

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

**APPLICATION OF TAP ROCK OPERATING, LLC
TO AMEND ORDER NO. R-22712
EDDY COUNTY, NEW MEXICO**

**CASE NO. _____
ORDER NO. R-22712
(Amend)**

APPLICATION

Tap Rock Operating, LLC ("Tap Rock") (OGRID No. 372043), through its undersigned attorney, hereby makes an application to the Oil Conservation Division (the "Division") for the limited purpose of amending Order No. R-22712 (the "Order") to allow for an extension of time for Tap Rock to commence drilling the initial well under the Order. In support of this application, Tap Rock states as follows:

1. On March 27, 2023, Tap Rock filed an application (Case No. 23458) seeking to pool uncommitted interests in the Bone Spring underlying a 640-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 11 and 12, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico.
2. On May 25, 2023, the Division entered Order No. R-22712 in Case No. 23458, which pooled uncommitted interest owners in a 640-acre, more or less, standard horizontal spacing unit comprised of the N/2 of Sections 11 and 12, Township 25 South, Range 25 East, N.M.P.M., Eddy County, New Mexico, and dedicated 2 wells within the horizontal spacing unit.
3. Order No. R-22712 designated Tap Rock as the operator of the wells and the unit.

4. Order No. R-22712, ¶ 20 states: “The Operator shall commence drilling the Well(s) within one year after the date of this Order, and complete each Well no later than one (1) year after the commencement of drilling the Well.”

5. Further, Order No. R-22712, ¶ 21 states: “This Order shall terminate automatically if Operator fails to comply with Paragraph 20 unless Operator obtains an extension by amending this Order for good cause shown.”

6. Under Order No. R-22712, Tap Rock would be required to commence drilling an initial well by May 25, 2024.

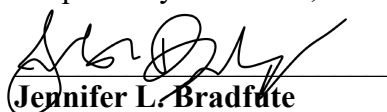
7. Tap Rock hereby requests that Order No. R-22712 be amended to allow Tap Rock additional time to commence drilling the initial well under the Order from May 25, 2024 to May 25, 2025.

8. Good cause exists for Tap Rock’s request for an extension of time. Tap Rock’s plan to develop this acreage was delayed because in June of 2023 its corporate parent was a party to a sales transaction which resulted in a delay of its drilling schedule for the wells under Order No. R-22712.

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

- A. Amend Order No. R-22712 to extend the time for Tap Rock to commence drilling the initial well under the Order for one year, through May 25, 2025; and
- B. Incorporate all other provisions of Order No. R-22712.

Respectfully submitted,



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Attorney for Tap Rock Operating, LLC

Case _____:

Application of Tap Rock Operating LLC, to Amend Order No. R-22712, Eddy County, New Mexico. Applicant in the above-styled cause seeks a year extension of time for drilling the well under Order No. R-22712. The Unit is located in the Bone Spring formation and is comprised of the N/2 of Sections 11 and 12, Township 25 South, Range 25 East, NMPM, Eddy County, New Mexico. The Unit is dedicated to the following proposed initial wells ("Wells"): High Life Federal Com #151H to be horizontally drilled from a surface hole location in the SE/4NE/4 of Section 10 to a bottom hole location in the NE/4NE/4 of Section 12, and High Life Federal Com #152H to be horizontally drilled from a surface hole location in the SE/4NE/4 of Section 10 to a bottom hole location in the SE/4NE/4 of Section 12. The completed interval for the High Life Federal Com #152H will be within 330' of the quarter-quarter line separating the N/2N/2 from the S/2N/2 of Sections 11 and 12 to allow the inclusion of this acreage into a standard horizontal spacing unit. The Unit is located approximately 3 miles southeast of Whites City, New Mexico.