM					·		Page 114
<u>C-10</u>	2		   En	erov M	State of New	w Mexico Revised July al Resources Department				
Submit	Electronicall	v				TION DIVISION				
	D Permitting	,				Submittal			al Initial Submit	
								Type:	☑ Amended Rep	oort
					WELL LOCK	EVON INCODMATION	NT.		☐ As Drilled	
A DI Ni.			Pool Code			Paul Name	•			
API Nu	30-025-533	344	Poor Code	9	960	Pool Name			AIRSTRIP, BONE	SPRING
Propert	perty Code Property Name Well Num 336097 ROPE STATE COM					Well Number 604	Н			
OGRID No. Operator Name 331595 FRANKLIN MOU					JNTAIN ENERGY 3,	LLC		Ground Level El		
Surface		State □ Fee □	Tribal 🗖 Fee			MOUNTAIN ENERGY 3, LLC 3939.1'  Mineral Owner: 🔟 State 🗆 Fee 🗆 Tribal 🗆 Federal				
					Surf	ace Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
P	30	18S	35E		338 SOUTH	1133 EAST	32.7123	′ I	-103.491885°	LEA
		!	1	1	Bottom	Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
A	18	18S	35E		100 NORTH	925 EAST	32.7548	316°	-103.491333°	LEA
		1			•		· -			
	ted Acres	Infill or Defin	ning Well	Definin	g Well API	Overlapping Spaci	ng Unit (Y/N)	Consolid	lation Code	
Order Numbers. Pending			Well setbacks are u	andan Camman (	Overn omothim	P P				
Order	vuilloers.	Pendin	ıg			well setbacks are t	inder Common (	Jwnersing	0. <u>№</u> 1 es 🗀 No	
	T	1				off Point (KOP)				
UL P	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 46 SOUTH	Ft. from E/W 927 EAST	Latitude (N 32.7115		Longitude (NAD 83) -103.491214°	County LEA
Г	30	103	33E				32./11.	792	-103,491214	LEA
T.17	Gt'	T1:	D	T -4	First Ta	ake Point (FTP)	I -du l- OI	AD 02)	I '4 - d - (NIA D 92)	Country
UL P	Section 30	Township 18S	Range 35E	Lot	619 SOUTH	Ft. from E/W 927 EAST	Latitude (N 32.7131	´	Longitude (NAD 83) -103.491218°	County LEA
					Lact Ta	lke Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
A	18	185	35E		100 NORTH	925 EAST	32.7548	- 1	-103.491333°	LEA
	1	'	1		1	1	<b>'</b>	Į.		
Unitize	d Area or Ar	ea of Uniform I	nterest	Spacing	g Unit Type 🔀 Horiz	zontal   Vertical	Groun	nd Floor E	levation:	
				•						
OPERA	ATOR CERT	IFICATIONS				SURVEYOR CERTII	FICATIONS			
		e information cont ef , and, if the wel			nplete to the best of	I hereby certify that the v	well location show	on this pla	t was plotted from the fiel the same is true and corre	d notes of actual
organiza	ition either owi	ns a working inter bottom hole locat	est or unleased	mineral inte	erest in the land	my belief.	PUL		E.	ser to the sest of
location	pursuant to a	contract with an o	wner of a work	ing interest (	or unleased mineral			N MEX	$S_{U,I}$	
	or to a volunta by the division.		nent or a compi	ılsory poolu	ng order heretofore			23/182		
					n has received the		tank	15	CALES	
in each t	ract (in the tar	get pool or forma	tion) in which a	ny part of th	ased mineral interest he well's completed		700	8-27-2	20/4	
interval	will be located	or obtaine <del>d a cor</del>	pulsory poolin	g order fron	n the division.		0.0	ONAL	SULL	
10	C.	7	8/29/2	024		0: 10 100				
Signatur			Date			Signature and Seal of Pro:	ressional Surveyor			
Rachae	l Overbey					23782	February 2	1, 2024		

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

Certificate Number

Date of Survey

Printed Name

roverbey@fmellc.com Email Address

Received by OCD: 12/9/2024 1:42:44 PM Page 115 of 314 Well Number Property Name Drawn By Revised By ROPE STATE COM 604H N.R. 02-23-24 REV: 1 L.T.T. 08-27-24 (UPDATE WELLBORE & FORMAT) RR34 35 LATITUDE = 32°42'44.63" (32.712397 LATITUDE = 32°42'41.73" (32.711592°)  $E^{i}$  $F^{v}$ N89°50'52"W - 5226.42 LONGITUDE = -103°29'30.79" (-103.491885° LONGITUDE = -103°29'28.37" (-103.491214°) NAD 27 (SURFACE HOLE LOCATION) NAD 27 (KICK OFF POINT) LTP/BHL LATITUDE = 32°42'44.18" (32.712273°) LATITUDE = 32°42'41.28" (32.711468°) LONGITUDE = -103°29'29.01" (-103.491392° LONGITUDE = -103°29'26.59" (-103.490720°) NOO\*25'18"W 2644.91' LOT 1 NOO:20'48"W 925° FFI STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) N: 623928.52' E: 800143.29 N: 623637.16' E: 800352.28 2650.24 STATE PLANE NAD 27 (N.M. STATE PLANE NAD 27 (N.M. N: 623864.21' E: 758963.56 N: 623572.86' E: 759172.54 NAD 83 (LTP/BHL) NAD 83 (LP/FTP) LATITUDE = 32°42'47.40" (32.713166°) LOT 2 LATITUDE = 32°45'17.34" (32.754816°) LONGITUDE = -103°29'28.38" (-103.491218° LONGITUDE = -103°29'28.80" (-103.491333°) NAD 27 (LP/FTP) NAD 27 (LTP/BHL) 18 LATITUDE = 32°42'46.95" (32.713042°) LATITUDE = 32°45'16.89" (32.754693°) LONGITUDE = -103°29'27.02" (-103.490838°) LONGITUDE = -103°29'26.61" (-103.490724° STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 83 (N.M. EAST) NOO"17"55"W 2647.91" N: 639363.21' E: 800190.51' N: 624210.09' E: 800346.39 LOT 3 NO027'34"W STATE PLANE NAD 27 (N.M. EAST STATE PLANE NAD 27 (N.M. EAST) 2647.99 N: 624145.77' E: 759166.67 N: 639298.42' E: 759011.22 LOT 4 N89°54'23"W - 5237.28 LP/FTP 819' FSL 927' FEL LOT 1 5289.66 NOO'20'46"W 15156.38' 5291. LOT 2 19 W.. ZO. 11.00N **\\00076'43"W** LOT 3 LOT 4 KOP N89°55'29"W - 5236.78 Section Line NOO'17'51"W 2644.77' LOT 1 Detail "A No Scale 20 5287. LOT 2 30 V007414"W NOTE: LINE TABLE Distances referenced on plat to section lines are perpendicular. Basis of Bearings is a Transverse LOT 3 VOO\*23\*11"W LINE **DIRECTION LENGTH** Mercator Projection with a Central S35°24'31"E 358.62 L1 Meridian of W103°53'00" (NAD 83) Section breakdown information for L2 N00°20'45"W 573.05 See Detail

SCALE

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- = DRILLING SPACING UNIT

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N89°52'25"W

2645.47°

LOT 4

Sheet 2 of 2

N89°51'48"W

2601.02"

EXHIBIT A-18-b

# Case No. 24459 Unit Summary



E/2 of Sections 18, 19 & 30-T18S-R35E
960.00 Acres
Rope State Com 303H
Rope State Com 304H
Rope State Com 604H
Rope State Com 604H
Rope State Com 604H
Ropesed Bone Spring Uhit
Franklin Mountain Energy 3, LLC
Committed Interest Total

Committed Working Interest	st
Franklin Mountain Energy 3, LLC	54.5834%
Committed Interest Total	54.5834%
* Supporting FME3 Working Interest	erest
Cavalry Resources, LLC	8.3333%
Loma Hombre Energy, LLC	8.3333%
DSD Energy II, LLC	8.3333%
Uncommitted Interest Total	24.9999%
Uncommitted Working Interest	est
MRC Permian Company	19.5834%
Axis Energy Corporation	0.8333%
Uncommitted Interest Total	20.4167%
Total:	100.000%
*Sgned elections and negotiating JOAs	

Tract 1 (160.00 Acres)

Tract 2 (160.00 Acres)

Tract 3 (160.00 Acres)

Tract 4 (160.00 Acres)

%	33.3%	16.7%	16.7%	16.7%	16.7%
Lease	VB-1325	VB-1499	VB-1478	V0-9145	VB-2312
Tract	1	2	3	4	5

Tract 6 (160.00 Acres)

Tract 5 (160.00 Acres)

30

(Lot 3) 38.45

(Lot 2) 38.39

(Lot 1) 38.33



| FRANKL| | MOUNTAIN | ENERGY | MOUNTAIN | ENERGY | MOUNTAIN | EXPENDITURE | MOUNTAIN |

Purpose	::	Drill and complete a 15,000' 1BS well. TVD 9,162', MD 24,162'.		AFE#:		DCE231024	
Major	Minor	Intangible Drilling Costs  Description	Amount	Major	Minor	Intangible Completion Costs  Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000	240	5	ADMINISTRATIVE OVERHEAD	\$10,300
225 225	10 15	CASING CREW & EQPT CEMENTING INTERMEDIATE CASING	\$80,000 \$50,000	240 240	10 15	CASED HOLE LOGS & SURVEYS CASING CREW & EQPT	\$7,500 \$0
225	16	CEMENTING PRODUCTION CASING	\$150,000	240	20	COILED TUBING/SNUBBING UNIT	\$312,000
225 225	20 25	CEMENTING SUFACE CASING COMMUNICATIONS	\$50,000 \$40,000	240 240	25 30	COMMUNICATIONS COMPANY DIRECT LABOR	\$2,500 \$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$32,500
225 225	34 40	CONSTRUCTION/LOCATION & ROAD CONTRACT LABOR	\$57,500 \$50,000	240 240	45 50	CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION	\$25,000 \$500
225	45	DAMAGES	\$15,000	240	55 60	DISPOSAL SOLIDS	\$10,000
225 225	50 55	DAYWORK CONTRACT DRILLING - DIRECTIONAL	\$768,600 \$300,000	240 240	62	ELECTRICAL POWER\GENERATION ENGINEERING	\$0 \$3,600
225 225	60 65	DRILLING - FOOTAGE DRILLING BITS	\$120,000 \$140,000	240 240	65 70	ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES	\$0 \$0
225	70	ELECTRICAL POWER\GENERATION	\$140,000	240	71	FLUIDS/HAULING/DISPOSAL	\$110,000
225 225	75 80	ENGINEERING ENVIRONMENTAL SERVICES	\$20,000 \$250,000	240 240	72 75	FRAC WATER/COMPLETION FLUID FUEL, POWER/DIESEL	\$816,000 \$743,500
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY	\$6,000
225 225	85 90	EQUIPMENT RENTAL FISHING TOOLS/SERVICES	\$50,000 \$0	240 240	85 90	HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES	\$13,000 \$500
225	95	HEALTH & SAFETY	\$7,000	240	95	MISCELLANEOUS	\$0
225 225	100 105	HOUSING AND SUPPORT SERVICES INSURANCE	\$45,000 \$1,700	240 240	100 110	MUD & CHEMICALS P&A/TA COSTS	\$1,400 \$0
225	106	INSPECTIONS	\$15,000	240	115	PERFORATING/WIRELINE SERVICE	\$392,500
225 225	110 115	LEGAL, TITLE SERVICES MATERIALS & SUPPLIES	\$6,000 \$5,000	240 240	120 125	PIPE INSPECTION ROAD, LOCATIONS REPAIRS	\$0 \$14,500
225 225	120 125	MISCELLANEOUS	\$5,000	240 240	130 135	STIMULATION	\$3,543,500
225	130	MOUSE/RATHOLE/CONDUCT PIPE MUD & CHEMICALS	\$31,000 \$320,000	240	140	SUBSURFACE EQUIPMENTAL RENTAL SUPERVISION	\$45,000 \$136,000
225 225	140 141	OPENHOLE LOGGING CASED HOLE LOGGING	\$0 \$0	240 240	145 150	SURFACE EQUIP RENTAL TRANSPORTATION/TRUCKING	\$251,000 \$1,000
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$1,000
225 225	150 155	POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS	\$200,000 \$91,500	240 240	160 165	WELDING SERVICES WELL TESTING/FLOWBACK	\$0 \$93,500
225	160	RIG UP TEAR OUT & STANDBY	\$0	240	148	TAXES	\$0
225 225	163 165	SITE RESTORATION STAKING & SURVEYING	\$10,000 \$6,000	240	40	CONTINGENCY COSTS 5%  Total Intangible Completion Costs:	\$370,000 \$7,000,000
225	170	SUPERVISION	\$88,200				• • • • • • • • • • • • • • • • • • • •
225 225	175 180	SUPERVISION - GEOLOGICAL TRANSPORTATION/TRUCKING	\$39,000 \$39,000	Major	Minor	Tangible Completion Costs  Description	Amount
225	178	TAXES	\$172,728	245	5	ARTIFICIAL LIFT	\$200,000
225	35	CONTINGENCY COSTS 5%  Total Intangible Drilling Costs:	\$157,025 \$3,470,253	245 245	15 25	FLOWLINES FRAC STRING	\$0 \$0
			•	245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$40,000
Major	Minor	Tangible Drilling Costs Description	Amount	245 245	45 50	PRODUCTION LINER PRODUCTION PROCESSING FACILITY	\$0 \$0
230	10 20	INTERMEDIATE CASING & ATTACHMENTS	\$179,140	245	55	PRODUCTION TUBING	\$90,000
230 230	25	PACKERS/SLEEVES/PLUGS PRODUCTION CASING & ATTACHMENTS	\$66,000 \$809,055	245 245	60 65	RODS/PUMPS SUBSURFACE EQUIPMENT	\$0 \$60,000
230 230	35 45	SURFACE CASING & ATTACHMENTS WELLHEAD EQUIPMENT/CASING BOWL	\$169,740 \$70,000	245 245	75 70	WELLHEAD EQUIPMENT TAXES	\$142,700 \$29,299
230	40	TAXES	\$71,166	243	,,,	Total Tangible Completion Costs:	\$561,999
		Total Tangible Drilling Costs:	\$1,365,101			Intangible Facility Costs	
Major	Minor	Tangible Facility Costs  Description	Amount	Major 265	Minor 5	Description	Amount \$9,500
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000	265	12	COMPANYDIRECTLABOR	\$0
270 270	15 25	CONTAINMENT DEHYDRATION	\$0 \$0	265 265	20 22	DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION	\$12,700 \$30,000
270	30	PRIMARY POWER MATERIALS	\$14,400	265	25	ENGINEERING / SCIENCE	\$13,900
270 270	50 60	FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT	\$76,000 \$0	265 265	40 45	HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES	\$5,000 \$0
270	65	SEPARATION EQUIPMENT	\$94,800	265	60	OVERHEAD	\$3,000
270 270	66 75	ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS	\$0 \$0	265 265	80 85	SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING	\$800 \$0
270	86	FACILITY SURFACE EQUIPMENT	\$75,400	265	83	TAXES	\$4,120
270 270	90 100	H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA	\$4,000 \$57,000	265	10	CONTINGENCY COSTS 5%  Total Intangible Facility Costs:	\$3,745   \$84,70:
270	110	TANKS & WALKWAYS	\$47,600				
270 270	130 132	MECHANICAL BATTERY BUILD EI&C BATTERY BUILD	\$117,800 \$47,000			Office Use Only:	
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600				
270 270	136 138	PRIMARY POWER BUILD FLOWLINE INSTALLATION	\$15,100 \$43,500				
270 270	140 125	SIGNAGE TAXES	\$600 \$40,854				
270	123	Total Tangible Facility Costs:	a103,654				
Total Dri			\$4,835,353.93				
Total Co Total Fac		i.	\$7,661,798.50 \$866,418.50				
Total DC Total DC			\$10,570,052.50 \$1,927,099.93				
rotal DC	rungio		\$1,727,077.75				
Total AF	E:		\$13,363,570.93				
	гыс аі	UTHORITY FOR EXPENDITURE IS BASED OST		VII I DEEI	ECT V	OUR PROPORTINATE SHARE OF THE ACTUAL	INVOICE COSTS
			ESTIMATES, BILLING V	VILL KEIT	LECT IV	DON PROPORTINATE SHARE OF THE ACTUAL	INVOICE COSTS.
Operator		Franklin Mountain Energy 3, 1.1.C					
Approved	By:	C) King		Date:			1/4/2024
		Craig Walters Chief Executive Officer					
WI Owne	er:						
Approved	l By:			Date:			
Printed N	ame:			Title:			

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME3



\$312.00 \$2,50 \$25,00

\$50

\$10,000 \$3,600

\$110.000 \$816,000 \$743,500 \$6,000 \$13,000

\$50

\$1,400 \$392,500

\$14 500 \$3,543,500 \$45,000 \$136,000 \$251,000

\$1,000 \$158,500 \$93,50

\$200,000

\$40,000 \$90,000

SHL: Sec 30-T185-R35E 260 FSL 1070 FEL BHL: Sec 18-T185-R35E 100 FNL 360 FEL Franklin Mountain Energy 3, LLC County/State: Lea Co., NM Date Prepared: 1/4/2024 Operator: Drill and complete a 15,000' 1BS well DCF231025

Purpose	:	Drill and complete a 15,000' 1BS well.			AFE #:		DCE231025
		TVD 9,033', MD 24,033'.					
		Intangible Drilling Costs					Intangible Completion
Major	Minor	Description		Amount	Major	Minor	Description
225	5	ADMINISTRATIVE OVERHEAD		\$4,000	240	5	ADMINISTRATIVE OVERHEAD
225	10	CASING CREW & EQPT		\$80,000	240	10	CASED HOLE LOGS & SURVEYS
225	15	CEMENTING INTERMEDIATE CASING		\$50,000	240	15	CASING CREW & EQPT
225	16	CEMENTING PRODUCTION CASING		\$150,000	240	20	COILED TUBING/SNUBBING UNIT
225	20	CEMENTING SUFACE CASING		\$50,000	240	25	COMMUNICATIONS
225	25	COMMUNICATIONS		\$40,000	240	30	COMPANY DIRECT LABOR
225	30	COMPLETION FLUIDS		\$6,000	240	35	COMPLETION/WORKOVER RIG
225	34	CONSTRUCTION/LOCATION & ROAD		\$57,500	240	45	CONTRACT LABOR/ROUSTABOUT
225	40	CONTRACT LABOR		\$50,000	240	50	DAMAGES/RECLAMATION
225	45	DAMAGES		\$15,000	240	55	DISPOSAL SOLIDS
225	50	DAYWORK CONTRACT		\$768,600	240	60	ELECTRICAL POWER\GENERATIO
225	55	DRILLING - DIRECTIONAL		\$300,000	240	62	ENGINEERING
225	60	DRILLING - FOOTAGE		\$120,000	240	65	ENVIRONMENTAL/CLEANUP
225	65	DRILLING BITS		\$140,000	240	70	FISHING TOOLS / SERVICES
225	70	ELECTRICAL POWER\GENERATION		\$0	240	71	FLUIDS/HAULING/DISPOSAL
225	75	ENGINEERING		\$20,000	240	72	FRAC WATER/COMPLETION FLUI
225	80	ENVIRONMENTAL SERVICES		\$250,000	240	75	FUEL, POWER/DIESEL
225	84	EQUIPMENT RENTAL DOWNHOLE		\$60,000	240	80	HEALTH & SAFETY
225	85	EQUIPMENT RENTAL		\$50,000	240	85	HOUSING AND SUPPORT SERVICE
225	90	FISHING TOOLS/SERVICES		\$0	240	90	MATERIALS & SUPPLIES
225	95	HEALTH & SAFETY		\$7,000	240	95	MISCELLANEOUS
225	100	HOUSING AND SUPPORT SERVICES		\$45,000	240	100	MUD & CHEMICALS
225	105	INSURANCE		\$1,700	240	110	P&A/TA COSTS
225	106	INSPECTIONS		\$15,000	240	115	PERFORATING/WIRELINE SERVIC
225	110	LEGAL, TITLE SERVICES		\$6,000	240	120	PIPE INSPECTION
225	115	MATERIALS & SUPPLIES		\$5,000	240	125	ROAD, LOCATIONS REPAIRS
225	120	MISCELLANEOUS		\$5,000	240	130	STIMULATION
225	125	MOUSE/RATHOLE/CONDUCT PIPE		\$31,000	240	135	SUBSURFACE EQUIPMENTAL REN
225	130	MUD & CHEMICALS		\$320,000	240	140	SUPERVISION
225	140	OPENHOLE LOGGING		\$0	240	145	SURFACE EQUIP RENTAL
225	141	CASED HOLE LOGGING		\$0	240	150	TRANSPORTATION/TRUCKING
225		PERMITS, LICENSES, ETC		\$20,000	240	155	WATER TRANSFER
225	150	POWER FUEL & WATER HAULING		\$200,000	240	160	WELDING SERVICES
225	155	RIG MOVE & RACKING COSTS		\$91,500	240	165	WELL TESTING/FLOWBACK
225	160	RIG UP TEAR OUT & STANDBY		\$0	240	148	TAXES
225	163	SITE RESTORATION		\$10,000	240	40	CONTINGENCY COSTS 5%
225	165	STAKING & SURVEYING		\$6,000			Total Intangible Completion Costs:
225	170	SUPERVISION		\$88,200			
225	175	SUPERVISION - GEOLOGICAL		\$39,000			Tangible Completion
225	180	TRANSPORTATION/TRUCKING		\$39,000	Major	Minor	Description
225	178	TAXES		\$172,728	245	5	ARTIFICIAL LIFT
225	35	CONTINGENCY COSTS 5%		\$157,025	245	15	FLOWLINES
		Total Intangible Drilling Costs:		\$3,470,253	245	25	FRAC STRING
					245	40	PACKERS/SLEEVES/PLUGS/GL MA
		Tangible Drilling Costs			245	45	PRODUCTION LINER
Major	Minor	Description		Amount	245	50	PRODUCTION PROCESSING FACIL
230	10	INTERMEDIATE CASING & ATTACHMENTS		\$179,140	245	55	PRODUCTION TUBING
230	20	PACKERS/SLEEVES/PLUGS		\$66,000	245	60	RODS/PUMPS
230	25	PRODUCTION CASING & ATTACHMENTS		\$809,055	245	65	SUBSURFACE EQUIPMENT
230	35	SURFACE CASING & ATTACHMENTS		\$169,740	245	75	WELLHEAD EQUIPMENT
230	45	WELLHEAD EQUIPMENT/CASING BOWL		\$70,000	245	70	TAXES
230	40	TAXES		\$71,166			Total Tangible Completion Costs:
		Total Tangible Drilling Costs:		\$1,365,101			
			-				Intangible Facility (
		Tangible Facility Costs			Major	Minor	Description

		Total Tangible Completion Costs:	
245	70	TAXES	
245	75	WELLHEAD EQUIPMENT	
245	65	SUBSURFACE EQUIPMENT	
245	60	RODS/PUMPS	
245	55	PRODUCTION TUBING	
245	50	PRODUCTION PROCESSING FACILITY	
245	45	PRODUCTION LINER	
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	
245	25	FRAC STRING	
245	15	FLOWLINES	
245	5	ARTIFICIAL LIFT	

Tangible Completion Costs

Intangible Completion Costs

ENVIRONMENTALCLEANUP
FISHING TOOLS / SERVICES
FLUIDS/HAULING/DISPOSAL
FRAC WATER/COMPLETION FLUID
FUEL, POWER/DIESEL
HEALTH & SAFETY
HOUSING AND SUPPORT SERVICES
MATERIALS & SUPPORT

PIPE INSPECTION
ROAD, LOCATIONS REPAIRS
STIMULATION
SUBSURFACE EQUIPMENTAL RENTAL
SUPERVISION
SURFACE EQUIP RENTAL
TANSFORE TATIONET PLOCATION
TO THE PROPERTY OF THE PROPERTY

 
 Major
 Minor
 Description

 270
 10
 FACILITY PIPE/VALVES/FITTINGS

 270
 15
 CONTAINMENT
 DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT \$14,400 \$76,000 H2S IREATING EQUIPMENT
SEPARATION EQUIPMENT
ROAD/LOCATION/FENCING/REPAIRS
PREF-ABRICATED SKIDS
FACILITY SURFACE EQUIPMENT
H2S SAFETY SYSTEM
CONTROL / INSTRUMENT / METERS / SCADA \$94.80 86 90 100 \$75,400 \$4,000 110 130 132 TANKS & WALKWAYS
MECHANICAL BATTERY BUILD
EI&C BATTERY BUILD \$47,000 134 136 138 140 125 CONTROLS AND SCADA BATTERY BUILD \$2,600 \$15,10 \$43,50 \$60 PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES Total Tangible Facility Costs:

Total Drill:	\$4,835,353.93
Total Completion:	\$7,661,798.50
Total Facility:	\$866,418.50
Total DC Intangible:	\$10,570,052.50
Total DC Tangible:	\$1,927,099.93

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

Intangible Facility Costs

00		
00 00 00 54		
03 00 00 00 03		
3		
21		

perator: pproved By:	Franklin Montain/Energy 3, LLC Craig Walter Chief Executive Officer	Date:		1/4/2024
T Owner:		Date:	-	

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

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME3

Title:

Total AFE



Amount \$10,300 \$7,500 \$312,000 \$2,500

\$0 \$32,500

\$25,000 \$500 \$500 \$10,000 \$0 \$3,600

\$110,000 \$816,000 \$861,500

\$6,000 \$13,000 \$500

\$1,400

\$0 \$392,500 \$0 \$14,500 \$4,285,000 \$45,000

\$251,000 \$1,000 \$158,500 \$0 \$93,500

Amount \$9,500

\$12,700 \$30,000 \$13,900 \$5,000 \$3,000 \$800 \$0

County/State: Lea Co., NM Location: BHL: Sec 18-T18S-R35E 100 FNL 925 FEL Franklin Mountain Energy 3, LLC Date Prepared: 1/4/2024 Operator: Drill and complete a 15,000' 3BS well. DCE240119 Purpose: TVD 10,306', MD 25,306'.

Najor   Minor   Description   Namont   Stophon   Stoph			Intangible Drilling Costs				Intangible Completion Costs
225   10	Major	Minor	Description	Amount	Major	Minor	
225	225	5	ADMINISTRATIVE OVERHEAD	\$4,000	240	5	ADMINISTRATIVE OVERHEAD
225	225	10	CASING CREW & EQPT	\$84,000	240	10	CASED HOLE LOGS & SURVEYS
252   25   COMMUNICATIONS	225	15	CEMENTING INTERMEDIATE CASING	\$50,000	240	15	CASING CREW & EQPT
225   25   COMMUNICATIONS   S45,000   240   30   COMPANY DIRECT LABOR	225	16	CEMENTING PRODUCTION CASING	\$150,000	240	20	COILED TUBING/SNUBBING UNIT
225   30   COMPLETION FLUIDS   S6,000   240   35   COMPLETION/MORKOVER RIG	225	20	CEMENTING SUFACE CASING	\$50,000	240	25	COMMUNICATIONS
225   34   CONSTRUCTIONALOCATION & ROAD   S57,500   240   45   CONTRACT LABOR   S50,000   240   55   DISPOSAL SOLIDS	225	25	COMMUNICATIONS	\$45,000	240	30	COMPANY DIRECT LABOR
225   40   CONTRACT LABOR   \$50,000   240   55   DAMAGES   CANATION	225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG
225	225	34	CONSTRUCTION/LOCATION & ROAD	\$57,500	240	45	CONTRACT LABOR/ROUSTABOUTS
225   50 DAYWORK CONTRACT   \$378,400   240   60 ELECTRICAL POWERGENERATION	225	40	CONTRACT LABOR	\$50,000	240	50	DAMAGES/RECLAMATION
255   55   DRILLING - DIRECTIONAL   \$320,000   240   62   ENGINEERING   240   65   ENVIRONMENTAL/CLEANUP   240   70   FISHING TOOLS / SERVICES   240   70   FISHING TOOLS / SERVICES   240   70   FISHING TOOLS / SERVICES   240   75   FISHING TOOLS / SERVICES   240   85   HEALTH & SAFETY   250   240   85   HEALTH & SAFETY   250   240   85   MOUST AND SUPPORT SERVICES   240   240   85   MATERIALS & SUPPLIES   240	225	45	DAMAGES	\$15,000	240	55	DISPOSAL SOLIDS
225   65   DRILLING FOOTAGE   \$120,000   240   65   ENVIRONMENTAL/CLEANUP	225	50	DAYWORK CONTRACT	\$878,400	240	60	ELECTRICAL POWER\GENERATION
225   65   DRILLING BITS   240   70   FISHING TOOLS / SERVICES	225	55	DRILLING - DIRECTIONAL	\$320,000	240	62	ENGINEERING
250   70	225	60	DRILLING - FOOTAGE	\$120,000	240	65	ENVIRONMENTAL/CLEANUP
252   75	225	65	DRILLING BITS	\$140,000	240	70	FISHING TOOLS / SERVICES
225   80	225	70	ELECTRICAL POWER\GENERATION	\$0	240	71	FLUIDS/HAULING/DISPOSAL
Section   Sect	225	75	ENGINEERING	\$20,000	240	72	FRAC WATER/COMPLETION FLUID
255   85   EQUIPMENT RENTAL	225	80	ENVIRONMENTAL SERVICES	\$275,000	240	75	FUEL, POWER/DIESEL
1	225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY
25	225	85	EQUIPMENT RENTAL	\$50,000	240	85	HOUSING AND SUPPORT SERVICES
225   106   HOUSING AND SUPPORT SERVICES   \$45,000   240   100   MUD & CHEMICALS	225	90	FISHING TOOLS/SERVICES		240	90	MATERIALS & SUPPLIES
252   105   INSURANCE	225	95	HEALTH & SAFETY	\$7,000	240	95	MISCELLANEOUS
225	225	100	HOUSING AND SUPPORT SERVICES		240	100	MUD & CHEMICALS
225	225	105	INSURANCE	\$1,700	240	110	P&A/TA COSTS
255   115	225	106	INSPECTIONS		240	115	PERFORATING/WIRELINE SERVICE
225   120   MISCELLANEOUS   \$5,000   240   130   STIMULATION	225	110				120	PIPE INSPECTION
252   125	225	115	MATERIALS & SUPPLIES		240	125	ROAD, LOCATIONS REPAIRS
225	225	120	MISCELLANEOUS				
225		125	MOUSE/RATHOLE/CONDUCT PIPE			135	
225	225	130	MUD & CHEMICALS	\$360,000	240	140	
252	225	140	OPENHOLE LOGGING				
150   POWER FUEL & WATER HAULING   \$200,000   240   160   WELDING SERVICES	225						
252   155	225	145	PERMITS, LICENSES, ETC		240		WATER TRANSFER
252   168	225	150	POWER FUEL & WATER HAULING		240	160	WELDING SERVICES
252   163   STE RESTORATION   \$10,000   240   40   CONTINGENCY COSTS 5%	225	155	RIG MOVE & RACKING COSTS	\$91,500			
252   165   STAKING & SURVEYING   S6,000   STORMING   S6,000   STORMING   S6,000   STORMING   S6,000   STORMING   S6,000   STORMING   S6,000   S7,000   S7							
225   170   SUPERVISION   \$100,800   \$100,					240	40	
252   175   SUPERVISION - GEOLOGICAL   \$39,000   S39,000   S39,0	225	165	STAKING & SURVEYING				Total Intangible Completion Costs:
225   180   TRANSPORTATION/TRUCKING   \$39,000   Major   Minor   Description		170					
225   178 TAXES   \$164,874   245   5 ARTIFICIAL LIFT		175	SUPERVISION - GEOLOGICAL		_		
225 35 CONTINGENCY COSTS 5% \$149,885 245 15 FLOWLINES  **Total Intangible Drilling Costs:** \$3,671,659 245 25 FRAC STRING							
Total Intangible Drilling Costs: \$3,671,659 245 25 FRAC STRING							
	225	35					
245 40 DACKEDS/SLEEVES/DLUGS/GLMANDDEL			Total Intangible Drilling Costs:	\$3,671,659	245		

**Tangible Drilling Costs** \*179,140 \$66,000 \$835,910 \$169,740 \$70,000 \$72,643 \$1,393,433 Total Tangible Drilling Costs.

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

Intangible Facility Costs

Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$
270	30	PRIMARY POWER MATERIALS	\$14,40
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,00
270	60	H2S TREATING EQUIPMENT	\$6
270	65	SEPARATION EQUIPMENT	\$94,80
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$
270	75	PRE-FABRICATED SKIDS	\$
270	86	FACILITY SURFACE EQUIPMENT	\$75,40
270	90	H2S SAFETY SYSTEM	\$4,00
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,00
270	110	TANKS & WALKWAYS	\$47,60
270	130	MECHANICAL BATTERY BUILD	\$117,80
270	132	EI&C BATTERY BUILD	\$47,00
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,60
270	136	PRIMARY POWER BUILD	\$15,10
270	138	FLOWLINE INSTALLATION	\$43,50
270	140	SIGNAGE	\$60
270	125	TAXES	\$40,85
		Total Tangible Facility Costs:	\$783,65

		Office Use Only:	
		Total Intangible Facility Costs:	
265	10	CONTINGENCY COSTS 5%	
265	83	TAXES	
265	85	TRANSPORTATION / TRUCKING	
265	80	SURVEY / PLATS / STAKINGS	
265	60	OVERHEAD	
265	45	CONTRACT LABOR & SERVICES	
265	40	HEALTH/SAFETY/ENVIRONMENTAL	
265	25	ENGINEERING / SCIENCE	
265	22	PAD/ROAD CONSTRUCTION	
265	20	DAMAGES/ROW/PERMITS, ETC	

5 CONSULTING 12 COMPANY DIRECT LABOR

ill:	\$5,065,091.95	
ompletion:	\$8,568,798.50	
cility:	\$866,418.50	
C Intangible:	\$11,678,458.50	
C Tangible:	\$1,955,431.95	
E:	\$14,500,308.95	
THIS AUTHORITY FOR EXPENDITUR	E IS HASED ON COST ESTIMATES, BILLING WI	L REFLECT YOUR PROPORTINATE SHARE OF THE ACTUAL INVOICE COSTS.
Franklin Mauntain Pressure C.1.1.6		

Operator: Approved By:	Craig Walters Chief Executive Officer	Date:	1/4/2024
WI Owner:			
Approved By:		Date:	
Printed Name:	-	Title:	

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME3

Case No. 24459 E/2 Bone Spring-Pooled Parties List

# **Working Interest Owners to Be Pooled**

MRC Permian Company Axis Energy Corporation Cavalry Resources, LLC Loma Hombre Energy, LLC DSD Energy II, LLC

# **ORRI to Be Pooled**

Broken Arrow Royalties, LLC Thomaston, LLC Mongoose Minerals LLC Marathon Oil Permian LLC Good News Minerals, LLC Pegasus Resources II, LLC Collins & Jones Investments, LLC LMC Energy, LLC David W. Cromwell Oak Valley Mineral and Land, LP Crown Oil Partners, LP H. Jason Wacker Kaleb Smith Deane Durham Mike Moylett Post Oak Mavros II, LLC Sortida Resources, LLC

EXHIBIT A-18-d

# Summary of Contacts Case No. 24459

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around February 14, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted working interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership Type	Date Proposal Letter Sent	Proposal Letter Received	Follow Up
Cavalry Resources, LLC	WIO	2/14/2024	2/21/2024	Negotiating JOA
MRC Permian Company	WIO	2/14/2024	2/21/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Loma Hombre Energy, LLC	WIO	2/14/2024	2/20/2024	Elected to Participate
DSD Energy II, LLC	WIO	2/14/2024	2/17/2024	Negotiating JOA
Axis Energy Corporation	WIO	2/14/2024	2/20/2024	Received email stating that they signed a JOA with MRC

**EXHIBIT A-18-e** 

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

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

**CASE NO.** 24479

# **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
  - 2. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. **Rope State Com 302H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and
    - b. **Rope State Com 602H** well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18.
  - 3. The producing area for the wells is expected to be orthodox.

- 4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676).
- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
  - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

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

Respectfully submitted,

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

By:/s/ Deana M. Bennett

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

CASE NO. 24479: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 302H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and Rope State Com 602H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

<u>C-10</u>	•	2/9/2024 1:				ıral R	Resources Departr	nent		Revis	sed July 9, 2024
	t Electronical			OIL (	CONSERVA	OITA	ON DIVISION			☐ Initial Submit	tal
via OC	CD Permitting								Submitt		
									Туре:	☐ As Drilled	
					WELL LOCA	ATION	N INFORMATION			Z 715 Diffice	
API N	umber 30-025-	53337	Pool Code	97930			l Name WC-025 G-06 S183	3518A: BONI	E SPRING		
Proper	rty Code 336097		Property Na		ROP		ATE COM			Well Number	2H
OGRI			Operator N	ame I			AIN ENERGY 3, LI	LC		Ground Level El 3,94	evation
Surfac		State □ Fee □	 ] Tribal □ Fed				Mineral Owner: 🔯		☐ Tribal [		5.5
					Sur	rface I	Location				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
0	30	18S	35E	201	335 SOUTH		2,493 EAST	32.7124		-103.496306°	LEA
				ļ.	Botto	m Hol	le Location				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
С	18	18S	35E		100 NORTH	Н	2,290 WEST	32.7548	351°	-103.497874°	LEA
Dadia	ated Acres	Infill or Defi	ining Wall	Dofining	g Well API		Overlapping Spacing	Linit (V/N)	Consolid	lation Code	
	20	mini or ben	ming wen	Demmi	g well Al I		ү	3 Omt (1/1 <b>1)</b>	Consone	P	
	Numbers.	Pend	ing				Well setbacks are un	der Common (	Ownership		
					Kick	Off Po	oint (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
N	30	18S	35E		57 SOUTH	I	2,190 WEST	32.7116	558°	-103.498134°	LEA
	-				First 7	Take F	Point (FTP)	'			ļ.
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
N	30	18S	35E		626 SOUTH	Н	2,265 WEST	32.7132	220°	-103.497892°	LEA
	•	•	•	•	Last 7	Take P	Point (LTP)		'		•
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
С	18	18S	35E		100 NORTI	Н	2,290 WEST	32.7548	351°	-103.497874°	LEA
Unitiz	ed Area or Aı	rea of Uniform	Interest	Spacing	Unit Type <b>∑</b> Hor	rizonta	al □ Vertical	Grour	nd Floor E	llevation:	
OPER	ATOR CERT	TIFICATIONS				SU	URVEYOR CERTIFI	CATIONS			
my kno organiz includii locatioi interest entered	wledge and belication either owing the proposean pursuant to a store to a voluntal by the division well is a horizon	ief, and, if the we ns a working inte l bottom hole loca contract with an c ary pooling agree. ttal well, I further	ll is a vertical or rest or unleased tion or has a rig owner of a worki ment or a compucertify that this c	directional mineral inte ht to drill thi ing interest o ilsory poolin organization	rest in the land is well at this or unleased mineral g order heretofore	sui my	hereby certify that the we rveys made by me or una y belief.	ter my supervisia	on Brild Quantition of MEX, MEX, 23/82	y was plotted from the fier the same is true and corre	ld notes of actual ect to the best of
in each	tract (in the to		ition) in which a	ny part of the	e well's completed			1.00	ONAL	SUR	

8/30/2024 Date

Signature and Seal of Professional Surveyor

23782 February 21, 2024

Printed Name Certificate Number Date of Survey

rover bey@fmellc.comEmail Address

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

Received by OCD: 12/9/2024 1:42:44 PM Well Number Property Name Drawn By Revised By ROPE STATE COM 302H C.S.C. 02-27-24 REV. 1 N.R. 08-27-24 (UPDATE TAKE POINTS & C-102 FORMAT) E 1/4 Cor. Sec. 7 = SURFACE HOLE LOCATION Section Corner Re-Established By = KICK OFF POINT/LANDING Double Proportion Method -POINT/FIRST TAKE POINT N89°50'52"W - 5226.42 (Not Set on Ground) LAST TAKE POINT/ N89°59'52"W N 1/4 Cor. Sec. 17 LTP/BHL BOTTOM HOLE LOCATION 100' FNL 2290' FWL 2646.29 lacktriangle = Section corner located LOT 1 NOO:20'48"W NO0.25'18"W  $\triangle$  = SECTION CORNER 2650.24 RE-ESTABLISHED. 9 (Not Set on Ground.) = DRILLING SPACING UNIT LOT 2 NOTE: Distances referenced on plat to section 8 lines are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83) LOT 3

### LINE TABLE DIRECTION LINE **LENGTH** N00°29'20"W 2644.93 L2 S63°46'31"W 625.67 N07"14'37"E L3 573.05°

LATITUDE = 32°42'44.68" (32.712412°) LONGITUDE = -103°29'46.70" (-103.496306° NAD 27 (SURFACE HOLE LOCATION) LATITUDE = 32°42'44.24" (32.712288° LONGITUDE = -103°29'44.93" (-103.495813°) STATE PLANE NAD 83 (N.M. EAST) N: 623923.28' E: 798783.52 STATE PLANE NAD 27 (N.M. EAST) N: 623858.93' E: 757603.81

LATITUDE = 32°42'41.97" (32.711658°) LONGITUDE = -103°29'53.28" (-103.498134°) NAD 27 (KICK OFF POINT) LATITUDE = 32°42'41.52" (32.711534° LONGITUDE = -103°29'51.50" (-103.497640°) STATE PLANE NAD 83 (N.M. EAST) N: 623644.47' E: 798223.52 STATE PLANE NAD 27 (N.M. EAST) N: 623580.10' E: 757043.80'

LONGITUDE = -103°29'52.41" (-103.497892°) NAD 27 (LP/FTP) LATITUDE = 32°42'47.14" (32.713095° LONGITUDE = -103°29'50.63" (-103.497399° STATE PLANE NAD 83 (N.M. EAST) N: 624213.16' E: 798293.3: STATE PLANE NAD 27 (N.M. EAST) N: 624148.78' E: 757113.65

LATITUDE = 32°45'17.02" (32.754727°) LONGITUDE = -103°29'50.56" (-103.497379°) STATE PLANE NAD 83 (N.M. EAST) STATE PLANE NAD 27 (N.M. EAST)

NO0-27'34"W NOO17'55"W 2647.91 LOT 4 N89'54'23"W - 5237.28' NOO71'15"W 15149.75' LOT 1 5289.66 5291. LOT 2 NAD 83 (SURFACE HOLE LOCATION) 9 V00"17"02"W NO0"16"43"W LOT 3 LOT 4 NAD 83 (KICK OFF POINT) N89°55'29"W - 5236.78' LOT 1 NOO"17"51"W 2644.77" 5287. NAD 83 (LP/FTP) LOT 2 LATITUDE = 32°42'47.59" (32.713220° LOT 3 NOO'23'11"W LP/FTP NAD 83 (LTP/BHL) Li<sup>n</sup>/r .. 626° FSL | 2,265° FWL LATITUDE = 32°45'17.47" (32.754851°) LOT 4 LONGITUDE = -103°29'52.35" (-103.497874°) KOP SHL NAD 27 (LTP/BHL) S89°58'14"W SE Cor. 57° FSL 335' FSL 5290.89 2,190° FWL-Sec. 29 N89°51'48"W N89°52'25"W RRN: 639360.00' E: 798179.42 Section Corner 2601.02' 2645.47° NO073'29 Re-Established By 34 35 Double Proportion Method -N: 639295.14' E: 757000.15' (Not Set on Ground) 1000 EE 1/4 Cor. Sec. 31 SCALE Sheet 2 of 2 Released to Imaging: 12/10/2024 11:16:47 AM

<u>C-10</u>	V	<u> 2/9/2024 1:</u>		ergy M	State of Nev	w Mexico al Resources Depart	ment		Revis	
Submit	Electronicall	У				TION DIVISION	inent		T_	
Via OCI	O Permitting							Submitt	al Initial Submit	
								Туре:	☐ As Drilled	port
					WELLLOCAT	TION INFORMATION			- As Diffied	
API Nu	ımber		Pool Code			Pool Name				
ATTNU	30-025-5	53337	1 oor code	Ģ	960	1 Ooi Name			AIRSTRIP; BONE	E SPRING
Propert	y Code 336097	,	Property N	ame	ROPE	STATE COM			Well Number 302	2H
OGRID	No. 331595		Operator N	ame	FRANKLIN MOU	NTAIN ENERGY 3, L	LC		Ground Level El 3,94	
Surface	Owner: 🛚 S	State □ Fee □	Tribal 🗆 Fee	leral		Mineral Owner: 🔯	State  Fee	☐ Tribal [		
					Surfa	ace Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
О	30	18S	35E		335 SOUTH	2,493 EAST	32.7124	412°	-103.496306°	LEA
		!			Bottom	Hole Location	·	·		!
UL C	Section 18	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 2,290 WEST	Latitude (N 32.7548	′ 1	Longitude (NAD 83) -103.497874°	County LEA
					!		- <del>'</del>			!
Dedica	ted Acres	Infill or Defi	ning Well	Definin	g Well API	Overlapping Spacin Y	g Unit (Y/N)	Consolic	dation Code P	
Order N	Numbers.	Pendi	ing	1		Well setbacks are un	nder Common	Ownership		
					Kick O	ff Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
N	30	18S	35E		57 SOUTH	2,190 WEST	32.7116	558°	-103.498134°	LEA
					First Ta	ike Point (FTP)				
UL N	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 626 SOUTH	Ft. from E/W 2,265 WEST	Latitude (N 32.7132	′ 1	Longitude (NAD 83) -103.497892°	County LEA
				1	Last Ta	ke Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
С	18	18S	35E		100 NORTH	2,290 WEST	32.7548	351°	-103.497874°	LEA
Unitize	d Area or Ar	ea of Uniform I	nterest	Spacing	g Unit Type ∑ Horiz	contal 🗖 Vertical	Grou	nd Floor E	Elevation:	
OPER.A	ATOR CERT	IFICATIONS				SURVEYOR CERTIF	ICATIONS			
my know organiza including location interest,	eledge and beli ution either own g the proposed pursuant to a or to a volunta	ef, and, if the wel ns a working inter bottom hole locat contract with an o try pooling agreer	l is a vertical of est or unleased tion or has a rig wner of a work	directional mineral inte ht to drill th ing interest (	erest in the land	I hereby certify that the we surveys made by me or un my belief.		or, and that		
	by the division.						tank	15	hoff \$1	
consent of	of at least one ract (in the to	lessee or owner o	f a working inte tion) in which a	rest or unled ny part of th	n has received the ased mineral interest ne well's completed n the division		1,00	8-27- O <sub>NA</sub> L	24 54 SUR	
mer val	about the	b. Solumed a 1911	8/30/2		·c arriston.			WAL		
Signatur	e /	P	Date	<u> </u>		Signature and Seal of Profe	essional Surveyor			
Rachae	Powerbey					23782	February 2	1, 2024		
Printed N	Name					Certificate Number	Date of Surve	<del></del>		
roverbe	y@fmellc.co	om								

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

Email Address

Received by OCD: 12/9/2024 1:42:44 PM Well Number Property Name Drawn By Revised By ROPE STATE COM 302H C.S.C. 02-27-24 REV. 1 N.R. 08-27-24 (UPDATE TAKE POINTS & C-102 FORMAT) E 1/4 Cor. Sec. 7 = SURFACE HOLE LOCATION Section Corner Re-Established By = KICK OFF POINT/LANDING Double Proportion Method -POINT/FIRST TAKE POINT N89°50'52"W - 5226.42 (Not Set on Ground) LAST TAKE POINT/ N89°59'52"W N 1/4 Cor. Sec. 17 LTP/BHL BOTTOM HOLE LOCATION 100" FNL 2290" FWL 2646.29 lacktriangle = Section corner located LOT 1 NOO:20'48"W NO0.25'18"W  $\triangle$  = SECTION CORNER 2650.24 RE-ESTABLISHED. 6 (Not Set on Ground.) = DRILLING SPACING UNIT LOT 2 NOTE: Distances referenced on plat to section lines are perpendicular. Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83) LOT 3 NO0-27'34"W NOO17'55"W 2647.91 LOT 4 N89°54'23"W - 5237.28' LINE TABLE NOO71'15"W 15149.75' DIRECTION LINE **LENGTH** LOT 1 N00°29'20"W 2644.93 L2 S63°46'31"W 625.67 5289.66 N07"14'37"E 5291. L3 573.05° LOT 2 NAD 83 (SURFACE HOLE LOCATION) '9 V00"17"02"W LATITUDE = 32°42'44.68" (32.712412°) NO0"16"43"W LONGITUDE = -103°29'46.70" (-103.496306° NAD 27 (SURFACE HOLE LOCATION) LOT 3 LATITUDE = 32°42'44.24" (32.712288° LONGITUDE = -103°29'44.93" (-103.495813°) STATE PLANE NAD 83 (N.M. EAST) N: 623923.28' E: 798783.52 STATE PLANE NAD 27 (N.M. EAST) N: 623858.93' E: 757603.81 LOT 4 NAD 83 (KICK OFF POINT) LATITUDE = 32°42'41.97" (32.711658°) LONGITUDE = -103°29'53.28" (-103.498134°) N89°55'29"W - 5236.78' NAD 27 (KICK OFF POINT) LATITUDE = 32°42'41.52" (32.711534° LOT 1 NOO"17"51"W 2644.77" LONGITUDE = -103°29'51.50" (-103.497640°) STATE PLANE NAD 83 (N.M. EAST) N: 623644.47' E: 798223.52 STATE PLANE NAD 27 (N.M. EAST) N: 623580.10' E: 757043.80' 5287. NAD 83 (LP/FTP) LOT 2 LATITUDE = 32°42'47.59" (32.713220° LONGITUDE = -103°29'52.41" (-103.497892°) NAD 27 (LP/FTP) LATITUDE = 32°42'47.14" (32.713095° LONGITUDE = -103°29'50.63" (-103.497399° STATE PLANE NAD 83 (N.M. EAST) LOT 3

NOO'23'11"W

NO073'29

E 1/4 Cor. Sec. 31

S89°58'14"W

5290.89

Section Corner

Re-Established By

(Not Set on Ground)

Double Proportion Method -

LP/FTP

SHL

SCALE

335' FSL

N89°52'25"W

2645.47°

525' FSL

KOP

57° FSL

N89°51'48"W

2601.02'

1000

LOT 4

R

35

E

Released to Imaging: 12/10/2024 11:16:47 AM

R

34

Sheet 2 of 2

N: 624213.16' E: 798293.3: STATE PLANE NAD 27 (N.M. EAST) N: 624148.78' E: 757113.65

LATITUDE = 32°45'17.47" (32.754851°)

LATITUDE = 32°45'17.02" (32.754727°)

STATE PLANE NAD 83 (N.M. EAST)

STATE PLANE NAD 27 (N.M. EAST)

LONGITUDE = -103°29'52.35" (-103.497874°)

LONGITUDE = -103°29'50.56" (-103.497379°)

NAD 83 (LTP/BHL)

NAD 27 (LTP/BHL)

N: 639360.00' E: 798179.42

N: 639295.14' E: 757000.15

SE Cor.

