NSL - 8325

RECEIVED: 02/08/22 REVIEWER: LRL	^{PE:} NSL APP NO: pLEL2205938020
	TABLE FOR OCC DIVISION USE ONLY
NEW MEXICO OIL CO - Geological & Eng 1220 South St. Francis Driv	
	PLICATION CHECKLIST TIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
	SSING AT THE DIVISION LEVEL IN SANTA FE
Applicant: Tap Rock Operating, LLC	OGRID Number: 372043
Well Name: Cypress 33 Fed Com # 234H	API: 30-015- 47881
Pool: Purple Sage; Wolfcamp (Gas)	Pool Code: 98220
	IN REQUIRED TO PROCESS THE TYPE OF APPLICATION TED BELOW
 1) TYPE OF APPLICATION: Check those which app A. Location – Spacing Unit – Simultaneous D NSL NSP(project AREA) B. Check one only for [1] or [1] [1] Commingling – Storage – Measureme DHC CTB PLC PRO [1] Injection – Disposal – Pressure Increas WFX PMX SWD IP 	edication NSP(proration UNIT) SD ent C OLS OLM se – Enhanced Oil Recovery
 2) NOTIFICATION REQUIRED TO: Check those white A. Offset operators or lease holders B. Royalty, overriding royalty owners, reverse C. Application requires published notice D. Notification and/or concurrent approve E. Notification and/or concurrent approve F. Surface owner G. For all of the above, proof of notification H. No notice required 	enue owners val by SLO val by BLM
 CERTIFICATION: I hereby certify that the inform administrative approval is accurate and comp understand that no action will be taken on this notifications are submitted to the Division. 	
Note: Statement must be completed by an ind	lividual with managerial and/or supervisory capacity.

Adam G. Rankin

Print or Type Name

-

2/8/2022 Date

505-954-7294

Phone Number

AGRankin@hollandhart.com e-mail Address

Signature



Adam G. Rankin Phone (505) 954-7294 AGRankin@hollandhart.com

February 3, 2022

VIA ONLINE FILING

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

Re: Tap Rock Operating, LLC Request for Administrative Approval of Unorthodox Well Location

Cypress 33 Fed Com # 234H well E/2 of Section 33, Township 23 South, Range 29 East Eddy County, New Mexico Purple Sage; Wolfcamp (Gas) pool [98220] API No. 30-015-47881

Dear Ms. Sandoval:

Tap Rock Operating, LLC (OGRID No. 372043), pursuant to Division Rules 19.15.16.15(C)(6) and 19.15.15.13(C)-(D) NMAC and applicable rules governing acreage and well location requirements for the Purple Sage; Wolfcamp (Gas) pool [98220], seeks administrative approval of an unorthodox well location for its **Cypress 33 Fed Com # 234H well** (API No. 30-015-47881), in a 320-acre, more or less, spacing unit underlying the E/2 of Section 33, Township 23 South, Range 29 East, N.M.P.M., Eddy County, New Mexico.

The proposed surface and bottom hole locations and first and last take points are as follows:

- the <u>surface location</u> is located 23 feet from the south line and 1054 feet from the east line (Unit P) of Section 28,
- the <u>bottom hole location</u> is located 30 feet from the south line and 331 feet from the east line (Unit P) of Section 33,
- the <u>first take point</u> is located 330 feet from the north line and 331 feet from the east line (Unit A) of Section 33 and

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska	Montana	Utah
Colorado	Nevada	Washington, D.C.
Idaho	New Mexico	Wyoming

• the <u>last take point</u> is located 100 feet from the south line and 331 feet from the east line (Unit P) of Section 33.

Since this acreage is governed by the Division's statewide rules, the completed interval for this well will be unorthodox because the last take point is closer (100 feet instead of 330 feet) than the standard offsets to the southern boundary of the spacing unit – thus encroaching on the N/2 of Section 4, Township 24 South, Range 29 East. Approval of the unorthodox, completed interval will increase the well's effective lateral length by 230 feet, thereby increasing ultimate recovery of reserves and preventing waste of natural resources.

