

TAP ROCK OPERATING, LLC

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401

MICHAEL RODRIGUEZ – ATTORNEY
MDRODRIGUEZ@TAPRK.COM

May 10, 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 235H well
W/2 of Section 33, Township 23 South,
Range 29 East, Eddy County, New Mexico
Purple Sage; Wolfcamp (Gas) pool [98220]
API No. 30-015-47864

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 235H well (API No. 30-015-47864) (“Well”), in a 320-acre, more or less, horizontal spacing unit underlying the W/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:

Surface location:	251 FNL, 1314 FWL (Unit D)	S33-T23S-R29E
First take point:	100 FNL, 1540 FWL (Unit D)	S33-T23S-R29E
Last take point:	100 FSL, 1540 FWL (Unit N)	S33-T23S-R29E
Bottom hole location:	30 FSL, 1540 FWL (Unit N)	S33-T23S-R29E

Since this acreage is governed by the Division’s statewide rules, the completed interval for this well will be unorthodox because the first and last take points are closer (100 feet instead of 330 feet) than the standard offsets to the northern and southern boundaries of the spacing unit – thus encroaching on (1) the SW/4 of Section 28, Township 23 South, Range 29 East, and (2) the NW/4 of Section 4, Township 24 South, Range 29 East. Approval of the unorthodox, completed interval will increase the well’s effective lateral length by 460 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 first take point of the proposed Well encroaches on the spacing unit/tracts to the north in the SW/4 of Section 28 and showing the last take point of the well encroaches on the spacing unit/tracts to the south in the NW/4 of Section 4.

Exhibit B is a plat for the W/2 of Section 33, the SW/4 of Section 28, and the NW/4 of Section 4 that shows the proposed Well in relation to adjoining spacing unit/tracts to the north and south. XTO Energy, Inc. is the operator of wells in the affected spacing unit to the north and OXY USA Inc. is the operator of the wells in the affected spacing unit to the south. Additionally, the United States owns the mineral estate or a part thereof in the affected spacing units. Accordingly, the “affected persons”¹ are XTO Energy, Inc., OXY USA Inc., and the United States Bureau of Land Management. **Exhibit C** contains waivers from XTO Energy, Inc. and OXY USA Inc. Therefore, notice only needs to be provided to the United States Bureau of Land Management.

Exhibit D is a listing of 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:

Type	Affected Party	Location(s)	Notice Required?
Operator/ Working Interest	XTO Energy, Inc.	SW/4 of Section 28	No – executed waiver.
Operator/ Working Interest	OXY USA Inc.	NW/4 of Section 4	No – executed waiver.
Federal/State Mineral Interest	United States Bureau of Land Management	SW/4, NW/4 of Section 4	Yes.

Your attention to this matter is appreciated.

Sincerely,

/s/ Michael Rodriguez
Michael Rodriguez
ATTORNEY FOR
TAP ROCK OPERATING, LLC

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

RECEIVED: 05/11/22	REVIEWER: LRL	TYPE: NSL	APP NO: pLEL2213857161
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: Tap Rock Operating, LLC **OGRID Number:** 372043
Well Name: Cypress 33 Fed Com 235H **API:** 30-015-47864
Pool: Purple Sage; Wolfcamp (Gas) pool **Pool Code:** 98220

SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED BELOW

1) **TYPE OF APPLICATION:** Check those which apply for [A]

A. Location – Spacing Unit – Simultaneous Dedication

☒ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling – Storage – Measurement

☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[II] Injection – Disposal – Pressure Increase – Enhanced Oil Recovery

☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☒ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☒ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application Content Complete

3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

05/09/2022

Date

Michael Rodriguez

Print or Type Name

720-772-5092

Phone Number

Michael Rodriguez

Signature

mdrodriguez@taprk.com

e-mail Address

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

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 30-015-47864	² Pool Code 98220	³ Pool Name Purple Sage Wolfcamp; Gas
⁴ Property Code	⁵ Property Name CYPRESS 33 FED COM	
⁷ OGRID No. 372043	⁸ Operator Name TAP ROCK OPERATING, LLC.	⁶ Well Number 235H
		⁹ Elevation 3006'