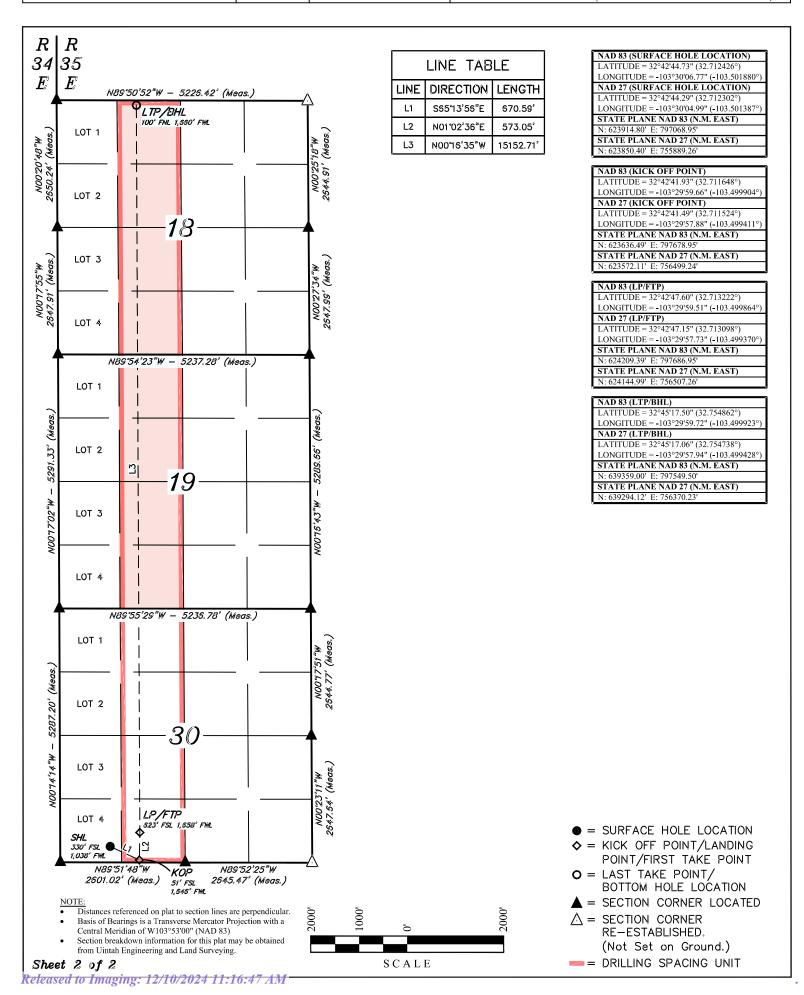
Sec. 29

	<i>y</i>	2/9/2024 1:	42:44 PM		State of Nev	v Maviaa		1	Dovie	Page 130 sed July 9, 2024
<u>C-10</u>	<u>12</u>		En	ergy, M		w Mexico al Resources Depart	ment		Revis	sea July 9, 2024
	Electronical					TION DIVISIÓN			I Browner o	
Via OC	D Permitting							Submitta	Initial Submit	
								Type:	□ Amended Rep	oort
					WELLLOCA	NON INCODMATION			☐ As Drilled	
4 DI 3 I			I n 1 G 1			TION INFORMATION				
API Nu	amber 30-025-:	53343	Pool Code	97930		Pool Name WC-025 G-06 S8	3518A, BONE	SPRING		
Proper	ty Code 336097		Property N	ame	ROPE	STATE COM			Well Number 602	eH
OGRII	O No. 331595	5	Operator N	lame	FRANKLIN MOU	NTAIN ENERGY 3, I	LLC		Ground Level Ele 395	
Surface	e Owner: 💢	State □ Fee □	Tribal 🗆 Fe	deral		Mineral Owner: 🛚	State □ Fee	□ Tribal □	] Federal	
					CC	T4:				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
4	30	18S	35E	Lot	330 SOUTH	1,038 WEST	32.7124	· 1	-103.501880°	LEA
					Rottom	Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
С	18	185	35E		100 NORTH	1,660 WEST	32.7548	1	-103.499923°	LEA
Dedica	ted Acres	Infill or Defi	ning Well	Definin	g Well API	Overlapping Spacir	ng Unit (Y/N)	Consolid	ation Code	
	320					Y			P	
Order 1	Numbers.	Pending		•		Well setbacks are u	nder Common	Ownership	: X¥Yes □No	
					Kick O	ff Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
N	30	18S	35E		51 SOUTH	1,646 WEST	32.7116		-103.499904°	LEA
					First Ta	ıke Point (FTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
N	30	18S	35E		623 SOUTH	1,658 WEST	32.7132	222°	-103.499864°	LEA
					Last Ta	ke Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	´	Longitude (NAD 83)	
С	18	18S	35E		100 NORTH	1,660 WEST	32.7548	362°	-103.499923°	LEA
Unitize	ed Area or Ai	rea of Uniform 1	nterest	Spacing	g Unit Type 🛚 Horiz	contal   Vertical	Grou	nd Floor El	evation:	
OPER.	ATOR CERT	TIFICATIONS				SURVEYOR CERTIF	ICATIONS			
					nplete to the best of	I hereby certify that the w				
		ief , and, if the wei ons a working inter				surveys made by me or un my belief.	ider my supervisio	on, and that i		_ ` / `
		l bottom hole loca contract with an o			nis well at this or unleased mineral				QY EN MEX	(c)(")
interest,		ary pooling agreer			ng order heretofore				1 10 23/180	
		ntal well, I further	covify that this	ovanizatio	n has reasined the				15 J	hoften
consent	of at least one	lessee or owner o	f a working inte	rest or unle	ased mineral interest				08-28-	24
		rget pool or forma l or obtained a con			ne well's completed n the division.				ONAL	SUK
X	school ve	bear	9/6/2	2024					TIVAL	
Signatur	re /	<i>y</i>	Date			Signature and Seal of Profe	essional Surveyor			
Rachae	el Overbey					23782	February 2	0, 2024		
Printed	•					Certificate Number	Date of Surve			

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

roverbey@fmellc.com Email Address

Property Name Well Number Drawn By ROPE STATE COM 602H N.R. 02-21-24 REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)



eivea o	y OCD: 1	<i>2/9/2024 1:4</i>	42:44 PM -							_ Page 132 0
<u>C-10</u>			En			w Mexico al Resources Departr TION DIVISION	ment		Revis	ed July 9, 2024
	Electronicall  Dermitting	У		OIL	CONSERVA	HON DIVISION			☐ Initial Submit	tal
								Submitta Type:	I	ort
								,,	☐ As Drilled	
					WELL LOCA	TION INFORMATION				
API Nu	mber 30-025-5	53343	Pool Code	9	960	Pool Name			AIRSTRIP, BONE	SPRING
Propert	y Code 336097		Property Na	ame	ROPE	E STATE COM			Well Number 602	Н
OGRID	No. 331595		Operator N	ame	FRANKLIN MOI	JNTAIN ENERGY 3, LI	LC		Ground Level Ele	
Surface		State □ Fee □	Tribal □ Fed			Mineral Owner:		☐ Tribal □		
Surrece	о wnor. <u>ра</u> с	,e <u></u> , tee <u></u>	111041 💆 1 00		Surf	Tace Location			, reactar	
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) 1	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	1,038 WEST	32.7124		-103.501880°	LEA
					Bottom	1 Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
С	18	18S	35E		100 NORTH	1,660 WEST	32.7548	862°	-103.499923°	LEA
							1			
Dedicat	ted Acres	Infill or Defi	ning Well	Definin	g Well API	Overlapping Spacing	g Unit (Y/N)	Consolida	ation Code	
1	60					Y			P	
Order N	Numbers.	Pending				Well setbacks are un	der Common (	Ownership:	:⊠Yes □No	
					Kick C	Off Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)	County
N	30	18S	35E		51 SOUTH	1,646 WEST	32.7116	548°	-103.499904°	LEA
		!			First Ta	ake Point (FTP)		<u>'</u>		
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)	County
N	30	18S	35E		623 SOUTH	1,658 WEST	32.7132	222°	-103.499864°	LEA
	•		•		Last Ta	ake Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)	-
С	18	18S	35E		100 NORTH	1,660 WEST	32.7548	862°	-103.499923°	LEA
Unitize	d Area or Ar	ea of Uniform I	nterest	Spacing	Unit Type 🛚 Hori	zontal 🗆 Vertical	Groun	nd Floor El	evation:	
OPERA	TOR CERT	TFICATIONS				SURVEYOR CERTIFI	CATIONS			
my know organiza including location interest,	ledge and beli tion either own g the proposed pursuant to a d	ef, and, if the wel ns a working inter bottom hole locat contract with an o ury pooling agreen	l is a vertical or est or unleased tion or has a rig wner of a worki	directional mineral inte ht to drill th ng interest o	rest in the land	I hereby certify that the we surveys made by me or und my belief.	ll location shown ler my supervisio	n on this plat on, and that t	was plotted from the fiel he same is row and correct the MEX	elt to the best of
consent of in each t	of at least one ract lin the tar		f a working inter tion) in which a	rest or unlea ny part of th g order from	sed mineral interest e well's completed				08-28- 08-28-	29 34
Signature	7	<i>y</i>	Date	<u>047</u>		Signature and Seal of Profes	ssional Surveyor			
Rachae	Overbey					23782	February 20	0, 2024		
Printed N						Certificate Number	Date of Surve			
roverbe	v@fmellc.co	om								

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

Email Address

Property Name Well Number Drawn By ROPE STATE COM 602H N.R. 02-21-24 REV. 1 D.M.C. 08-28-24 (UPDATE WELLBORE & FORMAT)

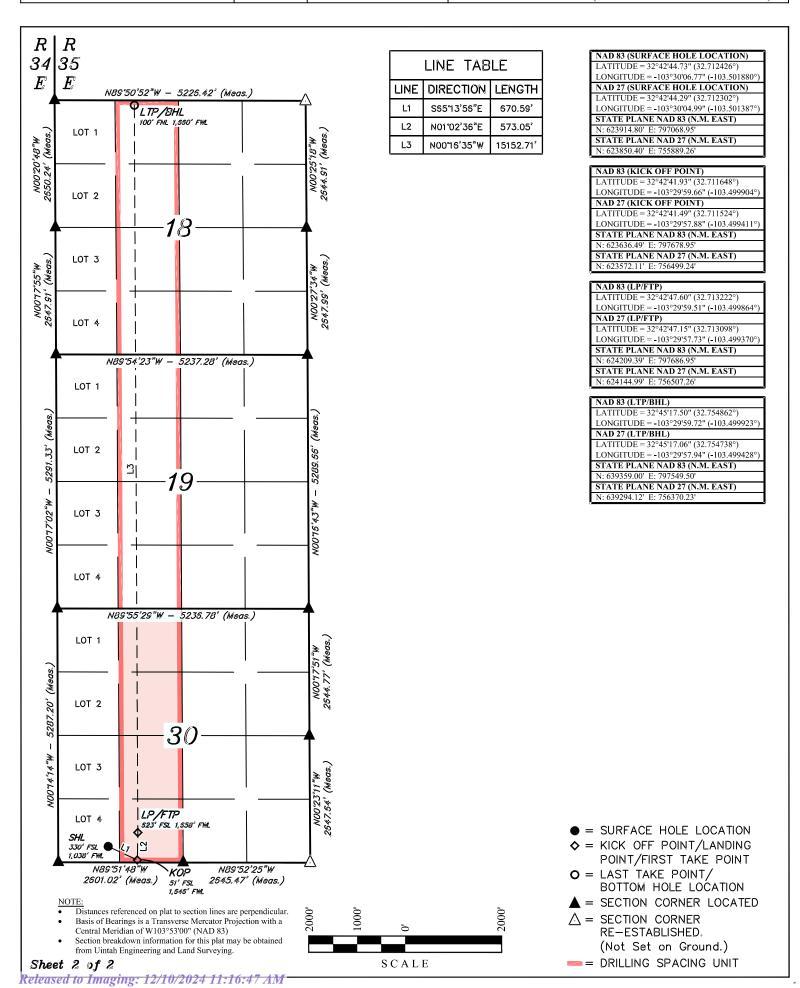


EXHIBIT A-19-b

# Case No. 24479 Unit Summary



E/2W/2 of Sections 18, 19 & 30-T18S-R35E Case No. 24479

Rope State Com 302H Rope State Com 602H 480.00 Acres

Proposed Bone Spring Unit

Tract 1 (160.00 Acres)

(Lot 1) 38.32

Tract 2 (80.00 Acres)

19

(Lot 3) 38.31

(Lot 4) 38.30

(Lot 1) 38.33

(Lot 2) 38.31

Tract 3 (80.00 Acres)

Tract 4 (80.00 Acres)

Tract 5 (80.00 Acres)

30

(Lot 2) 38.39

(Lot 3) 38.45

(Lot 4) 38.51

Committed Working Interest	st
Franklin Mountain Energy 3, LLC	54.5834%
Ommitted Interest Total	54.5834%
*Supporting FME3 Working Interest	erest
Cavalry Resources, LLC	8.3333%
Loma Hombre Energy, LLC	8.3333%
DSD Energy II, LLC	8.3333%
Uncommitted Interest Total	24.9999%
Uncommitted Working Interest	est
MRC Permian Company	19.5834%
Axis Energy Oprporation	0.8333%
Uncommitted Interest Total	20.4167%
Total:	100.000%

'Sgned elections and negotiating JOAs

Tract	rease	%
1	VB-1325	33.3%
2	VB-1499	16.7%
3	VB-1478	16.7%
4	V0-9145	16.7%
5	VB-2312	16.7%

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(Lot 1) 38.04

(Lot 2) 38.12

18

(Lot 3) 38.2

(Lot 4) 38.28



		Intangible Drilling Costs				Intangible Completion Costs	
Major	Minor	Description	Amount	Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000	240	5	ADMINISTRATIVE OVERHEAD	\$10,300
225	10	CASING CREW & EQPT	\$80,000	240	10	CASED HOLE LOGS & SURVEYS	\$7,500
225 225	15 16	CEMENTING INTERMEDIATE CASING CEMENTING PRODUCTION CASING	\$50,000 \$150,000	240 240	15 20	CASING CREW & EQPT COILED TUBING/SNUBBING UNIT	\$0 \$312,000
225	20	CEMENTING PRODUCTION CASING  CEMENTING SUFACE CASING	\$50,000	240	25	COMMUNICATIONS	\$2,500
225	25	COMMUNICATIONS	\$40,000	240	30	COMPANY DIRECT LABOR	\$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$32,500
225	34	CONSTRUCTION/LOCATION & ROAD CONTRACT LABOR	\$57,500 \$50,000	240 240	45 50	CONTRACT LABOR/ROUSTABOUTS	\$25,000
225 225	40 45	DAMAGES	\$50,000 \$15,000	240	55	DAMAGES/RECLAMATION DISPOSAL SOLIDS	\$500 \$10,000
225	50	DAYWORK CONTRACT	\$768,600	240	60	ELECTRICAL POWER\GENERATION	\$0
225	55	DRILLING - DIRECTIONAL	\$300,000	240	62	ENGINEERING	\$3,600
225	60	DRILLING - FOOTAGE	\$120,000	240	65	ENVIRONMENTAL/CLEANUP	\$0
225 225	65 70	DRILLING BITS ELECTRICAL POWER\GENERATION	\$140,000 \$0	240 240	70 71	FISHING TOOLS / SERVICES FLUIDS/HAULING/DISPOSAL	\$0 \$110,000
225	75	ENGINEERING	\$20,000	240	72	FRAC WATER/COMPLETION FLUID	\$816,000
225	80	ENVIRONMENTAL SERVICES	\$250,000	240	75	FUEL, POWER/DIESEL	\$743,500
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY	\$6,000
225 225	85 90	EQUIPMENT RENTAL	\$50,000 \$0	240 240	85 90	HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES	\$13,000 \$500
225	95	FISHING TOOLS/SERVICES HEALTH & SAFETY	\$7,000	240	95	MISCELLANEOUS	\$0
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS	\$1,400
225	105	INSURANCE	\$1,700	240	110	P&A/TA COSTS	\$0
225	106	INSPECTIONS	\$15,000	240	115	PERFORATING/WIRELINE SERVICE	\$392,500
225 225	110 115	LEGAL, TITLE SERVICES MATERIALS & SUPPLIES	\$6,000 \$5,000	240 240	120 125	PIPE INSPECTION ROAD, LOCATIONS REPAIRS	\$0 \$14,500
225	120	MISCELLANEOUS	\$5,000	240	130	STIMULATION	\$3,543,500
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$45,000
225	130	MUD & CHEMICALS	\$320,000	240	140	SUPERVISION	\$136,000
225	140	OPENHOLE LOGGING	\$0	240	145	SURFACE EQUIP RENTAL	\$251,000
225 225	141 145	CASED HOLE LOGGING PERMITS, LICENSES, ETC	\$0 \$20,000	240 240	150 155	TRANSPORTATION/TRUCKING WATER TRANSFER	\$1,000 \$158,500
225	150	POWER FUEL & WATER HAULING	\$200,000	240	160	WELDING SERVICES	\$150,500
225	155	RIG MOVE & RACKING COSTS	\$91,500	240	165	WELL TESTING/FLOWBACK	\$93,500
225	160	RIG UP TEAR OUT & STANDBY	\$0	240	148	TAXES	\$0
225 225	163 165	SITE RESTORATION STAKING & SURVEYING	\$10,000 \$6,000	240	40	CONTINGENCY COSTS 5%  Total Intangible Completion Costs:	\$370,000   \$7,040,78
225	170	SUPERVISION	\$88,200			Tom mangine completion costs.	<b>1</b> 47,055,000
225	175	SUPERVISION - GEOLOGICAL	\$39,000			Tangible Completion Costs	
225	180	TRANSPORTATION/TRUCKING	\$39,000		Minor	Description	Amount
225	178	TAXES	\$172,728	245	5	ARTIFICIAL LIFT	\$200,000
225	35	CONTINGENCY COSTS 5%  Total Intangible Drilling Costs:	\$157,025 \$3,470,253	245 245	15 25	FLOWLINES FRAC STRING	\$0 \$0
		Total Imangione Drining Costs.	\$5,170,255	245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$40,000
		Tangible Drilling Costs		245	45	PRODUCTION LINER	\$0
		Description	Amount	245	50	PRODUCTION PROCESSING FACILITY	\$0
230 230	10 20	INTERMEDIATE CASING & ATTACHMENTS PACKERS/SLEEVES/PLUGS	\$179,140	245 245	55 60	PRODUCTION TUBING RODS/PUMPS	\$90,000 \$0
230	25	PRODUCTION CASING & ATTACHMENTS	\$66,000 \$809,055	245	65	SUBSURFACE EQUIPMENT	\$60,000
230	35	SURFACE CASING & ATTACHMENTS	\$169,740	245	75	WELLHEAD EQUIPMENT	\$142,700
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000	245	70	TAXES	
230	40				, ,		\$29,299
		TAXES	\$71,166		,,,	Total Tangible Completion Costs:	\$29,299 \$29,1904
		TAXES Total Tangible Drilling Costs:			,,,	-	
		Total Tangible Drilling Costs:	\$71,166	Major		Intangible Facility Costs	\$261,999
	Minor	Total Tangible Drilling Costs:  Tangible Facility Costs  Description	\$71,166   \$1,365,101   Amount	Major 265		Intangible Facility Costs Description CONSULTING	
270	10	Total Tangible Drilling Costs:  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS	\$71,166 \$1,365,101 Amount \$147,000	265 265	Minor 5	Intangible Facility Costs  Description  CONSULTING  COMPANY DIRECT LABOR	Amount \$9,500 \$0
270 270	10 15	Total Tangible Drilling Costs:  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT	\$71,166 \$1,365,101 Amount \$147,000 \$0	265 265 265	Minor 5 12 20	Intangible Facility Costs Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC	Amount \$9,500 \$0 \$12,700
270 270 270	10 15 25	Total Tangible Drilling Costs:  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$0	265 265 265 265	Minor 5 12 20 22	Intangible Facility Costs Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION	Amount  \$9,500 \$0 \$12,700 \$30,000
270 270	10 15	Total Tangible Drilling Costs:  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT	\$71,166 \$1,365,101 Amount \$147,000 \$0	265 265 265	Minor 5 12 20	Intangible Facility Costs Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC	Amount \$9,500 \$0 \$12,700
270 270 270 270 270 270 270	10 15 25 30 50 60	Total Tangible Drilling Costs:  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0	265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45	Intangible Facility Costs Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES	Amount  \$9,500  \$0,500  \$12,700  \$30,000  \$13,900  \$5,000  \$5,000
270 270 270 270 270 270 270 270	10 15 25 30 50 60 65	Tangible Pacility Costs  Pescription  FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800	265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60	Intangible Facility Costs Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD	Amount  59,500  \$0  \$12,700  \$30,000  \$13,000  \$51,000  \$5,000  \$5,000
270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES, PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SCHARATION EQUIPMENT SCHARATION EQUIPMENT	\$71,166   \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/ASETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS	Amount  \$0,500 \$0,500 \$12,700 \$30,000 \$13,900 \$5,000 \$5,000 \$3,000 \$5,000 \$5,000 \$5,000
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H25 TREATINE GQUIPMENT SEP ARRATION EQUIPMENT SEP ARRATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING	Amount  \$9,500 \$0,500 \$12,700 \$30,000 \$13,000 \$13,000 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000
270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES, PIPELINE, HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT ROADLOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,000 \$76,000 \$0 \$94,800 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$75,000 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTHY/SAETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAKES	Amount  \$0,500 \$0,500 \$12,700 \$30,000 \$13,900 \$5,000 \$5,000 \$3,000 \$5,000 \$5,000 \$5,000
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H25 TREATINE GQUIPMENT SEP ARRATION EQUIPMENT SEP ARRATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0 \$0	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING	Amount  \$0,500 \$0,500 \$12,700 \$30,000 \$13,900 \$5,5000 \$5,000 \$5,000 \$800 \$800 \$50
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEP ARATION EQUIPMENT SEP ARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$0 \$75,400 \$4,000 \$57,000	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$5,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$0 \$94,800 \$0 \$75,400 \$4,000 \$47,600 \$47,600 \$47,600	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5%	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$5,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110 130	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SPARATION EQUIPMENT PRACTICITY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD ELIC ELIZE TO STATE ELIZE THE STATE OF THE	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,000 \$76,000 \$0 \$9 \$9 \$9 \$0 \$1,400 \$0 \$0 \$1,400 \$0 \$1,400 \$1,400 \$1,400 \$1,7,000 \$1,7,800 \$1	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$5,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110	Tangible Pacility Costs  Tangible Facility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$0 \$94,800 \$0 \$75,400 \$4,000 \$47,600 \$47,600 \$47,600	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$5,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110 130 132	Tangible Pacility Costs  Tangible Facility Costs  Description  FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEP ARATION FEOLING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$75,400 \$47,000 \$47,600 \$117,800 \$47,000 \$2,600	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$5,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110 130 132 134 136 138	Tangible Pacility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES, PIPELINE, HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL, INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD FLOWLINE INSTALLATION SIGNAGE	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$75,400 \$4,000 \$75,000 \$47,000 \$47,000 \$2,600 \$117,800 \$47,000 \$2,600 \$15,100 \$43,500 \$50,000 \$50,000 \$50,000 \$60,000	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$5,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110 130 132 134 136 138	Tangible Pacility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SADALOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIRC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$575,400 \$47,000 \$47,600 \$117,800 \$47,000 \$15,100 \$43,500 \$40,854	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110 130 132 134 136 138	Tangible Pacility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES, PIPELINE, HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT ROAD/LOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL, INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EI&C BATTERY BUILD FLOWLINE INSTALLATION SIGNAGE	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$75,400 \$4,000 \$75,000 \$47,000 \$47,000 \$2,600 \$117,800 \$47,000 \$2,600 \$15,100 \$43,500 \$50,000 \$50,000 \$50,000 \$60,000	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 130 132 134 136 138 140 125	Tangible Pacility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SADALOCATION/FENCING/REPAIRS PRE-FABRICATED SKIDS FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EIRC BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD PRIMARY POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$75,400 \$4,000 \$47,600 \$47,600 \$47,600 \$117,800 \$47,600 \$40,6	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$3,
270 270 270 270 270 270 270 270 270 270	10 15 25 30 50 60 65 66 75 86 90 100 110 130 132 134 136 138	Tangible Pacility Costs  Description FACILITY PIPE/VALVES/FITTINGS CONTAINMENT DEHYDRATION PRIMARY POWER MATERIALS FLOWLINES: PIPELINE 'HOOKUP H2S TREATING EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT SEPARATION EQUIPMENT PRACTICITY SYSTEM CONTROL. INSTRUMENT / METERS / SCADA TANKS & WALKWAYS MECHANICAL BATTERY BUILD EL&C BATTERY BUILD CONTROL. POWER BUILD FLOWLINE INSTALLATION SIGNAGE TAXES TOTAL TANGED FACILITY SIGNAGE TAXES TOTAL TANGED FACILITY COSTS:	\$71,166 \$1,365,101 Amount \$147,000 \$0 \$14,400 \$76,000 \$0 \$94,800 \$0 \$75,400 \$4,000 \$47,600 \$117,800 \$47,600 \$175,100 \$47,600 \$47,600 \$47,600 \$47,600 \$47,600 \$47,600 \$43,500 \$43,500 \$40,834 \$40,834 \$40,835,353,93	265 265 265 265 265 265 265 265 265 265	Minor 5 12 20 22 25 40 45 60 80 85 83	Intangible Facility Costs  Description CONSULTING COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTH/SAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5% Total Intangible Facility Costs:	Amount  \$9,500 \$0 \$12,700 \$30,000 \$13,900 \$5,000 \$0 \$3,000 \$5,000 \$0 \$3,000 \$3,
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THIS AUTHORITY FOR EXPENDITURE IS BASED ON COST ESTIMATES. BILLING WILL REFLECT YOUR PROPORTINATE SHARE OF THE ACTUAL INVOICE COSTS.

Date

Operator: Franklin Moorganin Energy 3, LLC

Approved By: Craig Walter
Chief Executive Officer

WI Owner:

1/4/2024

Approved By: Date:
Printed 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



| Number | N

Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,00
225	10	CASING CREW & EQPT	\$84,00
225	15	CEMENTING INTERMEDIATE CASING	\$50,00
225	16	CEMENTING PRODUCTION CASING	\$150,00
225	20	CEMENTING SUFACE CASING	\$50,00
225	25	COMMUNICATIONS	\$45,00
225	30	COMPLETION FLUIDS	\$6,00
225	34	CONSTRUCTION/LOCATION & ROAD	\$57,50
225	40	CONTRACT LABOR	\$50,00
225	45	DAMAGES	\$15,00
225	50	DAYWORK CONTRACT	\$878,40
225	55	DRILLING - DIRECTIONAL	\$320,00
225	60	DRILLING - FOOTAGE	\$120,00
225	65	DRILLING BITS	\$140,00
225	70	ELECTRICAL POWER\GENERATION	\$
225	75	ENGINEERING	\$20,00
225	80	ENVIRONMENTAL SERVICES	\$275,00
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,00
225	85	EQUIPMENT RENTAL	\$50,00
225	90	FISHING TOOLS/SERVICES	\$
225	95	HEALTH & SAFETY	\$7,00
225	100	HOUSING AND SUPPORT SERVICES	\$45,00
225	105	INSURANCE	\$1,70
225	106	INSPECTIONS	\$15,00
225	110	LEGAL, TITLE SERVICES	\$6,00
225	115	MATERIALS & SUPPLIES	\$5,00
225	120	MISCELLANEOUS	\$5,00
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,00
225	130	MUD & CHEMICALS	\$360,00
225	140	OPENHOLE LOGGING	\$
225	141	CASED HOLE LOGGING	\$
225	145	PERMITS, LICENSES, ETC	\$20,00
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,50
225	160 163	RIG UP TEAR OUT & STANDBY SITE RESTORATION	\$10.000
225 225	165	STAKING & SURVEYING	\$10,00
			\$6,00
225	170	SUPERVISION CEOLOGICAL	\$100,800 \$39,000
225	175	SUPERVISION - GEOLOGICAL	
225	180	TRANSPORTATION/TRUCKING	\$39,00
225	178 35	TAXES CONTINGENCY COSTS 5%	\$164,87
225	33	Total Intangible Drilling Costs:	\$149,88

Tangible Drilling Costs			
Major	Minor	Description	Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$179,140
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$835,910
230	35	SURFACE CASING & ATTACHMENTS	\$169,740
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$70,000
230	40	TAXES	\$72,643
		Total Tangible Drilling Costs:	\$1,393,433

		Tangible Facility Costs	
Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$147,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$14,400
270	50	FLOWLINES / PIPELINE / HOOKUP	\$76,000
270	60	H2S TREATING EQUIPMENT	\$0
270	65	SEPARATION EQUIPMENT	\$94,800
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	\$0
270	86	FACILITY SURFACE EQUIPMENT	\$75,400
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$57,000
270	110	TANKS & WALKWAYS	\$47,600
270	130	MECHANICAL BATTERY BUILD	\$117,800
270	132	EI&C BATTERY BUILD	\$47,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$2,600
270	136	PRIMARY POWER BUILD	\$15,100
270	138	FLOWLINE INSTALLATION	\$43,500
270	140	SIGNAGE	\$600
270	125	TAXES	\$40,854
		Total Tangible Facility Costs:	\$783,654

Total Drill:	\$5,065,091.95
Total Completion:	\$8,568,798.50
Total Facility:	\$866,418.50
Total DC Intangible:	\$11,678,458.50
Total DC Tangible:	\$1,955,431.95
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Total AFE:	\$14,500,308 95

Major	Minor	Description	Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EQPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$312,000
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	\$0
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$10,000
240	60	ELECTRICAL POWER\GENERATION	\$0
240	62	ENGINEERING	\$3,600
240	65	ENVIRONMENTAL/CLEANUP	\$0
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$110,000
240	72	FRAC WATER/COMPLETION FLUID	\$816,000
240	75	FUEL, POWER/DIESEL	\$861,500
240	80	HEALTH & SAFETY	\$6,000
240	85	HOUSING AND SUPPORT SERVICES	\$13,000
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$1,400
240	110	P&A/TA COSTS	\$0
240	115	PERFORATING/WIRELINE SERVICE	\$392,500
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$14,500
240	130	STIMULATION	\$4,285,000
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$45,000
240	140	SUPERVISION	\$136,000
240	145	SURFACE EQUIP RENTAL	\$251,000
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$158,500
240	160	WELDING SERVICES	\$0
240	165	WELL TESTING/FLOWBACK	\$93,500
240	148	TAXES	\$0
240	40	CONTINGENCY COSTS 5%	\$417,500
		Total Intangible Completion Costs:	\$8,006,800

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

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

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

Operator: Approved By:	Craig Walters Chief Executive Officer	Date:	 1/4/2024
WI Owner:			
Approved By:	<u> </u>	Date:	
Printed Name:		Title:	

 $ALL\ PARTICIPANTS\ MUST\ CARRY\ THEIR\ OWN\ CONTROL\ OF\ WELL\ INSURANCE\ AND\ ATTACH\ A\ CERTIFICATE\ OF\ INSURANCE\ TO\ THIS\ ELECTION\ OR\ INSURE\ WITH\ FME$ 

Case No. 24479 E/2W/2 Bone Spring-Pooled Parties List

# **Working Interest Owners to Be Pooled**

MRC Permian Company Axis Energy Corporation Cavalry Resources, LLC Loma Hombre Energy, LLC DSD Energy II, LLC

# **ORRI to Be Pooled**

Broken Arrow Royalties, LLC Thomaston, LLC Mongoose Minerals LLC Marathon Oil Permian LLC Good News Minerals, LLC Pegasus Resources II, LLC Collins & Jones Investments, LLC LMC Energy, LLC David W. Cromwell Oak Valley Mineral and Land, LP Crown Oil Partners, LP H. Jason Wacker Kaleb Smith Deane Durham Mike Moylett Post Oak Mavros II, LLC Sortida Resources, LLC

EXHIBIT A-19-d

# Summary of Contacts Case No. 24479

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around February 14, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted working interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership Type	Date Proposal	Proposal Letter	Follow Up	
	- 3 P -	Letter Sent	Received		
Cavalry Resources, LLC	WIO	2/14/2024	2/21/2024	Negotiating JOA	
MRC Permian Company	WIO	2/14/2024	2/21/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.	
Loma Hombre Energy, LLC	WIO	2/14/2024	2/20/2024	Elected to Participate	
DSD Energy II, LLC	WIO	2/14/2024	2/17/2024	Negotiating JOA	
Axis Energy Corporation	WIO	2/14/2024	2/20/2024	Received email stating that they signed a JOA with MRC	

**EXHIBIT A-19-e** 

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

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

**CASE NO.** 24898

# **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
  - 3. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. **Rope State Com 703H** well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and
    - b. **Rope State Com 803H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19.

EXHIBIT A-20

- 4. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary.
- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.
- 6. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Designating Franklin as operator of this unit and the well to be drilled thereon;
- C. Authorizing Franklin to recover its costs of drilling, equipping and completing the well;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 edebrine@modrall.com deana.bennett@modrall.com yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24898 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 703H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and Rope State Com 803H well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary. 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 19 miles west of Hobbs, New Mexico.

of 314

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							Type:	☐ As Drilled		
					WELL LOCA	TION INFORMATION		<u> </u>	1	
API Number Pool Code 970				Pool Name AIR STRIP, WOLFCAMP						
Property Code Property Na			l l				Well Number 703H			
OGRID No. Operator No. 331595			ame I	ame FRANKLIN MOUNTAIN ENERGY 3, LLC			Ground Level Elevation 3939.3'			
Surface Owner: 🖫 State 🗆 Fee 🗆 Tribal 🗀 Federal				Mineral Owner:   State □ Fee □ Tribal □ Federal						
<u>.                                    </u>					_					
T.17	G .:	T. 1.	D	T	1	face Location	1 1.01	AD 02) I	' 1 OLAD 02)	O:1
UL P	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 338 SOUTH	Ft. from E/W 1163 EAST	Latitude (N 32.7123		Longitude (NAD 83)	County LEA
1	30	105	331				32.7125	,,,,	-103.471703	LLA
T 1T		T. 1.	l n	T .		m Hole Location	1 1.01	4 D 02)	' 1 ALD 92	G 4
UL B	Section 19	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 1490 EAST	22.7402		Longitude (NAD 83) -103.493102°	County LEA
				_	•			•		
Dedicated Acres Infill or Defining Well 640		Defining Well API Overlapp		Overlapping Spacin	verlapping Spacing Unit (Y/N)   Consolidation Code  N P					
Order l	Numbers.	Pending		-1		Well setbacks are un	nder Common (	Ownership:	□Yes □No	
		<u> </u>			Kick (	Off Point (KOP)				
UL O	Section 30	Township 18S	Range 35E	Lot	Ft. from N/S 50 SOUTH	Ft. from E/W 1491 EAST	Latitude (N 32.7116		Longitude (NAD 83) -103.493047°	County LEA
					First T	Sala Daine (ETD)				
UL	Section	Township	Range	Lot	First 1 Ft. from N/S	Cake Point (FTP)  Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County
O	30	18S	35E	Lot	623 SOUTH		32.7131		-103.493051°	LEA
					Last T	ake Point (LTP)	<u>'</u>			
UL B	Section 19	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 1490 EAST	Latitude (N 32.7402		Longitude (NAD 83) -103.493102°	County LEA
		'	1		1	,	'	'		
Unitize	ed Area or Ar	ea of Uniform I	nterest	Spacing	Unit Type 🙀 Hor	izontal □ Vertical	Grou	nd Floor Ele	evation:	
OPER A	ATOR CERT	TIFICATIONS				SURVEYOR CERTIF	ICATIONS			
my know	vledge and beli	ef, and, if the wel	l is a vertical o	r directional		I hereby certify that the we surveys made by me or und my belief.				
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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore			Q MEX CO							
entered by the division.  If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest			23/82 11-13-24							
in each tract (in the target pool or formation) in which any part of the well's completed into val will be occased or obtained a compulsory pooling order from the division.					1000	ONAL	JUP			
10/29/2024 Signature Date			Signature and Seal of Professional Surveyor							

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

23782

Certificate Number

February 21, 2024

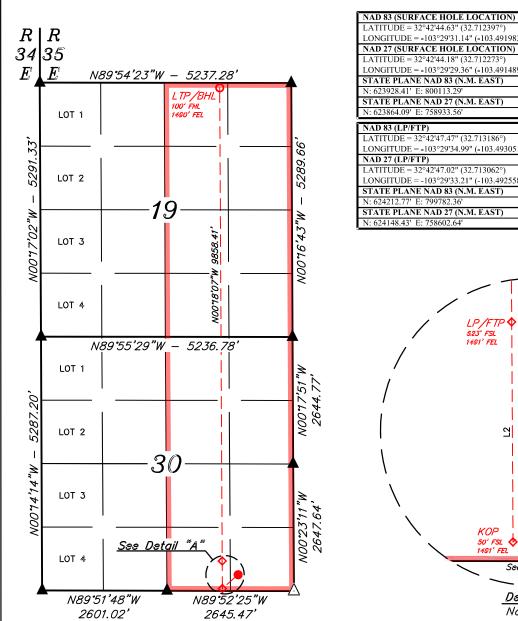
Date of Survey

Rachael Overbey

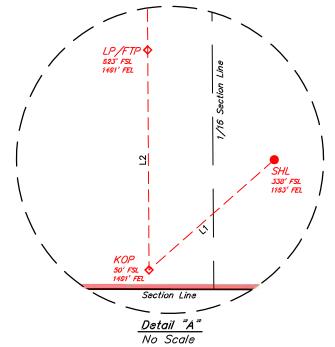
roverbey@fmellc.com Email Address

Printed Name

Property Name Well Number Drawn By ROPE STATE COM 703H N.R. 02-23-24 Revised By REV: 2 T.I.R. 11-13-24 (UPDATE BHL)



NAD 83 (SURFACE HOLE LOCATION)	NAD 83 (KICK OFF FOINT)
LATITUDE = 32°42'44.63" (32.712397°)	LATITUDE = 32°42'41.80" (32.711611°)
LONGITUDE = -103°29'31.14" (-103.491983°)	LONGITUDE = -103°29'34.97" (-103.493047°)
NAD 27 (SURFACE HOLE LOCATION)	NAD 27 (KICK OFF POINT)
LATITUDE = 32°42'44.18" (32.712273°)	LATITUDE = 32°42'41.35" (32.711487°)
LONGITUDE = -103°29'29.36" (-103.491489°)	LONGITUDE = -103°29'33.19" (-103.492553°)
STATE PLANE NAD 83 (N.M. EAST)	STATE PLANE NAD 83 (N.M. EAST)
N: 623928.41' E: 800113.29'	N: 623639.84' E: 799788.29'
STATE PLANE NAD 27 (N.M. EAST)	STATE PLANE NAD 27 (N.M. EAST)
N: 623864.09' E: 758933.56'	N: 623575.52' E: 758608.56'
NAD 83 (LP/FTP)	NAD 83 (LTP/BHL)
NAD 83 (LP/FTP) LATITUDE = 32°42'47.47" (32.713186°)	NAD 83 (LTP/BHL) LATITUDE = 32°44'25.00" (32.740277°)
,	
LATITUDE = 32°42'47.47" (32.713186°)	LATITUDE = 32°44'25.00" (32.740277°)
LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°)	LATITUDE = 32°44'25.00" (32.740277°) LONGITUDE = -103°29'35.17" (-103.493102°)
LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°) NAD 27 (LP/FTP)	LATITUDE = 32°44′25.00″ (32.740277°) LONGITUDE = -103°29′35.17″ (-103.493102°) NAD 27 (LTP/BHL)
LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°) NAD 27 (LP/FTP) LATITUDE = 32°42'47.02" (32.713062°)	LATITUDE = 32°44′25.00" (32.740277°) LONGITUDE = -103°29′35.17" (-103.493102°) NAD 27 (LTP/BHL) LATITUDE = 32°44′24.55" (32.740153°)
LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°) NAD 27 (LP/FTP) LATITUDE = 32°42'47.02" (32.713062°) LONGITUDE = -103°29'33.21" (-103.492558°)	LATITUDE = 32°44'25.00" (32.740277°) LONGITUDE = -103°29'35.17" (-103.493102°) NAD 27 (LTP/BHL) LATITUDE = 32°44'24.55" (32.740153°) LONGITUDE = -103°29'33.39" (-103.492608°)
LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°) NAD 27 (LP/FTP) LATITUDE = 32°42'47.02" (32.713062°) LONGITUDE = -103°29'33.21" (-103.492558°) STATE PLANE NAD 83 (N.M. EAST)	LATITUDE = 32°44′25.00" (32.740277°) LONGITUDE = 103°29′35.17" (-103.493102°) NAD 27 (LTP/BHL) LATITUDE = 32°44′24.55" (32.740153°) LONGITUDE = 103°29′33.39" (-103.492608°) STATE PLANE NAD 83 (N.M. EAST)
LATITUDE = 32°42'47.47" (32.713186°) LONGITUDE = -103°29'34.99" (-103.493051°) NAD 27 (LP/FTP) LATITUDE = 32°42'47.02" (32.713062°) LONGITUDE = -103°29'33.21" (-103.492558°) STATE PLANE NAD 83 (N.M. EAST) N: 624212.77' E: 799782.36'	LATITUDE = 32°44′25.00" (32.740277°) LONGITUDE = -103°29′35.17" (-103.493102°) NAD 27 (LTP/BHL) LATITUDE = 32°44′24.55" (32.740153°) LONGITUDE = -103°29′33.39" (-103.492608°) STATE PLANE NAD 83 (N.M. EAST) N: 634069.13' E: 799688.55'



LINE TABLE				
LINE	DIRECTION	LENGTH		
L1	S48*38'30"W	434.69'		
L2	N00°20'59"W	573.05'		

## NOTE:

- Distances referenced on plat to section lines are perpendicular.
  - lines are perpendicular.

