Form 3160-3
(June 2015)

FORM APPROVED
OMB No. 1004-0137
Expires: January 31, 2018

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☐ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Other

1c. Type of Completion: ☐ Hydraulic Fracturing ☐ Single Zone ☐ Multiple Zone

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.

[333310]

2. Name of Operator

[373910]

9. API Well No.

30-025-50627

3a. Address

3b. Phone No. *(include area code)*

10. Field and Pool, or Exploratory **[98185]**

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface

At proposed prod. zone

11. Sec., T. R. M. or Blk. and Survey or Area

14. Distance in miles and direction from nearest town or post office*

12. County or Parish

13. State

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)	16. No of acres in lease	17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. in file
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable)

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be requested by the BLM.

25. Signature	Name *(Printed/Typed)*	Date
Title		
Approved by *(Signature)*	Name *(Printed/Typed)*	Date
Title	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

NGMP Rec 09/13/2022

SL

APPROVED WITH CONDITIONS

KZ
09/23/2022

(Continued on page 2)

*(Instructions on page 2)

Approval Date: 09/09/2022

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:
The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Approval Date: 09/09/2022

Additional Operator Remarks

Location of Well

0. SHL: TR O / 270 FSL / 1417 FEL / TWSP: 24S / RANGE: 35E / SECTION: 36 / LAT: 32.167459 / LONG: -103.317299 (TVD: 0 feet, MD: 0 feet)

PPP: NENE / 0 FNL / 420 FEL / TWSP: 25S / RANGE: 35E / SECTION: 12 / LAT: 32.152193 / LONG: -103.314076 (TVD: 9825 feet, MD: 15300 feet)

PPP: NENE / 210 FNL / 459 FEL / TWSP: 25S / RANGE: 35E / SECTION: 1 / LAT: 32.166136 / LONG: -103.314203 (TVD: 9825 feet, MD: 10227 feet)

PPP: NENE / 0 FNL / 485 FEL / TWSP: 25S / RANGE: 35E / SECTION: 1 / LAT: 32.166713 / LONG: -103.314288 (TVD: 9780 feet, MD: 10000 feet)

BHL: TR P / 150 FSL / 380 FEL / TWSP: 25S / RANGE: 35E / SECTION: 12 / LAT: 32.138093 / LONG: -103.313947 (TVD: 9825 feet, MD: 20434 feet)

BLM Point of Contact

Name: TENILLE ORTIZ
Title: Legal Instruments Examiner
Phone: (575) 234-2224
Email: tortiz@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

[1] API Number	[2] Pool Code	[3] Pool Name
30-025-50627	98185	WC-025 G-09 S253502B;LWR BONE SPRING

[4] Property Code	[5] Property Name	[6] Well Number
333310	GREEN LIGHT FED COM	304H

[7] OGRID No.	[8] Operator Name	[9] Elevation
373910	FRANKLIN MOUNTAIN ENERGY LLC	3338.2'

[10] Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	36	24S	35E		270	SOUTH	1417	EAST	LEA

[11] Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	12	25S	35E		150	SOUTH	380	EAST	LEA

[12] Dedicated Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
320			

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

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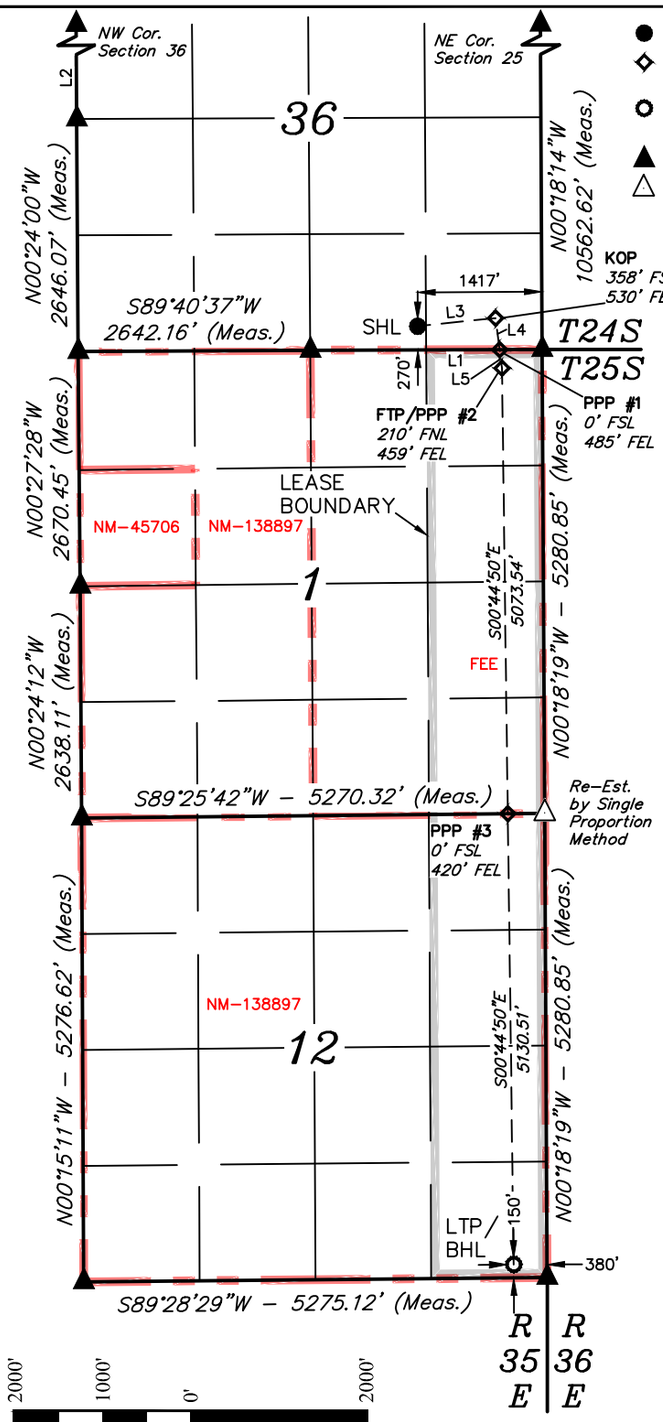


SCALE
DRAWN BY: S.K. 08-05-21
REV: 1 10-06-21 C.D.
(ADD LEASE INFO. & UPDATE WELL BORE)

● = SURFACE HOLE LOCATION
◇ = KICK OFF POINT/ FIRST TAKE POINT/PPP
○ = LAST TAKE POINT/BOTTOM HOLE LOCATION
▲ = SECTION CORNER LOCATED
△ = SECTION CORNER RE-ESTABLISHED. (Not Set on Ground.)

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)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	S89°46'55"W	2639.71'
L2	N00°22'02"W	2649.17'
L3	N84°05'31"E	891.19'
L4	S07°27'38"E	361.24'
L5	S07°27'38"E	211.80'

NAD 83 (SURFACE HOLE LOCATION)
LATITUDE = 32°10'02.85" (32.167459°)
LONGITUDE = 103°19'02.28" (103.317299°)
NAD 27 (SURFACE HOLE LOCATION)
LATITUDE = 32°10'02.40" (32.167332°)
LONGITUDE = 103°19'00.60" (103.316834°)
STATE PLANE NAD 83 (N.M. EAST)
N: 426140.72' E: 855729.33'
STATE PLANE NAD 27 (N.M. EAST)
N: 426081.89' E: 814542.87'

NAD 83 (KICK OFF POINT)
LATITUDE = 32°10'03.71" (32.167698°)
LONGITUDE = 103°18'51.96" (103.314434°)
NAD 27 (KICK OFF POINT)
LATITUDE = 32°10'03.26" (32.167571°)
LONGITUDE = 103°18'50.29" (103.313969°)
STATE PLANE NAD 83 (N.M. EAST)
N: 426236.14' E: 856615.26'
STATE PLANE NAD 27 (N.M. EAST)
N: 426177.30' E: 815428.78'

NAD 83 (PPP #1)
LATITUDE = 32°10'00.17" (32.166713°)
LONGITUDE = 103°18'51.44" (103.314288°)
NAD 27 (PPP #1)
LATITUDE = 32°09'59.71" (32.166586°)
LONGITUDE = 103°18'49.76" (103.313824°)
STATE PLANE NAD 83 (N.M. EAST)
N: 425878.21' E: 856663.65'
STATE PLANE NAD 27 (N.M. EAST)
N: 425819.38' E: 815477.17'

NAD 83 (PPP #3)
LATITUDE = 32°09'07.89" (32.152193°)
LONGITUDE = 103°18'50.67" (103.314076°)
NAD 27 (PPP #3)
LATITUDE = 32°09'07.44" (32.152066°)
LONGITUDE = 103°18'49.00" (103.313612°)
STATE PLANE NAD 83 (N.M. EAST)
N: 420596.30' E: 856779.39'
STATE PLANE NAD 27 (N.M. EAST)
N: 420537.61' E: 815592.70'

NAD 83 (FTP/PPP #2)
LATITUDE = 32°09'58.09" (32.166136°)
LONGITUDE = 103°18'51.13" (103.314203°)
NAD 27 (FTP/PPP #2)
LATITUDE = 32°09'57.63" (32.166009°)
LONGITUDE = 103°18'49.46" (103.313738°)
STATE PLANE NAD 83 (N.M. EAST)
N: 425668.35' E: 856692.03'
STATE PLANE NAD 27 (N.M. EAST)
N: 425609.52' E: 815505.53'

NAD 83 (LTP/BHL)
LATITUDE = 32°08'17.14" (32.138093°)
LONGITUDE = 103°18'50.21" (103.313947°)
NAD 27 (LTP/BHL)
LATITUDE = 32°08'16.68" (32.137966°)
LONGITUDE = 103°18'48.54" (103.313484°)
STATE PLANE NAD 83 (N.M. EAST)
N: 415467.28' E: 856867.73'
STATE PLANE NAD 27 (N.M. EAST)
N: 415408.73' E: 815680.84'

[17] OPERATOR CERTIFICATION

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

Signature 9/23/2021 Date

Shelly Albrecht
Printed Name

salbrecht@fmellc.com
E-mail Address

[18] SURVEYOR CERTIFICATION

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

AUGUST 05, 2021

Signature and Seal of Professional Surveyor:

PAUL BUCHELE NEW MEXICO 23782 PROFESSIONAL SURVEYOR 10-06-21

State of New Mexico
Energy, Minerals and Natural Resources Department

Submit Electronically
Via E-permitting

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description
Effective May 25, 2021

I. Operator: ___Franklin Mountain Energy, LLC_____ **OGRID:** ____373910_____ **Date:** __09/_13_/_2022

II. Type: ☒ Original ☐ Amendment due to ☐ 19.15.27.9.D(6)(a) NMAC ☐ 19.15.27.9.D(6)(b) NMAC ☐ Other.

If Other, please describe: _____

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
See Attached Well List						

IV. Central Delivery Point Name: _____Green Light CTB: facility ID fAPP2125750904___ [See 19.15.27.9(D)(1) NMAC]

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached Date	Completion Commencement Date	Initial Flow Back Date	First Production Date
See Attached Well List						

VI. Separation Equipment: ☒ Attach a complete description of how Operator will size separation equipment to optimize gas capture.