¹⁰Surface Location

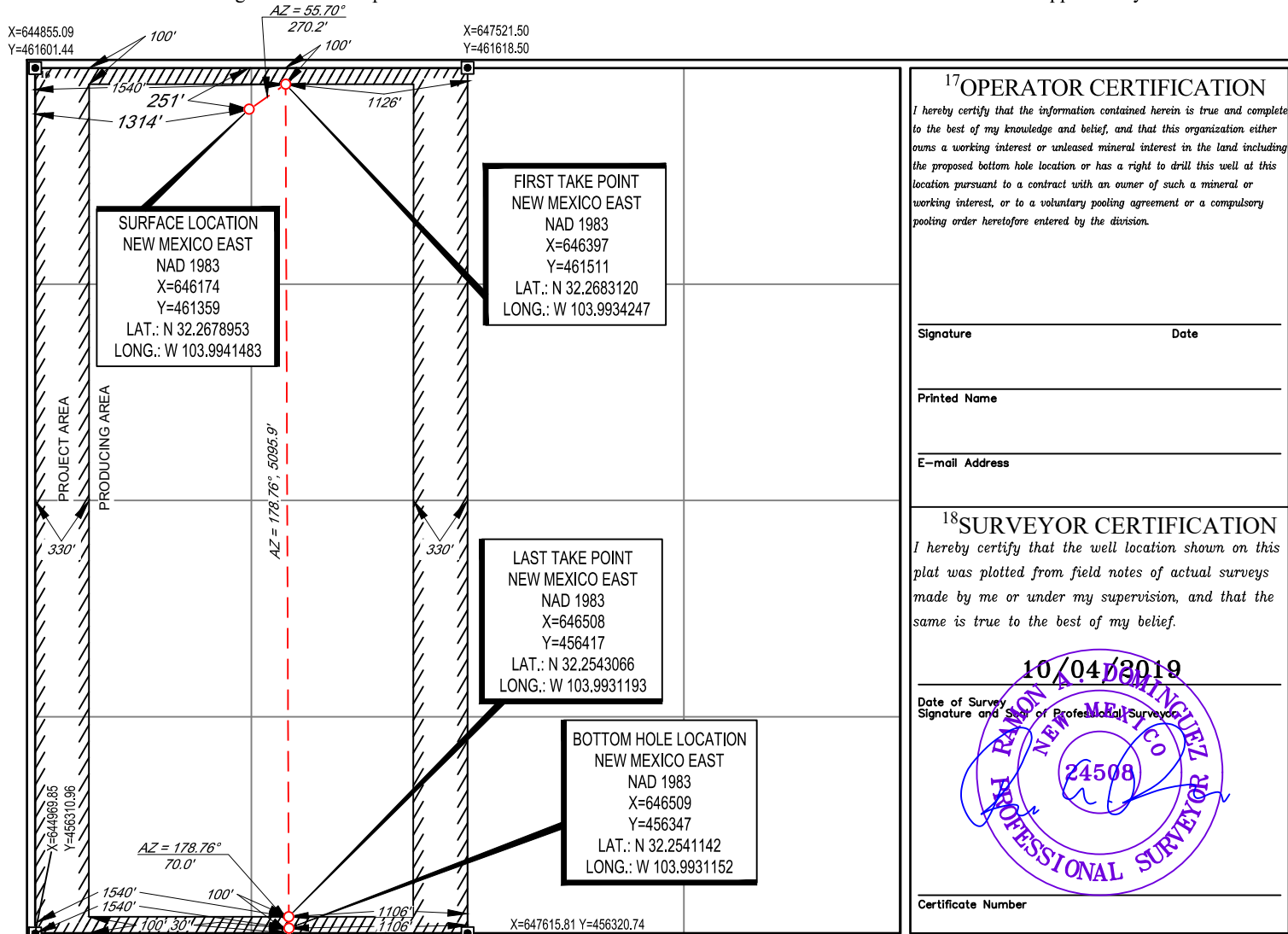
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	33	23-S	29-E	—	251'	NORTH	1314'	WEST	EDDY

¹¹Bottom Hole Location If Different From Surface

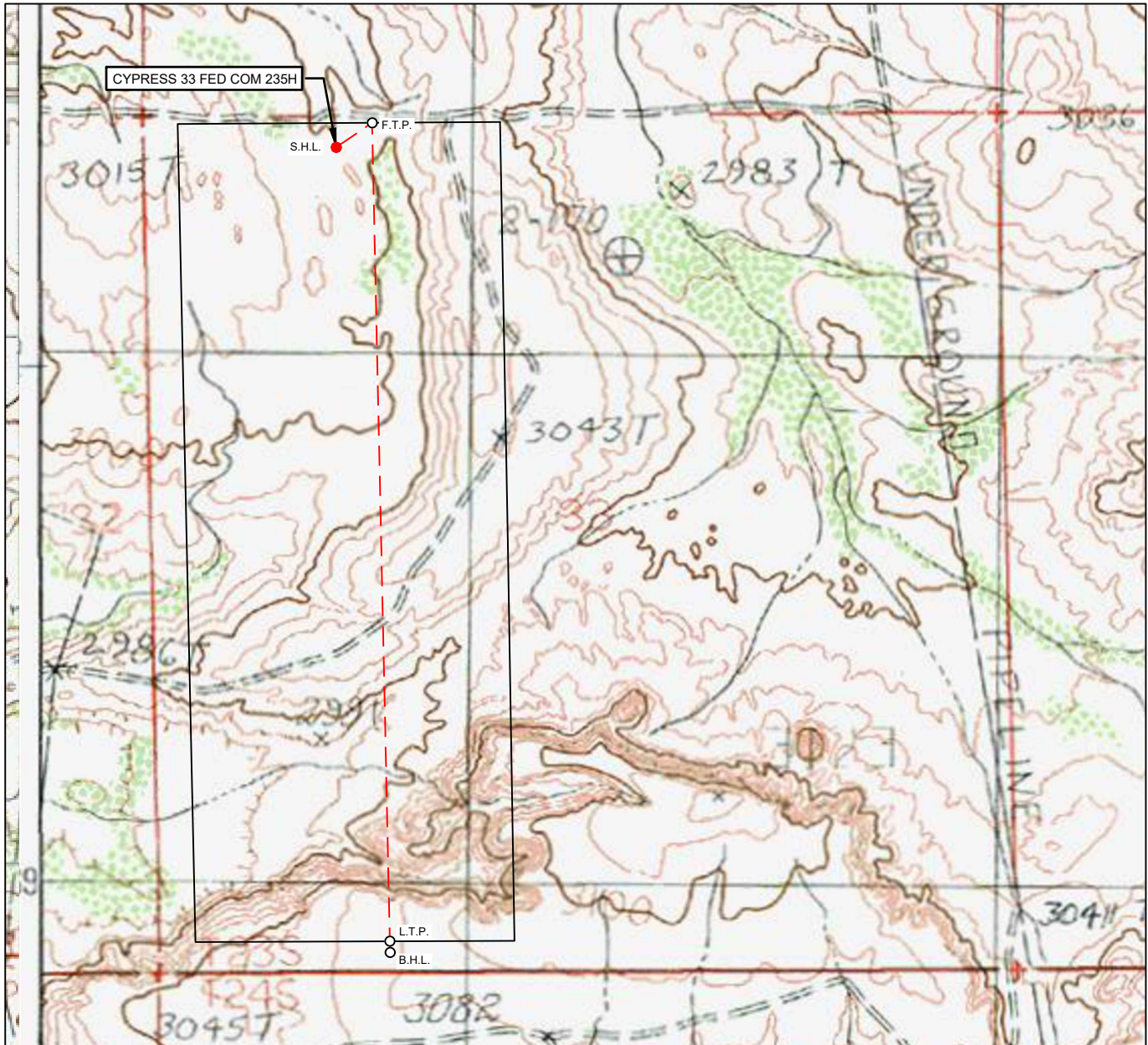
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	33	23-S	29-E	-	30'	SOUTH	1540'	WEST	EDDY