    Basis of Bearings is a Transverse
    Mercator Projection with a Central
    Meridian of W103°53'00" (NAD 83)
- Section breakdown information for this plan may be obtained from Uintah Engineering and Land Surveying.
- = SURFACE HOLE LOCATION
- = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- O = LAST TAKE POINT/
  BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER
   RE-ESTABLISHED.
   (Not Set on Ground.)
- = DRILLING SPACING UNIT



| Sheet 2 of 2 Released to Imaging: 12/10/2024 11:16:47 AM

1	<i>-</i>	2/9/2024 1:4	12:44 PM							Page 145
<u>C-10</u>			En			al Resources Departn	nent		Revis	sed July 9, 2024
Submit Electronically Via OCD Permitting			OIL (	CONSERVA	TION DIVISION			☑ Initial Submit	tal	
							Submittal Type:	l ☐ Amended Rep	oort	
							31	☐ As Drilled		
					WELL LOCA	ΓΙΟΝ INFORMATION				
API Nu	ımber		Pool Code	970		Pool Name	AIRSTRI	P; WOLFO	CAMP	
Propert	y Code		Property N	ame	ROPE	STATE COM			Well Number 803	Н
OGRIE	) No. 331595		Operator N	ame F	RANKLIN MOU	JNTAIN ENERGY 3, LL	LC .		Ground Level Ele 3,94	
Surface	Owner: 🛛 S	State  Fee	Tribal 🗆 Fee	leral		Mineral Owner: 🛛 S	State  Fee [	□ Tribal □	] Federal	
					Surf	ace Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	AD 83) I	Longitude (NAD 83)	County
0	30	18S	35E		335 SOUTH		32.7124	´	-103.496111°	LEA
					Botton	Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	AD 83) I	Longitude (NAD 83)	County
В	19	18S	35E		100 NORTH	2,190 EAST	32.7402	288°	-103.495378°	LEA
		!		ļ.				ļ		
Dedica	ted Acres	Infill or Defi	ning Well	Defining	; Well API	Overlapping Spacing	Unit (Y/N)	Consolida	ation Code	
	320					N			P	
Order 1	Numbers.	Pending				Well setbacks are und	der Common (	Ownership:	: XYes □No	
					Kick C	Off Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	AD 83) I	Longitude (NAD 83)	County
О	30	18S	35E		53 SOUTH	2,193 EAST	32.7116	533°	-103.495329°	LEA
					First T	ake Point (FTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	′ I	Longitude (NAD 83)	-
О	30	18S	35E		626 SOUTH	2,192 EAST	32.7132	207°	-103.495333°	LEA
	1	•	•		Last Ta	ake Point (LTP)	1			
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N.	I .	Longitude (NAD 83)	
В	19	18S	35E		100 NORTH	2,190 EAST	32.7402	2880	-103.495378°	LEA
		277.12		1						
Unitize	ed Area or Ar	ea of Uniform I	nterest	Spacing	Unit Type 📉 Hori	zontal 🗍 Vertical	Grour	nd Floor Ele	evation:	
						T				
OPERA	ATOR CERT	IFICATIONS				SURVEYOR CERTIFIC	CATIONS			
my know organiza includin location interest,	vledge and beli ution either own g the proposed pursuant to a c	ef, and, if the wel ns a working inter bottom hole locat contract with an o ury pooling agreen	l is a vertical or est or unleased tion or has a rig wner of a worki	directional v mineral inter tht to drill this ing interest of	est in the land	I hereby certify that the wel surveys made by me or unde my belief.				
If this we consent in each a	ell is a horizon of at least one tract (in the tar	tal well, I further o	f a working inte tion) in which a	rest or unleas ny part of the	ed mineral interest well's completed		Ton 1	1-13-24 ONA L	CASA SUP	
Ja	charly repe	<u> </u>	10/29/	2024						
Signatur	e /		Date			Signature and Seal of Profess	sional Surveyor			

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

23782

Certificate Number

February 21, 2024

Date of Survey

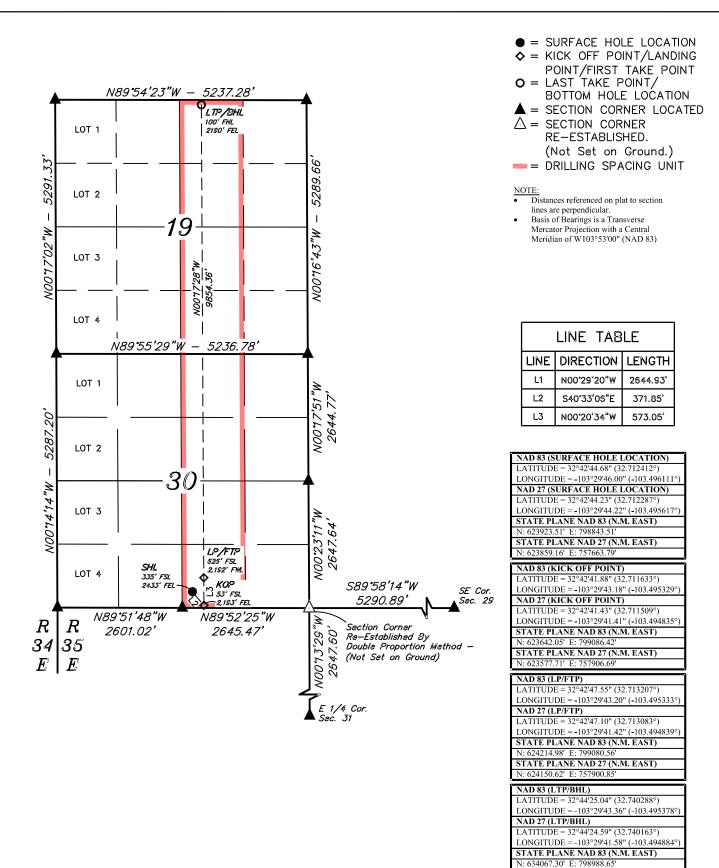
Rachael Overbey

roverbey@fmellc.com Email Address

Printed Name

STATE PLANE NAD 27 (N.M. EAST) N: 634002.62' E: 757809.23'

Property Name Well Number Drawn By ROPE STATE COM 803H C.S.C. 02-27-24 REV. 2 T.I.R. 11-13-24 (UPDATE BHL)



Sheet 2 of 2 SCALE
Released to Imaging: 12/10/2024 11:16:47 AM

### EXHIBIT A-20-b

25.0000%

VB-2312

# Case No. 24898 Unit Summary

## W/2E/2 of Sections 19 & 30-T18S-R35E Case No. 24898

Rope State Com 703H Rope State Com 803H 320.00 Acres

(Lot 1) 38.32

		69.3750%		69.3750%		29.3750%	1.2500%	30.6250%	100 000%				Г					
	Committed Working Interest				<b>Uncommitted Working Interest</b>								اه/	%	25.0000%	25.000%	25.0000%	, , , , , , , ,
	<b>Committed W</b>	Franklin Mountain Energy 3, LLC	3	Committed Interest Total	<b>Uncommitted V</b>	MRC Permian Company	Axis Energy Corporation	<b>Jncommitted Interest Total</b>						ease	VB-1499	VB-1478	V0-9145	0,00
		Franklin M		Committed		MRCPermi	Axis Energy	Uncommit	Total ·				Ī	Iract	1	2	3	
		Proposed Wolfcamp   hit				Tract 1 (80 Acres)		Tract 2 (80 Acres)			Tract 3 (80 Acres)			Tract 4 (80 Acres)				
		19										30						
												3						
(Lot 2)	38.31		(Lot 3)	38.31		(Lot 4)	38.30 38.30	(Lot 1)	38.35 55.35	(1 ot 2)	38.39		(Lot 3)	38.45		(Lot 4)	38.51	



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

SHL: Sec 30-T18S-R35E 338 FSL 1163 FEL BHL: Sec 19-T18S-R35E 100 FNL 1490 FEL Franklin Mountain Energy 3, LLC Location: Operator: Drill and complete a 10,000' WCA well. TVD 10,862', MD 20,862' Purpose:

Well#: 703H County/State: Date Prepared: 8/13/2024 AFE#: DCE240812

Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000
225	10	CASING CREW & EQPT	\$55,000
225	15	CEMENTING INTERMEDIATE CASING	\$28,000
225	16	CEMENTING PRODUCTION CASING	\$85,000
225	20	CEMENTING SUFACE CASING	\$42,000
225	25	COMMUNICATIONS	\$31,000
225	30	COMPLETION FLUIDS	\$6,000
225	34	CONSTRUCTION/LOCATION & ROAD	\$75,000
225	40	CONTRACT LABOR	\$80,000
225	45	DAMAGES	\$15,000
225	50	DAYWORK CONTRACT	\$654,300
225	55	DRILLING - DIRECTIONAL	\$245,000
225	60	DRILLING - FOOTAGE	\$0
225	65	DRILLING BITS	\$65,000
225	70	ELECTRICAL POWER\GENERATION	SO
225	75	ENGINEERING	\$20,000
225	80	ENVIRONMENTAL SERVICES	\$250,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000
225	8.5	EQUIPMENT RENTAL	\$80,000
225	90	FISHING TOOLS/SERVICES	\$0
225	95	HEALTH & SAFETY	\$7,000
225	100	HOUSING AND SUPPORT SERVICES	\$35,000
225	105	INSURANCE	\$3,600
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,000
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$210,000
225	140	OPENHOLE LOGGING	\$0
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$200,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$95,000
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,000
225	178	TAXES	\$149,229
225	35	CONTINGENCY COSTS 5%	\$138,131
		Total Intangible Drilling Costs:	\$2,900,760

Major		Description	Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	1.5	CASING CREW & EQPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$186,500
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	SC
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$15,000
240	60	ELECTRICAL POWER\GENERATION	\$0
240	62	ENGINEERING	\$0
240	65	ENVIRONMENTAL/CLEANUP	SC
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$99,000
240	72	FRAC WATER/COMPLETION FLUID	\$544,000
240	75	FUEL, POWER/DIESEL	\$464,000
240	80	HEALTH & SAFETY	\$5,500
240	85	HOUSING AND SUPPORT SERVICES	\$11,500
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$6,400
240	110	P&A/TA COSTS	\$5,700
240	115	PERFORATING/WIRELINE SERVICE	\$249,000
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$3,500
240	130	STIMULATION	\$2,358,500
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$30,000
240	140	SUPERVISION	\$103,500
240	145	SURFACE EOUIP RENTAL	\$234,500
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$104,500
240	160	WELDING SERVICES	SO
240		WELL TESTING/FLOWBACK	\$120,000
240		TAXES	\$0
240	40	CONTINGENCY COSTS 5%	\$231,045
		Total Intangible Completion Costs:	\$4,851,945

Intangible Completion Costs

**Tangible Drilling Costs** \$170,000 \$66,00 \$594,000 \$105,000 \$61,000 \$54,780 Total Tangible Drilling Costs:

Major	Minor	Description	Amount
245	5	ARTIFICIAL LIFT	\$175,000
245	15	FLOWLINES	\$20,000
245	25	FRAC STRING	\$0
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$0
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	\$0
245	55	PRODUCTION TUBING	\$150,000
245	60	RODS/PUMPS	\$0
245	65	SUBSURFACE EQUIPMENT	\$50,000
245	75	WELLHEAD EQUIPMENT	\$125,000
245	70	TAXES	\$28,600
		Total Tangible Completion Costs:	\$548,600

Tangible Facility Costs \$125,000 \$13,000 \$57,000 H2S TREATING EQUIPMENT
SEPARATION EQUIPMENT
ROAD/LOCATION/FENCINGREPAIRS
PRE-FABRICATED SKIDS
FACILITY SUFFACE EQUIPMENT
H2S SAFETY SYSTEM
CONTROL, INSTRUMENT / METERS / SCADA
TANKS & WALKWAYS
MECHANICAL BATTERY BUILD
EIEC BATTERY BUILD
CONTROLS AND SCADA BATTERY BUILD
PRIMARY POWER BUILD
FLOWLINE INSTALLATION
SIGNAGE \$124,000 \$58,006 \$4,006 \$50,000 \$40,000 \$118 00 \$45,000 \$45,000 \$4,000 \$13,000 \$27,50 140 125 SIGNAGE TAXES \$2 Total Tangible Facility Costs.

Major	Minor	Description	Amount
265	5	CONSULTING	\$18,000
265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW/PERMITS, ETC	\$40,000
265	22	PAD/ROAD CONSTRUCTION	\$5,000
265	25	ENGINEERING / SCIENCE	\$13,000
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$0
265	45	CONTRACT LABOR & SERVICES	\$0
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$800
265	85	TRANSPORTATION / TRUCKING	\$0
265	83	TAXES	\$4,389
265	10	CONTINGENCY COSTS 5%	\$3,990
		Total Intangible Facility Costs:	\$88,179

Total Completion Total DC Tangible

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

Operator: Approved By:	Franklin Moundin Enemy 3, LLC  Craig R. Waltery Chief Executive Officer	Date:	8/13/2024
WI Owner.			
Approved By:		Date:	
Printed Name		Title	

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME3



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

ROPE STATE COM 803H
SHL. Sec 30-T18S-R35E 335 FSL 2433 FEL
BHL. Sec 19-T18S-R35E 100 FNL 2190 FEL
Franklin Mountain Energy 3, LLC
Drill and complete a 10,000 WCB well
TVD 11,519, MD 21,519. Location: Operator: Purpose:

Well#: County/State: Lea Co., NM Date Prepared: 8/13/2024 AFE#; DCE240816

Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$6,60
225	10	CASING CREW & EQPT	\$60,00
225	15	CEMENTING INTERMEDIATE CASING	\$58,00
225	16	CEMENTING PRODUCTION CASING	\$130.00
225	20	CEMENTING SUFACE CASING	\$42.00
225	25	COMMUNICATIONS	\$36.00
225	30	COMPLETION FLUIDS	\$6,00
275	34	CONSTRUCTION/LOCATION & ROAD	\$74,65
225	40	CONTRACT LABOR	\$80,00
225	45	DAMAGES	\$15,00
325	50	DAYWORK CONTRACT	\$762,30
225	55	DRILLING - DIRECTIONAL	\$350,00
225	60	DRILLING - FOOTAGE	3
225	65	DRILLING BITS	\$120,00
225	70	ELECTRICAL POWER/GENERATION	5
225	75	ENGINEERING	\$20,00
225	80	ENVIRONMENTAL SERVICES	\$310,00
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,00
225	85	EQUIPMENT RENTAL	\$80,00
225	90	FISHING TOOLS/SERVICES	5
225	95	HEALTH & SAFETY	\$7,00
225	100	HOUSING AND SUPPORT SERVICES	\$45,00
225	105	INSURANCE	\$4,20
225	106	INSPECTIONS	\$15,00
225	110	LEGAL, TITLE SERVICES	\$6,00
225	115	MATERIALS & SUPPLIES	\$5,00
225	120	MISCELLANEOUS	\$5,00
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,00
225	130	MUD & CHEMICALS	\$350,00
225	140	OPENHOLE LOGGING	\$
225	141	CASED HOLE LOGGING	5
225	145	PERMITS, LICENSES, ETC	\$20,00
225	150	POWER FUEL & WATER HAULING	5278,00
225	155	RIG MOVE & RACKING COSTS	\$91,50
225	150	RIG UP TEAR OUT & STANDBY	3
225	163	SITE RESTORATION	\$10,00
225	165	STAKING & SURVEYING	\$6,00
225	170	SUPERVISION	\$95,50
225	175	SUPERVISION - GEOLOGICAL	\$39,00
225	180	TRANSPORTATION/TRUCKING	\$39,00
225		TAXES	\$164,87
225	35	CONTINGENCY COSTS 5%	\$171,13
		Total Intangible Drilling Costs:	\$3,593,75

Major	Minor	Intangible Completion Costs Description	Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EOPT	\$0
340	20	COILED TUBING/SNUBBING UNIT	\$186,500
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	SO
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$15,000
240	60	ELECTRICAL POWER\GENERATION	\$0
240	62	ENGINEERING	\$0
240	65	ENVIRONMENTAL/CLEANUP	50
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$99,000
240	72	FRAC WATER/COMPLETION FLUID	\$544,000
240	75	FUEL, POWER/DIESEL	\$464,000
240	80	HEALTH & SAFETY	\$5,500
240	85	HOUSING AND SUPPORT SERVICES	\$11,500
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$6,400
240	110	P&A/TA COSTS	\$5,700
240	115	PERFORATING/WIRELINE SERVICE	\$249,000
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$3,500
240	130	STIMULATION	\$2,358,500
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$30,000
240	140	SUPERVISION	\$103,500
240	145	SURFACE EQUIP RENTAL	\$234,500
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$104,500
240	160	WELDING SERVICES	\$0
240		WELL TESTING/FLOWBACK	\$120,000
240		TAXES	50
240	40	CONTINGENCY COSTS 5%	\$231,045
		Total Intangible Completion Costs:	\$4,851,945

\$66,000 \$730,248 \$105,000 \$61,000 \$71,899 TAXES
Total Tangible Drilling Costs:

Major	Minor	Description	Amount
245	5	ARTIFICIAL LIFT	\$175,000
245	15	FLOWLINES	\$20,000
245	25	FRAC STRING	50
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	50
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	50
245	55	PRODUCTION TUBING	\$150,000
245	60	RODS/PUMPS	SO
245	65	SUBSURFACE EQUIPMENT	\$50,000
245	75	WELLHEAD EQUIPMENT	\$125,000
245	70	TAXES	\$28,600
		Total Tangible Completion Costs:	\$548,600

Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000
270	1.5	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$13,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000
270	60	H2S TREATING EQUIPMENT	\$0
270	0.5	SEPARATION EQUIPMENT	\$124,000
270	56	ROAD/LOCATION/FENCING/REPAIRS	SC
270	75	PRE-FABRICATED SKIDS	SC
270	86	FACILITY SURFACE EQUIPMENT	\$58,000
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$50,000
270	110	TANKS & WALKWAYS	\$40,000
270	130	MECHANICAL BATTERY BUILD	\$118,000
270	132	EI&C BATTERY BUILD	\$45,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$4,000
270	136	PRIMARY POWER BUILD	\$13,000
270	138	FLOWLINE INSTALLATION	\$27,500
270	140	SIGNAGE	\$250
270	125	TAXES	\$37,331
		Total Tangible Facility Costs:	\$716,081

Description		
CONSULTING	5	265
COMPANY DIRECT LABOR	12:	265
DAMAGES/ROW/PERMITS, ETC	20	265
PAD/ROAD CONSTRUCTION	22	265
ENGINEERING / SCIENCE	25	265
HEALTH/SAFETY/ENVIRONMENTAL	40	265
CONTRACT LABOR & SERVICES	45	265
OVERHEAD	60	265
SURVEY / PLATS / STAKINGS	80	265
TRANSPORTATION / TRUCKING	85	265
TAXES		265
CONTINGENCY COSTS 5%	10	265
Total Intangible Facility Costs:		
	COMPANY DIRECT LABOR DAMAGENROWPERMITS, ETC PADROAD CONSTRUCTION ENGINEERING / SCIENCE HEALTHYSAFETY/ENVIRONMENTAL CONTRACT LABOR & SERVICES OVERHEAD SURVEY / PLATS / STAKINGS TRANSPORTATION / TRUCKING TAXES CONTINGENCY COSTS 5%	12 COMPANY DIRECT LABOR 20 DAMAGES/ROW/PERMITS, ETC 22 PAD/ROAD CONSTRUCTION 25 ENGINEERING / SCIENCE 40 HEALTH/SAFETY/ENVIRONMENTAL 45 CONTRACT LABOR & SERVICES 60 OVERHEAD 60 SURVEY / PLATS / STAKINGS 81 TANES 82 TANES 83 TANES 64 CONTINGENCY COSTS 5%

Intangible Facility Costs

Total AFE:

	Office Use Only:	
1		

THIS AUTHORITY FOR EXPENDITURE IS BASED ON COST ESTIMATES.	BILLING WILL	REFLECT	YOUR PROPORTINA	TE SHARE OF	THE ACTUAL	INVOICE CO	OSTS

Operator: Approved By	Franklin Moupenin Epersey 3, LLC  Craig R. Waltey  Chief Executive Officer	Date:	8/13/2024
WI Owner			
Approved By:		Date	
Printed Name		Title	

Case No. 24898 W/2E/2 Wolfcamp—Pooled Party list

### **Working Interest Owners to Be Pooled**

MRC Permian Company Axis Energy Corporation

### **ORRI to Be Pooled**

Broken Arrow Royalties, LLC Thomaston, LLC Mongoose Minerals LLC Marathon Oil Permian LLC Good News Minerals, LLC Pegasus Resources II, LLC Collins & Jones Investments, LLC LMC Energy, LLC David W. Cromwell Oak Valley Mineral and Land, LP Crown Oil Partners, LP H. Jason Wacker Kaleb Smith Deane Durham Mike Moylett Post Oak Mavros II, LLC Sortida Resources, LLC

**EXHIBIT A-20-d** 

### Summary of Contacts Case No. 24898

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted working interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership	Date	Proposal	Follow Up
	Type	Proposal	Letter	
		<b>Letter Sent</b>	Received	
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC

EXHIBIT A-20-e

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

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

**CASE NO.** 24899

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 306.92-acre, more or less, Wolfcamp horizontal spacing unit.
- 3. Franklin seeks to dedicate the spacing unit to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 19.
  - 4. The producing area for the wells is expected to be orthodox.

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

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

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

- B. Designating Franklin as operator of this unit and the well to be drilled thereon;
- C. Authorizing Franklin to recover its costs of drilling, equipping and completing the well;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr. Deana M. Bennett Yarithza Peña Post Office Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800

edebrine@modrall.com deana.bennett@modrall.com yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24899: Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Rope State Com 701H and Rope State Com 801H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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<u>C-10</u> 2	<u>2</u>		Ene	ergy. Mii	State of Ne nerals & Natur	ew Mexico ral Resources Departn		Revis	ed July 9, 2024	
	Electronicall	у		OIL CONSERVATION DIVISION					☑ Initial Submit	to1
Via OCD Permitting								Submitta		
								Туре:	☐ As Drilled	
					WELL LOCA	TION INFORMATION		l	l	
API Nu	mber		Pool Code	970		Pool Name	AIDCTDI	IP, WOLF	CAMP	
Property	v Code		Property Na				AIKSTKI	ir, WOLF	Well Number	
			0 1 1		ROPE	701				
OGRID	No. 331595		Operator Na	ame F	FRANKLIN MOU	UNTAIN ENERGY 3, LL	LC		Ground Level Ele 3951	
Surface	Owner: 🛛 S	State  Fee	Tribal 🗆 Fed	eral		Mineral Owner: 🛛	State  Fee	□ Tribal □	] Federal	
					Suri	face Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	(AD 83)	Longitude (NAD 83)	County
4	30	18S	35E		330 SOUTH	1,008 WEST	32.7124	426°	-103.501978°	LEA
			l .		Botton	n Hole Location				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	· · · · · · · · · · · · · · · · · · ·	Longitude (NAD 83)	County
1	19	18S	35E		100 NORTH	800 WEST	32.7403	320	-103.502685°	LEA
Dadias	1 A	1.611 - D.6.	-: XX7-11	D-C-:	- XX7-11 A DY	OIi Gi	TI-:4 (VAI)	C1:4	ation Code	
	ed Acres )6.92	Infill or Defir	iing weii	Denning	g Well API	Overlapping Spacing	Unit (Y/N)	Consona	ation Code P	
Order Numbers.  Pending  Well setbacks are under Common Owner.				Ownership						
		1 611	amg		T7: 1 6	200 . (WOD)				
UL	Section	Township	Range	Lot	Ft. from N/S	Off Point (KOP) Ft. from E/W	Latitude (N	AD 83)	Longitude (NAD 83)	County
4	30	18S	35E		53 SOUTH		32.7116	′	-103.502343°	LEA
					First T	 ake Point (FTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	(AD 83)	Longitude (NAD 83)	County
4	30	18S	35E		621 SOUTH	822 WEST	32.7132	228°	-103.502581°	LEA
					Last T	ake Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)	
1	19	18S	35E		100 NORTH	800 WEST	32.7403	320°	-103.502685°	LEA
T I : 4:	1 4 4	£II:£I		Connin	Huit Tama 🖶 Hani	inental P Ventical	C	nd Floor El		
Unitized	1 Area or Ar	ea of Uniform I	nterest	Spacing	Ошт туре 💢 ноп	zontal 🗆 Vertical	Groui	na Fioor Ei	evation:	
OPERA	TOR CERT	IFICATIONS				SURVEYOR CERTIFIC	CATIONS			
				1	-1-1-1-1-1-1-1-1				(	
my know	ledge and beli	ef, and, if the well	l is a vertical or	directional v		I hereby certify that the well surveys made by me or under	i iocaiion snowi er my supervisio	n on inis piai on, and that t	the same is true and corre	a notes of actual ect to the best of
including	the proposed	ns a working inter bottom hole locat	ion or has a rigi	ht to drill thi	s well at this	my belief.			Q' ON MEX	1/4/
interest,	or to a volunta	ry pooling agreen			r unleased mineral g order heretofore				1 × 6	o la la
	y the division.								$\frac{1}{2}$	
consent o	of at least one		a working inter	est or unleas	sed mineral interest				11-13-2	24/4/
		get pool or format or obtained a con							ONAL	SUR
1 0	har vere		10/29/20						ONAL	
Signature		<i>y</i>	Date			Signature and Seal of Profess	sional Surveyor			
Rachael	Overbey					23782	February 2	0 2024		

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

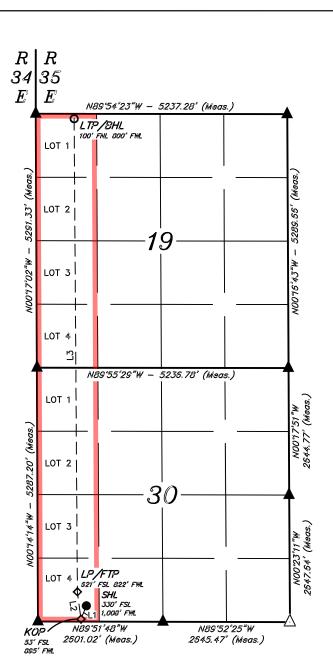
Certificate Number

Date of Survey

Printed Name

roverbey@fmellc.com Email Address

Property Name Well Number Drawn By ROPE STATE COM 701H N.R. 02-21-24 REV. 2 T.I.R. 11-13-24 (UPDATE BHL)



LINE TABLE						
LINE	DIRECTION	LENGTH				
L1	S21°52°01"W	298.55				
L2	N07°33'25*W	573.06°				
L3	N00°23'33"W	9858.74°				

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°42'44.74" (32.712426°)
LONGITUDE = -103°30'07.12" (-103.501978°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°42'44.29" (32.712302°)
LONGITUDE = -103°30'05.34" (-103.501484°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623914.74' E: 797038.96'
STATE PLANE NAD 27 (N.M. EAST)
N: 623850.35' E: 755859.26'

NAD 83 (KICK OFF POINT)
LATITUDE = 32°42'42.00" (32.711666°)
LONGITUDE = -103°30'08.43" (-103.502343°)
NAD 27 (KICK OFF POINT)
LATITUDE = 32°42'41.55" (32.711542°)
LONGITUDE = -103°30'06.66" (-103.501849°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623637.25' E: 796928.96'
STATE PLANE NAD 27 (N.M. EAST)
N: 623572.87' E: 755749.26'

NAD 83 (LP/FTP)
LATITUDE = 32°42'47.62" (32.713228°)
LONGITUDE = -103°30'09.29" (-103.502581°)
NAD 27 (LP/FTP)
LATITUDE = 32°42'47.17" (32.713104°)
LONGITUDE = -103°30'07.51" (-103.502087°)
STATE PLANE NAD 83 (N.M. EAST)
N: 624204.91' E: 796851.20'
STATE PLANE NAD 27 (N.M. EAST)
N: 624140.51' E: 755671.51'

NAD 83 (LTP/BHL)
LATITUDE = 32°44'25.15" (32.740320°)
LONGITUDE = -103°30'09.67" (-103.502685°)
NAD 27 (LTP/BHL)
LATITUDE = 32°44'24.70" (32.740196°)
LONGITUDE = -103°30'07.89" (-103.502190°)
STATE PLANE NAD 83 (N.M. EAST)
N: 634061.43' E: 796741.82'
STATE PLANE NAD 27 (N.M. EAST)
N: 633996.70' E: 755562.41'

### NOTE

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

- = SURFACE HOLE LOCATION
- ♦ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- O = LAST TAKE POINT/ BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- ∆ = SECTION CORNER
   RE-ESTABLISHED.
   (Not Set on Ground.)
- = DRILLING SPACING UNIT

<u>C-10</u>	•	2/9/2024 1:		ergy, Miı	State of New nerals & Natura	w Mexico al Resources Departr	nent	Revised July 9, 2024					
	t Electronicall D Permitting			OIL (	CONSERVA	ΓΙΟΝ DIVISION			☐ Initial Submit	tal			
Via OC	D Permitting							Submittal	1 -	☐ Amended Report			
								Туре:	☐ As Drilled				
			<u> </u>		WELL LOCAT	TION INFORMATION							
API N	umber		Pool Code	970		Pool Name AIRSTRIP, WOLFCAMP							
Proper	ty Code		ame	ROPE	STATE COM			Well Number 801	lH				
OGRII	O No. 331595	;	Operator N	ame F	RANKLIN MOU	JNTAIN ENERGY 3, LI	LC		Ground Level Ele				
Surfac		State  Fee	Tribal □ Fed	leral		Mineral Owner: 🛛	State ☐ Fee	□ Tribal □	- 1				
					Comf	ace Location							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County			
4	30	18S	35E		330 SOUTH	918 WEST	32.7124	· · ·	-103.502270°	LEA			
					Bottom	Hole Location							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) L	Longitude (NAD 83)	County			
1	1 19 18S 35E				100 NORTH	400 WEST	32.7403	326°	-103.503986°	LEA			
				1		!							
	ated Acres	Infill or Defi	ning Well	Defining	; Well API	Overlapping Spacing	g Unit (Y/N)	Consolida	tion Code				
	306.92					N			P				
Order :	Numbers.	Pending				Well setbacks are un-	der Common (	Ownership:	ĭYes □No				
					Kick O	Off Point (KOP)							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) L	Longitude (NAD 83)	County			
4	30	18S	35E		54 SOUTH	425 WEST	32.7116	579°	-103.503870°	LEA			
					First Ta	ake Point (FTP)							
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)	1 ,			
4	30	18S	35E		625 SOUTH	372 WEST	372 WEST 32.713246° -103.504044° LEA						
			1		1	Take Point (LTP)							
UL 1	Section 19	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 400 WEST	Latitude (N 32.7403		Longitude (NAD 83) -103.503986°	County LEA			
1	19	163	33E		100 NOKIII	400 WEST	32.7403	520	-103.303980	LEA			
Unitize	ed Area or Ar	rea of Uniform	Interest	Spacing	Unit Type 💆 Horiz	izontal  Vertical Ground Floor Elevation:							
OPER.	ATOR CERT	TIFICATIONS				SURVEYOR CERTIFIC	CATIONS						
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.						I hereby certify that the well location shown on this plat was plotted from the 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.  REX. (N. 1234.82)							
consent in each	of at least one tract (in the tar will be located	rget pool or forma For obtained a co	rest or unleas ny part of the	ed mineral interest well's completed	11-13-24 SUP-								
4	achael verb	7	10/29	/2024									
Signatu	re /		Date			Signature and Seal of Professional Surveyor							

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

23782

Certificate Number

February 20, 2024

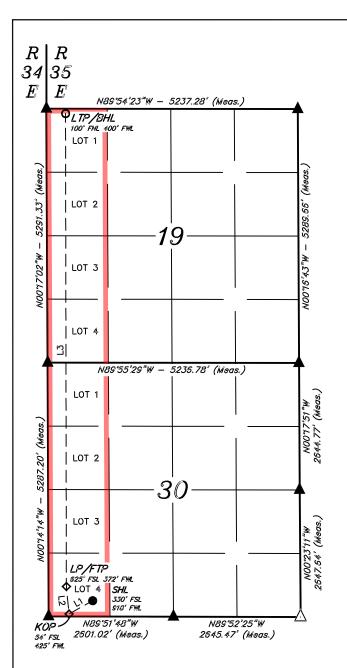
Date of Survey

Rachael Overbey

roverbey@fmellc.com Email Address

Printed Name

Property Name Well Number Drawn By ROPE STATE COM 801H N.R. 02-21-24 REV. 2 T.I.R. 11-13-24 (UPDATE BHL)



LINE TABLE										
LINE	DIRECTION	LENGTH								
L1	S60°48°25″W	562.73								
L2	N05°33'24"W	573.05								
L3	N00°06'03"W	9854.10								

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°42'44.74" (32.712428°)
LONGITUDE = -103°30'08.17" (-103.502270°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°42'44.29" (32.712304°)
LONGITUDE = -103°30'06.40" (-103.501777°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623914.57' E: 796948.97'
STATE PLANE NAD 27 (N.M. EAST)
N: 623850.18' E: 755769.28'

NAD 83 (KICK OFF POINT)
LATITUDE = 32°42'42.04" (32.711679°)
LONGITUDE = -103°30'13.93" (-103.503870°)
NAD 27 (KICK OFF POINT)
LATITUDE = 32°42'41.60" (32.711554°)
LONGITUDE = -103°30'12.16" (-103.503377°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623638.06' E: 796458.97'
STATE PLANE NAD 27 (N.M. EAST)
N: 623573.68' E: 755279.27'

NAD 83 (LP/FTP)
LATITUDE = 32°42'47.69" (32.713246°)
LONGITUDE = -103°30'14.56" (-103.504044°)
NAD 27 (LP/FTP)
LATITUDE = 32°42'47.24" (32.713122°)
LONGITUDE = -103°30'12.78" (-103.503550°)
STATE PLANE NAD 83 (N.M. EAST)
N: 624208.08' E: 796401.07'
STATE PLANE NAD 27 (N.M. EAST)
N: 624143.68' E: 755221.39'

NAD 83 (LTP/BHL)
LATITUDE = 32°44'25.17" (32.740326°)
LONGITUDE = -103°30'14.35" (-103.503986°)
NAD 27 (LTP/BHL)
LATITUDE = 32°44'24.73" (32.740202°)
LONGITUDE = -103°30'12.57" (-103.503491°)
STATE PLANE NAD 83 (N.M. EAST)
N: 634060.38' E: 796341.88'
STATE PLANE NAD 27 (N.M. EAST)
N: 633995 66' E: 755162 48'

### NOTE

- Distances referenced on plat to section lines are perpendicular.
   Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
- Section breakdown information for this plat may be obtained from Uintah Engineering and Land Surveying.
- S C A L E
- = SURFACE HOLE LOCATION
- ♦ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- O = LAST TAKE POINT/ BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER
   RE-ESTABLISHED.
   (Not Set on Ground.)
- = DRILLING SPACING UNIT

## EXHIBIT A-21-b

# Case No. 24899 Unit Summary

## Case No. 24899 W/2W/2 of Sections 19 & 30-T18S-R35E

306.92 Acres

				57.0054%	4.6808%	4.6808%		%02999	<b>3</b> 4	29.4161%	1.2537%	2.9632%		33.6330%	00000	100.000%		Г										
			<b>Committed Working Interest</b>	) OTI	OII				<b>Uncommitted Working Interest</b>								%	12.4853%	12.4821%	24.9609%	24.9967%	25.0749%						
ر ا			Committed	Committed		- Postimumo		Committed		Franklin Mountain Energy 3, LLC	MOM Exploration Company LLC	O		Committed Interest Total	Uncommitted	MRCPermian Company Axis France Corporation	Axis Energy Corporation			Uncommitted Interest Total				VB-1499	世	VB-1478	V0-9145	VB-2312
	n 701H	n 801H	m 801H	Franklin	MOM Exp	PBEX LLC		Committe		MRCPerr	Axis Ener	Open		Uncomm	- - - -	lotal:	Tract	_	2	က	4	5						
300.32 ACI ES	Rope State Com 701H	Rope State Com 801H		Proposed Wolfcamp Unit			Tract 1 (38.32 Acres)				Tract 2 (38.31 Acres)			Tract 3 (76.61 Acres)			Tract 4 (76.72 Acres)			Tract 5 (76.96 Acres)								
				_	19	_										- r	OC -											
	(Lot 1)	38.32	(Lot 2)	38.31		(Lot 3)	38.31		(Lot 4)	38.30		(Lot 1)	38.33		(Lot 2)	38.30 38.30	(1013)	38.45		(Lot 4)	38.51							



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

ROP STATE COM 701H
SHL Sec 30-T18S-R35E 330 FSL 1008 FWL
BHL: Sec 19-T18S-R35E 100 FNL 800 FWL
Franklin Mountain Energy 3, LLC
Drill and complete a 10,000 WCA well. County/State: Lea Co., NM Date Prepared: 8/13/2024 Operator:

Purpose:		Drill and complete a 10,000' WCA well. TVD 10,892', MD 20,892'.		AFE #:		DCE240810	
		Intangible Drilling Costs				Intangible Completion Costs	
Major 1	Minor	Description	Amount	Major		Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,000 \$55,000	240 240	10	ADMINISTRATIVE OVERHEAD CASED HOLE LOGS & SURVEYS	\$10,300 \$7,500
225	10	CASING CREW & EQPT CEMENTING INTERMEDIATE CASING	\$28,000	240	15	CASING CREW & EQPT	\$7,500
225	16	CEMENTING INTERMEDIATE CASING CEMENTING PRODUCTION CASING	\$85,000	240	20	COILED TUBING/SNUBBING UNIT	\$186,500
225	20	CEMENTING SUFACE CASING	\$42,000	240	25	COMMUNICATIONS	\$2,500
225	25	COMMUNICATIONS	\$31,000	240	30	COMPANY DIRECT LABOR	\$0
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG	\$32,500
225	34	CONSTRUCTION/LOCATION & ROAD	\$75,000 \$80,000	240 240	45 50	CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION	\$25,000 \$500
225	40 45	CONTRACT LABOR DAMAGES	\$15,000	240	55	DISPOSAL SOLIDS	\$15,000
225	50	DAYWORK CONTRACT	\$654,300	240	60	ELECTRICAL POWER\GENERATION	\$0
225	55	DRILLING - DIRECTIONAL	\$245,000	240	62	ENGINEERING	SC
225	60	DRILLING - FOOTAGE	\$0	240	65	ENVIRONMENTAL/CLEANUP	50
225	65	DRILLING BITS	\$65,000 \$0	240 240	70 71	FISHING TOOLS / SERVICES FLUIDS/HAULING/DISPOSAL	\$0 \$99,000
225	70 75	ELECTRICAL POWER\GENERATION ENGINEERING	\$20,000	240	72	FRAC WATER/COMPLETION FLUID	\$544,000
225	80	ENVIRONMENTAL SERVICES	\$250,000	240	75	FUEL, POWER/DIESEL	\$464,000
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,000	240	80	HEALTH & SAFETY	\$5,500
225	85	EQUIPMENT RENTAL	\$80,000	240	85	HOUSING AND SUPPORT SERVICES	\$11,500
225	90	FISHING TOOLS/SERVICES	\$0	240	90 95	MATERIALS & SUPPLIES	\$500
225	95	HEALTH & SAFETY	\$7,000 \$35,000	240 240	100	MISCELLANEOUS MUD & CHEMICALS	\$6,400
225 225	100	HOUSING AND SUPPORT SERVICES INSURANCE	\$3,600	240	110	P&A/TA COSTS	\$5,700
225	106	INSPECTIONS	\$15,000	240	115	PERFORATING/WIRELINE SERVICE	\$249,000
225	110	LEGAL, TITLE SERVICES	\$6,000	240	120	PIPE INSPECTION	SC
225	115	MATERIALS & SUPPLIES	\$5,000	240	125	ROAD, LOCATIONS REPAIRS	\$3,500
225	120	MISCELLANEOUS	\$5,000	240	130	STIMULATION SUBSUBLACE EQUIDMENTAL DENTAL	\$2,358,500 \$30,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000 \$210,000	240 240	135	SUBSURFACE EQUIPMENTAL RENTAL SUPERVISION	\$103.500
225 225	130	MUD & CHEMICALS OPENHOLE LOGGING	\$210,000	240	145	SURFACE EQUIP RENTAL	\$234,500
225	141	CASED HOLE LOGGING	\$0	240	150	TRANSPORTATION/TRUCKING	\$1,000
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	\$104,500
225	150	POWER FUEL & WATER HAULING	\$200,000	240	160	WELDING SERVICES	S
225	155	RIG MOVE & RACKING COSTS	\$91,500	240	165	WELL TESTING/FLOWBACK	\$120,000 \$0
225	160	RIG UP TEAR OUT & STANDBY	\$0 \$10,000	240 240	148	TAXES CONTINGENCY COSTS 5%	\$231.045
225	163	SITE RESTORATION STAKING & SURVEYING	\$6,000	240	2150.	Total Intangible Completion Costs:	\$4,851,945
225	170	SUPERVISION	\$95,000				
225	175	SUPERVISION - GEOLOGICAL	\$39,000			Tangible Completion Costs	
225	180	TRANSPORTATION/TRUCKING	\$39,000	Major		Description	Amount
225	178	TAXES	\$149,229	245 245	5	ARTIFICIAL LIFT FLOWLINES	\$175,000 \$20,000
225	35	CONTINGENCY COSTS 5%  Total Intangible Drilling Costs:	\$138,131 \$2,900,760	245	25	FRAC STRING	\$20,000
_	_	Total Intangible Druing Costs:	\$2,700,700	245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$6
		Tangible Drilling Costs		245	45	PRODUCTION LINER	Si
Major	Minor	Description	Amount	245	50	PRODUCTION PROCESSING FACILITY	\$6
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$170,000	245	55	PRODUCTION TUBING	\$150,000
230	20	PACKERS/SLEEVES/PLUGS	\$66,000	245 245	60 65	RODS/PUMPS SUBSURFACE EQUIPMENT	\$50,000
230	25 35	PRODUCTION CASING & ATTACHMENTS SURFACE CASING & ATTACHMENTS	\$594,000 \$105,000	245	75	WELLHEAD EQUIPMENT	\$125,000
230 230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$61,000	245	70	TAXES	\$28,60
230	40	TAXES	\$54,780			Total Tangible Completion Costs:	\$548,60
		Total Tangible Drilling Costs:	\$1,050,780			Intangible Facility Costs	
Major	Minor	Tangible Facility Costs  Description	Amount	Major 265	5	Description CONSULTING	Amount \$18,00
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000	265	12	COMPANY DIRECT LABOR DAMAGES/ROW/PERMITS, ETC	\$40,00
270	15	CONTAINMENT	so so	265 265	20 22	PAD/ROAD CONSTRUCTION	\$5,00
270 270	25	DEHYDRATION PRIMARY POWER MATERIALS	\$13,000	265	25	ENGINEERING / SCIENCE	\$13,00
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000	265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$
270	60	H2S TREATING EQUIPMENT	SO	265	45	CONTRACT LABOR & SERVICES	S
270	65	SEPARATION EQUIPMENT	\$124,000	265	60	OVERHEAD	\$3,00
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0	265	80	SURVEY / PLATS / STAKINGS	\$80
270	75	PRE-FABRICATED SKIDS	\$0	265 265	85 83	TRANSPORTATION / TRUCKING TAXES	\$4,38
270	86	FACILITY SURFACE EQUIPMENT	\$58,000 \$4,000	265	10	CONTINGENCY COSTS 5%	\$3,99
270 270	100	H2S SAFETY SYSTEM CONTROL / INSTRUMENT / METERS / SCADA	\$50,000	52,000	13.50	Total Intangible Facility Costs:	\$88,17
270	110	TANKS & WALKWAYS	\$40,000				
270	130	MECHANICAL BATTERY BUILD	\$118,000			Office Use Only:	
270	132	EI&C BATTERY BUILD	\$45,000				
270	134	CONTROLS AND SCADA BATTERY BUILD	\$4,000				
270 270	136	PRIMARY POWER BUILD FLOWLINE INSTALLATION	\$13,000 \$27,500				
270	140	SIGNAGE	\$250	1			
270	125	TAXES	\$37,331				
		Total Tangible Facility Costs:	\$716,081				
Total Dri			\$3,951,540.25				
Total Cor		m.	\$5,400,545.00				
Total Fac		31	\$804,260.25				
Total DC Total DC			\$7,752,705.25 \$1,599,380.00				
Total DC	Tange	ore:	\$1,555,500.00				
Total AF	E:		\$10,156,345.50				
	THIS A	AUTHORITY FOR EXPENDITURE IS BASED ON COST	ESTIMATES, BILLING	WILL REI	LECTY	YOUR PROPORTINATE SHARE OF THE ACTUAL	L INVOICE COSTS.
Operator		Franklin Mountain Energy 3, LLC					
		100 M.					
Approved	d By	C) Soll		Date:			8/13/2024
		Craig R. Walter					
		Chief Executive Officer					
		CONTRACTOR OF THE PARTY OF THE					
WI Own	er:						
WI Own				Date:			

Well#:

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME

Title:

Printed Name:



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

Well#: 80111 County/State: Lea Co., NM Date Prepared: 8/13/2024 AFF DCF240814

l'urpose:	i.	Drill and complete a 10,000' WCB well. TVD 11,546', MD 21,546'.		AFE #:		DCE240814		
								_
Major	Mino	Intangible Drilling Costs r Description	Amount	Major	Minor	Intangible Completion Costs  r Description	A.	monn
225	5	ADMINISTRATIVE OVERHEAD	\$6,600	240	5	ADMINISTRATIVE OVERHEAD	A1	\$10
225	10	CASING CREW & EQPT	\$60,000	240	10	CASED HOLE LOGS & SURVEYS		\$7
225	15	CEMENTING INTERMEDIATE CASING	\$58,000 \$130,000	240	15	CASING CREW & EQPT	8	1000
225	20	CEMENTING PRODUCTION CASING CEMENTING SUFACE CASING	\$42,000	240 240	20 25	COILED TUBING/SNUBBING UNIT COMMUNICATIONS	3	\$186
225	25	COMMUNICATIONS	\$36,000	240	30	COMPANY DIRECT LABOR		\$2,
225	30	COMPLETION FLUIDS	\$6,000	240	35	COMPLETION/WORKOVER RIG		\$32
225	34	CONSTRUCTION/LOCATION & ROAD	\$74,651	240	45	CONTRACT LABOR/ROUSTABOUTS		\$25
225	40	CONTRACT LABOR	\$80,000	240	50	DAMAGES/RECLAMATION		
225	45	DAYWORK CONTRACT	\$15,000	240	55	DISPOSAL SOLIDS		\$15
225	55	DRILLING - DIRECTIONAL	\$762,300 \$350,000	240	60	ELECTRICAL POWER/GENERATION ENGINEERING		
225	60	DRILLING - FOOTAGE	\$0	240	65	ENVIRONMENTAL/CLEANUP		
225	65	DRILLING BITS	\$120,000	240	70	FISHING TOOLS / SERVICES		
225	70	ELECTRICAL POWER/GENERATION	\$0	240	71	FLUIDS/HAULING/DISPOSAL		\$90
225	75	ENGINEERING	\$20,000	240	72	FRAC WATER/COMPLETION FLUID		\$544
225	80	ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE	\$310,000 \$60,000	240 240	75	FUEL, POWER/DIESEL HEALTH & SAFETY	3	\$464
225	85	EQUIPMENT RENTAL	\$80,000	240	85	HOUSING AND SUPPORT SERVICES		\$11,
225	90	FISHING TOOLS/SERVICES	\$0	240	90	MATERIALS & SUPPLIES		3
225	95	HEALTH & SAFETY	\$7,000	240	95	MISCELLANEOUS		- 8
225	100	HOUSING AND SUPPORT SERVICES	\$45,000	240	100	MUD & CHEMICALS		\$6,
225	105	INSURANCE	\$4,200	240	110	P&A/TA COSTS		\$5
225	106	INSPECTIONS	\$15,000	240	115	PERFORATING/WIRELINE SERVICE	5	\$249
225	110	LEGAL, TITLE SERVICES MATERIALS & SUPPLIES	\$6,000 \$5,000	240 240	120	PIPE INSPECTION ROAD, LOCATIONS REPAIRS		in a
225	120	MISCELLANEOUS	\$5,000	240	130	STIMULATION	57	\$3, 358,
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000	240	135	SUBSURFACE EQUIPMENTAL RENTAL		\$30,
225	130	MUD & CHEMICALS	\$350,000	240	140	SUPERVISION		\$103
225	140	OPENHOLE LOGGING	\$0	240	145	SURFACE EQUIP RENTAL		\$234
225	141	CASED HOLE LOGGING	\$0	240	150	TRANSPORTATION/TRUCKING		51
225	145	PERMITS, LICENSES, ETC	\$20,000	240	155	WATER TRANSFER	5	\$104
225	150	POWER FUEL & WATER HAULING	\$278,000	240	160	WELDING SERVICES	8	3010
225	160	RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY	\$91,500	240 240	165 148	WELL TESTING/FLOWBACK TAXES	5	\$120,
225	163	SITE RESTORATION	\$10,000	240	40	CONTINGENCY COSTS 5%		\$231,
225	165	STAKING & SURVEYING	\$6,000	0.09470	1072	Total Intangible Completion Costs:		851
225	170	SUPERVISION	\$95,500					
225	175	SUPERVISION - GEOLOGICAL	\$39,000			Tangible Completion Costs		
225	180	TRANSPORTATION/TRUCKING	\$39,000	Major		Description		noun
225	178	TAXES CONTINGENCY COSTS 5%	\$164,874 \$171,131	245 245	15	ARTIFICIAL LIFT		\$175,
4.4.7	33	Total Intangible Drilling Costs:	\$3,593,756	245	25	FLOWLINES FRAC STRING		\$20
			380,020,750	245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS		
		Tangible Drilling Costs		245	45	PRODUCTION LINER		
Injor	Minor	Description	Amount	245	50	PRODUCTION PROCESSING FACILITY		
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$345,000	245	55	PRODUCTION TUBING	8	\$150.
230	20	PACKERS/SLEEVES/PLUGS	\$66,000	245	60	RODS/PUMPS		
230	25 35	PRODUCTION CASING & ATTACHMENTS SURFACE CASING & ATTACHMENTS	\$730,248 \$105,000	245 245	65 75	SUBSURFACE EQUIPMENT		\$50,
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$61,000	245	70	WELLHEAD EQUIPMENT TAXES		\$125,6 \$28,6
230	40	TAXES	\$71,899	1.420	0,7750	Total Tangible Completion Costs:		548,
		Total Tangible Drilling Costs:	\$1,379,147			***************************************		_
		Tangible Facility Costs	200	Major	Minor	Intangible Facility Costs Description	An	noan
		Description	Amount	265	5	CONSULTING		518,
270 270	10 15	FACILITY PIPE/VALVES/FITTINGS CONTAINMENT	\$125,000	265 265	12	COMPANY DIRECT LABOR		aka ka
270	25	DEHYDRATION	\$0	265	20	DAMAGES/ROW/PERMITS, ETC PAD/ROAD CONSTRUCTION		\$40,
270	30	PRIMARY POWER MATERIALS	\$13,000	265	-25	ENGINEERING / SCIENCE		\$5, \$13,
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000	265	40	HEALTH/SAFETY/ENVIRONMENTAL		315.
270	60	H2S TREATING EQUIPMENT	50	265	45	CONTRACT LABOR & SERVICES		
270	65	SEPARATION EQUIPMENT	\$124,000	265	60	OVERHEAD		53,
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0	265	80	SURVEY / PLATS / STAKINGS		S
270	75	PRE-FABRICATED SKIDS	50	265	85	TRANSPORTATION / TRUCKING		
270	86	FACILITY SURFACE EQUIPMENT H2S SAFETY SYSTEM	\$58,000	265 265	83	TAXES		\$4,
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$4,000 \$50,000	205	10	CONTINGENCY COSTS 5%  Total Intangible Facility Costs:	_	\$3,
270	110	TANKS & WALKWAYS	\$40,000			room rating one ruently Costs:		\$88,
270	130	MECHANICAL BATTERY BUILD	\$118,000			Office Use Only:		_
270	132	EI&C BATTERY BUILD	\$45,000					_
270	134	CONTROLS AND SCADA BATTERY BUILD	34,000	1				
270	136	PRIMARY POWER BUILD	\$13,000	1				
270 270	138	FLOWLINE INSTALLATION	\$27,500	1				
270 270	140	SIGNAGE TAXES	\$250 \$37,331	1				
Mills.	100	Total Tongible Facility Costs:	\$716,081					
				1				
tal Drill			\$4,972,902.37	1				
otal Con otal Faci		M <sub>r.</sub>	\$5,400,545.00 \$804,260.25	1				
otal DC	Intane	ible:	\$8,445,700.73	1				
otal DC			\$1,927,746.64	1				
				1				
tal AFE			\$11,177,707.62					
T	HIS A	UTHORITY FOR EXPENDITURE IS BASED ON COST	ESTIMATES BILLING W	ILL REFL	ECT Y	OUR PROPORTINATE SHARE OF THE ACTUAL	INVOICE COSTS.	_
perator		Franklin Mountain Energy 3, LLG				300,000		
		Printing Middle and Page 9, 115						
pproved	By	000		Date:		2	8/13/2024	
		Craig R. Walters	_				and the second s	
		Chief Executive Officer						
Owner								_
		2						
proved	By			Date:				_
nted Na	ime:			Title:				
								_

Case No. 24899 W/2W/2 Wolfcamp-Pooled Parties List

### Working Interest Owners and Unleased Mineral Interest Owners to Be Pooled

MRC Permian Company

Axis Energy Corporation

John Richard Anderson

The B. Lane Lee, Jr. Trust, Bill Lane Lee, Jr., Trustee

Melissa Ann Lee Belz

The RIGA Living Trust, Richard Randolph Lee and Gabriel Agustin Romero Gonzalez, Co-Trustees

T Over V Ranch Land, LLLP

Malcom S. Anderson Descendant Trust, dtd 7/2/1998, William Richard Anderson, Trustee

Michelle M. Wiley Dynasty Trust

Stephen P. Anderson Dynasty Trust

Roddy D. and Brookie L. Hughes Revocable Trust, dtd 7/1/2016, Roddy D. Hughes and Brookie Lee

Hughes, Co-Trustees

Kinard Resources, LLC

David P. Sanchez

**Becky Christmas** 

Mary Ann Waldrop

Elizabeth Libby Berry

### **ORRI to Be Pooled**

Broken Arrow Royalties, LLC

Thomaston, LLC

Mongoose Minerals LLC

Marathon Oil Permian LLC

Good News Minerals, LLC

Pegasus Resources II, LLC

Collins & Jones Investments, LLC

LMC Energy, LLC

David W. Cromwell

Oak Valley Mineral and Land, LP

Crown Oil Partners, LP

H. Jason Wacker

Kaleb Smith

Deane Durham

Mike Moylett

Post Oak Mavros II, LLC

Sortida Resources, LLC

**EXHIBIT A-21-d** 

### Summary of Contacts Case No. 24899

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted working interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership Type	Date Proposal Letter Sent	Proposal Letter Received	Follow Up
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC
MCM Exploration Company LLC	WIO	8/15/2024	8/19/2024	Elected to Participate
The B. Lane Lee, Jr. Trust	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Melizza Ann Lee Belz	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
The RIGA Living Trust	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Kinard Resources, LLC	UMI	8/15/2024	8/19/2024	Negotiated OGL terms, sent OGL packet, not returned, no response
David P. Sanchez	UMI	8/15/2024	8/19/2024	No response

EXHIBIT A-21-e

John Richard Anderson	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
T Over V Ranch Land, LLLP	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Elizabeth "Libby" Berry, aka Elizabeth Forrest Berry	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Malcom S. Anderson Descendant Trust, dtd 7/2/1998, William Richard Anderson, Trustee  Michelle M. Wiley Dynasty Trust  Stephen P. Anderson Dynasty Trust	UMI	8/15/2024	8/17/2024	Negotiating a JOA
Roddy D. and Brookie L. Hughes Revocable Trust Declaration, dtd 04/07/2016	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative
Becky Christmas, aka Becky Brooks Lee Christmas	UMI	8/15/2024	8/19/2024	No response
Mary Ann Waldrop, aka Mary Ann Lee	UMI	8/15/2024	8/19/2024	Declined FME terms for OGL via Monette Harbert acting as representative

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

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

**CASE NO.** 24900

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
  - 3. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. **Rope State Com 702H** well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and
    - b. **Rope State Com 802H** well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19.

EXHIBIT A-22

Received by OCD: 12/9/2024 1:42:44 PM

Page 167 of 314

4. The producing area for the wells is expected to be orthodox.

5. Franklin sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in

the drilling of the well or to otherwise commit their interests to the well.

6. The pooling of all interests in the Wolfcamp formation underlying the proposed

unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by

law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a

horizontal spacing unit within the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35

East, N.M.P.M., Lea County, New Mexico;

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

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

well;

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

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

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

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

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña
Post Office Box 2168
500 Fourth Street NW, Suite 1000
Albuquerque, New Mexico 87103-2168
Telephone: 505.848.1800
edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com
Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24900 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 702H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and Rope State Com 802H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

<u>C-10</u>	<u> </u>		En			ıral	Resources Departn	nent		Revis	sed July 9, 2024		
	: Electronicall D Permitting	У		OIL (	CONSERVA	ATI	ON DIVISION			☑ Initial Submittal			
Via OC	Dreimitting								Submittal				
									Type:	☐ As Drilled	,,,,,,		
					WELL LOCA	ATION INFORMATION							
API N	umber		Pool Code	970		Ро	Pool Name AIRSTRIP; WOLFCAMP						
Proper	ty Code		Property N	ame	ROP	E ST	ГАТЕ СОМ			Well Number			
OGRII	O No. 331595		Operator N	ame I			TAIN ENERGY 3, LL	.C		Ground Level Ele	evation		
Surface		State □ Fee □	   Tribal □ Fed				Mineral Owner: 🛛 S		☐ Tribal ☐		3.2		
]					Sur	rfood	e Location						
UL	Section	Township	Range	Lot	Ft. from N/S	Hace	Ft. from E/W	Latitude (N.	AD 83) I	Longitude (NAD 83)	County		
O	30	18S	35E	200	335 SOUTH	Н	2,463 EAST	32.7124	′	-103.496209°	LEA		
<u></u>				1	Botto	m H	lole Location						
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83) I	Longitude (NAD 83)	County		
С	19	18S 35E 100 NOR		100 NORTI	Н	2,290 WEST	32.7402	.99°	-103.497840°	LEA			
D. II	. 1 A	Tren De	. 337 11	l p.c.:	XV 11 A DY			II ' GIAD	G 11.1	ation Code			
Dedica	ted Acres 320	Infill or Defi	ning wen	Denning	g Well API		Overlapping Spacing N	Unit (Y/N)	Consonda	P P			
Order 1	Order Numbers. Pending						Well setbacks are und	ler Common (	Ownership:				
					Kick	Off	Point (KOP)						
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83) I	Longitude (NAD 83)	County		
N	30	18S	35E		53 SOUTH		2,288 WEST	2,288 WEST 32.7116		-103.497817°	LEA		
	_	1	1	_	First	Take	Point (FTP)		L		L		
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (NAD 83)		Longitude (NAD 83)	County		
N	30	18S	35E		626 SOUTH	Н	2,288 WEST	32.713220°		-103.497819°	LEA		
Į.			1		Last 7	Гаке	Point (LTP)		L				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83) I	Longitude (NAD 83)	County		
С	19	18S	35E		100 NORTI	Н	2,290 WEST	32.7402	.99°	-103.497840°	LEA		
Unitize	ed Area or Ar	rea of Uniform	Interest	Spacing	Unit Type <b>⊠</b> Hoi	rizon	rizontal   ☐ Vertical Ground Floor Elevation:						
OPERA	ATOR CERT	TIFICATIONS					SURVEYOR CERTIFIC	CATIONS					
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.  If this well is a horizontal well, I further certify that this organization has received the						s	I hereby certify that the well location shown on this flay was plotted from the 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.  MEX  Co  23482  A  23482						
consent in each	of at least one tract (in the tar	lessee or owner o	rest or unleas	sed mineral interest e well's completed	•		1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	1-13-24 ONAL	OP STATE				

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

23782

Certificate Number

Signature and Seal of Professional Surveyor

February 21, 2024

Date of Survey

Rachael Overbey

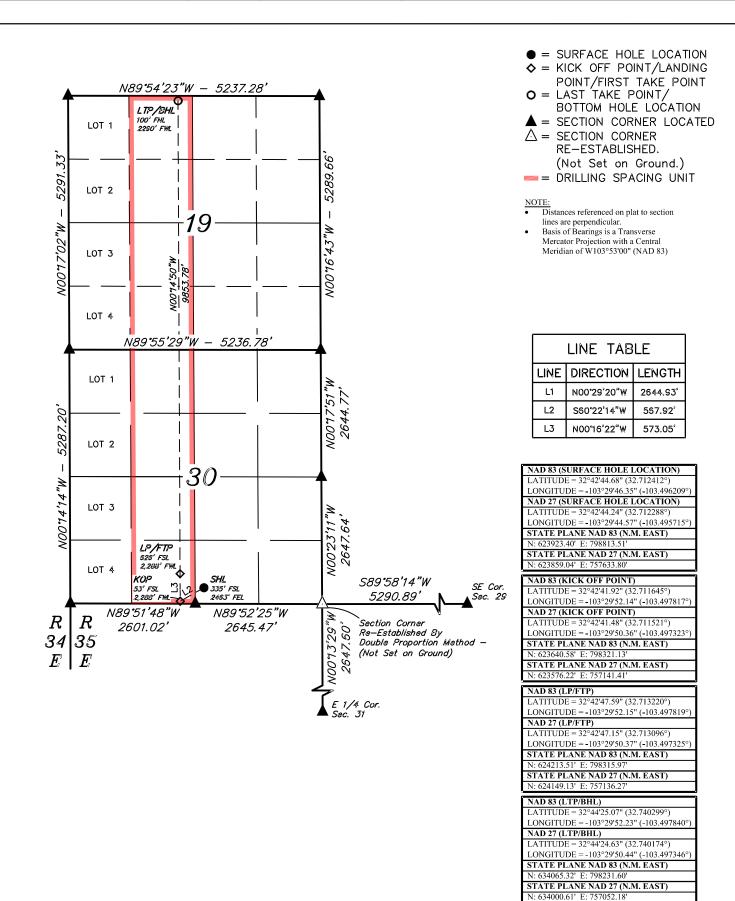
rover bey@fmellc.comEmail Address

Printed Name

10/29/2024

Date

Property Name
ROPE STATE COM
Well Number
TO2H
C.S.C. 02-27-24
Revised By
REV. 2 T.I.R. 11-13-24 (UPDATE BHL)



Sheet 2 of 2 SCALE
Released to Imaging: 12/10/2024 11:16:47 AM

<u>C-10</u>	C-102		State of New I Energy, Minerals & Natural I			al Resources Depart	l Resources Department		Revised July 9, 2024		
Submit Electronically Via OCD Permitting		OIL CONSERVAT			TION DIVISION			☑ Initial Submit	tal		
	J							Submittal Type:	1 ☐ Amended Rep	ort	
								1 ypc.	☐ As Drilled	☐ As Drilled	
			•		WELL LOCA	TION INFORMATION			-1		
API N	umber		Pool Code	970		Pool Name	AIRSTRI	IP, WOLFO	CAMP		
Property Code Property N		ame	ROPI	E STATE COM		Well Number 802	H				
OGRII	OGRID No. Operator N		lame	FRANKLIN MOUNTAIN ENERGY 3, LLC  Ground Level Elevation 3951.1'							
Surface	e Owner: 🛛 S	State  Fee	Tribal 🗆 Fe	deral		Mineral Owner: 🛚	State  Fee	□ Tribal □	l Federal		
					Sur	face Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County	
4	30	18S	35E		330 SOUTH	1,068 WEST	32.7124	425°	-103.501783°	LEA	
					Bottor	n Hole Location					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County	
С	19	18S	35E		100 NORTH	1,660 WEST	32.7403	308°	-103.499889°	LEA	
			•	1	•			,			
Dedica	ated Acres 320	Infill or Defi	ning Well	Definii	ng Well API	Overlapping Spacin	g Unit (Y/N)	Consolida	ation Code		
0.1.3						N	1.0	0 1:	P		
Order	Numbers. I	Pending				Well setbacks are ur	nder Common (	Ownership:	: LXI Y es LINO		
					Kick (	Off Point (KOP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N		Longitude (NAD 83)	County	
N	30	18S	35E		55 SOUTH	1,742 WEST	32.7116	658°	-103.499591°	LEA	
					First T	ake Point (FTP)					
UL	Section	Township	Range	Lot	Ft. from N/S	Ft. from E/W	Latitude (N	′ I	Longitude (NAD 83)	-	
N	30	18S	35E		624 SOUTH	1,677 WEST	32.7132	223°	-103.499803°	LEA	
	1	1	1			ake Point (LTP)					
UL C	Section 19	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Ft. from E/W 1,660 WEST	Latitude (N 32.7403	´	Longitude (NAD 83) -103.499889°	County LEA	
Unitize	ed Area or Ar	ea of Uniform	Interest	Spacin	g Unit Type 🛛 Hori	zontal  Vertical	Grou	nd Floor Ele	evation:		
OPERA	ATOR CERT	IFICATIONS				SURVEYOR CERTIF	ICATIONS				
my knov organiza includin location interest,	wledge and beli ation either ow ng the proposed n pursuant to a	ef, and, if the we ns a working inte bottom hole loca contract with an e ury pooling agree	ll is a vertical or rest or unleased tion or has a rig owner of a work	r directiona   mineral ini ght to drill t ing interest	terest in the land	I hereby certify that the we surveys made by me or un my belief.					
consent in each	of at least one tract (in the tar	lessee or owner o	f a working inte tion) in which a mpulsory poolin	erest or unle	on has received the cased mineral interest the well's completed m the division.			l	11-13-2 ONA L	502-	

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

23782

Certificate Number

Signature and Seal of Professional Surveyor

February 20, 2024

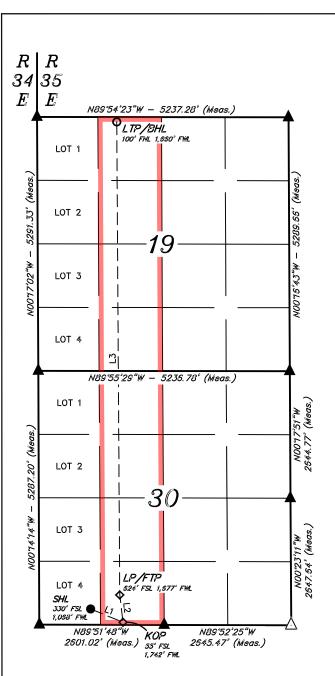
Date of Survey

Rachael Overbey Printed Name

rover bey@fmellc.comEmail Address

Date

Property Name Well Number Drawn By ROPE STATE COM 802H N.R. 02-21-24 REV. 2 T.I.R. 11-13-24 (UPDATE BHL)



LINE TABLE					
LINE	DIRECTION	LENGTH			
L1	S67°43'13"E	729.90			
L2	N06°45'26"W	573.05°			
L3	N00°21'39"W	9856.11			

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°42'44.73" (32.712425°)
LONGITUDE = -103°30'06.42" (-103.501783°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°42'44.28" (32.712301°)
LONGITUDE = -103°30'04.64" (-103.501289°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623914.85' E: 797098.95'
STATE PLANE NAD 27 (N.M. EAST)
N: 623850.46' E: 755919.25'

NAD 83 (KICK OFF POINT)
LATITUDE = 32°42'41.97" (32.711658°)
LONGITUDE = -103°29'58.53" (-103.499591°)
NAD 27 (KICK OFF POINT)
LATITUDE = 32°42'41.52" (32.711534°)
LONGITUDE = -103°29'56.75" (-103.499097°)
STATE PLANE NAD 83 (N.M. EAST)
N: 623641.04' E: 797775.42'
STATE PLANE NAD 27 (N.M. EAST)
N: 623576.66' E: 756595.71'

NAD 83 (LP/FTP)
LATITUDE = 32°42'47.60" (32.713223°)
LONGITUDE = -103°29'59.29" (-103.499803°)
NAD 27 (LP/FTP)
LATITUDE = 32°42'47.16" (32.713099°)
LONGITUDE = -103°29'57.51" (-103.499309°)
STATE PLANE NAD 83 (N.M. EAST)
N: 624209.73' E: 797705.59'
STATE PLANE NAD 27 (N.M. EAST)
N: 624145.33' E: 756525.90'

NAD 83 (LTP/BHL)
LATITUDE = 32°44'25.11" (32.740308°)
LONGITUDE = -103°29'59.60" (-103.499889°)
NAD 27 (LTP/BHL)
LATITUDE = 32°44'24.66" (32.740183°)
LONGITUDE = -103°29'57.82" (-103.499394°)
STATE PLANE NAD 83 (N.M. EAST)
N: 634063.68' E: 797601.69'
STATE PLANE NAD 27 (N.M. EAST)
N: 633998 94' E: 756422 28'

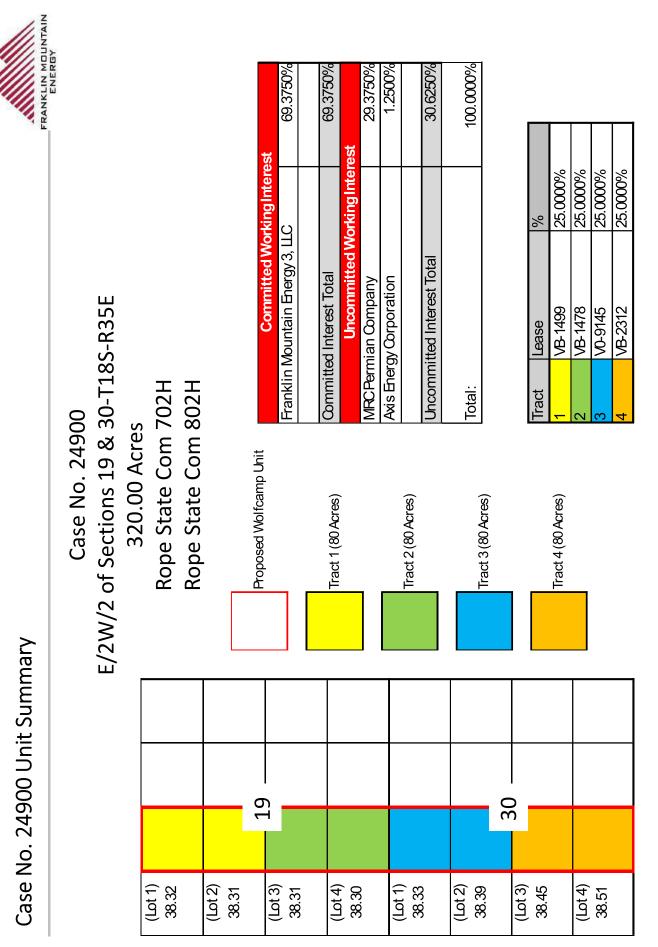
### NOTE

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

- = SURFACE HOLE LOCATION
- ♦ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- O = LAST TAKE POINT/ BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- △ = SECTION CORNER
   RE-ESTABLISHED.
   (Not Set on Ground.)
- = DRILLING SPACING UNIT

### EXHIBIT A-22-b

# Case No. 24900 Unit Summary





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

Major	Minor	Description	Amount
225	-5	ADMINISTRATIVE OVERHEAD	\$4,00
225	10	CASING CREW & EQPT	\$55,00
225	15	CEMENTING INTERMEDIATE CASING	\$28,00
225	16	CEMENTING PRODUCTION CASING	\$85,00
225	20	CEMENTING SUFACE CASING	\$42,00
225	25	COMMUNICATIONS	\$31,00
225	30	COMPLETION FLUIDS	\$6,00
225	34	CONSTRUCTION/LOCATION & ROAD	\$75,00
225	40	CONTRACT LABOR	\$80,00
125	45	DAMAGES	\$15,00
225	50	DAYWORK CONTRACT	\$654,30
225	55	DRILLING - DIRECTIONAL	\$245,00
225	60	DRILLING - FOOTAGE	S
225	65	DRILLING BITS	\$65,00
225	70	ELECTRICAL POWER GENERATION	5
225	75	ENGINEERING	\$20,00
225	80	ENVIRONMENTAL SERVICES	\$250,00
225	8-4	EQUIPMENT RENTAL DOWNHOLE	\$60,00
225	85	EOUIPMENT RENTAL	\$80,00
225	90	FISHING TOOLS/SERVICES	\$
225	95	HEALTH & SAFETY	57,00
225	100	HOUSING AND SUPPORT SERVICES	\$35,00
225	105	INSURANCE	\$3,60
225	106	INSPECTIONS	\$15,00
225	110	LEGAL, TITLE SERVICES	\$6,00
225	115	MATERIALS & SUPPLIES	\$5,00
225	120	MISCELLANEOUS	\$5,00
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,00
225	130	MUD & CHEMICALS	\$210,00
225	140	OPENHOLE LOGGING	5
225	141	CASED HOLE LOGGING	5
225	145	PERMITS, LICENSES, ETC	\$20,00
225	150	POWER FUEL & WATER HAULING	\$200,00
225	155	RIG MOVE & RACKING COSTS	\$91,50
225	160	RIG UP TEAR OUT & STANDBY	5
225	163	SITE RESTORATION	\$10,00
325	165	STAKING & SURVEYING	\$6,00
225	170	SUPERVISION	\$95,00
225	175	SUPERVISION - GEOLOGICAL	\$39,00
225	180	TRANSPORTATION/TRUCKING	\$39,00
225	178	TAXES	\$149.22
225	35	CONTINGENCY COSTS 5%	5138,13
		Total Intangible Drilling Costs:	\$2,900,76

		\$4,500,700				
	Tangible Drilling Coxtu					
Major	Minor	Description	Amount			
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$170,000			
230	20	PACKERS/SLEEVES/PLUGS	\$66,000			
230	25	PRODUCTION CASING & ATTACHMENTS	\$594,000			
230	3.5	SURFACE CASING & ATTACHMENTS	\$105,000			
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$61,000			
230	40	TAXES	\$54,780			
		Total Tangible Drilling Costs:	\$1,050,780			

Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000
270	15	CONTAINMENT	\$0
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$13,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000
270	60	H2S TREATING EQUIPMENT	\$6
270	65	SEPARATION EQUIPMENT	\$124,000
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$6
270	75	PRE-FABRICATED SKIDS	SC
270	86	FACILITY SURFACE EQUIPMENT	\$58,000
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$50,000
270	110	TANKS & WALKWAYS	\$40,000
270	130	MECHANICAL BATTERY BUILD	\$118,000
270	132	EI&C BATTERY BUILD	\$45,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$4,000
270	136	PRIMARY POWER BUILD	\$13,000
270	138	FLOWLINE INSTALLATION	\$27,500
270	140	SIGNAGE	\$250
270	125	TAXES	\$37,331
		Total Tangible Facility Coxts:	\$716,081

Total Drift:	\$3,951,540.25
Total Completion:	\$5,400,545.00
Total Facility	\$804,260.25
Total DC Intaugible	\$7,752,705.25
Total DC Tangible	\$1,599,380.00

Major	Minor	Description	Amount
240	-5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EOPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$186,500
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	50
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$15,000
240	60	ELECTRICAL POWER\GENERATION	SI
240	62	ENGINEERING	-50
240	65	ENVIRONMENTAL/CLEANUP	- 50
240	70	FISHING TOOLS / SERVICES	50
240	71	FLUIDS/HAULING/DISPOSAL	\$99,000
240	72	FRAC WATER/COMPLETION FLUID	\$544,00
240	75	FUEL, POWER/DIESEL	\$464,00
240	80	HEALTH & SAFETY	\$5,500
240	8.5	HOUSING AND SUPPORT SERVICES	\$11,500
240	90	MATERIALS & SUPPLIES	\$50
240	95	MISCELLANEOUS	S
240	100	MUD & CHEMICALS	\$6,40
240	110	P&A/TA COSTS	\$5,700
240	115	PERFORATING/WIRELINE SERVICE	5249,000
240	120	PIPE INSPECTION	50
240	125	ROAD, LOCATIONS REPAIRS	\$3,500
240	130	STIMULATION	\$2,358,500
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$30,000
240	140	SUPERVISION	\$103,500
340	145	SURFACE EQUIP RENTAL	\$234,500
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$104,500
240	160	WELDING SERVICES	\$(
240	165	WELL TESTING/FLOWBACK	\$120,000
240	148	TAXES	50
240	40	CONTINGENCY COSTS 5%	\$231,045
	1946230	Total Intangible Completion Costs:	\$4,851,945

Major	Minor	Description	Amount
245	5	ARTIFICIAL LIFT	\$175,000
245 245	15	FLOWLINES	\$20,000
245	25	FRAC STRING	\$6
245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS	\$0
245	45	PRODUCTION LINER	\$0
245	50	PRODUCTION PROCESSING FACILITY	50
245	55	PRODUCTION TUBING	\$150,000
245	60	RODS/PUMPS	\$0
245	65	SUBSURFACE EQUIPMENT	\$50,000
245	75	WELLHEAD EQUIPMENT	\$125,000
245	70	TAXES	\$28,600
		Total Tangible Completion Costs:	\$548,600

Major	Minor	Description	Amount
265	5	CONSULTING	\$18,000
265 265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW/PERMITS, ETC	\$40,000
265	22	PAD/ROAD CONSTRUCTION	\$5,000
265	25	ENGINEERING / SCIENCE	\$13,000
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$0
265	45	CONTRACT LABOR & SERVICES	50
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$800
265	85	TRANSPORTATION / TRUCKING	50
265	83	TAXES	\$4,389
265	10	CONTINGENCY COSTS 5%	\$3,990
		Total Intungible Facility Costs:	\$88,179

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THIS AUTHORITY FOR EXPENDITURE IS BASED OF	COST ESTIMATES	BULLINGS WILL	DEEL ECT VOID	D DDODODTINATE	SHADE GETTI	ACTUAL	INVINCE COSTS

Operator: Approved By:	Franklin Mountain Energy 3, LLC  Craig R. Walfers  Chief Executive Officer	Date	 8/13/2024
WI Owner:			
Approved By		Date	
Printed Name	2.000	Title:	



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

County/State: Lea Co., NM Date Prepared: 8/13/2024 AFE#: DCE240815

		TVD 11,533', MD 21,533'.	. = -
		Intangible Drilling Costs	
Major		Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$6,60
225	10	CASING CREW & EQPT	\$60,00
225	15	CEMENTING INTERMEDIATE CASING	\$58,00
225	16	CEMENTING PRODUCTION CASING	\$130,00
225	20	CEMENTING SUFACE CASING	\$42,00
225	25	COMMUNICATIONS	\$36,00
225	30	COMPLETION FLUIDS	\$6,00
225	34	CONSTRUCTION/LOCATION & ROAD	\$74,65
225	40	CONTRACT LABOR	\$80,00
225	45	DAMAGES	\$15,00
225	50	DAYWORK CONTRACT	\$762,30
225	55	DRILLING - DIRECTIONAL	\$350,00
225	60	DRILLING - FOOTAGE	S
225	65	DRILLING BITS	\$120.00
225	70	ELECTRICAL POWER\GENERATION	\$120,00
225	75	ENGINEERING	\$20,00
225	80	ENVIRONMENTAL SERVICES	\$310,00
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60,00
225	85	EQUIPMENT RENTAL DOWNHOLE	\$80,00
225	90	FISHING TOOLS/SERVICES	\$60,00
225	95	HEALTH & SAFETY	\$7,00
225			
225	100	HOUSING AND SUPPORT SERVICES INSURANCE	\$45,000
			\$4,200
225	106	INSPECTIONS	\$15,000
225	110	LEGAL, TITLE SERVICES	\$6,000
225	115	MATERIALS & SUPPLIES	\$5,00
225	120	MISCELLANEOUS	\$5,000
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,000
225	130	MUD & CHEMICALS	\$350,000
225	140	OPENHOLE LOGGING	\$1
225	141	CASED HOLE LOGGING	\$0
225	145	PERMITS, LICENSES, ETC	\$20,000
225	150	POWER FUEL & WATER HAULING	\$278,000
225	155	RIG MOVE & RACKING COSTS	\$91,500
225	160	RIG UP TEAR OUT & STANDBY	\$0
225	163	SITE RESTORATION	\$10,000
225	165	STAKING & SURVEYING	\$6,000
225	170	SUPERVISION	\$95,500
225	175	SUPERVISION - GEOLOGICAL	\$39,000
225	180	TRANSPORTATION/TRUCKING	\$39,00
225	178	TAXES	\$164,874
225	35	CONTINGENCY COSTS 5%	\$171,131
3,42		Total Intangible Drilling Costs:	\$3,593,750
		Tangible Drilling Costs	
Major		Description	Amount
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$345,000
230	20	PACKERS/SLEEVES/PLUGS	\$66,000
230	25	PRODUCTION CASING & ATTACHMENTS	\$730,248
230	35	SURFACE CASING & ATTACHMENTS	\$105,000

Tangible Drilling Costs				
Major	Minor	Description	Amount	
230	10	INTERMEDIATE CASING & ATTACHMENTS	\$345,000	
230	20	PACKERS/SLEEVES/PLUGS	\$66,000	
230	25	PRODUCTION CASING & ATTACHMENTS	\$730,248	
230	3.5	SURFACE CASING & ATTACHMENTS	\$105,000	
230	45	WELLHEAD EQUIPMENT/CASING BOWL	\$61,000	
230	40	TAXES	\$71,899	
		Total Tangible Drilling Costs:	\$1,379,147	

Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000
270	15	CONTAINMENT	St
270	25	DEHYDRATION	\$0
270	30	PRIMARY POWER MATERIALS	\$13,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000
270	60	H2S TREATING EQUIPMENT	S
270	65	SEPARATION EQUIPMENT	\$124,000
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	S
270	86	FACILITY SURFACE EQUIPMENT	\$58,000
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$50,000
270	110	TANKS & WALKWAYS	\$40,000
270	130	MECHANICAL BATTERY BUILD	\$118,000
270	132	EI&C BATTERY BUILD	\$45,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$4,000
270	136	PRIMARY POWER BUILD	\$13,000
270	138	FLOWLINE INSTALLATION	\$27,500
270	140	SIGNAGE	\$250
270	125	TAXES	\$37,33
		Total Tangible Facility Costs:	\$716,08

Total Completion: Total Facility: Total DC Intangible:	\$5,400,545.00 \$804,260.25 \$8,445,700.73
Total DC Tangible:	\$1,927,746.64

Major	Minor	Intangible Completion Costs  Description	Amount
240	5	ADMINISTRATIVE OVERHEAD	\$10,300
240	10	CASED HOLE LOGS & SURVEYS	\$7,500
240	15	CASING CREW & EOPT	\$0
240	20	COILED TUBING/SNUBBING UNIT	\$186,500
240	25	COMMUNICATIONS	\$2,500
240	30	COMPANY DIRECT LABOR	SO
240	35	COMPLETION/WORKOVER RIG	\$32,500
240	45	CONTRACT LABOR/ROUSTABOUTS	\$25,000
240	50	DAMAGES/RECLAMATION	\$500
240	55	DISPOSAL SOLIDS	\$15,000
240	60	ELECTRICAL POWER\GENERATION	\$0
240	62	ENGINEERING	\$0
240	65	ENVIRONMENTAL/CLEANUP	\$0
240	70	FISHING TOOLS / SERVICES	\$0
240	71	FLUIDS/HAULING/DISPOSAL	\$99,000
240	72	FRAC WATER/COMPLETION FLUID	\$544,000
240	75	FUEL, POWER/DIESEL	\$464,000
240	80	HEALTH & SAFETY	\$5,500
240	85	HOUSING AND SUPPORT SERVICES	\$11,500
240	90	MATERIALS & SUPPLIES	\$500
240	95	MISCELLANEOUS	\$0
240	100	MUD & CHEMICALS	\$6,400
240	110	P&A/TA COSTS	\$5,700
240	115	PERFORATING/WIRELINE SERVICE	\$249,000
240	120	PIPE INSPECTION	\$0
240	125	ROAD, LOCATIONS REPAIRS	\$3,500
240	130	STIMULATION	\$2,358,500
240	135	SUBSURFACE EQUIPMENTAL RENTAL	\$30,000
240	140	SUPERVISION	\$103,500
240	145	SURFACE EQUIP RENTAL	\$234,500
240	150	TRANSPORTATION/TRUCKING	\$1,000
240	155	WATER TRANSFER	\$104,500
240	160	WELDING SERVICES	\$0
240	165	WELL TESTING/FLOWBACK	\$120,000
240	148	TAXES	\$0
240	40	CONTINGENCY COSTS 5%	\$231,045
		Total Intangible Completion Costs:	\$4,851,945

**Tangible Completion Costs** \$150,000

Major	Minor	Description	Amount
265	5	CONSULTING	\$18,000
265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW/PERMITS, ETC	\$40,000
265	22	PAD/ROAD CONSTRUCTION	\$5,000
265	25	ENGINEERING / SCIENCE	\$13,000
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$0
265	45	CONTRACT LABOR & SERVICES	\$0
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$800
265	85	TRANSPORTATION / TRUCKING	\$0
265	83	TAXES	\$4,389
265	10	CONTINGENCY COSTS 5%	\$3,990
		Total Intangible Facility Costs:	\$88,179

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Office Use Only:

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

Operator: Approved By:	Franklin Mousiain Eigeran 3, LLC Craig R. Walter Chief Executive Officer	Date		8/13/2024
WI Owner:	Parameter Control of the Control of			
Approved By:		Date:		
Printed Name:		Title:	-	

Case No. 24900 E/2W/2 Wolfcamp—Pooled Party List

### **Working Interest Owners to Be Pooled**

MRC Permian Company Axis Energy Corporation

### **ORRI to Be Pooled**

Broken Arrow Royalties, LLC Thomaston, LLC Mongoose Minerals LLC Marathon Oil Permian LLC Good News Minerals, LLC Pegasus Resources II, LLC Collins & Jones Investments, LLC LMC Energy, LLC David W. Cromwell Oak Valley Mineral and Land, LP Crown Oil Partners, LP H. Jason Wacker Kaleb Smith Deane Durham Mike Moylett Post Oak Mavros II, LLC Sortida Resources, LLC

**EXHIBIT A-22-d** 

### Summary of Contacts Case No. 24900

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted working interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership	Date	Proposal	Follow Up
	Type	Proposal	Letter	
		<b>Letter Sent</b>	Received	
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC

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

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

**CASE NO.**  $\frac{24901}{}$ 

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
  - 3. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. **Rope State Com 704H** and **Rope State Com 804H** wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19; and
  - 4. The producing area for the wells is expected to be orthodox.