Exhibit A is a Form C-102 with attached plats showing the last take point of the proposed Cypress 33 Fed Com # 234H well encroaches on the spacing unit/tracts to the south in the N/2 of Section 4, Township 24 South, Range 29 East.

Exhibit B is a plat for the E/2 of Section 33, Township 23 South, Range 29 East, and the N/2 of Section 4, Township 24 South, Range 29 East, that shows the proposed Cypress 33 Fed Com # 234H well in relation to adjoining spacing unit/tracts to the south. OXY USA Inc. is the operator of a well in the affected spacing unit to the south. Additionally, the United States owns the mineral estate or a part thereof in the affected spacing unit. Accordingly, the "affected persons" ¹ are OXY USA Inc. and the United States Bureau of Land Management. Included as **Exhibit C** is a waiver from OXY USA Inc. Therefore, notice only needs to be provided to the United States Bureau of Land Management.

Exhibit D is a spreadsheet listing all affected persons and includes tracking information demonstrating that each of the affected persons has either executed a waiver or was sent a copy of this application with all attachments by certified mail advising that any objections must be filed in writing with the Division within 20 days from the date the Division receives the application. The following are the affected parties:

Туре	Affected Party	Location
Operator/	OXY USA Inc.	N/2 of
Working		Section 4
Interest		
Federal/State	United States Bureau of Land	N/2 of
Mineral	Management	Section 4
Interest		

¹ See NMAC §§ 19.15.2.7.A(8) and 19.15.4.12.A(2)(a).

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Montana Nevada New Mexico

Utah

Wyoming

Washington, D.C.

Your attention to this matter is appreciated.

Sincerely,

Adam G. Rankin ATTORNEY FOR TAP ROCK OPERATING, LLC

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Montana Nevada New Mexico Utah

Wyoming

Washington, D.C.

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Released to Imaging: 4/29/2022 9:56:18 AM

Received by OCD: 2/8/2022 4:05:40 PM

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

Exhibit A

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

FORM C-102 Revised August 1, 2011 Submit one copy to appropriate

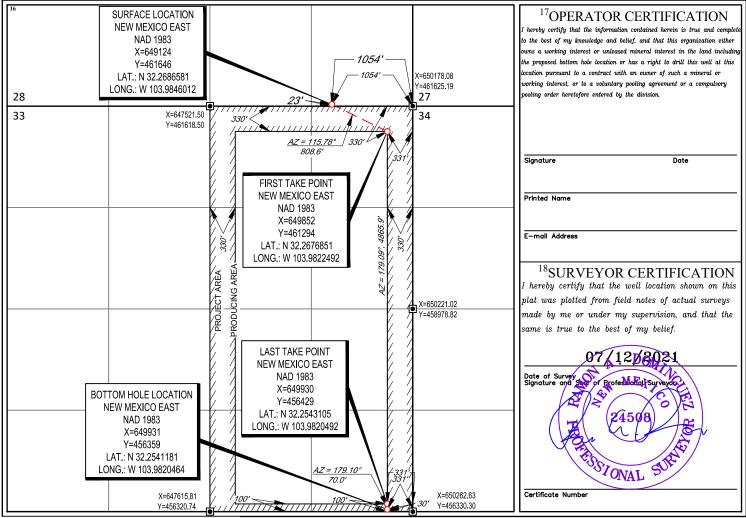
District Office

Page 5 of 16

AMENDED REPORT

¹API Number ²Pool Code ³Pool Name Property Name Well Number ⁴Property Code CYPRESS 33 FED COM 234H ³Operator Name ⁷OGRID No. ⁹Elevation TAP ROCK OPERATING, LLC. 3004' 372043 ¹⁰Surface Location UL or lot no. Section Township Rang Lot Idn Feet from the North/South line Feet from the East/West line County Ρ 28 23-S 29-E 23' SOUTH 1054' EAST EDDY ¹¹Bottom Hole Location If Different From Surface UL or lot no. Township Lot Idn Feet from the North/South line Feet from the East/West line County Section Rang 331' 29-E 30' SOUTH EDDY Ρ 3323-S EAST ²Dedicated Acres ³Joint or Infill ⁴Consolidation Code ⁵Order No.