¹² Dedicated Acres 320.00	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



LOCATION & ELEVATION VERIFICATION MAP

LEASE NAME & WELL NO.: CYPRESS 33 FED COM 235H

SECTION 33 TWP 23-S RGE 29-E SURVEY N.M.P.M.
 COUNTY EDDY STATE NM ELEVATION 3006'
 DESCRIPTION 251' FNL & 1314' FWL

LATITUDE N 32.2678953 LONGITUDE W 103.9941483

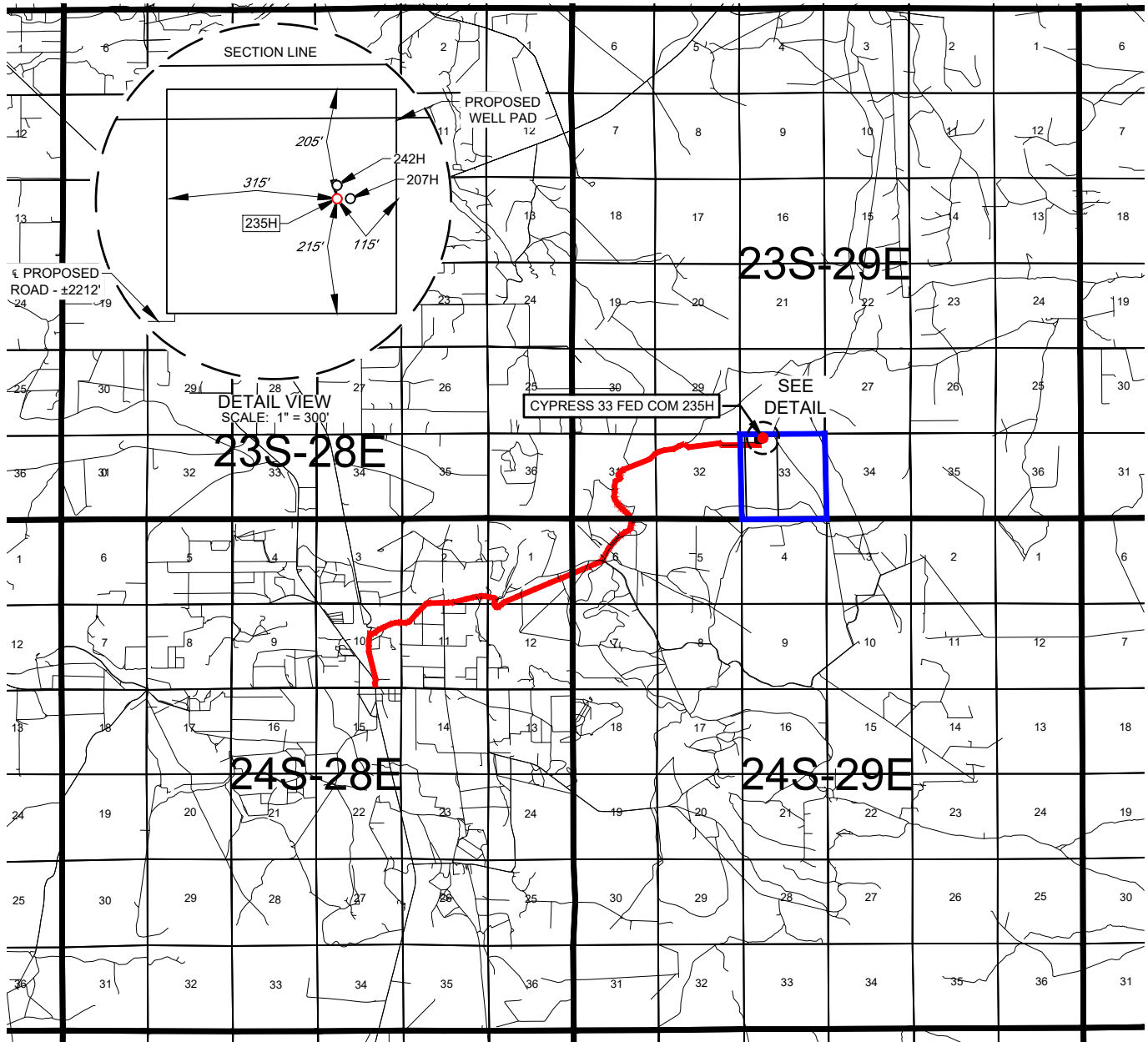
SCALE: 1" = 1000'
 0' 500' 1000'