VII. Operational Practices: ☒ Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.

VIII. Best Management Practices: ☒ Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan

EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

☒ Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. ☒ Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural gas gathering system ☐ will ☐ will not have capacity to gather 100% of the anticipated natural gas production volume from the well prior to the date of first production.

XIII. Line Pressure. Operator ☐ does ☐ does not anticipate that its existing well(s) connected to the same segment, or portion, of the natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new well(s).

☐ Attach Operator's plan to manage production in response to the increased line pressure.

XIV. Confidentiality: ☐ Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information provided in Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific information for which confidentiality is asserted and the basis for such assertion.

Section 3 - Certifications

Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal:

☒ Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system; or

☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system.
If Operator checks this box, Operator will select one of the following:

Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or

Venting and Flaring Plan. ☐ Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including:

- **(a)** power generation on lease;
- **(b)** power generation for grid;
- **(c)** compression on lease;
- **(d)** liquids removal on lease;
- **(e)** reinjection for underground storage;
- **(f)** reinjection for temporary storage;
- **(g)** reinjection for enhanced oil recovery;
- **(h)** fuel cell production; and
- **(i)** other alternative beneficial uses approved by the division.

Section 4 - Notices

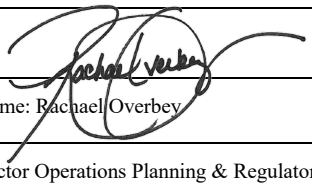
1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:

(a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

(b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.

2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: 
Printed Name: Rachael Overbey
Title: Director Operations Planning & Regulatory
E-mail Address: roverbey@fmellc.com
Date: 09/13/2022
Phone: 720-414-7868

OIL CONSERVATION DIVISION **(Only applicable when submitted as a standalone form)**
Approved By:
Title:
Approval Date:
Conditions of Approval:

NATURAL GAS MANAGEMENT PLAN

III. Well(s): Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API 14 Digit	ULSTR	Surface Location FTG	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
Green Light Fed Com 101H	TBD	N-36-24S-36E	270 FSL 1824 FWL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 301H	TBD	N-36-24S-36E	270 FSL 1849 FWL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 801H	TBD	N-36-24S-36E	345 FSL 1837 FWL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 802H	TBD	N-36-24S-36E	345 FSL 1862 FWL	800 +/-	1100 +/-	500 +/-
Green Light Federal 102H	TBD	N-36-24S-36E	270 FSL 1874 FWL	800 +/-	1100 +/-	500 +/-
Green Light Federal 302H	TBD	N-36-24S-36E	270 FSL 1899 FWL	800 +/-	1100 +/-	500 +/-
Green Light Federal 803H	TBD	N-36-24S-36E	345 FSL 1887 FWL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 103H	TBD	O-36-24S-35E	270 FSL 1492 FEL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 104H	TBD	O-36-24S-35E	270 FSL 1442 FEL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 303H	TBD	O-36-24S-35E	270 FSL 1467 FEL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 304H	TBD**30-025-50627**	O-36-24S-35E	270 FSL 1417 FEL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 804H	TBD	O-36-24S-35E	345 FSL 1479 FEL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 805H	TBD	O-36-24S-35E	345 FSL 1454 FEL	800 +/-	1100 +/-	500 +/-
Green Light Fed Com 806H	TBD	O-36-24S-35E	345 FSL 1429 FEL	800 +/-	1100 +/-	500 +/-

V. Anticipated Schedule: Provide the following information for each new or recompleted well or set of wells proposed to be drilled or proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API 14 Digit	Spud Date (Batch Drilling)	TD Reached Date	Completion Commencement Date	Initial Flowback Date	First Production Date
Green Light Fed Com 101H	TBD	1/1/2023	4/23/2023	5/8/2023	5/18/2023	5/20/2023
Green Light Fed Com 301H	TBD	1/1/2023	4/23/2023	5/8/2023	5/18/2023	5/20/2023
Green Light Fed Com 801H	TBD	1/1/2023	4/23/2023	5/8/2023	5/18/2023	5/20/2023
Green Light Fed Com 802H	TBD	1/1/2023	4/23/2023	5/8/2023	5/18/2023	5/20/2023
Green Light Federal 102H	TBD	1/1/2023	4/23/2023	5/8/2023	5/18/2023	5/20/2023
Green Light Federal 302H	TBD	1/1/2023	4/23/2023	5/8/2023	5/18/2023	5/20/2023
Green Light Federal 803H	TBD	1/1/2023	4/23/2023	5/8/2023	5/18/2023	5/20/2023
Green Light Fed Com 103H	TBD	1/15/2022	5/7/2022	5/22/2022	6/1/2022	6/3/2022
Green Light Fed Com 104H	TBD	1/15/2022	5/7/2022	5/22/2022	6/1/2022	6/3/2022
Green Light Fed Com 303H	TBD	1/15/2022	5/7/2022	5/22/2022	6/1/2022	6/3/2022
Green Light Fed Com 304H	TBD**30-025-50627**	1/15/2022	5/7/2022	5/22/2022	6/1/2022	6/3/2022
Green Light Fed Com 804H	TBD	1/15/2022	5/7/2022	5/22/2022	6/1/2022	6/3/2022
Green Light Fed Com 805H	TBD	1/15/2022	5/7/2022	5/22/2022	6/1/2022	6/3/2022
Green Light Fed Com 806H	TBD	1/15/2022	5/7/2022	5/22/2022	6/1/2022	6/3/2022

FRANKLIN MOUNTAIN ENERGY

Natural Gas Management Plan

Items VI-VIII

VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.

- Data from surrounding wells is used to generate type curves which provides the basis for expected gas rates during initial production, peak production and then the natural decline.
- Separation equipment will be sized to provide adequate separation for peak production.
- Facility design includes multiple stages of separation to minimize gas waste. Wells flow through a high pressure 2-phase separator to remove bulk gas, liquid from the 2-phase separator is sent to a 3-phase separator where additional gas is separated. Gas from the 2 Phase and 3 Phase separators are then sent through a gas scrubber before being route to treatment and/or sales. As production declines the 2-phase separator may be removed.
- Industry standard sizing calculations are used for gas-liquid separation and liquid-liquid separation.

VII. Operational Practices: Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F 19.15.27.8 NMAC.

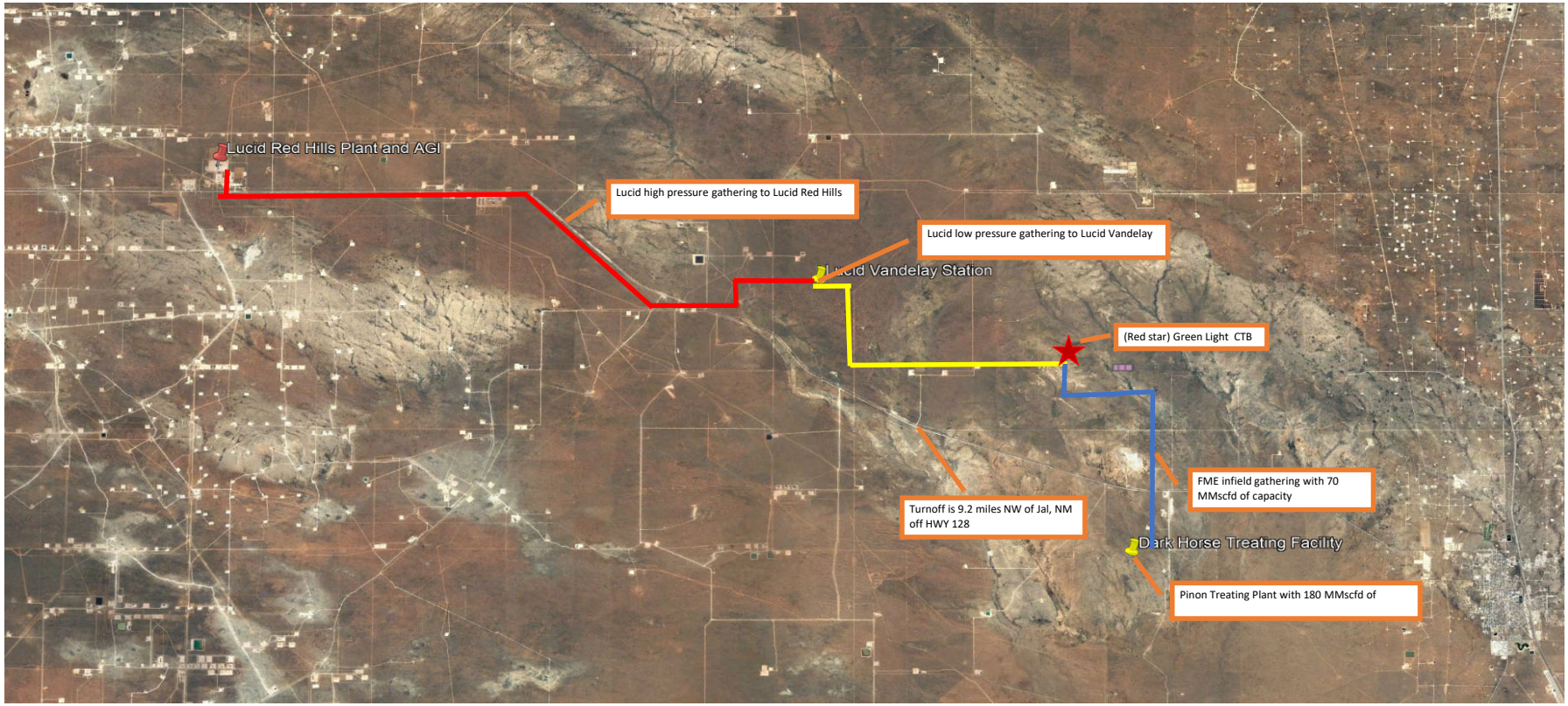
- Drilling, completion and production setup is designed to minimize the waste of natural gas and to flare instead of vent.
- *Drilling Operations:*
  - Natural gas encountered will be flared instead of vented unless there is an equipment malfunction and/or to avoid risking safety or the environment.
  - Flares will be properly sized and placed at least 100’ from the nearest surface hole on the pad.
- *Completions/Recompletions Operations:*
  - Flowback operations will not commence until connected to a properly sized gas gathering system.
  - During initial flowback wells are routed to the separation equipment as soon as technically feasible to minimize gas waste.
  - During separation flowback wells are routed to the separation equipment to minimize gas waste.
  - Gas sales is maximized. Gas will be flared instead of vented during an emergency or malfunction to avoid posing a risk to operations or personnel safety.
  - Flares are properly sized with a continuous pilot.
- *Production Operations:*
  - Gas sales will be maximized. Gas will be flared instead of vented during an emergency or malfunction to avoid posing a risk to operations or personnel safety.
  - After a well is stabilized from liquid unloading, the well will be turned back into the collection system.
- *Performance Standards:*
  - The facility will be designed to handle peak production rates and pressures.
  - All tanks will have automatic gauging equipment.
  - Flares will be designed to ensure proper combustion and will have continuous pilots. Flares will be located 100’ from nearest surface hole on the pad and storage tanks.
  - Weekly AVOs will be performed, and any leaking thief hatches will be cleaned and properly re-sealed.