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

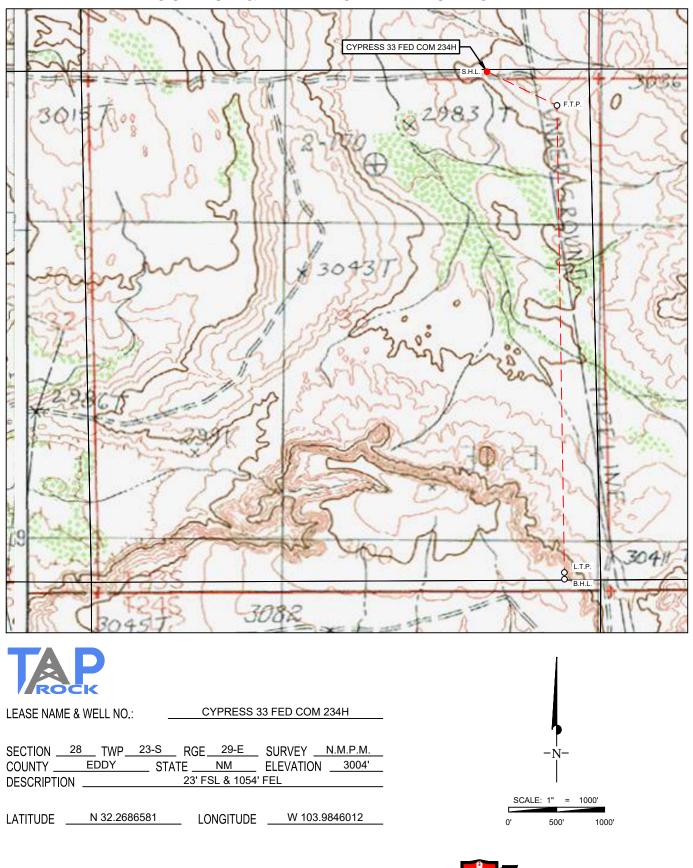


Released to Imaging: 4/29/2022 9:56:18 AM S:SURVEY:TAPROCKICYPRESS

S:\SURVEY\TAPROCK\CYPRESS_33_AREA\FINAL_PRODUCTS\LO_CYPRESS_33_FED_COM_234H_REV3.DWG 11/4/2021 1:20:51 PM kmathe

Received by OCD: 2/8/2022 4:05:40 PM

LOCATION & ELEVATION VERIFICATION MAP

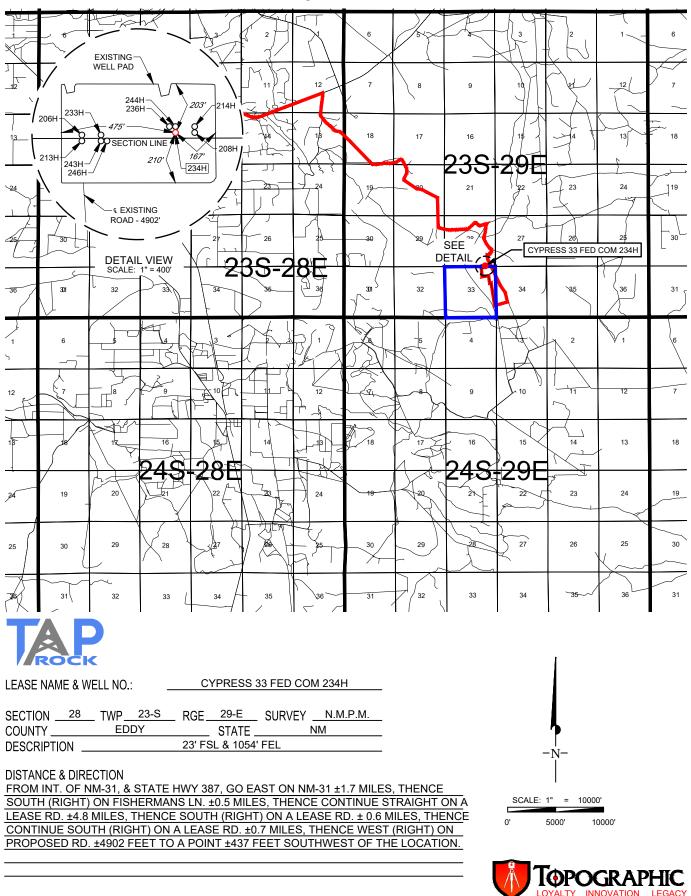


THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.

IOPOGRAPHIC

1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140 <u>TELEPHONE: (817) 744-7512 • FAX (817) 744-7554</u> 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743 WWW.TOPOGRAPHIC.COM