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.



1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
 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

EXHIBIT 2
VICINITY MAP

LEASE NAME & WELL NO.: CYPRESS 33 FED COM 235H

SECTION 33 TWP 23-S RGE 29-E SURVEY N.M.P.M.
 COUNTY EDDY STATE NM
 DESCRIPTION 251' FNL & 1314' FWL

DISTANCE & DIRECTION

FROM INT. OF US-285, & NM-720, HEAD NORTH ON US-285 E ±295 FEET,
 THENCE NORTH (RIGHT) ON ONSUREZ RD. ±0.6 MILES, THENCE EAST (RIGHT)
 ON BRAMBLE RD. ±1.1 MILES, THENCE CONTINUING ON HARROUN RD. ± 2.0
 MILES, THENCE NORTH (LEFT) ON A LEASE RD. ±2.9 MILES, THENCE SOUTH
 (RIGHT) ON A LEASE RD. ±200 FEET, THENCE EAST (LEFT) ON PROPOSED RD.
 ±2212 FEET, A POINT ±369 FEET SOUTHWEST OF THE LOCATION.

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
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 MEXICO COORDINATE SYSTEM OF 1983, EAST ZONE, U.S. SURVEY FEET.



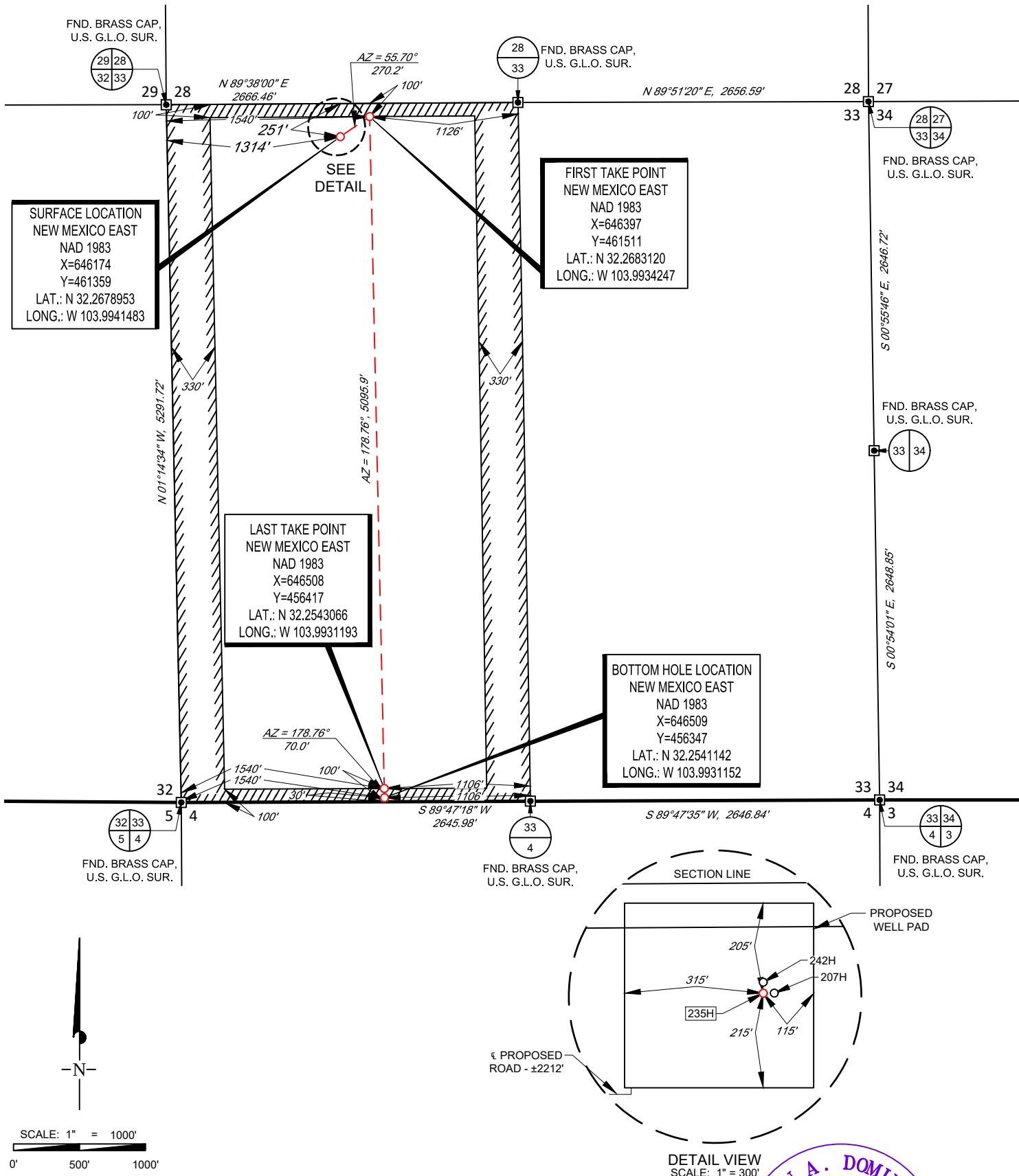
SCALE: 1" = 10000'
 0' 5000' 10000'