- *Measurement and Calibration:*
  - All volume that is flared and vented that is not measured will be estimated.
  - When metering is not practical due to low pressure/rate, all vented or flared volumes will be estimated.
  - Measurement will conform to industry standards. Measurement will not be bypassed except for purposes of inspection or calibration.

VIII. Best Management Practices: Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

- Venting will be minimized during active and planned maintenance.
- Systems and equipment requiring maintenance will be isolated and blown down to sales and then flare before any remaining gas is vented in an effort to minimize waste and venting.
- Downhole maintenance will use best management practices to minimize vent.

Green Light MH NGMP Map
Sep 2022
- Capacities reflected are FME's understanding of 3rd party midstream system capacities



FRANKLIN MOUNTAIN ENERGY

GL Fed Com 304H

1. **Geologic name of surface location:** Permian

2. **Estimated tops of important geological markers:**

Formations	PROG SS	PROG TVD	Picked TVD	delta	Potential/Issues
Cenozoic Alluvium (surface)	3,337'	30'	30'	0	Sand/Gravels/unconsolidated
Rustler	2,055'	1,312'			Carbonates
Salado	1,792'	1,575'			Salt, Carbonate & Clastics
Base Salt	42'	3,325'			Shaley Carbonate & Shale
Capitan	-760'	4,127'			Carbonates
Lamar	-1,932'	5,299'			Carbonate & Clastics
Bell Canyon	-2,024'	5,391'			Sandstone - oil/gas/water
Cherry Canyon	-2,647'	6,014'			Sandstone - oil/gas/water
Brushy Canyon	-3,947'	7,314'			Sand/carb/shales - oil/gas/water
Bone Spring Lime	-5,035'	8,402'			Shale/Carbonates - oil/gas
Avalon	-5,098'	8,465'			Shale/Carbonates - oil/gas
Chert Zone	-5,373'	8,740'			Carbonate/Chert
First Bone Spring Sand	-6,395'	9,762'			Sandstone - oil/gas/water
HZ Target	-6,458'	9,825'			Sandstone - oil/gas/water
Second Bone Spring Carbonates	-6,532'	9,899'			Shale/Carbonates - oil/gas
Second Bone Spring Sand	-6,967'	10,334'			Sandstone - oil/gas/water

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

Upper Permian Sands	0- 400’	Fresh Water
Delaware Sands	5,391’	Oil
Bone Spring Sand	9,762’	Oil
Bone Spring Carbonate	9,899’	Oil

No other formations are expected to give up oil, gas or fresh water in measurable quantities. Surface freshwater sands will be protected by setting 13 3/8” casing at 1,300’and circulating cement back to surface.

4. **Casing Program:**

All casing strings will be run new. Safety factors calculated assuming the well is vertical.

Casing string	Weight	Grade	Burst	Collapse	Tension	Conn	Length	API design factor			
								Burst	Collapse	Tension	Coupling
						BTC					
Surface 13 3/8"	54.5	J-55	2730	1130	853	909	1300	1.18	1.67	4.99	5.32
						BTC					
Intermediate 9 5/8"	40	HCL-80	7430	4230	916	1042	5350	1.74	1.69	2.92	3.32
						Stinger					
Intermediate 7 5/8"	29.7	HCP-110	8280	7150	827	564	10227	1.30	1.49	2.05	1.40
						Eagle					
Long string 5 1/2"	23	P-110	14520	14520	729	606	20434	1.32	1.52	1.28	1.06
						TVD	9825				1.86

7 5/8”casing will be set at 10,227’MD/9,825’ TVD at 90°Inc. Stress calculations on 5 ½” casing performed assuming 20,434’ depth. Actual max vertical depth is 9,825’.

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

String Type	Hole Size	Casing Size	Casing Setting Depth	Sacks	Lead Type of cmt	Lead Yield ft3/sk	Lead Water gal/sk	Lead TOC ft	Tail Sacks	Tail Type of cmt	Tail Yield ft3/sk	Tail Water gal/sk	Tail TOC	Excess
Surf	17.5	13.375	1300	803	Extenda Cem, 12.8 ppg Class C, 3lb/sk Kol-Seal 0.125pps Poly-E-Flake	1.747	9.06	0	330	Tail, 14.8 ppg, Class C, 1% CaCl2, 0.125pps Celo-Flake	1.349	6.51	1000	100%
Int1	12.25	9.625	5350	1575	Lead, 12.8 ppg, Class C 5% Salt, 0.125 pps Poly-E-Flake, 3lb/sk Kol-Seal	1.79	9.74	0	154	Tail, 14.8 ppg, Class C, 0.1% HR 800 .125 pps Poly-E-Flake	1.33	6.37	5050	100%
Int2	8.75	7.625	10227	261	Lite Fill, 9.5 ppg, Class C 3lb/sk Bridgemaker Gel, 5% Salt, 5pps LCM, 0.25pps Cello-Flake	2.13	5.97	4350	94	NeoCem 14.8 ppg, Class C 0.25 pps Cello-Flake, 2% CaCl2	1.33	6.29	9227	50%
Prod	6.75	5.5	20434	836	Tail, 14.5 ppg, Gas Migration Control	1.34	6.22	9227						20%

5. Minimum Specifications for Pressure Control:

The minimum blowout preventer equipment (BOPE) shown in Exhibit #1 will consist of a single ram, mud cross and double ram-type (10,000 psi WP) preventer and an annular preventer (5,000-psi WP). Both units will be hydraulically operated, and the ram-type will be equipped with blind rams on bottom and 4 ½" x 7" variable pipe rams on top. All BOPE will be tested in accordance with Onshore Oil & Gas order No. 2.
Before drilling out of the surface casing, the ram-type BOP and accessory equipment will be tested to 5,000/250 psig and the annular preventer to 5,000/250 psig. The surface casing will be tested to 1500 psi for 30 minutes.

Before drilling out of the second intermediate casing, the ram-type BOP and accessory equipment will be tested to 10,000/250 psig and the annular preventer to 5,000/250 psig. The second intermediate casing will be tested to 2000 psi for 30 minutes prior to drillout.
Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets.

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

FRANKLIN MOUNTAIN ENERGY

6. Types and characteristics of the proposed mud system:

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

Depth	Type	Weight (ppg)	Viscosity	Water Loss
0 – 1,300'	Fresh - Gel	8.6-8.8	28-34	N/c
1,300' – 10,227'	Brine	8.8-10.2	28-34	N/c
10,227' – 20,434' Lateral	Oil Base	10.0-12.0	58-68	3 - 6

The highest mud weight needed to balance formation is expected to be 10-11 ppg. In order to maintain hole stability, mud weights up to 12 ppg may be utilized.
An electronic pit volume totalizer (PVT) will be utilized on the circulating system, to monitor pit volume, flow rate, pump pressure and stroke rate.
Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept at the wellsite at all times.

7. Auxiliary well control and monitoring equipment:

(A) A kelly cock will be kept in the drill string at all times.
(B) A full opening drill pipe-stabbing valve (inside BOP) with proper drill pipe connections will be on the rig floor at all times.
(C) H2S monitoring and detection equipment will be utilized from surface casing point to TD.
(D) A wear bushing will be installed in the wellhead prior to drilling out of the surface casing.

8. Logging, testing and coring program:

GR–CCL-CNL Will be run in cased hole during completions phase of operations.
Open-hole logs are not planned for this well.