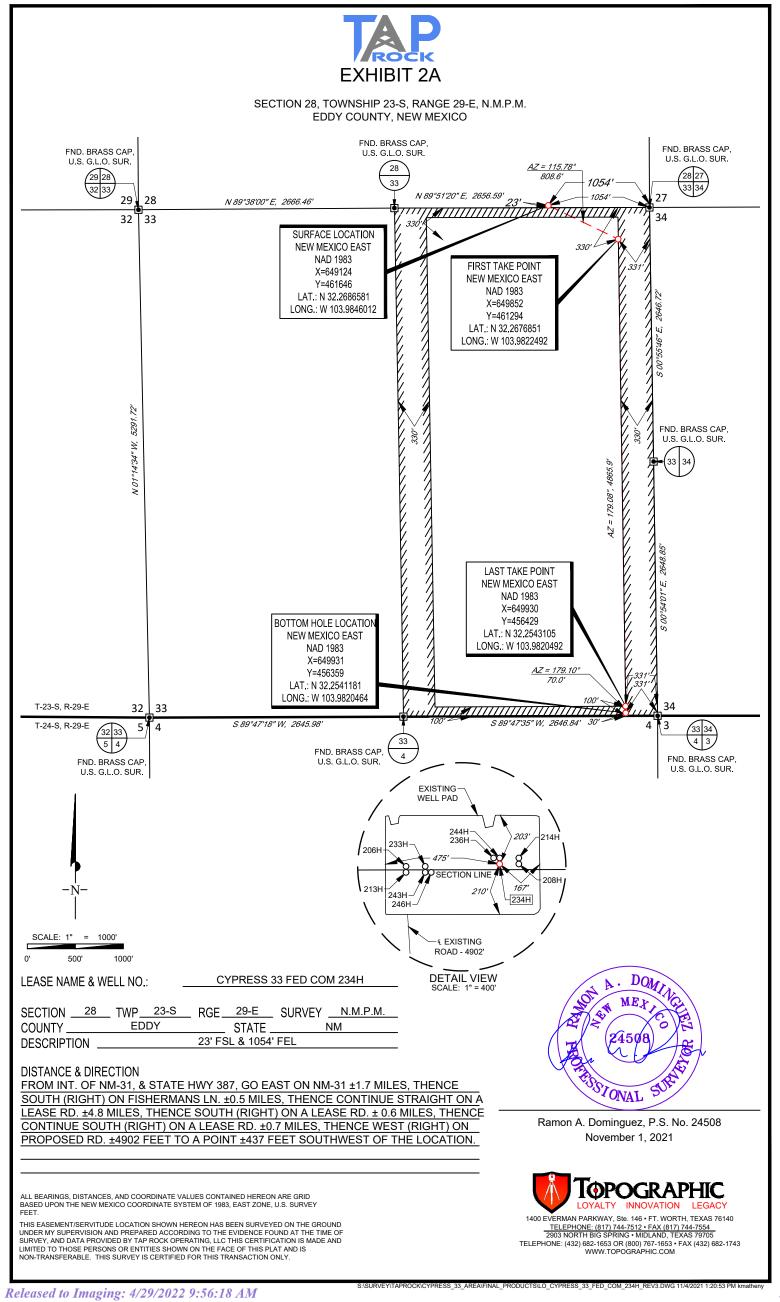


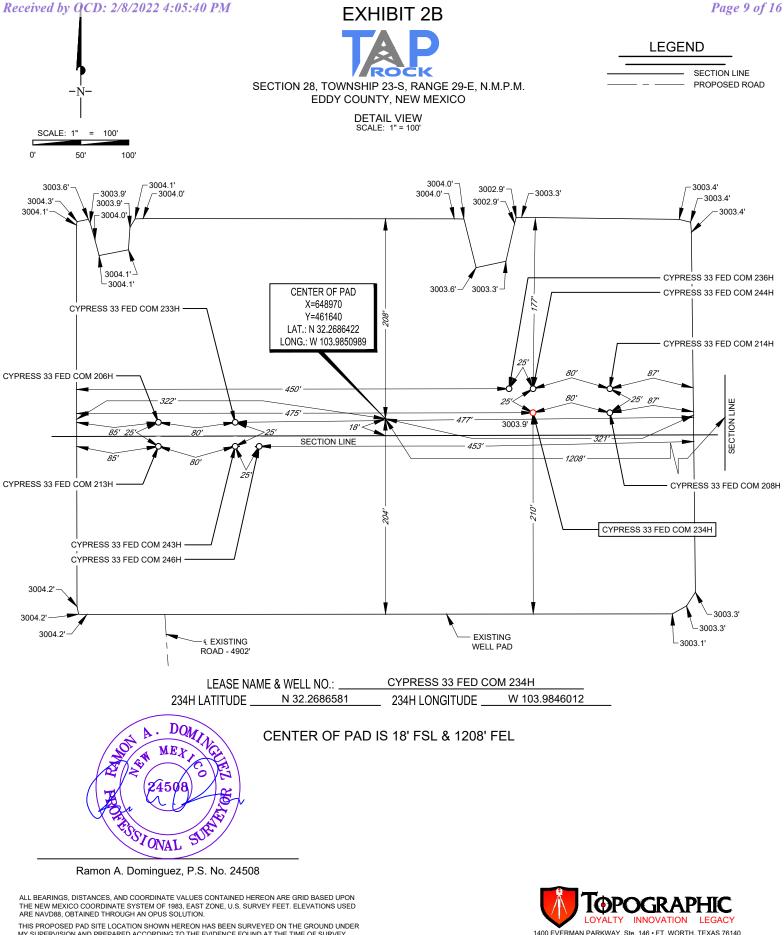
THIS EASEMENT/SERVITUDE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ALL BEARINGS, DISTANCES, AND COORDINATE