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 WWW.TOPOGRAPHIC.COM

TAP
ROCK
EXHIBIT 2A

SECTION 33, TOWNSHIP 23-S, RANGE 29-E, N.M.P.M.
EDDY COUNTY, NEW MEXICO



LEASE NAME & WELL NO.: CYPRESS 33 FED COM 235H

SECTION 33 TWP 23-S RGE 29-E SURVEY N.M.P.M.
COUNTY EDDY STATE NM
DESCRIPTION 251' FNL & 1314' FWL

DISTANCE & DIRECTION
FROM INT. OF US-285, & NM-720, HEAD NORTH ON US-285 E ±295 FEET,
THENCE NORTH (RIGHT) ON ONSUREZ RD. ±0.6 MILES, THENCE EAST (RIGHT)
ON BRAMBLE RD. ±1.1 MILES, THENCE CONTINUING ON HARROUN RD. ± 2.0
MILES, THENCE NORTH (LEFT) ON A LEASE RD. ±2.9 MILES, THENCE SOUTH
(RIGHT) ON A LEASE RD. ±200 FEET, THENCE EAST (LEFT) ON PROPOSED RD.
±2212 FEET, A POINT ±369 FEET SOUTHWEST OF THE LOCATION.

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.
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.

SECTION LINE
PROPOSED WELL PAD
205'
315'
235H
215'
115'
242H
207H
PROPOSED ROAD - ±2212'
DETAIL VIEW
SCALE: 1" = 300'

Ramon A. Dominguez, P.S. No. 24508
February 15, 2022

TOPOGRAPHIC
LOYALTY INNOVATION LEGACY
1400 EVERMAN PARKWAY, Ste. 146 • FT. WORTH, TEXAS 76140
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