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

The estimated bottom-hole temperature at 9,825' TVD (deepest point of the well) is 170F with an estimated maximum bottom-hole pressure (BHP) at the same point of 6,131 psig (based on 12 ppg MW). Hydrogen sulfate may be present in the area. All necessary precautions will be taken before drilling operations commence. See Hydrogen Sulfide Plan below:

10. Hydrogen Sulfide Plan:

A. All personnel shall receive proper awareness H2S training.
B. Briefing Area: two perpendicular areas will be designated by signs and readily accessible.
C. Required Emergency Equipment
    a. Well Control Equipment
        i. Flare line 150' from wellhead to be ignited by auto ignition sparking system.
        ii. Choke manifold with a remotely operated hydraulic choke.
        iii. Mud/gas separator
    b. Protective equipment for essential personnel
        i. Breathing Apparatus
            1. Rescue packs (SCBA) – 1 unit shall be placed at each briefing area, 2 shall be stored in a safety trailer on site.
            2. Work/Escape packs – 4 packs shall be stored on the rig floor with sufficient air hose not to restrict work activity

3. Emergency Escape Packs – 4 packs shall be stored in the doghouse for emergency evacuation.

ii. Auxiliary Rescue Equipment
1. Stretcher
2. Two OSHA full body harnesses
3. 100 feet of 5/8 inches OSHA approved rope
4. 1-20# class ABC fire extinguisher

c. H2S Detection and Monitoring Equipment
i. A stationary detector with three sensors will be placed in the doghouse if equipped, set to visually alarm at 10 ppm and audible at 14 ppm. The detector will be calibrated a minimum of every 30 days or as needed. The sensors will be placed in the following places:
1. Rig Floor
2. Below Rig Floor / Near BOPs
3. End of flow line or where well bore fluid is being discharged (near shakers)
ii. If H2S is encountered, measured values and formations will be provided to the BLM.

d. Visual Warning Systems
i. One color code condition sign will be placed at the entrance to the site reflecting the possible conditions at the site.
ii. A colored condition flag will be on display, reflecting the current condition at the site at the time.
iii. Two windsocks will be placed in strategic locations, visible from all angles.

e. Mud Program
i. The Mud program will be designed to minimize the volume of H2S circulated to surface. The operator will have the necessary mud products to minimize hazards while drilling in H2S bearing zones.

f. Metallurgy
i. All drill strings, casings, tubing, wellhead, blowout preventer, drilling spool, kill lines, choke manifold and lines, and valves shall be suitable for H2S service at the anticipated operating pressures to prevent sour sulfide stress cracking.

g. Communication
i. Communication will be via cell phones and walkie talkies on location.

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

11. Anticipated starting date and duration of operations:

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

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12. Disposal/environmental concerns:

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

13. Wellhead:

A multi-bowl wellhead system will be utilized.
After running the 13 3/8" surface casing, a 13-5/8" BOP/BOPE system with a minimum working pressure of 10,000 psi will be installed on the wellhead system and will be pressure tested to 250 psi low followed by a 5,000 psi pressure test. This pressure test will be repeated at least every 21 days, as per Onshore Order No. 2

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

After running the 2nd intermediate casing, and before drilling out, the wellhead, BOP, and related equipment will be tested to 10,000/250 psig.

The multi-bowl wellhead will be installed by vendor's representative(s). A copy of the installation instructions for the Cactus Multi-Bowl WH system has been sent to the BLM office in Carlsbad.

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

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

A solid steel body pack-off will be utilized after running and cementing the intermediate casing strings. After installation of the first intermediate string the pack-off and lower flanges will be pressure tested to 5000 psi. After installation of the second intermediate string, the pack-off and upper flange will be pressure tested to 10,000 psi.

Both the surface and intermediate casing strings will be tested as per Onshore Order No. 2 to at least 0.22 psi/ft or 1500 psi, whichever is greater.

14. Additional variance requests

A. Casing.
In order to minimize potential environmental and technical hazards, this well is planned with two intermediate strings of casing.

1. Variance is requested to wave the centralizer requirements for the 7 5/8" casing due to the tight clearance with 9 5/8" string.
2. Variance is requested to wave/reduce the centralizer requirements for the 5 ½" casing due to the tight clearance with 6 3/4" hole and 5 ½" casing due to tight clearances.

Project: Lea County, NM (NAD83)
Site: Green Light Fed Com
Well: 304H
Wellbore: OH
Design: Plan #1
Rig:

FRANKLIN MOUNTAIN ENERGY

T G M

Azimuths to Grid North
True North: -0.54°
Magnetic North: 5.86°

Magnetic Field
Strength: 47576.7nT
Dip Angle: 59.73°
Date: 9/14/2021
Model: HDGM_FILE

Total Magnetic Correction: 5.86°

PROJECT DETAILS: Lea County, NM (NAD83)

Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone

Reference Datum: GE 3337' + KB 30' @ 3367.00usft

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
30.00	30.00	Cenezoic Alluvium
1312.00	1312.00	Rustler
1575.00	1575.00	Salado
3325.00	3346.47	Base Salt
4127.00	4160.84	Capitan
5299.00	5350.92	Lamar
5391.00	5444.34	Bell Canyon
6014.00	6076.95	Cherry Canyon
7314.00	7389.41	Brushy Canyon
8402.00	8477.41	Bone Spring Lm
8465.00	8540.41	Avalon
8740.00	8815.41	Chert Zone
9762.00	9956.24	1st Bone Spring Sd
9825.00	10227.45	HZ Target

SHL

RKB Elevation: GE 3337' + KB 30' @ 3367.00usft

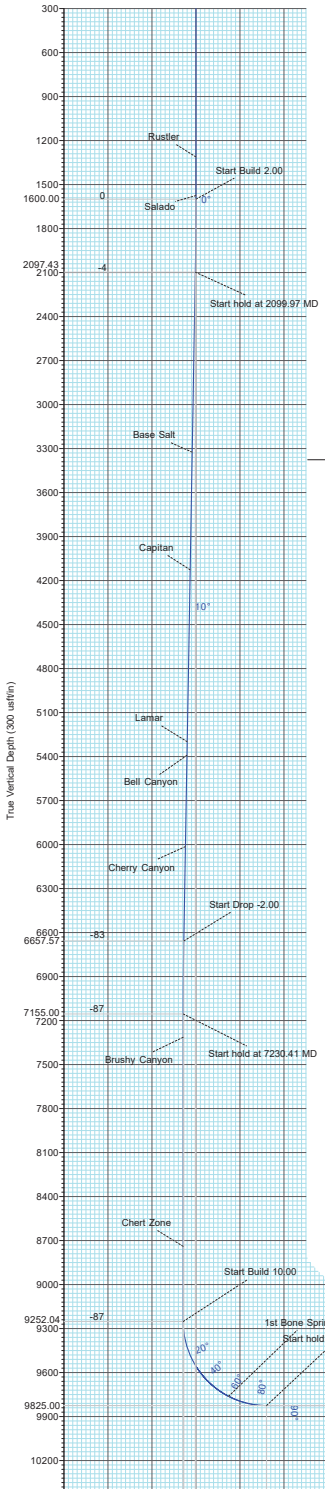
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
0.00	0.00	426140.72	855729.33	32.167459	-103.317299	

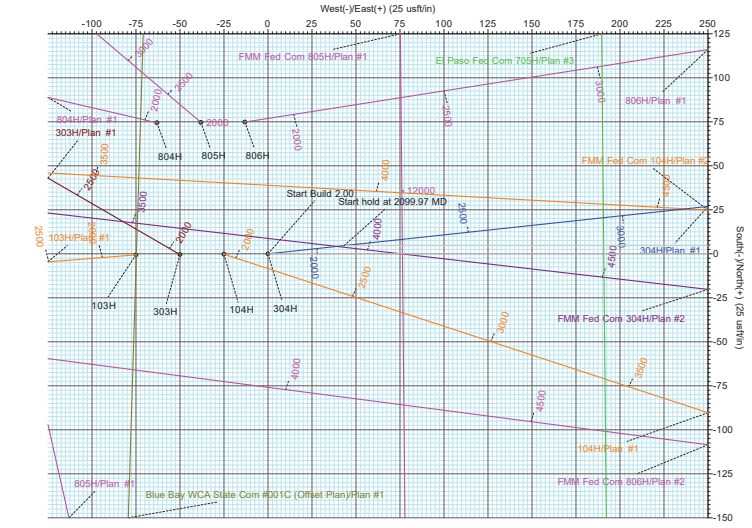
SECTION DETAILS

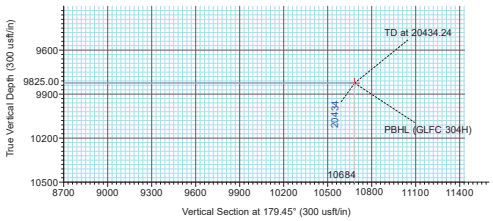
MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSect	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1600.00	0.00	0.00	1600.00	0.00	0.00	0.00	0.00	0.00	
2099.97	10.00	83.85	2097.43	4.66	43.27	2.00	83.85	-4.24	
6730.44	10.00	83.85	6657.57	90.76	842.66	0.00	0.00	-82.67	
7230.41	0.00	0.00	7155.00	95.42	885.93	2.00	180.00	-86.91	
9327.45	0.00	0.00	9252.04	95.42	885.93	0.00	0.00	-86.91	
10227.45	90.00	172.30	9825.00	-472.37	962.70	10.00	172.30	481.59	
10727.45	90.00	172.30	9825.00	-967.86	1029.69	0.00	0.00	977.70	
10965.64	90.00	179.45	9825.00	-1205.29	1046.82	3.00	90.00	1215.28	
20434.24	90.00	179.45	9825.00	-10673.44	1138.40	0.00	0.00	10683.88	PBHL (GLFC 304H)