VALUES CONTAINED HEREON ARE GRID BASED UPON THE NEW MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.

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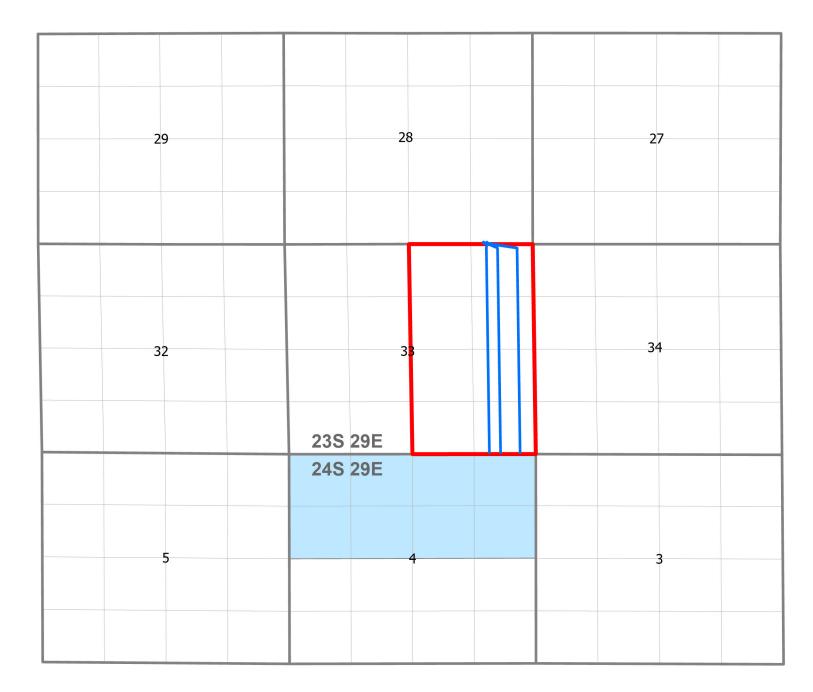