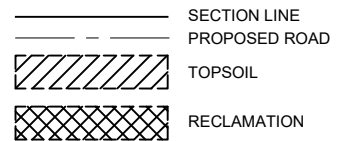
EXHIBIT 2B



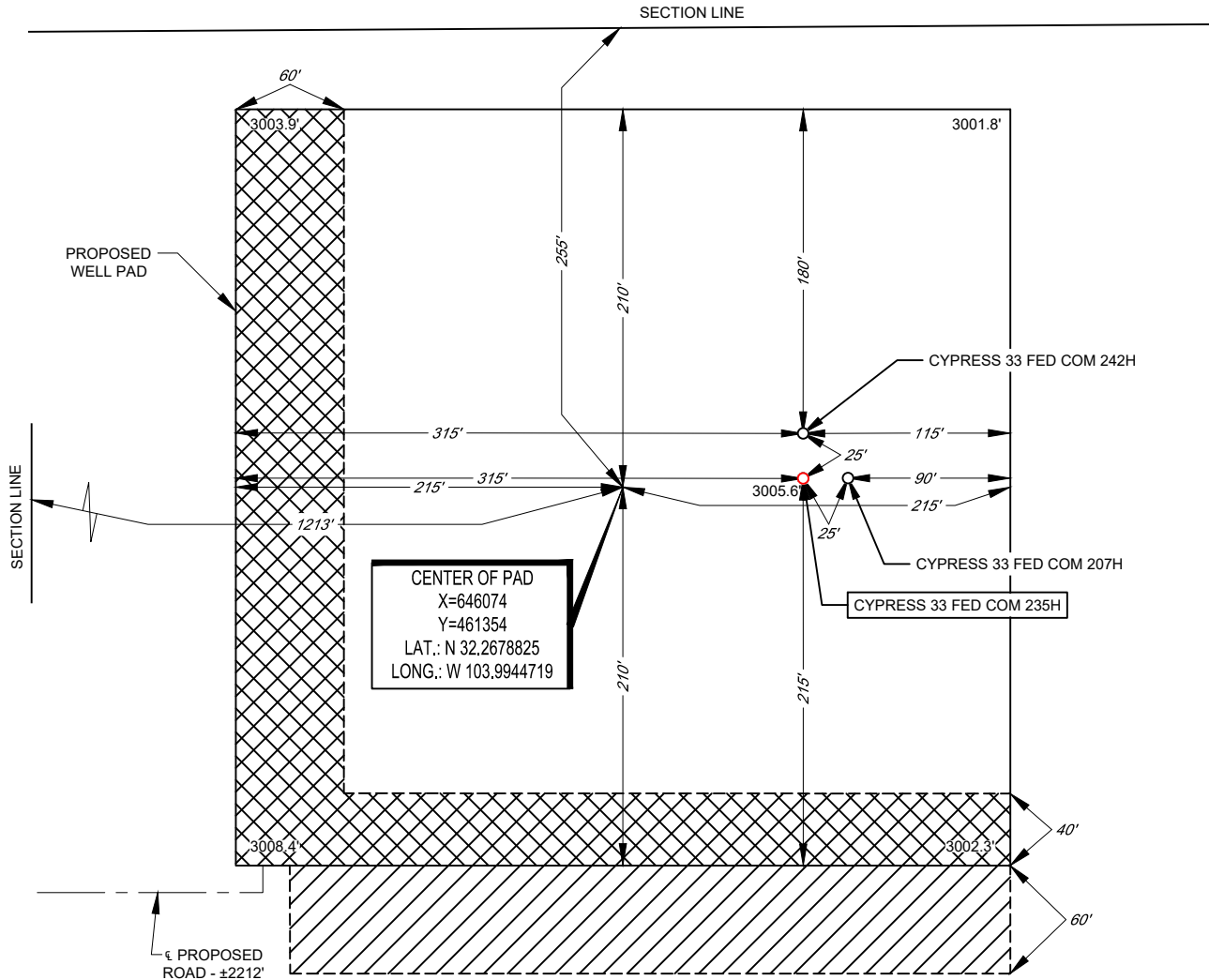
SECTION 33, TOWNSHIP 23-S, RANGE 29-E, N.M.P.M.
EDDY COUNTY, NEW MEXICO

DETAIL VIEW
SCALE: 1" = 100'

LEGEND



SCALE: 1" = 100'
0' 50' 100'



LEASE NAME & WELL NO.: CYPRESS 33 FED COM 235H
235H LATITUDE N 32.2678953 235H LONGITUDE W 103.9941483
CENTER OF PAD IS 255' FNL & 1213' FWL



Ramon A. Dominguez, P.S. No. 24508

February 15, 2022

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. ELEVATIONS USED ARE NAVD88, OBTAINED THROUGH AN OPUS SOLUTION.

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"



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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

Exhibit C

From: [Salinas, C R](#)
To: [Matt Phillips](#)
Subject: [EXTERNAL] RE: Tap Rock Cypress 33 W/2 Wells - NSL Waiver
Date: Monday, March 7, 2022 3:10:49 PM
Attachments: [image001.png](#)

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

Matt,
XTO is agreeable to your request. Send over any documents pertaining to such (if needed) and we will execute.

Thanks and let me know if you have any questions.

C.R. Salinas
Sr. Landman – Delaware Basin (Poker Lake)
Land Dept. Loc. 115
22777 Springwoods Village Parkway
Spring, TX 77389
O: 832-625-4370
C: 720-879-4706
carlos.salinas@exxonmobil.com

From: Matt Phillips [mailto:mphillips@taprk.com]
Sent: Monday, March 7, 2022 4:03 PM
To: Salinas, C R <carlos.salinas@exxonmobil.com>
Subject: Tap Rock Cypress 33 W/2 Wells - NSL Waiver

External Email - Think Before You Click

CR,

Pursuant to our prior telephone conversation, please allow this email to serve as notice that Tap Rock Operating, LLC intends to drill the following Wolfcamp wells at non-standard locations (100' setbacks for the FTP) encroaching on the SW/4 Section 28, Township 23 South, Range 29 East, Eddy County, New Mexico:

- Cypress 33 Fed Com #205H, #207H, #231H, #235H, #242H, #245H

We plan to spud the wells on March 31, 2022. If XTO is amenable to granting Tap Rock waivers for the above, we are willing to grant a reciprocal waiver for heel/toe encroachments of similar nature in the future.

Thank you,

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



From: [Van Liew, Peter R](#)
To: [Matt Phillips](#)
Subject: [EXTERNAL] RE: Tap Rock Cypress 33 Wells - NSL Waiver
Date: Friday, October 29, 2021 12:05:55 PM
Attachments: [image001.png](#)

[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

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From: Matt Phillips <mphillips@taprk.com>
Sent: Friday, October 29, 2021 12:00 PM
To: Van Liew, Peter R <Peter_VanLiew@oxy.com>
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

Cypress 33 Fed Com #205H, #207H, #231H, #235H, #242H, #245H Notice List

XTO Holdings, LLC
22777 Springwoods Village Parkway
Spring, TX 77389

OXY USA, Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77046

OXY Y-1 Company
P.O. Box 27570
Houston, TX 77227

United States Bureau of Land Management 620 E Greene Street Carlsbad, NM 88220	Tracking #: 70220410000290643325
--	----------------------------------