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

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

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

- B. Designating Franklin as operator of this unit and the well to be drilled thereon;
- C. Authorizing Franklin to recover its costs of drilling, equipping and completing the well;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr. Deana M. Bennett Yarithza Peña Post Office Box 2168 500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168 Telephone: 505.848.1800

edebrine@modrall.com deana.bennett@modrall.com yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

case No. 24901: Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 704H and Rope State Com 804H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

<u>C-10</u>	•	<u> 2/9/2024 1:</u>		ergy, Mi		ıral R	lesources Departi	ment		Revis	_ <i>Page 183</i> sed July 9, 2024
	t Electronicall D Permitting	У		OIL	CONSERVA	ATIO	ΓΙΟΝ DIVISION		☑ Initial Submittal		tal
Via OC	D Fermitting								Submitta		
									Type:	☐ As Drilled	
			1		WELL LOCA	ATION	N INFORMATION				
API Number Pool			Pool Code	Pool Code 970			Pool Name  AIR STRIP, WOLFCAMP				
Property Code			Property N	Property Name			Wel			Well Number	ıH
OGRID No. 331595			Operator N						evation		
331595 Surface Owner:   State □ Fee □ Tr.			_l Tribal □ Fee	, 3,30,1					5.7		
Surrec	e o when the									, r caciar	
UL Section Township Rar		Panga	Surfa Lot Ft. from N/S			Location  Ft. from E/W	Latitude (NAD 83)		Longitude (NAD 83) County		
P	30	18S	Range 35E	Lot	338 SOUTH		1043 EAST	32.7123		-103.491593°	LEA
					Datta	un IIol	le Location				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N	Latitude (NAD 83) Longitude (NAD 83) Coun		County
A	19	18S	35E	Lot	100 NORTH		360 EAST	32.7402		-103.489428°	LEA
Dedicated Acres		fining Well Defining Well API				Overlapping Spacing Unit (Y/N) Consolidation Code					
640						N			P		
Order Numbers. Pending					Well setbacks are un	der Common (	Ownership:	: XiYes □No			
					Kick	Off Po	oint (KOP)				
UL	Kick Off Point (KOP)  Section Township Range Lot Ft. from N/S Ft. from E/W Latitude (NAD 83) Longitude (NAD 83)		Longitude (NAD 83)	County							
P	30	18S	35E		53 SOUTH	I	334 EAST	32.7116	503°	-103.489286°	LEA
	-	1			First	Take F	Point (FTP)				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County
P	30	18S	35E		626 SOUTH	Н	358 EAST	32.7131	176°	-103.489369°	LEA
			1		Last 7	Take P	Point (LTP)				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N	AD 83) I	Longitude (NAD 83)	County
A	19	18S	35E		100 NORTI	Н	360 EAST	32.7402	261°	-103.489428°	LEA
Their day and American Internal Control Internal			rizontal □ Vertical Ground Floor Elevation:								
Unitized Area or Area of Uniform Interest Spacing Unit Type \(\mathbb{T}\) Horiz				iizoina	ar 🔝 verticar	Gloui	IG FIOOI ER	evation.			
OPER.	ATOR CERT	TIFICATIONS				SU	JRVEYOR CERTIFI	ICATIONS			
I hereby certify that the information contained herein is true and complete to the best of					I hereby certify that the well location shown on this play was plotted from the field notes of actual						
my knowledge and belief, and, if the well is a vertical or directional well, that this organization either owns a working interest or unleased mineral interest in the land			sur	I hereby certify that the well location shows on this pist was plotted from the field notes of actual surveys made by me or under my supervision, and like the same is true and correct to the best of my belief.							
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 a working interest or unleased mineral					,	1 QY	N MEX	//4/			
interest	, or to a volunte	ary pooling agree			ng order heretofore					Ö\	
	by the division							12 / X	23/18/2	AX)	
consent	of at least one	lessee or owner o	of a working inte	rest or unlea	n has received the used mineral interest	t		NOW!	1-13-24		
					ne well's completed n the division.			1000	10-29	JR	
interval will be focated or obtained a compulsory pooling order from the division.								ONAL			

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

23782

Certificate Number

Signature and Seal of Professional Surveyor

February 21, 2024

Date of Survey

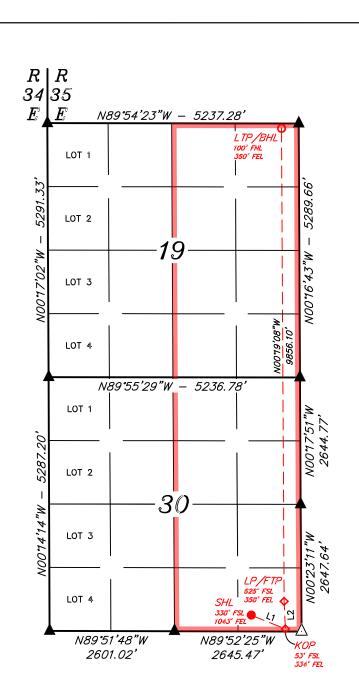
Rachael Overbey

rover bey@fmellc.comEmail Address

Printed Name

10/29/2024

Well Number Property Name Drawn By Revised By ROPE STATE COM 704H N.R. 02-23-24 REV: 2 T.I.R. 11-13-24 (UPDATE BHL)

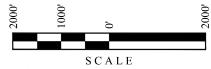


NAD 83	(SURFACE HOLE LOCATION)
LATITU	DE = 32°42'44.63" (32.712396°)
LONGIT	TUDE = -103°29'29.73" (-103.491593°)
NAD 27	(SURFACE HOLE LOCATION)
LATITU	DE = 32°42'44.18" (32.712272°)
	TUDE = -103°29'27.96" (-103.491099°)
	PLANE NAD 83 (N.M. EAST)
	28.87' E: 800233.27'
	PLANE NAD 27 (N.M. EAST)
N: 62386	64.56' E: 759053.54'
NAD 83	(KICK OFF POINT)
LATITU	DE = 32°42'41.77" (32.711603°)
LONGIT	TUDE = -103°29'21.43" (-103.489286°)
	(KICK OFF POINT)
	TDE = 32°42'41.32" (32.711479°)
	TUDE = -103°29'19.65" (-103.488793°)
	PLANE NAD 83 (N.M. EAST)
	45.89' E: 800945.05'
	PLANE NAD 27 (N.M. EAST)
N: 62358	81.61' E: 759765.31'
	(LP/FTP)
	DE = 32°42'47.43" (32.713176°)
	TUDE = -103°29'21.73" (-103.489369°)
	(LP/FTP)
LATITU	DE = 32°42'46.99" (32.713052°)
LATITU LONGIT	TUDE = -103°29'19.95" (-103.488876°)
LATITU LONGIT STATE	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST)
LATITU LONGIT STATE N: 62421	FUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06'
LATITU LONGIT STATE N: 62421 STATE	[UDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST)
LATITU LONGIT STATE N: 62421 STATE N: 62415	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33'
LATITU LONGIT STATE N: 62421 STATE N: 62415 NAD 83	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33' (LTP/BHL)
LATITU LONGIT STATE N: 62421 STATE N: 62415 NAD 83 LATITU	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33' (LTP/BHL) IDE = 32°44'24.94" (32.740261°)
LATITU LONGIT STATE N: 62421 STATE N: 62415 NAD 83 LATITU LONGIT	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 35.76' E: 759735.33' (LTP/BHL) IDE = 32°44'24.94" (32.740261°) TUDE = -103°29'21.94" (-103.489428°)
LATITU LONGIT STATE N: 62421 STATE N: 62415 NAD 83 LATITU LONGIT NAD 27	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33' (LTP/BHL) TÜDE = 32°44'24.94" (32.740261°) TÜDE = 103°29'21.94" (-103.489428°) (LTP/BHL)
LATITU LONGIT STATE N: 62421 STATE N: 62415 NAD 83 LATITU LONGIT NAD 27 LATITU	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33'  (LTP/BHL) TUDE = 32°44'24.94" (32.740261°) TUDE = -103°29'21.94" (-103.489428°) (LTP/BHL) TUDE = 32°44'24.49" (32.740137°)
LATITU LONGIT STATE N: 62421 STATE N: 62415 NAD 83 LATITU LONGIT LATITU LONGIT	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33' (LTP/BHL) TUDE = 32°44'24.94" (32.740261°) TUDE = -103°29'21.94" (-103.489428°) (LTP/BHL) TUDE = 32°44'24.49" (32.740137°) TUDE = -103°29'20.16" (-103.488934°)
LATITU LONGITI STATE N: 62421 STATE N: 62412 N: 62412 N: 62412 LATITU LONGITI LATITU LONGITI STATE	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33'  (LTP/BHL) IDE = 32°44'24.94" (32.740261°) TUDE = -103°29'21.94" (-103.489428°) (LTP/BHL) IDE = 32°44'24.49" (32.740137°) TUDE = -103°29'20.16" (-103.488934°) PLANE NAD 83 (N.M. EAST)
LATITU LONGITI STATE N: 6242: N: 6241: NAD 83 LATITU LONGITI NAD 27 LATITU LONGITI STATE N: 6340:	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33'  (LTP/BHL) TDE = 32°44'24.94" (32.740261°) TUDE = -103°29'21.94" (-103.489428°) (LTP/BHL) TDE = 32°44'24.49" (32.740137°) TUDE = -103°29'20.16" (-103.488934°) PLANE NAD 83 (N.M. EAST) 72.08' E: 800818.39'
LATITU LONGITI STATE N: 6242: N: 6241: N: 6241: NAD 83 LATITU LONGITI LATITU LONGITI STATE N: 63407 STATE	TUDE = -103°29'19.95" (-103.488876°) PLANE NAD 83 (N.M. EAST) 18.06' E: 800915.06' PLANE NAD 27 (N.M. EAST) 53.76' E: 759735.33'  (LTP/BHL) IDE = 32°44'24.94" (32.740261°) TUDE = -103°29'21.94" (-103.489428°) (LTP/BHL) IDE = 32°44'24.49" (32.740137°) TUDE = -103°29'20.16" (-103.488934°) PLANE NAD 83 (N.M. EAST)

LINE TABLE				
LINE	DIRECTION	LENGTH		
L1	S68°04'33"E	766.09'		
L2	N02*45'26"W	573.05'		

## NOTE:

- Distances referenced on plat to section
- lines are perpendicular.
  Basis of Bearings is a Transverse
  Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
- Section breakdown information for this plan may be obtained from Uintah Engineering and Land Surveying.
- = SURFACE HOLE LOCATION
- ♦ = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- = LAST TAKE POINT/ BOTTOM HOLE LOCATION
- ▲ = SECTION CORNER LOCATED
- $\triangle$  = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)
- = DRILLING SPACING UNIT



<u>C-10</u>	•	2/9/2024 1:	State of New Mexico Energy, Minerals & Natural Resources Department					Revised July 9, 2024			
	Electronical			OIL (	CONSERVA	TI	ΓΙΟΝ DIVISION			☑ Initial Submit	tal
Via OC	D Permitting								Submitta		
									Type:	☐ As Drilled	, or t
					WELL LOCA	ATION INFORMATION					
API Number F			T			Po	Pool Name  AIR STRIP, WOLFCAMP				
Property Code			Property Na	rty Name			Well Number			III	
OGRID No.			Operator N						evation		
331595 Surface Owner: ☐ State ☐ Fee ☐ Tri			   Tribal □ Fed	FRANKLIN MOUNTAIN ENERGY 3, LLC 3939.0  deral Mineral Owner: ☑ State ☐ Fee ☐ Tribal ☐ Federal				9.0'			
Surface	e Owner.	State Lifet L	1 1110an 🗀 1 cc	lorar			Willicial Owner. K	, and the t			
	1	_	1		1	rface	Location				
UL	Section	Township	Range	Lot			Ft. from E/W	Latitude (N.	′	Longitude (NAD 83)	
Р	30	18S	35E		338 SOUTH	1	1103 EAST	32.7123	.97,°	-103.491788°	LEA
		Bottom Hole Location									
UL A	Section 19	Township 18S	Range 35E	Lot	Ft. from N/S 100 NORTH	Н	Ft. from E/W 925 EAST	Latitude (N. 32.7402		Longitude (NAD 83) -103.491265°	County LEA
Dedicated Acres Infill or Definit		ning Well Defining Well API				Overlapping Spacing Unit (Y/N) Consolidation Code					
640						N		P			
Order Numbers. Pending							Well setbacks are und	ler Common (	Ownership	o:□Yes □No	
					Kick	Off I	Point (KOP)				
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
P	30	18S	35E		55 SOUTH	I	840 EAST	32.7116	515°	-103.490930°	LEA
					First 7	Take	Point (FTP)	!			
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
P	30	18S	35E		623 SOUTH	I	907 EAST	32.7131	78°	-103.491155°	LEA
	1			1	Last 7	Гаке	Point (LTP)	l			
UL	Section	Township	Range	Lot	Ft. from N/S		Ft. from E/W	Latitude (N.	AD 83)	Longitude (NAD 83)	County
A	19	18S	35E		100 NORTH	H	925 EAST	32.7402	69°	-103.491265°	LEA
Their day of American Control of the			mi a o n	tal 🗖 Vartical	Crour	ıd Floor E	lovation				
Unitized Area or Area of Uniform Interest Spacing Unit Type \(\mathbb{\text{Z}}\) Hor			rizon	nai 🔲 verticai	Groun	ia Floor E	ievation:				
OPERA	ATOR CERT	TIFICATIONS				5	SURVEYOR CERTIFIC	CATIONS			
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and, if the well is a vertical or directional well, 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 a working interest or unleased mineral interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.				s	t hereby certify that the well surveys made by me or unde ny belief.						
If this well is a horizontal well, I further certify that this organization has received the consent of at least one lessee or owner of a working interest or unleased mineral interest in each tract (in the target pool or formation) in which any part of the well's completed interval will be see that or obtained a compulsory pooling order from the division.							Trong 11	1-13-2 2000 l	4 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		

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

23782

Certificate Number

Signature and Seal of Professional Surveyor

February 21, 2024

Date of Survey

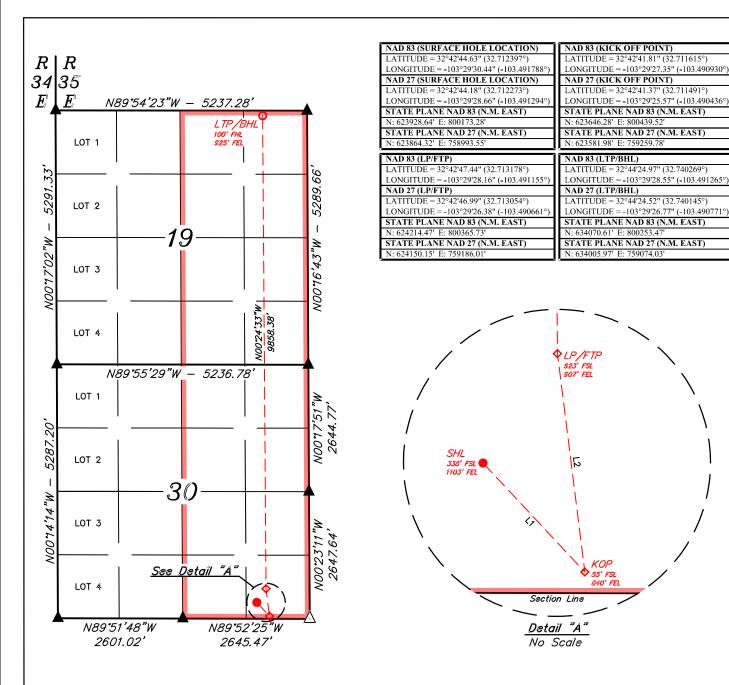
Rachael Overbey

rover bey@fmellc.comEmail Address

Printed Name

10/29/2024 Date

Property Name Well Number Drawn By Revised By ROPE STATE COM 804H N.R. 02-23-24 REV: 2 T.I.R. 11-13-24 (UPDATE BHL)



	LINE TAB	LE
LINE	DIRECTION	LENGTH
L1	S43°04'26"E	388.15'
L2	N07°09'23"W	573.05'

## NOTE:

- Distances referenced on plat to section lines are perpendicular.
  - Basis of Bearings is a Transverse Mercator Projection with a Central Meridian of W103°53'00" (NAD 83)
- Section breakdown information for this plan may be obtained from Uintah Engineering and Land Surveying.
- = SURFACE HOLE LOCATION
- = KICK OFF POINT/LANDING POINT/FIRST TAKE POINT
- O = LAST TAKE POINT/
  BOTTOM HOLE LOCATION
- $\triangle$  = SECTION CORNER LOCATED
- △ = SECTION CORNER
   RE-ESTABLISHED.
   (Not Set on Ground.)
- = DRILLING SPACING UNIT



| Sheet 2 of 2 Released to Imaging: 12/10/2024 11:16:47 AM

## EXHIBIT A-23-b

# Case No. 24901 Unit Summary

## Case No. 24901 E/2E/2 of Sections 19 & 30-T18S-R35E

320.00 Acres Rope State Com 704H Rope State Com 804H

> (Lot 1) 38.32

		Rope State Com 804H	804H			
(Lot 2)						
38.31						
	19	Proposed Wolfcamp Unit		Committed Working Interest	kingInterest	
(Lot 3)	  -    -		Franklin N	Franklin Mountain Energy 3, LLC	O	69.3750%
38.31						
			Committe	Ommitted Interest Total		69.3750%
(Lot 4)		Tract 1 (80 Acres)		<b>Uncommitted Working Interest</b>	prking Interest	
38.30			MRCPerm	MRC Permian Company		29.3750%
			Axis Energ	Axis Energy Corporation		1.2500%
(Lot 1)						
38.33		Iract 2 (80 Acres)	Uncommi	Uncommitted Interest Total		30.6250%
(Lot 2)			Total:			100.000%
38.39		Tract 3 (80 Acres)				
	30					
(Lot 3)	) <u>-</u>					ſ
38.45			Tract	Lease	%	
		Tract 4 (80 Acres)	1	VB-1499	25.0000%	
(Lot 4)			2	VB-1478	25.0000%	
38.51			3	V0-9145	25.0000%	
			4	VB-2312	25.0000%	



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

> \$7,500 \$186,500

\$2,500 \$32,500 \$25,000 \$500 \$15,000

\$544,00 \$464,000 \$5,500 \$11,500 \$500 \$0 \$6,400 \$5,700

\$249,000 \$3,500 \$2,358,500

\$2,358,500 \$30,000 \$103,500 \$234,500 \$1,000 \$104,500

\$120.00

\$231,045 \$4,851,945

Amount \$175,000 \$20,000

\$150,000

\$50.000

\$125,000

AUTHORITY FOR EXPENDITURE
Well Name: Rope State Com 704F Rope State Com 704H

Location: Operator: Purpose:

SHL: Sec 30-T18S-R35E 338 FSL 1043 FEL BHL: Sec 19-T18S-R35E 100 FNL 360 FEL Franklin Mountain Energy 3, LLC

Drill and complete a 10,000' WCA well TVD 10,733', MD 20,733'.

Well #: County/State: Lea Co., NM

Date Prepared: 8/13/2024

AFE#:

240

DCE240813

Intangible Completion Costs

Description
ADMINISTRATIVE OVERHEAD
CASED HOLE LOGS & SURVEYS
CASING CREW & EQPT
COILED TUBING/SNUBBING UNIT

COLLED TUBING/SNUBBING UNIT COMMUNICATIONS COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION ENGINEERING ENVIRONMENTAL/CLEANUP EIGHBLE TOOL & SERVINGER

ENVIRONMENTAL/CLEANUP
ISHING TOOLS / SERVICES
FULIDS/HAULING/DISPOSAL
FRAC WATER/COMPLETION FLUID
FUEL, POWER/DIESEL
HEALTH & SAFETY
HOUSING AND SUPPORT SERVICES
MATERIALS & SUPPLIES
MATERIALS & SUPPLIES
MISCELLANDUP

MISCELLANEOUS
MUD & CHEMICALS
P&A/TA COSTS
PERFORATING/WIRELINE SERVICE
PIPE INSPECTION
ROAD, LOCATIONS REPAIRS

STIMULATION
SUBSURFACE EQUIPMENTAL RENTAL
SUBSURFACE EQUIP RENTAL
TRANSPORTATION/TRUCKING
WATER TRANSFER
WELLDING SERVICES
WELL TESTING/FLOWBACK
TAYES

MISCELLANEOUS

STIMULATION

Major	Minor	Description	Amount
225	5	ADMINISTRATIVE OVERHEAD	\$4,00
225	10	CASING CREW & EQPT	\$55,00
225	15	CEMENTING INTERMEDIATE CASING	\$28,00
225	16	CEMENTING PRODUCTION CASING	\$85,0
225	20	CEMENTING SUFACE CASING	\$42,00
225	25	COMMUNICATIONS	\$31,00
225	30	COMPLETION FLUIDS	\$6,00
225	34	CONSTRUCTION/LOCATION & ROAD	\$75,00
225	40	CONTRACT LABOR	\$80,00
225	45	DAMAGES	\$15,00
225	50	DAYWORK CONTRACT	\$654,30
225	55	DRILLING - DIRECTIONAL	\$245,00
225	60	DRILLING - FOOTAGE	
225	65	DRILLING BITS	\$65,00
225	70	ELECTRICAL POWER\GENERATION	
225	75	ENGINEERING	\$20,00
225	80	ENVIRONMENTAL SERVICES	\$250,00
225	84	EQUIPMENT RENTAL DOWNHOLE	\$60.00
225	85	EQUIPMENT RENTAL	\$80.00
225	90	FISHING TOOLS/SERVICES	300,00
225	95	HEALTH & SAFETY	\$7.00
225	100	HOUSING AND SUPPORT SERVICES	\$35,00
225	105	INSURANCE	\$3,60
225	106	INSPECTIONS	\$15,00
225	110	LEGAL, TITLE SERVICES	\$6,00
225	115	MATERIALS & SUPPLIES	\$5,00
225	120	MISCELLANEOUS	\$5,00
225	125	MOUSE/RATHOLE/CONDUCT PIPE	\$31,00
225	130	MUD & CHEMICALS	\$210,00
225	140	OPENHOLE LOGGING	3210,00
225	141	CASED HOLE LOGGING	3
225	145	PERMITS, LICENSES, ETC	\$20,00
225	150	POWER FUEL & WATER HAULING	
225	155	RIG MOVE & RACKING COSTS	\$200,00 \$91.50
225	160	RIG UP TEAR OUT & STANDBY	
225	163	SITE RESTORATION	510 O
225	165	STAKING & SURVEYING	\$10,00 \$6,00
225	170	SUPERVISION	
225	175	SUPERVISION - GEOLOGICAL	\$95,00
225			\$39,00
		TRANSPORTATION/TRUCKING	\$39,00
225		TAXES CONTINGENCY COSTS 5%	\$149,22
223	33		\$138,13
		Total Intangible Drilling Costs:	\$2,900,76

**Total Intangible Completion Costs** Tangible Completion Costs 
 Major
 Minor
 Description

 245
 5
 ARTIFICIAL LIFT

 245
 15
 FLOWLINES

 245
 25
 FRAC STRING
 FRAC STRING
PACKERS/SLEEVES/PLUGS/GL MANDRELS
PRODUCTION LINER
PRODUCTION PROCESSING FACILITY
PRODUCTION TUBING
RODS/PUMPS
SUBSURFACE EQUIPMENT 245 245 40 45 50 55 60 65 75 70 245 245 245 245 245 245 WELLHEAD EQUIPMENT TAXES Total Tangible Completion Costs:

TAXES CONTINGENCY COSTS 5%

DESCRIPTION
INTERMEDIATE CASING & ATTACHMENTS
PACKERS/SLEEVES/PLUGS
PRODUCTION CASING & ATTACHMENTS 230 230 230 230 230 230 \$66,000 \$594,000 SURFACE CASING & ATTACHMENTS WELLHEAD EQUIPMENT/CASING BOWL \$105,000 TAXES Total Tangible Drilling Costs:

Major	Minor	Description	Amount
270	10	FACILITY PIPE/VALVES/FITTINGS	\$125,000
270	15	CONTAINMENT	SO
270	25	DEHYDRATION	so
270	30	PRIMARY POWER MATERIALS	\$13,000
270	50	FLOWLINES / PIPELINE / HOOKUP	\$57,000
270	60	H2S TREATING EQUIPMENT	02
270	65	SEPARATION EQUIPMENT	\$124,000
270	66	ROAD/LOCATION/FENCING/REPAIRS	\$0
270	75	PRE-FABRICATED SKIDS	so
270	86	FACILITY SURFACE EQUIPMENT	\$58,000
270	90	H2S SAFETY SYSTEM	\$4,000
270	100	CONTROL / INSTRUMENT / METERS / SCADA	\$50,000
270	110	TANKS & WALKWAYS	\$40,000
270	130	MECHANICAL BATTERY BUILD	\$118,000
270	132	EI&C BATTERY BUILD	\$45,000
270	134	CONTROLS AND SCADA BATTERY BUILD	\$4,000
270	136	PRIMARY POWER BUILD	\$13,000
270	138	FLOWLINE INSTALLATION	\$27,500
270	140	SIGNAGE	\$250
270	125	TAXES	\$37,331
		Total Tangible Facility Costs:	\$716,081

Total Drill:	\$3,951,540.25
Total Completion:	\$5,400,545.00
Total Facility:	\$804,260.25
Total DC Intangible:	\$7,752,705.25
Total DC Tangible:	\$1,599,380.00

Major	Minor	Description	Amount
265	5	CONSULTING	\$18,000
265	12	COMPANY DIRECT LABOR	\$0
265	20	DAMAGES/ROW/PERMITS, ETC	\$40,000
265	22	PAD/ROAD CONSTRUCTION	\$5,000
265	25	ENGINEERING / SCIENCE	\$13,000
265	40	HEALTH/SAFETY/ENVIRONMENTAL	\$0
265	45	CONTRACT LABOR & SERVICES	\$0
265	60	OVERHEAD	\$3,000
265	80	SURVEY / PLATS / STAKINGS	\$800
265	85	TRANSPORTATION / TRUCKING	\$0
265	83	TAXES	\$4,389
265	10	CONTINGENCY COSTS 5%	\$3,990
		Total Intangible Facility Costs:	\$88,179

	-

Office Use Only:

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

Operator	Franklin Mountain Engray 3,	LLC
Approved By:	CR.	4
	Craig R. Walter Chief Executive Officer	9

Date

8/13/2024

WI Owner

Title:

ALL PARTICIPANTS MUST CARRY THEIR OWN CONTROL OF WELL INSURANCE AND ATTACH A CERTIFICATE OF INSURANCE TO THIS ELECTION OR INSURE WITH FME3

Approved By Printed Name:



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

225 S 225 S 225 I 225 I 226 I 227 I 228 I 228 I 228 I 229 I	Intangible Drilling Costs  F. Description  ADMINISTRATIVE OVERHEAD  CASING CREW & EOPT  CEMENTING INTERMEDIATE CASING  CEMENTING PRODUCTION CASING  CEMENTING SUFACE CASING  COMMUNICATIONS  COMPLETION FLUIDS  CONSTRUCTIONALOCATION & ROAD  CONTRACT LABOR  DAMAGES  DAYWORK CONTRACT  DRILLING - DIRECTIONAL  DRILLING - FOOTAGE  DRILLING - FOOTAGE  DRILLING - BURNESSENERATION  ENGINEERING  ENVIRONMENTAL SERVICES  EQUIPMENT RENTAL  FISHING TOOL SSERVICES  HEALTH & SAFETY  HOUSING AND SUPPORT SERVICES  INSPECTIONS  LEGAL, TITLE SERVICES  MATERIALS & SUPPLIES  MISCELLANGOUS  MOUSERATHOLE/CONDUCT PIPE  MUD & CHEMICALS  OPENHOLE LOGGING  CASED HOLE LOGGING  CASED HOLE LOGGING  PERMITS, LICENSES, ETC  POWER FUEL & WATER HAULING  RIG MOVE & RACKING COSTS  RIG MOYER ACKING STANDBY  STER RESTORATION  STAKING & SURPEVING  SUPERVISION  STAKING & SURPEVING  SUPERVISION	Amount \$6,600 \$60,000 \$58,6000 \$130,000 \$42,000 \$36,000 \$37,6051 \$30,000 \$15,0000 \$15,0000 \$15,0000 \$20,0000 \$30,000 \$42,000 \$310,0000 \$42,000 \$57,0000 \$57,0000 \$57,0000 \$57,0000 \$57,0000 \$50,	Mujer, 240 240 240 240 240 240 240 240 240 240	Minor 10 15 5 10 10 15 50 50 55 50 62 65 70 71 72 75 80 85 100 95 110 115 120 125 130 135 140	Intangible Completion Costs  Description  ADMINISTRATIVE OVERHEAD  CASED HOLE JOGS & SURVEYS  CASING CREW & EQPT  COILED TURNINGSWUBBING UNIT  COMMUNICATIONS  COMPLETIOD: WORKOVER RIG  CONTRACT LABOR ROUSTABOUTS  DAMAGES/RECLAMATION  DISPOSAL SOLIDS  ELECTRICAL POWER/GENERATION  ENGINEERING  ENVIRONMENTAL/CLEANUP  FISHING TOOLS / SERVICES  FLUIDS/HAULING/DISPOSAL  FRAC WATER/COMPLETION FLUID  FUEL, POWER/DISSEL  HEALTH & SAFETY  HOUSING AND SUPPORT SERVICES  MATERIALS & SUPPLIES  MISCELLANEOUS  MUD & CHEMICALS  PERFORATING/WIRELINE SERVICE  PERFORATING/WIRELINE SERVICE  PERFORATING/WIRELINE SERVICE  PERFORATING/WIRELINE SERVICE  ROAD  ROAD, LOCATIONS REPAIRS  STIMULATION		Amount 5100 57 5186 5186 5186 5186 5186 5186 5186 5186
225 5 5 5 5 5 5 5 5 6 5 6 5 6 5 6 5 6 5	R. Description ADMINISTRATIVE OVERHEAD CASING CREW & FOPT CEMENTING INTERMEDIATE CASING CEMENTING PRODUCTION CASING CEMENTING PRODUCTION CASING CEMENTING SUFACE CASING COMMUNICATIONS COMPANICATIONS COMPANICATIONS CONSTRUCTIONALOCATION & ROAD CONTRACT LABOR DAMAGES DAYWORK CONTRACT DRILLING - FOOTAGE DRILLING - FOOTAGE DRILLING BITS ELECTRICAL POWERIGENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIEOUS MOUSERATHOLE/CONDUCT PIPE MID & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LECENSES, ETC POWER FUEL & WATER HAULING RIGH WOVE & RACKING COSTS RIGH UP TEAR BUT SHANDBY SITE RESTORATION STAKING SURVEYING	\$6,000 \$60,000 \$58,000 \$130,000 \$42,000 \$36,000 \$74,651 \$80,000 \$15,000 \$15,000 \$15,000 \$15,000 \$20,000 \$310,000 \$310,000 \$45,000 \$57,000 \$45,000 \$57,000 \$45,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000 \$57,000	240 240 240 240 240 240 240 240 240 240	5 10 20 25 30 35 45 50 62 65, 70 71 72 75 80 85 90 100 115 120 125 130 133	Description  ADMINISTRATIVE OVERHEAD  CASED HOLE LOGS & SURVEYS  CASING CREW & EOPT  COLLED TURINGSINUBBING UNIT  COMMAN TRECT LABOR  COMPANY DIRECT LABOR  COMPANY DIRECT LABOR  CONTRACT LABORROUSTABOUTS  DAMAGES/RECLAMATION  DISPOSAL SOLIDS  ELECTRICAL POWER/GENERATION  ENGINEERING  ENVIRONMENTAL/CLEANUP  FISHING TOOLS / SERVICES  FILIDS/HAULING/DISPOSAL  FRAC WATER/COMPLETION FLUID  FPUL, POWER/DISSEL  HEALTH & SAFETY  HOUSING AND SUPPORT SERVICES  MATERIALS & SUPPLIES  MISCELLANGOUS  MUD & CHEMICALS  MUD & CHEMICALS  PRA/TA COSTS  MUD & CHEMICALS  PRA/TA COSTS  PERFORATING/WIRELINE SERVICE  PIPE INSPECTION  ROAD, LOCATIONS REPAIRS		\$100 \$77 \$1866 \$22 \$322 \$252 \$315 \$315 \$399 \$5444 \$5546 \$55 \$111 \$35 \$249 \$33 \$22,378
225 10 228 15 228 15 229 16 229 227 225 20 225 20 225 240 225 240 225 240 225 240 225 240 225 40 225	CASING CREW & EQFT CEMENTING INTERMEDIATE CASING CEMENTING SUFACE CASING CEMENTING SUFACE CASING COMMUNICATIONS COMPLETION FLUIDS CONSTRUCTIONALOCATION & ROAD CONTRACT LABOR DAMAGES DAYWORK CONTRACT DRILLING - DIRECTIONAL DRILLING - FOOTAGE DRILLING BITS ELECTRICAL POWER/GENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS CASE OF THE SERVICES MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LIECNISES RIG UP TEAR LEGNISES RIG UP TEAR LOGUNS CASED HOLE LOGGING PERMITS, LIECNISES, ETC POWER FUEL & WATER HAULING RIG UP TEAR GUT & STANDBY SITE RESTORATION STAKING SURVEYING	\$60,000 \$58,600 \$130,000 \$42,000 \$3,000 \$5,000 \$74,651 \$80,000 \$762,300 \$15,000 \$30,000 \$31,000 \$30,000 \$31,000 \$31,000 \$31,000 \$30,000 \$31,000 \$30,000 \$31,000	240 240 240 240 240 240 240 240 240 240	15 20 25 30 35 45 50 62 65 70 71 72 75 80 95 100 115 120 125 130 133	CASED HOLE LOGS & SURVEYS CASING CREW & EQPT COLLED TURINGSINUBBING UNIT COMMUNICATIONS COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG CONTRACT LABORROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWERGENERATION ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS/SERVICES FILIDS/HAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FPULL POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANBOUS MUD & CHEMICALS PRACTA COSTS MUD & CHEMICALS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$77 \$186 \$22 \$25 \$315 \$399 \$544 \$464 \$55 \$111 \$35 \$249 \$35 \$249
228   15   2224   16   225   23   24   24   24   24   24   24   24	CEMENTING INTERMEDIATE CASING CEMENTING PRODUCTION CASING CEMENTING PRODUCTION CASING CEMENTING SUFACE CASING COMMUNICATIONS COMPLETION FLUIDS CONSTRUCTION/LOCATION & ROAD CONTRACT LIBOR DAMAGES DAYWORK CONTRACT DRILLING - DIRECTIONAL DRILLING - FOOTAGE DRILLING - FOOTAGE DRILLING BITS ELECTRICAL POWER/GENERATION ENGINEERING ENVERONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL HISTOLIC SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MID & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING SURVEYING	\$58,000 \$130,000 \$42,000 \$36,000 \$74,651 \$80,000 \$15,000 \$15,000 \$15,000 \$15,000 \$20,000 \$310,000 \$310,000 \$42,000 \$42,000 \$45,000 \$45,000 \$45,000 \$45,000 \$50,000	240 240 240 240 240 240 240 240 240 240	15 20 25 30 35 45 50 62 65 70 71 72 75 80 95 100 115 120 125 130 133	CASING CREW & EQPT COLLED TUBING/SNUBBING UNIT COMMUNICATIONS COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG CONFIRACT LABOR ROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FULIDS/HAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FULL, POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS PRACTA COSTS PRENTOCH SERVICE PRENTING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$186 \$2 \$32 \$25 \$15 \$15 \$399 \$544 \$55 \$311 \$26 \$249 \$32 \$23 \$25 \$249
225   16 225   25 225   25 225   25 225   30 225   30 225   30 225   40 225   50 225	CEMENTING SUFACE CASING COMMUNICATIONS COMPLETION FLUIDS CONSTRUCTIONALOCATION & ROAD CONTRACT LABOR DAMAGES DAYWORK CONTRACT PRILLING - PORTOR PORTO	\$13,0,000 \$42,000 \$36,000 \$74,651 \$80,000 \$774,651 \$80,000 \$762,300 \$15,000 \$30,000 \$310,000 \$310,000 \$40,000 \$40,000 \$45,000 \$45,000 \$45,000 \$55,000 \$45,000 \$55,000 \$55,000 \$51,000 \$50,000	240 240 240 240 240 240 240 240 240 240	20 25 30 35 45 50 62 65 70 71 72 75 80 95 100 115 120 125 130	COLLED TURNIGENSUBBING UNIT COMMENICATIONS COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS/SERVICES FLUIDS/HAULI/NG/DISPOSAL FRAC WATER/COMPLETION FLUID FREIL, POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANGOUS MUD & CHEMICALS P&ATA COSTS UNIC CONTROL OF THE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$32 \$25 \$15 \$15 \$395 \$544 \$44 \$45 \$5 \$11 \$6 \$5 \$249 \$3 \$2,358
225 25 25 25 225 34 2225 46 225 25 26 26 27 225 27 26 27 27 27 27 27 27 27 27 27 27 27 27 27	COMMUNICATIONS COMPLETION FLLIDS CONSTRUCTIONALOCATION & ROAD CONTRACT LABOR DAMAGES DAYWORK CONTRACT PRILLING - DIRECTIONAL DRILLING - FOOTAGE DRILLING IN FOOTAGE DRILLING BOTS ELECTRICAL POWERIGENERATION ENGINEERING ENGI	\$42,000 \$36,000 \$36,000 \$74,651 \$80,000 \$15,000 \$15,000 \$315,000 \$20,000 \$310,000 \$30,000 \$42,000 \$4,200 \$4,200 \$4,200 \$5,5000 \$5,5000 \$31,0000 \$5,5000 \$5,5000 \$5,5000 \$31,0000 \$5,5000 \$5,5000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000 \$31,0000	240 240 240 240 240 240 240 240 240 240	30 35 45 50 55 60 62 65 70 71 72 75 80 85 90 95 100 115 120 125 125 133	COMMUNICATIONS COMPANY DIRECT LABOR COMPLETION/WORKOVER RIG CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FULIDS/HAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FPULI, POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS PRACTA COSTS PRESPECTION PROPRIESE PRACTA COSTS PRESPECTION ROOAL CONTROL SERVICE PIPE INSPECTION ROOAL COCATIONS REPAIRS		\$32 \$32 \$25 \$15 \$15 \$399 \$544 \$46 \$5 \$11 \$249 \$3 \$2,358
225 30 225 30 225 40 225 45 225 55 225 55 225 65 225 75 225 75 225 100 225 100 225 100 225 110	COMPLETION FLUIDS CONSTRUCTIONA, OCATION & ROAD CONTRACT LABOR DAMAGES DAYWORK CONTRACT DRILLING - DIECTIONAL DRILLING - DIECTIONAL DRILLING - DIECTIONAL DRILLING BITS ELECTRICAL POWER:GENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIEOUS MOUSERATHOLE/CONDUCT PIPE MID & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MY PERMITS STAKING SERVICES STAKING OF SERVICES RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING SERVICES STAKING	\$6,000 \$74,651 \$80,000 \$15,000 \$15,000 \$20,000 \$20,000 \$310,000 \$40,000 \$40,000 \$41,000 \$50,00	240 240 240 240 240 240 240 240 240 240	35 45 50 55 60 62 65 70 71 72 75 80 85 90 110 115 120 125 130	COMPLETION/WORKOVER RIG CONTRACT LABOR/ROUSTABOUTS DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FULIDS/HAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FPULI, POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS PRAYTA COSTS PREFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$33 \$22 \$15 \$15 \$54 \$46 \$5 \$11 \$2 \$2 \$2 \$3 \$2,358
225	CONTRUCTIONA, OCATION & ROAD CONTRACT LABOR DAMAGES DAYWORK CONTRACT DRILLING - DIRECTIONAL DRILLING - FOOTAGE DRILLING BITS ELECTRICAL POWER;GENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANIOUS MOUSSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAILING RIG MOYE & RACKING COSTS RIG MOYE & RACKING SURVEYING	\$74,651 \$80,000 \$15,000 \$762,300 \$130,000 \$20,000 \$310,000 \$310,000 \$80,000 \$80,000 \$45,000 \$45,000 \$15,000 \$315,000 \$315,000 \$310,000 \$31	240 240 240 240 240 240 240 240 240 240	45 50 55 60 62 65 70 71 72 75 80 85 90 95 100 110 125 130 135	CONTRACT LABORROUSTABOUTS DAMAGESRECLAMATION DISPOSAL SOLIDS ELECTRICAL POWERGENERATION ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FLUIDS/HAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FUEL, POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANGOUS MUD & CHEMICALS P&ATTA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$22 \$11 \$99 \$54 \$46 \$5 \$1 \$24 \$24 \$24 \$24 \$24 \$24 \$24 \$24 \$24 \$24
225 40 225 45 225 55 225 56 225 66 225 67 225 77 225 78 225 106 225 106 225 106 225 106 225 110 225 11	CONTRACT LABOR DAMAGES DAYWORK CONTRACT DAMAGES DAYWORK CONTRACT DRILLING - DIRECTIONAL DRILLING BITS ELECTRICAL POWERIGENERATION EINGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCRELIANIEOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENIOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING SURVEYING	\$80,000 \$15,000 \$15,000 \$15,000 \$20,000 \$31,000 \$30,000 \$40,000 \$45,000 \$4,200 \$5,000	240 240 240 240 240 240 240 240 240 240	50 55 60 62 65 70 71 72 75 80 85 95 100 115 125 130 135	DAMAGES/RECLAMATION DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION ENGINEERING ENGINEERING ENGINEERING ENGINEERING FISHING TOOLS / SERVICES FILIDS/HAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FPULL, POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS P&A/TA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$1 \$9 \$54 \$3 \$1 \$1 \$24 \$24
2225 45 2225 65 2225 65 2225 65 2225 67 2225 70 2225 75 2225 80 2225 75 2225 80 2225 75 2225 80 2225 75 2225 80 2225 100	DAMAGES DAYWORK CONTRACT DRILLING - DIRECTIONAL DRILLING - BOTTAGE DRILLING - BOTTAGE DRILLING BITS ELECTRICAL POWERSENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL, & WATER HAILING RIG MOVE & RACKING COSTS RIG MOVE & RACKING COST RIG MOVE PROPERTION RIG RIG MOVE PROPERTION RIG MOVE PROPERTION RIG MOVE PROPERTION RIG RIG MOVE PROPERTION RIG MOVE PROPERTION RIG MOVE PROPERTION RIG R	\$15,000 \$762,300 \$130,000 \$30 \$120,000 \$20,000 \$310,000 \$30,000 \$45,000 \$45,000 \$45,000 \$5,000 \$45,000 \$5,000 \$5,000 \$31,000 \$5,000 \$31,000 \$31,000 \$31,000 \$37,000 \$37,000	240 240 240 240 240 240 240 240 240 240	55 60 62 65 70 71 72 75 80 85 90 95 100 110 125 120 135	DISPOSAL SOLIDS ELECTRICAL POWER/GENERATION ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FLUIDSHAULING/DISPOSAL FRAC WATER/COMPLETION FLUID FUEL, POWER/DIESEL HEALTH & SAFETY HOUSING AND SLUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS P&ATTA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$9 \$54 \$46 \$ \$1 \$4 \$24 \$24 \$24
225 50 225 55 225 60 225 55 225 75 225 75 225 75 225 78 225 100 225 100 225 115 225 110 225 125 225 126 225 127 225 128 225 138 225 138	DAYWORK CONTRACT DRILLING - DURECTIONAL DRILLING - FOOTAGE DRILLING BITS ELECTRICAL POWERIGENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIEOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIGH WOVE & RACKING COSTS RIGH UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SUPPLING STAKING SEUVEVING	\$76.2,300 \$150,000 \$0 \$120,000 \$0 \$20,000 \$310,000 \$80,000 \$80,000 \$4,200 \$4,200 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000 \$5,000 \$2,000 \$278,000 \$278,000	240 240 240 240 240 240 240 240 240 240	60 62 65 70 71 72 75 80 85 90 95 100 110 115 120 125 130	ELECTRICAL POWERGENERATION ENGINEERING ENVIRONMENTALCLEANUP FISHING TOOLS / SERVICES FLUBSHAULINGDISPOSAL FRAC WATERCOMPLETION FLUID FPUEL, POWERDIESEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANGOUS MUD & CHEMICALS P&AATA COSTS PERFORATING WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$9 \$54 \$46 \$ \$1 \$ \$24 \$
225 60 225 65 225 70 225 75 225 70 225 85 225 80 225 85 225 80 225 85 225 100 225 100 225 100 225 115 225 115 225 125 125 225 116 225 125 125 225 160 225 165 225 165 225 165 225 165 225 175 225 165 225 175	DRILLING - FOOTAGE DRILLING - BOTTAGE DRILLING BOTS ELECTRICAL POWERIGENERATION ENGINEERING ENGINEERING ENGINEERING ENGINEERING EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIGOUS MOUSE/RATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$1350,000 \$0 \$120,000 \$20,000 \$310,000 \$80,000 \$80,000 \$4,200 \$13,000 \$4,200 \$13,000 \$3,5000 \$3,5000 \$31,000 \$31,000 \$27,8000 \$27,8,000 \$77,8,000	240 240 240 240 240 240 240 240 240 240	65. 70. 71. 72. 75. 80. 85. 90. 95. 100. 115. 120. 125. 130. 135.	ENGINEERING ENVIRONMENTAL/CLEANUP FISHING TOOLS / SERVICES FLUIDS/HAULING/DISPOSAL FAC WATER/COMPLETION FLUID FUEL, POWER/DIESEL HEALTHE & AFFITY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS P&A/TA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$546 \$46 \$3 \$1 \$4 \$2 \$24 \$2,356
2225 65 2225 75 2225 78 2225 80 2225 84 2225 85 2225 95 2225 95 2225 105 2225 105 2225 105 2225 106 2225 116 2225 125 2225 126 2225 127 2225 128 225 128	DRILLING BITS  ELECTRICAL POWERGENERATION ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL EQUIPMENT RENTAL FISHING TOOL SSERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIEOUS MOUSERATHOLE/CONDUCT PIPE MID & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING	\$120,000 \$20,000 \$310,000 \$80,000 \$80,000 \$7,000 \$4,200 \$13,000 \$6,000 \$5,000 \$310,000 \$310,000 \$278,000 \$278,000 \$778,000	240 240 240 240 240 240 240 240 240 240	70 71 72 75 80 85 90 95 100 110 125 130 135	FISHING TOOLS / SERVICES FILLIDS/HAULING/DISPOSAL. FRAC WATERCOMPLETION FLUID FUEL, POWER/DISSEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS P&A/TA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$54 \$46 \$ \$1 \$ \$24 \$ \$24 \$
225 70 225 70 225 80 225 84 225 84 225 87 226 90 225 95 225 90 225 95 225 100 225 105 225 106 225 106 225 115 225 120	ELECTRICAL POWERGENERATION ENGINEERING ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAILING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$00 \$20,000 \$310,000 \$60,000 \$80,000 \$7,000 \$45,000 \$15,000 \$5,000 \$310,000 \$310,000 \$278,000 \$278,000	240 240 240 240 240 240 240 240 240 240	71 72 75 80 85 90 95 100 110 115 120 125 130	FLUIDSHAULINGODISPOSAL FRAC WATERCOMPLETION FLUID FUEL, POWER/DIESEL HEALTH & SAFEITY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANGOUS MUD & CHEMICALS P&ATTA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$546 \$46 \$3 \$1 \$4 \$2 \$24 \$2,356
225 75 225 80 225 80 225 84 225 85 225 95 225 96 225 100 225 100 225 100 225 100 225 100 225 110 225 126 225 127 225 136 225 128 225 136 225 138 225 138	ENGINEERING ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL IFISHING TOOL SYSERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIEUS MISCELLANIEUS MOUSERATHOLE/CONDUCT PIPE MID & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE REISTORATION STAKING SURVEYING	\$20,000 \$31,000 \$60,000 \$80,000 \$7,000 \$45,000 \$45,000 \$5,000 \$5,000 \$31,000 \$310,000 \$320,000 \$278,000	240 240 240 240 240 240 240 240 240 240	72 75 80 85 90 95 100 110 115 120 125 130	FRAC WATERCOMELETION FLUID FUEL, POWER/DIESEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS P&ATA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$546 \$46 \$3 \$1 \$4 \$2 \$24 \$2,356
225 84 225 85 215 90 225 85 215 90 225 95 225 105 225 105 225 105 225 105 225 120 225 120 225 125 225 120 225 130 225 140 225 145 225 145 225 146 225 166 225 167 225 178 235 235 235 235 235 235 235 235 235 235	ENVIRONMENTAL SERVICES EQUIPMENT RENTAL DOWNHOLE EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANIEOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL. & WATER HAILING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$31,0,000 \$60,000 \$80,000 \$80,000 \$7,000 \$45,000 \$15,000 \$5,000 \$31,000 \$5,000 \$31,000 \$22,000 \$278,000	240 240 240 240 240 240 240 240 240 240	75 80 85 90 95 100 110 125 130 135	FUEL, POWER-DIESEL HEALTH & SAFETY HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS P&ATA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$46 \$ \$1 \$ \$ \$24 \$ \$2,35
225 85 225 95 225 96 225 100 225 100 225 100 225 100 225 100 225 110 225 110 225 110 225 110 225 110 225 125 225 126 225 126 225 126 225 140 2	EQUIPMENT RENTAL FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HALLING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$60,000 \$80,000 \$7,000 \$4,200 \$4,200 \$5,000 \$5,000 \$5,000 \$31,000 \$320,000 \$278,000	240 240 240 240 240 240 240 240 240 240	80 85 90 95 100 110 125 120 125 130	HOUSING AND SUPPORT SERVICES MATERIALS & SUPPLIES MISCELLANEOUS MUD & CHEMICALS P&ATA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$ \$1 \$ \$ \$ \$24 \$ \$2,35
225 90 225 95 225 160 225 160 225 160 225 105 225 105 225 106 225 120 225 125 225 120 225 125 225 125 225 126 225 140 225 145 225 145 225 145 225 167 225 167 225 167 225 167 225 167 225 167 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 175 225 178 225 178 225 35	FISHING TOOLS/SERVICES HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MISCELLANIGUS MISCELLANIGUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$0 \$7,000 \$45,000 \$4,200 \$15,000 \$6,000 \$5,000 \$31,000 \$31,000 \$0 \$20,000 \$278,000 \$178,000	240 240 240 240 240 240 240 240 240 240	90 95 100 110 115 120 125 130 135	MATERIALS & SUPPLIES MISCELLANGOUS MUD & CHEMICALS P&ATA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$ \$24 \$ \$2,35
225 95 225 100 225 100 225 100 225 100 225 100 225 110 225 110 225 110 225 120 225 120 225 120 225 120 225 141 225 145 225 145 225 145 225 145 225 146 225 167 225 170 225 170 225 170 225 170 225 178 225 178 225 178	HEALTH & SAFETY HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANGUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HALLING RUG MOVE & RACKING COSTS RUG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$7,000 \$45,000 \$4,200 \$15,000 \$6,000 \$5,000 \$31,000 \$310,000 \$20,000 \$278,000 \$91,500	240 240 240 240 240 240 240 240 240 240	95 100 110 115 120 125 130 135	MISCELLANEOUS MUD & CHEMICALS P&ATA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$24 \$24 \$ \$2,35
225 100 225 105 225 106 225 106 225 110 225 115 225 125 120 225 125 225 120 225 125 225 120 225 125 225 140 225 145 225 145 225 146 225 146 225 146 225 167 225 163 225 175 225 175 225 175 225 175 225 175 225 178 225 178	HOUSING AND SUPPORT SERVICES INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$45,000 \$4,200 \$15,000 \$6,000 \$5,000 \$1,000 \$310,000 \$350,000 \$20,000 \$278,000 \$91,500	240 240 240 240 240 240 240 240 240 240	100 110 115 120 125 130 135	MUD & CHEMICALS P&ATA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$24 \$24 \$ \$2,35
125 105 105 105 105 105 125 110 125 110 125 115 125 125 125 125 125 125 125 125	INSURANCE INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANGOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RU MOVE & RACKING COSTS RUG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$4,200 \$15,000 \$6,000 \$5,000 \$5,000 \$31,000 \$350,000 \$0 \$278,000 \$71,500	240 240 240 240 240 240 240 240 240	110 115 120 125 130 135	P&A/TA COSTS PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$24 \$24 \$ \$2,35
225 106 225 110 225 115 225 120 225 125 225 120 225 125 225 140 225 145 225 145 225 146 225 145 225 145 225 150 225 166 225 167 225 167 225 168 225 170 225 178 225 178	INSPECTIONS LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANIDOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$15,000 \$6,000 \$5,000 \$5,000 \$31,000 \$350,000 \$20,000 \$278,000 \$91,500	240 240 240 240 240 240 240 240	115 120 125 130 135	PERFORATING/WIRELINE SERVICE PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$24 \$ \$2,35
115   125   120   120   125   120   120   120   125   125   125   125   125   125   125   125   125   140   125   141   125   145   125   145   125   145   125   145   125   155   125   150   125   150   125   150   125   160   125   160   125   160   125   165   125   165   125   165   125   165   125   125   135   125   135   125   135	LEGAL, TITLE SERVICES MATERIALS & SUPPLIES MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$6,000 \$5,000 \$5,000 \$31,000 \$35,000 \$0 \$0 \$20,000 \$278,000 \$71,500	240 240 240 240 240 240 240	120 125 130 135	PIPE INSPECTION ROAD, LOCATIONS REPAIRS		\$2,35
120   120   120   125   126   125   125   125   125   125   125   125   125   125   125   141   125   141   125   141   125   141   125	MISCELLANIOUS MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICAL S OPENHOLE LOGGING OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FULL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$5,000 \$31,000 \$350,000 \$0 \$0 \$2,000 \$278,000 \$91,500	240 240 240 240	130 135			\$2,35
225 125 125 130 125 140 125 141 125 145 125 145 125 150 125 160 125 160 125 160 125 160 125 160 125 160 125 175 125 175 125 170 125 175 125 175 125 175 125 180 125 180 180 180 180 180 180 180 180 180 180	MOUSERATHOLE/CONDUCT PIPE MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RUG MOVE & RACKING COSTS RUG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$31,000 \$350,000 \$0 \$0 \$20,000 \$278,000 \$91,500	240 240 240	135			
25 130 25 140 25 141 25 141 25 145 25 150 25 150 25 163 25 163 25 165 25 170 25 175 25 175 25 175 25 170 25 175 25 180 25 175 25 175 25 175 25 180 25 175 25 175 25 180 25 180 25 175 25 180 25 175 25 180 25 180 26 180 27 180 28 180	MUD & CHEMICALS OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING.	\$350,000 \$0 \$0 \$20,000 \$278,000 \$91,500	240 240				
25 140 25 141 25 145 25 150 25 150 25 150 25 160 25 160 25 165 25 170 25 170 25 170 25 180 25 180 25 178 25 178	OPENHOLE LOGGING CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$0 \$0 \$20,000 \$278,000 \$91,500	240		SUBSURFACE EQUIPMENTAL RENTAL SUPERVISION		\$30
25 141 25 145 25 150 25 150 25 163 25 163 25 165 25 175 25 175 25 180 25 178 25 178 25 178 25 35	CASED HOLE LOGGING PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RIGH GOVE & RACKING COSTS RIGH UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$0 \$20,000 \$278,000 \$91,500		145	SUPERVISION SURFACE EQUIP RENTAL		\$10
25 145 25 150 25 155 25 160 25 163 25 163 25 165 25 175 25 175 25 175 25 178 25 178 25 35	PERMITS, LICENSES, ETC POWER FUEL & WATER HAULING RUG MOVE & RACKING COSTS RUG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$20,000 \$278,000 \$91,500		150	TRANSPORTATION/TRUCKING		\$23
25 155 25 160 25 163 25 165 25 165 25 170 25 175 25 180 25 178 25 35	POWER FUEL & WATER HAULING RIG MOVE & RACKING COSTS RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$278,000 \$91,500	240	155	WATER TRANSFER		\$10
25 160 25 163 25 165 25 170 25 175 25 180 25 178 25 35	RIG UP TEAR OUT & STANDBY SITE RESTORATION STAKING & SURVEYING	\$91,500	240	160	WELDING SERVICES		210
25 463 25 165 25 170 25 175 25 180 25 178 25 35	SITE RESTORATION STAKING & SURVEYING	\$0	240	165	WELL TESTING/FLOWBACK		\$12
25 165 25 170 25 175 25 180 25 178 25 35	STAKING & SURVEYING	#14 c. (b. 12)	240	148	TAXES.		
25 170 25 175 25 180 25 178 25 35		\$10,000	240	40	CONTINGENCY COSTS 5%		\$23
25 175 25 180 25 178 25 35	STATE AND STREET				Total Intangible Completion Costs:		\$4,85
25 180 25 178 25 35	SUPERVISION - GEOLOGICAL	\$95,500 \$39,000			Tangible Completion Costs		
25 35	TRANSPORTATION/TRUCKING	\$39,000	Major	Minor	Description Costs		Amou
38_ 38_	TAXES	\$164,874	245	5	ARTIFICIAL LIFT		\$17
nine Minne	CONTINGENCY COSTS 5%	\$171,131	245	15	FLOWLINES		\$20
nine Minne	Total Intangible Drilling Costs:	\$3,593,756	245	25	FRAC STRING		
nine Minne	Tangible Drilling Costs		245	40	PACKERS/SLEEVES/PLUGS/GL MANDRELS		
	Description Costs	A	245	45 50	PRODUCTION LINER		
30 10	INTERMEDIATE CASING & ATTACHMENTS	Amount \$345,000	245	55	PRODUCTION PROCESSING FACILITY PRODUCTION TUBING		10000
30 20	PACKERS/SLEEVES/PLUGS	\$66,000	245	60	RODS/PUMPS		\$150
30 25	PRODUCTION CASING & ATTACHMENTS	\$730,248	245	65	SUBSURFACE EQUIPMENT		\$50
30 35	SURFACE CASING & ATTACHMENTS	\$105,000	245	75	WELLHEAD EQUIPMENT		5125
30 45 30 40	WELLHEAD EQUIPMENT/CASING BOWL TAXES	\$61,000	245	70	TAXES		\$21
(296)	Total Tangible Drilling Costs:	\$71,899 \$1,379,147			Total Tangible Completion Costs:		\$548
	ASSESSMENT AND ADMINISTRATION OF A STREET AND ADMINISTRATION O				Intangible Facility Costs		
njor Minor	Tangible Facility Costs  Description	Amount	Major 265	Minor	Description CONSULTING		Amou
70 10	FACILITY PIPE/VALVES/FITTINGS	\$125,000	265	12	COMPANY DIRECT LABOR		200
70 15	CONTAINMENT	so	265	20	DAMAGES/ROW/PERMITS, ETC		\$40
70 25 70 30	DEHYDRATION	50	265	22	PAD/ROAD CONSTRUCTION		\$5
70 50	PRIMARY POWER MATERIALS	\$13,000	265	25	ENGINEERING / SCIENCE		\$13
70 60	FLOWLINES / PIPELINE / HOOKUP H2S TREATING EQUIPMENT	\$57,000	265	40	HEALTH/SAFETY/ENVIRONMENTAL		
70 65	SEPARATION EQUIPMENT	\$124,000	265 265	60	CONTRACT LABOR & SERVICES		- 0
70 66	ROAD/LOCATION/FENCING/REPAIRS	\$0	265	80	OVERHEAD SURVEY / PLATS / STAKINGS		\$3
70 75	PRE-FABRICATED SKIDS	50	265	85	TRANSPORTATION / TRUCKING		1
70 86	FACILITY SURFACE EQUIPMENT	\$58,000	265	83	TAXES		34
70 90	H2S SAFETY SYSTEM	\$4,000	265	10	CONTINGENCY COSTS 5%		5.
70 100	CONTROL / INSTRUMENT / METERS / SCADA	\$50,000		south	Total Intangible Facility Costs:		388
70 110	TANKS & WALKWAYS	\$40,000	0				
70 130 70 132	MECHANICAL BATTERY BUILD	\$118,000			Office Use Only:		
70 132	EI&C BATTERY BUILD CONTROLS AND SCADA BATTERY BUILD	\$45,000					
70 136	PRIMARY POWER BUILD	\$13,000	I				
70 138	FLOWLINE INSTALLATION	\$27,500	1				
70 140	SIGNAGE	\$250	1				
70 125	TAXES Total Tangible Facility Costs:	\$37,331 \$716,081					
	A CONTRACTOR OF THE CONTRACTOR	\$1.10,061					
al Drill		\$4,972,902.37					
al Completion	0.	\$5,400,545.00	1				
al Facility al DC Intangi	l da	\$804,260.25	1				
al DC Tangib	le .	\$8,445,700.73 \$1,927,746.64	1				
Jangio	501	21/22//40/04					
al AFE.		\$11,177,707.62					
THIS A	UTHORITY FOR EXPENDITURE IS BASED ON COST D		TLL REFI	ECT Y	OUR PROPORTINATE SHARE OF THE ACTUAL 1	NVOICE COS	TS
erator.	Franklin Mourgain Energy3, LLC		- See A		VI THE TOPLE		
	11.12 100	_					
proved By:	Craig R. Walty's	_	Date:			8/13/2024	_
	Chief Executive Officer						
Owner:							
roved By:			Date				
			zeme:				
ted Name			Title:				