THIS PROPOSED PAD SITE LOCATION SHOWN HEREON HAS BEEN SURVEYED ON THE GROUND UNDER MY SUPERVISION AND PREPARED ACCORDING TO THE EVIDENCE FOUND AT THE TIME OF SURVEY, AND DATA PROVIDED BY TAP ROCK OPERATING, LLC. ONLY THE DATA SHOWN ABOVE IS BEING CERTIFIED TO, ALL OTHER INFORMATION WAS INTENTIONALLY OMITTED. THIS PLAT IS ONLY INTENDED TO BE USED FOR A PERMIT AND IS NOT A BOUNDARY SURVEY. THIS CERTIFICATION IS MADE AND LIMITED TO THOSE PERSONS OR ENTITIES SHOWN ON THE FACE OF THIS PLAT AND IS NON-TRANSFERABLE. THIS SURVEY IS CERTIFIED FOR THIS TRANSACTION ONLY.

ORIGINAL DOCUMENT SIZE: 8.5" X 11"

TELEPHONE: (817) 744-7512 • FAX (817) 744-7554 2903 NORTH BIG SPRING • MIDLAND, TEXAS 79705 TELEPHONE: (432) 682-1653 OR (800) 767-1653 • FAX (432) 682-1743 WWW.TOPOGRAPHIC.COM



Cypress 33 Wells	
Cypress 33 E2 Unit	
Oxy USA, Inc. Operated	

Exhibit C

Keri J. Hanzelka

From:	Matt Phillips
Sent:	Friday, October 29, 2021 12:10 PM
То:	Van Liew, Peter R
Subject:	RE: [EXTERNAL] RE: Tap Rock Cypress 33 Wells - NSL Waiver

Peter,

Thank you for the quick response. Tap Rock agrees to waive any right to protest NSLs on Heads. I will place a copy of these emails in the file to memorialize the terms on my end.

Thank you, Matt

From: Van Liew, Peter R <Peter_VanLiew@oxy.com>
Sent: Friday, October 29, 2021 12:05 PM
To: Matt Phillips <mphillips@taprk.com>
Subject: [EXTERNAL] RE: Tap Rock Cypress 33 Wells - NSL Waiver

[EXTERNAL] This email originated from outside your organization. Do not trust links or attachments.

Matt,

Oxy is amenable to granting to waive any right to protest these NSLs so long as we receive a reciprocal waiver for our Heads development in Section 4. Feel free to confirm via email and let me know if you need anything else related to this request.

Sincerely,

Peter R. Van Liew, RPL Senior Land Negotiator Occidental Petroleum Corporation 5 Greenway Plaza, Suite 110 Houston, Texas 77046 713.985.6972 (o) 832.627.6880 (c)

CONFIDENTIALITY NOTICE

The information in this e-mail may be confidential and/or privileged. This e-mail is intended for review only by the individual or organization named above. If you are not the intended recipient, you are hereby notified that any review, dissemination or copying of this e-mail or the information contained herein and in its attachments, if any, is prohibited. If you have received this e-mail in error, please immediately notify the sender by return e-mail and delete this e-mail from your system.