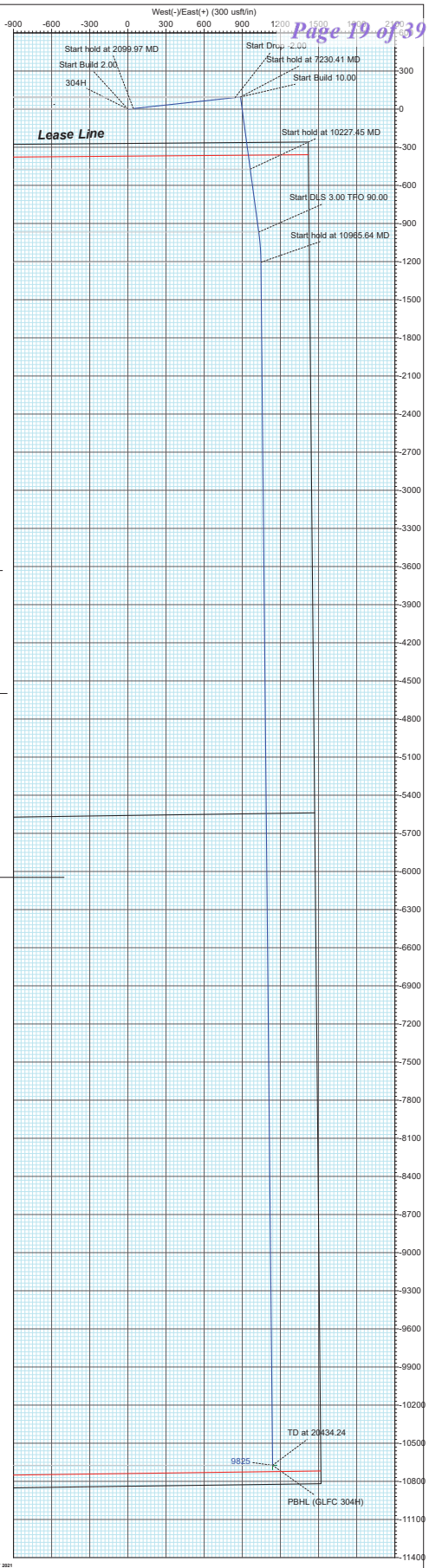
WELLBORE TARGET DETAILS

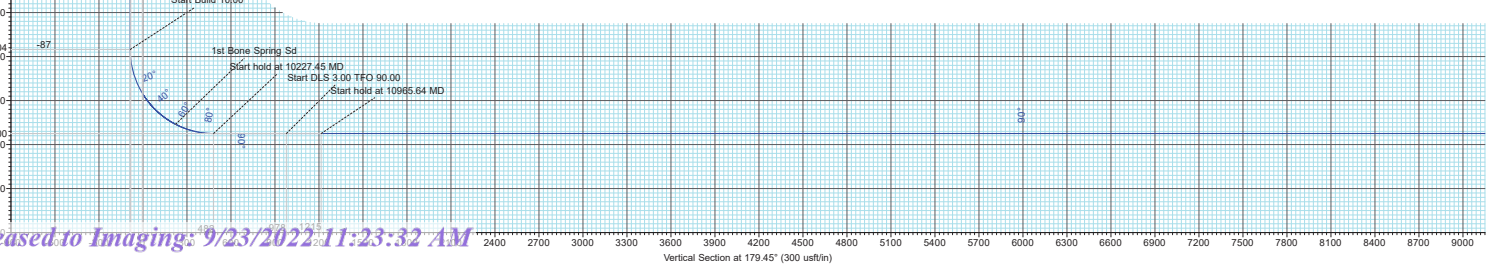
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
PBHL (GLFC 304H)	9825.00	-10673.44	1138.40	415467.28	856867.73	32.138093	-103.313947











Franklin Mountain Energy

Lea County, NM (NAD83)
Green Light Fed Com
304H

OH

Plan: Plan #1

Standard Planning Report - Geographic

17 September, 2021

Total Directional Services, LLC

Planning Report - Geographic

Database:	EDM 5000.16 Single User Db	**Local Co-ordinate Reference:**	Well 304H
Company:	Franklin Mountain Energy	**TVD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Project:	Lea County, NM (NAD83)	**MD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Project Lea County, NM (NAD83)

Map System:	US State Plane 1983	**System Datum:**	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site Green Light Fed Com

Site Position:		**Northing:**	426,140.12 usft	**Latitude:**	32.167459
From:	Map	**Easting:**	855,654.34 usft	**Longitude:**	-103.317542
Position Uncertainty:	0.00 usft	**Slot Radius:**	13-3/16 "		

Well 304H

Well Position	**+N/-S**	0.00 usft	**Northing:**	426,140.72 usft	**Latitude:**	32.167459
	+E/-W	0.00 usft	**Easting:**	855,729.33 usft	**Longitude:**	-103.317300
Position Uncertainty		0.00 usft	**Wellhead Elevation:**	usft	**Ground Level:**	3,337.00 usft
Grid Convergence:		0.54 °				

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	HDGM_FILE	9/14/2021	6.40	59.73	47,576.70000000

Design Plan #1

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (usft)	+N/-S (usft)	+E/-W (usft)	Direction (°)
	0.00	0.00	0.00	179.45

Plan Survey Tool Program **Date** 9/17/2021

	Depth From (usft)	Depth To (usft)	Survey (Wellbore)	Tool Name	Remarks
1	0.00	20,433.48	Plan #1 (OH)	MWD+HDGM OWSG MWD + HDGM	

Total Directional Services, LLC

Planning Report - Geographic

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Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Plan Sections

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Dogleg Rate (°/100usft)	Build Rate (°/100usft)	Turn Rate (°/100usft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,099.97	10.00	83.85	2,097.43	4.66	43.27	2.00	2.00	0.00	83.85	
6,730.44	10.00	83.85	6,657.57	90.76	842.66	0.00	0.00	0.00	0.00	
7,230.41	0.00	0.00	7,155.00	95.42	885.93	2.00	-2.00	0.00	180.00	
9,327.45	0.00	0.00	9,252.04	95.42	885.93	0.00	0.00	0.00	0.00	
10,227.45	90.00	172.30	9,825.00	-472.37	962.70	10.00	10.00	0.00	172.30	
10,727.45	90.00	172.30	9,825.00	-967.86	1,029.69	0.00	0.00	0.00	0.00	
10,965.64	90.00	179.45	9,825.00	-1,205.29	1,046.82	3.00	0.00	3.00	90.00	
20,434.24	90.00	179.45	9,825.00	-10,673.44	1,138.40	0.00	0.00	0.00	0.00	PBHL (GLFC 304H

Total Directional Services, LLC

Planning Report - Geographic

Database:	EDM 5000.16 Single User Db	**Local Co-ordinate Reference:**	Well 304H
Company:	Franklin Mountain Energy	**TVD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Project:	Lea County, NM (NAD83)	**MD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
0.00	0.00	0.00	0.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
30.00	0.00	0.00	30.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
Cenezoic Alluvium									
100.00	0.00	0.00	100.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
200.00	0.00	0.00	200.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
300.00	0.00	0.00	300.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
400.00	0.00	0.00	400.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
500.00	0.00	0.00	500.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
600.00	0.00	0.00	600.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
700.00	0.00	0.00	700.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
800.00	0.00	0.00	800.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
900.00	0.00	0.00	900.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
1,000.00	0.00	0.00	1,000.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
1,100.00	0.00	0.00	1,100.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
1,200.00	0.00	0.00	1,200.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
1,300.00	0.00	0.00	1,300.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
1,312.00	0.00	0.00	1,312.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
Rustler									
1,400.00	0.00	0.00	1,400.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
1,500.00	0.00	0.00	1,500.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
1,575.00	0.00	0.00	1,575.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
Salado									
1,600.00	0.00	0.00	1,600.00	0.00	0.00	426,140.72	855,729.33	32.167459	-103.317300
Start Build 2.00									
1,700.00	2.00	83.85	1,699.98	0.19	1.74	426,140.91	855,731.06	32.167459	-103.317294
1,800.00	4.00	83.85	1,799.84	0.75	6.94	426,141.47	855,736.27	32.167461	-103.317277
1,900.00	6.00	83.85	1,899.45	1.68	15.60	426,142.40	855,744.93	32.167463	-103.317249
2,000.00	8.00	83.85	1,998.70	2.99	27.72	426,143.71	855,757.05	32.167466	-103.317210
2,099.97	10.00	83.85	2,097.43	4.66	43.27	426,145.38	855,772.60	32.167471	-103.317160
Start hold at 2099.97 MD									
2,200.00	10.00	83.85	2,195.95	6.52	60.54	426,147.24	855,789.87	32.167475	-103.317104
2,300.00	10.00	83.85	2,294.43	8.38	77.80	426,149.10	855,807.13	32.167480	-103.317048
2,400.00	10.00	83.85	2,392.91	10.24	95.06	426,150.96	855,824.39	32.167485	-103.316992
2,500.00	10.00	83.85	2,491.39	12.10	112.33	426,152.82	855,841.66	32.167489	-103.316936
2,600.00	10.00	83.85	2,589.87	13.96	129.59	426,154.68	855,858.92	32.167494	-103.316880
2,700.00	10.00	83.85	2,688.35	15.82	146.86	426,156.54	855,876.18	32.167499	-103.316825
2,800.00	10.00	83.85	2,786.83	17.68	164.12	426,158.40	855,893.45	32.167503	-103.316769
2,900.00	10.00	83.85	2,885.31	19.54	181.38	426,160.26	855,910.71	32.167508	-103.316713
3,000.00	10.00	83.85	2,983.79	21.40	198.65	426,162.11	855,927.98	32.167513	-103.316657
3,100.00	10.00	83.85	3,082.28	23.25	215.91	426,163.97	855,945.24	32.167517	-103.316601
3,200.00	10.00	83.85	3,180.76	25.11	233.17	426,165.83	855,962.50	32.167522	-103.316545
3,300.00	10.00	83.85	3,279.24	26.97	250.44	426,167.69	855,979.77	32.167527	-103.316490
3,346.47	10.00	83.85	3,325.00	27.84	258.46	426,168.56	855,987.79	32.167529	-103.316464
Base Salt									
3,400.00	10.00	83.85	3,377.72	28.83	267.70	426,169.55	855,997.03	32.167531	-103.316434
3,500.00	10.00	83.85	3,476.20	30.69	284.97	426,171.41	856,014.30	32.167536	-103.316378
3,600.00	10.00	83.85	3,574.68	32.55	302.23	426,173.27	856,031.56	32.167541	-103.316322
3,700.00	10.00	83.85	3,673.16	34.41	319.49	426,175.13	856,048.82	32.167545	-103.316266
3,800.00	10.00	83.85	3,771.64	36.27	336.76	426,176.99	856,066.09	32.167550	-103.316210
3,900.00	10.00	83.85	3,870.12	38.13	354.02	426,178.85	856,083.35	32.167555	-103.316154
4,000.00	10.00	83.85	3,968.60	39.99	371.29	426,180.71	856,100.61	32.167559	-103.316099
4,100.00	10.00	83.85	4,067.09	41.85	388.55	426,182.57	856,117.88	32.167564	-103.316043
4,160.84	10.00	83.85	4,127.00	42.98	399.05	426,183.70	856,128.38	32.167567	-103.316009
Capitan									