United States Bureau of Land Management 301 Dinosaur Trail Santa Fe, NM 87508	Tracking #: 70220410000290643332
---	----------------------------------

TAP ROCK OPERATING, LLC
MICHAEL RODRIGUEZ – ATTORNEY
MDRODRIGUEZ@TAPRK.COM

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401



May 10, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Tap Rock Operating, LLC
Request for Administrative Approval of Unorthodox Well Locations for the following wells located in W/2 of Section 33, Township 23 South, Range 29 East, Eddy County, New Mexico, Purple Sage; Wolfcamp (Gas) pool [98220]:

Cypress 33 Fed Com 205H well	API No. 30-015-48295
Cypress 33 Fed Com 207H well	API No. 30-015-48297
Cypress 33 Fed Com 231H well	API No. 30-015-47871
Cypress 33 Fed Com 235H well	API No. 30-015-47864
Cypress 33 Fed Com 242H well	API No. 30-015-47863
Cypress 33 Fed Com 245H well	API No. 30-015-47869

To whom it may concern:

Enclosed is a copy of the above-referenced applications which were filed with the New Mexico Oil Conservation Division on this date. Any objection to any of these applications 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, these applications may be approved administratively by the Division.

If you have any questions about these applications, please contact the following:

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

Sincerely,

/s/ Michael Rodriguez
Michael Rodriguez
ATTORNEY FOR
TAP ROCK OPERATING, LLC

Exhibit C

From: [Salinas, C R](#)
To: [Matt Phillips](#)
Subject: [EXTERNAL] RE: Tap Rock Cypress 33 W/2 Wells - NSL Waiver
Date: Monday, March 7, 2022 3:10:49 PM
Attachments: [image001.png](#)

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Thanks and let me know if you have any questions.

C.R. Salinas
Sr. Landman – Delaware Basin (Poker Lake)
Land Dept. Loc. 115
22777 Springwoods Village Parkway
Spring, TX 77389
O: 832-625-4370
C: 720-879-4706
carlos.salinas@exxonmobil.com

From: Matt Phillips [mailto:mphillips@taprk.com]
Sent: Monday, March 7, 2022 4:03 PM
To: Salinas, C R <carlos.salinas@exxonmobil.com>
Subject: Tap Rock Cypress 33 W/2 Wells - NSL Waiver

External Email - Think Before You Click

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



From: [Van Liew, Peter R](#)
To: [Matt Phillips](#)
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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

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

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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

Cypress 33 Fed Com #205H, #207H, #231H, #235H, #242H, #245H Notice List

XTO Holdings, LLC
22777 Springwoods Village Parkway
Spring, TX 77389

OXY USA, Inc.
5 Greenway Plaza, Suite 110
Houston, TX 77046

OXY Y-1 Company
P.O. Box 27570
Houston, TX 77227

United States Bureau of Land Management 620 E Greene Street Carlsbad, NM 88220	Tracking #: 70220410000290643325
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United States Bureau of Land Management 301 Dinosaur Trail Santa Fe, NM 87508	Tracking #: 70220410000290643332
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TAP ROCK OPERATING, LLC
MICHAEL RODRIGUEZ – ATTORNEY
MDRODRIGUEZ@TAPRK.COM

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401



May 10, 2022

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

TO: ALL AFFECTED PARTIES

Re: Tap Rock Operating, LLC
Request for Administrative Approval of Unorthodox Well Locations for the following wells located in W/2 of Section 33, Township 23 South, Range 29 East, Eddy County, New Mexico, Purple Sage; Wolfcamp (Gas) pool [98220]:

Cypress 33 Fed Com 205H well	API No. 30-015-48295
Cypress 33 Fed Com 207H well	API No. 30-015-48297
Cypress 33 Fed Com 231H well	API No. 30-015-47871
Cypress 33 Fed Com 235H well	API No. 30-015-47864
Cypress 33 Fed Com 242H well	API No. 30-015-47863
Cypress 33 Fed Com 245H well	API No. 30-015-47869

To whom it may concern:

Enclosed is a copy of the above-referenced applications which were filed with the New Mexico Oil Conservation Division on this date. Any objection to any of these applications 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, these applications may be approved administratively by the Division.

If you have any questions about these applications, please contact the following:

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

Sincerely,

/s/ Michael Rodriguez
Michael Rodriguez
ATTORNEY FOR
TAP ROCK OPERATING, LLC

TAP ROCK OPERATING

523 PARK POINT DRIVE, SUITE 200 - GOLDEN, COLORADO 80401

CONNER WOOD

VICE PRESIDENT ASSETS

CWOOD@TAPRK.COM



May 2, 2022

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

RE: Non-Standard Location Request
Cypress 33 Fed Com # 205H, #207H, #231H, #235H, #242H, #245H (the "Wells")

Dear Ms. Sandoval:

Tap Rock Operating, LLC ("Tap Rock") hereby requests administrative approval of a non-standard location for each of the Wells referenced above by decreasing first and last take points from 330 feet to 100 feet from the horizontal plane outer boundary. The Wells are located in the Purple Sage – Wolfcamp Gas Pool (Pool Code 98220). It is Tap Rock's responsibility as a prudent operator to maximize lateral length and to minimize reserves left in the ground. Decreasing the last take points will increase the Wells effective lateral length by 460 feet thereby increasing ultimate recovery of reserves and thereby preventing waste of natural resources.