From: Matt Phillips <<u>mphillips@taprk.com</u>>
Sent: Friday, October 29, 2021 12:00 PM
To: Van Liew, Peter R <<u>Peter_VanLiew@oxy.com</u>>
Subject: [EXTERNAL] Tap Rock Cypress 33 Wells - NSL Waiver

WARNING - This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Peter,

Pursuant to our conversation this morning, please allow this email to serve as notice that Tap Rock Operating, LLC intends to drill the following wells at non-standard locations (100' setbacks for FTP and LTP) encroaching on the SW/4 & W/2SE/4 Section 28, T23S, R29E and N/2 Section 4, T24S, R29E:

- E/2 Section 33 (Northern and Southern encroachment): Cypress 33 Fed Com #206H, #246H, #233H, #243H, #213H
- E/2 Section 33 (Southern encroachment): Cypress 33 Fed Com #208H, #214H, #234H, #244H
- W/2 Section 33 (Northern and Southern encroachment): Cypress 33 Fed Com #205H, #207H, #211H, #212H, #231H, #232H, #235H, #241H, #245H, #242H

We plan to spud the E/2 wells starting in December of 2021 and the W/2 wells in April of 2022. If OXY is amenable to granting Tap Rock waivers for the above, we are willing to grant same for any upcoming OXY Heads development and will confirm via email upon request.

Thank you,

Matthew C. Phillips

Land Manager Direct: (720) 459-3724 Cell: (432) 553-3272 mphillips@taprk.com



Exhibit D

ADDR1	ADDR2	ADDR3	ADDR4	ADDR5 ADDR6
OXY USA Inc.	5 Greenway Plaza, Suite 110	Houston	ТХ	77046
United States Bureau of Land Management	620 E Greene Street	Carlsbad	NM	88220
United States Bureau of Land Management	301 Dinosaur Trail	Santa Fe	NM	87508



Adam G. Rankin Phone (505) 954-7294 AGRankin@hollandhart.com

February 3, 2022

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PERSONS

Re: Tap Rock Operating, LLC Request for Administrative Approval of Unorthodox Well Location

Cypress 33 Fed Com # 234H well E/2 of Section 33, Township 23 South, Range 29 East Eddy County, New Mexico Purple Sage; Wolfcamp (Gas) pool [98220] API No. 30-015-47881

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date. Any objection to this application must be filed in writing within twenty days from this date with the applicant and the New Mexico Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application may be approved administratively by the Division.

If you have any questions about this application, please contact the following:

Matt Phillips Tap Rock Operating, LLC (720) 459-3724 mphillips@taprk.com

Sincerely,

Adam G. Rankin ATTORNEY FOR TAP ROCK OPERATING, LLC

T 505.988.4421 F 505.983.6043 110 North Guadalupe, Suite 1, Santa Fe, NM 87501-1849 Mail to: P.O. Box 2208, Santa Fe, NM 87504-2208 www.hollandhart.com

Alaska Montana Colorado Nevada Idaho New Mexico

ana Utah Ia Washington, D.C. Mexico Wyoming

Parent ID	Mail Date	Name	Address 1	City	ST	Zip	MailClass	Tracking #	Well
31309	02/03/20 22	United States Bureau of Land Management	620 E Greene St	Carlsbad	NM	88220- 6292	Certified with Return Receipt (Signature)		71767 - Tap Rock - Cypress - NSL - notice list - 1
31309		United States Bureau of Land Management	301 Dinosaur Trl	Santa Fe	NM	87508- 1560	Certified with Return Receipt (Signature)		71767 - Tap Rock - Cypress - NSL - notice list - 2

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

Operator:	OGRID:
TAP ROCK OPERATING, LLC	372043
523 Park Point Drive	Action Number:
Golden, CO 80401	79887
	Action Type:
	[UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By		Condition Date
llowe	NSL-8325 is approved.	3/29/2022

Page 16 of 16

Action 79887