Case No. 24901 E/2E/2 Wolfcamp—Pooled Party list

## **Working Interest Owners to Be Pooled**

MRC Permian Company Axis Energy Corporation

## **ORRI to Be Pooled**

Broken Arrow Royalties, LLC Thomaston, LLC Mongoose Minerals LLC Marathon Oil Permian LLC Good News Minerals, LLC Pegasus Resources II, LLC Collins & Jones Investments, LLC LMC Energy, LLC David W. Cromwell Oak Valley Mineral and Land, LP Crown Oil Partners, LP H. Jason Wacker Kaleb Smith Deane Durham Mike Moylett Post Oak Mavros II, LLC Sortida Resources, LLC

**EXHIBIT A-23-d** 

## Summary of Contacts Case No. 24901

- Franklin retained a broker who conducted extensive title work to determine the working interest owners and other interest owners.
- Franklin searched public records, phone directory, and various different types of internet searches.
- Franklin sent well proposal letters to the working interest owners on or around August 15, 2024.
- Franklin proposed general terms of a Joint Operating Agreements (JOA) within the well proposal letters.
- Franklin had multiple communications with the uncommitted working interest owners, which I have outlined in the chart below.
- Franklin filed the application to force pool uncommitted working interest owners who had not entered in to an agreement.
- Franklin's counsel sent notices of the force pooling applications to the addresses of record for the uncommitted working interest owners and also for overriding royalty interest owners.
- Franklin also published notice in a newspaper of general circulation in the county where the wells will be located.

Name	Ownership	Date	Proposal	Follow Up
	Type	Proposal	Letter	
		<b>Letter Sent</b>	Received	
MRC Permian Company	WIO	8/15/2024	8/19/2024	Offered acreage trade without providing anything of value. No benefit in entertaining the trade with FMEs strong majority ownership.
Axis Energy Corporation	WIO	8/15/2024	8/19/2024	Received email stating that they signed a JOA with MRC

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

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

CASE NOS. 24457, 24459, 24479

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

CASE NOS. 24898-24901

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL OF AN OVERLAPPING HORIZONTAL WELL SPACING UNIT AND COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NOS. 24778-24783

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

**CASE NOS. 24784-24786** 

## SELF-AFFIRMED STATEMENT OF CORY MCCOY

Cory McCoy hereby states and declares as follows:

- 1. I am over the age of 18, I am a Reservoir Engineer for Franklin Mountain Energy, LLC ("FME"), and have personal knowledge of the matters stated herein.
- 2. I have previously testified before the Oil Conservation Division ("Division") and my credentials were accepted as a matter of record.
  - 3. My work for FME3 includes the Permian Basin and Lea County.
- 4. I am familiar with the applications FME3 filed in Case Nos.24557, 24459, 24479, and Case Nos. 24898-24901. I am also familiar with the applications filed by MRC Permian Company ("MRC") in Case Nos. 24778-24786. I am familiar with the land matters involved in these cases.

EXHIBIT B

- 5. In my opinion, FME3's proposed development plan is more efficient and effective than MRC's plan, has less risk than MRC's plan, and will result in the protection of correlative rights and the prevention of waste.
- 6. **Exhibit B-1** outlines how FME3's development plan minimizes surface disturbance and reduces waste. FME3's plan reduces waste because the Rope State Com development will utilize centralized drill pads and a shared central tank battery ("CTB") to reduce overall surface footprint.
- 7. Consolidating production into the Rope CTB creates a single point for third party connections, which in turn means less equipment required by third parties, less pipeline infrastructure and surface disturbance by third parties.
- 8. As shown on **Exhibit B-2**, FME has received or submitted permits necessary to commence development.
- 9. FME3 understands the take-away constraints in this area and is taking steps to proactively address them.
- 10. **Exhibit B-3** provides an overview of FME3's current and planned efforts to address gas, water takeaway, and grid power constraints. **Exhibits B-4 to -7** provide greater detail on the constraints and FME3's proactive approach to resolve them.
- 11. **Exhibit B-4** discusses water takeaway constraints and steps FME3 is taking to address those constraints, including investing \$24 million of capital. FME3 is investing to expand the pipeline system to increase capacity. Approximately 25 miles of new pipeline infrastructure has been placed into service over the last 16 months.
- 12. **Exhibit B-5** discusses gas takeaway constraints and FME3's approach to address them. FME3 is investing approximately \$20 million to address the gas takeaway constraints. FME3

is investing in gathering to gather gas to a single point, which has several benefits. It increases the appeal for third-party midstream operators and allows multiple third parties to connect, increasing flow assurance to prevent waste. Approximately 16 miles of new pipeline infrastructure and two H2S central treatment points have been placed in service over last 16 months.

- 13. FME3 also signed an acreage dedication with Northwind to facilitate Northwind's buildout to reach FME3's operated acreage.
- 14. **Exhibit B-6** demonstrates FME3's reliable oil pipeline solution. FME3 signed an acreage dedication with Plains to ensure oil pipeline takeaway would be in place day one for FME3's new development projects, including Rope.
- 15. **Exhibit B-7** demonstrates how FME3 is addressing grid power constraints. FME3 has constructed an infield power distribution system to support development. This system is more efficient, reduces waste and allows a future utility connection to be integrated in a shorter amount of time. FME is investing \$3mm of capital and goal is to add 15 miles of new powerline.
- 16. **Exhibit B-8** outlines FME3's recent activity in this area. FME3 has been active in the area and is committed to developing its acreage in this area. FME3 has turned on production 27 wells between October 2023 and November 2024.
- 17. FME3 has 3 completion fleets on the Alpha (6) and Foxtail (5) well project as of November 2024.
  - 18. Conversely, MRC's last well drilled and completed in this area was in 2019.
- **19. Exhibit B-9** compares and contrasts FME3's plans with MRC's plans. The primary differences between FME3's Rope State Com development plans and MRC's Airstrip plans are:
  - FME3 has proposed 3-mile Bone Spring laterals, whereas MRC has proposed a combination of U-turn wells and 2-mile wells.

- In my opinion and based on my experience, 3-mile Bone Spring development is more economical and will recover more reserves than 1-mile U-turn wells.
- Under MRC's plan, MRC does not intend to develop the Bone Spring in Section 18, which will also leave reserves behind.
- In the Wolfcamp, FME3 has proposed four Wolfcamp A wells, whereas MRC has not proposed any.
- Based off offset data, the WCA formation is proven inventory. FME3 estimates
   530,000 recoverable BO from the WCA per 10,000' lateral. This is an additional
   1.6 MM BO that MRC overlooked and left behind in the Airstrip development
- 20. A shown in **Exhibit B-10**, FME3's plan is superior to MRC's because FME3 is proposing a wine rack development whereas MRC is proposing stacked development.
- 21. Micro seismic studies show well spacing is critical to maximize stimulated rock volume. Studies have shown rock fractures grow in all directions with dominate vertical growth. FME3's wine rack development plan has taken consideration of this effect and has properly spaced wells to allow more growth and access to increased reservoir volumes
- 22. Conversely, the completion interaction between the stacked 2<sup>nd</sup> Bone Spring and 3<sup>rd</sup> Bone Spring presents risk that less reservoir will be accessed during the completion
- 23. FME3 is targeting reserves that MRC is leaving behind. FME3's proposal protects correlative rights and prevents waste because FME3 is targeting additional benches with a superior development plan.
- 24. The Wolfcamp A is a proven target based on offsets, which is demonstrated by **Exhibit B-11**. Yet, MRC is leaving these proven reserves behind.

- 25. In my opinion, as shown on **Exhibit B-12**, FME3's AFE costs are both lower and more accurate to the area due to FME3's activity level in the basin. FME3 continues to push performance with drilling and completions. This has allowed FME3 to continue to refine AFE proposals. FME3 is a prudent operator that is disciplined and efficient with capital expenditures.
  - 26. Attached as **Exhibit B-13** is the backup data supporting Exhibit B-12.
- 27. Based on FME3's experience in this area, and in my opinion, FME3's development plan is superior to MRC's and FME3 should be designated operator of the Rope State Com Development Area.
- 28. To conclude, in my opinion, FME3 is able to prudently operate the property, and FME3's plan will prevent waste because FME3 will be targeting reserves that MRC is not.
- 29. The exhibits to my self-affirmed statement were prepared by me or under my direction or supervision.
- 30. I attest under penalty of perjury the laws of the State of New Mexico that the information provided herein is correct, true, and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

[Signature page follows]

Dated: 11/13, 2024

Cory McCoy

Disturbance

Proposed Surface

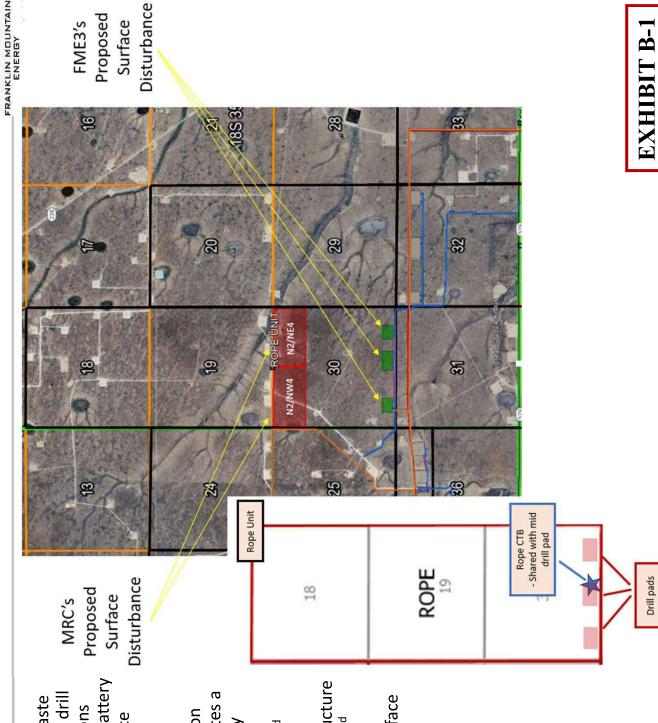
FME3's

# FME3's Development Plan Reduces Surface Disturbances

with the Central Tank Battery as it utilizes centralized drill FME3's plan reduces waste pads and shares locations to reduce overall surface footprint

into the Rope CTB creates a Consolidating production single point for 3rd Party connections:

- Less equipment by 3<sup>rd</sup> parties
- Less pipeline infrastructure and disturbance by 3<sup>rd</sup> parties
- Reduces 3<sup>rd</sup> party surface disturbances



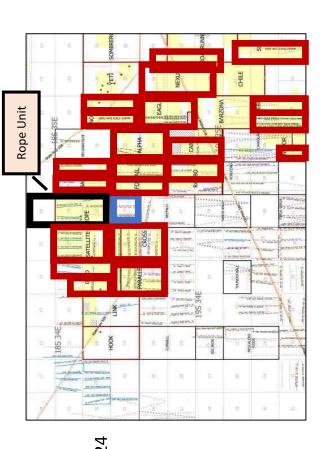
**EXHIBIT B-2** 18S 35E 9/17 Approved Permits 3 Well Pads, 1 CTB Approved Infrastructure ROW's Existing Infrastructure 8 Approved Access ROW

FME3 has received or submitted permits necessary to commence development

# FME3 Is Addressing Gas and Water Takeaway Constraints



- FME3 is investing significant capital into gas and water infrastructure to ensure pipeline solutions are in place
- \$44mm of approved projects
- 2024 budget of \$37mm
- \$43mm invested to date, \$44mm by the end of 2024
- FME3's consolidated position supports FME3's significant investment in infrastructure
- Existing infrastructure is not sized to support a 16-well horizontal project
- Investments in pipelines are necessary
- 3<sup>rd</sup> party gas and water midstream companies are reluctant to spend the necessary capital
- Operators need to be willing to help with the solution to foster development and prevent waste





= MRC Operated Project

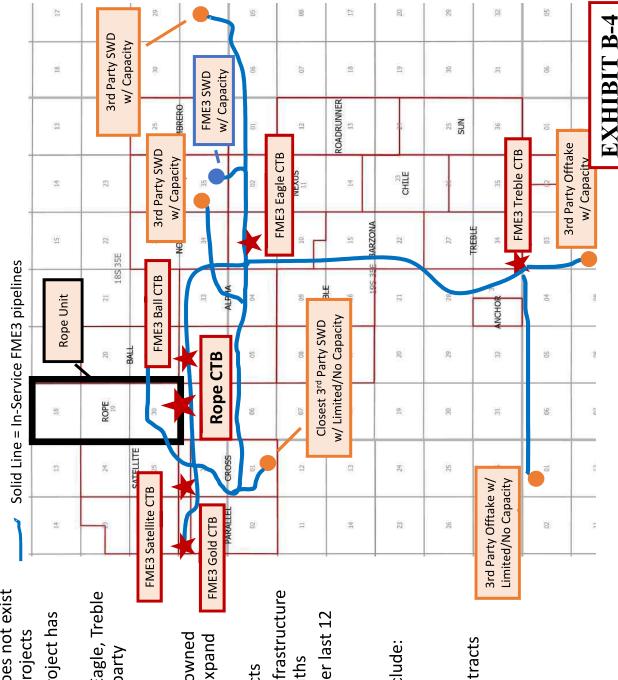
= FME3 Operated Projects

EXHIBIT B-3

# FME3 Is Investing \$24mm of Capital to Solve Water Takeaway Constraints



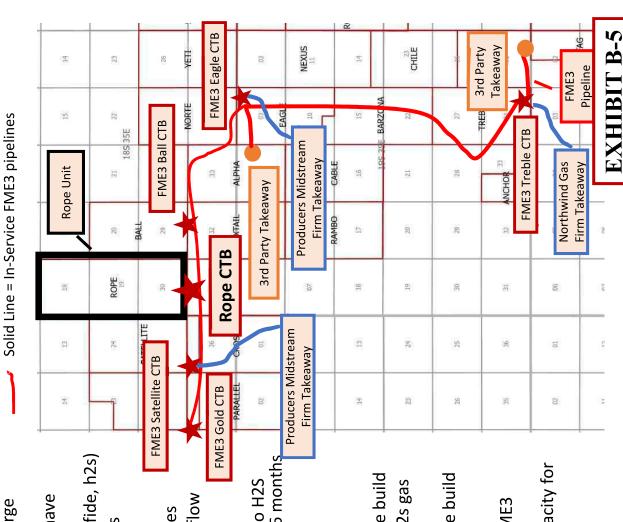
- Adequate water takeaway does not exist to support large horizontal projects
- Closest 3<sup>rd</sup> Party SWD to project has
- FME3's recent projects at Eagle, Treble and Gold have pushed 3<sup>rd</sup> party limited to no capacity capacities
- FME3 has existing company owned capacity and is investing to expand capacity
- \$24mm of approved projects
- 25 miles of new pipeline infrastructure in-service over last 16 months
- FME3 has tied in 4 CTBs over last 12 months
- FME3 disposal access will include:
- FME3 owned SWD
- Firm takeaway contracts
- Interruptible takeaway contracts



# FME3 Is Investing \$20mm of Capital to Solve Gas Takeaway Constraints



- Adequate gas takeaway does not exist to support large horizontal projects
  - FME3's recent projects at Eagle, Treble and Gold have maxed out 3<sup>rd</sup> party capacities
- maxed out 3'' party capacities Existing capacity is for sweet gas (no hydrogen sulfide, h2s)
- Shallower 1BS/2BS zones expected to have h2s
- FME3 is investing in gathering gas to a single point
- Increases appeal for 3<sup>rd</sup> party midstream companies
- Allows multiple 3<sup>rd</sup> parties to connect, increasing flow assurance to prevent waste
- \$20mm of approved projects
- 16 miles of new pipeline infrastructure and two H2S central treatment points in-service over last 16 months
- 3<sup>rd</sup> Party Investment is required:
- Northwind is a new build, will gather h2s gas
- FME3 is anchor customer for this area
- FME3 signed an acreage dedication to facilitate build
  - Producers Midstream is a new build, will gather h2s gas
- FME3 is anchor customer for this area
- FME3 signed an acreage dedication to facilitate build
- FME3 gas takeaway will include:
- Firm Northwind offload with 100% capacity for FME3 forecasted volumes
- Firm Producers Midstream offload with 100% capacity for FME3 forecasted volumes
- Interruptible offloads
- Potential for other options for flow assurance



# FME3 Has a Reliable Oil Pipeline Solution in Place



 FME3 signed an acreage dedication with Plains to ensure oil pipeline takeaway would be in place day 1 for new developments

■ Plains oil pipeline is ~1 miles for Rope CTB

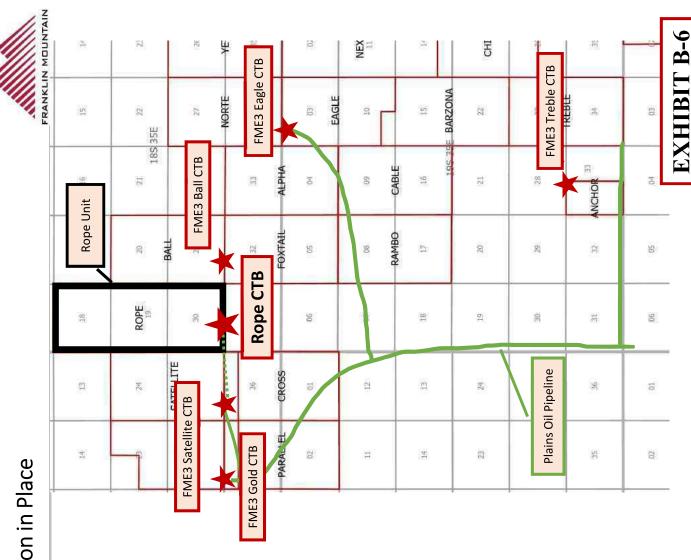
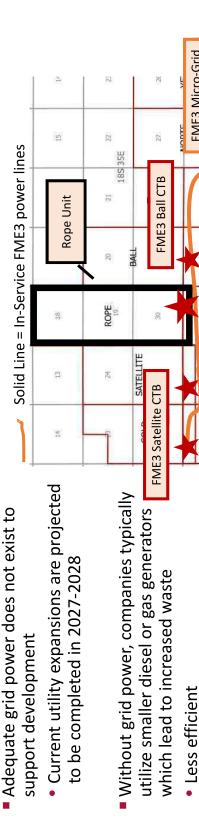


EXHIBIT B-7

# **FME3 Is Addressing Grid Power Constraints**



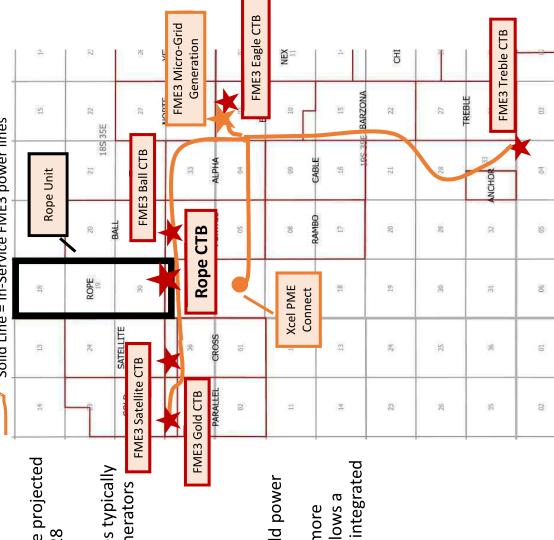


future utility connection to be integrated FME3 has constructed an infield power efficient, reduces waste and allows a development. This system is more distribution system to support in a shorter amount of time

Increase emissions

More expensive

- \$3mm of investment
- 15 miles of new powerline

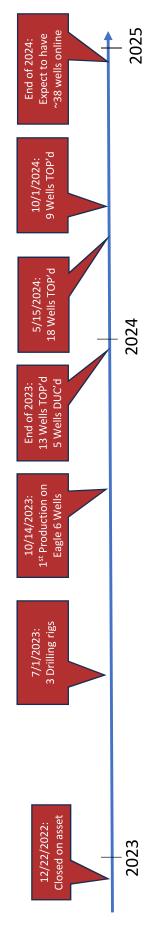


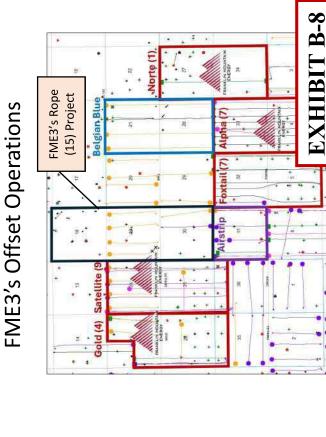


## FME3 Is All Systems Go

- FME3 is active in the of Rope Development Area
- FME3 has turned on production 27 wells between October 2023 and November 2024
- FME3 has 3 completion fleets on the Alpha (6) and Foxtail (5) well project as of November 2024
- FME3 has turned on production (TOP'ed) the Satellite (9) well project October 2024

# MRC's last well drilled and completed was 2019 (Airstrip)





**□** =

5

			Horizontal	
Operator	Pit	Producers	Permits	DUCs
FME3	Satellite	6	=	'
FME3	Bold	4	17	
FME3	Norte	_	5	
FME3	Foxtail	2	23	
FME3	Alpha	-	14	
Total		17	70	
Mewbourne	Belgian Blue	4		ı
MRC	Airstrip	67	ı	

FRANKLIN MOUNTAIN ENERGY

## EXHIBIT B-9

# FME3 Full Field Rope Development vs MRC's Development

In the Bone Springs, FME3 has proposed a straightforward 3-mile lateral development turn laterals. FME3's 3-mile Bone Springs development is more economical and will whereas MRC has proposed a mixture of both 2-mile straight laterals and 1-mile Urecover more reserves

In the Wolfcamp, FME3 has proposed (4) WCA wells whereas MRC did not

530,000 recoverable BO from the WCA per 10,000' lateral. This is an additional 1.6 Based off offset data, the WCA formation is proven inventory. FME3 estimates MM BO that MRC overlooked and left behind in the Airstrip development

	Planned Well Count	ell Count	
Formation	Rope Phase 1	Rope Phase 2	Airstrip
1BS	7	-	7
2BS	-	7	8
388	8	-	τ
WCA	4	-	0
WCB*	4	-	4
Total	15	4	10

\*FME3's WCB and MRC's WCD are targeting the same formation

**FME3 Rope** 

FRANKLIN MOUNTAIN ENERGY

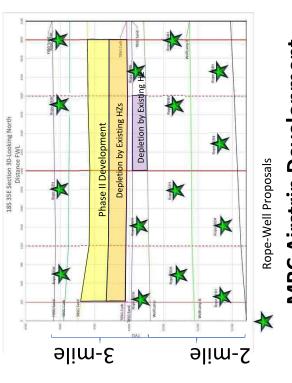
# FME3's Optimized Development Plan

## FME3's Wine Rack Development

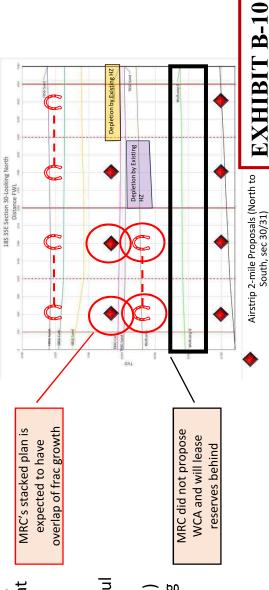
- stimulated rock volume. Studies have directions with dominate vertical Micro seismic studies show well shown rock fractures grow in all spacing is critical to maximize growth.
  - has taken consideration of this effect FME3's wine rack development plan allow more growth and access to and has properly spaced wells to increased reservoir volumes

## MRC's Stacked Development

- and 3rd Bone Spring presents risk that between the stacked 2nd Bone Spring less reservoir will be accessed during • In section 30, completion interaction the completion.
- development was proven unsuccessful This proposed co-developed stacked in the 2019 Airstrip development
  - 2<sup>nd</sup> Bone Spring wells over (3) existing In section 31, MRC's plans to stack (3) 3rd Bone Spring wells



# **MRC Airstrip Development**



FME3's Rope

MRC's Airstrip

FRANKLIN MOUNTAIN

# Airstrip & Beefalo & Norte Supports WCA Development in Rope

- developments are south offsets of FME3's Rope MRC's Airstrip and Mewbourne's Beefalo development
- development (4) wells/section supports FME3's well Airstrip and Beefalo well performance gives confidence in Wolfcamp A (WCA). Beefalo's density
- MRC's WCA proposals are absent and therefore will leave proven reserves behind

Project	18 (N)	H H	NORTE		EME3's Norte	Project	TO NOTIFIC TO THE PROPERTY.	Mewbourne's	alo rioject	
81	7			ALPHA	3	CABLE		Mev	200	ANCHOR
	#	and the same	OF THE PERSON NAMED IN COLUMN 1	FOXTAIL		RAMBO	SANSON."	A se in ma	DESIGNATION OF THE PARTY OF THE	a Parace
	(4)	Teaming)	ROPE		O SECTION OF	the second			ii.	
8	a	S SECTION STATES	SATELLITE	CROSS	7-16-6	PARTY AND THE STREET	Graff Fart		Tomas -	
	æ 8	72000	GOOD	PARALLE	APPENDENCE OF THE PERSON OF TH	TANKET TANKET	IIE.	THE RECEIVED	Armana Armana Armana	
ಕ	9			TOWN A STATE OF THE STATE OF TH	aniidhaan aniparta aniparta	SALARA C		72.00 S	n district	THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED IN COL
Project	*	185%	1- 3	#	TORWOOT TO		NOE SE	OSCIONA		
	/2	as according		п	8	ě,	B	ä	ñ	PVIII E CO.
	18/		OF PERSONS		100	-				

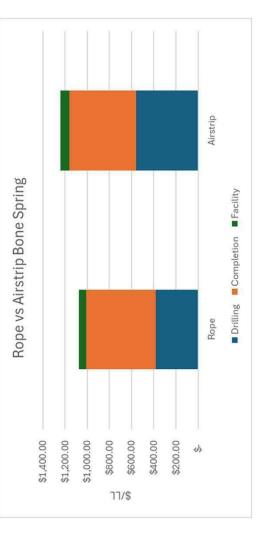
		EUR BO/ft		Planned Well Count	II Count	
Formation	Airstrip	Beefalo	Norte	Rope Phase 1	Rope Phase 2	Airstrip
185	69	<i>LL</i>		4	-	2
285	23			-	4	3
385	98			8	-	1
WCA	47	02	23	4	-	-
WCB	83			4	-	4
Total				15	4	10

FRANKLIN MOUNTAIN ENERGY

# FME3's Budget is Lower and FME3's Excellence in Execution



- MRC's AFE Budget = \$1,240/LL
- FME3's AFE Budget = \$1,077/LL
- FME3 is \$162/LL less than MRC's Bone Spring Airstrip
- The aggregate Wolfcamp B AFE between MRC's Airstrip and FME3's Rope normalized by well count and represented in \$/LL
- MRC's AFE Budget = \$1,442/LL
- FME3's AFE Budget = \$1,0117/LL
- FME3 is \$324/ LL less than MRC's Wolfcamp



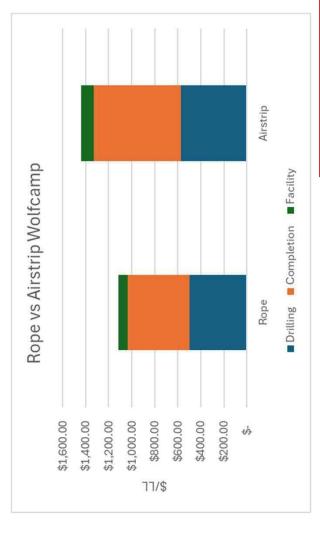


EXHIBIT B-12

Well	API	Current Operator	Formatio n	LL	#/ft	Fluid/f t	ТОР
		Operator	"				
AIRSTRIP 31 18 35 RN STATE COM 111H	300254502 5	MRC	1BSS	4,663	2,74 4	43	Oct-18
AIRSTRIP 31 18 35 RN STATE COM 114H	300254543 6	MRC	1BSS	4,643	2,59 3	52	Apr-19
AIRSTRIP 31 18 35 RN STATE COM 124H	300254543 7	MRC	Lower 2BS	5,051	2,60 0	52	Apr-19
AIRSTRIP 31 18 35 RN STATE COM 134H	300254543 8	MRC	3BSS	4,662	2,57	51	Apr-19
AIRSTRIP 31 18 35 RN STATE COM 133H	300254432 3	MRC	3BSS	4,388	2,38 4	35	Mar-18
AIRSTRIP 31 18 35 RN STATE COM 132H	300254381 6	MRC	3BSS	4,360	2,83 8	39	Aug-17
AIRSTRIP 31 18 35 RN STATE COM 131H	300254450 9	MRC	3BSS	4,955	2,37 7	35	Oct-18
AIRSTRIP 31 18 35 RN STATE COM 201H	300254339 5	MRC	WCA	4,110	3,35 7	81	Jan-17
BEEFALO 7 6 STATE COM 716H	300255134 8	MEWBOURN E OIL	WCA	10,45 9	2373	58	Jan-24
BEEFALO 7 6 STATE COM 713H	300255134 7	MEWBOURN E OIL	WCA	10,46 0	2380	58	Jan-24
GOLD STATE COM 601H	300255166 7	FME3	3BS	8,549	2500	50	Mar-24

Sky Dweller 14 State Com 607H	300255152 8	LARIO OIL & GAS COMPANY	3BS	7,620	2,45 4	67	Jan-24
Norte 702H	300255116 5	FME3	WCA	9649	2500	50	Oct-23
CHIEF 30 STATE 007H	3002543468	CTRA	WCB	4,734	1,689	25	2017-04
CHIEF 30 STATE 009H	3002544908	CTRA	WCB	4,039	1,707	33	2018-11
Gold State Com 801H	3002551669	FME3	WCB	8,403	2500	50	2024- 08
IGLOO 19 STATE 003H	3002542357	CAZA	WCB	4,600	1,587	31	2016-11
LEA UNIT 200H	3002545212	AVANT	WCB	4,880	1,097	31	2019-03
STRATOJET 31 STATE COM 002H	3002540970	СОР	WCB	4,247	723	14	2013-07
STRATOJET 31 STATE COM 007H	3002543792	СОР	WCB	4,132	2,023	44	2018-04
Treble State Com 801H	3002551111	FME3	WCB	9,783	2500	50	2024- 08

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

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

CASE NOS. 24457, 24459, 24479

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

**CASE NOS. 24898-24901** 

APPLICATIONS OF MRC PERMIAN
COMPANY FOR APPROVAL OF AN
OVERLAPPING HORIZONTAL WELL
SPACING UNIT AND COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO

**CASE NOS. 24778-24783** 

APPLICATIONS OF MRC PERMIAN COMPANY FOR APPROVAL COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NOS. 24784-24786

## SELF-AFFIRMED STATEMENT OF BEN KESSEL

Ben Kessel hereby states and declares as follows:

- 1. I am over the age of 18, I am the Director of Geology for Franklin Mountain Energy 3, LLC ("FME3"), and have personal knowledge of the matters stated herein.
- 2. I have testified before the New Mexico Oil Conservation Division (the "Division") and my credentials were accepted as a matter of record.
  - 3. My work for FME3 includes the Permian Basin and Lea County.
- 4. I am familiar with the applications FME3 filed in Case Nos.24457, 24459, 24479, and 24898-24901. I am also familiar with the applications filed by MRC Permian Company ("MRC") in Case Nos. 24778-24786
- 5. I conducted a geological study of the Bone Spring and Wolfcamp formations underlying FME3's Rope State Com Development Area ("Rope Development Area").



- 6. **Exhibit C-1** is a locator map, which identifies the general location of the Rope Development Area within the Permian Basin.
- 7. **Exhibit C-2** is an excerpt from Snee & Zoback, 2018, identifying the horizontal stress orientation in this area. The preferred well orientation in this area is North South due to the  $S_{Hmax}$  direction.

## BONE SPRING GEOLOGY STUDY—CASES 24457, 24459 & 24479

- 8. The exhibits behind **Exhibit C-3** are the geology study I prepared for the Bone Spring formation. In case numbers 24457, 24459 and 24479, FME3 proposes to drill a total of seven wells—four First Bone Spring wells and three Third Bone Spring wells. I have prepared two separate sets of slides for each target formation.
- 9. **Exhibit C-3-a** is the First Bone Spring Structure map. The Rope Development Area is identified by the pink box and the approximate location of the First Bone Spring wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the structure dips gently to the south. This map also identifies the seven wells I used for the cross-section, running from A to A' and Exhibit C-3-a also includes a separate Cross Section Locater Map.
- 10. **Exhibit C-3-b** is a stratigraphic cross section of the First Bone Spring. In my opinion, the well logs on the cross-section give a representative sample of the First Bone Spring formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified approximately where the Rope wells fall within the wells I used for the cross-section. Based on the cross section, I conclude that the First Bone Spring is present and porous in the Rope Development Area.

- 11. **Exhibit C-3-c** is a First Bone Spring Isopach, which shows that the gross reservoir thins mid-development area, and then thickens again slightly to the north.
- 12. **Exhibit C-3-d** is the Third Bone Spring structure map. The Rope Development Area is identified by the pink box and the approximate location of the Third Bone Spring wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the reservoir dips gently to the south. This map also identifies the seven wells I used for the cross-section, running from A to A' and Exhibit C-3-d also includes a separate Cross Section Locater Map.
- 13. **Exhibit C-3-e** is a stratigraphic cross section of the Third Bone Spring. In my opinion, the well logs on the cross-section give a representative sample of the Third Bone Spring Sand formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified where the proposed Rope wells fall within the wells I used for the cross-section. Based on the cross section, I conclude that the Third Bone Spring Sand is present and porous in the Rope Development Area.
- 14. **Exhibit C-3-f** is a Third Bone Spring Isopach, which shows that the reservoir thickens to the southwest
  - 15. I conclude from the Bone Spring geology study that:
    - a. The horizontal spacing units are justified from a geologic standpoint.
    - b. There are no structural impediments or faulting that will interfere with horizontal development.
    - c. Each quarter-quarter section in the proposed units will contribute more or less equally to production.

## **WOLFCAMP GEOLOGY STUDY—CASES 24898 - 24901**

- 16. The exhibits behind **Exhibit C-4** are the geology study I prepared for the Wolfcamp formation. In case numbers 24898 to 24901, FME 3 is proposing a total of eight wells— four Wolfcamp A wells and four Wolfcamp B wells. I have prepared two separate sets of slides for each target formation.
- 17. **Exhibit C-4-a** is the Wolfcamp A Structure map. The Rope Development Area is identified by the blue box and the approximate location of the Wolfcamp A wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the reservoir dips slightly to the southeast. This map also identifies the seven wells I used for the cross-section, running from A to A' and Exhibit C-4-a also includes a separate Cross Section Locater Map.
- 18. **Exhibit C-4-b** is a stratigraphic cross section of the Wolfcamp A. In my opinion, the well logs on the cross-section give a representative sample of the Wolfcamp A formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified where the proposed Rope wells fall within the wells I used for the cross-section. Based on the cross section, I conclude that the Wolfcamp A is present and porous in the Rope Development Area.
- 19. **Exhibit C-4-c** is a Wolfcamp A Isopach, which shows that the reservoir thickens to the southwest.
- 20. **Exhibit C-4-d** is the Wolfcamp B Structure map. The Rope Development Area is identified by the blue box and the approximate location of the Wolfcamp B wells are each identified by a black-dashed line. The contour interval used in this exhibit is 25 feet. The structure map shows that the reservoir dips slightly to the southwest. This map also identifies the seven

wells I used for the cross-section, running from A to A' and Exhibit C-4-d also includes a separate Cross Section Locater Map.