Total Directional Services, LLC

Planning Report - Geographic

Database:	EDM 5000.16 Single User Db	**Local Co-ordinate Reference:**	Well 304H
Company:	Franklin Mountain Energy	**TVD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Project:	Lea County, NM (NAD83)	**MD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
4,200.00	10.00	83.85	4,165.57	43.71	405.81	426,184.43	856,135.14	32.167569	-103.315987
4,300.00	10.00	83.85	4,264.05	45.57	423.08	426,186.29	856,152.41	32.167573	-103.315931
4,400.00	10.00	83.85	4,362.53	47.43	440.34	426,188.15	856,169.67	32.167578	-103.315875
4,500.00	10.00	83.85	4,461.01	49.29	457.60	426,190.01	856,186.93	32.167583	-103.315819
4,600.00	10.00	83.85	4,559.49	51.15	474.87	426,191.87	856,204.20	32.167587	-103.315764
4,700.00	10.00	83.85	4,657.97	53.01	492.13	426,193.73	856,221.46	32.167592	-103.315708
4,800.00	10.00	83.85	4,756.45	54.86	509.40	426,195.58	856,238.72	32.167597	-103.315652
4,900.00	10.00	83.85	4,854.93	56.72	526.66	426,197.44	856,255.99	32.167601	-103.315596
5,000.00	10.00	83.85	4,953.41	58.58	543.92	426,199.30	856,273.25	32.167606	-103.315540
5,100.00	10.00	83.85	5,051.89	60.44	561.19	426,201.16	856,290.52	32.167611	-103.315484
5,200.00	10.00	83.85	5,150.38	62.30	578.45	426,203.02	856,307.78	32.167615	-103.315429
5,300.00	10.00	83.85	5,248.86	64.16	595.71	426,204.88	856,325.04	32.167620	-103.315373
5,350.92	10.00	83.85	5,299.00	65.11	604.51	426,205.83	856,333.83	32.167622	-103.315344
Lamar									
5,400.00	10.00	83.85	5,347.34	66.02	612.98	426,206.74	856,342.31	32.167624	-103.315317
5,444.34	10.00	83.85	5,391.00	66.85	620.63	426,207.57	856,349.96	32.167627	-103.315292
Bell Canyon									
5,500.00	10.00	83.85	5,445.82	67.88	630.24	426,208.60	856,359.57	32.167629	-103.315261
5,600.00	10.00	83.85	5,544.30	69.74	647.51	426,210.46	856,376.84	32.167634	-103.315205
5,700.00	10.00	83.85	5,642.78	71.60	664.77	426,212.32	856,394.10	32.167638	-103.315149
5,800.00	10.00	83.85	5,741.26	73.46	682.03	426,214.18	856,411.36	32.167643	-103.315093
5,900.00	10.00	83.85	5,839.74	75.32	699.30	426,216.04	856,428.63	32.167648	-103.315038
6,000.00	10.00	83.85	5,938.22	77.18	716.56	426,217.90	856,445.89	32.167652	-103.314982
6,076.95	10.00	83.85	6,014.00	78.61	729.85	426,219.33	856,459.17	32.167656	-103.314939
Cherry Canyon									
6,100.00	10.00	83.85	6,036.70	79.04	733.83	426,219.76	856,463.15	32.167657	-103.314926
6,200.00	10.00	83.85	6,135.19	80.90	751.09	426,221.62	856,480.42	32.167662	-103.314870
6,300.00	10.00	83.85	6,233.67	82.76	768.35	426,223.48	856,497.68	32.167666	-103.314814
6,400.00	10.00	83.85	6,332.15	84.62	785.62	426,225.34	856,514.95	32.167671	-103.314758
6,500.00	10.00	83.85	6,430.63	86.48	802.88	426,227.19	856,532.21	32.167676	-103.314703
6,600.00	10.00	83.85	6,529.11	88.33	820.14	426,229.05	856,549.47	32.167680	-103.314647
6,700.00	10.00	83.85	6,627.59	90.19	837.41	426,230.91	856,566.74	32.167685	-103.314591
6,730.44	10.00	83.85	6,657.57	90.76	842.66	426,231.48	856,571.99	32.167687	-103.314574
Start Drop -2.00									
6,800.00	8.61	83.85	6,726.21	91.96	853.84	426,232.68	856,583.17	32.167690	-103.314538
6,900.00	6.61	83.85	6,825.33	93.38	867.01	426,234.10	856,596.34	32.167693	-103.314495
7,000.00	4.61	83.85	6,924.84	94.43	876.72	426,235.15	856,606.05	32.167696	-103.314464
7,100.00	2.61	83.85	7,024.64	95.10	882.98	426,235.82	856,612.31	32.167697	-103.314443
7,200.00	0.61	83.85	7,124.59	95.40	885.77	426,236.12	856,615.10	32.167698	-103.314434
7,230.41	0.00	0.00	7,155.00	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
Start hold at 7230.41 MD									
7,300.00	0.00	0.00	7,224.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
7,389.41	0.00	0.00	7,314.00	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
Brushy Canyon									
7,400.00	0.00	0.00	7,324.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
7,500.00	0.00	0.00	7,424.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
7,600.00	0.00	0.00	7,524.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
7,700.00	0.00	0.00	7,624.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
7,800.00	0.00	0.00	7,724.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
7,900.00	0.00	0.00	7,824.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,000.00	0.00	0.00	7,924.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,100.00	0.00	0.00	8,024.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,200.00	0.00	0.00	8,124.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,300.00	0.00	0.00	8,224.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434

Total Directional Services, LLC

Planning Report - Geographic

Database:	EDM 5000.16 Single User Db	**Local Co-ordinate Reference:**	Well 304H
Company:	Franklin Mountain Energy	**TVD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Project:	Lea County, NM (NAD83)	**MD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
8,400.00	0.00	0.00	8,324.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,477.41	0.00	0.00	8,402.00	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
Bone Spring Lm									
8,500.00	0.00	0.00	8,424.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,540.41	0.00	0.00	8,465.00	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
Avalon									
8,600.00	0.00	0.00	8,524.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,700.00	0.00	0.00	8,624.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,800.00	0.00	0.00	8,724.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
8,815.41	0.00	0.00	8,740.00	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
Chert Zone									
8,900.00	0.00	0.00	8,824.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
9,000.00	0.00	0.00	8,924.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
9,100.00	0.00	0.00	9,024.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
9,200.00	0.00	0.00	9,124.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
9,300.00	0.00	0.00	9,224.59	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
9,327.45	0.00	0.00	9,252.04	95.42	885.93	426,236.14	856,615.26	32.167698	-103.314434
Start Build 10.00									
9,350.00	2.26	172.30	9,274.59	94.98	885.99	426,235.70	856,615.32	32.167697	-103.314434
9,400.00	7.26	172.30	9,324.40	90.87	886.54	426,231.59	856,615.87	32.167686	-103.314432
9,450.00	12.26	172.30	9,373.66	82.48	887.68	426,223.20	856,617.01	32.167663	-103.314429
9,500.00	17.26	172.30	9,422.00	69.86	889.39	426,210.58	856,618.71	32.167628	-103.314424
9,550.00	22.26	172.30	9,469.04	53.12	891.65	426,193.84	856,620.98	32.167582	-103.314417
9,600.00	27.26	172.30	9,514.43	32.38	894.45	426,173.10	856,623.78	32.167525	-103.314408
9,650.00	32.26	172.30	9,557.82	7.80	897.78	426,148.52	856,627.11	32.167457	-103.314398
9,700.00	37.26	172.30	9,598.89	-20.44	901.59	426,120.28	856,630.92	32.167379	-103.314387
9,750.00	42.26	172.30	9,637.32	-52.12	905.88	426,088.60	856,635.21	32.167292	-103.314374
9,800.00	47.26	172.30	9,672.81	-86.99	910.59	426,053.73	856,639.92	32.167196	-103.314360
9,850.00	52.26	172.30	9,705.10	-124.80	915.71	426,015.92	856,645.03	32.167092	-103.314344
9,900.00	57.26	172.30	9,733.95	-165.26	921.17	425,975.46	856,650.50	32.166981	-103.314328
9,950.00	62.26	172.30	9,759.13	-208.05	926.96	425,932.67	856,656.29	32.166863	-103.314311
9,956.24	62.88	172.30	9,762.00	-213.53	927.70	425,927.19	856,657.03	32.166848	-103.314308
1st Bone Spring Sd									
10,000.00	67.26	172.30	9,780.44	-252.85	933.02	425,887.87	856,662.35	32.166740	-103.314292
10,010.50	68.31	172.30	9,784.41	-262.48	934.32	425,878.24	856,663.65	32.166713	-103.314289
Section Line Crossing - 485' FEL									
10,050.00	72.26	172.30	9,797.74	-299.32	939.30	425,841.40	856,668.63	32.166612	-103.314274
10,100.00	77.26	172.30	9,810.88	-347.11	945.76	425,793.61	856,675.09	32.166480	-103.314254
10,115.80	78.84	172.30	9,814.15	-362.43	947.83	425,778.29	856,677.16	32.166438	-103.314248
100' Hard Line Crossing - 472.4' FEL									
10,150.00	82.26	172.30	9,819.77	-395.86	952.35	425,744.86	856,681.68	32.166346	-103.314234
10,200.00	87.26	172.30	9,824.34	-445.18	959.02	425,695.54	856,688.35	32.166210	-103.314214
10,227.45	90.00	172.30	9,825.00	-472.37	962.70	425,668.35	856,692.03	32.166136	-103.314203
Start hold at 10227.45 MD - HZ Target									
10,300.00	90.00	172.30	9,825.00	-544.27	972.42	425,596.45	856,701.75	32.165938	-103.314174
10,400.00	90.00	172.30	9,825.00	-643.37	985.82	425,497.35	856,715.15	32.165665	-103.314134
10,500.00	90.00	172.30	9,825.00	-742.47	999.22	425,398.25	856,728.55	32.165392	-103.314094
10,600.00	90.00	172.30	9,825.00	-841.57	1,012.62	425,299.15	856,741.94	32.165120	-103.314053
10,700.00	90.00	172.30	9,825.00	-940.66	1,026.01	425,200.06	856,755.34	32.164847	-103.314013
10,727.45	90.00	172.30	9,825.00	-967.86	1,029.69	425,172.86	856,759.02	32.164772	-103.314002
Start DLS 3.00 TFO 90.00									
10,800.00	90.00	174.48	9,825.00	-1,039.93	1,038.04	425,100.79	856,767.37	32.164574	-103.313977
10,900.00	90.00	177.48	9,825.00	-1,139.67	1,045.06	425,001.05	856,774.39	32.164299	-103.313958