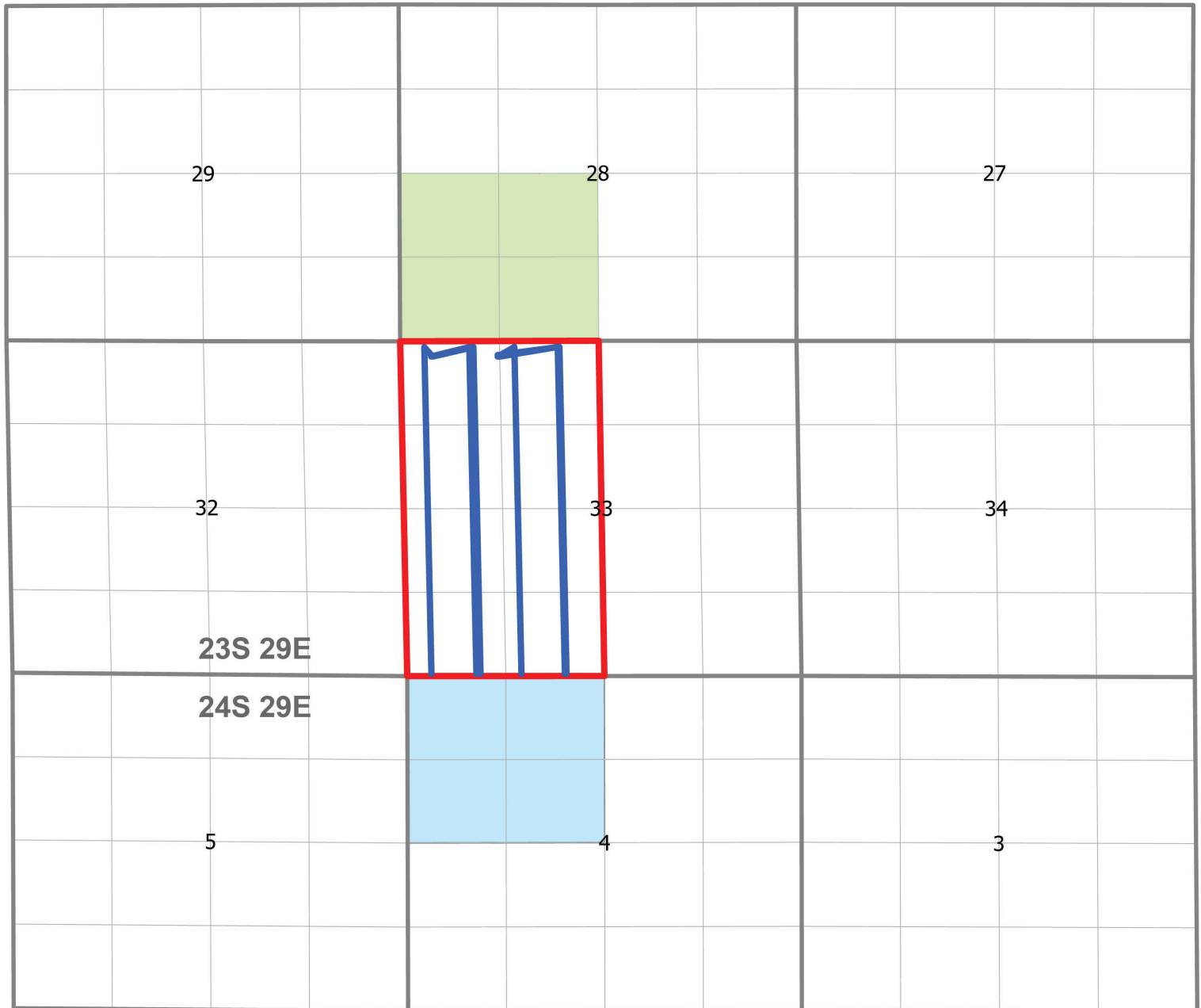
Sincerely,





TAP ROCK OPERATING, LLC

A handwritten signature in black ink, appearing to read "Conner Wood", written over a horizontal line.

Conner Wood
Vice President Assets

Exhibit B



-  Cypress 33 W2 Unit
-  Oxy USA, Inc. Operated
-  XTO Energy, Inc. Operated
-  Cypress 33 Wellbores

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 106195

CONDITIONS

Operator: TAP ROCK OPERATING, LLC 523 Park Point Drive Golden, CO 80401	OGRID: 372043
	Action Number: 106195
	Action Type: [UF-NSL] Non-Standard Location (NSL)

CONDITIONS

Created By	Condition	Condition Date
llowe	NSL-8360 is approved. The order can be reviewed at the OCD Imaging web site: https://ocdimage.emnrd.nm.gov/imaging/AEOrderCriteria.aspx	5/18/2022