- 21. **Exhibit C-4-e** is a stratigraphic cross section of the Wolfcamp B. In my opinion, the well logs on the cross-section give a representative sample of the Wolfcamp B formation in the area. The target zone is identified by a bracket and the words "Producing Interval." I have also identified where the proposed Rope wells falls within the wells I used for the cross-section. Based on the cross section, I conclude that the Wolfcamp B is present and porous in the Rope Development Area.
- 22. **Exhibit C-4-f** is a Wolfcamp B Isopach, which shows that the reservoir thickens to the west.
  - 23. I conclude from the Wolfcamp geology study that:
    - a. The horizontal spacing units are justified from a geologic standpoint.
    - b. There are no structural impediments or faulting that will interfere with horizontal development.
    - c. Each quarter-quarter section in the proposed units will contribute more or less equally to production.
- 24. In my opinion, FME3's Rope State development plan prevents waste and protects correlative rights.
- **25. Exhibit C-5** identifies existing well bores and areas without existing horizontal wells within Sections 18, 19, 30, and 31. In my opinion, FME3's Rope development plan maximizes well contact with untapped reservoir whereas MRC's development plan does not.
- 26. The attachments to my self-affirmed statement were prepared by me or compiled under my direction or supervision.

27. I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is true, correct and complete to the best of my knowledge and belief and I will adopt this testimony at the hearing in this matter.

[Signature page follows]

Dated: November 12th, 2024

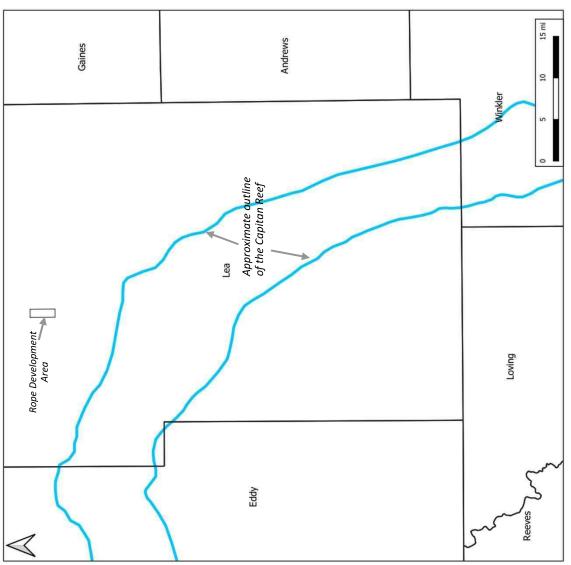
Ben Kessel



### **Ball Development**

# Locator Map

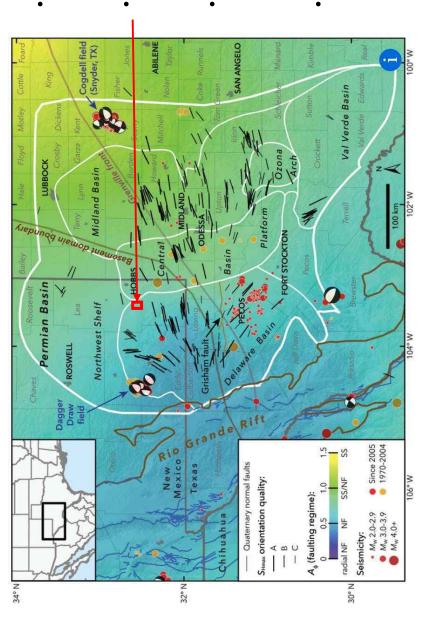
- Black box shows the location of the Rope development area
- Planned wells are located outside of the eastern edge of the Capitan Reef



 $https://www.twdb.texas.gov/publications/reports/contracted\_reports/doc/0804830794 Capitan Reef/Final\%20 Revised\%20 Capitan\%20PDF\%20w\_Seals.pdf$ 

### FRANKLIN MOUNTAIN

### Regional Stress



- Red box shows the approximate location of the Rope development
- Reported local S<sub>Hmax</sub> (Snee and Zoback, 2018) direction is ENE, around 255°
- The Rope State wells are planned to drill N-S, nearly orthogonal to S<sub>hmax</sub>, optimal for induced fracture propagation
- In this area, E-W wells or E-W trending portions of U-Turn wells are parallel to the direction of S<sub>hmax</sub>, reducing completion efficiency and promoting waste.

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

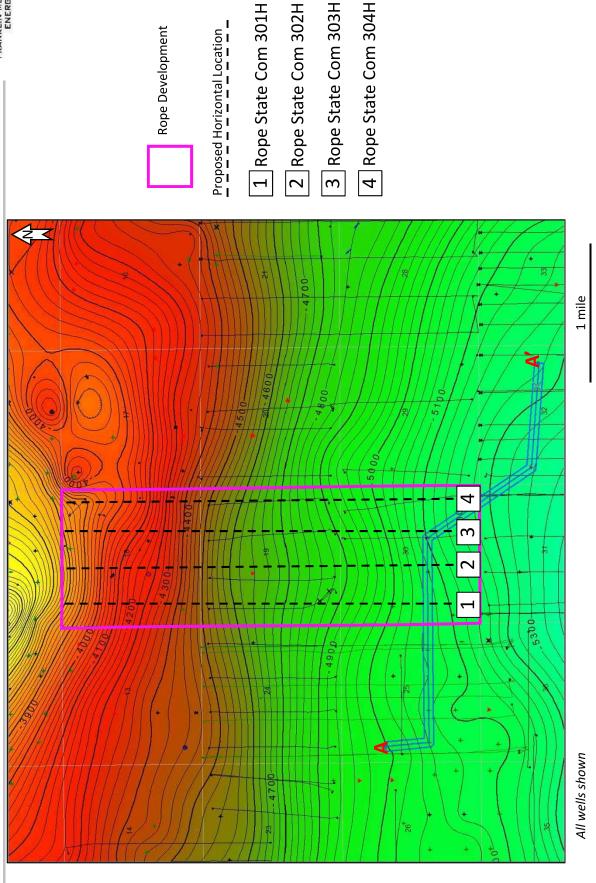
http://www.tleonline.org/theleadingedge/february 2018/MobilePagedArticle.action?articleId=1331603#articleId1331603

### EXHIBIT C-2

**EXHIBIT C-3-a** 

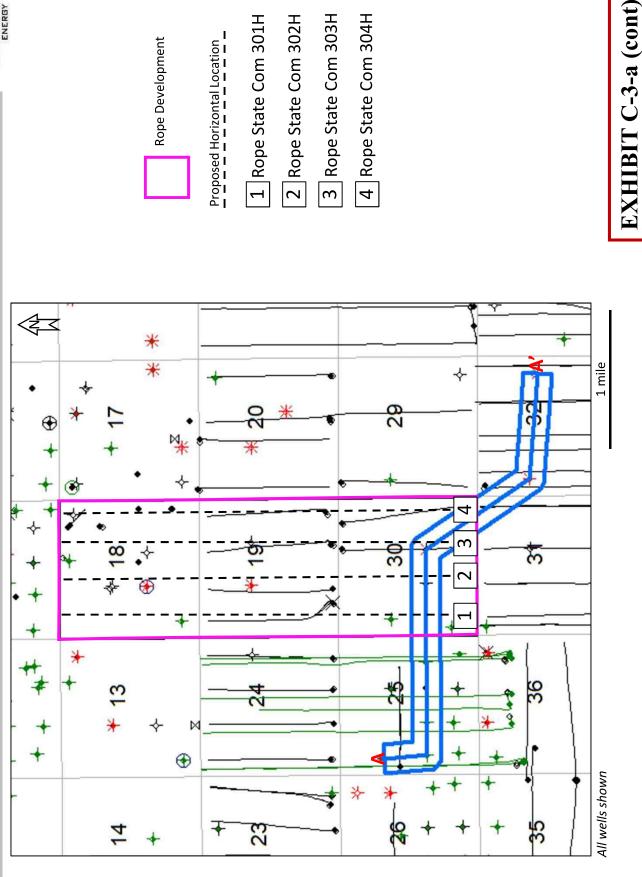
### First Bone Spring Structure





### Cross Section Locater Map





# First Bone Spring Cross Section



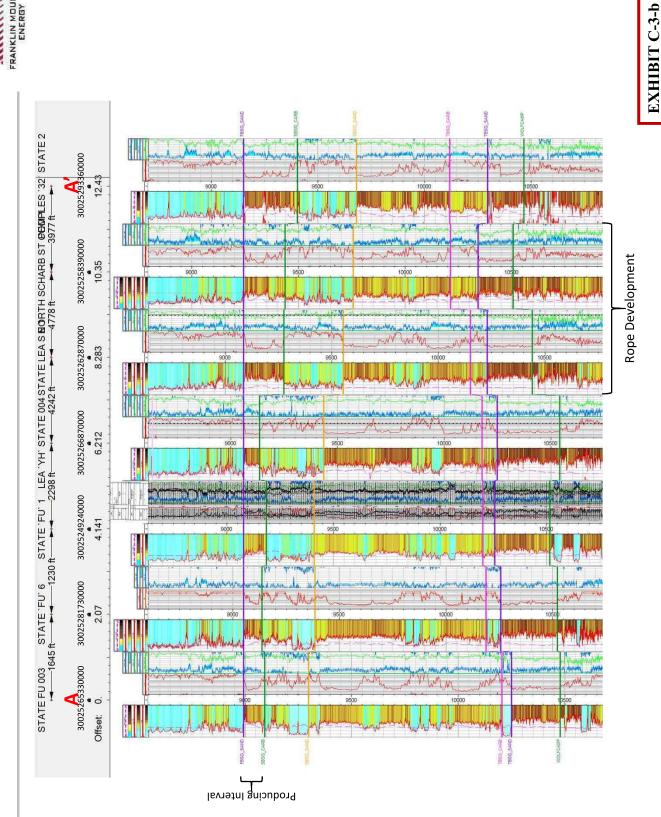
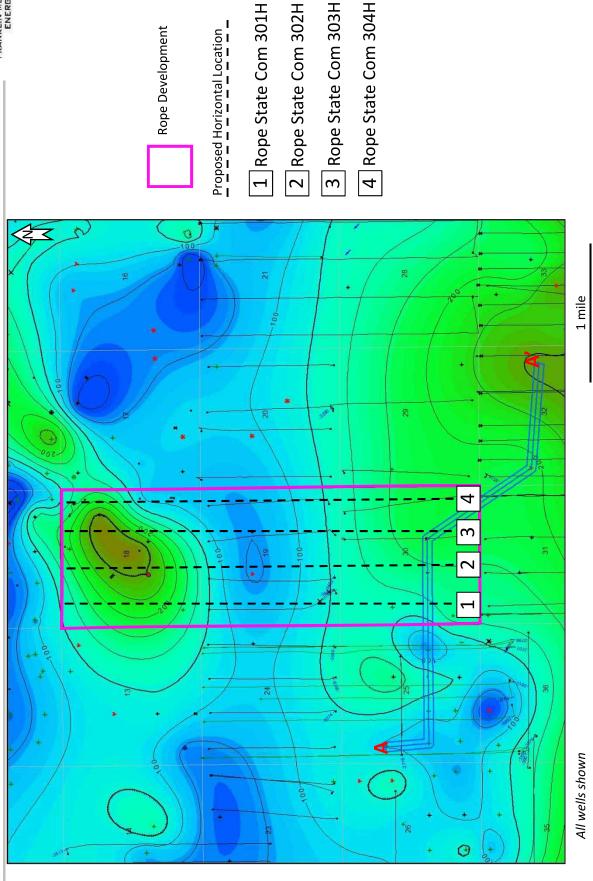


EXHIBIT C-3-c

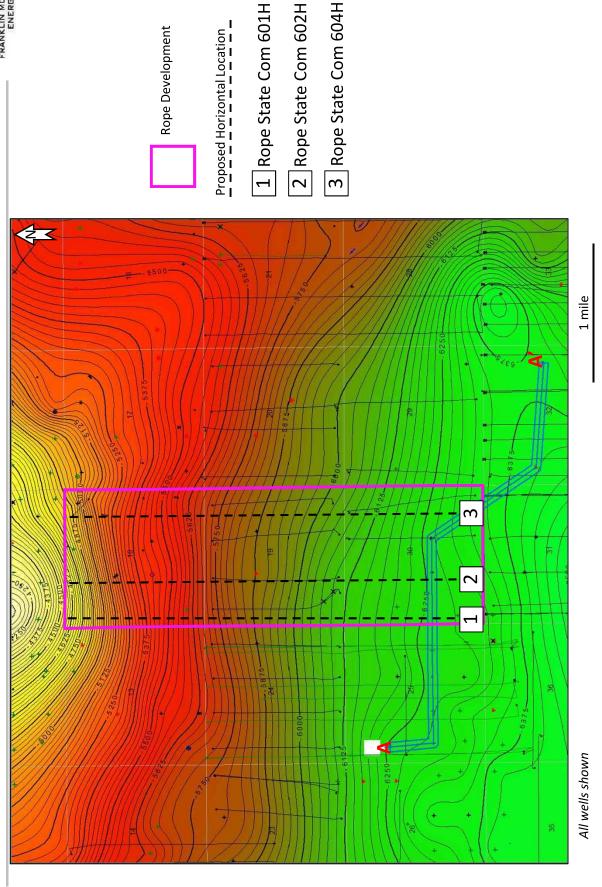
### First Bone Spring Isopach





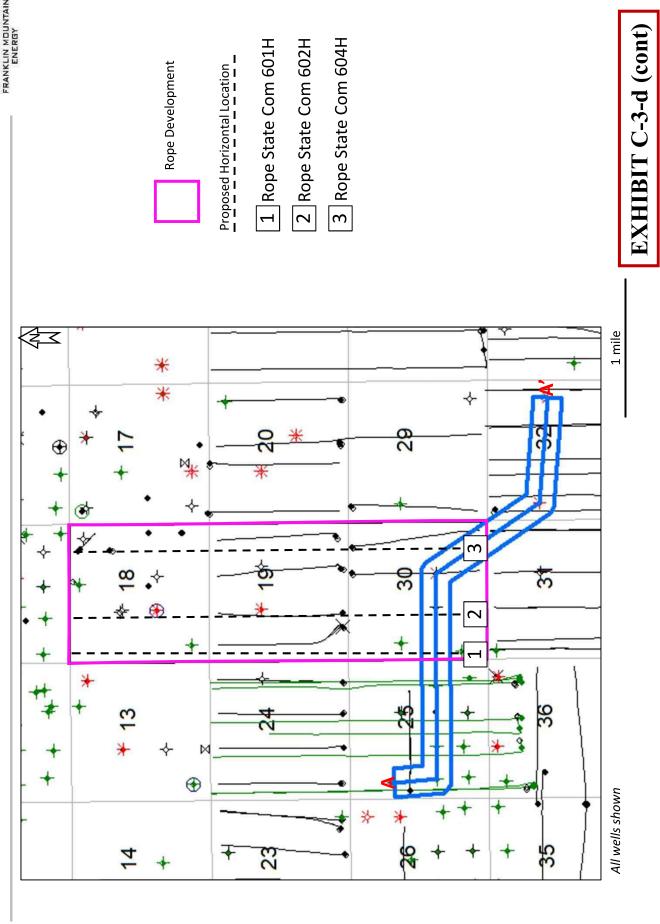
# Third Bone Spring Structure





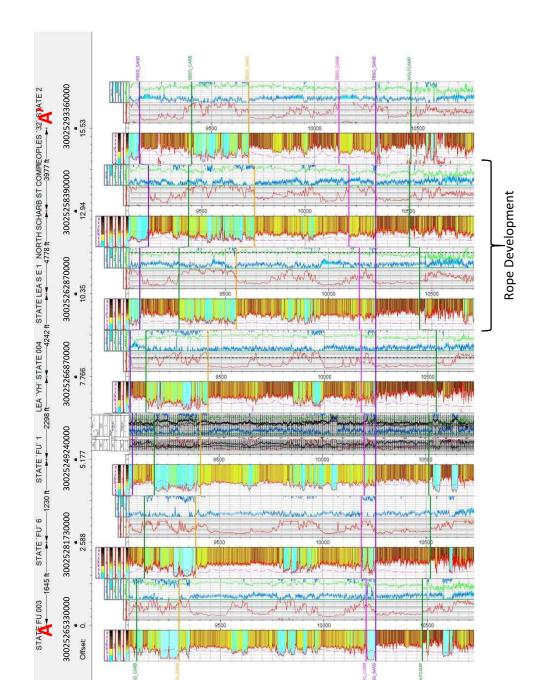


# Cross Section Locater Map



# Third Bone Spring Cross Section





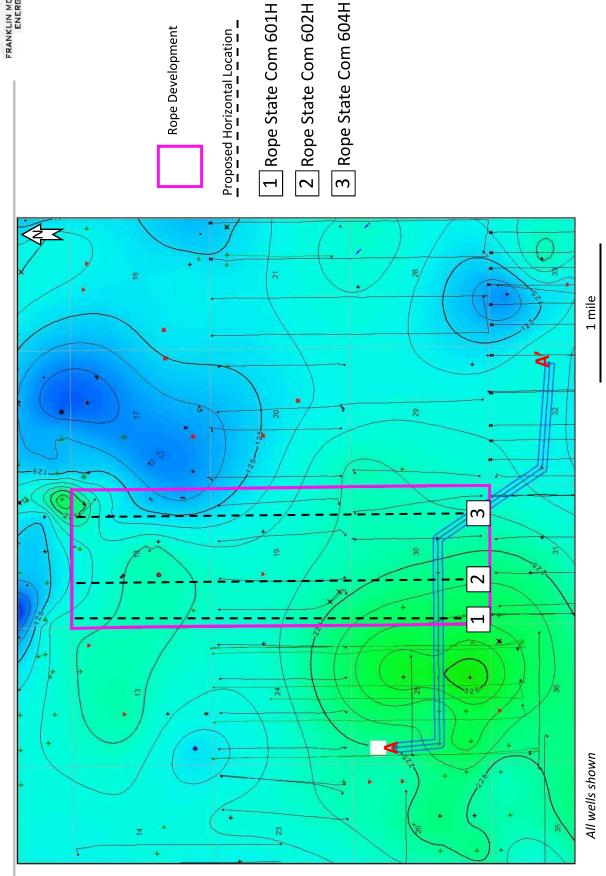
Producing Interval

Released to Imaging: 12/10/2024 11:16:47 AM

### EXHIBIT C-3-e

EXHIBIT C-3-f



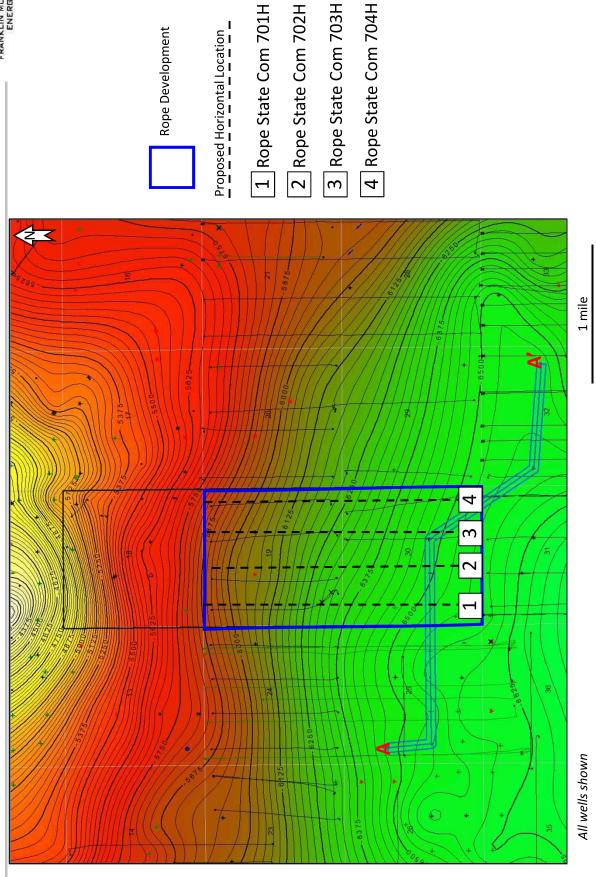


Third Bone Spring Isopach

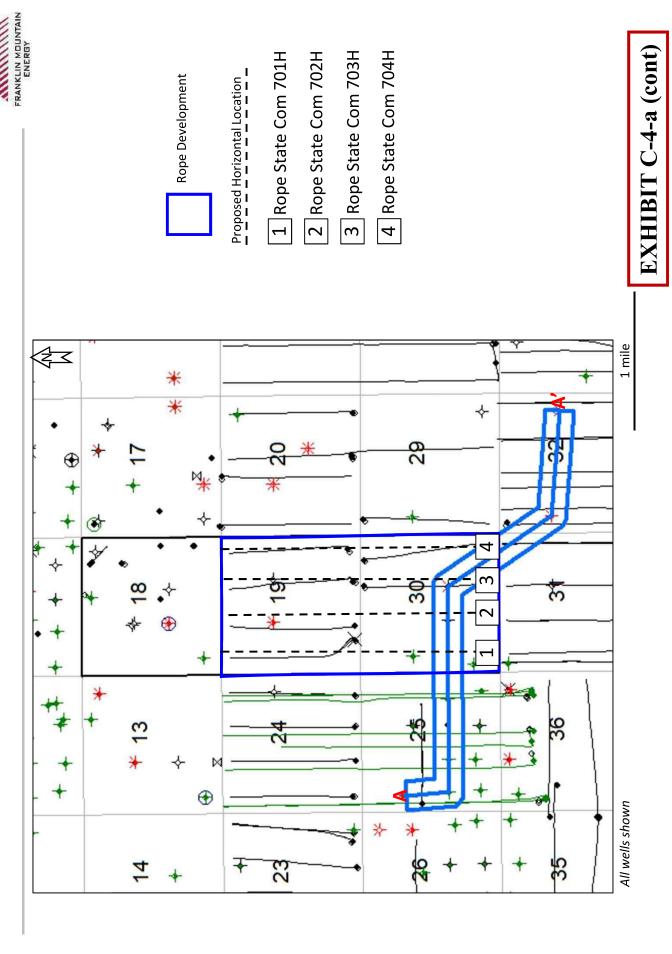
**EXHIBIT C-4-a** 

### Wolfcamp Structure





## **Cross Section Locater Map**



### Wolfcamp Cross Section



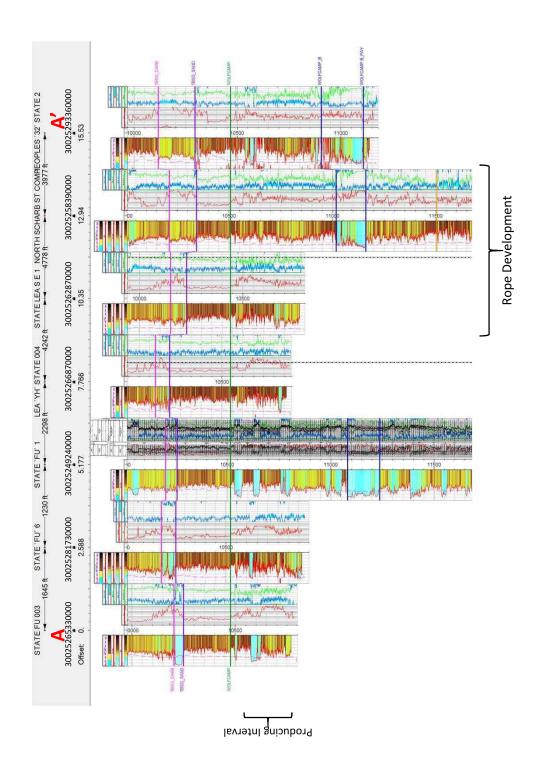
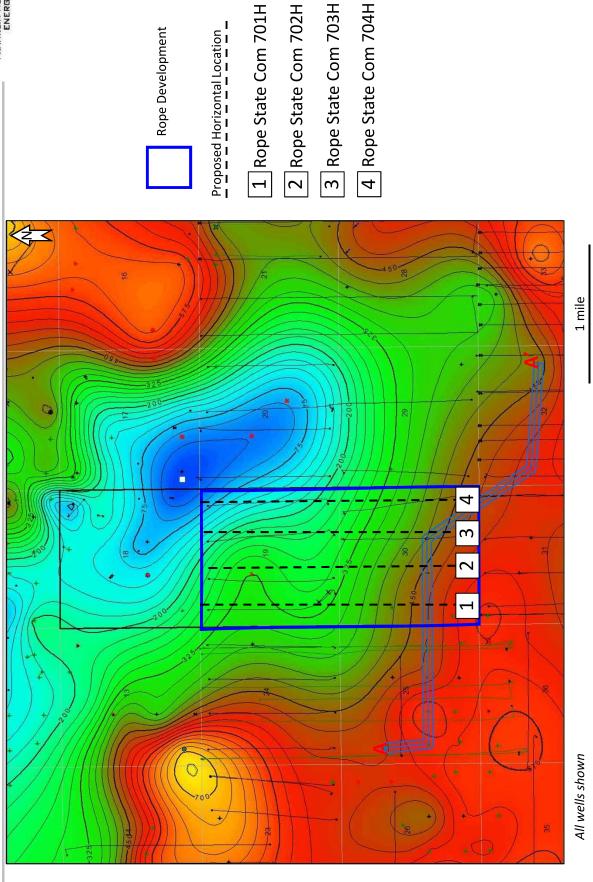


EXHIBIT C-4-b

Wolfcamp Isopach

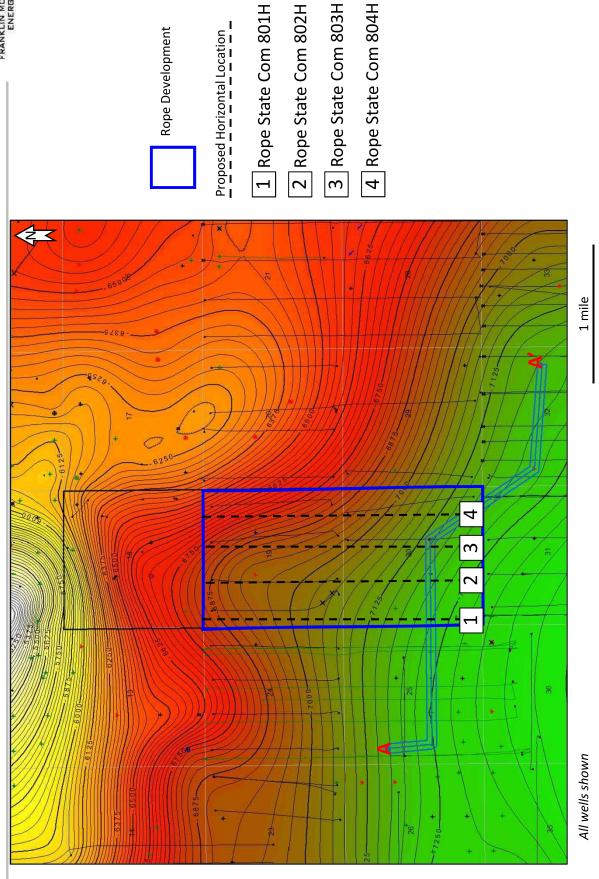




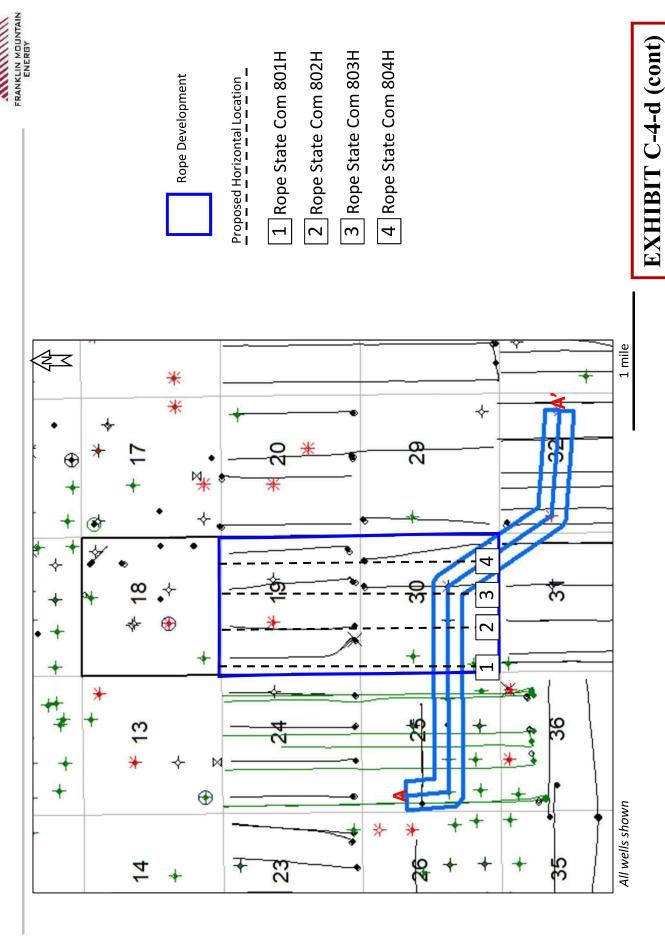
**EXHIBIT C-4-d** 

### Wolfcamp B Structure





## Cross Section Locater Map



### Wolfcamp Cross Section



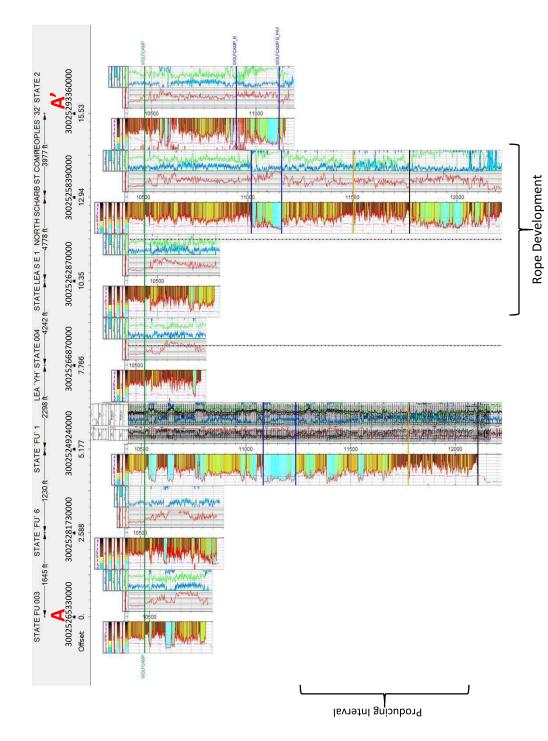
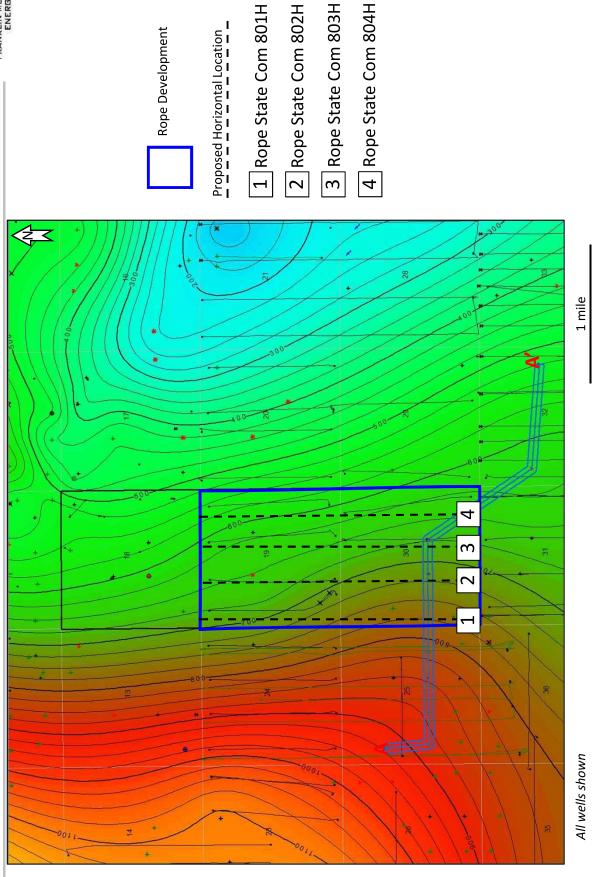


EXHIBIT C-4-f

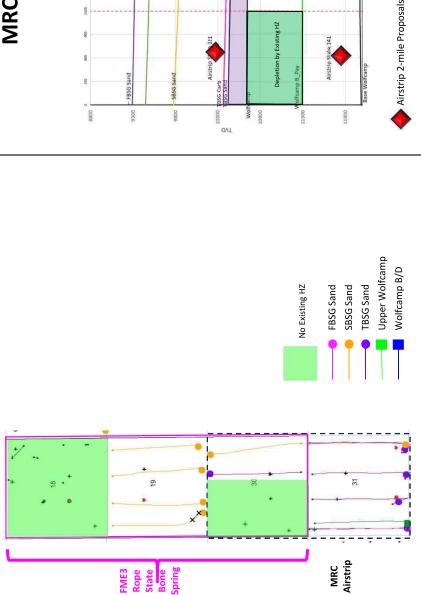
### Wolfcamp B Structure





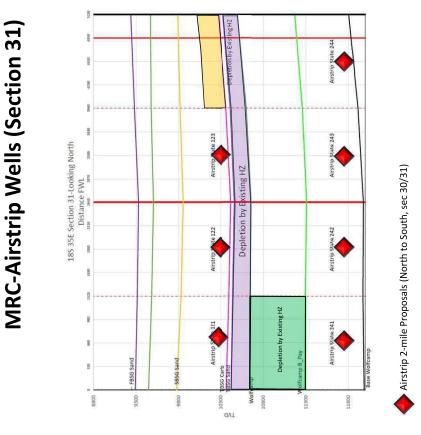


# Development Comparison: MRC's Development Plan Introduces More Depletion



State Bone Spring Rope

- FME3's Rope Development maximizes well contact with untapped reservoir
- Existing horizontal well density in section 31 negatively impacts FME3's interest in section 30



- Section 31 has existing horizontal wells, shown by the purple, yellow, and green shading
- wells could be reduced by virtue of proximity to Production from MRC's two-mile Bone Spring previously fracked rock

### **EXHIBIT C-5**

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

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

CASE NOs. 24457, 24459, 24479

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

CASE NOs. 24898-24901

### SELF-AFFIRMED DECLARATION OF DEANA M. BENNETT

Deana M. Bennett, attorney in fact and authorized representative of Franklin Mountain Energy 3, LLC, the Applicant herein, declares as follows:

- 1) The Applications for No. 24457 and 24459 were provided under notice letter, dated April 22, 2024, and Application for No. 24479 was provided under notice letter, dated May 1, 2024 and attached hereto. Applications for No. 24898-24901 were provided under notice letters, dated October 10, 2024, and attached hereto, as Exhibit D.1.
- 2) Exhibit D.2 is the mailing list for Case Nos. 24457, 24459, 24479, which show the notice letters were delivered to the USPS for mailing on April 22, 2024 and May 1, 2024 and the notice letters for 24898-24901 were delivered to the USPS for mailing on October 10, 2024.
- 3) Exhibit D.3 is the certified mailing tracking information, which is automatically compiled by CertifiedPro, the software Modrall uses to track the mailings. This shows the names and addresses of the parties to whom notice was sent and proof of delivery.
- 4) Exhibit D.4 is the Affidavit of Publication from the Hobbs News-Sun, confirming that notice of the May 16, 2024 hearing was published on April 28, 2024 for Case Nos. 24457 and 24459,

EXHIBIT D

and the Affidavit of Publication for Case No. 24479, published May 2, 2024, and the Affidavit of Publication for Cases 24898-24901 from the Hobbs News-Sun, confirming that notice of the October 31, 2024 hearing was published on October 13, 2024.

5) I attest under penalty of perjury under the laws of the State of New Mexico that the information provided herein is correct and complete to the best of my knowledge and belief.

Dated: November 13, 2024

Deana M. Bennett

Dena M. Bennett



April 22, 2024

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Deana M. Bennett 505.848.1834 dmb@modrall.com

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

CASE NO. 24457

TO: AFFECTED PARTIES

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

In Case No. 24457, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Rope State Com 301H and Rope State Com 601H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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EXHIBIT D.1

Page 2

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

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

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

Sincerely,

Deana M. Bennett

Attorney for Applicant

Dema M. Bennett

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

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

CASE NO. 24457

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
- 2. Franklin seeks to dedicate the spacing unit to the Rope State Com 301H and Rope State Com 601H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18.
  - 3. The producing area for the wells is expected to be orthodox.
- 4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of

irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245).

- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
  - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
Deana M. Bennett
Yarithza Peña
Post Office Box 2168

500 Fourth Street NW, Suite 1000 Albuquerque, New Mexico 87103-2168

Telephone: 505.848.1800 edebrine@modrall.com
deana.bennett@modrall.com
yarithza.pena@modrall.com

Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24457: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 459.56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Rope State Com 301H and Rope State Com 601H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 153.24-acre horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Section 19 (W/2 W/2 equivalent), dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #004H well (API 30-025-41245). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.



April 22, 2024

### <u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

Deana M, Bennett 505.848.1834 dmb@modrall.com

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

**CASE NO. 24458** 

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

CASE NO. 24459

TO: AFFECTED PARTIES

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

In Case No. 24458, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 302H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and Rope State Com 602H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). Also to be

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### Page 2

considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

In Case No. 24459, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 303H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and Rope State Com 304H and Rope State Com 604H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18. The producing area for the wells is expected to be orthodox. The completed interval for the Rope State Com 303H well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);

### Page 3

- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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

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

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

Sincerely,

Deana M. Bennett Deana M. Bennett

Attorney for Applicant

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

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

CASE NO. <u>24458</u>

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
  - 2. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. Rope State Com 302H well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and
    - b. Rope State Com 602H well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18.
  - The producing area for the wells is expected to be orthodox.

- 4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676).
- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
  - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

Page 3 of 4

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

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
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Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24458: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 302H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and Rope State Com 602H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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

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

CASE NO. 24459

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
  - 2. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. Rope State Com 303H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and
    - b. Rope State Com 304H and Rope State Com 604H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18.
  - 3. The producing area for the wells is expected to be orthodox.

- 4. The completed interval for the Rope State Com 303H well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC.
- 5. This proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:
  - a. A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
  - b. A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section
     18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
  - c. A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
  - d. A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
  - e. A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section
     18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
  - f. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);

- g. A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- h. A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).
- 6. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 7. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
  - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;

Received by OCD: 4/2/2024 4:59:34 PM

- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- F. Setting a 200% charge for the risk involved in drilling and completing the wells in the event a working interest owner elects not to participate in the wells.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

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yarithza.pena@modrall.com
Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24459: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 303H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 18; and Rope State Com 304H and Rope State Com 604H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 18. The producing area for the wells is expected to be orthodox. The completed interval for the Rope State Com 303H well is expected to be less than 330 feet from the adjoining tracts thereby allowing for the inclusion of the proximity tracts within the proposed spacing unit under Rule 19.15.16.15(B)(1)(b) NMAC. The proposed horizontal spacing unit will partially overlap with the following existing Bone Spring spacing units:

- A 40-acre spacing unit comprised of the NE/4 NE/4 (Unit A) of Section 18, dedicated to Mack Energy Corporation's Leo State #001H well (API 30-025-40243);
- A 40-acre vertical spacing unit comprised of the SE/4 NE/4 (Unit H) of Section 18, dedicated to Mack Energy Corporation's Leo State #007H well (API 30-025-41033);
- A 40-acre vertical spacing unit comprised of the NW/4 SE/4 (Unit J) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #002H well (API 30-025-41134);
- A 40-acre vertical spacing unit comprised of the NE/4 SE/4 (Unit I) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #001H well (API 30-025-40533);
- A 40-acre vertical spacing unit comprised of the SE/4 SE/4 (Unit P) of Section 18, dedicated to Mack Energy Corporation's Black Jack State #003H well (API 30-025-41748);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #003H well (API 30-025-41050);
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #002H well (API 30-025-41094);
- A 160-acre horizontal spacing unit comprised of the W/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #002H well (API 30-025-41544); and
- A 160-acre horizontal spacing unit comprised of the E/2 E/2 of Section 30, dedicated to Matador Production Company's Albatross State Com #001H well (API 30-025-41809).

Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.



May 1, 2024

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Deana M. Bennett 505.848.1834 dmb@modrall.com

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

**CASE NO. 24479** 

TO: AFFECTED PARTIES

This letter is to advise you that Franklin Mountain Energy 3, LLC ("Franklin Mountain Energy 3") has filed the enclosed application in place of Case No. 24458, which had a typographical error.

In Case No. 24479, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 302H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and Rope State Com 602H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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Tel: 505.848.1800 www.modrall.com Page 2

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

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

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

Sincerely, Decra 4 Bennett

Deana M. Bennett

Attorney for Applicant

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

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

CASE NO. 24479

### APPLICATION

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate wells thereon.
  - 2. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. Rope State Com 302H well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and
    - b. Rope State Com 602H well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18.
  - 3. The producing area for the wells is expected to be orthodox.

- 4. This proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676).
- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Bone Spring formation underlying the proposed spacing unit to participate in the drilling of the wells or to otherwise commit their interests to the wells.
- 6. The pooling of all interests in the Bone Spring formation underlying the proposed unit and approving, to the extent necessary, the overlapping spacing unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

- A. Pooling all uncommitted interests in the Bone Spring formation underlying a horizontal spacing unit within the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Approving, to the extent necessary, the proposed overlapping spacing unit;
  - C. Designating Franklin as operator of this unit and the wells to be drilled thereon;
- D. Authorizing Franklin to recover its costs of drilling, equipping and completing the wells;
- E. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and

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

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.
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Attorneys for Franklin Mountain Energy 3, LLC

CASE NO. 24479: Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 302H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18; and Rope State Com 602H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NW/4 (Unit C) of Section 18. The producing area for the wells is expected to be orthodox. The proposed horizontal spacing unit will partially overlap with a Bone Spring spacing unit dedicated to a 160-acre horizontal spacing unit comprised of the E/2 W/2 of Section 19, dedicated to Franklin Mountain Energy 3, LLC's Ironhouse 19 State Com #001H well (API 30-025-40676). Also to be considered will be the cost of drilling and completing said wells, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Franklin Mountain Energy 3, LLC as operator of the wells, and a 200% charge for risk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.



LAWYERS

October 10, 2024

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Deana M. Bennett 505.848.1834 dmb@modrall.com

Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

CASE NO. 24898

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

**CASE NO. 24900** 

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

**CASE NO. 24901** 

TO: AFFECTED PARTIES

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

In Case No. 24898, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 703H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and Rope State Com 803H well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary. 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

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200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

In Case No. 24900, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 702H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and Rope State Com 802H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

In Case No. 24901, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 704H and Rope State Com 804H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

The hearing is set for October 31, 2024 beginning at 8:30 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via a virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/.

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

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

Sincerely,

Deana M. Bennett

Attorney for Applicant

Weena H. Bennett

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

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

**CASE NO.** 24898

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
  - 3. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. Rope State Com 703H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and
    - b. Rope State Com 803H well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19.

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4. The producing area for the Rope State Com 803H well is expected to be orthodox.

Franklin will apply for a non-standard location approval administratively for the Rope State Com

703H well, to the extent necessary.

5. Franklin sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in

the drilling of the well or to otherwise commit their interests to the well.

6. The pooling of all interests in the Wolfcamp formation underlying the proposed

unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by

law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a

horizontal spacing unit within the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35

East, N.M.P.M., Lea County, New Mexico;

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

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

well;

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

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

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

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

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:/s/ Deana M. Bennett

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Attorneys for Franklin Mountain Energy 3, LLC

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CASE NO. 24898 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the W/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 703H well to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19; and Rope State Com 803H well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NW/4 NE/4 (Unit B) of Section 19. The producing area for the Rope State Com 803H well is expected to be orthodox. Franklin will apply for a non-standard location approval administratively for the Rope State Com 703H well, to the extent necessary. 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 19 miles west of Hobbs, New Mexico.

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

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

**CASE NO.** 24900

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
  - 3. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. Rope State Com 702H well to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and
    - b. Rope State Com 802H well to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19.

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Page 2 of 4

- 4. The producing area for the wells is expected to be orthodox.
- 5. Franklin sought, but has been unable to obtain, a voluntary agreement from all interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in the drilling of the well or to otherwise commit their interests to the well.
- 6. The pooling of all interests in the Wolfcamp formation underlying the proposed unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

WHEREFORE, Franklin requests this application be set for hearing before an Examiner of the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by law, the Division enter its order:

- A. Pooling all uncommitted interests in the Wolfcamp formation underlying a horizontal spacing unit within the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;
  - B. Designating Franklin as operator of this unit and the well to be drilled thereon;
- C. Authorizing Franklin to recover its costs of drilling, equipping and completing the well;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in drilling and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,

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

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr. Deana M. Bennett

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Attorneys for Franklin Mountain Energy 3, LLC

Received by OCD: 10/1/2024 2:55:40 PM

CASE NO. 24900: Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 702H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19; and Rope State Com 802H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 19. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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

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

**CASE NO.** 24901

#### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 320-acre, more or less, Wolfcamp horizontal spacing unit.
  - 3. Franklin seeks to dedicate the spacing unit to the following wells:
    - a. Rope State Com 704H and Rope State Com 804H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19; and
  - 4. The producing area for the wells is expected to be orthodox.

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5. Franklin sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in

the drilling of the well or to otherwise commit their interests to the well.

6. The pooling of all interests in the Wolfcamp formation underlying the proposed

unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by

law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a

horizontal spacing unit within the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35

East, N.M.P.M., Lea County, New Mexico;

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

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

well;

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

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

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

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

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

Post Office Box 2168

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Attorneys for Franklin Mountain Energy 3, LLC

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CASE NO. 24901: Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-acre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2E/2 of Sections 19 and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the following wells: Rope State Com 704H and Rope State Com 804H wells to be horizontally drilled from a surface hole location in the SE/4 SE/4 (Unit P) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit A) of Section 19. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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Deana M. Bennett 505.848.1834 dmb@modrall.com



L A W Y E R S

October 10, 2024

## VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

Re: APPLICATION OF FRANKLIN MOUNTAIN ENERGY 3, LLC FOR COMPULSORY POOLING, LEA COUNTY, NEW

**MEXICO** 

CASE NO. 24899

TO: AFFECTED PARTIES

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

In Case No. 24899, Franklin Mountain Energy 3 seeks an order from the Division pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the **Rope State Com 701H** and **Rope State Com 801H** wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

The hearing is set for October 31, 2024 beginning at 8:30 a.m. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via a virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/.