Total Directional Services, LLC

Planning Report - Geographic

Database:	EDM 5000.16 Single User Db	**Local Co-ordinate Reference:**	Well 304H
Company:	Franklin Mountain Energy	**TVD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Project:	Lea County, NM (NAD83)	**MD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
10,965.64	90.00	179.45	9,825.00	-1,205.29	1,046.82	424,935.43	856,776.15	32.164119	-103.313954
Start hold at 10965.64 MD									
11,000.00	90.00	179.45	9,825.00	-1,239.64	1,047.16	424,901.08	856,776.48	32.164025	-103.313954
11,100.00	90.00	179.45	9,825.00	-1,339.64	1,048.12	424,801.08	856,777.45	32.163750	-103.313954
11,200.00	90.00	179.45	9,825.00	-1,439.63	1,049.09	424,701.09	856,778.42	32.163475	-103.313954
11,300.00	90.00	179.45	9,825.00	-1,539.63	1,050.06	424,601.09	856,779.39	32.163200	-103.313954
11,400.00	90.00	179.45	9,825.00	-1,639.63	1,051.02	424,501.09	856,780.35	32.162925	-103.313954
11,500.00	90.00	179.45	9,825.00	-1,739.62	1,051.99	424,401.10	856,781.32	32.162650	-103.313954
11,600.00	90.00	179.45	9,825.00	-1,839.62	1,052.96	424,301.10	856,782.29	32.162375	-103.313953
11,700.00	90.00	179.45	9,825.00	-1,939.61	1,053.93	424,201.11	856,783.25	32.162101	-103.313953
11,800.00	90.00	179.45	9,825.00	-2,039.61	1,054.89	424,101.11	856,784.22	32.161826	-103.313953
11,900.00	90.00	179.45	9,825.00	-2,139.60	1,055.86	424,001.12	856,785.19	32.161551	-103.313953
12,000.00	90.00	179.45	9,825.00	-2,239.60	1,056.83	423,901.12	856,786.16	32.161276	-103.313953
12,100.00	90.00	179.45	9,825.00	-2,339.59	1,057.79	423,801.13	856,787.12	32.161001	-103.313953
12,200.00	90.00	179.45	9,825.00	-2,439.59	1,058.76	423,701.13	856,788.09	32.160726	-103.313953
12,300.00	90.00	179.45	9,825.00	-2,539.58	1,059.73	423,601.14	856,789.06	32.160451	-103.313953
12,400.00	90.00	179.45	9,825.00	-2,639.58	1,060.70	423,501.14	856,790.02	32.160177	-103.313953
12,500.00	90.00	179.45	9,825.00	-2,739.57	1,061.66	423,401.15	856,790.99	32.159902	-103.313953
12,600.00	90.00	179.45	9,825.00	-2,839.57	1,062.63	423,301.15	856,791.96	32.159627	-103.313953
12,700.00	90.00	179.45	9,825.00	-2,939.56	1,063.60	423,201.16	856,792.93	32.159352	-103.313953
12,800.00	90.00	179.45	9,825.00	-3,039.56	1,064.56	423,101.16	856,793.89	32.159077	-103.313953
12,900.00	90.00	179.45	9,825.00	-3,139.55	1,065.53	423,001.16	856,794.86	32.158802	-103.313953
13,000.00	90.00	179.45	9,825.00	-3,239.55	1,066.50	422,901.17	856,795.83	32.158527	-103.313953
13,100.00	90.00	179.45	9,825.00	-3,339.55	1,067.47	422,801.17	856,796.79	32.158252	-103.313952
13,200.00	90.00	179.45	9,825.00	-3,439.54	1,068.43	422,701.18	856,797.76	32.157978	-103.313952
13,300.00	90.00	179.45	9,825.00	-3,539.54	1,069.40	422,601.18	856,798.73	32.157703	-103.313952
13,400.00	90.00	179.45	9,825.00	-3,639.53	1,070.37	422,501.19	856,799.70	32.157428	-103.313952
13,500.00	90.00	179.45	9,825.00	-3,739.53	1,071.33	422,401.19	856,800.66	32.157153	-103.313952
13,600.00	90.00	179.45	9,825.00	-3,839.52	1,072.30	422,301.20	856,801.63	32.156878	-103.313952
13,700.00	90.00	179.45	9,825.00	-3,939.52	1,073.27	422,201.20	856,802.60	32.156603	-103.313952
13,800.00	90.00	179.45	9,825.00	-4,039.51	1,074.24	422,101.21	856,803.57	32.156328	-103.313952
13,900.00	90.00	179.45	9,825.00	-4,139.51	1,075.20	422,001.21	856,804.53	32.156054	-103.313952
14,000.00	90.00	179.45	9,825.00	-4,239.50	1,076.17	421,901.22	856,805.50	32.155779	-103.313952
14,100.00	90.00	179.45	9,825.00	-4,339.50	1,077.14	421,801.22	856,806.47	32.155504	-103.313952
14,200.00	90.00	179.45	9,825.00	-4,439.49	1,078.10	421,701.23	856,807.43	32.155229	-103.313952
14,300.00	90.00	179.45	9,825.00	-4,539.49	1,079.07	421,601.23	856,808.40	32.154954	-103.313952
14,400.00	90.00	179.45	9,825.00	-4,639.48	1,080.04	421,501.23	856,809.37	32.154679	-103.313952
14,500.00	90.00	179.45	9,825.00	-4,739.48	1,081.01	421,401.24	856,810.34	32.154404	-103.313952
14,600.00	90.00	179.45	9,825.00	-4,839.48	1,081.97	421,301.24	856,811.30	32.154130	-103.313952
14,700.00	90.00	179.45	9,825.00	-4,939.47	1,082.94	421,201.25	856,812.27	32.153855	-103.313951
14,800.00	90.00	179.45	9,825.00	-5,039.47	1,083.91	421,101.25	856,813.24	32.153580	-103.313951
14,900.00	90.00	179.45	9,825.00	-5,139.46	1,084.87	421,001.26	856,814.20	32.153305	-103.313951
15,000.00	90.00	179.45	9,825.00	-5,239.46	1,085.84	420,901.26	856,815.17	32.153030	-103.313951
15,100.00	90.00	179.45	9,825.00	-5,339.45	1,086.81	420,801.27	856,816.14	32.152755	-103.313951
15,200.00	90.00	179.45	9,825.00	-5,439.45	1,087.78	420,701.27	856,817.11	32.152480	-103.313951
15,300.00	90.00	179.45	9,825.00	-5,539.44	1,088.74	420,601.28	856,818.07	32.152206	-103.313951
15,400.00	90.00	179.45	9,825.00	-5,639.44	1,089.71	420,501.28	856,819.04	32.151931	-103.313951
15,500.00	90.00	179.45	9,825.00	-5,739.43	1,090.68	420,401.29	856,820.01	32.151656	-103.313951
15,600.00	90.00	179.45	9,825.00	-5,839.43	1,091.64	420,301.29	856,820.97	32.151381	-103.313951
15,700.00	90.00	179.45	9,825.00	-5,939.42	1,092.61	420,201.30	856,821.94	32.151106	-103.313951
15,800.00	90.00	179.45	9,825.00	-6,039.42	1,093.58	420,101.30	856,822.91	32.150831	-103.313951
15,900.00	90.00	179.45	9,825.00	-6,139.41	1,094.55	420,001.30	856,823.88	32.150556	-103.313951
16,000.00	90.00	179.45	9,825.00	-6,239.41	1,095.51	419,901.31	856,824.84	32.150281	-103.313951
16,100.00	90.00	179.45	9,825.00	-6,339.41	1,096.48	419,801.31	856,825.81	32.150007	-103.313951

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Project:	Lea County, NM (NAD83)	**MD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey

Measured Depth (usft)	Inclination (°)	Azimuth (°)	Vertical Depth (usft)	+N/-S (usft)	+E/-W (usft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude
16,200.00	90.00	179.45	9,825.00	-6,439.40	1,097.45	419,701.32	856,826.78	32.149732	-103.313950
16,300.00	90.00	179.45	9,825.00	-6,539.40	1,098.42	419,601.32	856,827.74	32.149457	-103.313950
16,400.00	90.00	179.45	9,825.00	-6,639.39	1,099.38	419,501.33	856,828.71	32.149182	-103.313950
16,500.00	90.00	179.45	9,825.00	-6,739.39	1,100.35	419,401.33	856,829.68	32.148907	-103.313950
16,600.00	90.00	179.45	9,825.00	-6,839.38	1,101.32	419,301.34	856,830.65	32.148632	-103.313950
16,700.00	90.00	179.45	9,825.00	-6,939.38	1,102.28	419,201.34	856,831.61	32.148357	-103.313950
16,800.00	90.00	179.45	9,825.00	-7,039.37	1,103.25	419,101.35	856,832.58	32.148083	-103.313950
16,900.00	90.00	179.45	9,825.00	-7,139.37	1,104.22	419,001.35	856,833.55	32.147808	-103.313950
17,000.00	90.00	179.45	9,825.00	-7,239.36	1,105.19	418,901.36	856,834.51	32.147533	-103.313950
17,100.00	90.00	179.45	9,825.00	-7,339.36	1,106.15	418,801.36	856,835.48	32.147258	-103.313950
17,200.00	90.00	179.45	9,825.00	-7,439.35	1,107.12	418,701.37	856,836.45	32.146983	-103.313950
17,300.00	90.00	179.45	9,825.00	-7,539.35	1,108.09	418,601.37	856,837.42	32.146708	-103.313950
17,400.00	90.00	179.45	9,825.00	-7,639.34	1,109.05	418,501.37	856,838.38	32.146433	-103.313950
17,500.00	90.00	179.45	9,825.00	-7,739.34	1,110.02	418,401.38	856,839.35	32.146159	-103.313950
17,600.00	90.00	179.45	9,825.00	-7,839.34	1,110.99	418,301.38	856,840.32	32.145884	-103.313950
17,700.00	90.00	179.45	9,825.00	-7,939.33	1,111.96	418,201.39	856,841.28	32.145609	-103.313949
17,800.00	90.00	179.45	9,825.00	-8,039.33	1,112.92	418,101.39	856,842.25	32.145334	-103.313949
17,900.00	90.00	179.45	9,825.00	-8,139.32	1,113.89	418,001.40	856,843.22	32.145059	-103.313949
18,000.00	90.00	179.45	9,825.00	-8,239.32	1,114.86	417,901.40	856,844.19	32.144784	-103.313949
18,100.00	90.00	179.45	9,825.00	-8,339.31	1,115.82	417,801.41	856,845.15	32.144509	-103.313949
18,200.00	90.00	179.45	9,825.00	-8,439.31	1,116.79	417,701.41	856,846.12	32.144234	-103.313949
18,300.00	90.00	179.45	9,825.00	-8,539.30	1,117.76	417,601.42	856,847.09	32.143960	-103.313949
18,400.00	90.00	179.45	9,825.00	-8,639.30	1,118.73	417,501.42	856,848.05	32.143685	-103.313949
18,500.00	90.00	179.45	9,825.00	-8,739.29	1,119.69	417,401.43	856,849.02	32.143410	-103.313949
18,600.00	90.00	179.45	9,825.00	-8,839.29	1,120.66	417,301.43	856,849.99	32.143135	-103.313949
18,700.00	90.00	179.45	9,825.00	-8,939.28	1,121.63	417,201.44	856,850.96	32.142860	-103.313949
18,800.00	90.00	179.45	9,825.00	-9,039.28	1,122.59	417,101.44	856,851.92	32.142585	-103.313949
18,900.00	90.00	179.45	9,825.00	-9,139.27	1,123.56	417,001.45	856,852.89	32.142310	-103.313949
19,000.00	90.00	179.45	9,825.00	-9,239.27	1,124.53	416,901.45	856,853.86	32.142036	-103.313949
19,100.00	90.00	179.45	9,825.00	-9,339.27	1,125.50	416,801.45	856,854.82	32.141761	-103.313949
19,200.00	90.00	179.45	9,825.00	-9,439.26	1,126.46	416,701.46	856,855.79	32.141486	-103.313948
19,300.00	90.00	179.45	9,825.00	-9,539.26	1,127.43	416,601.46	856,856.76	32.141211	-103.313948
19,400.00	90.00	179.45	9,825.00	-9,639.25	1,128.40	416,501.47	856,857.73	32.140936	-103.313948
19,500.00	90.00	179.45	9,825.00	-9,739.25	1,129.36	416,401.47	856,858.69	32.140661	-103.313948
19,600.00	90.00	179.45	9,825.00	-9,839.24	1,130.33	416,301.48	856,859.66	32.140386	-103.313948
19,700.00	90.00	179.45	9,825.00	-9,939.24	1,131.30	416,201.48	856,860.63	32.140112	-103.313948
19,800.00	90.00	179.45	9,825.00	-10,039.23	1,132.27	416,101.49	856,861.60	32.139837	-103.313948
19,900.00	90.00	179.45	9,825.00	-10,139.23	1,133.23	416,001.49	856,862.56	32.139562	-103.313948
20,000.00	90.00	179.45	9,825.00	-10,239.22	1,134.20	415,901.50	856,863.53	32.139287	-103.313948
20,100.00	90.00	179.45	9,825.00	-10,339.22	1,135.17	415,801.50	856,864.50	32.139012	-103.313948
20,200.00	90.00	179.45	9,825.00	-10,439.21	1,136.13	415,701.51	856,865.46	32.138737	-103.313948
20,300.00	90.00	179.45	9,825.00	-10,539.21	1,137.10	415,601.51	856,866.43	32.138462	-103.313948
20,400.00	90.00	179.45	9,825.00	-10,639.20	1,138.07	415,501.52	856,867.40	32.138188	-103.313948
20,434.24	90.00	179.45	9,825.00	-10,673.44	1,138.40	415,467.28	856,867.73	32.138093	-103.313948
TD at 20434.24 - TD - 380' FEL, 150' FSL - PBHL (GLFC 304H)									

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Project:	Lea County, NM (NAD83)	**MD Reference:**	GE 3337' + KB 30' @ 3367.00usft
Site:	Green Light Fed Com	**North Reference:**	Grid
Well:	304H	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (usft)	+N/-S (usft)	+E/-W (usft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL (GLFC 304H) - plan hits target center - Point	0.00	0.00	9,825.00	-10,673.44	1,138.40	415,467.28	856,867.73	32.138093	-103.313948

Formations

Measured Depth (usft)	Vertical Depth (usft)	Name	Lithology	Dip (°)	Dip Direction (°)
30.00	30.00	Cenezoic Alluvium		0.00	
1,312.00	1,312.00	Rustler		0.00	
1,575.00	1,575.00	Salado		0.00	
3,346.47	3,325.00	Base Salt		0.00	
4,160.84	4,127.00	Capitan		0.00	
5,350.92	5,299.00	Lamar		0.00	
5,444.34	5,391.00	Bell Canyon		0.00	
6,076.95	6,014.00	Cherry Canyon		0.00	
7,389.41	7,314.00	Brushy Canyon		0.00	
8,477.41	8,402.00	Bone Spring Lm		0.00	
8,540.41	8,465.00	Avalon		0.00	
8,815.41	8,740.00	Chert Zone		0.00	
9,956.24	9,762.00	1st Bone Spring Sd		0.00	
10,227.45	9,825.00	HZ Target		0.00	

Plan Annotations

Measured Depth (usft)	Vertical Depth (usft)	Local Coordinates +N/-S (usft)	Local Coordinates +E/-W (usft)	Comment
1,600.00	1,600.00	0.00	0.00	Start Build 2.00
2,099.97	2,097.43	4.66	43.27	Start hold at 2099.97 MD
6,730.44	6,657.57	90.76	842.66	Start Drop -2.00
7,230.41	7,155.00	95.42	885.93	Start hold at 7230.41 MD
9,327.45	9,252.04	95.42	885.93	Start Build 10.00
10,010.50	9,784.41	-262.48	934.32	Section Line Crossing - 485' FEL
10,115.80	9,814.15	-362.43	947.83	100' Hard Line Crossing - 472.4' FEL
10,227.45	9,825.00	-472.37	962.70	Start hold at 10227.45 MD
10,727.45	9,825.00	-967.86	1,029.69	Start DLS 3.00 TFO 90.00
10,965.64	9,825.00	-1,205.29	1,046.82	Start hold at 10965.64 MD
20,434.24	9,825.00	-10,673.44	1,138.40	TD at 20434.24
20,434.24	9,825.00	-10,673.44	1,138.40	TD - 380' FEL, 150' FSL

PECOS DISTRICT
DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME:	**Frankin Mountain Energy LLC**
LEASE NO.:	**NMNM138897**
LOCATION:	Section 36, T.24 S., R.35 E., NMPM
COUNTY:	Lea County, New Mexico
Sundry ID:	**N/A**

WELL NAME & NO.:	**Green Light Fed Com 304H**
SURFACE HOLE FOOTAGE:	270'S & 1417'/E
BOTTOM HOLE FOOTAGE	150'/S & 380'/E

COA

H2S	○ Yes	◉ No	
Potash	◉ None	○ Secretary	○ R-111-P
Cave/Karst Potential	◉ Low	○ Medium	○ High
Cave/Karst Potential	○ Critical		
Variance	◉ None	○ Flex Hose	○ Other
Wellhead	○ Conventional	○ Multibowl	◉ Both
Wellhead Variance	○ Diverter		
Other	☑ 4 String Area	☑ Capitan Reef	☐ WIPP
Other	☐ Fluid Filled	☐ Pilot Hole	☐ Open Annulus
Cementing	☐ Cement Squeeze	☐ EchoMeter	
Special Requirements	☐ Water Disposal	☑ COM	☐ Unit
Special Requirements Variance	☐ Break Testing	☐ Offline Cementing	

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **1850 feet** (a minimum of **25 feet (Lea County)** into the Rustler Anhydrite and above the salt) and cemented to the surface.

    a. If cement does not circulate to the surface, the appropriate BLM office shall

be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.

b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
d. If cement falls back, remedial cementing will be done prior to drilling out that string.

2. The minimum required fill of cement behind the **9-5/8** inch intermediate casing shall be set at approximately **5470 feet** is:

- Cement to surface. If cement does not circulate see B.1.a, c-d above. **Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef.**

❖ In Capitan Reef Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

❖ **Special Capitan Reef requirements.** If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following:

- Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.

- Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports. The daily drilling report should show mud volume per shift/tour. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

3. The minimum required fill of cement behind the **7-5/8** inch intermediate casing is:

Option 1 (Single Stage):

- Cement should tie-back at least **50 feet** on top of Capitan Reef top **or 200 feet** into the previous casing, whichever is greater. If cement does not circulate see B.1.a, c-d above.
  Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef. Cement excess is less than 25%, more cement might be required.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.

b. Second stage above DV tool:

- Cement should tie-back at least **50 feet** on top of Capitan Reef top **or 200 feet** into the previous casing, whichever is greater. If cement does not circulate see B.1.a, c-d above.
  Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst, potash or capitan reef. Cement excess is less than 25%, more cement might be required.

4. The minimum required fill of cement behind the **5-1/2** inch production casing is:

- Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1.

Option 1:

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M)** psi.

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b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **9-5/8** intermediate casing shoe shall be **5000 (5M)** psi.

a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the **7-5/8** inch intermediate casing shoe shall be **10,000 (10M)** psi. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.**

Option 2:

a. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the **13-3/8** inch surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **10,000 (10M)** psi. **Variance is approved to use a 5000 (5M) Annular which shall be tested to 5000 (5M) psi.**

i. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
ii. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
iii. Manufacturer representative shall install the test plug for the initial BOP test.
iv. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
v. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

Communitization Agreement

- The operator will submit a Communitization Agreement to the Santa Fe Office, 301 Dinosaur Trail Santa Fe, New Mexico 87508, at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
- If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.

- In addition, the well sign shall include the surface and bottom hole lease numbers. When the Communitization Agreement number is known, it shall also be on the sign.

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GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

a. Spudding well (minimum of 24 hours)
b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
c. BOPE tests (minimum of 4 hours)

☒ Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822

☒ Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575) 393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.

   a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
   b. When the operator proposes to set surface casing with Spudder Rig
      - Notify the BLM when moving in and removing the Spudder Rig.
      - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
      - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.

2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.

3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.

2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.

5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.

6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.

7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

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1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:

    a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
    b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
    c. Manufacturer representative shall install the test plug for the initial BOP test.
    d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
    e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

    a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not

hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).

b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).

c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).

d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.

e. The results of the test shall be reported to the appropriate BLM office.

f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.

g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.

h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

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District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 748-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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

CONDITIONS

Action 142868

CONDITIONS

Operator: Franklin Mountain Energy LLC 44 Cook Street Denver, CO 80206	OGRID: 373910
	Action Number: 142868
	Action Type: [C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	9/23/2022
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string	9/23/2022
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	9/23/2022
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	9/23/2022