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 Page 2

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

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

Sincerely,

Deana M. Bennett

Attorney for Applicant

Dema 4. Bennett

Received by OCD: 10/1/2024 2:48:42 PM

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

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

**CASE NO.** 24899

### **APPLICATION**

Franklin Mountain Energy 3, LLC ("Franklin"), OGRID Number 331595, through its undersigned attorneys, hereby files this application with the Oil Conservation Division ("Division") pursuant to the provisions of NMSA 1978, § 70-2-17, for an order pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. In support of this application, Franklin states as follows:

- 1. Franklin has an interest in the subject lands and has a right to drill and operate a well thereon.
- 2. Franklin seeks to dedicate Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico to form a standard 306.92-acre, more or less, Wolfcamp horizontal spacing unit.
- 3. Franklin seeks to dedicate the spacing unit to the Rope State Com 701H and Rope State Com 801H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 19.
  - 4. The producing area for the wells is expected to be orthodox.

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5. Franklin sought, but has been unable to obtain, a voluntary agreement from all

interest owners in the Wolfcamp formation underlying the proposed spacing unit to participate in

the drilling of the well or to otherwise commit their interests to the well.

6. The pooling of all interests in the Wolfcamp formation underlying the proposed

unit will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

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

the Oil Conservation Division on October 31, 2024 and after notice and hearing as required by

law, the Division enter its order:

A. Pooling all uncommitted interests in the Wolfcamp formation underlying a

horizontal spacing unit within Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2

equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico;

В. Designating Franklin as operator of this unit and the well to be drilled thereon;

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

well;

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

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

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

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

Respectfully submitted,

MODRALL, SPERLING, ROEHL, HARRIS

& SISK, P.A.

By:/s/ Deana M. Bennett

Earl E. DeBrine, Jr.

Deana M. Bennett

Yarithza Peña

Post Office Box 2168

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yarithza.pena@modrall.com
Attorneys for Franklin Mountain Energy 3, LLC

Released to Imaging: 10/1/2024 4:47:00 PM

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Received by OCD: 10/1/2024 2:48:42 PM

CASE NO. 24899 : Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 306.92-acre, more or less, Wolfcamp horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 19 and 30 (W/2 W/2 equivalent), Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit will be dedicated to the Rope State Com 701H and Rope State Com 801H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the wells is expected to 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 3, LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico.

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-95	Service Fee RR Fee	\$4.40	\$4.40	\$4.40	\$4.40	\$4.40	\$4.40	\$4.40	\$4.40	\$101.20 \$53.3 Grand Total:	
PS Form 3877 Type of Mailing: CERTIFIED MAIL 05/01/2024	Postage	\$1.63	\$1.63	\$1.63	\$1.63	87.68	×0.04 \$1.63	\$1.63	\$1.63	Totals: \$37.49	
PS F Type of Mailing 055					OUERO	281V				I	Dated:
	Name, Street, City, State, Zip	Crown Oil Partners, LP P.O. Box 50820 Midland TX 79710	H. Jason Wacker 5601 Hillcrest Midland TX 79707	Kaleb Smith P.O. Box 50820 Midland TX 79710	Deane Durham P.O. Box 50820 Midland TX 79710	Mike Moylett P.O. Box 50820 Midland TX 79710	Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	,	eces Postmaster:
Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102	USPS Article Number	9314 8699 0430 0120 6036 73	9314 8699 0430 0120 6036 80	9314 8699 0430 0120 6036 97	9314 8699 0430 0120 6037 03	9314 8699 0430 0120 6037 10	9314 8699 0430 0120 6037 27	9314 8699 0430 0120 6037 34	9314 8699 0430 0120 6037 41		Pieces Total Number of Pieces
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Total Number of Pieces Received at Post Office List Number of Pieces Listed by Sender

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PS Form 3877

Karlene Schuman

Type of Mailing: CERTIFIED MAIL 10/10/2024

0154.0008 rope 0154.0008 rope 0154.0008 rope 10154.0008 rope 10154.0008 rope 10154.0008 rope 10154.0008 rope 10154.0008 rope 10154.0008 rope 0154.0008 rope 10154.0008 rope 10154.0008 rope Notice 10154.0008 rope 0154.0008 rope 10154.0008 rope Reference Contents Notice Rest. Del. Fee \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 \$0.00 RR Fee \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 \$2.62 Service Fee \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 \$4.85 ALBUQUE 0(60.28 0 2024 WAIN OFFICE \$2.04 \$2.04 \$2.04 \$2.04 \$2.04 \$2.04 \$2.04 \$2.04 Postage \$2.04 \$2.04 \$2.04 \$2.04 \$2.04 \$2.04 S. N.M. 82 4000 Thomaston, LLC 1819 Denver West Drive, Suite 260 Lakewood CO 80401 Collins & Jones Investments, LLC 508 W. Wall Street, Suite 1200 Midland TX 79701 Name, Street, City, State, Zip Broken Arrow Royalties, LLC 550 W. Texas Ave., Suite 945 MRC Permian Company 5400 LBJ Freeway, Ste 1500 990 Town and Country Blvd Marathon Oil Permian LLC Pegasus Resources II, LLC P.O. Box 470698 Fort Worth TX 76147 Good News Minerals, LLC Mongoose Minerals LLC 600 W. Illinois Avenue Midland TX 79701 Axis Energy Corporation 121 W 3rd Street Ventana Minerals, LLC DiaKan Minerals, LLC Chase Oil Corporation RDC Minerals, LLC David W. Cromwell Midland TX 79710 P.O. Box 50820 Midland TX 79710 LMC Energy, LLC Midland TX 79710 Roswell NM 88201 Houston TX 77024 Artesia NM 88211 Artesia NM 88211 Artesia NM 88211 P.O. Box 960 Artesia NM 88211 Artesia NM 88211 Dallas TX 75240 P.O. Box 50820 P.O. Box 1767 P.O. Box 359 P.O. Box 693 P.O. Box 297 9314 8699 0430 0127 2443 50 9314 8699 0430 0127 2443 74 9314 8699 0430 0127 2444 04 9314 8699 0430 0127 2443 43 9314 8699 0430 0127 2443 67 9314 8699 0430 0127 2443 98 9314 8699 0430 0127 2442 51 9314 8699 0430 0127 2442 75 9314 8699 0430 0127 2442 82 9314 8699 0430 0127 2442 99 9314 8699 0430 0127 2443 05 9314 8699 0430 0127 2443 12 9314 8699 0430 0127 2443 29 9314 8699 0430 0127 2443 36 9314 8699 0430 0127 2443 81 USPS Article Number 15 9 6 10 = 12 13 14 0 3 4 5 Line

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Firm Mailing Book ID: 274344	Reference Contents	10154.0008 rope Notice	10154.0008 rope Notice	10154.0008 rope Notice	10154.0008 rope Notice	10154.0008 rope Notice	10154.0008 rope Notice	10154.0008 rope Notice	10154.0008 rope Notice	10154.0008 rope Notice	
Firm Mailing	Rest.Del.Fee	\$0.00	\$0.00	80.00	\$0.00	\$0.00	\$0.00	80.00	\$0.00	80.00	\$0.00
	RR Fee	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	10 \$62.88 Grand Total:
د.	Service Fee	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	3/	\$4.858	\$4.85	\$4.85	\$116.40 Grand
7 IFIED MAII	Postage	\$2.04	\$2.04	\$2.04	\$2.04	\$2.04 BUQU	\$2:04	\$2.04	\$2.04 \$2.04	\$2.045PS	\$48.96
PS Form 3877 Type of Mailing: CERTIFIED MAIL 10/10/2024	Name, Street, City, State, Zip	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710			1/25000000000000000000000000000000000000			Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	Totals:
Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102	USPS Article Number	9314 8699 0430 0127 2444 11	9314 8699 0430 0127 2444 28	9314 8699 0430 0127 2444 35	9314 8699 0430 0127 2444 42	9314 8699 0430 0127 2444 59	9314 8699 0430 0127 2444 66	9314 8699 0430 0127 2444 73	9314 8699 0430 0127 2444 80	9314 8699 0430 0127 2445 03	
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Postmaster: Name of receiving employee Total Number of Pieces Received at Post Office List Number of Pieces Listed by Sender

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Firm Mailing Book ID: 274346	Contents	10154.0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice	10154,0008.24899. Notice	10154.0008.24899. Notice	10154,0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice	10154.0008.24899. Notice Page 40.0008.24899.
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	RR Fee	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62
	Service Fee	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85
77 TIFIED MAIL 4	Postage	\$1.77	\$1.77	\$1.77	\$1.77	\$1.77	\$1.77	E. Mn \$1.77	72.17	21.77	\$1.77	51.77	\$1.77	\$1.77	\$1.77
PS Form 3877 Type of Mailing: CERTIFIED MAIL 10/10/2024	Name, Street, City, State, Zip	Continental Land Resources, LLC P.O. Box 2170 Edmond OK 73083	Devon Energy Production Company, LP 333 West Sheridan Oklahoma City OK 73102	Original Company Ste 1500 Dallas TX 75240	Axis Energy Corporation 121 W 3rd Street Roswell NM 88201	Scharbauer Minerals, LP 300 N Marienfeld Street, Ste 700 Midland TX 79701	rson	e, Jr. Trust, Bill Lee, Jr., Trustee Mist Avenue	0CT 10	st, Richard Randolph Lee a ro Gonzalez venue	T Over V Ranch Land, LLLP P.O. Box 160 Emics NM 88231	Malcom S. Anderson Descendant Trust, dtd 7/2/1998 William R. Anderson, Trustee 2035 Meander Road Windsor CO 80550	Roddy D. and Brookie L. Hughes Revocable Trust Roddy & Brookie Hughes, co-ttees 2814 Emerson Place Midhard TX 79705	Kinard Resources, LLC 3732 Summercrest Drive	David P. Sanchez  David P. Sanchez  600 Goliad Court NW Albuquerque NM 87107
Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102	USPS Article Number	9314 8699 0430 0127 2451 97	9314 8699 0430 0127 2452 03	9314 8699 0430 0127 2452 10	9314 8699 0430 0127 2452 27	9314 8699 0430 0127 2452 34	9314 8699 0430 0127 2452 41	9314 8699 0430 0127 2452 58	9314 8699 0430 0127 2452 72	9314 8699 0430 0127 2452 89	9314 8699 0430 0127 2452 96	9314 8699 0430 0127 2453 02	9314 8699 0430 0127 2453 19	9314 8699 0430 0127 2453 26	9314 8699 0430 0127 2453 33
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Reference Contents 10154.0008.24899. Notice	Notice  Page 7024 Walz Certified Production 167
Firm Mailing I  Rest.Del.Fee  \$0.00	
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2 3 3 3	550 W. Texas Ave., Suite 945 Midland TX 79710
Karlene Schuman         Modrall Sperling Roehl Harris & Sisk P.A.         500 Fourth Street, Suite 1000         Albuquerque NM 87102         Line       USPS Article Number         15       9314 8699 0430 0127 2453 40       F         16       9314 8699 0430 0127 2453 64       F         17       9314 8699 0430 0127 2453 64       F         19       9314 8699 0430 0127 2453 71       F         20       9314 8699 0430 0127 2453 88       F         21       9314 8699 0430 0127 2454 18       F         22       9314 8699 0430 0127 2454 18       F         23       9314 8699 0430 0127 2454 45       F         24       9314 8699 0430 0127 2454 45       F         25       9314 8699 0430 0127 2454 63       F         26       9314 8699 0430 0127 2454 63       F         27       9314 8699 0430 0127 2454 63         28       9314 8699 0430 0127 2454 70         28       9314 8699 0430 0127 2454 87	
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Firm Mailin	Rest.Del.Fee	80.00	80.00	80.00	\$0.00	80.00	\$0.00	\$0.00	80.00	\$0.00	\$0.00	\$0.00
	RR Fee	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	\$2.62	5 \$102.18 Grand Total:
الد	Service Fee	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$4.85	\$5.85	\$4.85	\$189.15 Gran
PS Form 3877 Type of Mailing: CERTIFIED MAIL, 10/10/2024	Postage	\$1.77	\$1.77	\$1.77	\$1.77	\$1.77	SOUR TOWN OF THE SE	S1.77 S1.77	UCI \$1.77	MAIN OFFICE USES	\$1.77	Totals: \$69.03
Type of M	Name, Street, City, State, Zip	David W. Cromwell P.O. Box 50820 Midland TX 79710	Oak Valley Mineral and Land, LP P.O. Box 50820 Midland TX 79710	Crown Oil Partners, LP P.O. Box 50820 Midland TX 79710	H. Jason Waeker 5601 Hillcrest Midland TX 79707	Kaleb Smith P.O. Box 50820 Midland TX 79710	Deane Durham P.O. Box 50820 Midland TX 79710	Mike Moylett P.O. Box 50820 Midland TX 79710	Post Oak Mavros II, LLC 34 S. Wynden Drive, Ste. 210 Houston TX 77056	Sortida Resources, LLC P.O. Box 50820 Midland TX 79710	State of New Mexico P.O. Box 1148 Santa Fe NM 87501	
Karlene Schuman Modrall Sperling Roehl Harris & Sisk P.A. 500 Fourth Street, Suite 1000 Albuquerque NM 87102	USPS Article Number	9314 8699 0430 0127 2454 94	9314 8699 0430 0127 2455 00	9314 8699 0430 0127 2455 17	9314 8699 0430 0127 2455 31	9314 8699 0430 0127 2455 48	9314 8699 0430 0127 2455 55	9314 8699 0430 0127 2455 62	9314 8699 0430 0127 2455 79	9314 8699 0430 0127 2455 86	9314 8699 0430 0127 2455 93	
Before Schuman page 1998 Marlene Schuman poor Modrall Sperling Roehl of 500 Fourth Street, Suite Malbuquerque NM 87102 Suite S	erin 12/	0°, 10/2024	ਜ਼ 11:16	ξε :47 ΑΜ	33	34	35	36	37	38	39	

Total Number of Pieces Received at Post Office List Number of Pieces Listed by Sender

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			Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 264851 Generated: 11/12/2024 12:56:52 PM	CertifiedPro.net 264851 12:56:52 PM					
USPS Article Number	Date Created	Reference Number	Name 1	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
9314869904300120253595	2024-04-22 2:34 PM	10154.001.24457.	State of New Mexico	Santa Fe	ΣN	87501	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-24 7:44 AM
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9314869904300120253540	2024-04-22 2:34 PM	10154.001.24457.	Kaleb Smith	Midland	×	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253533	2024-04-22 2:34 PM	10154.001.24457.	H. Jason Wacker	Midland	×	79707	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253526	2024-04-22 2:34 PM	10154.001.24457.	Crown Oil Partners, LP	Midland	×	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253519	2024-04-22 2:34 PM	10154.001.24457.	Oak Valley Mineral and Land, LP	Midland	×	79710	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253502	2024-04-22 2:34 PM	10154.001.24457.	David W. Cromwell	Midland	×	79710	Lost	Return Receipt - Electronic, Certified Mail	
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9314869904300120253489	2024-04-22 2:34 PM	10154.001.24457.	Collins & Jones Investments, LLC	Midland		79701	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 2:14 PM
9314869904300120253472	2024-04-22 2:34 PM	10154.001.24457.	Pegasus Resources II, LLC	Fort Worth	¥	76147	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 8:22 AM
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9314869904300120253366	2024-04-22 2:34 PM	10154.001.24457.	Devon Energy Production Company, LP	Oklahoma City	ŏ	73102	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-25 7:02 AM
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			Transa	Transaction Report Details - CertifiedPro.net Firm Mail Book ID= 264852 Generated: 11/12/2024 1:00:36 PM	ion Report Details - Certifie Firm Mail Book ID= 264852 erated: 11/12/2024 1:00:36	rtifiedPro.1 4852 00:36 PM	net					
USPS Article Number	Date Created	Reference Number	Name 1	City	State	Zip	Postage	Fees	Firm MailBook ID Mailing Status	Mailing Status	Service Options	Mail Delivery Date
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9314869904300120253946	2024-04-22 2:41 PM	10154.1.24458,59.	Mike Moylett	Midland	ĭ	79710	1.63 (	6.72	264852	Lost	Return Receipt - Electronic, Certified Mail	
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9314869904300120253816	2024-04-22 2:41 PM	10154.1.24458,59.	Thomaston, LLC	Lakewood	8	80401	1.63 (	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 12:30 PM
9314869904300120253809	2024-04-22 2:41 PM	10154.1.24458,59.	Broken Arrow Royalties, LLC	Artesia	Σ	88211	1.63 (	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 11:31 AM
9314869904300120253793	2024-04-22 2:41 PM	10154.1.24458,59.	Cavalry Resources, LLC	Midland	ĭ	79704	1.63 (	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-06 9:04 AM
9314869904300120253786	2024-04-22 2:41 PM	10154.1.24458,59.	DSD Energy II, LLC	Southlake	¥	76092	1.63 (	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-29 2:57 PM
9314869904300120253779	2024-04-22 2:41 PM	10154.1.24458,59.	Loma Hombre Energy, LLC	Midland	¥	79710	1.63 (	6.72	264852	Lost	Return Receipt - Electronic, Certified Mail	
9314869904300120253762	2024-04-22 2:41 PM	10154.1.24458,59.	10154.1.24458,59. Axis Energy Corporation	Roswell	Σ	88201	1.63 (	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 3:29 PM
9314869904300120253755	2024-04-22 2:41 PM	10154.1.24458,59.	10154.1.24458,59. COG Operating, LLC	Midland	ĭ	79701	1.63 (	6.72	264852	Delivered	Return Receipt - Electronic, Certified Mail	2024-04-26 7:47 AM

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9314869904300120603741	2024-05-01 12:46 PM	10154.0001.24479.	State of New Mexico	Santa Fe	ΣN	87501	Delivered	Return Receipt - Electronic, Certified Mail	2024-05-07 7:35 AM
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USPS Article Number	Date Created	Reference Number	Name 1	City	State	Zip	Mailing Status	Service Options	Mail Delivery Date
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### 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 April 28, 2024 and ending with the issue dated April 28, 2024.

Publisher

Sworn and subscribed to before me this 28th day of April 2024.

lfussell

**Business Manager** 

My commission expires

January 20 202 NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

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

CASE NO. 24457: Notice to all affected parties, as well as heirs and devisees of: MRC Permian Company; Continental Land Resources, LLC; Devon Energy Production Company, LP; COG Operating, LLC; Axis Energy Corporation; Loma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett: Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Peccs Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: <a href="https://www.emnrd.nm.gov/ocd/hearing-info/Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 459-56-acre, more or less, Bone Spring horizontal spacing unit comprised of Lots 1, 2, 3, and 4 of irregular Sections 18, 19, and 30 (W/2 W/2 equivalent). Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the Rope State Com 301H and Rope State Com 601H wells to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 30 to a bottom hole location in the NW/4 NW/4 (Lot 1) of Section 18. The producing area for the

CASE NO. 24458: Notice to all affected parties, as well as heirs and devisees of: COG Operating, LLC; Axis Energy Corporation; Loma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 16, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.enrnd.nm.gov/ocd/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Unit C) of Section 18; and Rope State Com 602H well, to be horizontally drilled from a surface hole location in the SW/4 SE/4 (Unit O) of Section 30 to a bottom hole location in the NE/4 NE/4 (Uni

charges for sisk involved in drilling said wells. Said area is located approximately 19 miles west of Hobbs, New Mexico.

CASE NO. 24459: Notice to all affected parties, as well as heirs and devisees of: COG Operating, LLC; Axis Energy Corporation; Loma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royaties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Evalve Marathon Mongoose Minerals LLC; Marathon Oil Permian LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sordia Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 815 a.m. on May 16, 2024 to consider this application. The Lac County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emmrd.mn.gov/cot/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 960-acre, more or less, Bone Spring horizontal spacing unit comprised of the EZ of Sections 18, 19, and 30, Township 18 South, Bange 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping specing u

**EXHIBIT D.4** 

### 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 May 02, 2024 and ending with the issue dated May 02, 2024.

Publisher

Sworn and subscribed to before me this 2nd day of May 2024.

**Business Manager** 

My commission expires January 29, 2027

> STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

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

LEGAL LEGAL LEGAL LEGAL NOTICE

CASE NO. 24479: Notice to all affected parties, as well as heirs and devisees of: COG Operating, LLC; Axis Energy Corporation; Lorma Hombre Energy, LLC; DSD Energy II, LLC; Cavalry Resources, LLC; Broken Arrow Royalties, LLC; Thomaston, LLC; Mongoose Minerals LLC; Marathon Oldermian LLC; Good News Minerals, LLC; Pegasus Resources II, LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sortida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling and, to the extent necessary, approval of an overlapping spacing unit, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:15 a.m. on May 16, 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via the WebEx virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date: https://www.emnrd.nm.gov/ocd/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 480-acre, more or less, Bone Spring horizontal spacing unit comprised of the E/2 W/2 of Sections 18, 19, and 30, Township 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. Franklin also seeks, to the extent necessary, approval of an overlapping spacing unit. This spacing unit will be dedicated to the following wells: Rope State Com 302H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Unit C) of Section 18, and Rope State Com 602H well, to be horizontally drilled from a surface hole location in the SW/4 SW/4 (Lot 4) of Section 19, dedicate

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00289944

**DOLORES SERNA** MODRALL, SPERLING, ROEHL, HARRIS & P. O. BOX 2168 ALBUQUERQUE, NM 87103-2168

Beginning with the issue dated October 13, 2024 and ending with the issue dated October 13, 2024.

Publisher

Sworn and subscribed to before me this 13th day of October 2024.

Show M

**Business Manager** 

My commission expires

January 29, 2027

Seal) STATE OF NEW MEXICO NOTARY PUBLIC GUSSIE RUTH BLACK **COMMISSION # 1087526** COMMISSION EXPIRES 01/29/2027

This newspaper is duly qualified to publish legal notices or advertisements within the meaning of Section 3, Chapter 167, Laws of

Affidavit of Publication

Company, Axis Energy, Corporation; Ventian Minerals, LLC; DiaKan Minerals, LLC; Chase Oil Corporation; RDC Minerals, LLC; Broken Arrow, Royalthes, LLC; DiaKan Minerals, LLC; Mongoose Minerals, LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Fogasus Resources Ill LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Fogasus Resources Ill LLC; Collins & Marathon Oil Permian LLC; Good News Minerals, LLC; Fogasus Resources Ill LLC; Collins & Marathon Oil Permian LLC; Good News Minerals, LLC; Mongoose Minerals, LLC; Marathon Oil Permian LLC; Good News Minerals, LLC; Mongoose Minerals, LLC; Mongoose

Prankin 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 19 miles west of Hobbs, New Mexico.

CASE NO: 24899: Notice to all affected parties, as well as heirs and devisees of: Continental Land Resources, LLC; Devon Energy Production Company, LP; MRC Permian Company, Axis, Energy Corporation; Scharbauer Minerals, LP; John Richard Anderson, The B, Lane Lee, Jr. Trust, Bill Lane Lee, Jr., Trustee; Mellssa Ann Lee Belz; The RIGA Living Trust, Richard Randolph Lee and Gabriel Agustin Romero Gonzalez, Co-Trustees; T Over V Ranch Land, LLLP; Malcom S. Anderson Descendant Trust, dtd 7/1/2998, William Richard Anderson, Trustee; Roddy D. and Brookle L: Hughes Revocable Trust, dtd 7/1/2916, Roddy D. Hughes and Brookle Lee Hughes, Co-Trustees; Kinard Resources, LLC; David P. Sanchez; Becky Christmas; Mary Ann Waldrop; Elizabeth Libby Berry; Ventana Minerals, LLC; David P. Sanchez; Becky Christmas; Mary Ann Waldrop; Elizabeth Libby Berry; Ventana Minerals, LLC; David P. Sanchez; Becky Christmas; Mary Ann Waldrop; Elizabeth Libby Berry; Ventana Minerals, LLC; David P. Sanchez; Becky Christmas; Mary Ann Waldrop; Elizabeth Libby Berry; Ventana Minerals, LLC; David P. Sanchez; Becky Christmas; Mary Ann Waldrop; Elizabeth Libby Berry; LLC; David P. Sanchez; Becky Christmas; Mary Ann Waldrop; Elizabeth Libby Berry; LLC; David W. Cromwell; Oak Valley Mineral and Land, LP; Crown Oil Partners, LP; H. Jason Wacker; Kaleb Smith, Deane Durham; Mike Moylett; Post Oak Mavros II, LLC; Sotida Resources, LLC; State of New Mexico of the Application of Franklin Mountain Energy 3, LLC for compulsory pooling, Lea County, New Mexico. The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on October 31; 2024 to consider this application. The hearing will be conducted in a hybrid fashion, both in-person at the Energy, Minerals, Natural Resources Department, Wendell Chi

charge for risk involved in drilling said well. Said area is located approximately 19 miles west of Hobbs, New Mexico

CASE NO. 24900: Notice to all affected parties, as well as heirs and devisees of: MRC Permian Company; Axis Energy Corporation; Wentaña Minerais, LLC; DiaKań Minerais, "LLC; Chase Oll Corporation; NDC/Minerais," LLC; Broken Arrow Royalties, LLC; Thomaston; LLC; Mongoose Minerais, LLC; Marathon Oll Permian LLC; Good News Minerais, LLC; Hogastis Hesources, II; LLC; Collins & Jones Investments, LLC; LMC Energy, LLC; David W. Crownell; Oak Valley, Minerais and Land, LP; Crown Oll Partners, LLC; H. Jason Wacker; Kaleb Smith; Deane Durham; Mike Moylett; Post Oak Mavros II; LLC; Sortida Resources; LLC; State of New Mexico, The State of New Mexico of The Application of Franklin Mountain Energy 3; LLC for compulsory pooling, Lea County, New Mexico, The State of New Mexico through its Oil Conservation Division hereby gives notice that the Division will conduct a public hearing at 8:30 a.m. on October, 31; 2024 to consider this application of the hearing will be conducted in a hybrid fashion, both inperson at the Energy, Minerais, Natural Resources Department, Wendell Chino Building, Pecos Hall, 1220 South St. Francis Drive, 1st Floor, Santa Fe, NM 87505 and via a virtual meeting platform. To participate in the electronic hearing, see the instructions posted on the docket for the hearing date https://www.emmrd.nm.gov/cod/hearing-info/. Applicant seeks an order from the Division pooling all uncommitted mineral interests within a 320-agre, more or less, Wolfcamp horizontal spacing unit comprised of the E/2 W/2 of Sections 19; and 30; Joneship 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit comprised of the E/2 W/2 of Sections 19; and 30; Joneship 18 South, Range 35 East, N.M.P.M., Lea County, New Mexico. This spacing unit comprised for the Well-Mexico of the Collection in the NEW Self-Mexico of Section 30 to a bottom in the New Self-Mexico of the Collection of the New Section 19

meaning of Section 3, Chapter 167, Laws of 1937 and payment of fees for said publicatio has been made.

ASE NO. 24901: Notice to all affected parties, as well as heirs and devisees of: MRC Permlan Company; Axis Energy Corporation; Ventnan Minerals; LLC; DiaKan Minerals; LLC; Chase Oil Corporation; RDC Minerals, LLC; Boken Arrow, Royalties, LLC; Hongoose Minerals LLC; Mongoose Minerals; L

## Section 30 Is Key for FME3's Development

- FME3's access to Section 30 is pivotal to FME3's development plan.
- Section 31 as shown on the map to the FME3's infrastructure and corridor is in right.
- Contrary to MRC's testimony, operating section 18/19 is not a workable option
- possible in Section 18 due to existing saltwater disposal well injection in Wolfcamp formation in Section 18 Wolfcamp development is not
  - environmental risk as there are both playas and a ravine as shown on the S/2 of Section 19 is not only taken with existing pads but also has map to the right.
- Mountain could operate two-mile wells in Section 18 and 19. This solution would (i) allow MRC operator to operate those sections where it already has existing producing horizontal wells, and (iii) allow all four sections involved in these cases (Sections 18, 19, 30 and 31) to be developed to operate Section 30 where MRC has the majority working interest control, (ii) allow each where MRC could operate Sections 30 and 31 as proposed under MRC's application, and Franklin 41. As discussed above, MRC has proposed multiple options to Franklin Mountain

Disturbance FME3's Proposed Surface FME3 existing infrastructure **Disturbance** Proposed

FME3 Reb. 1

with two mile wells where existing producing wells allow

**EXHIBIT E-1** 

FRANKLIN MOUNTAIN ENERGY



### MRC is misrepresenting production

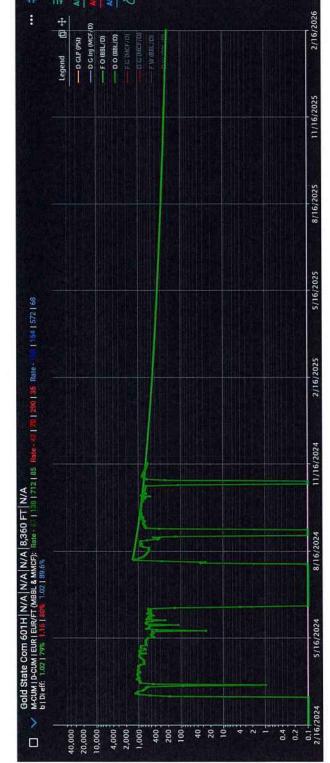
 MRC is partners in our Gold development and receives daily production  Gold 601 was shut in for 50 days due to gas takeaway constraints

These 3<sup>rd</sup> party takeaway issues have been resolved

 Removing the down days, Gold 601 has a cumulative (180 days on) normalized of 15,462 BO/1000' LL FME3 has forecasted this well to be an 85

BO/ft well

Well	Shut-in Days	Normalized (180 days on) BO/1000' LL	MRC 6-Month BO/1000'
Gold 601	50	15,462	10,200
Gold 301	20	14,565	Left out of analysis
Gold 801	113	4,832	2,500
Eagle 301	44	8,222	5,807

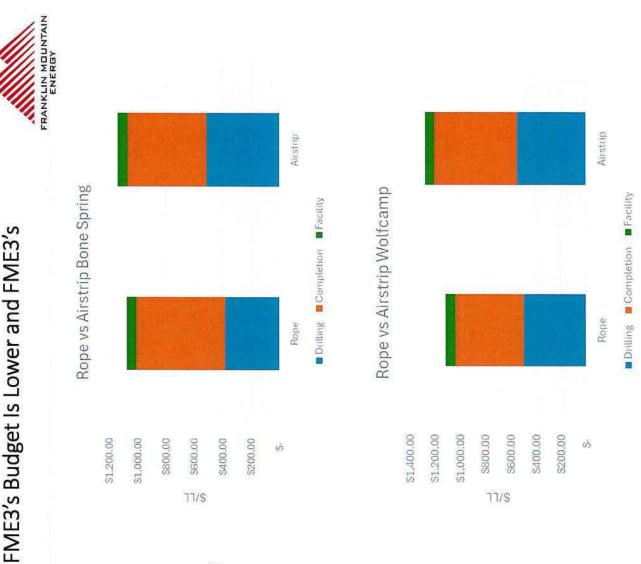


FME3 Reb. 2

### FME3 Reb. 4 EXHIBIT E-3

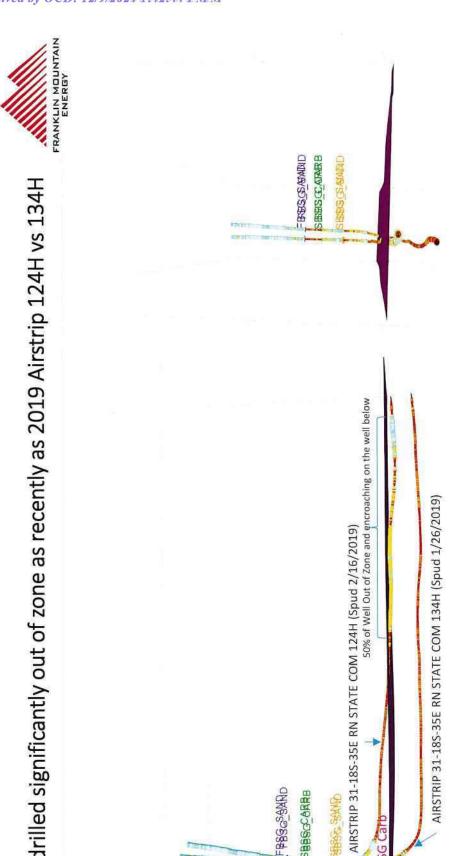
## Revised Based on Updated MRC AFEs: FME3's Budget Is Lower and FME3's **Excellence in Execution**

- The aggregate Bone Spring AFE between MRC's Airstrip and FME3's Rope normalized by well count and represented in \$/LL
- MRC's November 7 Budget = \$1,140/LL
- FME3's AFE Budget = \$1,077/LL
- FME3 is \$63/LL less than MRC's Bone Spring Airstrip
- The aggregate Wolfcamp B AFE between MRC's Airstrip and FME3's Rope normalized by well count and represented in \$/LL
- MRC's November Budget = \$1,279/LL
- FME3's AFE Budget = \$1,117/LL
- FME3 is \$162/ LL less than MRC's Wolfcamp



FME3 Reb. 5

# MRC has drilled significantly out of zone as recently as 2019 Airstrip 124H vs 134H



FR8GGSAND SBBGGCARRB

SSG Carb

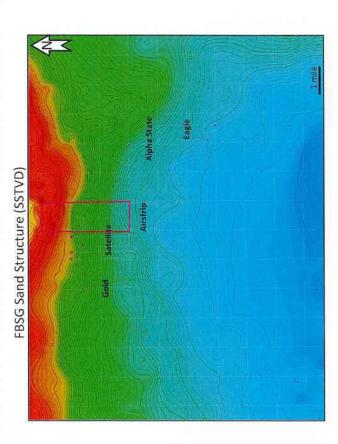
Rebuttal to Andrew Parker Testimony Paragraphs 34-39 regarding MRC's "Superior

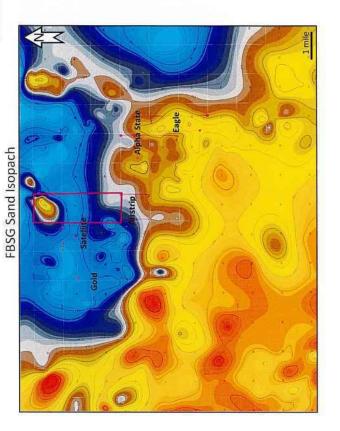
Operating Ability"

### EXHIBIT E-5

## FBSG Sand: MRC is omitting analog wells that don't work in their favor







- MRC excluded Gold State 301H (in which they are partners and privy to the data) in their FBSG Comparison, presumably because it makes FME3 look worse
- Gold 301H was shut in for 2 weeks due to gas takeaway constraints
- Despite this hinderance the well's first six months are strong (14,565 barrels/1000')
- Despite MRC's attempts to disparage the Alpha State 304H, it is a high performing well
- FME3's Satellite State 301H, 302H, 303H and 304H wells are flowing back with very encouraging results

Well Name	Operator	Date of First Prod CUM		Lateral Length (ft) CUM/1000'	
Gold State Com 301H	Franklin Mountain Energy	3/20/2024	126234	8667	14565

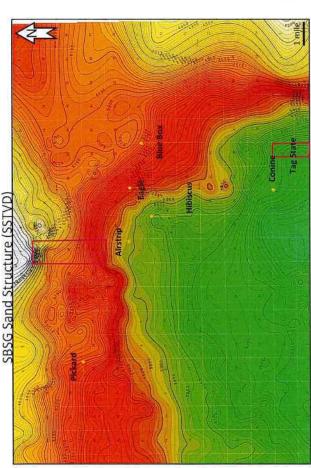
Rebuttal MRC Exhibits C8 & C9

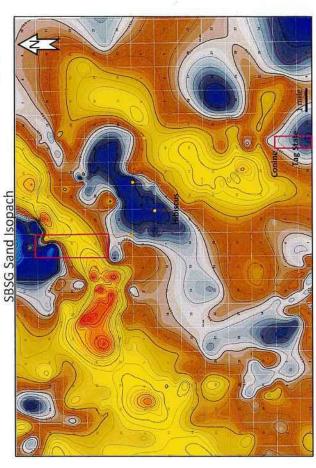
FME3 Reb. 6

FME3 Reb. 7

## SBSG Sand: FME3 is approaching with caution while MRC is selectively choosing analog wells that skew data in its favor







- FME3's regional understanding of geologic drivers, landing zones, wells per bench and depletion all factor into cautiously approaching the Second Bone Spring Sand
- FME3's drilled wells, analyses and research has led us to understand that there are very different geologic factors driving well performance in SE vs NW
- FME3 is planning on drilling the Second Bone, but also drilling and/or proposing test wells for increased density spacing and multibench tests
- Example: FME3's Tag State (currently drilling 2 SBSG Sand wells in multiple benches at increased density)
- MRC omits the Hibiscus 08 19 35 RN State Com 124H (3,087 barrels) and the Conine 03 20 35 RN 121H (9,738 barrels) SBSG Sand wells
- Would have lowered MRC's average to 8,432 barrels/1000'

Well Name	Operator	Date of First Prod	Sum 6 Month Oil CUM La	Lateral Length (ft)	6 Month Oil CUM/1000'
Conine 03 20 35 RN 121H	MATADOR RESOURCES	12/31/2015	44610	4581	9738
Hibiscus 08 19 35 RN State Com 124H	MATADOR RESOURCES	11/30/2015	15645	8909	3087

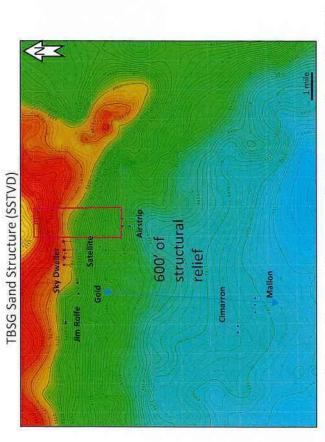
Rebuttal to MRC Exhibits C10 & C11

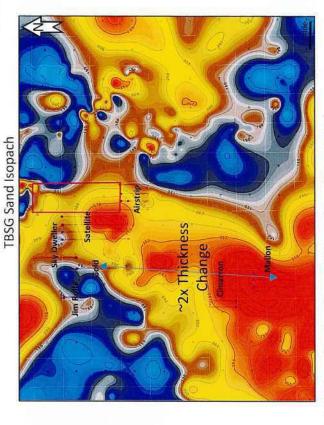
EXHIBIT E-6

### EXHIBIT E-7

# TBSG Sand: MRC is selectively choosing analog wells that skew data in its favor







- MRC includes Mallon and Cimarron wells in its comparison with FME3's Third Bone Sand wells on MRC exhibits C12 and C13
- · Mallon and Cimarron wells are approximately 4 miles south of Gold and Rope development areas, as shown on the map above
- Mallon and Cimarron are 600' deeper than the Gold State 601H
- Greater depths increase pressure dramatically and in extremely different geology in the heart of the TBSG Sand channel, meaning these wells are not a fair comparison to the FME3 Gold 601 well and skew the data to make MRC look better
- MRC omits the Jim Rolfe 22 18 34 RN State 131Y TBSG Sand well which:
- · As shown on the map above, is significantly closer to the Rope Development and in a similar geologic setting
- Removing Cimarron and Mallon and adding Jim Rolfe would have lowered MRC's average to 12,479 barrels/1000'
- FME's first six months of production is better than MRC's Jim Rolfe well, and after normalizing FME3's 601H for downtime, the production of 15,462,200 barrels/1000' is competitive with MRC's Airstrip TBSG wells
- Despite MRC's attempts to cast doubt on the Gold State 601H it remains a strong performing well
- Gold 601H was shut in for 50 days due to gas constraints
- FME3's recent Satellite State 601H, 602H, 603H, and 604H are showing favorable initial results
- Avant/Lario's Sky Dweller 607H is located closer to Rope, and is also strong

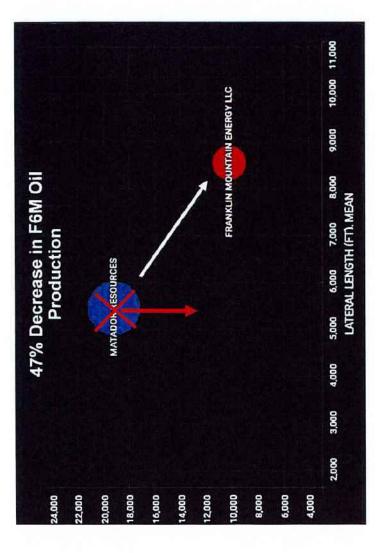
## Rebuttal to MRC Exhibits C12 & C13

FME3 Reb. 8



### **TBSG Sand Data Table**

# MRC Average After Removing MRC Mallon and Cimarron, and adding Jim Rolf



Rebuttal to MRC Exhibits C12 & C13 (cont)

FME3 Reb. 8 (cont)

FRANKLIN MOUNTAIN MRC's Wolfcamp Structure Magnerics

9

FME3 Reb.

## Gold 701H-FME3's Strength is in it's Experience

FME3 employs internal geosteering experts, consultants in geosteering and geophysics, 3D seismic and careful geologic interpretations to ensure 24/7 operations on active rigs are executed and on plan FME3's Gold 701 was landed in the Wolfcamp A, we disagree with MRC's interpretation of the Wolfcamp B top

Estimated toe

half of Gold

701H (400' of elevation in

5280')

FME3 also disagrees with MRC's geosteering interpretation of Gold 701H

MRC's interpretation relies on significant dips in upwards of 100º in the toe of the lateral

The dips in MRC's interpretation seem to disagree with their own Wolfcamp structure map; simple trigonometric analysis of MRC's map suggest dips between 94-95º

ME3 Gold Unit

MRC incorrectly places the well path in the Wolfcamp B and the Wolfcamp A Carbonate

FME3 used Careful examination of the MWD log while using multiple type logs from wells at the heel and north of the toe reveals low gamma limestones in the toe half of the well aren't

Carbonate content in the toe half of the Gold 701H increased abruptly along depositional dip present in the curve landing

Regional structural dip from FME3's interpretation agrees with both structural mapping from during drilling, this change is interpreted as a lateral facies change in the target zone of the ower Wolfcamp A

FME3 has applied these lessons learned to our seismic calibration and is better positioned to well formation tops and 3D seismic review

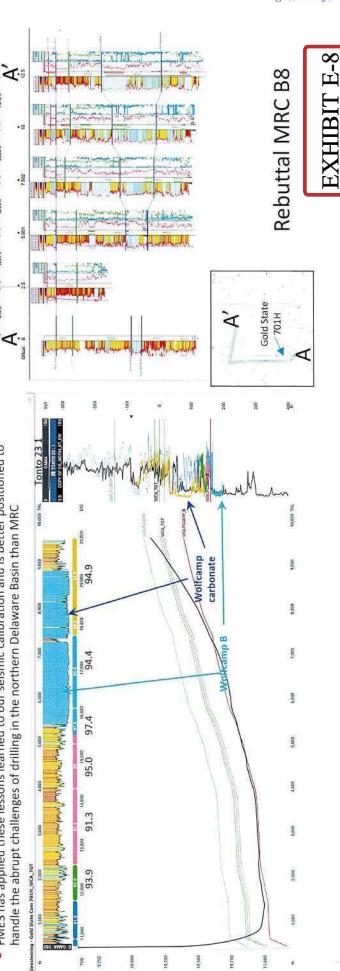
OLAM 1 TONTO 15 STATE 601 TONTO STATE

GOLD STATE COM BOTH JEFFERS STATE 1 STATE 27 1 SECH

Submitted by: Matador Production Company

Hearing Date: November 20, 2024 Case Nos. 24778-24786 Exhibit No. 8-4

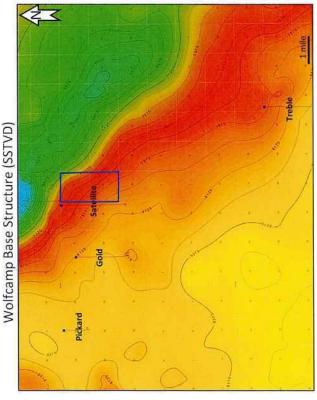
BEFORE THE OIL CONSERVATION DIVISION

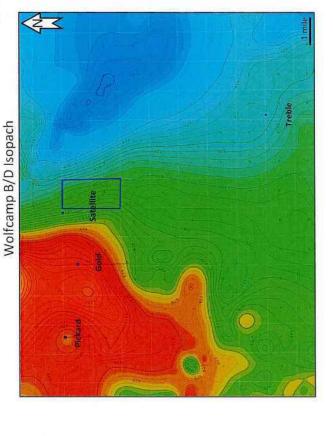


### EXHIBIT E-9

# FME3 is actively testing the emerging Wolfcamp B/D target-while MRC is dormant







- FME3 recently drilled and completed the Satellite State 804H in the Wolfcamp D-deepening the target landing zone by >100' relative to Treble and Gold
- Results of the Satellite State 804H are encouraging thus far
- MRC Compares their one western well drilled in 2014 with FME3 wells without noting the to the westerly change in structural dip and thickness, and the difference in landing zone targets.
- MRC touted the Wolfcamp D over a decade ago, yet MRC hasn't touched this zone in 10 years, where have they been?
- MRC Investor Report from Oct 14, 2014 "This initial test result on the Pickard State 20-18-24 #2H well, while modest when compared to Matador's Wolfcamp "A" results in Loving County, is still considered by the Company to be an important and positive... Given these positive and indicative results, Matador expects to continue to explore and test the Wolfcamp "D" in future wells in the northern Delaware Basin."

https://www.matadorresources.com/news-releases/news-release-details/matador-resources-company-provides-operational-update-and

Rebuttal to MRC Exhs. C16 & C17

FME3 Reb. 10